## A FAMILY OF INDICES IN THE ISRAELI CPI*

Invited paper submitted by the Central Bureau of Statistics of Israel

The meeting is organised jointly with the International Labour Office (ILO)

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## I. Introduction

1. The complexity of a CPI, the importance of this statistical series for the economy, and the many uses by policy makers, business sector, financial markets and the general public, in economic and social contracts, require special care in publication and dissemination of the index.
2. Chapter 13 of the Consumer Price Index Manual, Practice and Theory sets guidelines for publication, dissemination and user relations in a CPI. Compilation and publication of the CPI, in Israel, are constantly updated according to these guidelines. In this paper I present several issues relating to publication of a family of indices, within this framework:

[^1]$\square$ indices to be compiled and presented within the General CPI
$\square$ indices that are related to or can be alternative measures to a CPI

- the level of detail within each index


## II. Framework for Family of Indices

3. An overall CPI consists of price indices for hundreds of products, based on thousands of price observations. All levels of the CPI, for which consumption weights may have been derived directly from a Household Expenditure Survey (or other statistically sufficient sources), can be compiled and published on a monthly basis. These may be not only the overall CPI but, in addition, consumption groups, aggregates and sub-aggregates. If consistent with user needs, price indices of "selected products" may be compiled and published on a monthly basis. Many users will want to know which goods or services have contributed most to changes in the index. These contributions, which take into account the consumption weights and price change, may be presented at publication.
4. Indices published within the CPI framework may be included in civil or government contracts, without knowledge of the statistical office. The compilers of the CPI must anticipate that any or all of the published indices may be directly influential on several parts of the economy, households and individuals. A price index should be published only if it is consistent with the basic elements of CPI production: able sampling frame, collection of enough (and suitable) price observations, sufficient consumption weights, etc.
5. CPI's attract enormous public attention as they possess two important characteristics in most economies: (a) they have direct influence on every ones "pocket" through indexation (b) everybody is an "expert" on consumption patterns, prices, etc. As compilers of CPI we recognize that there are many difficulties in producing a monthly (or quarterly) Consumer Price Index, and should deal with these issues on publication.
6. Chapter 22 of the CPI manual deals with the treatment of seasonal products and estimation of seasonal effects. While existing index number theory cannot deal satisfactorily with various seasonal commodities in the context of constructing month to month indices of consumer prices, it can deal satisfactorily with seasonal commodities if the focus is changed from month to month CPI's to CPI's that compare the prices of one month with the prices of the same month in a previous year. In comparing one month with the same month a year earlier, it is assumed that seasonal patterns are much the same from one year to the next. However, if the CPI is used in a monthly indexation process, the year to year comparisons may not be sufficient ${ }^{2}$.

[^2]7. Alongside the official CPI, many statistical offices may publish a seasonally adjusted series, as is common in all economic statistics. Care should be taken to distinguish between the data and supply full explanation of the methodology applied. Another method to handle seasonality is to publish an overall CPI excluding seasonal items like fruits and vegetables, clothing and footwear, energy, etc.
8. Overall CPI's may be used in the economy for indexation of contracts or benefits that are granted to certain sub-population groups like the elderly, children, employees, disabled, etc. Statistical offices may compile and publish indices that measure the price change for those groups (when possible) to monitor whether a large difference is found between the overall CPI and the group specific CPI. However, we must publish the limitations of these group specific CPI's. The most important drawback being that our price collection design (sample of outlets, items, prices) is usually satisfactory for the general population and not for a specific group within.
9. Other important indices, published in the CPI framework, may be measures of core or underlying inflation, including trend indices; indices compiled for international comparison like the European Union's Harmonized Index of Consumer Prices (HICP) and indices that estimate the change in cost of living (COLI). As any or all of these indices do not replace the "National CPI", it is important to explain clearly the underlying concepts and, if necessary, the reason why the monthly, quarterly or annual results are different from the CPI.

## III. Family of Indices in Israel

10. The Consumer Price Index in Israel is published on the $15^{\text {th }}$ of every month along with several indices that comprise the Producer Price Index. The main indices are (table 1 below):

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- General CPI <br> - CPI excluding fruits and vegetables <br> - CPI excluding housing <br> - Wholesale price index of manufacturing output <br> Price index of input in residential building <br> D Price index of input in road construction <br> D Price index of input in agriculture\price index of input in buses
}

11. The Public Council on Statistics, that accompanies the work of the statistical office, appoints advisory committees with specialists and user representatives to recommend to the Government Statistician on the statistical needs of the economy, in these areas. However, the final decisions on the statistical program, including the methodology to be applied in each of the statistical series, is at the lone discretion of the Government Statistician.

## Last produced for Price Statistics Monthly No. 3/2006

## TABLE 1.- MONTHLY PRICE INDICES


(1) As from January 2006 the updated Wholesale Price Index
of Manufacturing Output is calculated on a new base: average $2005=100.0$
(on the updating of the index, see Appendix to the "Price Statistics Monthly",
no. 1, 2006, Hebrew only). To compare previous indices based on
average $1994=100.0$, one has to multiply the general index by the linking
coefficient 1.791 and the index excluding fuel by the linking coefficient 1.706.
(2) As of February 2004, updated Price Index of Input in Residential Building
is calculated based on January 2004=100.0 (see the Price Statistics
Monthly, No. 2, 2004 for the updating of the index). To compare
with previous indices, based on January 1992=100.0, one has to
multiply the index as of February 2004 by the index coefficient $\mathbf{- 2 . 0 4 8}$.
12. Within the CPI, tables ( 2 and 3 below) are presented monthly for the changes and contributions of the main consumption groups and specific goods and services that especially contributed to the price changes of that month.

TABLE 2.- CONSUMER PRICE INDEX, BY CONSUMPTION GROUPS CONTRIBUTION AND PERCENT CHANGE

March 2006

|  |  | Mar | 06 |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Code | Main Group | Change Compared to February 2006 |  | PercentChangeCompared toDecember2005 | PercentChangeCompared toMarch2005 |
|  |  | Percent Change | Contribution (\%) |  |  |
| 120010 | Consumer Price Index - |  |  |  |  |
| 120010 | General | 0.3 | 0.3 | 0.6 | 3.6 |
| 120020 | The index, excluding vegetables and fruit | 0.4 | - | 0.5 | 3.7 |
| 110040 | The index, excluding housing | 0.1 | - | 0.7 | 2.7 |
| 120030 | The index, excluding vegetables, fruit and housing | 0.1 | - | 0.5 | 2.7 |
| 120050 | Food, excluding vegetables and fruit | 0.8 | 0.125 | 2.5 | 4.4 |
| 120040 | Vegetables and fruit | 0.5 | 0.0 | 4.3 | 2.7 |
| 120450 | Housing | 1.2 | 0.225 | 0.3 | 7.5 |
| 120520 | Dwellings maintenance | 0.2 | 0.025 | -1.3 | 3.5 |
| 120660 | Furniture and household equipment | 0.3 | 0.0 | 0.8 | -1.3 |
| 120850 | Clothing and footwear | -4.4 | -0.125 | -15.0 | 0.3 |
| 121230 | Health | -0.1 | 0.0 | 0.6 | 2.0 |
| 121050 | Education, culture and entertainment | 0.7 | 0.075 | 0.6 | 1.6 |
| 121320 | Transport and communication | -0.1 | -0.025 | 1.6 | 3.1 |
| 121430 | Miscellaneous | -0.1 | 0.0 | 1.3 | 2.8 |

Table 3: Consumer Price Index: Contribution and Percent Change of Selected Groups, March 2006

| Consumption Item | Price Change | Contribution |
| :--- | :---: | :---: |
| Owner Occupied <br> Housing | 1.5 | 0.2262 |
| Meat, Poultry, Fish | 1.9 | 0.0701 |
| Travel Abroad | 0.8 | 0.0316 |
| Telecommunications | 0.9 | 0.0308 |
| Fresh vegetables | 2.5 | 0.0304 |
| Hotels | 4.7 | 0.0272 |
| Catered affairs | 1.7 | 0.0256 |
| Books | 8.3 | 0.0150 |
| Rent | 0.3 | 0.0124 |
| Gasoline for cars | -2.0 | -0.0922 |
| Clothing | -5.3 | -0.0958 |

13. In order to supply users with the maximum amount of indices, whether for economic analysis or contractual purposes, indices are published for main groups, groups, sub-groups and selected products (appendix 1 tables a-b). The principles for publication are similar to those stated above: consistency in compilation, user needs, statistically sufficient in terms of consumption weights, price observations, pricing schemes, etc. The price changes to be presented will include, monthly, annual and accumulated changes from the beginning of the calendar year.
14. In addition to the general CPI, a monthly CPI, reclassified for economic branch (table 4 below), is published in order to allow comparison to the PPI. Here caution is taken to ensure that the level and the change in the general index will be the same in both cases. This is due to the fact that the CPI for economic branches is directly derived from the overall CPI, however grouped according to the categorization of the economic branches.

