



BULLETIN

EU & US INFLATION AND MACROECONOMIC ANALYSIS

INSTITUTO
FLORES
DE LEMUS



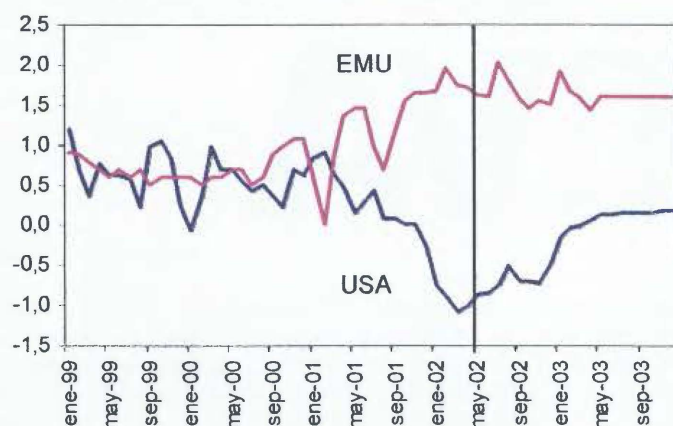
Instituto Flores de Lemus de Estudios Avanzados en Economía N. 93 June 2002

MAIN POINTS

"Similar expectations for core inflation in the EMU and USA, but with very different behavior as the evolution in prices of non energy commodities show."

AVERAGE ANNUAL INFLATION RATE OF NON-ENERGY INDUSTRIAL GOODS		
PERIOD	USA	EMU
1999	0,7	0,7
2000	0,5	0,7
2001	0,3	1,1
2002	-0,8	1,7
2003	0,1	1,6

YEAR ON YEAR INFLATION RATES OF NON-ENERGY INDUSTRIAL GOODS IN THE EMU AND USA



Source: BLS, Eurostat & IFL; Date: June 19, 2002

Contents

I. MAIN POINTS AND NEW RESULTS

I.1 Monetary and European Unions	p.1
I.2 Macroeconomic Table of European Economy	p.3
I.3 United States	p.5
I.4 Spain	p.7
I.5 Macroeconomic Table of Spanish Economy	p.9
I.6 Forecast Summary	p.11

II. ANALYSIS OF INFLATION, MONETARY POLICY AND INTERNATIONAL ANALYSIS

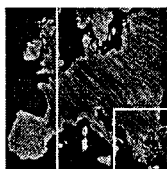
II.1 Monetary and European Unions	p.13
II.2 United States	p.17
II.3 Spain	p.21

TABLES & PLOTS	p.26
----------------------	------

N. 93

Depósito Legal: M22 938 - 1995



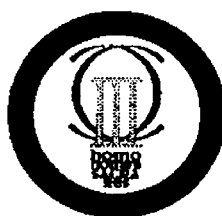


BULLETIN
EU & US INFLATION AND
MACROECONOMIC
ANALYSIS



Instituto Flores de Lemus de Estudios Avanzados en Economía

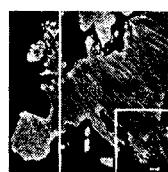
Supporting Entities



FUNDACIÓN
UNIVERSIDAD CARLOS III

BBVA

Instituto Flores de Lemus de Estudios Avanzados en Economía Universidad Carlos III de Madrid
C/ Madrid, 126 – E 28903 Getafe (MADRID – ESPAÑA)
T. +34 91.624.98.89 - F. +34 91.624.93.05
e-mail: laborat@est-econ.uc3m.es
www.uc3m.es/boletin



BULLETIN EU & US INFLATION AND MACROECONOMIC ANALYSIS



Instituto Flores de Lemus de Estudios Avanzados en Economía

PUBLICATION MANAGEMENT COMMITTEE:

Michele Boldrin, Juan José Dolado, Antoni Espasa and Juan Urrutia.

DIRECTOR: Antoni Espasa.

COORDINATION: Rebeca Albacete.

ECONOMIC POLICY AND INTERNATIONAL ANALYSIS: Fermín Ezquer.

MACROECONOMIC ANALYSIS AND FORECASTS: Nicolás Carrasco, Coordination, and Román Mínguez

MADRID STOCK EXCHANGE MARKET: Pablo Gaya.

ANALYSIS OF SPANISH LABOR MARKET: Sergi Jiménez-Martín and Franco Peracchi.

INFLATION ANALYSIS AND FORECASTS:

EUROPE AND SPAIN: Rebeca Albacete.

UNITED STATES: Ángel Sánchez

COLLABORATOR IN INFLATION FORECASTS: Andrea González

COMPOSITION: Mónica López.

EU & US INFLATION AND MACROECONOMIC ANALYSIS BULLETIN is an independent academic publication, monthly published by the Instituto Flores de Lemus de Estudios Avanzados en Economía, Universidad Carlos III de Madrid.

All rights reserved. Reproduction in part or whole is strictly prohibited without prior written permission of the Instituto Flores de Lemus.

Depósito Legal: M22 938 - 1995

TERMINOLOGY USED:

In inflation analysis it is advisable to break down a consumer price index for a country or an economic area in price indexes corresponding to homogenous markets. An initial basic breakdown used in this publication is 1) Non-processed Food price index (ANE) 2) Energy price index (ENE), 3) Processed Food (AE), 4) Commodities (MAN), 5) Service (SERV). The first two are more volatile than the others, and in Espasa et al. (1987) a **core inflation** measure exclusively based on the latter ones was proposed; the Spanish Statistical Institute and Eurostat proceed in the same way. Later, in the BULLETIN EU & US INFLATION AND MACROECONOMIC ANALYSIS was proposed to eliminate from components of core inflation those indexes which are excessively volatile. Thus, the previous basic breakdown has been amplified in the following manner: a) ANE, b) ENE, c) Tobacco, Oils and Fats, and Tourist Packages, d) Processed Foods excluding Tobacco, Oils and Fats, e) Other Goods (MAN), and f) Services, excluding Tourist Packages (SERT). The measure of inflation obtained with the AEX, MAN, and SERV indexes we term **trend inflation**, as an alternative indicator similar to core inflation, but termed trend inflation to indicate a slightly different construction. The measure of inflation established with the price indexes excluded from the CPI to calculate trend inflation or core inflation, depending on the case, is termed **residual inflation**.

For the United States the breakdown by markets is principally based on four components: Food, Energy, Services, and Commodities. **Trend inflation** or **core inflation** is based in this case as the aggregation of services and non-energy commodities.

I. MAIN POINTS AND NEW RESULTS

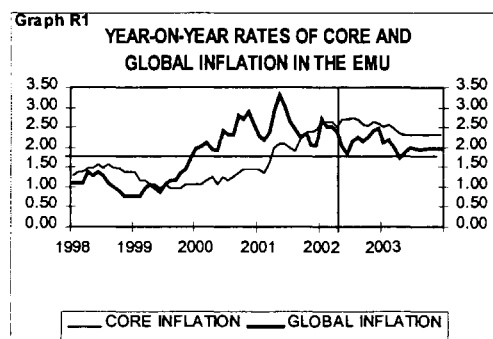
I.1. MONETARY AND EUROPEAN UNIONS

- The June monthly inflation rate in the EMU is forecasted at 0.0%; therefore, the corresponding year-on-year rate will decrease to 1.8%, compared to the 2.0% observed in May (graph R1).

- The monthly rate registered in May was 0.09%, below our prediction, 0.22%. The upward innovation in core inflation in services was compensated by the downward innovation in core inflation in goods. In residual inflation, the downward surprise derives from prices of non-processed food and energy (tables R1 and A2 in the appendix).

Table R1 OBSERVED VALUES AND FORECASTS IN THE MONTHLY RATE OF GROWTH IN THE COMPONENTS OF THE HICP IN THE EMU			
Harmonized Indices of Consumer Prices	Observed growth May. 2002	Forecast	Confidence interval at 80%
Consumer Price Index (HICP)	0.09	0.22	± 0.09
Core inflation (83.25%)	0.27	0.24	± 0.08
Residual inflation (16.75%)	-0.25	0.13	± 0.39

(*) Al 80% de significación
Source : EUROSTAT & IFL / Date: June 18, 2002.



Source : Eurostat & IFL / Date: June 19, 2002.

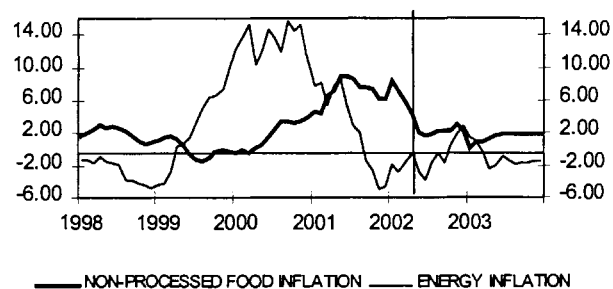
- The expectations for the average annual rate of **core inflation** in the EMU are 2.6% in 2002 and 2.4% in 2003. In the US, the mean annual rate for core inflation is predicted to reach 2.5% in 2002 and 2.7% in 2003, overcoming that corresponding to the EMU, as a consequence of the evolution in services prices (graph R1).

- The differential between core inflation in goods and services increased in May by 1.3 percentage points, with respect to the 0.8 percentage points observed in April, and it is expected to stay at this value in the remaining months of 2002 and to increase to 1.4% in 2003, as a consequence of the greater decrease of annual inflation in goods. The average annual rates of prices of non-energy processed goods for 2002 and 2003 are forecasted at 2.0% and 1.7%, respectively. In the services market the expectations for the average annual rates are 3.2% in 2002 and 3.1% in 2003 (table R2).
- The incorporation of sales prices in different countries of the EMU came in an oscillating evolution of commodity prices, whose year-on-year rate of inflation will change from 2.0% in February 2002 to 1.4% in October 2002. Consequently, the evolution of core inflation also shows important oscillations. It is forecasted that its year-on-year rate will reach 2.7% next June till August 2002 to decrease at 2.4% in 2003, as a consequence of improved behaviour in 2003 of prices of processed food and services.
- The forecasted average annual rate in **global inflation** for 2002 decreases to 2.3 % in 2002 and stays at 2.0% in 2003, compared with the predictions in the previous bulletin (see table R2).

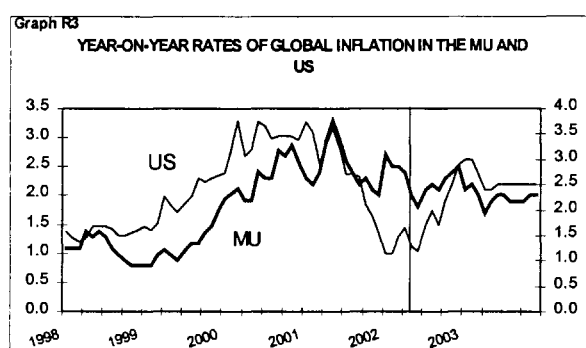


- The uncertainty in evolution in the prices of energy come in an oscillating evolution of global inflation, which from the 2.0% registered in May 2002, is expected to decrease to 1.8% in June and to increase again to 2.5% in December, and to stay around 2.0% in 2003; overcoming the objective of 2% in 2002 (see graph R2).

Graph R2
YEAR-ON-YEAR RATES OF NON-PROCESSED
FOOD AND ENERGY INFLATION



Source: Eurostat, BLS & IFL/ Date: June19, 2002



Source : Eurostat, BLS & IFL / Date: June 19. 2002.

- The inflation differential of the Monetary Union with the United States has systematically been a percentage point in favour of the EMU, as can be observed in the accompanying graph. The annual rate of growth in May in the USA was 1.2%, 0.8 percentage point below the corresponding rate in the EMU, 2.0% (graph R3). It is expected that this inflation differential will remain favourable for the US until November 2002 but at the end of 2002 and in 2003, inflation in the EMU will again be lower than in the USA.

- This differential is favourable for the EMU in services, and for the USA in goods. The different behaviour of commodity prices are noticeable, for while the expectations for the average annual rate in the US decrease to -0.8 % in 2002 and 0.1% in 2003, in the EMU they are 1.7% in 2002 and 1.6% in 2003.

Table R2 FORECASTS FOR THE MEAN ANNUAL RATES IN THE HICP OF THE EMU				
Harmonised Indices of Consumer Prices (HICP)	2000*	2001*	Forecasts	
			2002	2003
GLOBAL HICP IN THE EMU (100%)	2.3	2.5	2.3	2.0
CORE INFLATION (83,25%)	1.3	2.0	2.6	2.4
Non energy processed goods HICP (44,35%)	0.8	1.6	2.0	1.7
Services HICP (38,90%)	1.7	2.5	3.2	3.1
RESIDUAL INFLATION (16.75%)	7.6	4.8	1.1	0.2
Non Processed Food HICP(8.11%)	1.7	7.2	3.5	1.5
Energy HICP (8.64%)	13.3	2.8	-1.0	-1.1
• Observed Values				
(1) Monthly and annual rates can be found in tables A5A and A5B in the appendix.				

Source: EUROSTAT & IFL/ Date: June 19; 2002

I.2 MACROECONOMIC TABLE OF EURO-ZONE

	ANNUAL AVERAGES GROWTHS		
		Forecasts BIAM (*)	
	2001	2002	2003
GDP pm	1.5	1.1	2.4
Demand			
Final Consumption	1.8	1.0	2.0
Gross Investment	-0.5	0.0	2.1
Domestic Demand	0.8	0.9	2.1
Exports of Goods and Services	2.5	1.1	5.2
Imports of Goods and Services	0.8	0.4	4.5
Supply			
Gross Value Added Total (market prices)	1.5	1.1	2.4
Net Taxes	0.5	-2.0	1.9
Gross Value Added Total (basic prices)	1.7	1.4	2.4
Gross Value Added Agriculture	-0.7	1.3	1.7
Gross Value Added Industry	0.7	0.4	1.6
Gross Value Added Construction	-0.5	-0.1	0.9
Gross Value Added Services	2.3	1.9	2.6
Prices			
CPI harmonized, annual average	2.5	2.3	2.0
CPI harmonized, dec./dec.	2.0	2.5	2.0
Employment			
Unemployment rate			
Others Economic Indicators	8.1	8.7	8.4
Production Index of Industry (excluding construction)	-0.1	0.4	1.5

Source: EUROSTAT & I. FLORES DE LEMUS / Date: June 25, 2002.

(*) Boletín Inflación y Análisis Macroeconómico.

Section Sponsorship by
Cátedra Fundación Universidad Carlos III de Predicción y Análisis Macroeconómico.





I.3. UNITED STATES

- In **June**, the overall CPI is forecasted to increase 0.21%, leaving the annual rate at 1.2%, the same as May's. However, the core inflation is expected to increase 0.12%, which would cut down the annual rate one tenth to 2.43%. This cut in the inflation's nucleus will be determined by the service prices behaviour.

Table R3

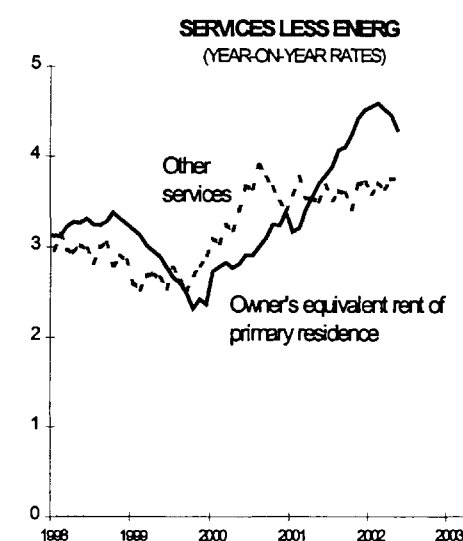
**OBSERVED VALUES AND FORECAST ON CONSUMER PRICE
FIGURES IN US
May 2002**

CONSUMER PRICES INDEX (CPI)	Monthly Growth (T^1_t)		Confidence Intervals at 80% level (+ -)
	observed (a)	forecasts (b)	
Residual Inflation	0.05	0.27	0.56
Core Inflation	-0.05	0.07	0.12
All items	0.00	0.11	0.17

Source: BLS & INSTITUTO FLORES DE LEMUS
Data: June 18, 2002

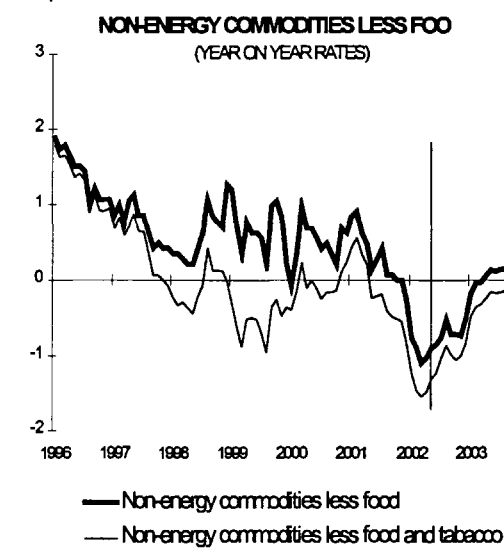
- US monthly inflation rate in **May** did not register changes in relation to the previous month, as opposed to the forecasted increase of 0.11%, leaving the annual rate at 1.2%, four tenths less than in April. This important decrease in the year-on-year rate, as expected, is due to the motor-fuel prices that last year rose 9.88%, whereas this year they have not changed. In relation to previsions, there has to be underlined the negative innovations in non-durable goods and in food (see Table R3).

Graph R4



Source: IFL & BLS / Date: June 18, 2002

Graph R5



Source: IFL & BLS / Date: June 18, 2002

- Core inflation has registered a decrease of 0.05% instead of the expected increase of 0.07%, staying the annual rate at 2.53%. This core inflation's better behaviour is explained mostly by non-durable goods prices, among these, tobacco prices drop 2.7%. Service prices registered a slightly better advance than forecasted, 0.14% instead of 0.18%, decreasing the annual rate from 3.99% down to 3.93%. This deviation is partly due to the owners' equivalent rent of primary residence prices, which show a very pronounced deceleration in these first months of the year. On the other hand, the rest of the service prices, altogether, maintain the annual rate stabilized around 3.8%. In fact, the registered deceleration in service prices during this month has been due to owners' equivalent rent of primary residence prices, which decrease from 4.46% down to 4.29%. On the other hand, the rest of the service prices does not change the annual rate of the previous month, which was 3.75% (see Graph R4).
- On the other hand, non-food and non-energy goods prices registered a 0.48% drop, notably below the expected (-0.20%), increasing the year-on-year rate from -1.02 up to -0.89 per cent. The components' behaviour has been dissimilar. Indeed, durable goods prices have decreased less than forecasted, -0.16%



as opposed to -0.23%. However, non-durable goods prices decrease 0.77%, a greater drop than the expected one (-0.17%). The durable goods' annual rate passes from -2.79% to -2.56%, whereas the non-durable goods do it from 0.88% to 0.94%. (this index without tobacco prices does it from 0.08% to 0.25%) **Graph 5** shows how tobacco, despite its little weight in the index, given its high annual rates, affects non-energy goods prices significantly.

