

HELLENIC REPUBLIC
MINISTRY OF ECONOMY AND FINANCE
NATIONAL STATISTICAL SERVICE OF GREECE

Athens, 8 June 2004



PRESS RELEASE
HARMONIZED INDEX OF CONSUMER PRICES

MAY 2004

The Harmonized Index of Consumer Prices (HICP) in May 2004 as compared to May 2003, increased by 3,1%. A year earlier, the annual rate of change of the HICP was 3,5%.

The HICP in May 2004 as compared to April 2004 increased by 0,4%. A year earlier, the monthly rate of change of the HICP was 0,5%.

In the twelve months, June 03 – May 04, the annual average rate of change of the HICP was 3,2%. A year earlier, the annual average rate of change of the HICP was 3,7%.

Harmonized Index of Consumer Prices – May 2004

1996=100,0

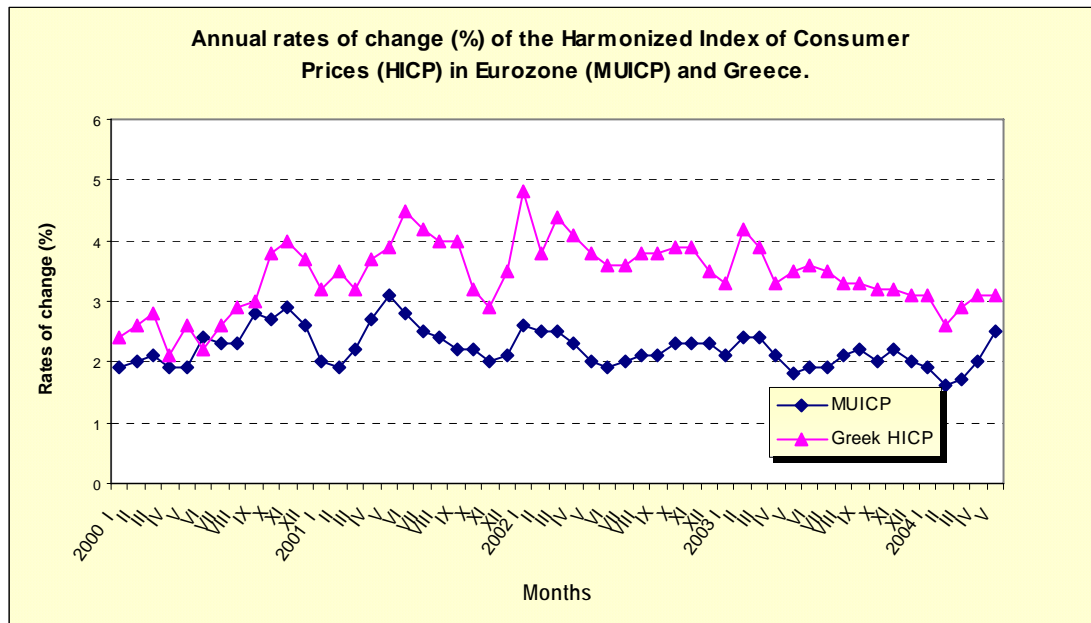
| HICP and main groups | Weights(%) (2004) | Indices | | | Annual rate of change (%) | |
|--------------------------------------|----------------------|---------|-------|-------|---------------------------|-----------|
| | | May | | | May | |
| | | 2002 | 2003 | 2004 | 2003/2002 | 2004/2003 |
| HICP (Overall index) | 1000,00 | 125,8 | 130,2 | 134,2 | 3,5 | 3,1 |
| 1. Food and non-Alcoholic Beverages | 181,66 | 126,3 | 138,8 | 137,9 | 9,9 | -0,6 |
| 2. Alcoholic Beverages and Tobacco | 52,39 | 146,5 | 147,5 | 157,8 | 0,7 | 7,0 |
| 3. Clothing and Footwear | 121,33 | 133,0 | 135,7 | 140,6 | 2,0 | 3,6 |
| 4. Housing | 90,83 | 120,5 | 124,6 | 131,1 | 3,4 | 5,2 |
| 5. Household Equipment | 70,90 | 122,4 | 124,6 | 126,5 | 1,8 | 1,5 |
| 6. Health | 55,06 | 93,2 | 97,7 | 102,7 | 4,8 | 5,1 |
| 7. Transport | 134,34 | 117,2 | 117,9 | 124,0 | 0,6 | 5,2 |
| 8. Communication | 25,11 | 81,6 | 76,8 | 74,3 | -5,9 | -3,3 |
| 9. Recreation and Culture | 45,28 | 121,0 | 124,2 | 128,2 | 2,6 | 3,2 |
| 10. Education | 19,38 | 131,5 | 137,4 | 143,5 | 4,5 | 4,4 |
| 11. Hotels, Cafés and Restaurants | 148,00 | 145,9 | 150,5 | 156,9 | 3,2 | 4,3 |
| 12. Miscellaneous Goods and Services | 55,73 | 127,8 | 131,0 | 133,4 | 2,5 | 1,8 |

