

Inflation in Consumer Price Index Up To Third Quarter 2015 - Emirate of Dubai

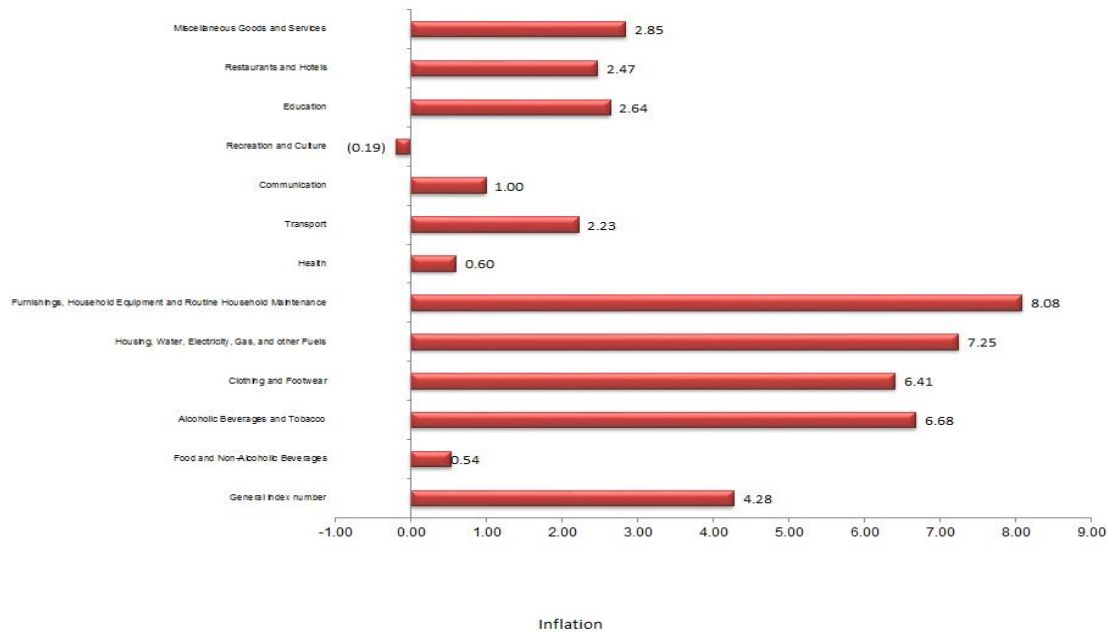
Inflation Rate in the Emirate of Dubai rose to record 4.28% up to Third Quarter of 2015 compared to the same period of 2014. This is due to an increase in the prices of Furnishings, Household Equipment and Routine Household Maintenance group by 8.08% where this group form 3.34% of total relative importance in the consumer basket. Moreover the prices of Housing, Water, Electricity, Gas, and other Fuels group increased by 7.25% and this group considered as the highest group in the relative importance in the consumer basket by 43.70%. The prices of Alcoholic Beverages and Tobacco group increased to record 6.68% with an effect of 0.24% in the consumer basket. Clothing and Footwear group recorded 6.41% forming 5.52% of consumer basket weight. In addition, the prices of Miscellaneous Goods and Services group reached to 2.85% where this group accounted for 6.15% of the total weight of the consumer basket. The increases in the school fees leads the prices of Education group rose by 2.64% and accounted for 4.09% from the total weight of the consumer basket. Restaurants and Hotels group prices increased by 2.47% it form 5.48% in the relative importance of the consumer basket. Additionally, Transport group prices grew by 2.23% and the relative importance of this group to the consumer basket total is 9.08%. Further, Communication group records 1.00% and it has a relative importance of 6.00% to the consumer basket, likewise the prices of Health group grew by 0.60% and this group has a relative importance of 1.08% in the consumer basket. Finally, Food and Non-Alcoholic Beverages group prices increased by 0.54% and it has a relative importance impact to the consumer basket by 11.08%. On the other hand, the prices of the Recreation and Culture group prices decreased by 0.19% where this group form 4.24% of total relative importance in the consumer basket. As shown in table (1).

