

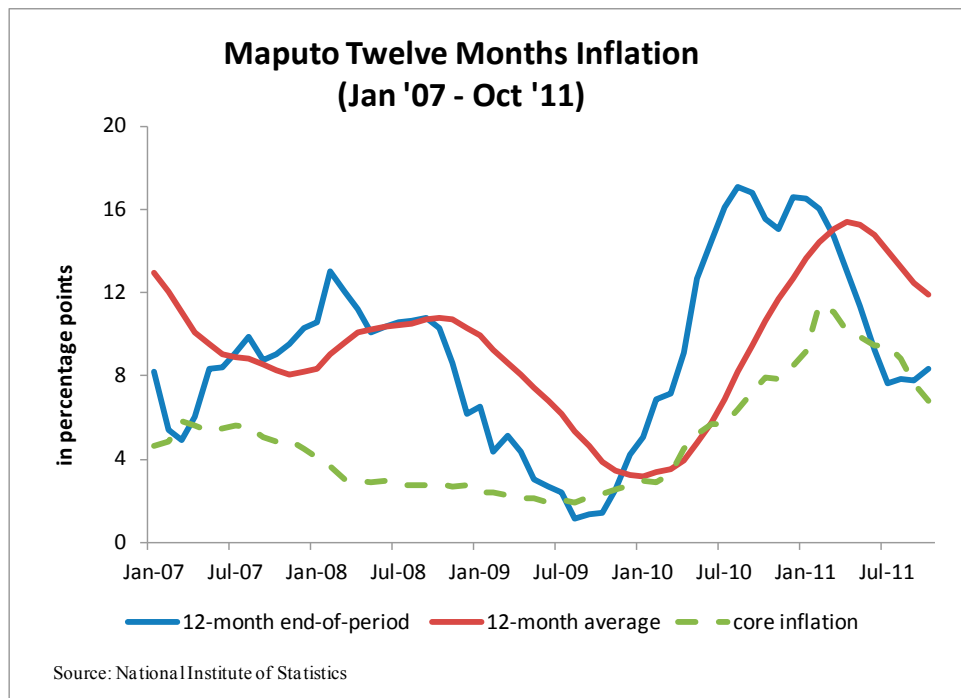


Office of the Resident Representative
Maputo - Mozambique

Maputo headline inflation – October 2011

Main facts:

- Inflation in Maputo was 0.01 percent in October, the lowest monthly rate in at least ten years. The major contributors on the high side were clothing & footwear and alcoholic beverages & tobacco.
- On the low side, food items dominated the drops in prices. The total inflation further lowered the average to 11.9 percent (from 12.5 percent). This favorable scenario, however, did not prevent the 12-month end-of-period to climb to 8.3 percent (from 7.8 percent).
- Core inflation¹ continued to drop. It is now at 6.8 percent against previous 7.7 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 through October 2011:

Product categories with major contribution to total price increases from January to October 2011

Item	Contribution (in %)	Trend (month-on-month)
Food items and non-alcoholic beverages	0.48	↓
Alcoholic beverages and tobacco	0.10	↑
Clothing and footwear	0.29	↑
Housing and utilities**	0.92	↓
Household goods and services	0.16	↑
Health expenses	-0.03	-
Transport	0.46	-
Communications	-0.01	-
Leisure, entertainment and culture	0.08	-
Education expenses	0.75	-
Restaurants, hotels and cafes	0.17	↑
Miscellaneous goods and services	0.27	-
Total	3.64	↑

* Water, electricity, gas and other energy sources.