- Residual inflation registered a 0.05% increase, very slightly below previsions (0.27%), so the annual rate passes from -1.28 to -3.20. By components, energy prices have registered the forecasted behaviour. However, food prices have showed an exceptional positive behaviour, with a value off -0.23% , instead of the 0.16% foreseen, the annual rate drops from 2.51% down to 1.91%.
- For the rest of **2002** and **2003** the expectations improve two tenths for 2002 and 2003, and the mean annual rates expected are 1.7% and 2.6% respectively. This improvement is related to the food prices' and non-durable goods prices' good behaviour, and also to the more moderated development foreseen for crude-oil prices. From June to December, it is expected an ascendant behaviour up to 2.9% (see **Graph R6** and **Table R4**).

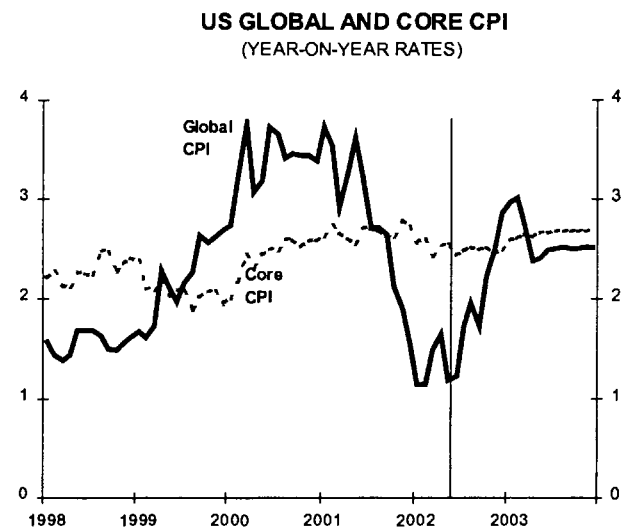


Table R4

AVERAGE ANNUAL RATE OF GROWTH IN US (*)						
CONSUMER PRICES INDEX (CPI)	1998	1999	2000	2001	2002 (forecasts)	2003 (forecasts)
Food	2.2	2.1	2.3	3.1	2.0	2.4
Energy	-7.7	3.6	16.9	3.8	-6.5	2.0
Residual Inflation	-1.6	2.5	6.8	3.3	-0.9	2.3
Non-food and non-energy goods	0.6	0.7	0.5	0.3	-0.8	0.1
Non-energy services	3.1	2.7	3.3	3.7	3.9	3.7
Core Inflation	2.3	2.1	2.4	2.7	2.5	2.7
All items	1.6	2.2	3.4	2.8	1.7	2.6

(*) Monthly and annual growth rates can be found in tables A6A and A6B in Appendix

Source: BLS & INSTITUTO FLORES DE LEMUS

Data: June 18, 2002



I.4. SPAIN

- Monthly inflation in June is expected to have a negative value of 0.2%. The year-on-year rate of 3.6% observed in May, will decrease to 3.2% in June (graph R7).

- The monthly rate observed in May, a positive value of 0.36%, registered an upward innovation in trend inflation, which came in prices of commodities and processed food. Residual inflation also registered an upward innovation from prices of non-processed food (table R5).

Table R5 OBSERVED VALUES AND FORECASTS IN THE MONTHLY RATE OF GROWTH IN THE COMPONENTS OF THE CPI IN SPAIN			
Consumer Price Index (CPI)	Observed growth May. 2002	Forecast	Confidence interval at 80%
Global Inflation(100%)	0.36	0.02	± 0.15
Trend inflation (77,23%)	0.32	0.03	± 0.13
Residual Inflation (22,77%)	0.49	-0.01	± 0.22

(*) Al 80% de significación
Source : INE & IFL / Date: June 13, 2002.

- The monthly inflation rates in March corresponding to apparel and footwear prices registered downward innovations, reflecting a longer duration of winter sales in 2002 than in 2001, thus, the period of price recuperation in these sectors has been different from the corresponding period of the previous year. Consequently, it was detected that the sales coefficients of 2001, published by the INE, were not adequate to capture the sales evolution in 2002. So the effect of ending winter sales was postponed to forecasts for April, and, by modifying the corresponding sale coefficient, a good forecast for the monthly inflation in April was obtained. Nevertheless, such modification was not sufficient, so with the publication of inflation in May a real prediction error in the commodities sector was registered. So, we have again modified the sales coefficients in order to gather all this information correctly. The reason for the different behaviour of sales effect in 2001 and 2002 has been the later entry of new fashion articles, that has permitted a longer duration of winter sales in 2002.
- **Trend inflation** in May stayed at 3.6%, the same as April. Most components in trend inflation in services showed annual rates near or greater than 5%, for example prices of transport, postal services, university, restaurants, hotels, housing, medicine and culture services. Trend inflation in food in May stayed at 3.1% with respect to the 5.1% observed in the last quarter of 2001. Taking into account commodities prices, its year-on-year rate increased in May to 2.9% compared to the 2.8% registered in April, and it is expected that the mean annual rate will decrease to 2.2% in 2002 and 2003.

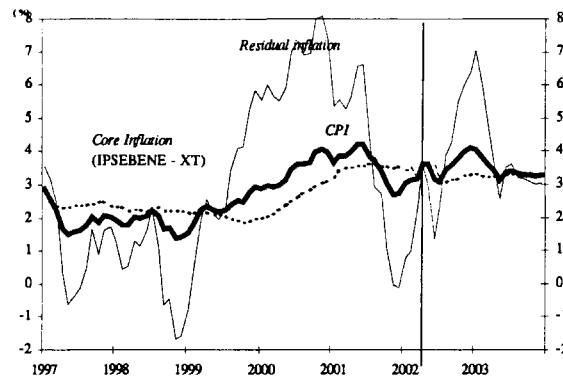
Table R6 FORECASTS FOR THE MEAN ANNUAL RATES OF GROWTH IN THE CPI IN SPAIN				
Consumer Prices Index (CPI)	2000*	2001*	Forecasts	
			2002	2003
GLOBAL INFLATION (100%)	3.4	3.6	3.5	3.4
TREND INFLATION (77.23%)	2.5	3.5	3.3	3.3
Non energy processed goods, excluding tobacco, oils and fats CPI (44.28%)	1.9	3.1	2.4	2.4
Services excluding tourism CPI (32,95%)	3.5	4.1	4.4	4.6
RESIDUAL INFLATION (22.77%)	6.5	3.7	3.3	3.9
Non processed food CPI (9.07%)	4.2	8.7	5.6	5.7
Energy CPI (9.41%)	13.3	-1.0	0.0	1.6

- * Observed Values
- Monthly and annual rates can be found in tables A7A and A7B in the appendix
- Source: INE & .IFL / Date: June 17, 2002.



Graph R7

YEAR ON YEAR RATES OF GROWTH OF TREND, RESIDUAL AND GLOBAL INFLATION



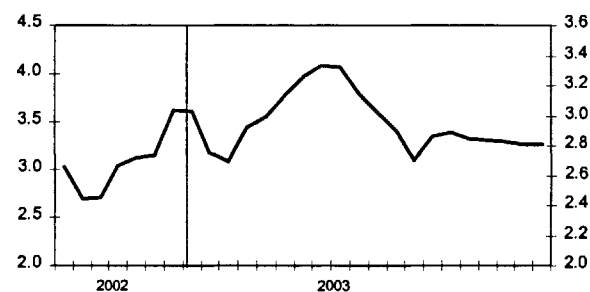
Source: INE and IFL / Date: June 17, 2002.

- It is expected that trend inflation will decrease in June to 3.5%, above the expected mean annual rate in 2002 and 2003 of 3.3%, as a consequence of the slightly better behaviour of rates of growth of prices in non-energy processed goods, excluding fats, oils and tobacco and rates of growth of prices of services, excluding tourist packages (table R6).
- Core inflation in the EMU increased by 2.7% in May and the expectations for the average annual rate for core inflation are 2.6% in 2002 and 2.4% in 2003, so there remains a consolidated inflation differential between Spain and the EMU of around one percentage point.

- Taking into account **residual inflation**, prices of non-processed food show a worse evolution. The expectations of the average annual rates of inflation are above 5.5% for 2002 and 2003. On the other hand, it is expected that energy prices will register average annual rates of inflation of 0.0% in 2002 and 1.6% in 2003.

Graph R8

ANNUAL RATES OF GLOBAL INFLATION IN SPAIN



Source: INE and IFL / Date: June 17, 2002.

- Due to the oscillations in energy and non-processed food prices, a more erratic evolution of commodities prices due to the incorporation of sales prices, and the especially worrisome evolution in services, with a weight of 33% and expected annual rates of growth in 2002 near of 5%, the year-on-year rate of growth of **global inflation** will relevant oscillation. Therefore, the annual inflation will decrease to 3.1% in July to increase again at the end of 2002 to reach 4%, so the average annual rates of growth will stay at 3.5% in 2002 and 3.4% in 2003 (table R6 and graph R8).



I.5. MACROECONOMIC TABLE OF SPANISH ECONOMY

MACROECONOMIC TABLE AND INDICATORS			
	Annual Rates		
	Forecasts BIMA (*)		
	2001	2002	2003
Private Final Consumption Expenditure	2.7	2.2	2.6
Public Final Consumption Expenditure	3.1	3.2	3.1
Gross Fixed Capital Formation	2.5	2.1	3.5
Equipment	-2.2	-0.6	3.4
Building	5.7	4.4	3.6
Other products	0.8	1.0	1.7
Inventory change (1)	0.1	0.0	0.0
Domestic Demand	2.8	1.9	2.9
Exports of Goods and Services	3.4	2.0	4.9
Imports of Goods and Services	3.7	2.2	5.4
Net Exports (1)	-0.1	-0.1	-0.2
GDP	2.8	1.9	2.7
GDP, current prices	6.5	5.1	5.8
Prices and Costs			
CPI, annual average	3.6	3.5	3.4
CPI, dec./dec.	2.7	4.1	3.3
Average earning per worker	4.3	3.5	3.6
Unit labour cost	3.9	2.6	2.5
Labour Market (Data poll labor force)			
Labor Force (% variation)	2.0	2.1	2.2
Employment:			
Data adjusted from changes in the employment survey			
Annual average variation in %	3.7	2.1	2.6
Annual average variation in thousands	575.9	335.0	423.2
Unemployment rate	10.6	11.2	10.8
Basic balances			
Foreing sector			
Current Account (billions Pts.)	-19.256	-22.286	-21.342
Net lending or borrowing (% GDP) (2)	-1.9	-1.7	-2.0
AA.PP. (Total) / Public Administration			
Net lending or borrowing (% GDP) (2)	0.0	-0.5	-0.3
Other Economic Indicators			
Industrial Production Index	-1.1	0.3	1.3

Source: INE & I. FLORES DE LEMUS
Date: June 25, 2002.

(*) Bulletin EU & US Inflation and Macroeconomic Analysis.

Section Sponsorship:
Cátedra Fundación Universidad Carlos III de Predicción y Análisis Macroeconómico.





1.6 FORECAST SUMMARY

INFLATION FORECASTS IN THE EMU AND USA (1998-2003)						
	1998	1999	2000	2001	Forecasts	
					2002	2003
GLOBAL INFLATION						
Euro-zone (100%).	1.1	1.1	2.3	2.5	2.3	2.0
USA (100%).	1.6	2.2	3.4	2.8	1.7	2.6
CORE INFLATION						
Services and Non-energy industrial goods excluding food.						
Euro-zone (70.97%).	1.4	1.1	1.3	1.9	2.5	2.4
USA (75%).	2.3	2.1	2.4	2.7	2.5	2.7
DIFFERENT COMPONENTS OF CORE INFLATION						
(1) Services.						
Euro-zone (38.90%).	1.9	1.5	1.7	2.5	3.2	3.1
USA (45.90%).	3.1	2.7	3.3	3.7	3.9	3.7
(2) Non-energy industrial goods excluding food.						
Euro-zone (32.07%).	0.9	0.7	0.7	1.1	1.7	1.6
USA (29.10%).	0.6	0.7	0.5	0.3	-0.8	0.1
INFLATION IN EXCLUDED COMPONENTS FROM CORE INFLATION						
(1) Food.						
Euro-zone (20.39%).	1.6	0.6	1.3	4.5	3.2	1.8
USA (14.9%)..	2.2	2.1	2.3	3.1	2.0	2.4
(2) Energy.						
Euro-zone (8.64%).	-2.6	2.4	13.3	2.7	-1.0	-1.1
USA (9.90%).	-7.8	3.6	16.9	3.8	-6.5	2.0

Source: EUROSTAT & BLS & IFL
Date: June 19, 2002.

INFLATION FORECASTS IN THE EMU AND SPAIN (1998-2003)						
	1998	1999	2000	2001	Forecasts	
					2002	2003
GLOBAL INFLATION						
Spain (100%).	1.8	2.3	3.4	3.6	3.5	3.4
Euro-zone (100%).	1.1	1.1	2.3	2.5	2.3	2.0
CORE INFLATION						
Services and Non-energy industrial goods.						
Spain (81.51%).	2.3	2.4	2.5	3.4	3.6	3.4
Euro-zone (83.25%).	1.5	1.1	1.2	2.0	2.6	2.4
DIFFERENT COMPONENTS OF CORE INFLATION						
(1) Services.						
Spain (34.10%).	3.6	3.4	3.8	4.2	4.6	4.7
Euro-zone (38.90%).	1.9	1.5	1.7	2.5	3.2	3.1
(2) Non-energy industrial goods.						
Spain (47.41%).	1.4	1.7	1.7	2.9	2.9	2.4
Euro-zone (44.35%).	1.1	0.7	0.8	1.6	2.0	1.7
INFLATION IN EXCLUDED COMPONENTS FROM CORE INFLATION						
1) Non-processed food.						
Spain (9.07%).	2.1	1.2	4.2	8.7	5.6	5.7
Euro-zone (8.11%).	2.0	0.0	1.7	7.0	3.5	1.5
(2) Energy.						
Spain (9.41%).	-3.8	3.2	13.3	-1.0	0.0	1.6
Euro-zone (8.64%).	-2.6	2.4	13.3	2.7	-1.0	-1.1

Source: EUROSTAT & INE & IFL. / Date: May 28, 2002.



II. ANALYSIS OF INFLATION, MONETARY POLICY AND INTERNATIONAL ANALYSIS

II.1 Monetary and European Unions

In May 2002, inflation in the Monetary Union registered a monthly rate of 0.1% with a year-on-year rate of 2.0%.

In May 2002, inflation in the Monetary Union registered a monthly rate of 0.1 % with a year-on-year rate of 2.0%, with respect to the 2.4% observed in April.

Table 1 summarises the discrepancies between observed and forecasted values for the different basic aggregations in the Euro- Zone.

Table 1 OBSERVED AND FORECAST VALUES ON CONSUMER PRICE FIGURES IN THE EMU			
Consumer Price Index (HICP)	Current growth May. 02	Forecast	Confidence intervals (*)
(1) Processed Food - AE (12.281%)	0.18	0.26	± 0.14
(2) Commodities - MAN (32.072%)	0.09	0.26	± 0.10
Non-Energy Manufactured Goods - BENE [1+2] (44.353%)	0.12	0.26	± 0.09
(3) Services - SERV (38.901%)	0.35	0.22	± 0.14
Core Inflation:			
Non-Energy Manufactured Goods and Services, (excluding fats, oils, tobacco and tourist packages) - IPSEBENE [1+2+3] (83.253%)	0.27	0.24	± 0.08
Non-Processed Food - ANE (8.109%)	0.00	0.48	± 0.46
(5) Energy Goods - ENE (8.638%)	-0.50	-0.19	± 0.60
Residual Inflation:			
Fats, Oils, Tobacco, Tourist Packages, Non-Processed Food and Energy - R [4+5] (16.747%)	-0.25	0.13	± 0.39
General HICP - HICP [1+2+3+4+5] (100%)	0.09	0.22	± 0.09

(*) At 80% confidence level

Source: EUROSTAT & INSTITUTO FLORES DE LEMUS / Date: June 18, 2002.

As shown in table 1, the month on month rate registered in May was 0.09%, below our prediction of 0.22%. The upward innovation in core inflation in services was compensated by the downward innovation in core inflation in goods, registered in both prices of commodities and processed food.

It is important to note the existence of rounding errors in the aggregation of different sectors of HICP in the EMU. Eurostat publishes data with one decimal point and apparently they use more decimals in obtaining the aggregate indexes. The question is whether the aggregate values can be exactly reproduced by the users of Eurostat data. For this reason, in the forecast errors tables in the appendix (table A2) the errors in the aggregation are pointed out.

Core inflation registered a null innovation.

The breakdown of the harmonised consumer price index into basic market groups shows that the prices of processed food (the AE index) increased less than was predicted (0.18% observed instead of the 0.26% forecasted). The prices of the remaining processed goods excluding energy prices (the MAN index) also increased less than was forecasted (0.09% observed instead of 0.26% forecasted). With this, core inflation in goods calculated on the basis of the aggregation of the previous indexes, (the BENE index) registered a monthly rate of 0.12%, above that which was foreseen, 0.26%. The services prices (the SERV index)



Residual inflation a downward surprise

of 0.12%, above that which was foreseen, 0.26%. The services prices (the SERV index) increased more than was forecasted (0.35% observed instead of 0.22% forecasted), so that finally core inflation registered a null innovation.

In Residual inflation (non-processed food and energy), the downward innovation came in both prices of non-processed food and energy.

Table 2 shows annual observed HICP rates for energy and those corresponding to the remainder of goods and services – denominated HICP excluding energy

Table 2 ANNUAL GROWTH HICP										
	HICP excluding Energy					HICP energy				
	Observed	Forecasts				Observed	Forecasts			
	May. 02	Average 2000	Average 2001	Average 2002	Average 2003	May. 02	Average 2000	Average 2001	Average 2002	Average 2003
Germany	1.6	0.7	1.9	1.8	1.2	-2.9	14.4	6.4	-0.0	0.1
Spain	4.0	2.6	4.0	3.7	3.7	-1.9	13.3	-1.0	0.0	1.6
France	2.2	0.8	2.1	2.2	1.4	-4.2	12.1	-1.5	-2.0	0.3
Italy	2.9	1.9	2.4	3.0	3.0	-3.4	11.6	1.6	-3.1	-0.4
Monetary Union	2.6	1.3	2.4	2.3	2.0	-2.8	13.3	2.7	-1.0	-1.1

Source: EUROSTAT & INSTITUTO FLORES DE LEMUS / Date: June 21, 2002.

