LATEST TRENDS IN CONSUMER PRICES

Consumer prices in the OECD area (excluding Turkey) rose by 0.2 per cent in October (1), down from a 0.3 per cent increase in September. 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 0.1 per cent in both the United States and the United Kingdom, while in Canada the price level fell by 0.2 per cent. Inflation rose in both Japan and Italy to 0.5 per cent and was stable in western Germany and France at 0.1 and 0.3 per cent respectively.

Among smaller member countries (excluding Turkey), consumer inflation decreased in eight countries, increased in three and was stable in two. Consumer price changes in October varied from a 1.2 per cent rise in Greece to a 0.2 per cent fall in Austria and Belgium. Inflation decreased in Finland, Greece, Iceland, Luxembourg, the Netherlands, Norway, Spain and Sweden; while it remained stable in Belgium and Switzerland. Inflation increased in Austria, Denmark and Portugal. Measured over twelve months, the rate of consumer price inflation for the OECD area (excluding Turkey) was 2.4 per cent in October, down 0.3 percentage points from a year earlier (2).

Food prices in the OECD area (excluding Turkey) rose by 0.3 per cent in October, while energy prices fell by 0.8 per cent (3). OECD consumer prices excluding these two components, an indicator of "underlying" inflation, rose by 0.2 per cent as compared with a 0.3 per cent increase in September. Over twelve months, the underlying OECD-area inflation rate (excluding Turkey) was 2.4 per cent, which is 0.6 percentage points less than the yearly rate as of October 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 4.6 per cent.
(3) Excluding Greece, Iceland, Portugal, Sweden and Turkey for which pertinent data are unavailable.