Consumer prices in the OECD area rose by 0.1 per cent in November, down from 0.3 per cent in October (1). While prices declined by 0.2 per cent in Japan, they rose by 0.1 and 0.2 per cent in the United States and Europe respectively. Among the major countries, prices were up by 0.5 per cent both in Germany, reflecting a strong increase in service prices, and in Canada, where energy prices rose by 1.0 per cent mainly due to increases in prices of gasoline and natural gas, and transport equipment prices rose by 2.5 per cent, reflecting price increases for new model cars and trucks. Overall consumer prices rose sharply (by 1.0 per cent) in Switzerland, reflecting the semi-annual adjustment of rents to mortgage interest rates. Taken over twelve months, the inflation rate for the OECD area as a whole eased from 3.1 per cent in October to 2.9 per cent in November -- the first time the rate has fallen below the 3 per cent mark since March 1987 (2).

Food prices fell marginally (by 0.1 per cent) on average in the OECD area in November, declining in ten of the twenty OECD countries for which data are available, and remaining unchanged in four others. Consumer prices excluding both food and energy, an indicator of "underlying" inflation, rose by 0.2 per cent, down from 0.4 per cent in October (3). Some easing in this measure of inflation was evident in all major regions (United States, Japan and Europe). Taken over twelve months, the OECD-area rate of underlying inflation eased to 3.5 per cent, from 3.6 per cent in October, continuing the gradual deceleration evident during most of 1992.

--------------
(1) Excluding Turkey, a high-inflation country. Including Turkey, the increase amounted to 0.3 per cent, compared to 0.5 per cent in October.
(2) Including Turkey, the year-on-year rate was 4.1 per cent, down from 4.3 per cent in October.
(3) Excluding Greece, Iceland, Portugal, Sweden and Turkey, for which data are not available.

END-OF-TEXT