



**Brunei Darussalam
Consumer Price Index
(2002 = 100)**

June 2006

(Press Release)

**Department of Statistics
Department of Economic Planning and Development
Prime Minister's Office**

CONSUMER PRICE INDEX JUNE 2006

The Consumer Price Index (CPI) in June 2006 fell by 0.7 per cent over May 2006 with an Index of 102.1. The fall was partly attributed to the Mid Year Sale which started from 28th May to 30th June 2006 (Table 1).

The cost of food & non-alcoholic beverages dropped by 0.3 per cent due to lower prices of noodle, milk, eggs, cooking oils, vegetables, fruits, coffee, tea, sauces & soup and snacks.

Lower prices of ready-made clothing & accessories, materials for male & female and footwear led to a decrease of 8.4 per cent in the cost of clothing and footwear.

The cost of housing, water, electricity & maintenance fell by 0.2 per cent due to lower prices of accommodation.

The cost of household goods, services & operation declined by 2.6 per cent due to lower prices of furniture, floor covering, household furnishings, audio, video equipments & musical instrument, kitchen appliances & utensils, crockery & cutlery and household operation.

Lower prices of certain computer accessories and magazines contributed to a 0.1 per cent reduction in the education cost.

The cost of medical & health went down by 0.7 per cent due to lower prices of proprietary medicines & supplies and therapeutical appliances.

Higher prices of holiday packages led to a 0.1 per cent increase in the cost of recreation & entertainment.

The cost of miscellaneous goods and services rose by 1.2 per cent as a result of dearer prices of personal effects & other personal goods.

The cost of transport and communication remained the same.

The CPI in June 2006 was 0.5 per cent lower than that of the same month in 2005.

Table 1: CONSUMER PRICE INDEX
(2002 = 100)

No	Major Groups	Weight	Index			% Change	
			Jun-05	May-06	Jun-06	Jun 06 / May 06	Jun 06/ Jun 05
	Overall Index	10,000	102.6	102.8	102.1	-0.7	-0.5
I	Food and non-alcoholic beverages	2,877	100.7	101.5	101.2	-0.3	0.5
II	Clothing & footwear	561	96.1	95.6	87.6	-8.4	-8.8
III	Housing , water, electricity & maintenance	884	98.6	98.1	97.9	-0.2	-0.7
IV	Household goods, services & operation	860	95.3	94.6	92.1	-2.6	-3.4
V	Transport	2,251	109.2	106.8	106.8	0.0	-2.2
VI	Communication	548	90.9	88.8	88.8	0.0	-2.3
VII	Education	471	98.4	98.2	98.1	-0.1	-0.3
VIII	Medical & health	98	100.7	100.4	99.7	-0.7	-1.0
IX	Recreation & entertainment	814	119.3	126.4	126.5	0.1	6.0
X	Miscellaneous goods & services	636	101.5	103.8	105.0	1.2	3.4

*Source: Department of Economic Planning and Development (JPKE)
Prime Minister's Office*

Notes:

The Consumer Price Index (CPI) is a summary indicator designed to measure changes over time in the general level of prices of goods and services in the fixed basket of good that a reference population pay for. The CPI is solely a measure of price changes and not a measure of changes in general cost of living since it does not take into account of the factors, such as changes in life-style, increase of household incomes and the availability of new consumption goods and services. Thus, the index only reflects the price changes.

The fixed basket of goods and services is representative of the consumption pattern of the majority of households in Brunei Darussalam derived from the results of a Household Expenditure Survey (HES). The index is calculated as a weighted arithmetic average of the proportionate changes in the prices of goods and services in the fixed basket, with the weights calculated on the basis of average consumption expenditures per household.

The annual inflation rate is computed by comparing the average of the 12 monthly indices with that of the previous year.