



January 2016

(Base year 2014)

Detailed by:

- Expenditure groupsHousehold welfare levels
- Household type
- Regions

Introduction

The Consumer Price Index (CPI) is an important statistical indicator for the purposes of planning and research in various disciplines. Statistics centers and agencies in different countries consistently compile these indices, which depend on the prices of a basket of goods and services consumed by the household sector. The figures thus calculated constitute a time series that provides a measure of changes in the cost of living over time.

Therefore, Statistics Centre - Abu Dhabi has always taken interest in collecting the prices of those goods and services on a regular basis and publishes the indicators derived from this data, following the methodologies adopted internationally in this field.

The Price Indices Section at the Statistics Centre - Abu Dhabi compile the CPI according to households' levels of welfare and type. For the welfare level approach, the population is divided into five segments (quintiles), which represent five standard of living levels based on average annual expenditure per capita.

For the household type approach, the population is divided into three types of households as described in the results of the Household Income and Expenditure Survey (2014), namely, Citizen, Non-Citizen and Share households.

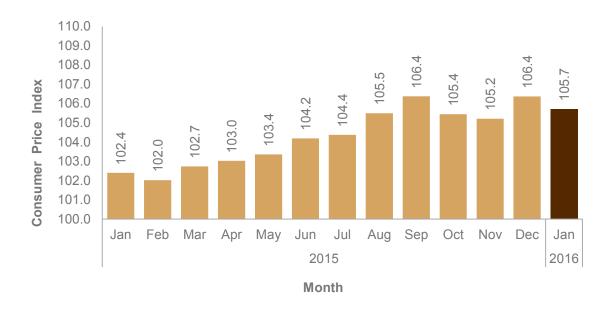
To represent all regions of the Emirate, the selected sample of items included in the Consumer Price Index basket uses actual data from the Household Income and Expenditure Survey 2014. The sample of outlets were selected to represent points of purchase for a large base of consumers all over the Emirate of Abu Dhabi, taking into consideration the geographical distribution of sources within the Emirate.

Key Points

This publication provides an analysis of the results of the CPI for the month of January 2016 with the base year 2014. In addition, the publication provides the results of the CPI by household welfare levels, by household type and by region. The main findings of this analysis are outlined below:

- The CPI increased by 3.2% in January 2016, compared with January 2015, as shown by the increase in the CPI from 102.4 points in January 2015 to 105.7 points in January 2016.
- The CPI decreased by 0.6% in January 2016 compared with December 2015, as shown by the decrease in the CPI from 106.4 points in December 2015 to 105.7 points in January 2016.

Figure 1: CPI from January 2015 to January 2016



- The rise in consumer prices for January 2016 compared with January 2015, contributed to an increase of 3.5% in consumer prices for households of the bottom welfare quintile over the same period of comparison. As for the other welfare levels, consumer prices grew by 3.1% for households of the top quintile and by 3.3% for the middle welfare quintile.
- The rise in consumer prices for January 2016 compared with January 2015, increased consumer prices for citizen households by 3.0%, followed by 3.4% for non-citizen households and 3.9% for share households.

Consumer Price Index (CPI) for January 2016 (2014=100)

A. CPI of January 2016 compared with the CPI of January 2015

Table (1) shows the twelve major expenditure groups, as per the Classification of Individual Consumption according to Purpose (COICOP), and the Weight or relative importance of each one of the main expenditure groups. The Weight of any group is the households' expenditure on that group as a proportion of total expenditure on all groups. The table also shows the relative change, which is the percentage rate of change in the prices of any given group for January 2016 compared with January 2015. The percentage contribution reflects the expenditure group's contribution to the overall change of 3.2% in the prices of all groups.

