LATEST TRENDS IN CONSUMER PRICES

Consumer prices in the OECD area (excluding Turkey) rose by 0.3 per cent in March (1) the same rate of increase as in January and February. 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 0.3 to 0.2 per cent in both Germany and France, from 0.4 to 0.2 per cent in Italy and from 0.6 to 0.3 per cent in the United Kingdom. Prices in Japan, rose by 0.5 per cent in March, after being stable in February, while in Canada prices fell by 0.2 per cent as compared with a 0.8 per cent fall in February.

Among smaller member countries (excluding Turkey), consumer price changes in March varied from no increase in Belgium, Luxembourg, and Switzerland to a 2.9 per cent increase in Greece (2). Inflation increased in Greece, the Netherlands, Norway, Spain and Sweden, while it was stable in Iceland. Inflation declined in Austria, Belgium, Denmark, Finland, Luxembourg, Portugal and Switzerland. Measured over twelve months, the rate of consumer price inflation for the OECD as a whole (excluding Turkey) was 2.5 per cent in March, down 0.4 percentage points from a year earlier (3).

Food prices rose in the OECD area (excluding Turkey) by 0.4 per cent in March, while energy prices fell by 0.1 per cent (4). OECD consumer prices excluding these two components, an indicator of "underlying" inflation, increased by 0.4 per cent in March as compared to a 0.3 per cent rise in February. Taken over the twelve months to March, the underlying rate of OECD-area inflation was 2.7 per cent the same as for February; this was 0.6 percentage points less than the twelve month rate for March 1993.

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(1) Including Turkey, a high-inflation country, prices rose by 0.4 per cent in March unchanged since January.

(2) The month to month increase in Greece reflects seasonal factors.

(3) Including Turkey, the yearly rate was 3.5 per cent, stable since October.

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