

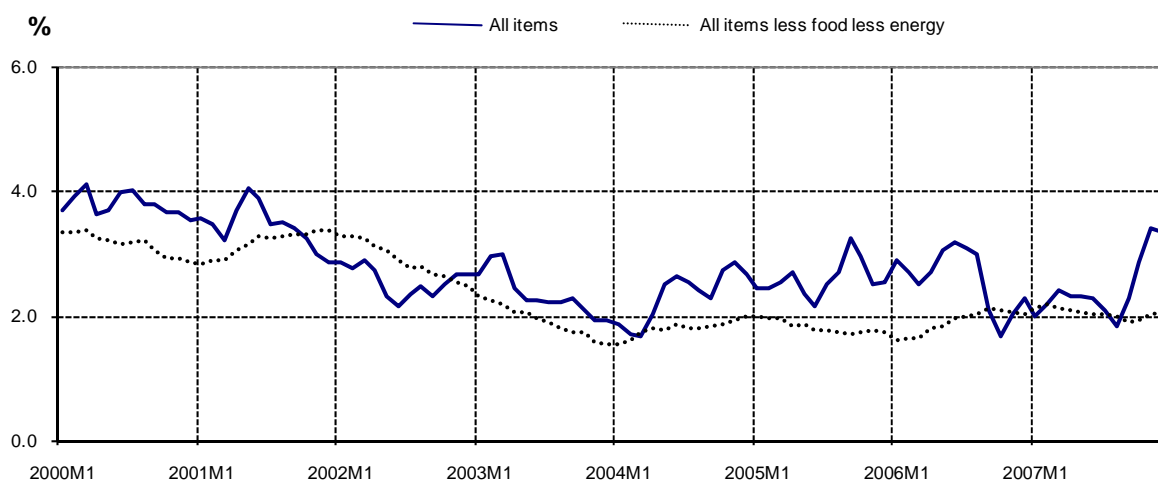
News Release

Annual inflation in the OECD area at 3.3% in December 2007

Consumer prices in the **OECD area** rose by 3.3% in the year to December 2007 compared with 3.4% in the year to November 2007. On a monthly basis, the price level rose by 0.2% in December after 0.5% between October and November 2007.

Consumer prices for energy increased by 12.0% year-on-year in December, compared with a rise of 13.3% in November. Consumer prices for food were up by 4.8% year-on-year in December, compared with 4.6% in November. Excluding food and energy, consumer prices rose by 2.1% in the year to December compared with 2.0% in November.

Consumer prices, OECD-Total¹
Percentage change on the same month of the previous year



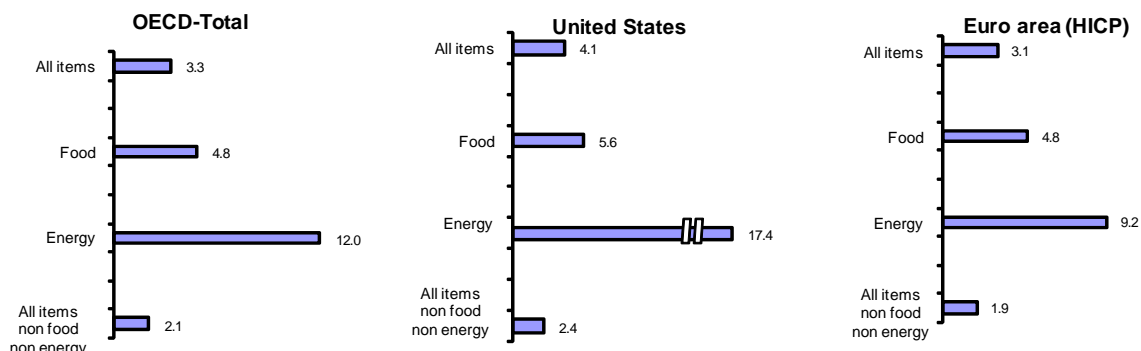
In the **euro area**, the Harmonised Index of Consumer Prices (HICP) was up by 3.1% in the year to December, unchanged compared with the year to November. Month-on-month, the HICP in the euro area rose by 0.4% between November and December, compared with 0.5% between October and November. Excluding food and energy, the year-on-year rise in the HICP in the euro area amounted to 1.9% in December, unchanged from November. In the **United States**, the Consumer Price Index (CPI) increased by 4.1% over the twelve months to December, compared with 4.3% in the year to November 2007. In **Japan**, consumer prices increased by 0.7% in December a year earlier, compared with 0.6% in November. Over the twelve months to December, consumer prices rose by 2.8% in **Germany**, 2.6% in **Italy** and in **France**, 2.4% in **Canada**, and 2.1% in the **United Kingdom**.