There is an important inflation differential excluding energy among countries. Italy and Spain show similar behaviour and on the other hand France and Germany also present a similar evolution.

Annual energy rates are registering negative values in May 2002, as shown in table 2. This contrasts with the different behaviour of the other non-energy prices (HICP excluding energy). For the mentioned non energy prices, Germany registered in May a year on year rate of 1.6%; forecasts for the annual average rates will be around 1.8% in 2002 to decrease to 1.2% in 2003. France registered for the HICP excluding energy an annual rate of 2.2% in May and the forecasts for the annual average rate are 2.2% in 2002 and 1.4% in 2003 (slightly greater than Germany). On the other hand, observed values in Italy were 2.9% and forecasts are 3.0% in 2002 and 3.0% in 2003. In the case of Spain, the annual rate was 4.0% in May and a mean annual rate of 3.7% is expected in 2002 and 2003. Therefore, in the HICP excluding energy, Germany and France show a similar evolution, with annual average rates around 2% on one hand, and on the other, Italy and Spain present greater annual mean rates of 3% and 4%, respectively.

Table 3 ANNUAL GROWTH IN ENERGY HICP										
	Fuels					Electricity and gas				
	Observed		Forecasts			Observed		Forecasts		
	May. 02	Average 2000	Average 2001	Average 2002	Average 2003	May. 02	Average 2000	Average 2001	Average 2002	Average 2003
Germany	-5.3	24.4	-0.4	0.0	0.6	-0.5	5.8	13.2	0.0	-0.3
Spain	-1.7	18.1	-2.1	0.9	1.9	-1.9	0.2	2.4	-1.2	1.2
France	-7.1	20.8	-5.7	-3.8	0.8	-0.2	1.1	4.7	0.6	-0.4
Monetary Union	-5.1	20.9	-2.5	-1.1	1.0	-0.4	5.3	8.9	-1.0	-3.2

Source: EUROSTAT & INSTITUTO FLORES DE LEMUS / Date: June 21, 2002.



As shown in table 3, the differential in gas and electricity prices is greater than in fuel prices as a consequence of the strong dependency of gas and electricity prices on domestic regulations. prices.

The forecast for annual inflation in June 2002 is 1.8%.

The inflation forecast for June 2002 in the Monetary Union is 0.0%. Therefore, the year-on-year rate will decrease to 1.8%, with respect to the 2.0% registered in May. The expectations for the average annual rate are 2.3 % for 2002, and 2.0% for 2003.

By countries, the expectation for monthly inflation for next May is a positive rate of 0.1% for Germany and Italy, a null value in France and a negative value of 0.2% in Spain.

Table 4 summarises the forecasts for the different components in the Monetary Union. Monthly and annual rates may be found in tables A5A and A5B in the appendix.

Table 4. AVERAGE ANNUAL RATE OF GROWTH IN MONETARY UNION						
	Observed				Forecasts	
	1998	1999	2000	2001	2002	2003
16.747%						
Residual Inflation	-0.4	1.2	7.6	4.7	1.1	0.2
8.109%						
Non-Processed Food	2.0	0.0	1.7	7.0	3.5	1.5
8.638%						
Energy	-2.6	2.2	13.3	2.7	-1.0	-1.1
83.253%						
Core Inflation	1.4	1.1	1.3	2.0	2.6	2.4
12.281%						
Processed Food	1.4	0.9	1.1	2.8	3.0	2.0
32.072%						
Non-Energy Commodities	0.9	0.6	0.7	1.1	1.7	1.6
38.901%						
Non-Energy Services	2.0	1.6	1.7	2.5	3.2	3.1
100%						
HICP Inflation	1.1	1.1	2.3	2.5	2.3	2.0

Source: EUROSTAT & INSTITUTO FLORES DE LEMUS / Date: June 19, 2002.

The year-on-year rate for next June, 1.8%, will be composed of a rate of 2.7% in core inflation and of -1.3% in residual inflation. The expectations of the average annual rate in 2002, 2.3%, will be achieved through increments in core inflation in 2002 to 2.6% and, decreases in residual inflation, due to the decrease in prices of non-processed food and energy, compared with the values registered in 2001.

It seems unlikely that in the short-term the EMU inflation rate could be systematically below 2%. But the probability of it being within a range between 1 and 3% is reasonably high. With a redefinition of the inflation target adopting the mentioned range the ECB will not tend to move the interest rates for the time being. But keeping the target as it is, the ECB will tend to increase interest rates before too long.

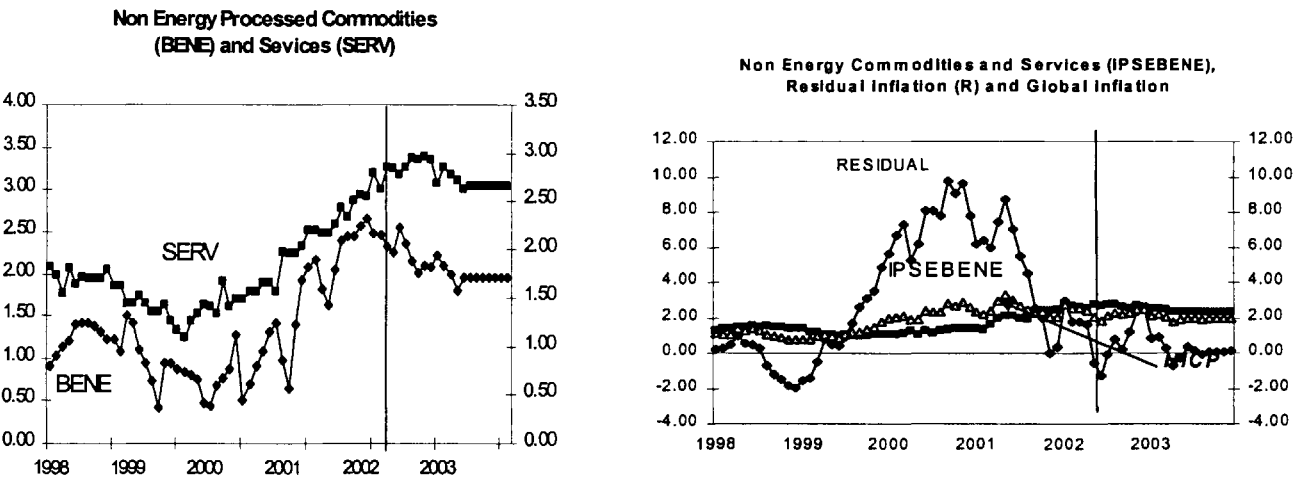
Table 5 summarises average annual growth rates for the main countries. Monthly and annual forecasts for all the countries can be found in tables A4A, A4B, A4C and A4D in the appendix.



Table 5					
ANNUAL AVERAGE RATES OF GROWTH					
	Observed			Forecasts	
	1999	2000	2001	2002	2003
Spain HICP – 10.34%	2.2	3.5	2.8	3.6	3.6
Germany HICP – 30.56%	0.6	2.1	2.4	1.5	1.1
France HICP – 20.41%	0.6	1.8	1.8	1.8	1.3
Italy HICP – 19.34%	1.6	2.6	2.3	2.6	2.8
EMU HICP – 100%	1.1	2.3	2.5	2.3	2.0

Source: Eurostat & I. Flores de Lemus / Date: June 21, 2002.

Graph 1 HICP ANNUAL GROWTH RATES IN EMU



Source: EUROSTAT & I. FLORES DE LEMUS / June 19, 2002.



II.2 United States

Prices have unchanged in May, as opposed to the expected augment of 0.1%.

US monthly inflation rate in **May** did not register changes in relation to the previous month, as opposed to the forecasted increase of 0.11%, leaving the annual rate at 1.2%, four tenths less than in April. This important decrease in the year-on-year rate, as expected, is due to the motor-fuel prices that last year rose 9.88%, whereas this year they have not changed. In relation to previsions, there has to be underlined the negative innovations in non-durable goods and food prices (see **Table 7**).

In **Table 6** we can see the breakdown scheme following in our US CPI analysis.

Table 6				
USA CPI DESAGGREGATION				
CPI (1+2+3+4) (100%)	1) Energy CPI (E – 9,9%)	RESIDUAL INFLATION (1+2) (RI – 25,0 %)	CPI (1+2+3+4) (100%)	
	2) Food CPI (F – 15.1%)			
	3) Non-energy Services CPI (S – 45,9%)	CORE INFLATION (3+4) (CI – 75,0 %)		
	4) CPI Commodities less food and energy (C – 29,1%)			

Source: BLS & INSTITUTE FLORES DE LEMUS

Table 7 OBSERVED VALUES AND FORECAST ON CONSUMER PRICE FIGURES IN US May 2002					
CONSUMER PRICES INDEX (CPI)	Annual Growth (T ₁₂) observed	Monthly Growth (T ₁)			Confidence Intervals at 80% level (+ -)
		observed (a)	forecasts (b)	(a)-(b)	
Food	1.9	-0.23	0.16	-0.39	0.38
Energy	-12.3	0.57	0.53	0.05	1.28
- Fuel Oil	-13.3	-0.61	0.05	-0.66	
- Gas & Electricity	-8.1	1.15	1.23	-0.08	
- Motor fuel	-17.3	0.00	-0.18	0.18	
Residual Inflation	-3.2	0.05	0.27	-0.23	0.58
Non-food and non-energy goods	-0.9	-0.48	-0.20	-0.28	0.21
-Durable Goods	-2.6	-0.16	-0.23	0.06	
-Non-durable Goods	0.9	-0.77	-0.17	-0.60	
Non-energy services	3.9	0.14	0.18	-0.04	0.15
Core Inflation	2.5	-0.05	0.07	-0.12	0.12
All items	1.2	0.00	0.11	-0.11	0.17

Source: BLS & INSTITUTO FLORES DE LEMUS
Data: June 18, 2002

This deviation is mostly due to core inflation in its non-durable goods component.

Core inflation has registered a decrease of 0.05% instead of the expected increase of 0.07%, staying the annual rate at 2.53%. This core inflation's better behaviour is explained mostly by non-durable goods prices, among these, tobacco prices that drop 2.7%.

Service prices register a slight better advance than forecasted, 0.14% instead of 0.18%, decreasing the annual rate from 3.99% down to 3.93%. This deviation is partly due to the

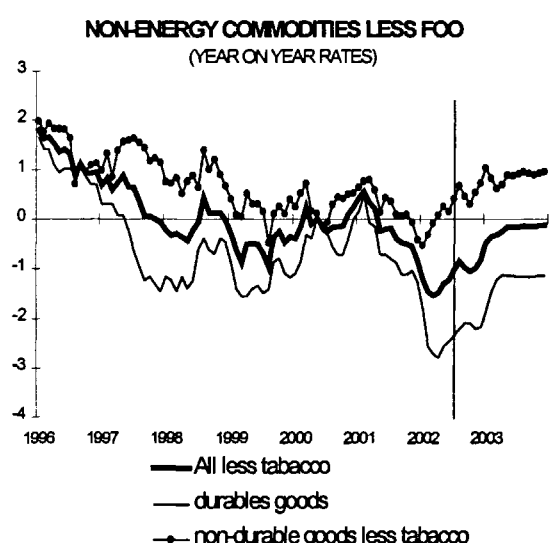


The rent of primary residence and the owners' equivalent rent of primary residence prices decelerate intensely

owners' equivalent rent of primary residence prices, which show a very pronounced deceleration in these first months of the year. On the other hand, the rest of the service prices, in general, maintain the annual rate stabilized around 3.8%. In fact, the registered deceleration in service prices during this month has been due to owners' equivalent rent of primary residence prices, which decrease from 4.46% down to 4.29%. On the other hand, the rest of the service prices does not change the annual rate of the previous month, which was 3.75% (see Graph 5).

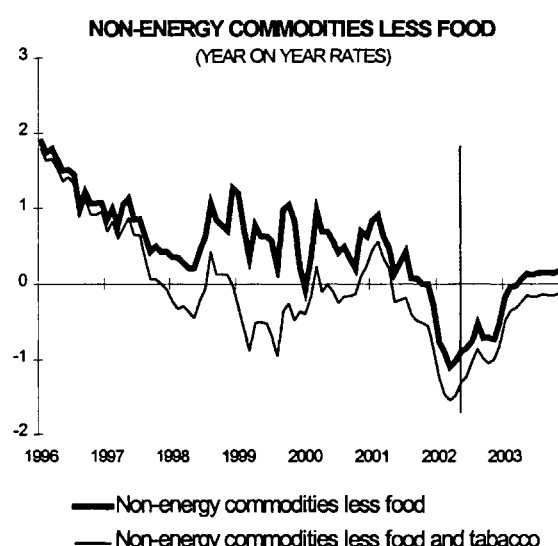
Non-food and non-energy goods prices registered a 0.48% drop, notably below the expected (-0.20%), increasing the year-on-year rate from -1.02 up to -0.89 per cent. The components' behaviour has been dissimilar. Indeed, durable goods prices have decreased less than forecasted, -0.16% as opposed to -0.23%. However, non-durable goods prices decrease 0.77%, a greater drop than the expected one (-0.17%). The durable goods' annual rate passes from -2.79% to -2.56%, whereas the non-durable goods do it from 0.88% to 0.94%. (this index without tobacco prices does it from 0.08% to 0.25%)(see Graphs 2 and 3).

Graph 2



Source: BLS & IFL / Date: June 18, 2002.

Graph 3



Source: BLS & IFL / Date: June 18, 2002.

The differential between the services prices' and the non-food and non-energy goods prices' growths, has been slightly reduced to 4.8 points, two tenths less than the previous month; however, it stays at exceptional high levels (see Graph 4).

Residual inflation registered a 0.05% increase, very slightly below previsions (0.27%), so the annual rate passes from -1.28 to -3.20. By components, energy prices have registered the forecasted behaviour. However, food prices have showed an exceptional positive behaviour, with a value off -0.23% , instead of the 0.16% foreseen, the annual rate drops from 2.51% down to 1.91%. This negative innovation has occurred in many of its components, among these, fresh vegetables have importantly contributed.

For June the overall CPI is forecasted to increase 0.21%, leaving the annual rate at 1.2%.

In **June**, the overall CPI is forecasted to increase 0.21%, leaving the annual rate at 1.2%, the same as May's. However, the core inflation is expected to increase 0.12%, which would cut down the annual rate one tenth to 2.43%. This cut in the inflation's nucleus will be determined by the service prices behaviour.

Although a one tenth decrease is expected

In relation to commodities less food and energy, a 0.50% drop is expected, which would stay the year-on-year rate at -0.8%. Without tobacco prices, the forecasted drop is 0.55% and it would leave the annual rate at -1.2%. The forecasted behaviour for durable goods is a 0.21%

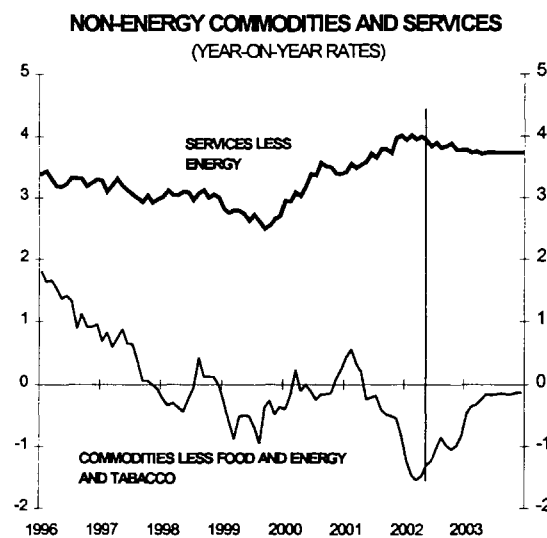


in core inflation.

would leave the annual rate at -1.2%. The forecasted behaviour for durable goods is a 0.21% drop, increasing the annual rate one tenth up to -2.46%. The expected decrease for non-durable goods is 0.79%, 0.91% without tobacco.

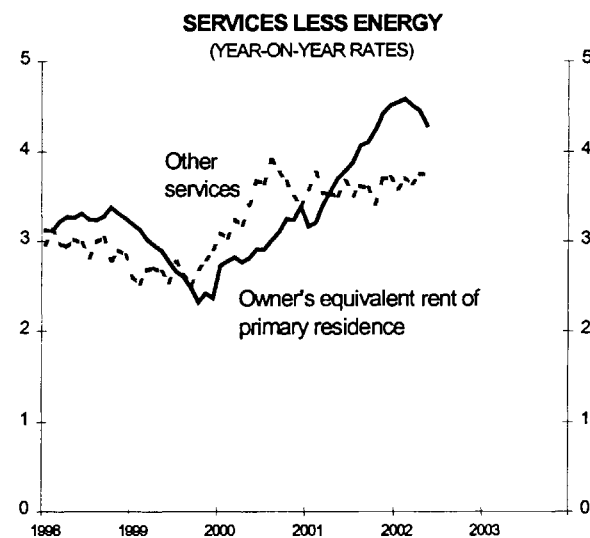
Residual inflation is forecasted to increase 0.55%, rising the annual rate 0.25 points, to -2.95%. Inside residual inflation, a dissimilar behaviour of its components is expected, with a slight acceleration of the energy prices, while food prices are forecasted to continue the deceleration observed in May.

Graph 4



Source: BLS & IFL / Date: June 18, 2002.

Graph 5



Source: BLS & IFL / Date: June 18, 2002.

Forecasts for 2002 and 2003 get modified downward due to non-durable goods, food and energy prices

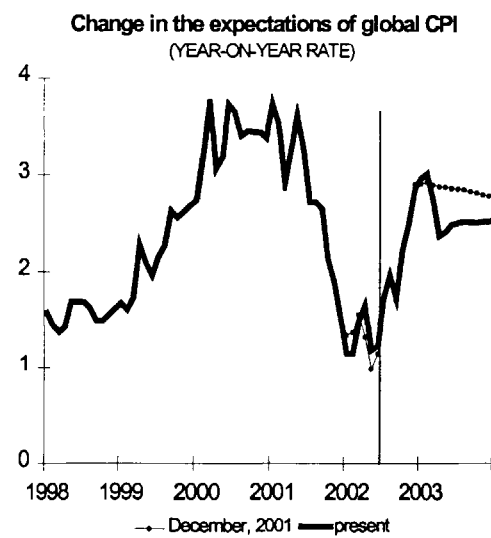
For the rest of **2002** and **2003** the expectations improve two tenths for 2002 and 2003, and the mean annual rates expected are 1.7% and 2.6% respectively. This improvement is related to the food prices' and non-durable goods prices' good behaviour, and also to the more moderated development foreseen for crude-oil prices. From June to December, it is expected an ascendant behaviour up to 2.9% (see **Graph 7**).

