



Piraeus, 14 February 2014

PRESS RELEASE

CONSUMER PRICE INDEX: January 2014 (2009=100.0)

ELSTAT published an announcement on 03/02/2014 concerning the works for the revision of the CPI pertaining to the: i) updating the CPI weights taking into account the results of the most recent Household Budget Survey of 2012, and ii) the implementation of the “chain linking” method. The revision of the National CPI is envisaged in the annual statistical program of ELSTAT for 2014.

The updating of the weights of the index taking into account the most recent results of the Household Budget Survey (HBS 2012) is undertaken in order to reflect in the index an updated standard composition of household consumption expenditure. The fact that the HBS is now being conducted by ELSTAT on an annual basis permits the annual revision of the weights and the items involved in the National CPI, which can be important in periods of rapid economic change. A prerequisite for the preservation of the time series is that the annual series be connected using the “chain linking” method. The new methodology will allow the annual renewal of “the household basket”, thus ensuring the representativeness of the index. This methodology is already being applied by ELSTAT in the compilation of the Harmonized Index of Consumer Prices (HICP), in accordance with European Regulations.

A relevant information note with the above changes is posted on ELSTAT’s home page :

http://www.statistics.gr/portal/page/portal/ESYE/BUCKET/A0515/Other/A0515_DKT87_MT_MM_01_2014_01_2014_01A_F_EN.pdf

The Consumer Price Index (CPI) in January 2014 compared with January 2013 decreased by 1.5%. In January 2013, the annual rate of change of the CPI was 0.2% (Table 2).

The CPI in January 2014 compared with December 2013 decreased by 1.2%. In January 2013, the monthly rate of change of the CPI was -1.4% (Table 1).

In the twelve-month period from February 2013 to January 2014 compared with the period from February 2012 to January 2013 the annual average rate of change of the CPI was -1.1%. The corresponding annual average rate of change of the CPI in the previous year (February 2012 to January 2013) was 1.3% (Table 3).

Information:
Economic and
Short-Term
Indicators Division
Argiro kourtaki
Tel:00302131352722
Fax:00302131352724
cpi@statistics.gr

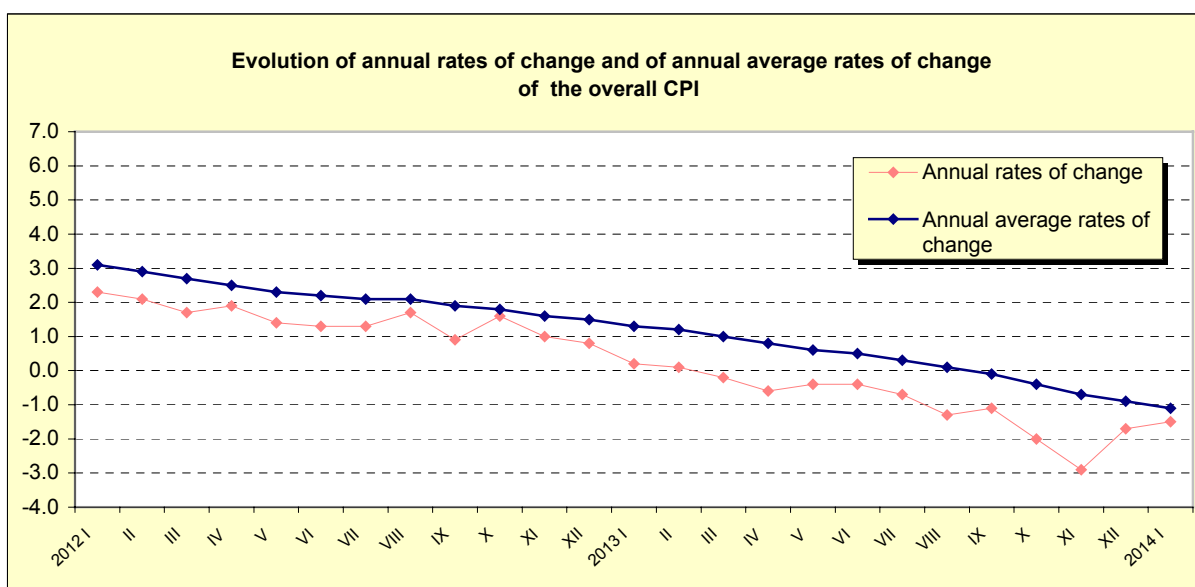


Table 1
Monthly rates of change of the Consumer Price Index – January 2014
(2009=100.0)