Despite the acceleration over the last months of 2007, the consumer prices in the **OECD area**, rose by 2.4% on average between 2006 and 2007 after 2.6% between 2005 and 2006. Consumer energy prices were 4.0% higher in 2007 than in 2006. Excluding food and energy, the annual average increase in the price level from 2006 to 2007 amounted to 2.0%.

¹ Data related to the graph can be found at the following address: <http://www.oecd.org/dataoecd/27/53/37211080.xls>

Consumer prices, selected items

December 2007, percentage change on the same month of the previous year



	All items		Food	Energy	All items non food non energy
	CPI	HICP	CPI	CPI	CPI
OECD-Total	3.3		4.8	12.0	2.1
G7	3.1		4.6	13.0	1.8
European Union (HICP)		3.2	5.7	8.2	1.9
Euro area (HICP)		3.1	4.8	9.2	1.9
Australia¹	3.0		-0.1	11.1	2.8
Austria	3.6	3.5	7.6	13.5	2.0
Belgium	3.1	3.1	5.7	8.6	1.6
Canada	2.4		1.2	8.7	1.7
Czech Republic	5.5	5.5	11.3	7.0	4.1
Denmark	2.3	2.4	6.8	3.8	1.3
Finland	2.6	1.9	2.2	9.6	2.1
France	2.6	2.8	3.2	10.7	1.5
Germany	2.8	3.1	5.7	8.6	1.7
Greece	3.9	3.9	4.8	16.0	2.4
Hungary	7.4	7.4	13.1	12.7	4.6
Iceland	5.8	3.5	-2.5	11.9	6.8
Ireland	4.7	..	6.3	9.5	4.0
Italy	2.6	2.8	4.1	5.4	2.0
Japan	0.7		1.1	8.3	-0.2
Korea	3.6		3.3	12.6	2.6
Luxembourg	3.4	4.3	5.3	12.5	2.1
Mexico	3.8		5.8	3.4	3.2
Netherlands	1.9	1.6	3.4	5.8	1.2
New Zealand¹	3.2		4.5	11.9	2.0
Norway	2.8	1.9	3.3	9.0	1.6
Poland	3.9	4.2	7.5	5.9	1.6
Portugal	2.7	2.7	1.7	5.6	2.5
Slovak Republic	3.4	2.5	7.6	1.1	2.8
Spain	4.2	4.3	6.6	11.5	2.3
Sweden	3.5	2.5	4.8	2.7	3.3
Switzerland	2.0		2.1	13.3	0.9
Turkey	8.4		12.0	8.6	6.6
United Kingdom²	2.1		5.4	4.3	1.4
United States	4.1		5.6	17.4	2.4

¹ Percentage change Q4 2006 to Q4 2007

e: OECD estimates

² Memorandum item: the UK Retail Price Index (all items) rose by 4.0% in the year to December 2007.

Differences from standard definition (see last page):

All items less food less energy: for the United States excludes restaurant meals; for the HICP Euro area excludes alcoholic beverages and tobacco.