Since **December 2001** the forecasts for 2003 have suffered upward and downward variations, however, the more moderated behaviour for crude-oil prices that is expected for 2003, and the positive behaviour of non-food and non-energy goods prices and the deceleration in owners' equivalent rent of primary residence prices have caused the expectations for 2003 to decrease three tenths (see **Graph 6**).

Table 8 shows the average annual growth rates forecasts for 2002 and 2003 for the different components of the US Consumer Price Index (monthly and annual rates can be found in Tables A6A and A6B in the Appendix)

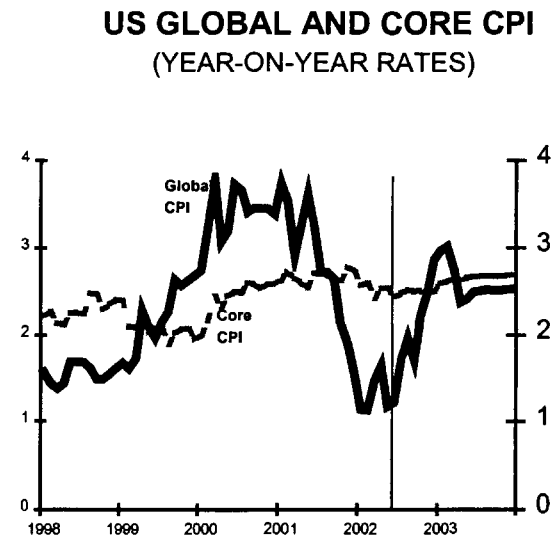


Graph 6



Source: BLS & IFL / Date: June 18, 2002.

Graph 7



Source: BLS & IFL / Date: June 18, 2002.

Table 8

AVERAGE ANNUAL RATE OF GROWTH IN US (*)						
CONSUMER PRICES INDEX (CPI)	1998	1999	2000	2001	2002 (forecasts)	2003 (forecasts)
Food	2.2	2.1	2.3	3.1	2.0	2.4
Energy	-7.7	3.6	16.9	3.8	-6.5	2.0
- Fuel Oil	-9.9	1.6	41.9	-0.3	-11.7	0.5
- Gas & Electricity	-3.1	-0.3	5.9	11.2	-5.7	1.0
- Motor fuel	-13.2	9.3	28.4	-3.6	-7.8	3.2
Residual Inflation	-1.6	2.5	6.8	3.3	-0.9	2.3
Non-food and non-energy goods	0.6	0.7	0.5	0.3	-0.8	0.1
-Durable Goods	-0.9	-1.2	-0.5	-0.6	-2.3	-1.2
-Non-durable Goods	2.3	2.4	1.4	1.1	0.9	1.4
Non-energy services	3.1	2.7	3.3	3.7	3.9	3.7
Core Inflation	2.3	2.1	2.4	2.7	2.5	2.7
All items	1.6	2.2	3.4	2.8	1.7	2.6

(*) Monthly and annual growth rates can be found in tables A6A and A6B in Appendix

Source: BLS & INSTITUTO FLORES DE LEMUS

Data: June 18, 2002

II.3 Spain

The CPI for May 2002 showed a monthly rate of 0.4% with a year-on-year rate of 3.6%.

The CPI for May 2002 showed a positive monthly rate of 0.36%, above our predicted 0.02%, with a year-on-year rate of 3.6%, registered last April.

Trend inflation, calculated on the basis of the IPSEBENE-XT index, registered a year-on-year rate of 3.6% in May, equal to that corresponding to global inflation. Since May 2001, residual inflation has been 3.0%.

The upward innovation in trend inflation arose from commodities and processed food prices and in residual inflation it came in prices of non-processed food.

The upward innovation in trend inflation came in prices of commodities and processed food. Regarding residual inflation, it also registered an upward surprise, arising from prices of non-processed food.

In order to analyse this in greater detail, it is necessary to refer to tables 9 and 10. Table 9 shows the breakdown used in this Bulletin to study inflation behaviour (there is a more detailed version in table A1 at the end of the document) and table 10 summarises prediction errors made for different components.

Table 9				
SPANISH CPI DISAGGREGATION ^(*)				
1. Processed Foods CPI (excluding Fats and Tobacco)	AE-X (12.87%)	Trend Inflation (1+2+3) IPSEBENE-XT (77.23%)	CPI (100%)	
2. Non Energy Commodities CPI	MAN (31.41%)			
3. Non Energy Services CPI (excluding Tourism)	SERV-T (32.95%)			
4. Fats, Tobacco and Tourism	XT (4.28%)	Residual Inflation (4+5+6) R (22.77%)		
5. Non Processed Foods CPI	ANE (9.07%)			
6. Energy CPI	ENE (9.41%)			
^(*) More detailed information can be found in table A1 in Appendix.				

Table 10 OBSERVED VALUES AND FORECASTS ON CONSUMER PRICE FIGURES IN SPAIN			
Consumer Price Index (CPI)	Current growth May 02	Forecast	Confidence Intervals ^(*)
(1) AE-X (12.87%)	0.36	0.23	± 0.18%
(2) MAN (31.41%)	0.44	-0.36	± 0.16%
BENE-X [1+2] (44.28%)	0.42	-0.19	± 0.14%
(3) SERV-T (32.95%)	0.20	0.32	± 0.17%
IPSEBENE-X-T [1+2+3] (77.23%)	0.32	0.03	± 0.13%
(4) X+T (4.28%)	1.15	2.58	
(5) ANE (9.07%)	0.43	-1.52	± 1.09%
(6) ENE (9.41%)	0.23	0.22	
R [4+5+6] (22.77%)	0.49	-0.01	± 0.22%
IPC [1+2+3+4+5+6] (100%)	0.36	0.02	± 0.15%
^(*) At 80% confidence level.			

Source: INE & INSTITUTO FLORES DE LEMUS Date: : June 13, 2002.



Trend inflation in goods (measured by the BENE-X index) was 0.42%, above our prediction, -0.19%, as a consequence of the upward innovation in prices of processed food and non-energy commodities. Prices of **non-energy commodities** registered growth of 0.44% in May, instead of the -0.36% forecasted. The monthly inflation rates in March corresponding to prices of apparel and footwear registered downward innovations, reflecting a longer duration of winter sales in 2002 than in 2001, so the period of price recuperation in these sectors has been different from the corresponding of the previous year. Consequently, it was detected that the sales coefficients of 2001, published by the INE, were not adequate to capture the sales evolution in 2002. So the effect of ending winter sales was postponed to forecasts for April, and by modifying the corresponding sale coefficient, a good forecast was obtained for the monthly inflation in April. Nevertheless, such modification was not sufficient, so with the publication of inflation in May a real prediction error was registered in the commodities sector. So, we have again modified the sales coefficients in order to gather all this information correctly. The reason for the different behaviour of sales effect in 2001 and 2002 has been the later entry of new fashion articles, that has permitted a longer duration of winter sales in 2002.

The annual inflation differential in commodities market with the EMU has increased in May 2002 to 1.3% respect the 1.1% observed in April 2002.

The year-on-year rate registered in May was 2.9%, respect the 2.8% observed in April. This contrasts with these prices in the Euro-zone, with a year-on-year rate of growth of 1.6% in May. Therefore, in May 2002 the inflation differential in the commodities market with the EMU has increased to 1.3%, compared with the 1.1% observed in April 2002. The year-on-year rates of growth in apparel and footwear are 6.3% and 6.4%, respectively. If these increases in prices are not reflected in improved quality of corresponding goods, the Spanish economy will suffer a loss of competitiveness in relation to Europe, which will translate to lower economic growth. The predictions for mean rates in commodity prices are 2.2% for 2002 and 2003, with respect to the 2.6% registered in 2001.

The offers picked up by the INE derive in a more erratic evolution of trend inflation in food.

The monthly rate of **trend inflation in food** in May stayed at 0.36%, above our prediction, 0.23%. Prices of processed food are now affected by offers that the National Statistics Institute (INE) picks up; this fact derives a more erratic evolution of this kind of prices. The year-on-year rate in May stayed at 3.1%, with respect to the 3.3% registered in March and the 5.1% observed in the last quarter of 2001. The mean growth expectations of trend inflation in food for 2002 and 2003 are 3.1% and 2.7%, respectively, with respect to the 4.1% observed in 2001.

The mean growth expectations for trend inflation in goods for 2002 and 2003 will stay at 2.4%.

The upward innovations in prices of non-energy commodities and processed food stay **trend inflation expectations for goods** (measured by the BENE-X index) in 2002 and 2003 at 2.4%.

Table 11 shows a summary of average annual predictions for the different components that make up core and residual inflation (more detailed information may be found in tables A7A and A7B at the end of the document.)

Table 11						
SPANISH AVERAGE RATES OF GROWTH						
	1998	1999	2000	2001	Forecasts	
					2002	2003
Residual Inflation	0.6	3.0	6.5	3.7	3.3	3.9
Fats	-11.1	14.9	-7.6	-7.3	15.8	5.4
Tobacco	7.9	4.3	2.5	4.9	7.4	2.3
Tourism	15.4	7.2	12.3	7.1	8.1	7.1
Non Processed Foods	2.1	1.2	4.2	8.7	5.6	5.7
Energy	-3.8	3.2	13.3	-1.0	0.0	1.6
Trend Inflation	2.2	2.1	2.5	3.5	3.3	3.3
BENE-X	1.4	1.3	1.9	3.1	2.4	2.4
SERV-T	3.3	3.3	3.5	4.1	4.4	4.6
CPI Inflation	1.8	2.3	3.4	3.6	3.5	3.4
(*) More detailed information can be found in tables A6A and A6B in Appendix.						

Source: INE & Institute Flores of Lemus / Date: June 17, 2002.



The worrisome evolution of prices of services derives from an inflation differential between trend inflation in services and trend inflation in goods of 1.7%, greater than the corresponding to the EMU, 1.3%.

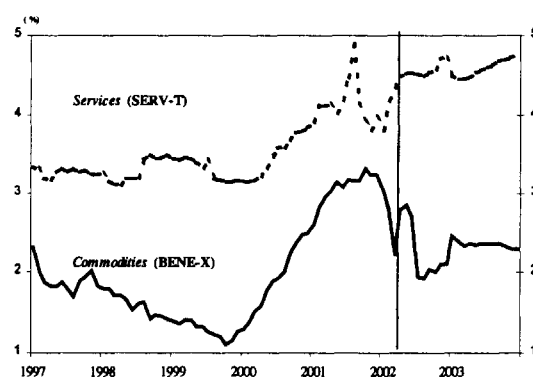
With regards to the **services sector**, excluding those components known as **tourist packages** (the SERV-T index), monthly inflation, 0.20%, behaved below was foreseen, 0.32%. The evolution of prices of services is especially worrisome in transport, postal services, university, restaurants, hotels, housing, medicine and culture which show annual rates of growth near or greater than 5%. So, the inflation differential between the market of non-energy processed goods, excluding fats and tobacco, and the services market, excluding tourism, stayed in May to 1.7 percentage points. This differential is greater than that of the EMU (1.3%); the year-on-year rate of growth of services in May was 4.8%, while that corresponding to the Euro-zone was 3.3%. The year-on-year trend inflation in services (SERV-T) stayed at 4.5% in May. Mean growth expectations decreased to 4.4% for 2002 and 4.6% for 2003, compare to the prediction of the previous Bulletin.

The mean annual rate of trend inflation will stay at 3.3% in 2002 and 2003.

With the aforementioned innovations in the goods and the services market, trend inflation, calculated on the IPSEBENE-XT index, registered an annual rate of 3.6%, the same registered last April. It is predicted that **trend inflation** will stay at 3.3% in 2002 and 2003, compared to 3.5% observed in 2001.

Graph 8

AVERAGE RATES OF GROWTH OF CPI INFLATION IN GOODS AND IN SERVICES



Source : INE & INSTITUTO FLORES DE LEMUS / Date: June 17, 2002.

Residual inflation registered an upward innovation in prices of non-processed food.

Those prices which serve as a basis for calculating **residual inflation** have registered a null innovation in prices of energy and fats and oils; an upward innovation in prices of non-processed food and slighter in tobacco; and finally a downward surprise in prices of tourist packages. In the non-processed food groups (the ANE index) there were upward innovations in prices of all components. Prices of tourist packages increased by 2.9% in May with respect to April 2002. Finally, energy prices increased by 0.2% with respect to April 2002.

With all of this, residual inflation registered a year-on-year growth rate of 3.0% in May. An oscillating evolution is forecasted for residual inflation, from 1.3% in June to 6.4% in December, due to the erratic behaviour of non-processed and energy prices, as with the rest of the EMU.

As a consequence of the uncertainty in prices of crude, with an estimation of a mean price of brent around 25\$, the expectations of average growth in consumer energy prices are of 0.0% and 1.6% for 2002 and 2003, respectively, compared to the -1.0% observed in 2001. Average annual variation rates for oils and fats are expected to increase by 15.8% in 2002 and to reduce to 5.4% in 2003. As far as average growth of non-processed foods, expectations are 5.6% for 2002 and 5.7% in 2003. Lastly, tourist package prices will reach average values of 8.1% in 2002 and 7.1% in 2003. Therefore, **the estimated average growth of residual inflation** is 3.3% in 2002 and 3.9% in 2003.



The monthly inflation prediction for June 2002 is a negative value of 0.2%; the annual rate will decrease to 3.2%.

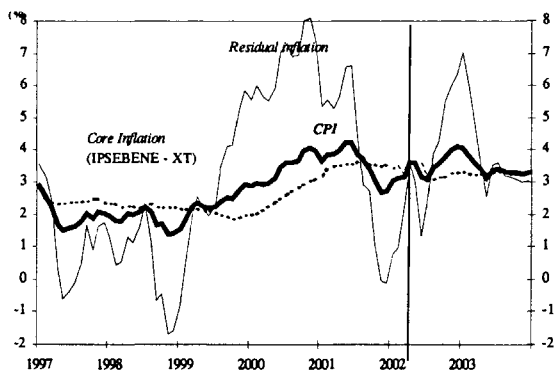
The expectations of global inflation at the end of 2002 stay around 4%.

As a result, the monthly inflation prediction for June 2002 is for a negative growth of 0.2%; which will decrease annual growth to 3.2% in June, respect to the 3.6% observed in April and May. Monthly trend inflation will be 0.3% and residual inflation will be -1.0%. The average inflation rate within the overall CPI is placed at 3.5% in 2002 and 3.4% in 2003. The average rate of trend inflation will be 3.3% in 2002 and 2003.

The expectations of global inflation at the end of 2002 stay around 4%, as a consequence of a high year-on-year rate of trend inflation that will reach 3.3% in December 2002, and the worse behaviour of non-processed food and energy prices. The year-on-year rates of global inflation in November and December 2002 are used in order to review wages, contracts, These year-on-year rates show an extremely variable evolution. For example, in 2001 they moved from 2.7% in November and December to 4.2% in June, in contrast to the average annual rate of 3.6%. Nevertheless, forecasts in 2002 point to a year-on-year rate in December of 4.1%, greater than the average annual rate of 3.5%

Graph 9

AVERAGE RATES OF GROWTH OF TOTAL INFLATION, CORE AND RESIDUAL INFLATION



Source : INE & INSTITUTO FLORES DE LEMUS / Date: June 17, 2002.

Table 14 shows the average annual rates for 2000, 2001, 2002 and 2003 of the different sectors in the EMU and Spain, where the relevant differential in non-energy industrial goods and services can be observed.



Table 12					
HARMONIZED ICP ANNUAL GROWTH BY SECTORS IN THE EMU AND SPAIN 2000-2001-2002					
				Forecasts	
		2000	2001	2002	2003
AE	EMU	1.1	2.8	3.0	2.0
AE-X	SPAIN	1.4	4.1	3.1	2.7
MAN	EMU	0.7	1.1	1.7	1.6
	SPAIN	2.1	2.6	2.2	2.2
BENE	EMU	0.8	1.6	2.0	1.7
BENE-X	SPAIN	1.9	3.1	2.4	2.4
SERV	EMU	1.7	2.5	3.2	3.1
SERV-T	SPAIN	3.5	4.1	4.4	4.6
IPSEBENE	EMU	1.3	2.0	2.6	2.4
IPSEBENE-XT	SPAIN	2.5	3.5	3.3	3.3
ANE	EMU	1.7	7.0	3.5	1.5
	SPAIN	4.2	8.7	5.6	5.7
ENE	EMU	13.3	2.7	-1.0	-1.1
	SPAIN	13.3	-1.0	0.0	1.6
RESIDUAL	EMU	7.6	4.7	1.1	0.2
	SPAIN	6.5	3.7	3.3	3.9
HICP	EMU	2.3	2.5	2.3	2.0
CPI	SPAIN	3.4	3.6	3.5	3.4

Source: INE, EUROSTAT & Instituto Flores de Lemus / Date: June 19, 2002.



TABLES & PLOTS

TABLES:

- A1A: Spanish CPI disaggregation.
- A1B: MU HICP disaggregation.
- A2: Europe forecast errors for esuro-zone and Monetary Union countries.
- A3: HICP europe forecast errors by sectors in Monetary Union.
- A4A: Hamonized Consumer Price Index (HICP) Annual Growth Rates for 200,2001, and 2002 for MU countries.
- A4B: Hamonized Consumer Price Index (HICP) Annual Growth Rates for 200,2001, and 2002 for UE countries.
- A4C: Hamonized Consumer Price Index (HICP) Monthly Growth Rates for 200,2001, and 2002 for MU countries.
- A4D: Hamonized Consumer Price Index (HICP) Monthly Growth Rates for 200,2001, and 2002 for EU countries.
- A5A: Hamonized Consumer Price Index (HICP) Annual Growth Rates by sectors for 200,2001, and 2002 for MU.
- A5B: Hamonized Consumer Price Index (HICP) Monthly Growth Rates for 200,2001, and 2002 for MU.
- A6A: US CPI Annual Growth Rates for 200,2001 and 2002.
- A6B: US CPI Monthly Growth Rates for 200,2001 and 2002.
- A7A: Spanish CPI Annual Growth rates for 200,2001 and 2002.
- A7B: Spanish CPI Monthly Growth rates for 200,2001 and 2002.
- A8A: Madrid Region CPI Annual growth Rates for 2000,2001 and 2002.
- A8B: Madrid Region CPI Monthly growth Rates for 2000,2001 and 2002.

