LATEST TRENDS IN CONSUMER PRICES

Consumer prices in the OECD area rose by 0.3 per cent in October, unchanged from the rate of increase in September (1). Among the seven major countries, where the average increase also amounted to 0.3 per cent, the sharpest rise was recorded in Italy (0.6 per cent), mainly reflecting the influence of seasonal factors. In two of the smaller Member countries (Austria and Denmark) prices fell slightly, and they remained unchanged in the Netherlands. Among the other small countries, the rate of increase varied between 0.1 and 0.5 per cent, except in Greece where consumer prices were up 2.4 per cent. Measured over twelve months, the rate of consumer price inflation eased marginally to 3.1 per cent in October from 3.2 per cent in September (2).

With both food and energy prices falling slightly (by 0.1 and 0.2 per cent respectively), OECD consumer prices excluding these two components, an indicator of "underlying" inflation, rose by 0.4 per cent, up marginally from 0.3 per cent in September (3). Above-average rates of increase were recorded in the United States and Germany (0.6 and 0.5 per cent respectively) as well as in Luxembourg (0.6 per cent). Taken over twelve months, the underlying rate of OECD-area inflation in October remained unchanged from September at 3.6 per cent.

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(1) Excluding Turkey, a high-inflation country. Including Turkey, the increase amounted to 0.5 per cent.
(2) Including Turkey the year-on-year rate was 4.3 per cent.
(3) Excluding Greece, Iceland, Portugal, Sweden and Turkey, for which these data are not available.

END-OF-TEXT