TABLE 4.- CONSUMER PRICE INDEX (INCL. V.A.T.), BY ECONOMIC BRANCH Base: Average 2002=100.0

| Code of <br> Index | Item | New Weight as of l/2005 | 2005 | 2005 |  |  | 2006 |  |  | Percent change |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | Average | X | XI | XII | I | II | III | Monthly | $\begin{gathered} \text { Compared } \\ \text { to } \\ \text { December } \\ 2005 \\ \hline \end{gathered}$ | Annual |
| 130010 | $\begin{aligned} & \text { Consumer Price Index - } \\ & \text { General } \end{aligned}$ | 1,000.0 | 101.6 | 103.3 | 103.2 | 103.0 | 102.7 | 103.3 | 103.6 | 0.3 | 0.6 | 3.6 |
| 130015 | The index, excluding agricultural produce | 967.1 | 101.6 | 103.2 | 103.1 | 103.1 | 102.7 | 103.3 | 103.6 | 0.3 | 0.5 | 3.7 |
| $\begin{aligned} & 130020 \\ & 130030 \end{aligned}$ | Agricultural produce Vegetables, fruit and field crops | 32.9 | 101.6 | 104.8 | 106.7 | 99.8 | 102.8 | 103.4 | 104.8 | 1.4 | 5.0 | 2.7 |
| 130040 | Fish and animal products | 27.7 5.2 | 100.5 107.4 | 104.4 107.2 | 106.8 106.2 | 98.5 106.6 | 102.1 106.8 | 102.7 107.4 | 103.8 109.9 | 1.1 2.3 | 5.4 3.1 | 2.9 2.0 |
| 130050 130060 | Manufacturing products Food, beverages and tobacco | 362.6 | 104.0 | 105.8 | 105.2 | 105.2 | 105.5 | 106.3 | 106.0 | -0.3 | 0.8 | 3.5 |
| 130070 | Milk and dairy products | 130.8 23.9 | 105.9 108.5 | 106.5 108.6 | 107.3 109.1 | 107.3 109.4 | 108.2 109.5 | 109.4 109.7 | 110.1 110.0 | 0.6 0.3 | 2.6 0.5 | 4.4 1.9 |


15. In the process of compiling and presenting the CPI, average prices may be calculated for categories of goods and services. It is thus possible to publish average prices for selected goods and services. In the Israeli CPI we publish average prices for a well defined group of goods and services (appendix 1, table c). As the CPI is used extensively for indexation, we state explicitly that the average prices should not be used in this case. However, we can not prevent such use and therefore deliberate continuously with our user committees how to find the delicate balance between dissemination of statistical data and user "abuse".

Seasonality and Trend Indices
16. Socio-economic time series data, including CPI, are used for studying and following the developments of trends and for detecting the occurrence of turning points and changes in the direction of the socio-economic activity. This detection task is made difficult when the original data contain not only the fundamental trend-cycle behaviour of interest, but also movements attributable to seasonal, trading day, movable holiday and irregular influences. In order to estimate the trend in time series, seasonal, movable holiday and trading day variations must first be removed and then irregular influences dampened.
17. Methods developed in other leading statistical agencies, academic institutions and central banks around the world were analyzed, new methods were developed, and those appropriate to Israeli time series are applied. In particular, the prior adjustment factors are calculated using the special method developed by the Israeli Central Bureau of Statistics for the estimation of the moving Jewish festival dates and trading day effects in Israel. The seasonal factors, and the seasonally adjusted series, are calculated using the X-11ARIMA (Dagum, 1988) or the X-12-ARIMA (U.S. Census Bureau, 2001) seasonal adjustment methods. The estimation of the trend is carried out according to an improved method based on symmetric Henderson moving averages ${ }^{3}$.
18. The seasonally adjusted and trend indices, compiled and published monthly along with the "regular" CPI, enables the analysts to detect price changes without seasonal or irregular factors. These indices, in contrast to the official series, are adjusted each month retroactively based on the new information received in the current CPI. Therefore they may not be used for purposes of indexation. Seasonally adjusted indices (table 5 below) are compiled for components of the index that contain seasonal patterns. These patterns were detected based on analysis of price changes for periods of ten years or more.

[^3]TABLE 5.- SEASONALLY ADJUSTED CONSUMER PRICE INDICES
Base: Average 2002 = 100.0

|  |  | Indices of seasonally adjusted items |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | Consumer Price Index General | The index, excluding housing | The index, excluding vegetables, fruit and housing | Fresh vegetables | Fresh fruit | Clothing | Footwear | Recreation and excursions, etc. | Expenditures for travel abroad |
| $2004$ | I | 99.8 | 102.0 | 102.1 | 98.1 | 104.5 | 92.5 | 98.5 | 95.1 | 104.2 |
|  | II | 99.8 | 102.2 | 102.3 | 99.3 | 100.3 | 92.4 | 92.3 | 94.9 | 105.4 |
|  | III | 99.9 | 102.1 | 102.2 | 95.9 | 101.4 | 92.7 | 92.3 | 94.2 | 106.8 |
|  | IV | 100.3 | 102.4 | 102.6 | 94.0 | 101.2 | 92.2 | 91.9 | 94.4 | 111.1 |
|  | V | 100.5 | 102.5 | 102.9 | 93.8 | 94.3 | 91.1 | 91.2 | 94.3 | 112.6 |
|  | VI | 100.5 | 102.5 | 103.0 | 90.2 | 92.2 | 90.9 | 91.6 | 94.4 | 112.4 |
|  | VII | 100.3 | 102.5 | 102.9 | 91.1 | 90.3 | 90.2 | 91.1 | 94.4 | 111.7 |
| 2005 | VIII | 100.4 | 102.6 | 103.0 | 90.8 | 91.4 | 89.8 | 90.3 | 94.9 | 113.3 |
|  | IX | 100.5 | 102.6 | 103.1 | 91.0 | 91.6 | 90.0 | 89.2 | 95.0 | 114.4 |
|  | X | 100.3 | 102.8 | 103.4 | 87.0 | 90.2 | 89.7 | 87.7 | 95.5 | 114.4 |
|  | XI | 100.5 | 103.2 | 103.7 | 92.9 | 92.3 | 89.7 | 89.0 | 95.7 | 114.6 |
|  | XII | 100.8 | 104.1 | 103.8 | 120.4 | 93.4 | 89.1 | 88.3 | 95.9 | 115.1 |
|  | I | 100.6 | 103.6 | 103.6 | 112.1 | 94.4 | 86.6 | 80.6 | 95.7 | 114.5 |
|  | II | 100.6 | 103.6 | 103.7 | 109.7 | 93.4 | 85.9 | 81.2 | 96.1 | 113.8 |
|  | III | 100.6 | 103.7 | 103.9 | 97.7 | 94.0 | 86.2 | 81.0 | 95.6 | 113.5 |
|  | IV | 100.6 | 103.7 | 104.0 | 94.8 | 94.5 | 87.3 | 81.4 | 97.1 | 110.5 |
|  | V | 100.7 | 103.9 | 104.2 | 95.6 | 93.2 | 87.8 | 81.4 | 96.9 | 111.5 |
|  | VI | 100.9 | 103.5 | 103.9 | 97.0 | 92.6 | 89.8 | 82.2 | 96.9 | 112.9 |
|  | VII | 101.9 | 104.5 | 104.8 | 96.0 | 93.8 | 88.4 | 80.7 | 97.7 | 115.8 |
| 2006 | VIII | 102.0 | 104.6 | 104.8 | 97.1 | 96.6 | 87.4 | 79.5 | 98.6 | 114.8 |
|  | IX | 102.4 | 105.1 | 105.3 | 100.8 | 98.7 | 86.2 | 78.4 | 98.1 | 114.5 |
|  | X | 103.0 | 105.7 | 105.9 | 99.5 | 100.1 | 84.9 | 79.9 | 98.4 | 117.3 |
|  | XI | 103.2 | 105.6 | 105.7 | 105.3 | 102.2 | 84.5 | 79.5 | 99.0 | 119.7 |
|  | XII | 103.2 | 105.4 | 105.8 | 89.9 | 101.7 | 86.8 | 79.5 | 99.7 | 118.8 |
|  | I | 103.3 | 105.6 | 105.9 | 89.8 | 104.6 | 88.3 | 80.2 | 99.7 | 118.9 |
|  | II | 103.7 | 106.1 | 106.4 | 88.7 | 106.5 | 87.9 | 79.8 | 100.1 | 120.7 |
|  | III | 104.2 | 106.4 | 106.7 | 95.4 | 104.1 | 87.0 | 80.1 | 101.4 | 121.2 |

19. Trend indices are computed and published (table 6 below) for the total CPI, the CPI excluding housing and the CPI excluding housing and fruits and vegetables. The 4 month price change in the CPI trend series, "inflated" to annual price change, is usually what is stated by the journalists as the present annual inflation rate.

