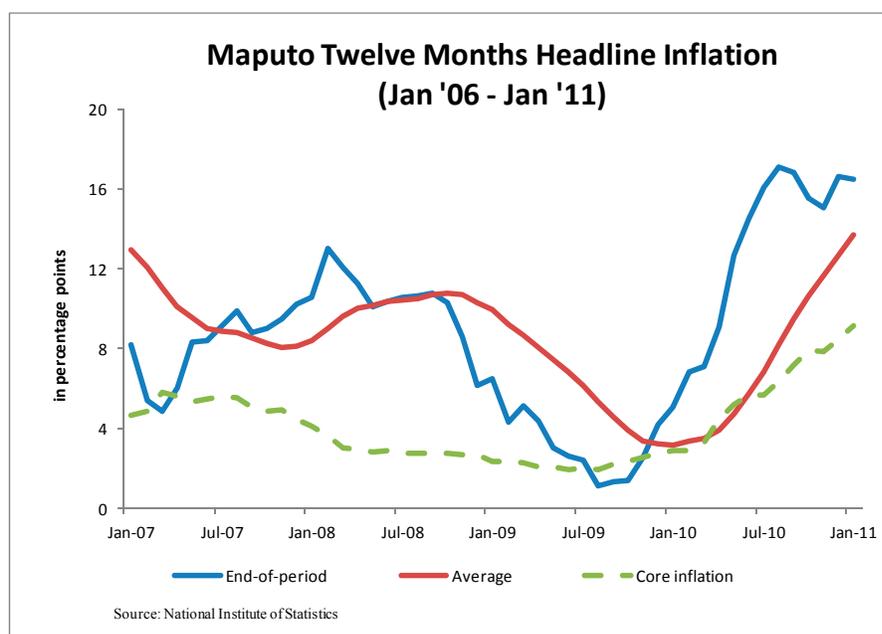


Maputo headline inflation – January 2011

- The new rebased series of the Maputo headline CPI (base period = December 2010) gained 2.1 percent in January, bringing twelve months inflation slightly down (but still above the single digits) to 16.5 percent and average up to 13.7 percent.
- The main inflation driver continued to be food items, particularly fresh products (e.g. tomatoes, frozen fish, collard greens and lettuce), which accounted to nearly 80 percent of total price increases.
- Core inflation (which excludes food, energy and fuels from total inflation) has maintained its upward course by gaining another 1 percent in January, thus reaching 9.2 percent in twelve months terms.



New inflation series highlights:

- In future, food items will have lower impact on the inflation rates while energy and fuel prices alongside education and communications will play a bigger role in explaining consumer prices behavior.
- The weighting for the category food and non-alcoholic beverages has seen a substantial reduction from 51.85 percent to 39.5 percent (-12.3 percentage points), followed by health products and services (-1.6 percentage points).
- Categories with major weight increases were: energy, fuels and utilities combined (+4.9 percentage points), personal care products (+3.1 percentage points), education (+1.7 percentage points), communications (+1.7 percentage points).