LATEST TRENDS IN CONSUMER PRICES

Consumer prices in the OECD area (excluding Turkey) rose by 0.3 per cent in September (1), the same rate of increase as in August. Prices rose by 0.2 per cent in the seven major countries considered as a whole. Among these countries, the rate of inflation decreased to 0.3 per cent in both the United States and Japan and to 0.2 per cent in the United Kingdom. Inflation increased to 0.3 per cent in both France and Italy, and was stable in western Germany and Canada at 0.1 per cent.

Among smaller Member countries (excluding Turkey), consumer inflation increased in six countries, decreased in five and was stable in one. Consumer price changes in September varied from a 3.3 per cent rise in Greece to a 0.8 per cent fall in Austria. Inflation increased in Greece, Iceland, Luxembourg, the Netherlands, Norway and Sweden; while it remained stable in Finland. Inflation decreased in Austria, Belgium, Denmark, Spain and Switzerland. Measured over twelve months, the rate of consumer price inflation for the OECD area (excluding Turkey) was 2.5 per cent in September, down 0.3 percentage points from a year earlier (2).

Food prices in the OECD area (excluding Turkey) were stable in September, while energy prices fell by 0.3 per cent (3). OECD consumer prices excluding these two components, an indicator of "underlying" inflation, rose by 0.3 per cent as compared with 0.2 per cent in August. Over twelve months, the underlying OECD-area inflation rate was 2.5 per cent, which is 0.6 percentage points less than the yearly rate as of September 1993.

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(1) Excluding Mexico for which data are not yet available; including Turkey, a high-inflation country, OECD consumer prices rose by 0.5 per cent.

(2) Including Turkey, the yearly rate was 4.5 per cent.

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