Table 1: Major expenditure groups by weights, relative change and contribution for January 2016 compared with January 2015

Main expenditure groups	Weight	Relative change%	Contribution%
Food and beverages	12.3	1.1	3.9
Tobacco	0.2	1.1	0.1
Clothing and footwear	5.4	0.6	1.0
Housing, water, electricity, gas and fuels	31.2	8.2	81.8
Furnishings, household equipment	7.2	-0.3	-0.7
Health	1.6	0.7	0.4
Transport	14.7	-1.2	-5.3
Communication	5.0	-3.7	-5.6
Recreation and culture	4.8	3.0	4.3
Education	6.9	4.4	9.5
Restaurants and hotels	3.8	4.8	5.7
Miscellaneous goods and services	7.0	2.3	4.8
Total	100	3.2	100.00

Source: Statistics Centre - Abu Dhabi

The above table shows the 'Housing, water, electricity, gas and other fuels' group accounted for the largest rise in the index during January 2016 compared with January 2015, contributing 81.8% to the change. This contribution resulted from an increase of 8.2% in the prices of this group.

The 'Food and beverages' group contributed 3.9% to the overall increase in the CPI in January 2016 compared with January 2015. Prices of this group increased by 1.1% over the same period.

The 'Restaurants and hotels' group which contributed 5.7% of the overall increase in the CPI rose by 4.8% in January 2016 compared with January 2015.

B. CPI of January 2016 compared with the CPI of December 2015

The average consumer prices decreased by 0.6% in January 2016 compared with December 2015. This overall decrease in prices between the two months reflects the net movement (increases and decreases) of consumer prices during the periods compared.

The most significant groups, which experienced decreases in prices during January 2016 compared with December 2015, were 'Transport' with 3.5%, and 'Furnishings, household equipment and routine household maintenance' with 1.0%.

Table 2: Major expenditure groups by weights and relative for January 2016 compared with December 2015

Main expenditure groups	Weight	Relative change%
Food and beverages	12.3	-0.5
Tobacco	0.2	0.5
Clothing and footwear	5.4	-0.1
Housing, water, electricity, gas and fuels	31.2	0.0
Furnishings, household equipment	7.2	-1.0
Health	1.6	-0.1
Transport	14.7	-3.5
Communication	5.0	-0.7
Recreation and culture	4.8	0.3
Education	6.9	0.0
Restaurants and hotels	3.8	0.0
Miscellaneous goods and services	7.0	0.3
Total	100	-0.6

Source: Statistics Centre - Abu Dhabi

C. CPI by household welfare level

1. Comparing CPI by household welfare level for January 2016 with January 2015

The rise in consumer prices for January 2016 compared with January 2015, contributed to an increase of 3.5% in consumer prices for households of the bottom welfare quintile over the same period of comparison. As for the other welfare levels, consumer prices grew by 3.1% for households of the top quintile and by 3.3% for the middle welfare quintile.

Table 3: CPI values by household welfare level for the months of January 2016 and January 2015

Period	Bottom	Bottom- Middle	Middle	Top-Middle	Тор
January 2015	103.3	103.0	102.8	102.5	101.9
January 2016	106.9	106.3	106.2	105.9	105.1
Relative Change	3.5	3.2	3.3	3.3	3.1

Source: Statistics Centre - Abu Dhabi

2. Comparing CPI by household welfare level for January 2016 with December 2015

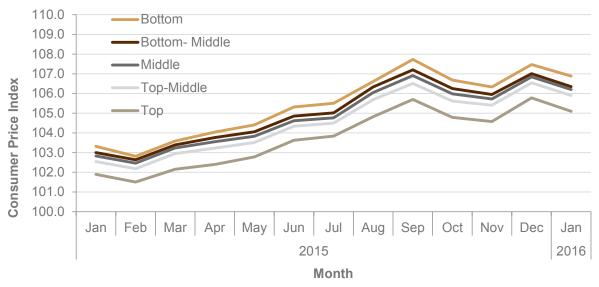
The 0.6% decrease in consumer prices in January 2016 compared with December 2015 caused decreases of 0.5% in consumer prices for households in the bottom quintile and 0.6% in the middle quintile and the top welfare quintile.