Table (1) | Inflation and Consumer Price Index Up To Third Quarter 2014 - 2015

2007 = 100

Expenditure groups	Weight	CPI Up To Q3 2014	CPI Up To Q3 2015	Inflation Rate (%)
General index number	100.00	119.23	124.33	4.28
Food and Non-Alcoholic Beverages	11.08	143.41	144.19	0.54
Alcoholic Beverages and Tobacco	0.24	138.99	148.28	6.68
Clothing and Footwear	5.52	122.18	130.01	6.41
Housing, Water, Electricity, Gas, and other Fuels	43.70	102.83	110.29	7.25
Furnishings, Household Equipment and Routine Household Maintenance	3.34	132.82	143.56	8.08
Health	1.08	124.51	125.25	0.60
Transport	9.08	132.95	135.91	2.23
Communication	6.00	91.54	92.46	1.00
Recreation and Culture	4.24	108.27	108.06	(0.19)
Education	4.09	175.32	179.96	2.64
Restaurants and Hotels	5.48	148.01	151.67	2.47
Miscellaneous Goods and Services	6.15	131.94	135.70	2.85

Figure (1) | Inflation in Consumer Price Index - Up To Third Quarter 2014 – 2015



Inflation rate in major expenditure groups:

Food and Non-Alcoholic Beverages

Inflation rate of Food and Non-Alcoholic Beverages Group increased by 0.54%. Because of an increase in the prices of Food products n.e.c. by 2.97% Followed by an increase in the prices of Meat by 2.21%, Moreover, the prices of Bread and cereals rise by 1.95%.

Alcoholic Beverages and Tobacco

Inflation rate of Alcoholic Beverages and Tobacco group increased by 6.68%, due to an increase in the prices of Tobacco by 9.25%.

Clothing and Footwear

The prices of Clothing and Footwear group increased by 6.41%, due to an increase in the prices of Garments by 8.58%, in addition, the prices of Shoes and other Footwear increased by 2.80%, likewise the prices of Clothing Materials rose by 2.03%.

Housing, Water, Electricity, Gas, and other Fuels

Inflation rate of Housing, Water, Electricity, Gas, and other Fuel group increased by 7.25%. As the prices of Rents increased by 8.86%. In addition to that, prices of Electricity increased by 0.10% which affects the increment of the main group.

Furnishings, Household Equipment and Routine Household Maintenance

Inflation rate of Furnishings, Household Equipment and Routine Household Maintenance group increased to record 8.08%. As a result of an increase in the prices of Small Electric Household Appliances by 17.11%. Followed by an increase in the prices of Domestic Services and Household Services by 15.37%, due to an increase in labor wages. Furthermore, the prices of non-durable Household Appliances rise by 0.98%.

Health

Inflation rate of Health group reached 0.60%. Because of an increase in the prices of Other Medical products by 3.53%, followed by an increase in the prices of Paramedical services by 2.98% and the prices of Hospital services increased by 2.26%, leads to the recorded inflation of the health group.

Transport

Inflation rate of Transport group reached 2.23%, with the highest increase in the prices of Passenger transport by road by 13.47%, after a decision from Roads and Transport Authority on the new tariff for taxi trips within the emirate since last December. In addition to that, prices of Fuels and lubricants for personal transport equipment and prices of Spare parts and accessories for personal transport equipment increased by 3.37% and 2.58% respectively.

Communication

Communication group prices increased to record 1.00%. As a result of the increase in the prices of Postal services by 7.19% after the increase in the annual subscription fee of an individual post office box that made by The Emirates Post Group since last December, Further, the prices of Wireless and Wired Services rose by 1.12%.

Recreation and Culture

Inflation rate of Recreation and Culture group dropped to 0.19%. Due to a decrease in the prices of Equipment for the Reception, Recording and Reproduction of Sound and Pictures by 26.66% as a result of the rapid development of the technology sector, followed by the prices of Information Processing Equipment by 13.15% then the prices of Photographic and Cinematographic Equipment and Optical Instruments by 10.36%.

Education

Inflation rate of Education group has increased by 2.64%, As a result of an increase in Secondary education fees by 2.96%, followed by Pre-primary and primary education fees by 2.86% and Post-secondary non-tertiary education fees by 1.98%.

It is worth to mention that the Consumer price index (CPI) - Education Group inflation measures the changes in tuition fees of schools and Post-secondary non-tertiary level, and it is different from cost of education index (ECI). Where (ECI) measures the operating expenses for schools.

Restaurants and Hotels

Inflation rate of Restaurants and Hotels group reached 2.47%, due to an increase in the prices of Restaurants, Cafés and the like by 2.50%.

Miscellaneous Goods and Services

Inflation rate of Miscellaneous Goods and Services group increased by 2.85%. As the prices of Other Services n.e.c. increased by 6.03%, followed by an increase in Electric Appliances for Personal Care prices by 3.85%. Additionally, the prices of Other Appliances, Articles and Products for Personal Care increased by 3.53%.