

## DOF Economic Bulletin on the Oct-20 Inflation

- The general price level inched to 2.5% in October, up from the 2.32% price change in September. The uptick in October is mainly due to base effects and partly because of the increase in prices of fish and meat. Inflation rate in October last year was 0.83%, a record-low since May 2016.
- Fish was adversely affected by the reimposition of restrictions on fish imports and meat, by the continuing impact of the African swine fever.
- Average food prices increased by 2.13%, up from 1.50% the previous month, driven by the uptick in the price of meat (4.71%) and fish (3.74%). The decline in the price of fuels and utilities (-2.56%) helped dampen the increase in prices of meat and fish and the double-digit increase in the price of transport services (16.76%).
- The average inflation year-to-date is 2.5%, at the lower end of the 2% to 4% inflation goal.
- Stable inflation will continue to provide adequate room for low interest rates to support economic recovery as the country transitions to the new normal.

**Table 1 Inflation and Contribution to Inflation by Commodity**

Commodity	Year-on-Year (%)			Contribution to Inflation (ppts)			Month-on-Month (%)		
	Oct-19	Sep-20	Oct-20	Oct-19	Sep-20	Oct-20	Aug-20	Sep-20	Oct-20
<b>ALL ITEMS</b>	<b>0.83</b>	<b>2.32</b>	<b>2.48</b>	<b>0.83</b>	<b>2.32</b>	<b>2.48</b>	<b>(0.16)</b>	<b>0.08</b>	<b>0.32</b>
FOOD & NON-ALCHOLIC BEVERAGES	(0.86)	1.50	2.13	(0.35)	0.60	0.86	(0.31)	(0.08)	0.78
* Food	(1.33)	1.50	2.13	(0.50)	0.56	0.79	(0.47)	-	0.70
Bread and Cereals	(6.64)	0.09	0.09	(0.93)	0.01	0.01	(0.08)	(0.25)	(0.51)
Rice	(9.70)	(0.57)	(0.47)	(1.00)	(0.05)	(0.04)	(0.21)	(0.27)	(0.65)
Corn	(3.92)	(0.61)	(1.31)	(0.02)	(0.00)	(0.01)	(0.58)	(0.73)	(1.09)
Other Cereals	2.79	2.29	2.20	0.09	0.07	0.07	0.17	0.08	0.08
Meat	2.74	2.92	4.71	0.18	0.19	0.31	(0.75)	(0.91)	2.15
Fish	0.81	2.56	3.74	0.05	0.17	0.24	(0.50)	0.36	1.07

Milk, Cheese and Eggs	3.09	2.42	2.16	0.09	0.07	0.07	0.16	-	0.08
Oils and Fats	0.78	2.42	2.50	0.01	0.02	0.02	0.08	-	0.17
Fruit	9.61	6.62	4.61	0.16	0.12	0.08	0.77	1.96	-
Vegetables	(0.82)	(2.66)	(0.51)	(0.03)	(0.09)	(0.02)	(1.77)	0.33	3.99
Sugar	(4.33)	0.26	0.17	(0.05)	0.00	0.00	-	-	(0.09)
Food Products N.E.C.	6.07	5.07	4.82	0.07	0.06	0.05	(0.39)	(0.31)	(0.23)
* Non-alcoholic Beverages	3.47	2.08	2.00	0.10	0.06	0.06	0.24	0.08	0.16
ALCOHOLIC BEVERAGES & TOBACCO	16.48	12.88	11.30	0.42	0.37	0.33	0.16	(0.04)	0.85
Alcoholic Beverages	3.49	9.58	9.70	0.03	0.07	0.07	0.39	0.52	0.39
Tobacco	22.01	14.15	11.78	0.40	0.30	0.26	0.03	(0.16)	0.93
NON-FOOD	1.51	2.45	2.27	0.85	1.39	1.29	-	0.26	-
CLOTHING AND FOOTWEAR	2.80	1.82	1.73	0.08	0.05	0.05	0.08	0.08	0.08
HOUSING, UTILITIES, & FUELS	0.62	1.15	0.88	0.13	0.24	0.18	(0.17)	(0.26)	(0.09)
Rentals for Housing	2.94	2.52	2.60	0.37	0.32	0.33	-	-	0.08
Electricity, Gas and Other Fuels	(4.16)	(1.88)	(2.56)	(0.27)	(0.12)	(0.16)	(0.70)	(1.00)	(0.10)
MAINTENANCE OF THE HOUSE	2.72	3.73	3.73	0.08	0.11	0.11	0.16	0.08	0.08
HEALTH	2.89	2.81	2.73	0.11	0.11	0.11	0.16	0.16	0.08
TRANSPORT	(1.57)	8.29	7.89	(0.11)	0.59	0.56	(0.09)	2.04	(0.17)
Operation of Personal Transport Eqt	(7.69)	(8.09)	(10.25)	(0.17)	(0.16)	(0.21)	(0.11)	(1.86)	(1.45)
Transport Services	0.91	16.00	16.76	0.04	0.71	0.74	(0.32)	3.72	0.47
COMMUNICATION	0.20	0.39	0.39	0.00					

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