TABLE 6. - CPI, SEASONAL AND TREND INDICES
Base: Average 2002 = 100.0

|  |  | Percentage Change |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | CPI | Seasonal | Trend | CPI exc. housing | Seasonal | Trend | CPI exc. Housing and F.V. | Seasonal | Trend |
| 2005 | XII | -0.19 | 0.00 | 0.29 | -0.38 | -0.19 | 0.19 | 0.00 | 0.09 | 0.19 |
| 2006 | I | -0.29 | 0.10 | 0.19 | -0.10 | 0.19 | 0.09 | -0.28 | 0.09 | 0.19 |
|  | II | 0.58 | 0.39 | 0.29 | 0.67 | 0.47 | 0.28 | 0.67 | 0.47 | 0.19 |
|  | III | 0.29 | 0.48 | 0.29 | 0.09 | 0.28 | 0.19 | 0.09 | 0.28 | 0.28 |

Indices for other population groups
20. Consumer Price Indices for Quintiles of Disposable Income per Standard Person are computed and published monthly for the lowest, middle and highest quintiles (table 7 below). These indices indicate whether there are differential price changes for different socio-economic groups in the population. These groups have different consumption patterns and therefore may face different inflationary pressures. It should be stated (again) that the limitation of such series is the assumption that prices collected for the "average consumer" are representative of the specific population groups. The journalists will use these indices to report on the inflation for the "rich" vs. the "poor".

TABLE 7- CONSUMER PRICE INDEX OF THE MAIN "BASKET" GROUPS, FOR QUINTILES OF DISPOSABLE INCOME PER STANDARD PERSON

Base: Average 2002=100.0


|  | 2006 | January | 94.4 | -0.9 | -0.9 | 94.2 | -1.2 | -1.2 | 94.1 | -1.2 | -1.2 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | February | 94.7 | 0.3 | -0.6 | 94.5 | 0.3 | -0.8 | 94.3 | 0.2 | -0.9 |
| Dwellings maintenance |  | March | 95.7 | 1.1 | 0.4 | 95.6 | 1.2 | 0.3 | 95.5 | 1.3 | 0.3 |
|  | 2005 | March | 111.5 | -0.1 | 0.4 | 110.6 | 0.0 | 0.4 | 109.2 | -0.1 | 0.2 |
|  | 2006 | January | 115.3 | -2.3 | -2.3 | 113.9 | -2.0 | -2.0 | 112.2 | -1.5 | -1.5 |
|  |  | February | 115.9 | 0.5 | -1.8 | 114.4 | 0.4 | -1.5 | 112.6 | 0.4 | -1.1 |
|  |  | March | 115.9 | 0.0 | -1.8 | 114.5 | 0.1 | -1.5 | 112.9 | 0.3 | -0.9 |
| Furniture and household equipment |  |  |  |  |  |  |  |  |  |  |  |
|  | 2005 | March | 96.3 | 0.3 | -0.2 | 97.7 | 0.4 | 1.1 | 98.0 | 0.4 | 1.2 |
|  | $2006$ | January | 94.9 | 0.5 | 0.5 | 96.2 | 0.8 | 0.8 | 96.5 | 0.9 | 0.9 |
|  |  | February | 94.7 | -0.2 | 0.3 | 95.9 | -0.3 | 0.5 | 96.1 | -0.4 | 0.5 |
|  |  | March | 95.0 | 0.3 | 0.6 | 96.2 | 0.3 | 0.8 | 96.5 | 0.4 | 0.9 |
| Clothing and footwear |  |  |  |  |  |  |  |  |  |  |  |
|  | 2005 | March | 76.5 | -3.3 | -18.6 | 78.8 | -3.3 | -17.6 | 79.2 | -3.8 | -17.8 |
|  | $2006$ | January | 85.6 | -5.0 | -5.0 | 88.0 | -4.9 | -4.9 | 89.1 | -5.1 | -5.1 |
|  |  | February | 79.9 | -6.7 | -11.3 | 82.4 | -6.4 | -10.9 | 83.4 | -6.4 | -11.2 |
|  |  | March | 76.4 | -4.4 | -15.2 | 78.9 | -4.2 | -14.7 | 79.6 | -4.6 | -15.2 |
| Health | $\begin{aligned} & 2005 \\ & 2006 \end{aligned}$ | March | 105.7 | 0.2 | -0.1 | 106.0 | 0.2 | 0.2 | 105.7 | 0.4 | 0.8 |
|  |  | January | 107.3 | 0.2 | 0.2 | 107.6 | 0.2 | 0.2 | 107.6 | 0.3 | 0.3 |
|  |  | February | 107.7 | 0.4 | 0.6 | 108.1 | 0.5 | 0.7 | 108.1 | 0.5 | 0.7 |
|  |  | March | 107.6 | -0.1 | 0.5 | 108.1 | 0.0 | 0.7 | 108.1 | 0.0 | 0.7 |
| Education, culture and entertainment |  |  |  |  |  |  |  |  |  |  |  |
|  |  | March | 97.5 | -0.1 | -0.9 | 99.0 | 0.0 | -0.1 | 98.8 | 0.1 | 0.2 |
|  | $2006$ | January | 97.6 | -0.4 | -0.4 | 99.7 | -0.2 | -0.2 | 99.7 | -0.1 | -0.1 |
|  |  | February | 97.9 | 0.3 | -0.1 | 99.9 | 0.2 | 0.0 | 99.7 | 0.0 | -0.1 |
|  |  | March | 98.4 | 0.5 | 0.4 | 100.6 | 0.7 | 0.7 | 100.5 | 0.8 | 0.7 |
| Transport and communication |  |  |  |  |  |  |  |  |  |  |  |
|  | 2005 | March | 102.3 | 0.4 | -0.7 | 103.7 | 0.3 | -0.3 | 105.6 | 0.2 | -0.8 |
|  | 2006 | January | 103.6 | 0.0 | 0.0 | 105.1 | 0.0 | 0.0 | 107.5 | 0.2 | 0.2 |
|  |  | February | 105.3 | 1.6 | 1.6 | 106.8 | 1.6 | 1.6 | 109.2 | 1.6 | 1.8 |
|  |  | March | 105.2 | -0.1 | 1.5 | 106.7 | -0.1 | 1.5 | 109.2 | 0.0 | 1.8 |
| Miscellaneous | 2005 | March | 108.4 | 0.1 | 1.0 | 104.9 | -0.2 | -0.4 | 103.2 | -0.2 | -0.1 |
|  | 2006 | January | 111.6 | 0.8 | 0.8 | 107.2 | 0.9 | 0.9 | 105.5 | 1.0 | 1.0 |
|  |  | February | 112.2 | 0.5 | 1.4 | 107.8 | 0.6 | 1.5 | 106.1 | 0.6 | 1.5 |
|  |  | March | 112.1 | -0.1 | 1.3 | 107.7 | -0.1 | 1.4 | 106.0 | -0.1 | 1.4 |

## Indicators based on data outside of the official CPI

21. CPI's presented in this framework have either been sub-groups of the overall CPI or indices that utilize the basic CPI data for construction of related or alternative measures. However, indices on housing, based on alternative methods of owner occupied housing, as implemented by the statistical office, may be computed and published. Several statistical offices compute alternative series for housing that are not part of the official CPI. As the component of owner occupied housing in the Israeli CPI is based on rental equivalence, and therefore uses the rental transactions already collected in the framework of the CPI, the actual prices of housing transactions are not measured in the
index. The users of the CPI requested that such prices should be collected to indicate the price change for the stock of houses in the economy. Therefore these prices are collected and a price index (using hedonic methods) is computed and published monthly (table 8 below). Such series, similar to all those that are not used for indexation, may be adjusted retroactively, as new price data is collected on previous time periods.

## TABLE 8.- PRICES OF OWNER OCCUPIED DWELLINGS, ACCORDING TO THE "SURVEY OF HOUSING PRICES"(1) - MONTHLY INDEX AND PERCENT CHANGES

Base: Average 1993=100.0

| Survey Period | Mid Mark | Date of Publication | Index | Percent Change |
| :---: | :---: | :---: | :---: | :---: |
| January 2004-February 2004 | 01/02/2004 | 15/04/2004 | 182.0 | 0.4 |
| February 2004-March 2004 | 01/03/2004 | 15/05/2004 | 183.7 | 0.9 |
| March 2004-April 2004 | 01/04/2004 | 15/06/2004 | 184.9 | 0.7 |
| April 2004-May 2004 | 01/05/2004 | 15/07/2004 | 186.6 | 0.9 |
| May 2004-June 2004 | 01/06/2004 | 15/08/2004 | 187.6 | 0.5 |
| June 2004-July 2004 | 01/07/2004 | 15/09/2004 | 186.6 | -0.5 |
| July 2004-August 2004 | 01/08/2004 | 15/10/2004 | 187.2 | 0.3 |
| August 2004-September 2004 | 01/09/2004 | 15/11/2004 | 185.7 | -0.8 |
| September 2004-October 2004 | 01/10/2004 | 15/12/2004 | 182.4 | -1.8 |
| October 2004-November 2004 | 01/11/2004 | 15/01/2005 | 182.0 | -0.2 |
| November 2004-December 2004 | 01/12/2004 | 15/02/2005 | 180.4 | -0.9 |
| December 2004-January 2005 | 01/01/2005 | 15/03/2005 | 178.8 | -0.9 |
| January 2005-February 2005 | 01/02/2005 | 15/04/2005 | 178.6 | -0.1 |
| February 2005-March 2005 | 01/03/2005 | 15/05/2005 | 179.5 | 0.5 |
| March 2005-April 2005 | 01/04/2005 | 15/06/2005 | 182.2 | 1.5 |
| April 2005-May 2005 | 01/05/2005 | 15/07/2005 | 182.5 | 0.2 |
| May 2005-June 2005 | 01/06/2005 | 15/08/2005 | 183.1 | 0.3 |
| June 2005-July 2005 | 01/07/2005 | 15/09/2005 | 185.6 | 1.4 |
| July 2005-August 2005 | 01/08/2005 | 15/10/2005 | 185.7 | 0.1 |
| August 2005-September 2005 | 01/09/2005 | 15/11/2005 | 185.4 | -0.2 |
| September 2005-October 2005 | 01/10/2005 | 15/12/2005 | 187.1 | 0.9 |
| October 2005-November 2005 | 01/11/2005 | 15/01/2006 | 189.0 | 1.0 |
| November 2005-December 2005 | 01/12/2005 | 15/02/2006 | (2)189.0 | (2)0.0 |
| December 2005-January 2006 | 01/01/2006 | 15/03/2006 | (2)185.1 | (2)-2.1 |
| January 2006-February 2006 | 01/02/2006 | 15/04/2006 | (2)188.9 | (2)2.1 |

(1) As of January 1999 these surveys serve as an indicator to changes
in housing prices and are not part of the Consumer Price Index.
(2) Provisional datum. The final datum will be published in the future.