GRÀFICOS / PLOTS:

- A1A: HICP monthly growth rates in MU.
- A1B: CPI monthly growth rates in US.
- A1C: CPI monthly growth rates in Spain
- A2A: Annual Forecast For The MU Inflation
- A2B: Annual Forecast For The USA Inflation
- A2C: Annual Forecast For The Spanish Inflation

TABLE A1A

METHODOLOGY: ANALYSIS OF SPANISH INFLATION BY SECTORS

BASIC COMPONENTS AGGREGATES		BASIC COMPONENTES	BASIC COMPONENTS AGGREGATES	
IPSEBENE 82.20% 1 + 2 + 3 + 4 + 5 ↓ CORE INFLATION IT IS CALCULATED ON THE IPSEBENE INDEX	BENE 48.16% 1 + 2 + 4 AE 15.79% 1 + 4	(1) AE-X 12.64% processed food excluding fats and tobacco CPI. (2) MAN 32.37% non-energy industrial goods CPI (3) SERV-T 33.02% services excluding packages tourist CPI (4) X 3.15% fats and tobacco CPI (5) T 1.02% tourist packages CPI (6) ANE 8.93% non-processed food CPI (7) ENE 8.87% energy CPI	BENE-X 45.01% 1 + 2 IPSEBENE-X-T 78.03% 1 + 2 + 3 R 21.27% 4 + 5 + 6 + 7 ↓ RESIDUAL INFLATION IT IS CALCULATED ON THE R INDEX TREND INFLATION IT IS CALCULATED ON THE IPSEBENE-X-T INDEX ↓ GLOBAL INFLATION IT IS CALCULATED ON THE IPC INDEX	IPC 1 + 2 + 3 + 4 + 5 + 6 + 7
IPC = 0.1264 AE-X + 0.3237 MAN + 0.3302 SERV- T + 0.0315 X + 0.0102 T + 0.0893 ANE + 0.0887 ENE			(weights 99)	

Source:

INE & Instituto Flores de Lemus, Universidad Carlos III

Metodología: Análisis por SECTORES para la Inflación en LA UM
Methodology: Analysis of MU inflation by SECTORS

AGREGADOS SOBRE LOS COMPONENTES BASICOS BASIC COMPONENTS AGGREGATES		COMPONENTES BASICOS BASIC COMPONENTS
IPSEBENE 83.253% 1 + 2 + 3 ↓	BENE 44.353% 1 + 2	(1) AE 12.281% IPCA de alimentos elaborados / <i>HICP Processed Food</i>
	INFLACION RESIDUAL / RESIDUAL INFLATION 16.747% 4 + 5	(2) MAN 32.072% IPCA de manufacturas / <i>HICP Non Energy Industrial Goods</i> (3) SERV 38.901% IPCA Servicios / <i>HICP Services</i> (4) ANE 8.109% IPCA de alimentos no elaborados / <i>HICP Non processed Food</i> (5) ENE 8.638% IPCA de bienes energéticos / <i>HICP Energy</i>
INFLACION SUBYACENTE (SE CALCULA SOBRE EL IPSEBENE) CORE INFLATION (IT IS CALCULATED ON THE IPSEBENE INDEX)		
IPCA = 0.12281 AE + 0.32072 MAN + 0.38901 SERV + 0.08109 ANE + 0.08638 ENE		

Fuente / Source: EUROSTAT & Instituto Flores de Lemus, Universidad Carlos III

Cuadro A2				Table A2		
ERRORES DE PREDICCIÓN EN LA TASA DE INFLACIÓN MENSUAL DE MAYO DE 2002 EN LA ZONA EURO Y EN LA UNIÓN EUROPEA						
FORECAST ERRORS IN THE MONTHLY INFLATION RATE FOR MAY 2002 IN THE EUROZONE AND IN THE EUROPEAN UNION						
	Pesos 2002 UM	Pesos 2002 UE	Crecimiento Mensual Observado	Predicción	Crecimiento Anual Observado	Intervalos de Confianza al 80%
	Weights 2002 MU	Weights 2002 EU	Observed Monthly Rate	Forecast	Observed Annual Rate	Confidence Intervals at 80%
España / Spain	103.43		0.34	-0.03	3.71	± 0.15
Alemania / Germany	305.57		0.00	0.23	1.02	± 0.29
Austria	31.85		0.09	0.08	1.59	± 0.37
Bélgica / Belgium	33.97		0.18	0.44	1.37	± 0.32
Finlandia / Finland	15.94		0.18	0.65	1.81	± 0.37
Francia / France	204.12		0.09	0.20	1.50	± 0.20
Grecia / Greece	24.68		0.24	0.36	3.80	± 0.78
Holanda / Netherlands	52.00		-0.17	0.16	3.77	± 0.33
Irlanda / Ireland	12.08		0.58	0.64	5.00	± 0.30
Italia / Italy	193.36		0.26	0.36	2.43	± 0.23
Luxemburgo / Luxembourg	2.56		0.45	0.63	1.26	± 0.32
Portugal	20.45		0.77	0.65	3.41	± 0.66
Dinamarca / Denmark		13.73	0.09	0.44	1.89	± 0.27
Reino Unido / United Kingdom		163.49	0.28	0.52	0.84	± 0.33
Suecia / Sweden		18.41	0.18	0.50	1.66	± 0.50

Fuente: / Source: EUROSTAT & IFL
Fecha:18 de junio de 2002. / Date: June 18, 2002

Elaboración / Elaborated by: Rebeca Albacete
albacete@est-econ.uc3m.es

ERRORES DE PREDICCIÓN EN LA TASA DE INFLACIÓN DE MAYO 2002 POR SECTORES EN LA UM FORECAST ERRORS IN THE MONTHLY INFLATION RATE FOR MAY 2002 BY SECTORS IN THE MU					
	Pesos 2002 <i>Weights 2002</i>	Crecimiento mensual observado <i>Observed Monthly Growth</i>	Predicción <i>Forecast</i>	Crecimiento anual observado <i>Annual Growth Observed</i>	Intervalo de confianza al 80% <i>Confidence interval at 80%</i>
IPCA Alimentos elaborados / HICP Processed Food	122.81	0.18	0.26	3.06	± 0.14
IPCA Manufacturas / HICP Non Energy Industrial Goods	320.72	0.09	0.26	1.63	± 0.10
IPCA Bienes elaborados no energéticos /HICP Non Energy Processed Goods	443.53	0.12	0.26	2.03	± 0.09
IPCA Servicios / HICP Services	389.01	0.35	0.22	3.27	± 0.14
INFLACIÓN SUBYACENTE / CORE INFLATION ⁽¹⁾	832.53	0.27	0.24	2.70	± 0.08
IPCA Alimentos no elaborados / HICP Unprocessed Food	81.09	0.00	0.48	2.00	± 0.46
IPCA Energía / HICP Energy ⁽²⁾	86.38	-0.50	-0.19	-2.85	± 0.60
INFLACIÓN RESIDUAL / RESIDUAL INFLATION ⁽³⁾	167.47	-0.25	0.13	-0.59	± 0.39
INFLACIÓN GLOBAL / GLOBAL INFLATION ⁽⁴⁾	1000	0.09	0.22	2.01	± 0.09
(1) error de agregación de 0,04% / aggregation error 0.04% (2) error de agregación de 0,04% / aggregation error 0.04% (3) error de agregación de 0,01% / aggregation error 0.01% (4) error de agregación de -0,05% / aggregation error -0.05%					

Fuente / Source: EUROSTAT & IFL
Fecha: 18 de junio de 2002 / Date: June 18, 2002

Cuadro A4A																		Table A4A	
CRECIMIENTOS ANUALES DEL IPC ARMONIZADO (IPCA) PARA LOS PAÍSES DE LA UNIÓN MONETARIA (1)																			
HARMONIZED CPI (HICP) ANNUAL GROWTH FOR MU COUNTRIES (1)																			
	Pond. / Weight			Tasa Rate	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	Tasas Medias / Average Rates (2)		
	UM12	MU1	UE15 EU15														01/00	02/01	03/02
IPCA España Spain HICP	10,34%			2001	2,9	2,7	3,0	3,6	3,8	3,8	2,4	2,1	2,3	2,5	2,5	2,5	2,8		
				2002	3,1	3,2	3,2	3,7	3,7	3,2	3,1	3,5	3,7	4,0	4,1	4,3		3,6	
				2003	4,4	4,0	3,8	3,6	3,2	3,5	3,5	3,4	3,4	3,4	3,4	3,4			3,6
IPCA Alemania Germany HICP	30,56%			2001	2,2	2,5	2,5	2,9	3,6	3,1	2,6	2,6	2,1	2,0	1,5	1,5	2,4		
				2002	2,3	1,8	1,9	1,6	1,0	0,9	1,2	1,2	1,1	1,5	1,7	1,7		1,5	
				2003	0,6	1,3	1,1	1,0	1,1	1,2	1,0	1,1	1,1	1,1	1,1	1,1			1,1
IPCA Austria Austria HICP	3,19%			2001	2,2	1,8	1,9	2,6	2,9	2,6	2,8	2,4	2,4	2,3	1,9	1,8	2,3		
				2002	2,0	1,7	1,7	1,7	1,6	1,7	1,7	1,7	1,7	1,7	1,8	1,9		1,7	
				2003	1,8	1,9	1,9	1,8	1,9	1,8	1,8	1,8	1,8	1,8	1,8	1,8			1,8
IPCA Bélgica Belgium HICP	3,40%			2001	2,7	2,5	2,2	2,9	3,1	3,0	2,7	2,5	1,9	1,9	1,8	2,0	2,4		
				2002	2,6	2,5	2,5	1,7	1,4	1,3	1,9	1,3	1,3	1,3	1,5	1,5		1,7	
				2003	1,5	1,2	1,2	1,5	1,6	1,6	1,5	1,6	1,7	1,7	1,7	1,7			1,5
IPCA Finlandia Finland HICP	1,59%			2001	2,9	2,7	2,5	2,8	3,3	3,0	2,6	2,7	2,6	2,4	2,1	2,3	2,7		
				2002	2,9	2,5	2,6	2,6	1,8	1,8	2,2	2,2	1,9	2,0	2,2	2,3		2,2	
				2003	2,1	2,1	1,9	1,8	1,8	1,8	2,1	2,1	1,9	1,9	2,1	2,1			2,0
IPCA Francia France HICP	20,41%			2001	1,4	1,4	1,4	2,0	2,5	2,2	2,2	2,0	1,6	1,8	1,3	1,4	1,8		
				2002	2,4	2,2	2,2	2,1	1,5	1,5	1,6	1,7	1,6	1,6	1,8	1,9		1,8	
				2003	1,1	1,7	1,5	1,2	1,2	1,3	1,3	1,2	1,2	1,2	1,2	1,1			1,3
IPCA Holanda Netherlands HICP	5,20%			2001	4,6	5,0	5,0	5,5	5,4	5,1	5,3	5,2	5,3	5,0	4,8	5,1	5,1		
				2002	4,9	4,5	4,3	4,2	3,8	3,8	3,7	3,7	3,6	3,7	3,8	3,7		4,0	
				2003	3,1	3,2	3,3	3,2	3,4	3,4	3,4	3,4	3,4	3,4	3,4	3,4			3,3
IPCA Irlanda Ireland HICP	1,21%			2001	3,9	3,9	4,1	4,3	4,1	4,3	4,0	3,7	3,8	3,8	3,4	4,4	4,0		
				2002	5,2	4,9	5,1	5,0	5,0	4,9	5,0	5,0	5,0	5,0	5,1	4,8		5,0	
				2003	4,6	4,7	4,6	4,6	4,7	4,7	4,7	4,7	4,7	4,7	4,7	4,7			4,7
IPCA Italia Italy HICP	19,34%			2001	2,4	1,5	2,1	2,9	2,9	2,9	2,4	2,0	2,1	2,4	2,2	2,2	2,3		
				2002	2,4	2,7	2,5	2,5	2,4	2,3	2,5	2,7	2,7	2,7	2,7	2,8		2,6	
				2003	2,3	2,8	2,7	2,7	2,7	2,8	2,8	2,8	2,9	2,9	2,9	2,9			2,8
IPCA Luxemburgo Luxembourg HICP	0,26%			2001	2,9	2,9	3,0	2,7	3,8	2,7	2,4	2,5	1,9	1,7	1,4	0,9	2,4		
				2002	2,1	2,2	1,7	1,9	1,3	1,0	2,1	1,7	1,6	1,6	1,7	2,0		1,7	
				2003	2,9	2,2	2,2	2,0	1,7	1,8	2,2	2,1	2,2	2,2	2,3	2,5			2,2
IPCA Portugal Portugal HICP	2,05%			2001	4,4	4,9	5,1	4,6	4,9	4,6	4,3	4,0	4,1	4,2	4,1	3,9	4,4		
				2002	3,7	3,3	3,3	3,5	3,4	3,5	3,5	3,7	3,6	3,6	3,5	3,6		3,5	
				2003	3,6	3,8	3,7	3,6	3,6	3,5	3,5	3,5	3,5	3,5	3,5	3,5			3,6
IPCA Grecia Greece HICP	2,47%			2001	3,2	3,5	3,2	3,7	3,9	4,5	4,2	4,0	4,0	3,2	2,9	3,5	3,7		
				2002	4,8	3,8	4,4	4,1	3,8	3,8	4,0	4,0	3,8	3,7	3,7	3,6		3,9	
				2003	3,7	3,8	3,5	3,4	3,4	3,4	3,6	3,6	3,4	3,3	3,3	3,2			3,5
* La tasa de inflación anual, normalmente refleja los cambios fundamentales en el crecimiento de los precios con seis meses de retraso respecto a los crecimientos mensuales.																		* The annual rate of growth reflects fundamental changes in prices with months lags with respect to monthly growth rates	
(1) Las cifras en negrilla son predicciones																		(1) Figures in bold type are forecasted values	
(2) Tasa de crecimiento del nivel medio de un año con respecto al año anterior.																		(2) Annual average rate of growth	

Fuente:

EUROSTAT & INSTITUTO FLORES DE LEMUS

Source:

Fecha de elaboración: 21 de junio de 2002

Date: June 21, 2002

Cuadro A4B																	Table A4B		
CRECIMIENTOS ANUALES DEL IPC ARMONIZADO (IPCA) PARA LOS PAÍSES DE LA UNIÓN EUROPEA (1)																			
HARMONIZED CPI (HICP) ANNUAL GROWTH FOR EU COUNTRIES (1)																			
	Pond. / Weight			Tasa Rate	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	Tasas Medias / Average Rates (2)		
	UM	MU	UE15 EU15														01/00	02/01	03/02
IPCA Dinamarca	1,37 %			2001	2,3	2,3	2,2	2,6	2,8	2,2	2,3	2,5	2,1	2,0	1,7	2,1	2,3		
Denmark HICP				2002	2,5	2,4	2,5	2,3	1,9	2,2	2,2	2,2	2,2	2,2	2,5	2,3		2,3	
				2003	2,1	2,1	1,9	1,8	2,1	2,2	2,1	2,2	2,2	2,2	2,2	2,2	2,2		
IPCA Reino Unido	16,35 %			2001	0,9	0,8	1,0	1,1	1,7	1,7	1,4	1,8	1,3	1,2	0,8	1,0	1,2		
UK HICP				2002	1,6	1,5	1,5	1,3	0,8	0,7	0,7	0,7	0,8	0,9	1,1	1,0		1,1	
				2003	0,8	0,9	0,8	0,9	1,0	1,1	1,1	1,2	1,2	1,2	1,2	1,2	1,2		
IPCA Suecia	1,84 %			2001	1,6	1,5	1,7	3,0	3,1	3,0	2,9	3,0	3,3	2,9	2,9	3,2	2,7		
Sweden HICP				2002	2,9	2,7	3,0	2,2	1,7	1,8	2,0	2,0	1,6	1,8	1,7	1,7		2,1	
				2003	2,0	2,0	1,7	1,7	1,8	1,9	2,0	2,0	1,8	1,9	1,9	1,9			1,9
* La tasa de inflación anual, normalmente refleja los cambios fundamentales en el crecimiento de los precios con seis meses de retraso respecto a los crecimientos mensuales.																	* The annual rate of growth reflects fundamental changes in prices with 6 months lags with respect to monthly growth rates		
(1) Las cifras en negrilla son predicciones																	(1) Figures in bold type are forecasted values		
(2) Tasa de crecimiento del nivel medio de un año con respecto al año anterior.																	(2) Annual average rate of growth		
Fuente:																	Source:		

Cuadro A4C

Table A4C

CRECIMIENTOS MENSUALES DEL IPC ARMONIZADO (IPCA) PARA LOS PAÍSES DE LA UM ⁽¹⁾
HARMONIZED CPI (HICP) MONTHLY GROWTH FOR MU COUNTRIES ⁽¹⁾