	Main groups of goods and services	Weights HBS 2012 (%)	2014		Rate of change (%)	2013		Rate of change (%)
			January	December		January	December	
1	Food & non-Alcoholic Beverages	208.96	104.00	103.31	0.7	104.79	104.16	0.6
2	Alcoholic Beverages & Tobacco	40.94	129.57	128.48	0.8	126.97	124.77	1.8
3	Clothing and Footwear	64.43	92.95	109.48	-15.1	95.70	112.85	-15.2
4	Housing	150.53	131.48	131.74	-0.2	133.71	131.63	1.6
5	Household Equipment	58.66	95.25	97.95	-2.8	96.67	100.27	-3.6
6	Health	67.33	97.60	97.70	-0.1	96.33	96.97	-0.7
7	Transport	127.53	121.44	121.86	-0.3	125.13	124.96	0.1
8	Communication	41.59	98.46	98.46	0.0	98.41	99.66	-1.3
9	Recreation and Culture	42.00	94.67	95.14	-0.5	97.69	98.09	-0.4
10	Education	32.24	93.34	93.34	0.0	97.15	97.25	-0.1
11	Hotels Cafés & Restaurants	98.52	102.54	102.99	-0.4	105.95	106.23	-0.3
12	Miscellaneous Goods & Services	67.27	101.22	101.94	-0.7	105.78	106.86	-1.0
	Overall Index	1000.00	107.37	108.62	-1.2	108.97	110.51	-1.4

- Note: 1. The indices are calculated with infinite decimal figures and rounded up to two decimal figures when published.
2. Percentage changes are calculated on the basis of indices with infinite decimal figures and rounded up to one decimal figure when published.

Table 2
Annual rates of change of the Consumer Price Index – January 2014
(2009=100.0)

I

	Main groups of goods and services	January		Rate of change (%)	Effect
		2013	2012		
1	Food and non Alcoholic Beverages	104.79	104.58	0.2	0.0341
2	Alcoholic Beverages and Tobacco	126.97	126.36	0.5	0.0195
3	Clothing and Footwear	95.70	93.43	2.4	0.1808
4	Housing	133.71	122.35	9.3	1.2096
5	Household Equipment	96.67	99.87	-3.2	-0.2166
6	Health	96.33	100.53	-4.2	-0.2730
7	Transport	125.13	125.12	0.0	0.0021
8	Communication	98.41	103.66	-5.1	-0.2197
9	Recreation and Culture	97.69	100.49	-2.8	-0.1227
10	Education	97.15	101.16	-4.0	-0.1123
11	Hotels Cafés and Restaurants	105.95	107.15	-1.1	-0.1250
12	Miscellaneous Goods and Services	105.78	108.18	-2.2	-0.1703
	Overall Index	108,97	108.75	0.2	

II

	Main groups of goods and services	January		Rate of change (%)	Effect
		2014	2013		
1	Food and non Alcoholic Beverages	104.00	104.79	-0.8	-0.1520
2	Alcoholic Beverages and Tobacco	129.57	126.97	2.0	0.0975
3	Clothing and Footwear	92.95	95.70	-2.9	-0.1632
4	Housing	131.48	133.71	-1.7	-0.3073
5	Household Equipment	95.25	96.67	-1.5	-0.0766
6	Health	97.60	96.33	1.3	0.0783
7	Transport	121.44	125.13	-2.9	-0.4318
8	Communication	98.46	98.41	0.0	0.0018
9	Recreation and Culture	94.67	97.69	-3.1	-0.1165
10	Education	93.34	97.15	-3.9	-0.1128
11	Hotels Cafés and Restaurants	102.54	105.95	-3.2	-0.3082
12	Miscellaneous Goods and Services	101.22	105.78	-4.3	-0.2814
	Overall Index	107.37	108.97	-1.5	

Note: 1. The indices are calculated with infinite decimal figures and rounded up to two decimal figures when published.

2. Percentage changes are calculated on the basis of indices with infinite decimal figures and rounded up to one decimal figure when published.