## IV. Summary

22. The importance of a CPI requires special attention when making decisions related to publication and dissemination of the index. Chapter 13 of the CPI Manual: Theory and

Practice sets out several guidelines relating to these issues. While rules of dissemination may be identical in many statistical offices (making available as soon as possible, to all users at the same time, according to pre-announced timetables, without political interference, etc.), the "mix" of price indices to be computed is derived from the needs of the economy and users, and the resources at the disposal of the statistical office.
23. Indices can be computed as part of the CPI, related and alternative to the CPI (although based on CPI data) or complimentary series to the CPI, based on data that may not be part of the regular CPI collection process.
24. The use of the Price Index Series in Israel requires publication of all price indices at an identical dissemination time ( $18: 30$ on the $15^{\text {th }}$ of every month). Indexes are published for CPI and PPI. Within the CPI framework indices are published for overall CPI, CPI's excluding certain components, main consumption groups, groups, sub-groups, selected products and average prices for a well defined set of goods and services. Alternative and related measures include: seasonally adjusted indexes, trend indices, indices for socio-economic groups and housing indices compiled for an indicator of price changes in the housing stock (although not part of the official CPI).
25. Whether one CPI or many indices are published, special care must be taken to assure that the indices will be published on a regular basis, that methodology used is consistent with the CPI manual of best practices and that sufficient explanations of underlying concepts are distributed along with the publication of the CPI; in order to differentiate the official CPI from the supplemental information.

## Appendix

TABLE A.- CONSUMER PRICE INDEX (INCL. V.A.T.),
BY MAIN GROUP, GROUP AND SUB-GROUP
Base: Average 2002=100.0

| Item | New Weight as of 1/2005 | 2005 | 2005 |  |  | 2006 |  |  | Percent change |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | Avg. | X | XI | XII | I | II | III | Monthly | vs. <br> Dec | Annual |
| Consumer Price Index - |  |  |  |  |  |  |  |  |  |  |  |
| The index, excluding vegetables and fruit | 966.8 | 101.7 | 103.3 | 103.2 | 103.2 | 102.8 | 103.3 | 103.7 | 0.4 | 0.5 | 3.7 |
| The index, excluding housing | 783.8 | 104.4 | 105.9 | 105.5 | 105.1 | 105.0 | 105.7 | 105.8 | 0.1 | 0.7 | 2.7 |
| The index, excluding vegetables, fruit and housing | 750.6 | 104.6 | 106.0 | 105.5 | 105.5 | 105.2 | 105.9 | 106.0 | 0.1 | 0.5 | 2.7 |
| Food, excluding |  |  |  |  |  |  |  |  |  |  |  |
| Bread, cereals and dough products |  |  |  |  |  |  |  |  |  |  |  |
|  | 26.7 | 108.4 | 108.5 | 110.2 | 110.3 | 110.3 | 110.7 | 111.1 | 0.4 | 0.7 | 3.0 |
| Bread <br> Biscuits, cakes and cookies | 8.8 9.0 | 118.9 102.6 | 118.0 103.4 | 123.2 102.5 | 124.5 103.4 | 124.5 102.7 | 123.6 104.3 | 123.6 105.0 | 0.0 0.7 | -0.7 1.5 | 5.0 2.6 |
| Flour | 1.0 | 123.3 | 123.4 | 123.2 | 124.0 | 123.5 | 122.4 | 122.8 | 0.3 | -1.0 | -0.4 |
| Flour products Cereals and cereal products | 4.0 3.9 | 102.2 100.7 | 102.3 101.3 | 104.1 101.7 | 100.7 100.9 | 102.8 99.8 | 102.9 101.7 | 104.1 101.3 | 1.2 -0.4 | 3.4 0.4 | 1.2 1.2 |
| Meat, poultry, fish and their products |  |  |  |  |  |  |  |  |  |  |  |
| Beef, all kinds Other meat (mutton, pork, etc.) | 7.1 2.5 | 106.2 101.9 | 109.0 102.8 | 112.9 103.1 | 114.8 103.5 | 116.5 106.9 | 117.4 106.9 | 120.8 110.6 | 2.9 3.5 | 5.2 6.9 | 16.6 10.3 |
| Chicken and parts thereof | 13.5 | 109.2 | 113.2 | 111.1 | 108.6 | 115.3 | 118.0 | 120.4 | 2.0 | 10.9 | 10.7 |
| Canned meat, sausage and frankfurters | 5.8 | 95.8 | 95.0 | 96.8 | 95.9 | 94.9 | 98.0 | 96.3 | -1.7 | 0.4 | -0.2 |
| Fish <br> Fish preserves | 3.4 | 104.5 | 104.9 | 105.1 | 106.8 | 106.1 | 106.5 | 111.2 | 4.4 | 4.1 | 7.0 |
| and fish salads | 2.2 | 99.8 | 100.0 | 100.0 | 99.3 | 99.9 | 103.4 | 104.7 | 1.3 | 5.4 | 2.9 |