	Ponder./ Weight		Tasa Rate	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	Tasas Anuales / Annual Rates (2)		
	UM MU	UEM EU15														D01/D00	D02/D01	D03/D02
IPCA España Spain HICP	10,34 %		2001	-0,7	0,0	0,8	0,9	0,4	0,3	-0,7	0,1	0,5	0,4	0,3	0,3	2,5	4,3	3,4
			2002	-0,2	0,1	0,9	1,4	0,3	-0,2	-0,8	0,5	0,6	0,7	0,4	0,4			
			2003	-0,1	-0,3	0,7	1,2	0,0	0,0	0,0	-0,7	0,6	0,7	0,4	0,4			
IPCA Alemania Germany HICP	30,56 %		2001	0,3	0,7	0,2	0,3	0,6	0,2	0,0	-0,2	0,0	-0,4	-0,2	0,1	1,5	1,7	1,1
			2002	1,0	0,2	0,3	0,0	0,0	0,1	0,3	-0,1	-0,1	0,0	0,0	0,1			
			2003	0,0	0,9	0,1	-0,1	0,1	0,2	0,2	-0,1	-0,1	0,0	0,0	0,1			
IPCA Austria Austria HICP	3,19 %		2001	0,0	0,4	0,2	0,5	0,2	0,1	-0,1	-0,3	0,4	0,2	0,0	0,3	1,8	1,9	1,8
			2002	0,2	0,1	0,2	0,5	0,1	0,2	-0,1	-0,2	0,3	0,2	0,1	0,3			
			2003	0,1	0,2	0,2	0,4	0,1	0,2	-0,1	-0,2	0,3	0,2	0,1	0,3			
IPCA Bélgica Belgium HICP	3,40 %		2001	-1,6	1,8	0,2	0,9	0,5	0,3	-1,3	1,3	0,2	-0,2	0,0	-0,1	2,0	1,5	1,7
			2002	-0,9	1,7	0,2	0,1	0,2	0,2	-0,7	0,7	0,2	-0,2	0,2	-0,1			
			2003	-0,9	1,3	0,2	0,4	0,3	0,1	-0,7	0,8	0,3	-0,1	0,1	-0,1			
IPCA Finlandia Finland HICP	1,59 %		2001	-0,1	0,6	0,5	0,5	0,9	0,1	-0,8	0,2	0,9	-0,1	-0,4	0,0	2,3	2,3	2,1
			2002	0,5	0,3	0,5	0,4	0,2	0,1	-0,4	0,2	0,6	0,0	-0,2	0,1			
			2003	0,3	0,2	0,4	0,3	0,2	0,1	-0,2	0,2	0,4	0,1	0,0	0,1			
IPCA Francia France HICP	20,41 %		2001	-0,5	0,3	0,5	0,6	0,7	0,0	-0,2	0,0	0,2	0,1	-0,3	0,1	1,4	1,9	1,1
			2002	0,5	0,1	0,5	0,5	0,1	0,0	-0,1	0,1	0,1	0,1	-0,1	0,2			
			2003	-0,3	0,7	0,3	0,1	0,2	0,1	-0,1	0,1	0,1	0,1	0,0	0,1			
IPCA Holanda Netherlands HICP	5,20 %		2001	1,4	0,9	1,2	0,8	0,3	-0,4	-0,1	0,3	1,1	0,1	-0,3	-0,2	5,1	3,7	3,4
			2002	1,1	0,5	1,0	0,7	-0,2	-0,3	-0,2	0,3	0,9	0,2	-0,1	-0,3			
			2003	0,6	0,6	1,1	0,6	0,0	-0,3	-0,2	0,3	0,9	0,2	-0,1	-0,3			
IPCA Irlanda Ireland HICP	1,21 %		2001	-1,0	0,9	0,8	0,8	0,6	0,7	-0,3	0,3	0,3	0,5	-0,2	0,9	4,4	4,8	4,7
			2002	-0,2	0,6	0,9	0,7	0,6	0,6	-0,2	0,3	0,3	0,5	-0,1	0,6			
			2003	-0,4	0,7	0,8	0,7	0,6	0,6	-0,2	0,3	0,3	0,5	-0,1	0,6			
IPCA Italia Italy HICP	19,34 %		2001	-0,2	-0,5	1,0	0,7	0,4	0,3	-0,3	-0,4	0,4	0,5	0,2	0,1	2,2	2,8	2,9
			2002	0,0	-0,3	0,9	0,7	0,3	0,1	-0,1	-0,2	0,4	0,5	0,2	0,2			
			2003	-0,5	0,2	0,9	0,6	0,3	0,2	0,0	-0,2	0,4	0,5	0,2	0,2			
IPCA Luxemburgo Luxembourg HICP	0,26 %		2001	-1,9	1,1	0,6	0,4	1,1	0,3	-1,3	0,7	0,2	0,1	0,0	-0,3	0,9	2,0	2,5
			2002	-0,7	1,2	0,1	0,5	0,4	0,0	-0,2	0,3	0,1	0,1	0,1	0,0			
			2003	0,1	0,5	0,1	0,3	0,1	0,2	0,2	0,2	0,2	0,2	0,2	0,2			
IPCA Portugal Portugal HICP	2,05 %		2001	0,4	0,2	0,4	0,6	0,9	0,3	0,2	-0,2	0,0	0,3	0,6	0,2	3,9	3,6	3,5
			2002	0,1	-0,2	0,4	0,9	0,8	0,3	0,2	0,0	0,0	0,3	0,6	0,2			
			2003	0,1	0,0	0,4	0,8	0,7	0,3	0,2	0,0	0,0	0,3	0,6	0,2			
IPCA Grecia Greece HICP	2,47 %		2001	-1,8	-0,2	2,3	1,1	0,5	-0,1	-2,0	0,0	2,1	0,3	0,1	1,2	3,5	3,6	3,2
			2002	-0,6	-1,1	2,9	0,8	0,2	-0,1	-1,8	0,0	1,9	0,3	0,1	1,0			
			2003	-0,5	-1,0	2,6	0,7	0,2	-0,1	-1,6	0,0	1,7	0,3	0,1	0,9			

(1) Las cifras en negrilla son predicciones

(1) Figures in bold type are forecasted values.

(2) Tasa de crecimiento de diciembre de un año con respecto a diciembre del año anterior.

(2) December over December rate of growth.

Cuadro A4D		CRECIMIENTOS MENSUALES DEL IPC ARMONIZADO (IPCA) PARA LOS PAÍSES DE LA UE (1)															Table A4D			
		HARMONIZED CPI (HICP) MONTHLY GROWTH FOR EU COUNTRIES (1)																		
	Pond. / Weight		Tasa Rate	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	Tasas Anuales / Annual Rates (2)				
	1998 M1/	1991/9 M1/18														D01/D00	D02/D01	D03/D02		
IPCA Dinamarca	1,37%		2001	-0,2	0,6	0,6	0,5	0,5	-0,2	-0,4	-0,1	0,5	0,1	-0,2	0,2	2,1	2,3	2,2		
Denmark HICP			2002	0,2	0,4	0,8	0,4	0,1	0,1	-0,4	0,0	0,5	0,1	0,1	0,0					
			2003	0,0	0,5	0,6	0,3	0,4	0,1	-0,4	0,0	0,5	0,1	0,1	0,0					
IPCA Reino Unido	16,35%		2001	-0,9	0,3	0,4	0,6	0,7	0,2	-0,7	0,4	0,3	-0,2	-0,2	0,3	1,0	1,0	1,2		
UK HICP			2002	-0,4	0,2	0,4	0,4	0,3	0,0	-0,7	0,3	0,4	-0,1	0,0	0,2					
			2003	-0,6	0,3	0,4	0,4	0,4	0,1	-0,6	0,3	0,4	-0,1	0,0	0,2					
IPCA Suecia	1,84%		2001	-0,3	0,4	0,8	1,0	0,7	-0,2	-0,6	0,2	1,2	-0,2	0,1	0,1	3,2	1,7	1,9		
Sweden HICP			2002	-0,6	0,3	1,0	0,3	0,2	-0,1	-0,4	0,1	0,8	0,0	0,1	0,1					
			2003	-0,4	0,3	0,7	0,3	0,3	0,0	-0,3	0,1	0,7	0,0	0,1	0,1					
(1) Las cifras en negrilla son predicciones																		(1) Figures in bold type are forecasted values.		
(2) Tasa de crecimiento de diciembre de un año con respecto a diciembre del año anterior.																		(2) Annual average rate of growth.		

Cuadro A5A																	Table A5A		
CRECIMIENTOS ANUALES DEL IPC ARMONIZADO (IPCA) POR SECTORES EN LA UNIÓN MONETARIA 2001-2002-2003 (a)																	HARMONIZED CPI (HICP) ANNUAL GROWTH BY SECTORS IN THE MU 2001-2002-2003 (a)		
	Año Year	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	Tasas Medias/Average rates (b)					
														01/00	02/01	03/02			
(1) AE (12.281%)	2001	1,5	2,0	2,1	2,5	2,8	3,1	3,1	3,3	3,4	3,5	3,4	3,4	2,8					
	2002	3,8	3,3	3,3	3,3	3,1	2,9	2,8	2,7	2,7	2,6	2,6	2,7		3,0				
	2003	2,1	2,2	2,1	1,9	2,0	2,0	2,0	2,0	2,0	2,0	2,0	2,0			2,0			
(2) MAN (32.072%)	2001	0,6	0,0	0,9	1,4	1,5	1,5	1,0	0,7	1,2	1,5	1,6	1,6	1,1					
	2002	1,7	2,0	1,7	1,7	1,6	1,6	2,0	1,8	1,6	1,4	1,6	1,5		1,7				
	2003	1,9	1,7	1,6	1,4	1,6	1,6	1,6	1,6	1,6	1,6	1,6	1,6			1,6			
BENE [(1)+(2)] (44.353%)	2001	0,9	0,6	1,2	1,7	1,8	1,9	1,6	1,4	1,8	2,1	2,1	2,1	1,6					
	2002	2,2	2,3	2,2	2,2	2,0	2,0	2,2	2,1	1,9	1,8	1,8	1,8		2,0				
	2003	1,9	1,8	1,7	1,6	1,7	1,7	1,7	1,7	1,7	1,7	1,7	1,7			1,7			
(3) SERV (38.901%)	2001	2,3	2,2	2,2	2,3	2,5	2,5	2,5	2,5	2,6	2,8	2,7	2,9	2,5					
	2002	2,9	2,9	3,2	3,0	3,3	3,3	3,2	3,3	3,4	3,4	3,4	3,4		3,2				
	2003	3,1	3,3	3,2	3,1	3,0	3,0	3,0	3,0	3,0	3,0	3,0	3,0			3,1			
IPSEBENE [(1)+(2)+(3)] (83.253%)	2001	1,4	1,3	1,6	2,0	2,1	2,1	2,0	1,9	2,2	2,4	2,4	2,5	2,0					
	2002	2,6	2,6	2,6	2,5	2,7	2,7	2,7	2,7	2,6	2,6	2,6	2,6		2,6				
	2003	2,5	2,6	2,5	2,3	2,3	2,3	2,3	2,3	2,3	2,3	2,3	2,3			2,4			
(4) ANE (8.109%)	2001	4,5	4,5	6,5	7,1	9,0	8,9	8,5	7,5	7,5	7,4	6,1	6,3	7,0					
	2002	8,4	7,2	5,5	4,2	2,0	1,7	1,8	2,3	2,3	2,2	3,0	2,2		3,5				
	2003	0,2	0,8	0,9	1,2	1,7	1,8	1,8	1,8	1,8	1,8	1,8	1,8			1,5			
(5) ENE (8.638%)	2001	7,8	8,1	5,5	7,8	8,6	5,4	2,8	2,1	-1,5	-2,7	-5,0	-4,6	2,7					
	2002	-1,8	-2,8	-1,4	-0,4	-2,8	-3,8	-1,7	-0,6	-1,6	0,5	1,8	2,8		-1,0				
	2003	1,5	1,1	-0,3	-2,5	-2,1	-1,0	-1,4	-1,8	-1,6	-1,6	-1,5	-1,4			-1,1			
R [(4)+(5)] (16.747%)	2001	6,2	6,4	6,0	7,5	8,7	7,0	5,5	4,5	2,6	1,9	0,0	0,4	4,7					
	2002	2,9	1,7	1,7	1,6	-0,6	-1,3	-0,1	0,8	0,2	1,2	2,3	2,5		1,1				
	2003	0,9	0,9	0,3	-0,7	-0,3	0,4	0,1	-0,1	0,1	0,0	0,1	0,1			0,2			
IPCA (100%)	2001	2,3	2,2	2,4	2,9	3,3	3,0	2,6	2,4	2,2	2,3	2,1	2,0	2,5					
	2002	2,7	2,5	2,5	2,4	2,0	1,8	2,1	2,2	2,1	2,3	2,4	2,5		2,3				
	2003	2,1	2,2	2,0	1,7	1,9	2,0	2,0	1,9	1,9	1,9	2,0	2,0			2,0			
* La tasa T1,12 normalmente refleja los cambios fundamentales en el crecimiento de los precios con seis meses de retraso respecto a los crecimientos mensuales, por lo que es necesario analizar sus predicciones para evaluar el momento inflacionista presente.																	* T1,12 growth rate lags fundamental changes in prices 6 months with respect to monthly growth rates. It is necessary to evaluate forecasts to analyze current situation		
** En cada concepto se recoge entre paréntesis su ponderación en el IPCA global																	** Weights on Global HICP are shown in brackets		
(a) Las cifras en negrilla son predicciones																	(a) Figures in bold type are forecasts		
(b) Tasa de crecimiento del nivel medio de un año con respecto al año anterior																	(b) Annual average rate of growth		

albacete@est-econ.uc3m.es

Fuente: Source:

Cuadro A6A															Table A6A		
TASAS DE CRECIMIENTO ANUALES DEL IPC USA ⁽¹⁾																	
US ANNUAL RATES OF GROWTH ON CPI AND ITS COMPONENTS ⁽¹⁾																	
	Tasa Rate	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	Media Avrg 01/ 00 (2)	Media Avrg 02/ 01 (3)	Media Avrg 03 02 (4)	
Bienes no energéticos excepto alimentos Non energy Commodities less food	2001	0,8	0,9	0,6	0,5	0,1	0,3	0,4	0,1	0,1	0,0	0,0	-0,3	0,3			
	2002	-0,8	-0,9	-1,1	-1,0	-0,9	-0,8	-0,8	-0,5	-0,7	-0,7	-0,7	-0,5		-0,8		
	2003	-0,2	0,0	0,0	0,1	0,1	0,1	0,1	0,2	0,1	0,1	0,2	0,2			0,1	
Servicios no energéticos Non energy Services	2001	3,4	3,6	3,5	3,5	3,6	3,7	3,7	3,8	3,8	3,7	4,0	4,0	3,7			
	2002	3,9	4,0	3,9	4,0	3,9	3,8	3,9	3,8	3,8	3,9	3,8	3,8		3,9		
	2003	3,8	3,7	3,7	3,7	3,7	3,7	3,7	3,7	3,7	3,7	3,7	3,7			3,7	
Inflación Tendencial Core inflation	2001	2,6	2,7	2,7	2,6	2,5	2,7	2,7	2,7	2,6	2,6	2,8	2,7	2,7			
	2002	2,6	2,6	2,4	2,5	2,5	2,4	2,5	2,5	2,5	2,5	2,5	2,5		2,5		
	2003	2,6	2,6	2,6	2,6	2,7	2,7	2,7	2,7	2,7	2,7	2,7	2,7			2,7	
Alimentación Food	2001	2,9	3,0	3,1	3,2	3,1	3,4	3,2	3,1	3,1	3,4	3,4	2,8	3,1			
	2002	2,9	2,7	2,6	2,5	1,9	1,6	1,6	1,7	1,7	1,6	1,8	2,0		2,0		
	2003	2,1	2,0	2,1	2,2	2,5	2,6	2,6	2,6	2,6	2,6	2,6	2,6			2,4	
Energía Energy	2001	17,8	13,1	6,0	10,3	15,8	8,4	2,1	2,8	1,5	-5,6	-10,1	-13,0	3,8			
	2002	-15,7	-15,9	-10,7	-8,2	-12,3	-11,0	-5,3	-3,4	-5,7	0,6	4,9	9,2		-6,5		
	2003	8,9	9,7	5,3	-0,6	-0,8	0,2	0,4	0,4	0,4	0,4	0,4	0,5			2,0	
Inflación Residual Residual inflation	2001	7,5	6,2	4,1	5,5	7,2	5,1	2,8	3,0	2,5	0,4	-1,2	-2,5	3,3			
	2002	-3,6	-3,7	-1,9	-1,3	-3,2	-3,0	-0,9	-0,1	-0,9	1,1	2,6	4,1		-0,9		
	2003	4,1	4,3	3,0	1,3	1,5	1,8	1,9	1,9	1,9	1,9	1,9	1,9			2,3	
IPC USA US CPI	2001	3,7	3,5	2,9	3,3	3,6	3,2	2,7	2,7	2,6	2,1	1,9	1,6	2,8			
	2002	1,1	1,1	1,5	1,6	1,2	1,2	1,7	2,0	1,7	2,2	2,5	2,9		1,7		
	2003	3,0	3,0	2,7	2,4	2,4	2,5	2,5	2,5	2,5	2,5	2,5	2,5			2,6	
(1) Las cifras en negrita son predicciones. (2) Tasa de crecimiento del nivel medio de 2001 sobre el nivel medio de 2000. (3) Tasa de crecimiento del nivel medio de 2002 sobre el nivel medio de 2001. (4) Tasa de crecimiento del nivel medio de 2003 sobre el nivel medio del 2002. (1) Figures in bold type are forecasted values. (2) Mean level of 2001 over 2000 growth rate. (3) Mean level of 2002 over 2001 growth rate. (4) Mean level of 2003 over 2002 growth rate.																	

Cuadro A6B		TASAS DE CRECIMIENTO MENSUALES DEL IPC USA ⁽¹⁾												Table A6B		
		US MONTHLY RATES OF GROWTH ON CPI AND ITS COMPONENTS ⁽¹⁾														
	Tasa Rate	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	01 (XII)/ 00(XII) (2)	02(XII)/ 01(XII) (3)	03(XII)/ 02(XII) (4)
Bienes no energéticos excepto alimentos <i>Non energy Commodities less food</i>	2001	-0,2	0,5	0,5	0,3	-0,6	-0,5	-0,3	-0,4	1,0	0,3	0,3	-0,9	-0,3		
	2002	-0,7	0,3	0,3	0,3	-0,5	-0,5	-0,3	-0,2	0,8	0,3	0,3	-0,7		-0,5	
	2003	-0,4	0,5	0,3	0,4	-0,4	-0,5	-0,2	-0,2	0,8	0,3	0,3	-0,7			0,2
Servicios no energéticos <i>Non energy Services</i>	2001	0,6	0,5	0,4	0,1	0,2	0,5	0,3	0,5	0,0	0,2	0,3	0,1	4,0		
	2002	0,6	0,6	0,4	0,2	0,1	0,4	0,4	0,4	0,0	0,3	0,2	0,1		3,8	
	2003	0,6	0,6	0,4	0,2	0,2	0,4	0,4	0,4	0,0	0,3	0,2	0,1			3,7
Inflación Tendencial <i>Core inflation</i>	2001	0,4	0,5	0,5	0,2	-0,1	0,2	0,2	0,2	0,3	0,3	0,3	-0,2	2,7		
	2002	0,2	0,5	0,3	0,3	-0,1	0,1	0,2	0,3	0,2	0,3	0,2	-0,1		2,5	
	2003	0,3	0,5	0,4	0,2	0,0	0,1	0,2	0,3	0,2	0,3	0,2	-0,1			2,7
Alimentación <i>Food</i>	2001	0,5	0,2	0,2	0,1	0,3	0,3	0,3	0,2	0,1	0,5	-0,2	0,1	2,8		
	2002	0,6	0,1	0,1	0,1	-0,2	0,0	0,3	0,3	0,2	0,3	0,0	0,3		2,0	
	2003	0,6	0,0	0,2	0,2	0,1	0,0	0,3	0,3	0,2	0,3	0,0	0,3			2,6
Energía <i>Energy</i>	2001	3,4	-0,4	-1,9	2,8	5,3	0,3	-5,8	-2,3	2,4	-7,8	-5,0	-4,0	-13,0		
	2002	0,3	-0,6	4,1	5,7	0,6	1,8	0,2	-0,2	-0,1	-1,6	-0,9	0,0		9,2	
	2003	-0,1	0,1	0,0	-0,3	0,4	2,8	0,4	-0,2	-0,1	-1,7	-0,9	0,0			0,5
Inflación Residual <i>Residual inflation</i>	2001	1,5	0,0	-0,5	1,0	2,0	0,3	-1,8	-0,6	0,9	-2,3	-1,7	-1,2	-2,5		
	2002	0,4	-0,2	1,4	1,7	0,0	0,5	0,3	0,1	0,1	-0,3	-0,3	0,2		4,1	
	2003	0,4	0,1	0,1	0,0	0,2	0,9	0,3	0,1	0,1	-0,3	-0,3	0,2			1,9
IPC USA <i>US CPI</i>	2001	0,6	0,4	0,2	0,4	0,5	0,2	-0,3	0,0	0,5	-0,3	-0,2	-0,4	1,6		
	2002	0,2	0,4	0,6	0,6	0,0	0,2	0,2	0,2	0,2	0,2	0,1	0,0		2,9	
	2003	0,3	0,4	0,3	0,2	0,0	0,3	0,2	0,2	0,2	0,1	0,1	0,0			2,5
(1) Las cifras en negrita son predicciones. (2) Tasa de crecimiento de diciembre de 2001 sobre diciembre de 2000. (3) Tasa de crecimiento de diciembre de 2002 sobre diciembre de 2001. (4) Tasa de crecimiento de diciembre de 2003 sobre diciembre del 2002. (1) Figures in bold type are forecasted values. (2) December 2001 over December 2000 growth rate. (3) December 2002 over December 2001 growth rate. (4) December 2003 over December 2002 growth rate.																

