

Not to be released before 14 September 2004 (8.00 am Finnish time)

2004:197

Inquiries: Mr Timo Koskimäki +358 9 1734 3479, Mr Juhani Pekkarinen +358 9 1734 3476, Ms Mari Ylä-Jarkko +358 9 1734 3310

Director in charge: Mr Kari Molnar

Inflation 0.4 per cent in August

According to Statistics Finland, the year-on-year change in consumer prices, i.e. inflation, was 0.4 per cent in August. In July it was 0.3 per cent.

Consumer prices were brought up most in the year by higher prices of liquid fuels, by 0.3 percentage points. Risen charges for cultural and leisure services, rent increases and higher prices of dwellings and food each had an impact of 0.2 percentage points on inflation. The rise in consumer prices was held back most by lower prices of alcoholic beverages, 0.8 percentage points. Lower telephone call charges and fallen prices of used cars also decreased inflation. Although the fall in interest rates halted, the interest rates were still clearly lower than one year ago.

From July to August, consumer prices rose by 0.3 per cent, which was mainly due to the decrease in seasonal sales of clothing.

Inflation indicators in Finland, August 2004

	Point figure	Change on one year	Change on one month
Consumer Price Index (2000=100)	105.3	0.4%	0.3%
Cost of Living Index (1951:10=100)	1,579		
Harmonised Index of Consumer Prices (1996=100)	113.5	0.3%	0.3%

Each mid-month, Statistics Finland interviewers collect around 50,000 prices on 492 commodities from approximately 3,000 outlets for the Consumer Price Index. In addition, some 1,000 items of price data are gathered by centralised collection.

According to preliminary data, inflation in the EMU countries 2.3 per cent in August

According to the preliminary data on the Harmonised Index of Consumer Prices, the rate of inflation in the member states of the EMU was in August the same as in July, i.e. 2.3 per cent. The corresponding figure for Finland in August was 0.3 per cent.

Eurostat's estimate on inflation in the EMU area is based on preliminary data published by certain member states and on the price development of energy. Eurostat will publish detailed data on the Harmonised Indices of Consumer Prices for August on 16 September.

Source: Consumer Price Index 2004, August. Statistics Finland