| Oils and margarine Oils, mayonnaise etc. | 3.6 | 109.0 | 110.3 | 109.8 | 110.3 | 113.0 | 115.8 | 116.5 | 0.6 | 5.6 | 7.7 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 3.1 | 105.6 | 106.7 | 106.0 | 106.2 | 109.2 | 111.0 | 111.3 | 0.3 | 4.8 | 5.9 |
| Margarine | 0.5 | 129.6 | 132.2 | 133.0 | 136.1 | 136.8 | 145.8 | 148.7 | 2.0 | 9.3 | 16.4 |
| Milk and dairy products | 23.9 | 108.5 | 108.6 | 109.1 | 109.4 | 109.5 | 109.7 | 110.0 | 0.3 | 0.5 | 1.9 |
| Milk <br> Sour milk, yoghurt | 6.2 | 109.6 | 109.9 | 110.3 | 110.7 | 109.7 | 110.4 | 110.8 | 0.4 | 0.1 | 1.6 |
| and milk delicacies | 5.9 | 109.1 | 109.1 | 110.0 | 110.3 | 111.2 | 110.5 | 111.3 | 0.7 | 0.9 | 3.0 |
| Cream | 1.0 | 106.3 | 106.1 | 106.7 | 106.6 | 106.9 | 107.0 | 107.0 | 0.0 | 0.4 | 0.8 |
| Butter | 0.4 | 106.2 | 106.3 | 106.5 | 106.5 | 106.4 | 106.2 | 106.2 | 0.0 | -0.3 | 0.4 |
| Cheese | 8.7 | 110.1 | 110.3 | 110.7 | 111.1 | 110.9 | 111.3 | 111.6 | 0.3 | 0.5 | 2.1 |
| Ice cream | 1.7 | 96.2 | 95.2 | 95.4 | 94.5 | 97.3 | 98.0 | 96.8 | -1.2 | 2.4 | -1.1 |
| Eggs | 2.9 | 112.5 | 112.7 | 112.8 | 112.6 | 112.6 | 112.5 | 113.1 | 0.5 | 0.4 | 0.8 |
| Sugar, jam and sweets Sugar and substitutes | 4.6 | 97.9 | 98.6 | 99.2 | 99.1 | 100.3 | 103.7 | 105.8 | 2.0 | 6.8 | 9.3 |
| Jam, honey and confiture | 0.8 0.7 | 92.3 96.5 | 96.3 95.0 | 98.7 96.2 | 99.7 | 102.0 99.7 | 116.9 102.1 | 126.5 102.7 | 8.2 0.6 | 26.9 6.9 | 41.3 |
| Sweets and chocolate | 3.1 | 99.8 | 100.0 | 100.1 | 99.6 | 100.0 | 100.7 | 101.2 | 0.5 | 1.6 | 3.0 |
| Beverages | 11.2 | 96.9 | 95.4 | 98.0 | 98.3 | 97.2 | 99.9 | 100.1 | 0.2 | 1.8 | 3.0 |
| Soft drinks | 8.2 | 95.8 | 94.2 | 96.9 | 97.2 | 95.6 | 98.8 | 99.0 | 0.2 | 1.9 | 3.2 |
| Alcoholic beverages Miscellaneous food products | 3.0 | 100.0 | 98.7 | 101.0 | 101.4 | 101.5 | 103.1 | 103.1 | 0.0 | 1.7 | 2.1 |
|  | 9.4 | 98.9 | 98.7 | 99.3 | 99.4 | 99.4 | 98.9 | 100.3 | 1.4 | 0.9 | 1.3 |
| Spices, soup mix etc. | 5.2 | 100.0 | 98.7 | 100.0 | 99.6 | 100.5 | 100.4 | 100.8 | 0.4 | 1.2 | 0.3 |
| Tea Coffee of | 0.8 | 105.2 | 105.1 | 105.3 | 105.4 | 107.4 | 108.6 | 109.9 | 1.2 | 4.3 | 3.8 |
| various kinds | 2.3 | 98.1 | 100.4 | 100.7 | 99.7 | 97.9 | 95.9 | 99.9 | 4.2 | 0.2 | 2.8 |
| Cocoa | 0.2 | 105.8 | 108.0 | 107.3 | 106.8 | 107.4 | 109.1 | 109.0 | -0.1 | 2.1 | 3.6 |
| Ready made food Meals away from home | 0.9 | 87.6 | 86.9 | 85.1 | 90.2 | 88.0 | 86.7 | 88.0 | 1.5 | -2.4 | 0.7 |
|  | 22.5 | 107.1 | 107.7 | 107.9 | 108.2 | 108.3 | 108.8 | 108.9 | 0.1 | 0.6 | 2.2 |
| Meals on the job ${ }^{(1)}$ Meals at restaurants and cafes | 0.9 16.1 | 112.9 106.6 | 113.1 107.3 | 113.1 107.6 | 113.1 108.1 | 113.3 108.1 | 113.6 108.5 | 113.6 108.7 | 0.0 0.2 | 0.4 0.6 | 0.8 2.4 |
| Commodities sold at take-out stands and cafeterias | 5.5 | 107.6 | 108.2 | 108.1 | 108.0 | 108.3 | 109.1 | 108.9 | -0.2 | 0.8 | 1.9 |
| Vegetables and fruit | 33.2 | 99.2 | 102.4 | 104.5 | 97.8 | 100.4 | 101.5 | 102.0 | 0.5 | 4.3 | 2.7 |
| Fresh vegetables | 13.1 | 99.8 | 106.2 | 111.4 | 95.5 | 97.9 | 95.7 | 98.1 | 2.5 | 2.7 | -1.5 |
| Fresh fruit <br> Frozen, pickled and preserved vegetables | 9.5 6.7 | 96.1 99.4 | 98.1 99.4 | 97.9 99.6 | 96.0 99.4 | 101.5 99.3 | 106.5 101.6 | 106.6 99.5 | 0.1 -2.1 | 11.0 0.1 | 10.9 -1.2 |
| Dried and preserved fruit | 3.9 | 104.2 | 105.4 | 105.9 | 107.3 | 108.0 | 108.3 | 108.3 | 0.0 | 0.9 | 4.2 |



| Furniture and equipment for babies | 0.9 | 96.2 | 96.6 | 96.4 | 96.4 | 96.2 | 97.6 | 98.2 | 0.6 | 1.9 | 2.3 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Garden furniture Electrical equipment for home and kitchen | 0.6 | 111.3 | 107.5 | 112.7 | 114.6 | 114.6 | 111.5 | 117.8 | 5.7 | 2.8 | 6.9 |
| Heavy electrical appliances for home and kitchen | 15.9 | 95.1 | 95.6 | 95.3 | 95.1 | 95.1 | 95.2 | 95.3 | 0.1 | 0.2 | 0.8 |
| Other electrical equipment | 7.0 3.3 | 96.3 93.6 | 95.6 92.4 | 95.7 91.0 | 95.5 91.0 | 95.2 91.6 | 95.0 91.0 | 95.1 91.2 | 0.1 0.2 | -0.4 0.2 | -2.2 -4.6 |
| Electrical equipment for heating and cooling the house | 4.0 | 89.6 | 93.5 | 92.8 | 92.1 | 91.9 | 92.9 | 92.5 | -0.4 | 0.4 | 9.9 |
| Insurance and repair of electrical equipment | 1.6 | 106.4 | 108.0 | 109.0 | 109.3 | 109.7 | 110.4 | 111.6 | 1.1 | 2.1 | 5.4 |
| Non-electric equipment for home and kitchen |  |  |  |  |  |  |  |  |  |  |  |
|  | 3.0 | 100.9 | 101.3 | 102.2 | 101.5 | 101.2 | 100.3 | 101.3 | 1.0 | -0.2 | 0.4 |
| Eating utensils Cooking and baking utensils(pots etc.) | 1.8 0.5 | 97.6 98.7 | 98.1 98.3 | 98.6 98.1 | 98.8 96.7 | 98.3 98.3 | 97.0 98.9 | 97.0 100.7 | 0.0 1.8 | -1.8 4.1 | -1.4 1.5 |
| Miscellaneous cleaning utensils | 0.7 | 110.8 | 111.5 | 114.4 | 111.7 | 111.0 | 109.7 | 112.6 | 2.6 | 0.8 | 4.0 |
| Bedding and home decoration |  |  |  |  |  |  |  |  |  |  |  |
|  | 6.7 | 94.1 | 94.3 | 93.2 | 92.7 | 94.2 | 93.4 | 93.4 | 0.0 | 0.8 | -3.7 |
| Bedding and towels | 1.7 | 83.5 | 83.7 | 83.5 | 83.1 | 83.1 | 82.2 | 81.9 | -0.4 | -1.4 | -1.8 |
| Home decorations | 5.0 | 97.7 | 97.9 | 96.5 | 96.0 | 97.9 | 97.2 | 97.3 | 0.1 | 1.4 | -4.2 |
| Clothing and |  |  |  |  |  |  |  |  |  | - |  |
| footwear | 29.9 | 85.3 | 82.1 | 85.1 | 91.7 | 87.1 | 81.5 | 77.9 | -4.4 | 15.0 | 0.3 |
| Clothing | 22.5 | 86.9 | 83.1 | 86.6 | 94.4 | 89.2 | 83.5 | 79.1 | -5.3 | 16.2 | 0.6 |
| Men's outerwear | 5.4 | 89.8 | 84.6 | 88.7 | 96.9 | 92.6 | 87.2 | 83.4 | -4.4 | 13.9 | 2.1 |
| Women's outerwear Children's | 8.7 | 81.5 | 75.4 | 81.1 | 91.7 | 83.9 | 76.3 | 71.0 | -6.9 | 22.6 | 0.1 |
| outerwear <br> Men's underwear | 3.0 | 73.7 | 73.8 | 74.3 | 80.3 | 74.6 | 69.4 | 63.8 | -8.1 | 20.5 | -1.8 |
| and sleepwear | 0.3 | 99.8 | 100.5 | 100.2 | 100.2 | 99.5 | 98.2 | 97.7 | -0.5 | -2.5 | 1.2 |
| Women's underwear and sleepwear | 1.4 | 101.6 | 100.5 | 101.7 | 104.2 | 102.9 | 101.4 | 100.0 | -1.4 | -4.0 | 0.0 |
| Children's underwear and sleepwear | 0.3 | 99.7 | 102.1 | 102.0 | 105.8 | 102.2 | 98.0 | 97.5 | -0.5 | -7.8 | 5.6 |
| Men's socks | 0.1 | 108.6 | 107.6 | 106.6 | 107.4 | 104.7 | 103.3 | 104.6 | 1.3 | -2.6 | 2.1 |
| Women's hosiery | 0.2 | 108.7 | 110.1 | 110.3 | 110.6 | 109.9 | 109.2 | 111.8 | 2.4 | 1.1 | 6.9 |
| Children's socks | 0.1 | 99.1 | 95.2 | 95.0 | 95.3 | 93.6 | 94.1 | 95.0 | 1.0 | -0.3 | -3.0 |



| Tuition for <br> secondary school, <br> including post- <br> secondary and <br> boarding school |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |