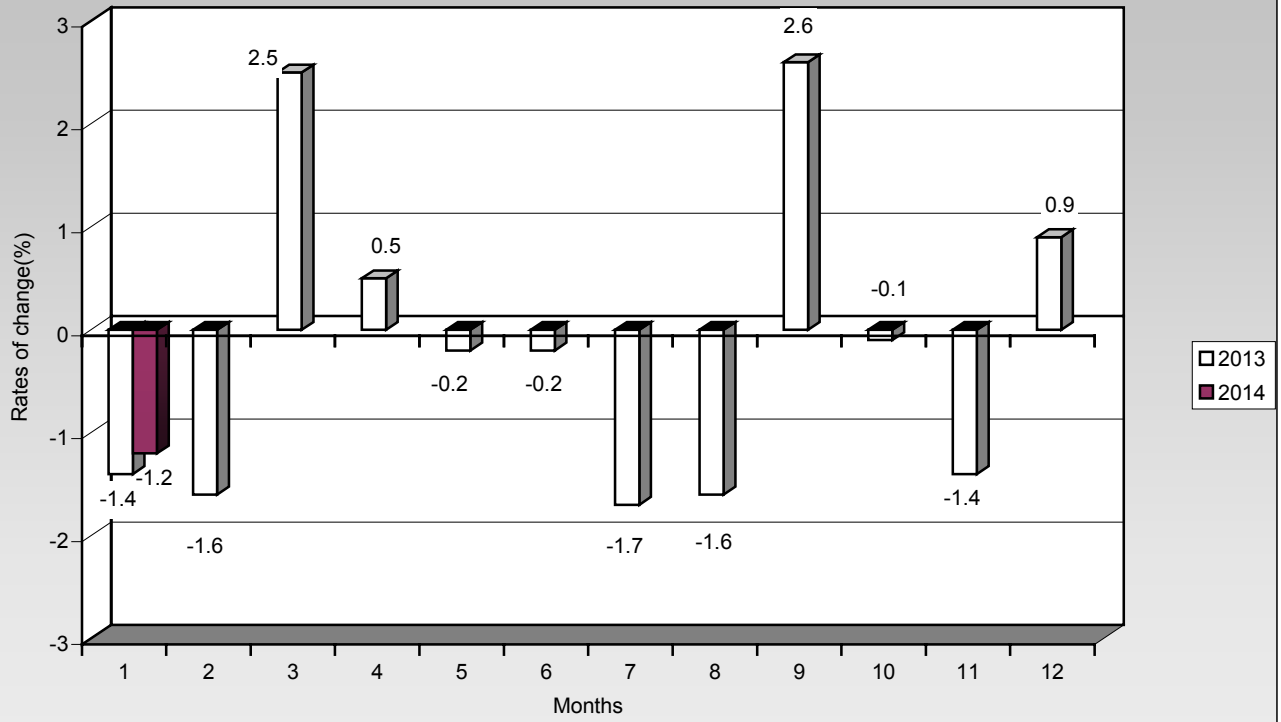
Table 3
Comparisons of the overall Consumer Price Index
(2009=100.0)

Year and month	Overall index	Monthly rates of change %	Annual rates of change %	Annual average index (moving average)	Annual average rates of change %
2011 : 1	106.28	-0.7	5.2	105.15	4.9
2	104.90	-1.3	4.4	105.52	5.1
3	108.32	3.3	4.5	105.91	5.1
4	108.99	0.6	3.9	106.25	5.0
5	109.19	0.2	3.3	106.54	4.9
6	108.95	-0.2	3.3	106.83	4.7
7	107.44	-1.4	2.4	107.04	4.4
8	105.94	-1.4	1.7	107.19	4.1
9	109.45	3.3	3.1	107.46	3.9
10	109.56	0.1	3.0	107.72	3.7
11	109.73	0.2	2.9	107.98	3.6
12	109.63	-0.1	2.4	108.20	3.3
<i>Annual average</i>	<i>108.20</i>	-	-	<i>108.20</i>	<i>3.3</i>
2012 : 1	108.75	-0.8	2.3	108.41	3.1
2	107.10	-1.5	2.1	108.59	2.9
3	110.13	2.8	1.7	108.74	2.7
4	111.07	0.8	1.9	108.91	2.5
5	110.71	-0.3	1.4	109.04	2.3
6	110.37	-0.3	1.3	109.16	2.2
7	108.88	-1.4	1.3	109.28	2.1
8	107.78	-1.0	1.7	109.43	2.1
9	110.44	2.5	0.9	109.51	1.9
10	111.34	0.8	1.6	109.66	1.8
11	110.80	-0.5	1.0	109.75	1.6
12	110.51	-0.3	0.8	109.82	1.5
<i>Annual average</i>	<i>109.82</i>	-	-	<i>109.82</i>	<i>1.5</i>
2013 : 1	108.97	-1.4	0.2	109.84	1.3
2	107.17	-1.6	0.1	109.85	1.2
3	109.90	2.5	-0.2	109.83	1.0
4	110.41	0.5	-0.6	109.78	0.8
5	110.21	-0.2	-0.4	109.73	0.6
6	109.95	-0.2	-0.4	109.70	0.5
7	108.13	-1.7	-0.7	109.64	0.3
8	106.41	-1.6	-1.3	109.52	0.1
9	109.20	2.6	-1.1	109.42	-0.1
10	109.13	-0.1	-2.0	109.23	-0.4
11	107.64	-1.4	-2.9	108.97	-0.7
12	108.62	0.9	-1.7	108.81	-0.9
<i>Annual average</i>	<i>108.81</i>	-	-	<i>108.81</i>	<i>-0.9</i>
2014 : 1	107.37	-1.2	-1.5	108.68	-1.1

