

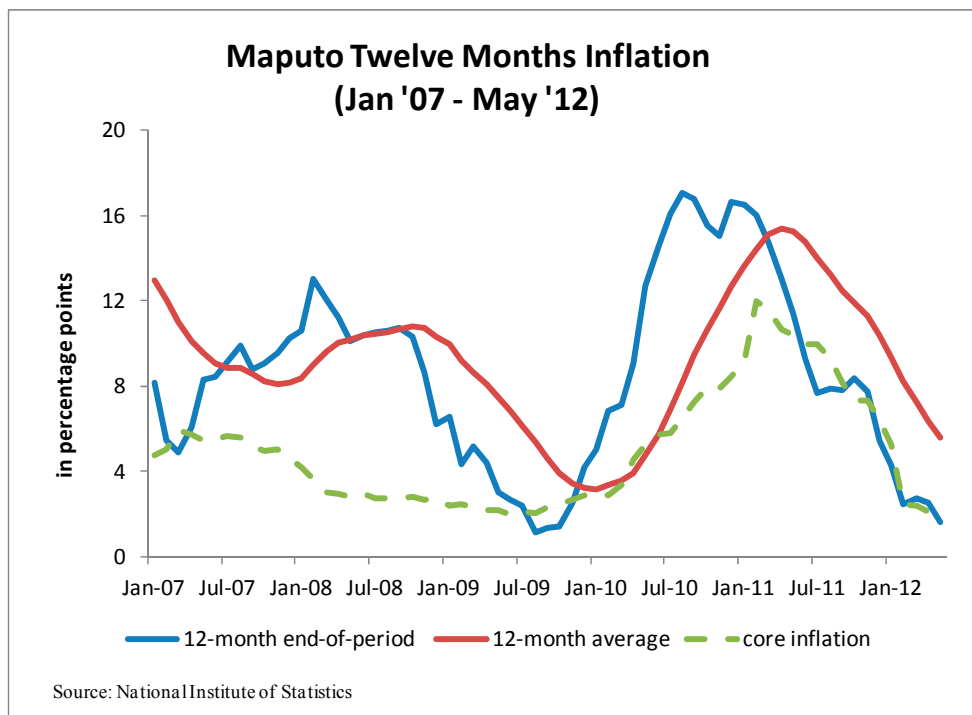


Office of the Resident Representative
Maputo - Mozambique

Maputo headline inflation – May 2012

Main facts:

- The Maputo headline inflation set again a record 12-month low over a decade. In May, the rate remained again stuck on negative ground (-0.4 percent), thereby bringing the 12-month end of period to just 1.6 percent.
- The average in twelve months further edged down to 5.6 percent while the 2012 accumulated inflation through May cooled to tiny 0.1 percent, against 3.9 percent recorded over the same period last year.
- Falling food prices (particularly tomatoes) associated with good harvests were once more the determinants of this month's result, thus pushing core inflation¹ further down to 1.5 percent from previous 2.1 percent.



¹ This core inflation measures excludes food, energy and fuels consumption from the total inflation.

- Pictured below is the accumulated contribution of product categories to total price increases in May this year:

**Product categories with major contribution to total
price increases in May 2012**

| Item | Contribution | Trend |
|--|---------------------|--------------|
| Food items and non-alcoholic beverages | -0.14 | ↓ |
| Alcoholic beverages and tobacco | 0.00 | - |
| Clothing and footwear | 0.04 | ↓ |
| Housing and utilities** | 0.05 | ↓ |
| Household goods and services | 0.00 | ↑ |
| Health expenses | -0.01 | ↑ |
| Transport | -0.06 | ↑ |
| Communications | 0.02 | ↓ |
| Leisure, entertainment and culture | -0.01 | ↑ |
| Education expenses | 0.00 | - |
| Restaurants, hotels and cafes | 0.00 | - |
| Miscellaneous goods and services | -0.02 | ↑ |
| | | |
| Total | -0.12 | ↓ |

* Water, electricity, gas and other energy sources.