TABLE B.- CONSUMER PRICE INDEX OF SELECTED PRODUCTS
Base: Average 2002=100.0

| Item | 2005 | 2005 |  |  | 2006 |  |  | Percent change |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Avg. | X | XI | XII | I | II | III | Monthly | vs. Dec. | Annual |
| Food |  |  |  |  |  |  |  |  |  |  |
| Loaf of bread | 123.9 | 122.7 | 129.8 | 130.3 | 131.0 | 131.0 | 131.0 | 0.0 | 0.5 | 6.7 |
| Wafers | 97.0 | 95.0 | 97.8 | 95.7 | 98.3 | 99.4 | 99.4 | 0.0 | 3.9 | 3.2 |
| Salted snacks | 99.6 | 101.0 | 99.3 | 99.4 | 97.4 | 98.2 | 100.7 | 2.5 | 1.3 | -0.1 |
| Cookies and biscuits | 102.9 | 104.7 | 103.9 | 105.0 | 103.3 | 104.9 | 103.8 | -1.0 | -1.1 | 2.4 |
| Regular white flour Spaghetti, Noodles | 126.1 | 126.4 | 125.7 | 127.6 | 126.2 | 125.1 | 125.1 | 0.0 | -2.0 | -1.0 |
| etc. | 109.8 | 109.6 | 110.1 | 113.7 | 106.2 | 110.7 | 112.6 | 1.7 | -1.0 | 3.6 |
| Rice | 95.9 | 94.3 | 95.9 | 94.5 | 94.5 | 96.5 | 97.2 | 0.7 | 2.9 | -0.3 |
| Fresh beef | 107.9 | 110.1 | 111.9 | 113.5 | 115.8 | 117.1 | 121.7 | 3.9 | 7.2 | 14.4 |
| Frozen beef | 106.5 | 112.1 | 121.5 | 123.9 | 125.0 | 125.0 | 125.9 | 0.7 | 1.6 | 24.2 |
| Fresh poultry Frozen plucked | 110.7 | 117.9 | 112.4 | 107.4 | 119.6 | 125.2 | 127.0 | 1.4 | 18.2 | 14.8 |
| poultry Sausages and | 114.1 | 116.3 | 116.9 | 115.4 | 118.7 | 121.8 | 126.1 | 3.5 | 9.3 | 12.3 |
| frankfurters | 95.1 | 95.2 | 96.4 | 94.9 | 95.1 | 96.5 | 95.5 | -1.0 | 0.6 | -0.1 |
| Fresh fish | 102.0 | 101.5 | 98.7 | 99.8 | 99.1 | 100.3 | 105.9 | 5.6 | 6.1 | 3.1 |
| Frozen fish | 108.6 | 110.5 | 114.8 | 117.6 | 117.0 | 116.9 | 120.1 | 2.7 | 2.1 | 12.7 |
| Oil | 104.2 | 104.8 | 103.9 | 104.4 | 108.0 | 108.4 | 108.1 | -0.3 | 3.5 | 4.5 |
| Margarine | 129.6 | 132.2 | 133.0 | 136.1 | 136.8 | 145.8 | 148.7 | 2.0 | 9.3 | 16.4 |

\begin{tabular}{|c|c|c|c|c|c|c|c|c|c|c|}
\hline Uht long life milk \& 108.8 \& 109.8 \& 109.9 \& 110.7 \& 110.2 \& 110.0 \& 110.2 \& 0.2 \& -0.5 \& 2.1 \\
\hline Sour cream \& 106.8 \& 106.9 \& 107.0 \& 106.9 \& 107.0 \& 107.0 \& 107.0 \& 0.0 \& 0.1 \& 0.6 \\
\hline Butter \& 106.2 \& 106.3 \& 106.5 \& 106.5 \& 106.4 \& 106.2 \& 106.2 \& 0.0 \& -0.3 \& 0.4 \\
\hline Soft cheese \& 111.2 \& 111.6 \& 111.6 \& 112.8 \& 111.1 \& 112.0 \& 112.5 \& 0.4 \& -0.3 \& 1.9 \\
\hline Hard cheese \& 107.1 \& 106.9 \& 107.3 \& 108.0 \& 108.4 \& 108.3 \& 108.7 \& 0.4 \& 0.6 \& 1.9 \\
\hline Regular sugar \& 90.7 \& 95.0 \& 97.5 \& 98.7 \& 101.0 \& 117.9 \& 128.8 \& 9.2 \& 30.5 \& 46.0 \\
\hline Jam and confiture \& 96.8 \& 96.1 \& 98.5 \& 96.5 \& 97.8 \& 99.5 \& 99.2 \& -0.3 \& 2.8 \& 1.6 \\
\hline Honey Candy and miscellaneous \& 96.2 \& 94.1 \& 94.5 \& 95.8 \& 101.1 \& 104.0 \& 105.4 \& 1.3 \& 10.0 \& 6.9 \\
\hline sweets \& 103.1 \& 102.8 \& 104.4 \& 104.3 \& 103.7 \& 104.4 \& 104.5 \& 0.1 \& 0.2 \& 2.9 \\
\hline \begin{tabular}{l}
Chocolate \\
Soft drinks,
\end{tabular} \& 91.8
98.8 \& 93.2
96.4 \& 91.7

100.5 \& 89.8

100.7 \& 91.2

100.4 \& 91.9
104.1 \& 93.2
1045 \& 1.4
0.4 \& 3.8
3 \& 4.3 <br>
\hline carbonated Wine \& 98.8
94.9 \& 96.4
92.6 \& 100.5
96.8 \& 100.7
96.4 \& 100.4
95.6 \& 104.1
97.8 \& 104.5
97.3 \& 0.4
-0.5 \& 3.8
0.9 \& 6.1
2.0 <br>
\hline Beer \& 106.9 \& 106.4 \& 107.1 \& 108.0 \& 108.7 \& 108.8 \& 108.9 \& 0.1 \& 0.8 \& 0.7 <br>
\hline Brandy and liqueur \& 98.2 \& 96.5 \& 97.9 \& 105.3 \& 110.0 \& 124.3 \& 131.1 \& 5.5 \& 24.5 \& 33.0 <br>
\hline Ground coffee \& 100.1 \& 102.4 \& 102.6 \& 102.3 \& 102.0 \& 101.4 \& 101.1 \& -0.3 \& -1.2 \& 2.4 <br>

\hline \multicolumn{11}{|l|}{\multirow[t]{2}{*}{| Housing |
| :--- |
| Rent - in dwellings with key money ${ }^{(1)}$ |}} <br>

\hline \& \& \& \& \& \& \& \& \& \& <br>
\hline \multicolumn{11}{|l|}{Dwellings maintenance} <br>
\hline Kerosene \& 188.2 \& 216.2 \& 210.7 \& 204.9 \& 202.9 \& 209.4 \& 210.6 \& 0.6 \& 2.8 \& 22.5 <br>
\hline Gas in containers \& 120.2 \& 130.2 \& 133.4 \& 131.8 \& 131.8 \& 134.1 \& 134.7 \& 0.4 \& 2.2 \& 14.8 <br>
\hline Central gas Painting and \& 135.5 \& 143.7 \& 147.5 \& 148.1 \& 148.4 \& 150.5 \& 151.3 \& 0.5 \& 2.2 \& 14.8 <br>
\hline whitewashing \& 108.7 \& 111.0 \& 107.9 \& 107.7 \& 107.5 \& 110.1 \& 113.8 \& 3.4 \& 5.7 \& 7.4 <br>
\hline Plumbing services \& 105.8 \& 109.3 \& 110.3 \& 111.7 \& 113.4 \& 113.4 \& 114.0 \& 0.5 \& 2.1 \& 11.2 <br>
\hline Electricity repairs \& 106.3 \& 107.9 \& 108.9 \& 109.3 \& 109.7 \& 110.3 \& 111.5 \& 1.1 \& 2.0 \& 5.3 <br>
\hline Glaziery service \& 111.7 \& 111.8 \& 114.4 \& 114.0 \& 114.7 \& 114.7 \& 114.7 \& 0.0 \& 0.6 \& 3.7 <br>
\hline Laundry powder Detergents for washing dishes \& 100.3 \& 99.3 \& 101.9 \& 101.1 \& 103.3 \& 103.9 \& 102.5 \& -1.3 \& 1.4 \& 2.2

2.0 <br>
\hline \& 95.4 \& 95.9 \& 97.2 \& 98.9 \& 99.9 \& 99.1 \& 97.5 \& -1.6 \& -1.4 \& 2.0 <br>
\hline and pesticides \& 103.2 \& 102.7 \& 103.7 \& 105.2 \& 105.4 \& 104.8 \& 105.4 \& 0.6 \& 0.2 \& 2.1 <br>
\hline \multicolumn{11}{|l|}{Equipment for home and kitchen} <br>
\hline Refrigerator Washing machine and dryer \& 91.9 \& 91.2 \& 91.5 \& 91.5 \& 90.9 \& 90.7 \& 91.0 \& 0.3 \& -0.5 \& -1.8 <br>
\hline Gas-electric stove for \& 100.2 \& 99.4 \& 99.7 \& 99.3 \& 99.1 \& 98.7 \& 98.9 \& 0.2 \& -0.4 \& -2.6 <br>
\hline cooking and baking \& 97.0 \& 96.8 \& 96.3 \& 96.4 \& 96.1 \& 95.8 \& 95.7 \& -0.1 \& -0.7 \& -1.9 <br>
\hline Dishwasher Electrical \& 99.7 \& 98.8 \& 98.1 \& 97.7 \& 97.9 \& 97.9 \& 97.4 \& -0.5 \& -0.3 \& -3.6 <br>
\hline air conditioner \& 89.3 \& 93.7 \& 92.7 \& 91.8 \& 91.8 \& 92.8 \& 92.6 \& -0.2 \& 0.9 \& 11.3 <br>
\hline Flowers and seedlings \& 112.7 \& 113.1 \& 111.1 \& 109.8 \& 114.5 \& 113.7 \& 113.4 \& -0.3 \& 3.3 \& -5.6 <br>
\hline Men's clothing \& \& \& \& \& \& \& \& \& \& <br>
\hline
\end{tabular}