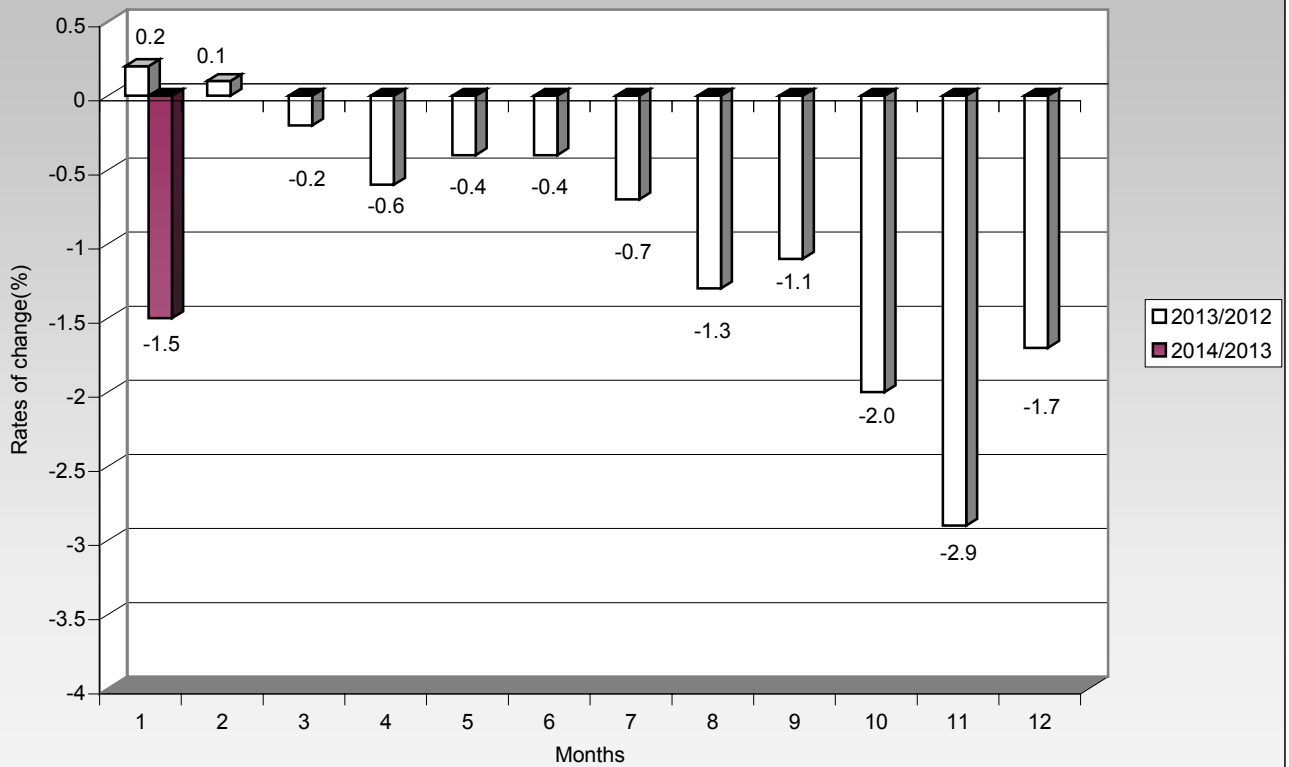
- Note: 1. The indices are calculated with infinite decimal figures and rounded up to two decimal figures when published.
2. Percentage changes are calculated on the basis of indices with infinite decimal figures and rounded up to one decimal figure when published.