Table 4: CPI values by household welfare level for the months of January 2016 and December 2015

Period	Bottom	Bottom- Middle	Middle	Top-Middle	Тор
December 2015	107.5	107.0	106.8	106.5	105.8
January 2016	106.9	106.3	106.2	105.9	105.1
Relative Change	-0.5	-0.6	-0.6	-0.6	-0.6

Source: Statistics Centre - Abu Dhabi

Figure 2: CPI by household welfare level from January 2015 to January 2016



D. CPI by household type

1. CPI by household type for the month of January 2016 compared with January 2016

The 3.2% increase in consumer prices for January 2016 compared with January 2015, caused increases of 3.0% in consumer price index for citizen households, 3.4% for non-citizen households and 3.9% for share households during January 2016 compared with January 2015.

Table 5: Average CPI values by household type during January 2016 and January 2015

Period	Citizen	Non-citizen	Share
January 2015	101.7	102.9	103.1
January 2016	104.8	106.4	107.1
Relative Change	3.0	3.4	3.9

Source: Statistics Centre - Abu Dhabi

2. CPI by household type for the month of January 2016 compared with December 2015

The 0.6% decrease in consumer prices for January 2016 compared with December 2015 caused decreases of 0.7% in the consumer price index for citizen households, 0.6% for non-citizen households and 0.4% for share households during January 2016 compared with December 2015.

Table 6: Average CPI values by household type during January 2016 and December 2015

Period	Citizen	Non-citizen	Share
December 2015	105.5	107.0	107.6
January 2016	104.8	106.4	107.1
Relative Change	-0.7	-0.6	-0.4

110 108 106 Consumer Price Index 104 Citizens 102 Non- Citizens Share 100 Jun Jul Sep Feb Mar Apr May Aug Oct Nov Dec Jan Jan 2015 2016

Figure 3: CPI by household type from January 2015 to January 2016

Source: Statistics Centre - Abu Dhabi

E. CPI by region

1. Consumer Price Index - Abu Dhabi Region

 The CPI in the Abu Dhabi region increased by 3.8% in January 2016, compared with January 2015.

Month

• The CPI decreased by 0.6% in January 2016, compared with December 2015. The major groups that decreased were 'Transport' by 3.7%, 'Furnishings, household equipment and routine household maintenance' by 1.9%, 'Food, and Beverages' by 0.4%.

2. Consumer Price Index- Al Ain Region

- The CPI in the Al Ain region increased by 2.5% in January 2016, compared with January 2015.
- The CPI decreased by 0.7% in January 2016, compared with December 2015. The major groups that decreased were 'Transport' by 3.1% and 'Food, and Beverages' by 0.6%.

3. Consumer Price Index - Al Gharbia Region

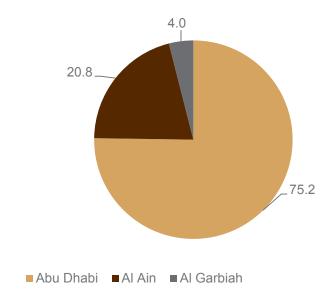
• The CPI in the Al Gharbia region increased by 2.2% in January 2016, compared with January 2015.

• The CPI decreased by 0.7% in January 2016, compared with December 2015. The major groups that decreased were 'Transport' by 3.5% and 'Food, and Beverages' by 0.7%.

Share of the regions in the average price change in the Emirate of Abu Dhabi for January 2016 compared with January 2015:

The increase of 3.2% in consumer prices for January 2016 compared with January 2015, resulted from the increase of consumer prices in the regions of Abu Dhabi, Al Ain and Al Gharbia. The increase in the CPI in the Abu Dhabi region contributed 75.2% of the total increase in January 2016 compared with December 2015, while the Al-Ain region contributed 20.8% and the Al Gharbia region 4.0% of the total increase during the period.

Figure 4: Share of the regions in the average price change in the Emirate of Abu Dhabi for January 2016 compared with January 2015





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