| Suits | 96.2 | 94.0 | 98.6 | 105.2 | 98.8 | 94.8 | 92.7 | -2.2 | -11.9 | 6.2 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Slacks | 93.3 | 88.7 | 91.9 | 98.5 | 94.2 | 89.5 | 86.3 | -3.6 | -12.4 | -0.8 |
| Men's jackets and coats ${ }^{(2)}$ | - | 81.6 | 84.3 | 93.1 | 95.8 | 88.0 | 77.5 | -11.9 | -16.8 | 4.4 |
| Sweaters and pullovers | - | 82.6 | 86.2 | 107.8 | 96.3 | 87.1 | 76.4 | -12.3 | -29.1 | 1.6 |
| Shirts | 85.0 | 77.3 | 82.6 | 91.7 | 87.5 | 81.5 | 78.6 | -3.6 | -14.3 | 3.4 |
| Underwear | 101.6 | 102.7 | 102.5 | 101.2 | 102.3 | 102.2 | 102.9 | 0.7 | 1.7 | 2.2 |
| Women's clothing |  |  |  |  |  |  |  |  |  |  |
| Suits | 83.4 | 82.2 | 83.8 | 92.8 | 84.5 | 76.5 | 69.2 | -9.5 | -25.4 | -8.2 |
| Dresses | 76.1 | 65.7 | 75.9 | 82.0 | 77.7 | 72.8 | 69.3 | -4.8 | -15.5 | 0.6 |
| Skirts <br> Sweaters, pullovers | 79.3 | 71.3 | 76.2 | 91.6 | 83.9 | 77.0 | 72.0 | -6.5 | -21.4 | 7.0 |
| and shawls | - | 71.3 | 72.6 | 83.8 | 73.9 | 66.0 | 60.2 | -8.8 | -28.2 | -5.0 |
| Jacket and coat | - | 81.2 | 84.1 | 104.1 | 87.9 | 75.3 | 67.1 | -10.9 | -35.5 | -2.2 |
| Women's underwear |  |  |  |  |  |  |  |  |  |  |
| Underwear | 105.6 | 105.5 | 107.3 | 106.9 | 107.4 | 107.1 | 106.2 | -0.8 | -0.7 | 2.4 |
| bra | 101.5 | 100.0 | 100.7 | 101.9 | 101.7 | 102.4 | 102.2 | -0.2 | 0.3 | -0.5 |
| Children's clothing |  |  |  |  |  |  |  |  |  |  |
| Suit | 47.2 | 43.4 | 42.5 | 52.7 | 46.4 | 42.1 | 40.9 | -2.9 | -22.4 | -3.8 |
| Trousers | 85.2 | 85.5 | 85.4 | 91.1 | 85.8 | 79.1 | 73.7 | -6.8 | -19.1 | -6.4 |
| Shirt and blouse | 86.5 | 90.1 | 91.6 | 94.3 | 86.8 | 80.5 | 71.8 | -10.8 | -23.9 | -1.1 |
| Cleaning and |  |  |  |  |  |  |  |  |  |  |
| laundering away from home |  |  |  |  |  |  |  |  |  |  |
| Laundering at laundry shops |  |  |  |  |  |  |  |  |  |  |
| Dry cleaning | 102.9 100.3 | 104.4 101.7 | 104.4 102.8 | 103.5 102.9 | 103.5 102.9 | 103.5 101.2 | 103.5 | 0.0 0.2 | 0.0 -1.5 | 1.8 2.0 |
| Men's footwear |  |  |  |  |  |  |  |  |  |  |
| $\begin{aligned} & \text { Casuals (low- } \\ & \text { shoes) }{ }^{(3)} \end{aligned}$ | 85.8 | 85.4 | 85.9 | 87.1 | 84.6 | 82.3 | 82.9 | 0.7 | -4.8 | -0.1 |
| Slippers | - | 108.1 | 101.7 | 101.5 | 99.3 | 90.5 | 78.3 | -13.5 | -22.9 | -5.4 |
| Sandals | - | 83.7 | - | - | - | - | - | - | - |  |
| Women's footwear |  |  |  |  |  |  |  |  |  |  |
| Casuals (low-shoes) | 59.1 | 62.1 | 62.2 | 61.1 | 59.0 | 55.5 | 55.0 | -0.9 | -10.0 | -1.6 |
| Sandals | - | 71.9 | - | - | - | - | - | - | - | - |
| Slippers | 92.6 | 85.7 | 88.9 | 94.6 | 91.3 | 82.4 | 77.6 | -5.8 | -18.0 | -11.6 |
| Children's footwear |  |  |  |  |  |  |  |  |  |  |
| $\begin{aligned} & \text { Casuals (low- } \\ & \text { shoes) }{ }^{(3)} \end{aligned}$ | 77.6 | 77.0 | 77.5 | 85.7 | 89.8 | 75.7 | 73.6 | -2.8 | -14.1 | 6.1 |
| Sandals | - | 77.9 | - | - | - | - | - | - | - | - |
| Education |  |  |  |  |  |  |  |  |  |  |
| Tuition fees at private <br> kindergartens | 108.5 | 111.4 | 111.4 | 111.4 | 111.4 | 111.4 | 111.4 | 0.0 | 0.0 | 3.7 |


| Textbooks | 100.1 | 98.4 | 99.0 | 99.7 | 100.0 | 99.3 | 100.0 | 0.7 | 0.3 | -1.1 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Culture and entertainment |  |  |  |  |  |  |  |  |  |  |
| Daily newspapers Weeklies and | 112.0 | 113.4 | 113.8 | 113.8 | 113.8 | 113.8 | 115.2 | 1.2 | 1.2 | 3.3 |
| monthly magazines | 108.4 | 109.2 | 109.4 | 109.6 | 110.1 | 110.6 | 110.9 | 0.3 | 1.2 | 3.5 |
| Theatre | 108.1 | 109.1 | 109.1 | 109.1 | 109.1 | 109.8 | 109.8 | 0.0 | 0.6 | 1.6 |
| Hotels and convalescent |  |  |  |  |  |  |  |  |  |  |
| homes | 119.9 | 123.3 | 120.6 | 118.3 | 114.1 | 113.8 | 119.2 | 4.7 | 0.8 | 15.4 |
| Catering parties and other events | 86.7 | 86.4 | 86.9 | 86.5 | 86.0 | 86.2 | 87.7 | 1.7 | 1.4 | 2.1 |
| Audio systems | 79.8 | 78.8 | 78.7 | 78.8 | 79.2 | 78.8 | 78.1 | -0.9 | -0.9 | -3.9 |
| Colour t.v. | 74.2 | 70.0 | 69.6 | 68.6 | 69.7 | 67.6 | 67.0 | -0.9 | -2.3 | -14.2 |
| Videotapes and video cameras | 69.1 | 67.1 | 67.0 | 66.6 | 66.6 | 66.3 | 66.1 | -0.3 | -0.8 | -6.9 |
| Video and DVD |  |  |  |  |  |  |  |  |  |  |
| library services | 105.6 | 106.3 | 105.8 | 106.1 | 106.1 | 106.1 | 106.1 | 0.0 | 0.0 | 0.0 |
| Cable television | 114.8 | 114.5 | 116.2 | 116.2 | 116.2 | 118.2 | 118.2 | 0.0 | 1.7 | 2.8 |
| Internet services | 70.3 | 68.6 | 68.6 | 68.1 | 68.1 | 68.1 | 67.8 | -0.4 | -0.4 | -5.6 |
| Transport <br> Urban and suburban commuting by bus |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |
|  | 103.2 | 102.8 | 102.8 | 102.8 | 102.8 | 102.8 | 102.8 | 0.0 | 0.0 | -0.9 |
| Interurban bus travel | 100.2 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 99.8 | 0.0 | 0.0 | -0.7 |
| Interurban taxi travel | 105.2 | 105.6 | 105.6 | 105.6 | 105.6 | 105.6 | 105.6 | 0.0 | 0.0 | 0.6 |
| Urban and suburban commuting by taxi | 114.4 | 118.0 | 118.0 | 118.0 | 118.0 | 118.0 | 118.0 | 0.0 | 0.0 | 6.8 |
| Interurban travel by train | 109.6 | 109.6 | 109.6 | 109.6 | 109.6 | 109.6 | 109.6 | 0.0 | 0.0 | 0.0 |
| Cars <br> Bicycles and maintenance | 104.5 | 104.7 | 104.4 | 104.2 | 104.0 | 104.2 | 104.5 | 0.3 | 0.3 | -0.1 |
|  | 108.4 | 108.5 | 108.6 | 108.7 | 108.7 | 108.7 | 108.7 | 0.0 | 0.0 | 0.5 |
| Driving and vehicle permits | 103.0 | 103.0 | 103.0 | 103.0 | 99.0 | 99.0 | 99.0 | 0.0 | -3.9 | -4.2 |
| ```Vehicle insurance Vehicle fuel and lubricants``` | 92.7 | 90.7 | 90.6 | 90.5 | 90.2 | 89.6 | 89.4 | -0.2 | -1.2 | -5.2 |
|  | 129.6 | 147.6 | 134.4 | 130.1 | 131.7 | 139.0 | 136.2 | -2.0 | 4.7 | 13.0 |
| Vehicle repairs and spare parts |  |  |  |  |  |  |  |  |  |  |
|  | 109.5 | 109.6 | 109.5 | 109.7 | 109.6 | 110.1 | 110.1 | 0.0 | 0.4 | 0.7 |
| Vehicle accessories | 94.6 | 93.4 | 93.6 | 93.5 | 93.4 | 93.4 | 92.9 | -0.5 | -0.6 | -2.8 |
| Miscellaneous |  |  |  |  |  |  |  |  |  |  |
| Haircut | 102.5 | 102.8 | 102.8 | 102.8 | 102.8 | 102.7 | 102.7 | 0.0 | -0.1 | 0.5 |
| Toilet soap Toothbrush and toothpaste | 98.3 | 98.0 | 97.2 | 97.4 | 97.6 | 99.6 | 101.4 | 1.8 | 4.1 | 2.4 |
|  | 99.3 | 96.8 | 98.9 | 99.4 | 96.5 | 99.8 | 95.8 | -4.0 | -3.6 | -3.3 |
| Banking services | 103.4 | 104.5 | 104.6 | 104.5 | 104.5 | 104.5 | 104.6 | 0.1 | 0.1 | 1.9 |
| Wristwatch | 95.1 | 95.5 | 95.3 | 94.3 | 94.3 | 94.5 | 94.2 | -0.3 | -0.1 | -3.1 |