DIAGRAMS

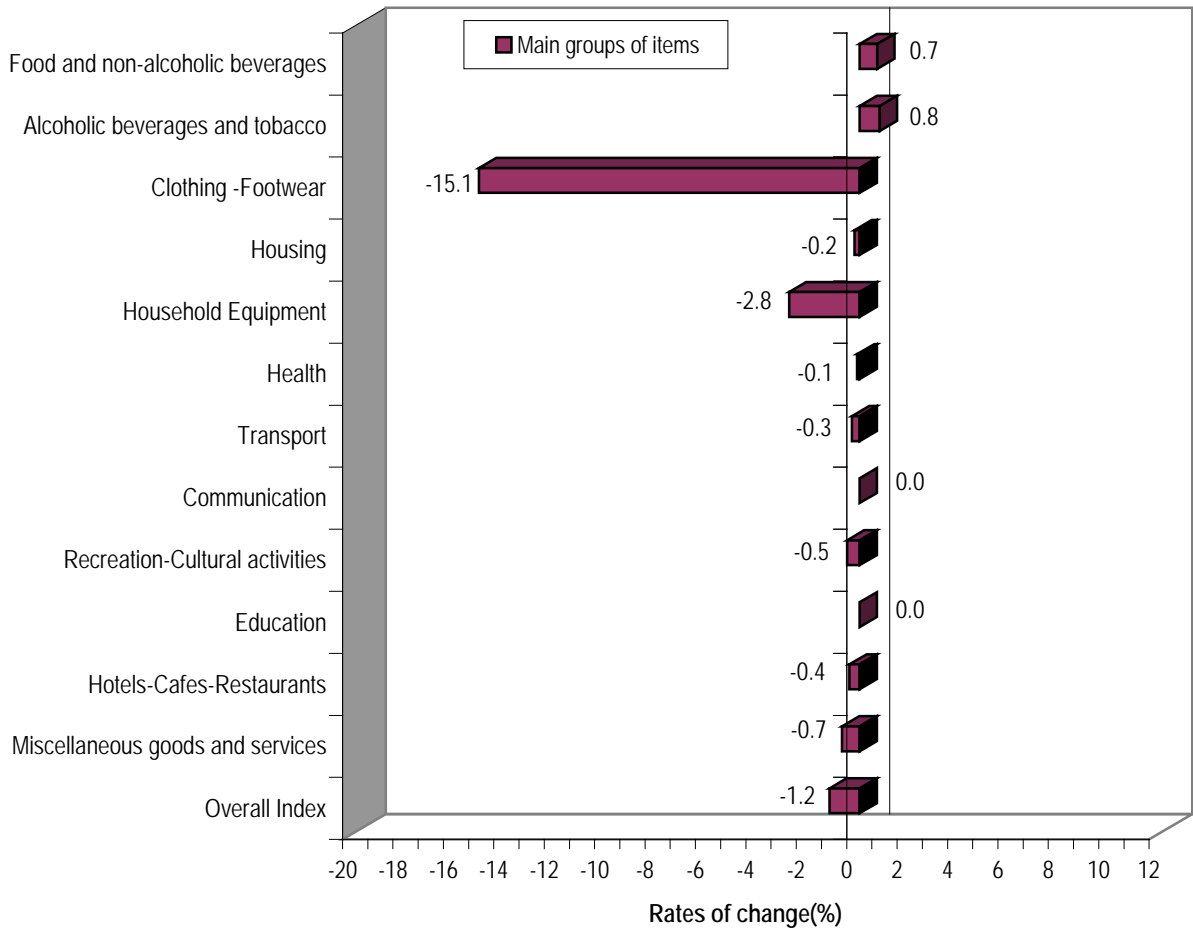
Monthly rates of change (%) of the overall Consumer Price Index during the years 2013 and 2014