Monthly change of HICP (Overall Index)

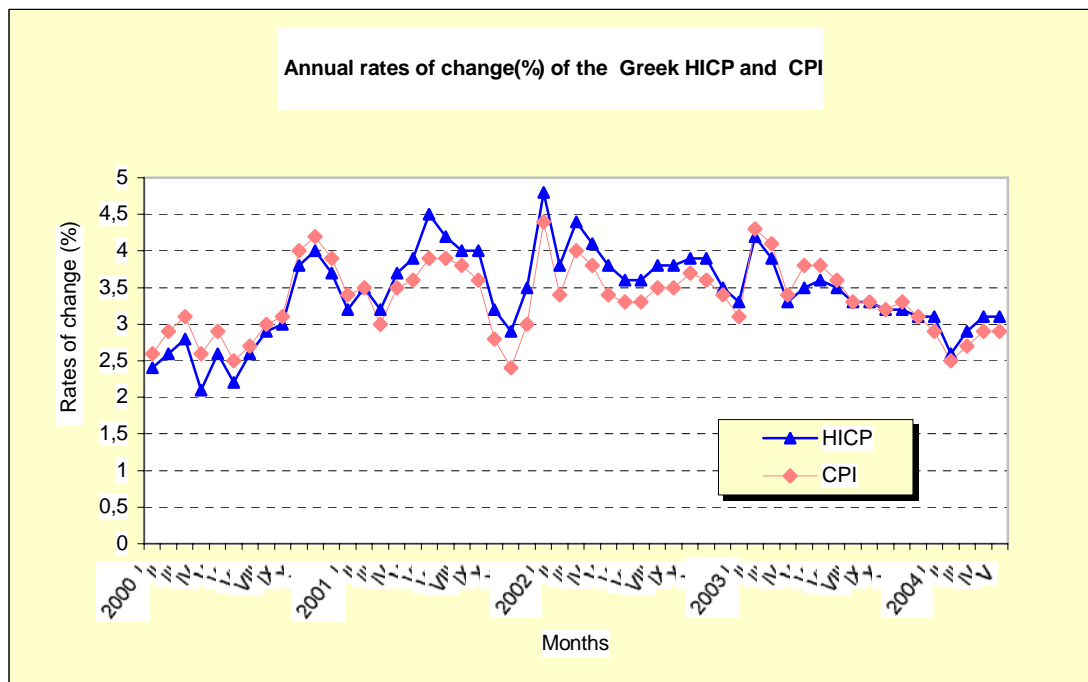
1996=100,0

| Months | Indices | | | Annual rate of change (%) | | Annual average rate of change (%) | |
|----------------------|---------|-------|-------|---------------------------|-----------|-----------------------------------|-----------|
| | 2002 | 2003 | 2004 | 2003/2002 | 2004/2003 | 2003/2002 | 2004/2003 |
| January | 122,4 | 126,4 | 130,3 | 3,3 | 3,1 | 3,8 | 3,4 |
| February | 121,0 | 126,1 | 129,4 | 4,2 | 2,6 | 3,8 | 3,3 |
| March | 124,5 | 129,3 | 133,1 | 3,9 | 2,9 | 3,8 | 3,2 |
| April | 125,5 | 129,6 | 133,6 | 3,3 | 3,1 | 3,7 | 3,2 |
| May | 125,8 | 130,2 | 134,2 | 3,5 | 3,1 | 3,7 | 3,2 |
| June | 125,5 | 130,0 | | 3,6 | | 3,7 | |
| July | 123,0 | 127,3 | | 3,5 | | 3,7 | |
| August | 123,2 | 127,3 | | 3,3 | | 3,6 | |
| September | 125,8 | 129,9 | | 3,3 | | 3,6 | |
| October | 126,4 | 130,4 | | 3,2 | | 3,5 | |
| November | 126,5 | 130,6 | | 3,2 | | 3,5 | |
| December | 127,4 | 131,4 | | 3,1 | | 3,4 | |
| Annual average index | 124,8 | 129,0 | | | | 3,4 | |

DIAGRAMS



Note : MUICP May 2004 provisional data.



BACKGROUND NOTES

The Harmonized Index of Consumer Prices is compiled by the National Statistical Service of Greece, in parallel to the national Consumer Price Index.

The Harmonized Indices of Consumer Prices (HICPs) are calculated in each Member – State of the European Union for the purposes of European Comparisons, as required under the Article 121 of the Treaty of Amsterdam (109j of Treaty of European Union). The HICPs are designed for international comparison of consumer price inflation.

The HICPs are the basis for compiling the European Index of Consumer Prices (EICP) and the Monetary Union Index of Consumer Prices (MUICP), which provide the official measures of inflation in the EU15 and the Euro-zone Member States, respectively.

The characteristic of the HICPs is that they must be compiled according to several technical measures, as these are defined in the EC Regulations.

The main technical measures are, the use of a common classification of items (COICOP/HICP), the selection of the computation formula for the individual indices, the geographic and population coverage of the whole country, the annual renewal of weights, the item coverage and compilation of specific sub-indices, the minimum standards for price collection and sampling and the adjustments due to quality differences of items.