Table C. - Average Prices for the Consumer - selected goods and services

| Item | Unit | 2005 |  |  |  | 2006 |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | IX | X | XI | XII | I | II | III |
| Bread, cereal and pastry products |  |  |  |  |  |  |  |  |
| Standard bread | 750 G | 3.25 | 3.25 | 3.42 | 3.43 | 3.43 | 3.44 | 3.44 |
| Standard white bread | 750 G | 3.25 | 3.25 | 3.42 | 3.43 | 3.46 | 3.46 | 3.46 |
| Sabbath loaf, standard | 500 G | 3.48 | 3.51 | 3.76 | 3.76 | 3.78 | 3.80 | 3.80 |
| Biscuits, petit-beurr | 250 G | 6.40 | 6.42 | 6.44 | 6.39 | 6.47 | 6.49 | 6.40 |
| Standard white flour | 1 Kg | 2.91 | 2.91 | 2.90 | 2.95 | 2.93 | 2.89 | 2.92 |
| Noodles | 250 G | 3.13 | 3.13 | 3.13 | 3.13 | 3.13 | 3.17 | 3.17 |
| Macaroni | 250 G | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 |
| American rice (packed) | 1 Kg | 7.61 | 7.29 | 7.56 | 7.48 | 7.11 | 7.46 | 7.43 |
| Beef, poultry and fish |  |  |  |  |  |  |  |  |
| Fresh beef breast | 1 Kg | 36.46 | 36.37 | 36.71 | 37.46 | 38.28 | 38.87 | 40.26 |
| Fresh beef ribs | 1 Kg | 44.67 | 44.82 | 46.09 | 46.13 | 47.02 | 46.79 | 48.25 |
| Fresh beef shoulder | 1 Kg | 58.36 | 59.18 | 62.34 | 63.51 | 64.54 | 65.05 | 66.81 |
| Frozen beef ribs | 1 Kg | 23.57 | 23.54 | 25.54 | 26.50 | 27.20 | 26.68 | 27.04 |
| Liver, frozen | 1 Kg | 16.28 | 16.19 | 16.59 | 16.23 | 16.29 | 16.18 | 16.32 |
| Poultry - fresh, slaughtered and plucked | 1 Kg | 15.91 | 16.21 | 15.63 | 14.62 | 16.59 | 17.26 | 17.54 |
| Poultry - frozen, packed | 1 Kg | 15.01 | 15.07 | 15.16 | 14.67 | 15.39 | 15.82 | 16.82 |
| Chicken breast | 1 Kg | 26.60 | 26.30 | 25.66 | 25.16 | 26.61 | 26.84 | 27.19 |
| Carps, live | 1 Kg | 24.15 | 22.17 | 22.69 | 22.83 | 22.87 | 22.87 | 24.28 |
| Fish fillets, frozen | 1 Kg | 29.87 | 29.50 | 31.03 | 32.39 | 31.45 | 31.95 | 33.30 |
| Canned tuna | 170 G | 4.98 | 5.32 | 4.86 | 5.10 | 5.14 | 5.07 | 5.11 |
| Fats and margarine |  |  |  |  |  |  |  |  |
| Soya oil, in plastic bottles | $\begin{aligned} & 1,000 \\ & \mathrm{Cu} \mathrm{~cm} \end{aligned}$ | 6.56 | 6.43 | 6.45 | 6.33 | 6.41 | 6.35 | 6.50 |
| Margarine | 200 G | 2.35 | 2.37 | 2.38 | 2.39 | 2.39 | 2.61 | 2.70 |




| Seedless table grapes Muscat | 1 Kg | 6.25 | 6.10 | - | - | - | - | - |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Melons - Galia | 1 Kg | 4.68 | 4.85 | 4.99 | 4.87 | 6.43 | - | 6.06 |
| Melons HaOgen | 1 Kg | 4.65 | - | - | - | - | - | - |
| Apples - Grand Alexander | 1 Kg | 6.88 | 6.65 | 6.68 | 6.77 | 7.05 | 7.40 | 7.62 |
| Apples Jonathan | 1 Kg | 5.96 | 6.64 | 6.72 | 6.97 | 6.94 | 7.37 | 7.56 |
| Apples - Golden Delicious | 1 Kg | 5.67 | 5.78 | 5.91 | 6.02 | 6.24 | 6.37 | 6.53 |
| Pears Spadona | 1 Kg | 6.02 | 6.70 | 7.05 | 7.30 | 7.52 | 7.49 | 7.38 |
| Peaches, white | 1 Kg | 6.64 | 7.43 | - | - | - | - | - |
| Plums - Sageev | 1 Kg | - | - | - | - | - | - | - |
| Plums Santa Rosa | 1 Kg | 6.07 | 7.32 | 7.72 | 7.89 | - | - | - |
| Apricots | 1 Kg | - | - | - | - | - | - | - |
| Water melons | 1 Kg | - | - | - | - | - | - | - |
| Bananas | 1 Kg | 5.93 | 5.63 | 5.62 | 4.96 | 4.77 | 4.55 | 4.55 |
| Avocadoes | 1 Kg | 9.86 | 8.18 | 7.41 | 7.28 | 8.59 | 9.09 | 9.46 |
| Persimmon | 1 Kg | - | 8.03 | 6.84 | 6.74 | 7.17 | 7.54 | - |
| Vegetable, fruit preserves, etc. |  |  |  |  |  |  |  |  |
| Peas, canned | About 335 G | 5.09 | 5.14 | 5.34 | 5.31 | 5.30 | 5.34 | 5.20 |
| Tomato puree | 100 G | 1.88 | 1.88 | 1.87 | 1.84 | 1.85 | 1.84 | 1.86 |
| Olives, green, pickled | 100 G | 3.34 | 3.35 | 3.37 | 3.39 | 3.50 | 3.67 | 3.65 |
| Eggplant salad | 250 G | 6.96 | 7.15 | 6.99 | 6.76 | 7.17 | 7.01 | 7.01 |
| Hummous salad | 250 G | 6.72 | 6.74 | 6.74 | 6.71 | 6.67 | 6.57 | 6.78 |
| Fuel of all kinds |  |  |  |  |  |  |  |  |
| Diesel fuel | 1 L | 5.05 | 5.24 | 5.05 | 4.69 | 4.77 | 4.92 | 4.92 |
| Gasoline 95 octane unleaded | 1 L | 5.86 | 6.18 | 5.59 | 5.42 | 5.49 | 5.80 | 5.67 |
| Gasoline, 96 octane | 1 L | 5.90 | 6.23 | 5.63 | 5.46 | 5.51 | 5.84 | 5.71 |
| Car engine oil | 1 Kg | 43.06 | 43.75 | 44.38 | 45.85 | 45.94 | 46.12 | 46.10 |
| Light heating oil | 1,000 L | 4,282.28 | 4,433.56 | 4,258.46 | 3,966.92 | 3,988.46 | 4,226.83 | 4,170.29 |
| Gas, container | 12 Kg | 93.93 | 104.75 | 107.75 | 106.25 | 106.25 | 108.25 | 108.75 |
| fuel <br> for heating | 1 L | 5.98 | 6.25 | 6.14 | 5.97 | 5.88 | 6.06 | 5.97 |


[^0]:    * This paper has been prepared by Mr. Yoel Finkel, Israel Central Bureau of Statistics, at the invitation of the Secretariat. Paper posted on Internet as received from the author.

[^1]:    ${ }^{1}$ This paper has been prepared by Mr. Yoel Finkel, Israel Central Bureau of Statistics, at the invitation of the Secretariat.

[^2]:    ${ }^{2}$ See chapter 22 of the CPI Manual: Theory and Practice for an exhaustive analysis of remedies for seasonality in a CPI.

[^3]:    ${ }^{3}$ For a complete description of the methodology see: www.cbs.gov.il , technical publications.