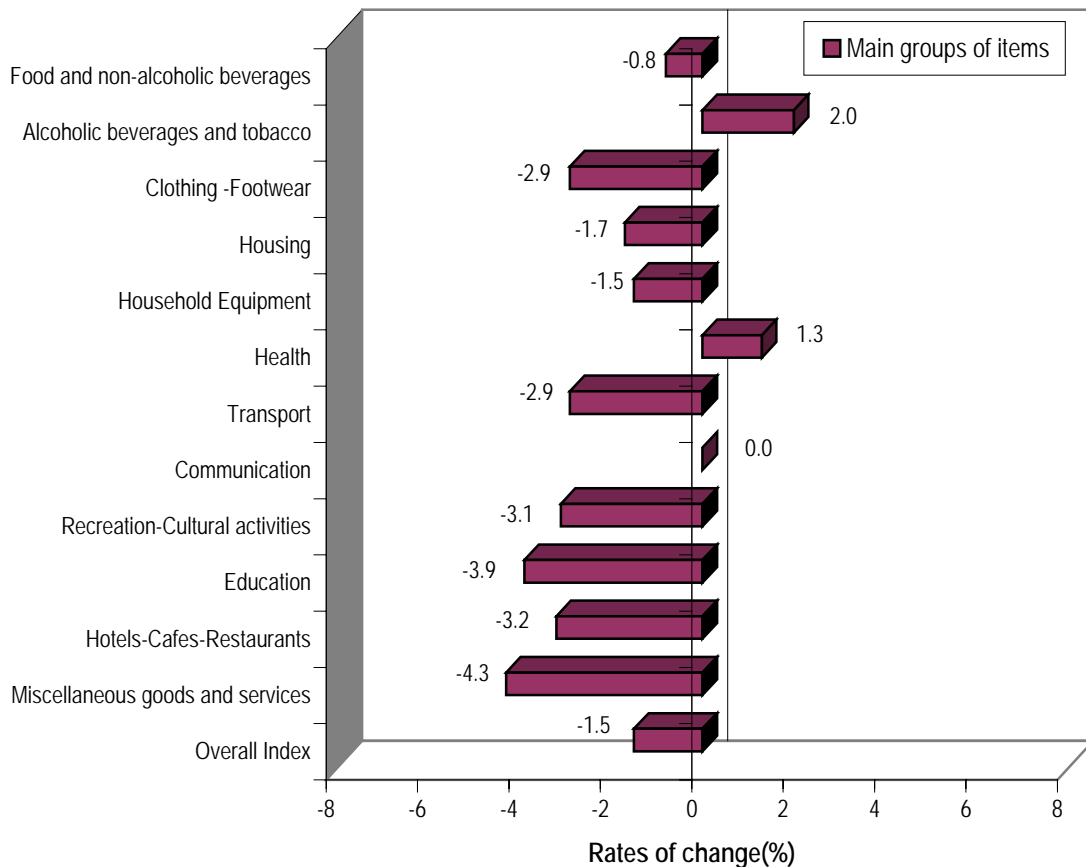
Annual rates of change (%) of the overall Consumer Price Index during the years 2013 and 2014



