LATEST TRENDS IN CONSUMER PRICES

Consumer prices in the OECD area rose by 0.3 per cent in February (1) the same rate of increase as in January. Prices also rose by 0.3 per cent in the seven major countries considered as a whole. Among these countries, monthly inflation was stable in the United States at 0.3 per cent, decreased from 0.1 to 0.0 per cent in Japan, from 0.9 to 0.3 per cent in Germany, from 0.6 to 0.4 per cent in Italy and from 0.0 per cent to -0.8 per cent in Canada. Inflation increased in France from 0.2 to 0.3 per cent and from -0.4 to 0.6 per cent in the United Kingdom.

Among smaller member countries (excluding Turkey), consumer price changes in February varied from a 0.6 per cent rise in Austria and Portugal to a 0.1 per cent increase in Iceland and Spain. Inflation increased in Denmark, Finland, Greece, Iceland, Luxembourg, the Netherlands, Norway and Switzerland. Inflation was stable in Sweden, while it declined in Austria, Belgium, Portugal and Spain. Measured over twelve months, the rate of consumer price inflation for the OECD as a whole (excluding Turkey) was 2.5 per cent, down 0.5 percentage points from a year earlier (2).

Food prices in the OECD area (excluding Turkey) fell by 0.1 per cent in February, while energy prices rose by 0.4 per cent (3). OECD consumer prices excluding these two components, an indicator of "underlying" inflation, rose by 0.3 per cent in February as compared to a 0.1 per cent rise in January. Taken over twelve months, the underlying rate of OECD-area inflation was down by 0.1 percentage points at 2.7 per cent, this was 0.7 percentage points less than the twelve month rate for February 1993.

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(1) Excluding Turkey, a high-inflation country. Including Turkey, prices rose by 0.4 per cent in February the same rate of increase as in January.

(2) Including Turkey, the yearly rate was 3.5 per cent.

(3) Excluding Greece, Iceland, Portugal, Sweden and Turkey for which data are unavailable.