Consumer prices, All items
Indices, Reference year 2000=100

	2006	2007	2006 Dec	2007											
	Average			Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
OECD-Total	117.0	119.8	117.6	117.7	118.1	118.8	119.5	119.9	120.0	120.0	120.0	120.3	120.7	121.3	121.5
G7	112.6	115.1	112.9	113.0	113.4	114.1	114.7	115.3	115.4	115.4	115.4	115.6	115.8	116.3	116.5
Euro area (HICP)	114.0	116.5	115.0	114.4	114.7	115.5	116.2	116.5	116.6	116.3	116.4	116.8	117.4	118.0	118.5
European Union (HICP)	115.7	118.4	116.8	116.3	116.7	117.4	118.1	118.4	118.5	118.2	118.4	118.8	119.4	120.0	120.5
Canada	114.4	116.9	114.7	114.7	115.5	116.5	117.0	117.5	117.3	117.4	117.1	117.3	117.0	117.3	117.4
France	111.8	113.4	112.2	111.8	112.0	112.5	113.1	113.4	113.5	113.2	113.7	113.8	114.1	114.7	115.1
Germany	110.1	112.5	111.1	110.9	111.3	111.6	112.0	112.2	112.3	112.8	112.7	112.8	113.0	113.6	114.2
Italy	115.1	117.2	115.7	115.8	116.1	116.3	116.5	116.8	117.1	117.4	117.6	117.6	117.9	118.4	118.7
Japan	98.1	98.1	98.0	97.8	97.3	97.6	97.9	98.2	98.0	97.9	98.4	98.4	98.7	98.5	98.7
United Kingdom	110.0	112.5	111.8	110.9	111.4	112.0	112.3	112.6	112.8	112.2	112.5	112.6	113.2	113.5	114.1
United States	117.1	120.4	117.2	117.5	118.2	119.3	120.0	120.8	121.0	121.0	120.7	121.1	121.3	122.1	122.0

Consumer prices, All items
Percentage change on previous month

	2006	2007											
	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
OECD-Total	0.2	0.1	0.3	0.6	0.5	0.4	0.1	0.0	0.0	0.3	0.3	0.5	0.2
G7	0.2	0.1	0.3	0.7	0.5	0.5	0.1	0.0	0.0	0.2	0.2	0.4	0.1
Euro area (HICP)	0.4	-0.5	0.3	0.7	0.6	0.2	0.1	-0.2	0.1	0.4	0.5	0.5	0.4
European Union (HICP)	0.4	-0.4	0.3	0.6	0.6	0.3	0.1	-0.3	0.1	0.4	0.5	0.5	0.4
Canada	0.2	0.0	0.7	0.8	0.5	0.4	-0.2	0.1	-0.3	0.2	-0.3	0.3	0.1
France	0.2	-0.3	0.2	0.4	0.5	0.3	0.1	-0.2	0.4	0.1	0.2	0.5	0.4
Germany	0.8	-0.2	0.4	0.3	0.4	0.2	0.1	0.4	-0.1	0.1	0.2	0.5	0.5
Italy	0.1	0.1	0.3	0.2	0.2	0.3	0.2	0.2	0.2	0.0	0.3	0.4	0.3
Japan	0.1	-0.2	-0.5	0.3	0.3	0.3	-0.2	-0.1	0.5	0.0	0.3	-0.2	0.2
United Kingdom	0.6	-0.8	0.5	0.5	0.3	0.3	0.2	-0.6	0.3	0.1	0.5	0.3	0.6
United States	0.1	0.3	0.5	0.9	0.6	0.6	0.2	0.0	-0.2	0.3	0.2	0.6	-0.1

Consumer prices, All items
Percentage change on the same month of the previous year