Monthly rates of change (%) of the CPI between January 2014 and December 2013



Annual rates of change (%) of the CPI between January 2014 and January 2013



METHODOLOGICAL NOTES

Generally	The Consumer Price Index (CPI) in Greece is being compiled since 1959, by the Hellenic Statistical Authority (ELSTAT). Up to the year 2000, the CPI referred to the urban areas of the country, while from 2001 onwards it refers to the whole country.
Purpose of the index	The purpose of the Consumer Price Index is to measure the general level of prices of goods and services, purchased by the average Greek household.
Legal basis	Law 3832/10
Reference period	Month
Base	December of the previous year
Reference year	2009=100.0
New CPI	<p>Until 2013, the weights underlying the CPI were revised periodically (usually every five years) on the basis of the results of the latest, Household Budget Survey (HBS) which was conducted every 5 years. Until December 2013, the CPI was a fixed basis index with the reference year being 2009=100.0. The weights of the CPI were based on the results of the HBS 2008 adjusted to 2009 prices. From January 2014 onwards, the revised CPI index follows the chain linking method where new weights are introduced annually with every year having as a base the December of the previous year and they are estimated according to the most recent available data of Household Budget Survey, which is now conducted on an annual base. The revised CPI index, which is published, is recalculated by linking new and old CPI series together in December 2013, with reference year 2009=100.0 in order to maintain the continuity of the CPI time series.</p> <p>The new CPI adjusted on an annual basis to the latest consumption expenditure pattern of the private households of the country, ensures the representativity of goods and services, which compose the “basket” of purchases of the average household.</p>
Geographical and population coverage of the CPI	<p>The CPI refers to the whole of the country covering the urban, semi-urban and rural areas.</p> <p>As regards the population coverage of the Index, in terms of the weights, it covers the resident households of the territory excluding collective households (hospital homes for the elderly, boarding homes, prisons, etc.) and non-resident households (tourists, and expatriates visiting home) in the country.</p>
Classification of items	The grouping of the items (goods and services), of the CPI has been made according to the international classification COICOP (Classification of Individual Consumption by Purpose) adapted for the needs of the Harmonized Indices of Consumer Prices (HICP) of the EU Member-States.
Weights of items	From December 2013, the weights of items will be renewed every year, on the basis of the most recent available data from the Household Budget Survey. The weights are calculated the share (%) of the expenditures for each group, subgroup and item (good or service) to the total household expenditure of the average household.
Price collection Cities -Population weights	<p>The price collection of the items of CPI takes place in 24 cities, aiming at a representative coverage of the 13 Regions of the country. The selection criteria of the price collection cities are the size and the particularities of their markets, the possibility of continuous price collection and the comparability of the index and the required cost of price collection.</p> <p>The population weights of the price-collection cities derive from the data of the General Population Census for the year 2001. These weights are calculated as percentage (%) contribution of the population of each price collection city and of the greater area that the city represents, to the total population of the country.</p>
Selection of items	The composition of the “household basket” i.e. the selection of goods and services which are included in the calculation of CPI will be updated annually from December 2014 using the results of the latest available Household Budget Survey and other market research etc.. The chain linking methodology allows the change of items of household basket on an annual basis, in order to ensure the representativeness of items, which take part in the calculation of groups and subgroups of CPI.

Price collection- Outlets Prices for CPI's items are collected from retail sales outlets, enterprises providing services, street markets etc. (price collection outlets) which are considered representative of the branches of shops, where the households make their purchases in the 24 selected price collection cities. The new methodology allows the renewal of price collection sources in order to maintain their representativeness in the calculation of CPI.

Prices are collected by experienced and well-trained staff of ELSTAT. They visit the selected outlets within a certain time period of a month (monthly prices) or on a certain day of the week (weekly prices) and register the prices into special price collection forms (questionnaires). The collected prices correspond to the prices actually faced by the consumer.

Specification- Substitution of items All the items, for which prices are collected, are defined by the specification, that is the particular characteristics which determine the quality, the trade show and the identity, in general, of goods (such as brand, weight, package etc), in order to avoid any price variations attributable to differences in the specification.

When a specified item (good or service) is no longer available in the market or has ceased to be important, as regards consumption, then it is replaced by a newly specified item, which has taken its place in the market.

Calculation of the Consumer Price Index The Consumer Price Index is a Laspeyres-type index and it is calculated based on December of the previous year.

Implementation of formula in four-digit level of COICOP

Specifically, if the four-digit item h includes q price collected items, then its index in month t of year T, $R_h^{t,T}$, is given by the formula below:

$$R_h^{t,T} = R_h^{12,T-1} \left[\frac{\sum_{i=1}^q w_i^T R_i^{t,T} / R_i^{12,T-1}}{\sum_{i=1}^q w_i^T} \right],$$

where:

$R_h^{12,T-1}$ = the index of the four-digit item h, in December of year T-1,

w_i^T = the weight of the price collected item i, in year T,

$R_i^{t,T}$ = the index of the price collected item i, in month t of year T,

$R_i^{12,T-1}$ = the index of the price collected item i, in December of year T-1.

A similar methodology is followed for the calculation of indices in the upper levels (two-digit and three-digit) of COICOP and the calculation of the overall CPI as well.

Publication of data The available time series of the Consumer Price Index with the same reference year (2009=100.0) starts back from January 1959 onwards.

The CPI data are released each month in the anticipated press release to a pre-defined timetable, which is normally based on the previous years publication dates. These data is posted on the ELSTAT website (www.statistics.gr), under the link "timeseries".

References Further information concerning the Consumer Price Index can be found in the Methodological Publication CPI (2009=100.0), and also in the information note for CPI of January 2014 which are posted on the homepage of ELSTAT (www.statistics.gr).