Fuente:

BLS & INSTITUTO FLORES DE LEMUS

Source:

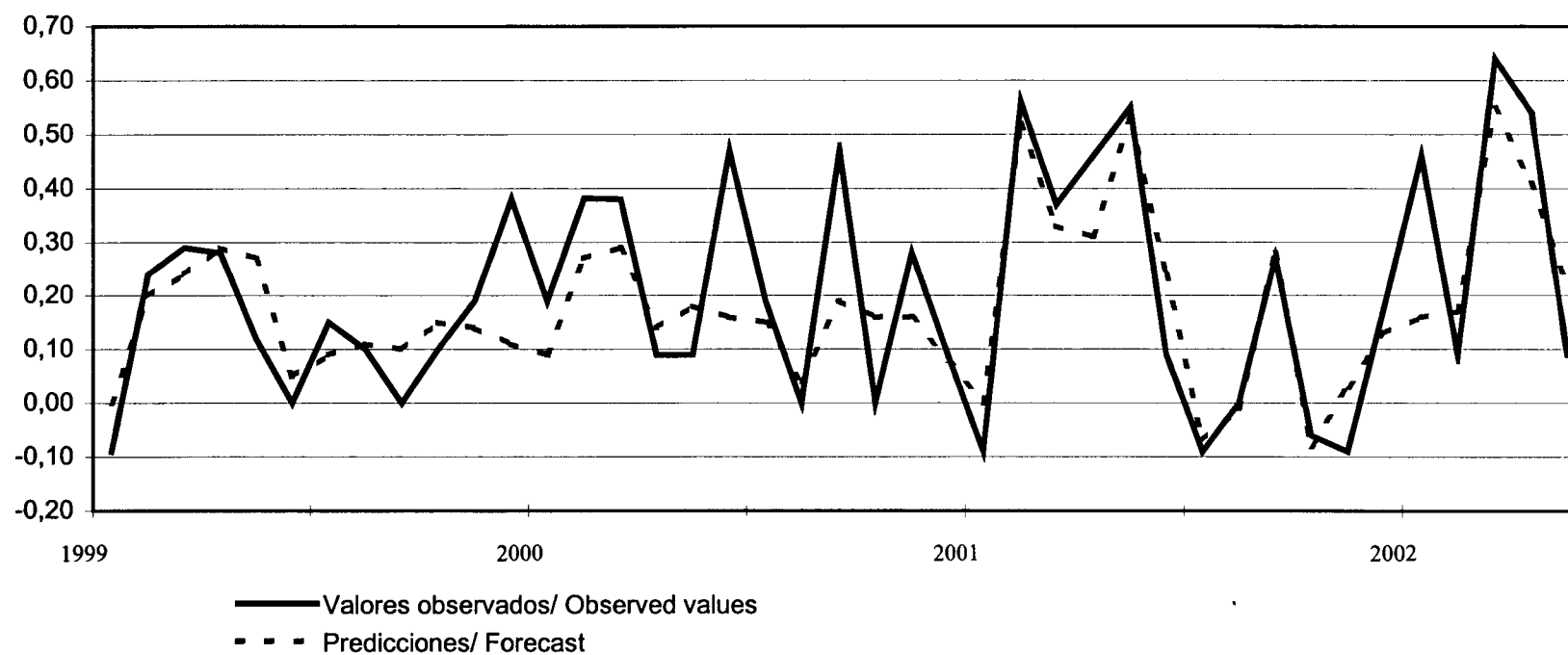
Fecha de elaboración: 18 de Junio de 2002

Data: June 18, 2002

Cuadro A7A																	Table A7A
CRECIMIENTOS ANUALES DEL ÍNDICE DE PRECIOS AL CONSUMO EN ESPAÑA 2001-2002-2003 (a)																	
CONSUMER PRICE INDEX, ANNUAL GROWTH RATES IN SPAIN 2001-2002-2003 (a)																	
Concepto (**) Concept	Tasa Rate	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	Med Arr 01/00(b)	Med Arr 02/01(c)	Med Arr 03/02(d)	
(1) AE-X (12,87%)	2001	2,4	3,0	3,4	3,7	4,0	4,1	4,3	4,5	4,8	5,1	5,1	5,1	4,1			
	2002	3,8	3,4	3,3	3,1	3,1	3,0	3,1	3,0	2,9	2,8	2,7	2,7		3,1		
	2003	2,9	3,0	2,9	3,0	2,8	2,8	2,8	2,7	2,6	2,5	2,5	2,4			2,7	
(2) MAN (31,40%)	2001	2,6	2,7	2,7	2,7	2,8	2,6	2,7	2,7	2,6	2,6	2,5	2,5	2,6			
	2002	2,8	2,7	1,9	2,8	2,9	2,7	1,6	1,6	1,8	1,8	2,0	2,0		2,2		
	2003	2,3	2,2	2,1	2,1	2,1	2,2	2,2	2,2	2,2	2,2	2,2	2,3			2,2	
BENE - X '[(1)+(2)] = (44,28%)	2001	2,6	2,8	3,0	3,0	3,1	3,1	3,2	3,2	3,2	3,3	3,2	3,2	3,1			
	2002	3,0	2,8	2,2	2,8	2,8	2,7	1,9	1,9	2,0	2,0	2,1	2,1		2,4		
	2003	2,5	2,4	2,3	2,4	2,3	2,4	2,4	2,4	2,4	2,3	2,3	2,3			2,4	
(3) SERV-T (32.95%)	2001	3,9	4,1	4,1	4,1	4,0	4,2	4,5	4,9	4,1	3,9	3,8	4,0	4,1			
	2002	3,8	4,2	4,3	4,5	4,5	4,5	4,5	4,5	4,5	4,6	4,7	4,7		4,4		
	2003	4,5	4,5	4,4	4,5	4,5	4,6	4,6	4,6	4,7	4,7	4,7	4,8			4,6	
IPSEBENE-XT [(1)+(2)+(3)]=(77,23%)	2001	3,2	3,4	3,5	3,5	3,5	3,6	3,6	3,7	3,5	3,6	3,5	3,6	3,5			
	2002	3,4	3,5	3,2	3,6	3,6	3,5	3,1	3,1	3,2	3,2	3,3	3,3		3,3		
	2003	3,3	3,3	3,2	3,3	3,3	3,3	3,3	3,4	3,4	3,4	3,3	3,3			3,3	
(4) XT (4,28%)	2001	2,5	2,1	1,5	2,0	2,4	3,3	0,3	-1,5	1,9	4,1	6,4	6,9	2,6			
	2002	6,4	6,9	9,4	10,3	12,5	11,5	11,0	10,7	10,9	10,2	6,4	4,5		9,2		
	2003	5,0	5,0	4,7	6,0	3,5	3,8	3,7	3,7	3,8	3,8	3,7	3,8			4,2	
(5) ANE (9,07%)	2001	6,8	8,4	10,0	9,4	10,6	10,9	10,4	9,7	8,4	6,9	6,9	6,1	8,7			
	2002	4,5	5,3	4,4	5,2	5,3	3,8	3,5	5,4	6,4	7,5	7,8	8,3		5,6		
	2003	9,6	6,9	7,1	6,9	4,8	5,5	5,5	5,0	4,7	4,5	4,4	4,2			5,7	
(6) ENE (9,41%)	2001	6,3	4,8	2,1	3,3	3,8	2,7	-0,2	-1,9	-3,0	-6,8	-10,6	-10,0	-1,0			
	2002	-2,9	-3,2	-1,2	-0,4	-1,9	-4,0	-1,4	0,6	0,5	2,8	5,4	6,8		0,0		
	2003	4,3	4,2	2,4	0,0	-0,2	1,5	1,5	1,1	1,1	1,2	1,3	1,3			1,6	
R [(4)+(5)+(6)]=(22,77%)	2001	5,4	5,6	5,3	5,6	6,6	6,6	4,4	2,9	2,7	1,1	-0,1	-0,1	3,7			
	2002	0,8	1,0	2,3	3,6	3,0	1,3	2,3	3,9	4,3	5,5	6,0	6,4		3,3		
	2003	7,0	6,0	4,9	3,6	2,6	3,5	3,6	3,2	3,1	3,1	3,0	3,0			3,9	
IPC (100%)	2001	3,7	3,8	3,9	4,0	4,2	4,2	3,9	3,7	3,4	3,0	2,7	2,7	3,6			
	2002	3,0	3,1	3,1	3,6	3,6	3,2	3,1	3,4	3,6	3,8	4,0	4,1		3,5		
	2003	4,1	3,8	3,6	3,4	3,1	3,3	3,4	3,3	3,3	3,3	3,3	3,3			3,4	
* La tasa T1,12 normalmente refleja los cambios fundamentales en el crecimiento de los precios con seis meses de retraso respecto a los crecimientos mensuales, por lo que es necesario analizar sus predicciones para evaluar el momento inflacionista presente.																	
** T1,12 growth rate lags fundamental changes in prices 6 months with respect to monthly growth rates. It is necessary to evaluate forecast in order to analyze current situation.																	
** En cada concepto se recoge entre paréntesis su ponderación en el IPC general.																	
** Weights on General CPI are shown in brackets.																	
(a) Las cifras en negrilla son predicciones																	
(a) Figures in bold type are forecasted values																	
(b) Tasa de crecimiento del nivel medio de 2001 sobre el nivel medio de 2000.																	
(b) 2001 over 2000 mean growth																	
(c) Tasa de crecimiento del nivel medio de 2002 sobre el nivel medio de 2001.																	
(c) 2002 over 2001 mean growth																	
(d) Tasa de crecimiento del nivel medio del 2003 sobre el nivel medio de 2002.																	
(d) 2003 over 2002 mean growth																	
Fuente:																	Source:

Cuadro A7B															Table A7B	
CONSUMIENTOS MENSUALES DEL ÍNDICE DE PRECIOS AL CONSUMO EN ESPAÑA 2001-2002-2003 (a)																
CRECIMIENTOS PRICE INDEX, MONTHLY GROWTH RATES IN SPAIN 2001-2002-2003 (a)																
Concepto (*) (Concept)	Tasa Rate	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	D01/ D00(b)	D02/ D01(c)	D03/ D02(d)
(1) AE-X (12,87%)	2001	0,8	0,8	0,4	0,3	0,4	0,3	0,2	0,3	0,5	0,4	0,3	0,3	5,1		
	2002	0,3	0,1	0,4	0,2	0,4	0,3	0,2	0,3	0,0	0,0	0,2	0,3		2,7	
	2003	0,6	0,1	0,3	0,3	0,2	0,2	0,1	0,3	0,0	-0,1	0,1	0,2			2,4
(2) MAN (31,40%)	2001	0,2	0,3	0,4	0,3	0,2	0,0	0,1	0,1	0,2	0,4	0,2	0,1	2,5		
	2002	-2,5	-0,3	0,9	2,4	0,4	-0,3	-3,6	-0,2	1,7	2,2	1,4	0,0		2,0	
	2003	-2,2	-0,4	0,8	2,5	0,5	-0,3	-3,6	-0,2	1,7	2,3	1,4	0,0			2,3
BENE - X [(1)+(2)] = (44,28%)	2001	0,3	0,4	0,4	0,3	0,3	0,1	0,1	0,1	0,3	0,5	0,2	0,2	3,2		
	2002	-1,7	-0,2	0,7	1,8	0,4	-0,1	-2,5	-0,1	1,2	1,6	1,0	0,1		2,1	
	2003	-1,4	-0,2	0,6	1,8	0,4	-0,1	-2,5	0,0	1,2	1,6	1,0	0,1			2,3
(3) SERV-T (32,95%)	2001	0,8	0,5	0,4	0,4	0,2	0,4	0,6	0,6	-0,3	0,1	0,1	0,4	4,0		
	2002	1,3	0,5	0,5	0,5	0,2	0,3	0,5	0,3	-0,1	0,3	0,1	0,2		4,7	
	2003	1,1	0,5	0,5	0,5	0,2	0,3	0,5	0,4	0,0	0,4	0,1	0,3			4,8
IPSEBENE-XT [(1)+(2)+(3)] = (77,23%)	2001	0,5	0,4	0,4	0,4	0,2	0,2	0,3	0,3	0,0	0,3	0,2	0,3	3,6		
	2002	-0,4	0,1	0,6	1,2	0,3	0,0	-1,3	0,1	0,7	1,0	0,6	0,1		3,3	
	2003	-0,3	0,1	0,6	1,2	0,3	0,1	-1,2	0,1	0,7	1,0	0,6	0,1			3,3
(4) XT (4,28%)	2001	-0,8	-0,6	0,3	1,4	-0,7	1,4	2,2	1,4	-0,8	-0,3	0,7	2,5	6,9		
	2002	-1,4	-0,2	2,6	2,5	1,1	0,5	2,0	1,2	-0,8	-1,2	-2,8	0,9		4,5	
	2003	-0,9	-0,1	2,3	3,8	-1,3	0,8	2,0	1,2	-0,7	-1,1	-2,9	1,0			3,8
(5) ANE (9,07%)	2001	0,7	-0,2	1,4	0,2	0,6	0,2	1,2	0,6	0,2	-0,9	0,2	1,7	6,1		
	2002	0,3	-0,1	0,7	0,7	0,4	-1,3	0,7	2,4	1,4	0,0	0,3	2,3		8,3	
	2003	1,4	-2,6	0,9	0,5	-1,5	-0,7	0,8	1,9	1,2	-0,1	0,2	2,2			4,2
(6) ENE (9,41%)	2001	-4,4	0,5	-0,1	1,8	2,0	0,8	-2,8	-1,6	0,2	-2,4	-2,7	-1,4	-10,0		
	2002	2,5	0,2	1,9	2,5	0,2	-1,5	0,0	0,6	0,1	0,1	0,1	0,0		6,8	
	2003	0,1	0,1	0,1	0,1	0,1	0,1	0,1	0,1	0,1	0,1	0,1	0,1			1,3
R [(4)+(5)+(6)] = (22,77%)	2001	-1,8	0,0	0,6	1,1	0,9	0,6	-0,3	-0,2	0,0	-1,4	-0,9	0,6	-0,1		
	2002	0,8	0,0	1,6	1,8	0,5	-1,0	0,7	1,4	0,5	-0,2	-0,4	1,2		6,4	
	2003	0,5	-1,1	0,9	1,0	-0,8	-0,1	0,8	1,1	0,4	-0,2	-0,5	1,2			3,0
IPC (100%)	2001	0,0	0,3	0,4	0,5	0,4	0,3	0,2	0,2	0,0	-0,1	-0,1	0,3	2,7		
	2002	-0,1	0,1	0,8	1,3	0,4	-0,2	-0,8	0,4	0,6	0,7	0,4	0,4		4,1	
	2003	-0,1	-0,2	0,6	1,2	0,1	0,0	-0,8	0,4	0,6	0,7	0,4	0,4			3,3
** En cada concepto se recoge entre paréntesis su ponderación en el IPC general.																
** Weights on General CPI are shown in brackets.																
(a) Las cifras en negrilla son predicciones																
(a) Figures in bold type are forecasted values																
(b) Tasa de crecimiento de diciembre 2001 sobre diciembre de 2000.																
(b) December 2001 over December 2000.																
(c) Tasa de crecimiento de diciembre de 2002 sobre diciembre de 2001.																
(c) December 2002 over December 2001.																
(d) Tasa de crecimiento de diciembre del 2003 sobre diciembre de 2002.																
(d) December 2003 over December 2002.																