	2006	2007	2006 Dec	2007											
	Average			Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
OECD-Total	2.6	2.4	2.3	2.0	2.2	2.4	2.3	2.3	2.3	2.1	1.9	2.3	2.9	3.4	3.3
G7	2.4	2.2	2.0	1.7	1.9	2.2	2.0	2.1	2.0	1.8	1.6	2.1	2.7	3.2	3.1
Euro area (HICP)	2.2	2.1	1.9	1.8	1.9	1.9	1.9	1.9	1.9	1.8	1.7	2.1	2.6	3.1	3.1
European Union (HICP)	2.3	2.4	2.2	2.1	2.2	2.3	2.2	2.1	2.2	2.0	1.9	2.3	2.7	3.1	3.2
Canada	2.0	2.1	1.7	1.1	2.0	2.3	2.2	2.2	2.2	2.2	1.7	2.5	2.4	2.5	2.4
France	1.7	1.5	1.5	1.2	1.0	1.2	1.3	1.1	1.2	1.1	1.2	1.5	2.0	2.4	2.6
Germany	1.7	2.1	1.4	1.6	1.6	1.9	1.9	1.9	1.8	1.9	1.9	2.4	2.4	3.1	2.8
Italy	2.1	1.8	1.9	1.7	1.8	1.7	1.5	1.5	1.7	1.6	1.6	1.7	2.1	2.4	2.6
Japan	0.2	0.1	0.3	0.0	-0.2	-0.1	0.0	0.0	-0.2	0.0	-0.2	-0.2	0.3	0.6	0.7
United Kingdom	2.3	2.3	3.0	2.7	2.8	3.1	2.8	2.5	2.4	1.9	1.7	1.7	2.0	2.1	2.1
United States	3.2	2.9	2.5	2.1	2.4	2.8	2.6	2.7	2.7	2.4	2.0	2.8	3.5	4.3	4.1



Methodological Notes

Four variables are available for all OECD countries and can be aggregated into zone areas: namely CPI-All items; CPI-Food excluding restaurant meals (COICOP 01); CPI-Energy [Electricity, gas and other fuel (COICOP 04.5) plus Fuel and lubricants for personal transport equipment (COICOP 07.2.2)]; CPI-All items less Food less Energy (food and energy as defined above).

Results reflect national CPIs. In most instances, CPIs are compiled in accordance with international statistical guidelines and recommendations. However, national practices may differ in the coverage and treatment of certain items and in the use of index number formulas. In particular, country methodologies for the treatment of owner-occupied housing in the CPI vary significantly and carry large weights in the index. The European Harmonised Indices of Consumer Prices (HICP) exclude owner-occupied housing as do national CPIs for Belgium, France, Greece, Italy, Luxembourg, Poland, Portugal, Spain and the United Kingdom. HICPs are therefore shown for comparison under the all items column in the first table. For the United Kingdom the national CPI is the same as the HICP.

For the United Kingdom, the Retail Price Index is shown as a memorandum item (footnote 2). It differs in coverage and methodology from the national CPI/HICP. In particular, the RPI includes an estimate of costs of owner-occupied housing and is based on an index number formula that leads to average inflation rates that are approximately 0.5 percentage points per annum higher relative to the formula in the CPI/HICP. Further information is available on the ONS website at: <http://www.statistics.gov.uk/>.

CPI data for zones, based on national indices are annual chain-linked Laspeyres indices. The weights for each individual link are based on the previous year's households private final consumption expenditure using National Accounts data based on the 1993 System of National Accounts (SNA 93). The euro area CPI refers to the HICP published by Eurostat and covers the thirteen euro area countries for the entire period of the time series.

Provisional data are based on press releases by National Statistical Offices which are sometimes rounded to one-digit decimals. Final data transmitted to OECD is more complete and this may lead to differences.

The **OECD-Total** covers the 30 OECD Member countries: Australia, Austria, Belgium, Canada, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Japan, Korea, Luxembourg, Mexico, Netherlands, New Zealand, Norway, Poland, Portugal, Slovak Republic, Spain, Sweden, Switzerland, Turkey, United Kingdom, United States.

The **G7 area** covers Canada, France, Germany, Italy, Japan, United Kingdom and United States.

The **euro area** covers the following 13 countries: Austria, Belgium, Finland, France, Germany, Greece, Italy, Ireland, Luxembourg, the Netherlands, Portugal, Slovenia and Spain.

The **European Union** refers to the current composition of the European Union (27 countries) for the entire period of the time series.

Detailed information on consumer prices indices is available at [Comparative Methodological Analysis: Consumer and Producer Price Indices \(OECD, 2002\)](#).

More data on OECD member countries are available on the [Statistics Portal](#).

This news release can be found on the [OECD website](#).

Contacts:

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