The expenditures used for the calculation of the weights of items entered into the computation of the HICPs include the expenditures of private households, the expenditures of foreign visitors and the expenditures of individuals living in collective households, while the expenditures of residents whilst in a foreign country are excluded. The weights of items are updated every January by using the prices of the previous December.

It is noted that the HICP is not a cost of living index, is not applied by a country for domestic use such as indexation or wage bargaining and is not intended to replace the national Consumer Price Index.

Between the national CPI and the Greek HICP there are similarities and differences.

The main similarities between the two indices are the following:

- Same geographic coverage, given that both indices refer to the whole country.
- Same price collection cities.
- Approximately the same item coverage.
- Use of the same classification of items (COICOP/HICP).
- Same outlets for the price collection.
- Same price data.
- Use of the same formula for the computation of the individual indices for the price collection cities (geometric mean).
- Same treatment of the seasonality of items and of reduced and missing prices.
- Same dates of release of the indices.

The main differences between the two indices are the following:

- Different base year, since the base year of the HICP is 1996=100,0, while that of the national CPI is 1999=100,0.
- Different population coverage, given that the Greek HICP covers all consumption expenditures which take place on the economic territory of Greece, independently of the category of consumer, while the national CPI covers the consumption expenditures, which take place on the economic territory of Greece, of the private households only.
- The newly significant goods and services are included in the HICP but excluded from the national CPI.
- Different weights of items and use of different data sources for the calculation of the weights.
- Different frequency of renewal and updating of the weights of items, given that the weights of items in the HICP are price updated every January to the previous December, while the weights of items in the national CPI are renewed at the revisions only of the index.

More information for the HICPs and specifically for the Greek HICP are available in NSSG website www.statistics.gr and in the special publication of the NSSG "Harmonized Index of Consumer Prices (1996=100,0)".

For further information on data:

Maria Stavropoulou

Tel:0030 210 3289547

Fax:0030 210 3223159

stavropm@statistics.gr