



## *Core Inflation: December 2014*

For the twelve-month period ended December 2014, CORE1 inflation stood at 2.6 per cent, down from 2.8 per cent for the twelve-month period ended November 2014. CORE2 inflation edged down from 3.2 per cent for the twelve-month period ended November 2014 to 3.1 per cent for the twelve-month period ended December 2014. A year earlier, both CORE1 and CORE2 inflation stood at 2.6 per cent.

TRIM10 inflation, which trims 5% of the most volatile items in the CPI on both sides of the distribution, stood at 2.5 per cent in December 2014, down from 2.8 per cent in November 2014. A year earlier, TRIM10 inflation stood at 2.9 per cent.

*(Per cent)*

<b>Month</b>	<b>Headline</b>	<b>CORE1</b>	<b>CORE2</b>	<b>TRIM10</b>
<b>Jul-07</b>	10.5	7.6	6.4	7.5
<b>Dec-07</b>	8.8	5.0	5.7	7.0
<b>Jun-08</b>	8.8	6.6	5.5	6.5
<b>Dec-08</b>	9.7	8.7	6.1	3.5
<b>Jun-09</b>	6.9	6.1	5.5	2.8
<b>Dec-09</b>	2.5	2.4	3.8	2.4
<b>Jun-10</b>	1.7	2.2	2.6	2.1
<b>Dec-10</b>	2.9	3.2	2.8	2.9
<b>Jun-11</b>	5.1	4.8	4.3	4.7
<b>Dec-11</b>	6.5	6.0	4.8	5.3
<b>Jun-12</b>	5.1	4.4	3.6	3.6
<b>Dec-12</b>	3.9	3.3	3.0	2.5
<b>Jun-13</b>	3.6	2.8	2.8	2.5
<b>Nov-13</b>	3.5	2.6	2.5	2.8
<b>Dec-13</b>	3.5	2.6	2.6	2.9
<b>Mar-14</b>	4.0	2.9	2.7	3.3
<b>Apr-14</b>	4.0	2.9	2.8	3.2
<b>May-14</b>	4.0	2.9	2.9	3.2
<b>Jun-14</b>	4.0	2.9	2.9	3.2
<b>Jul-14</b>	3.9	2.9	3.0	3.1
<b>Aug-14</b>	4.0	2.9	3.1	3.1
<b>Sep-14</b>	3.9	2.9	3.2	3.1
<b>Oct-14</b>	3.8	2.9	3.2	3.0
<b>Nov-14</b>	3.5	2.8	3.2	2.8
<b>Dec-14</b>	3.2	2.6	3.1	2.5

**Notes:**

1. Effective April 2013, Core inflation data are compiled using the new basket of goods and services derived from the 2012 Household Budget Survey.
2. CORE1 excludes “Food, Beverages and Tobacco” components and mortgage interest on housing loan from the CPI basket.
3. CORE2 excludes Food, Beverages, Tobacco, mortgage interest, energy prices and administered prices from the CPI basket.
4. TRIM10 truncates 5 per cent of each tail of the distribution of price changes.

**Statistics Division**

14 January 2015