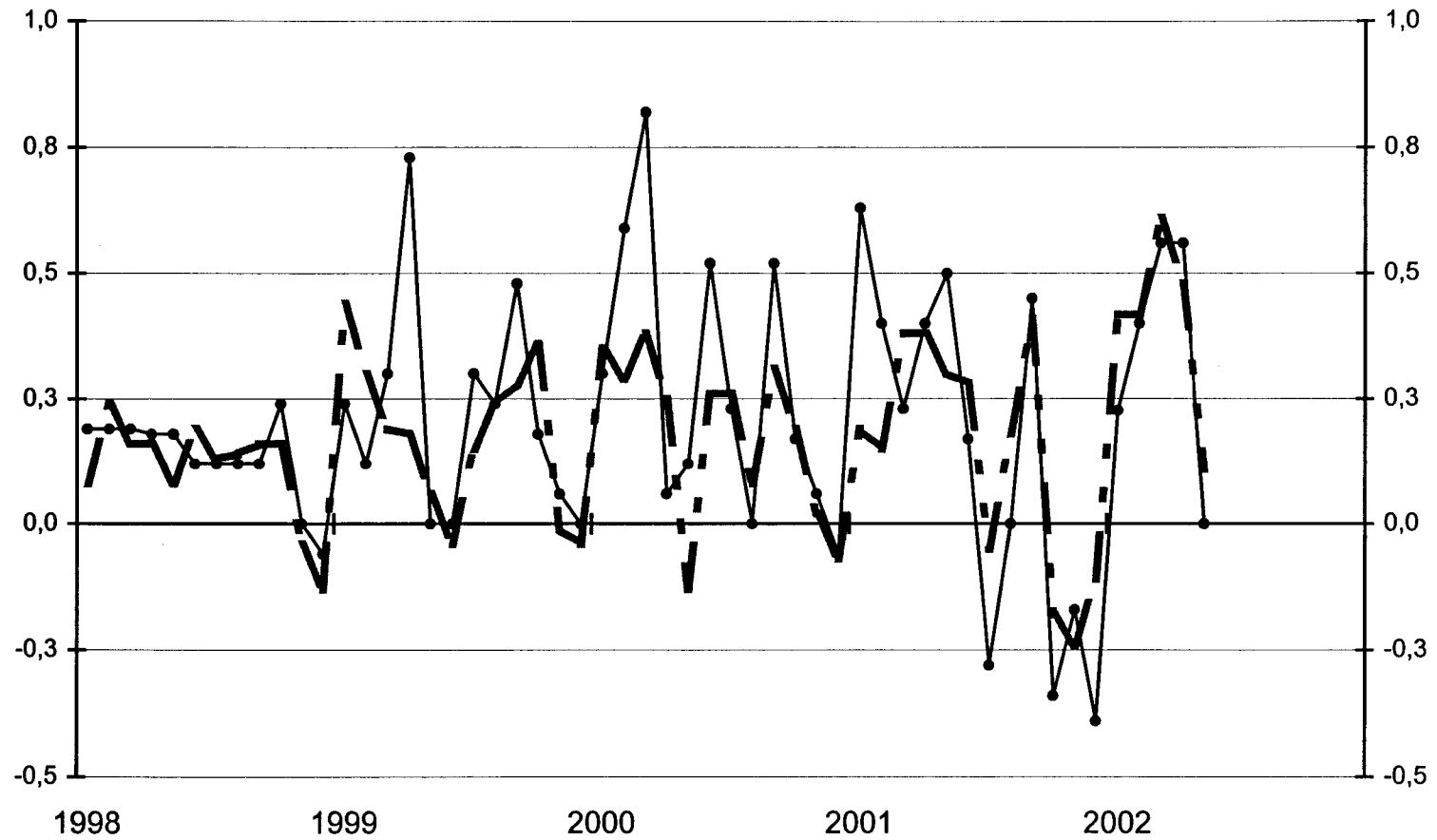
**TASAS MENSUALES DEL IPCA EN LA UME/
HCPI MONTHLY GROWTH RATES IN HE EMU**



Fuente/ Source: I. FLORES DE LEMUS

Fecha/ Date: 18/06/02

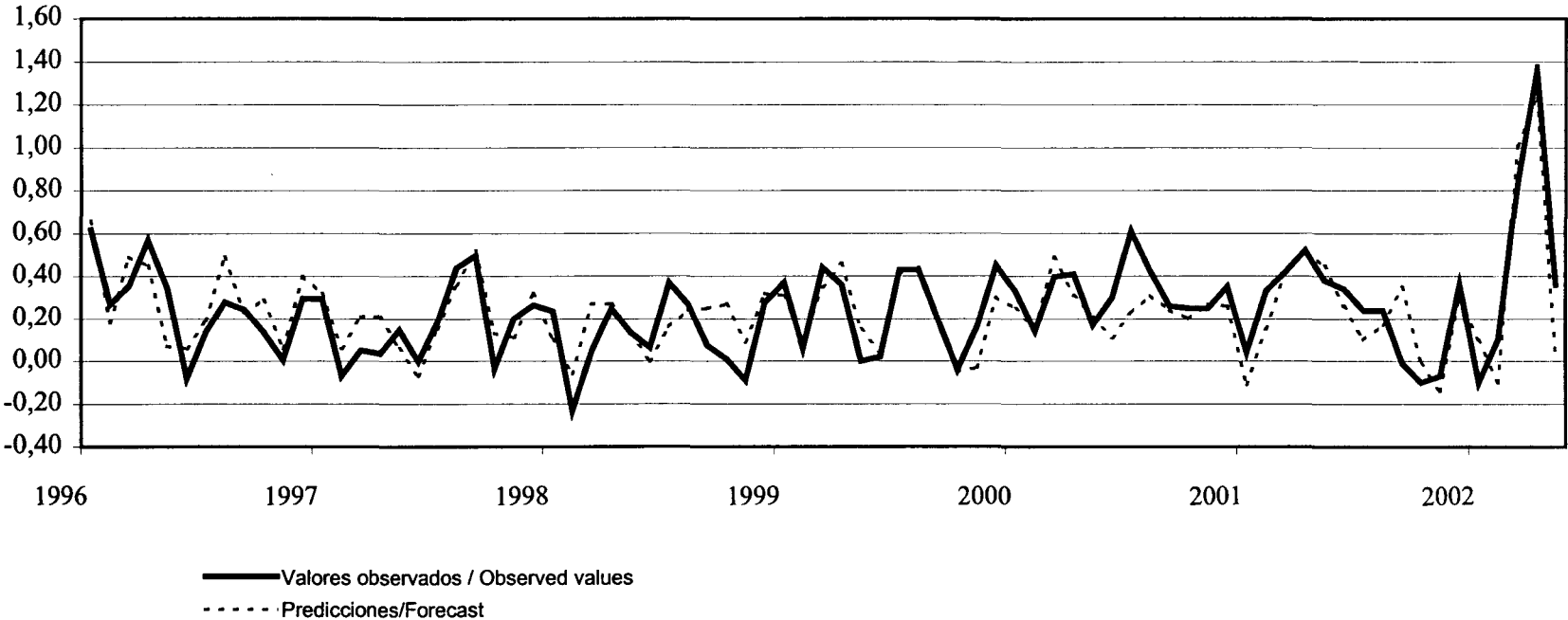
TASAS MENSUALES DEL IPC DE EE.UU./ **CPI MONTHLY GROWTH RATES IN USA**



— PREDICCIONES — VALORES OBSERVADOS

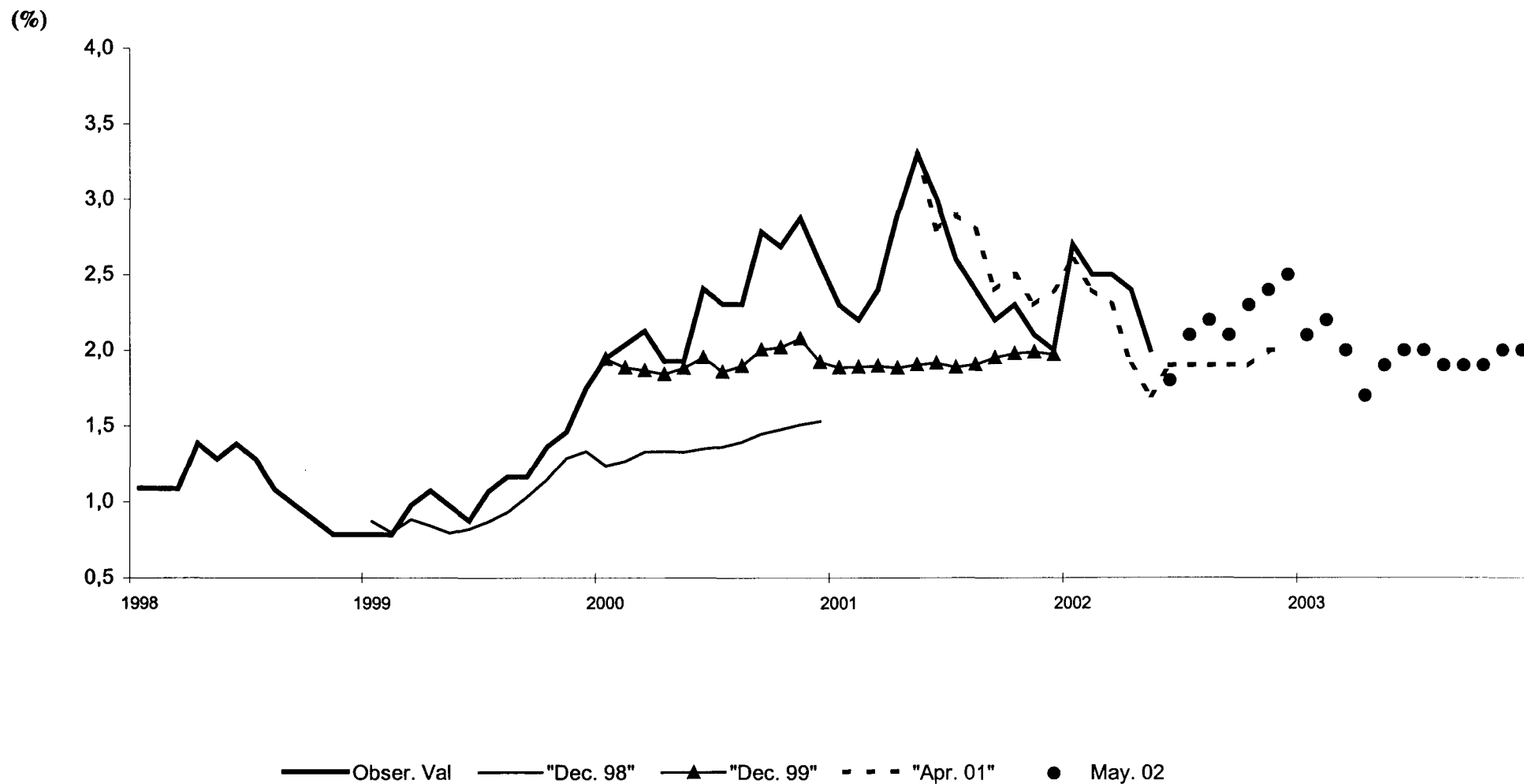
Fuente/Source: I.Flores de Lemus
 Date/Fecha: 18/06/2002

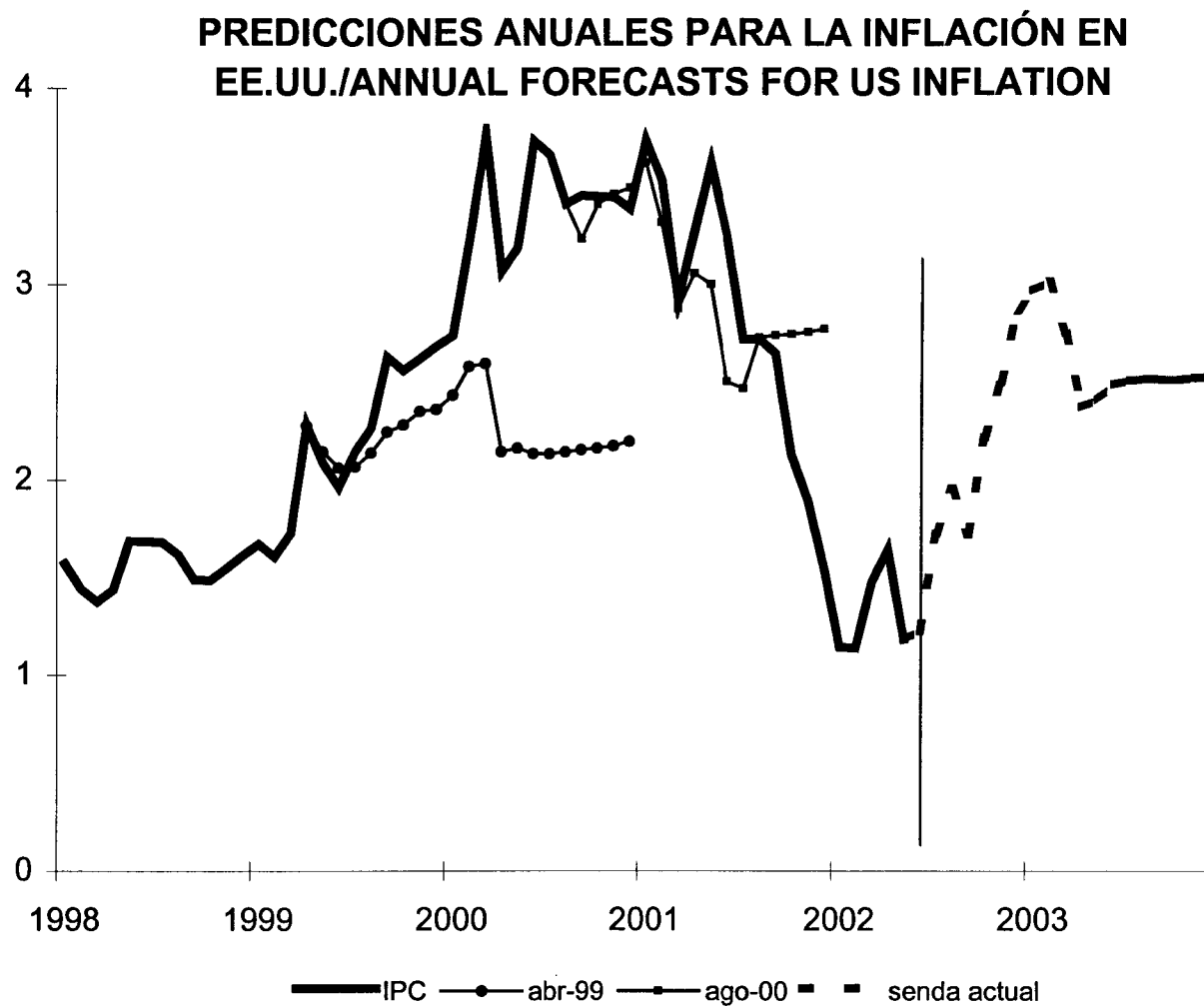
**TASAS MENSUALES DEL IPC EN ESPAÑA/
CPI MONTHLY GROWTH RATES IN SPAIN**



Fuente/ Source: I. FLORES DE LEMUS.
Fecha/ Date: 13/06/02.

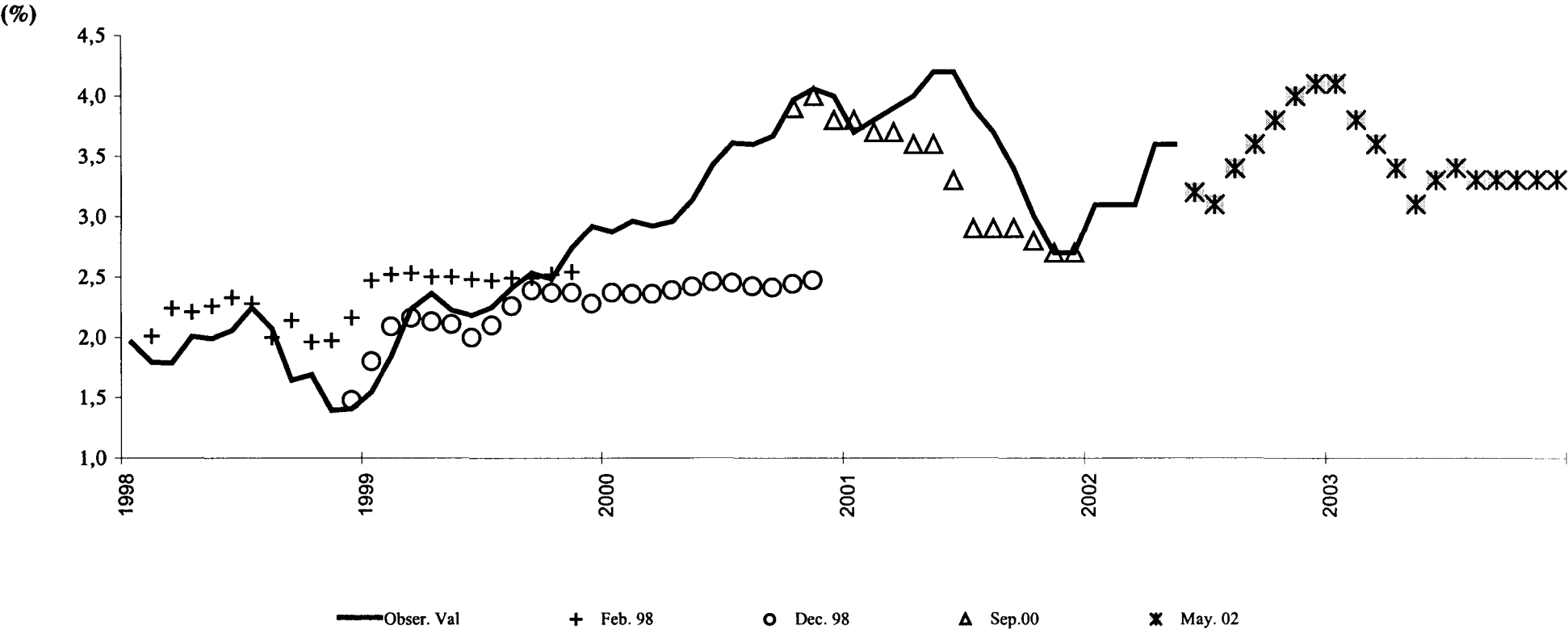
**PREDICCIONES ANUALES PARA LA INFLACION EN LA UME/
ANNUAL FORECASTS FOR THE EMU INFLATION**





Fuente: I.Flores de Lemus
Fecha: 18/06/2002

**PREDICCIONES ANUALES PARA LA INFLACION EN ESPAÑA/
ANNUAL FORECASTS FOR SPANISH INFLATON**



Fuente/ Source: I. FLORES DE LEMUS
Fecha/ Date: 17/06/2002.

MONTHLY DEBATES IN PREVIOUS BULLETINS

- Mayo Burgos, Ivan, "Building a more dynamic Europe November 27th , 2001", (nº 89)
- Fernando Garcia-Belenguer Universidad Carlos III and Manuel S. Santos Arizona State University "Convergence in the OECD" (nº 88)
- Oxley, Les , "Earthquakes and volcanoes: the international conference on modelling and forecasting financial volatility, Perth, 7-9th September 2001" (nº 87)
- Espasa, A., Poncela, P. and Senra, E., " A disaggregated analysis of us consumer price indexes" (Bulletin nº 86)
- Pérez Pereira, María , " II Jornadas Sobre Derecho Del Comercio Electrónico. Una Crónica" (Bulletin nº 85).
- Nieto, María J., "Reflections on the regulatory approach to e finance"(Bulletin nº 84)
- Veredas, David, "Estacionalidad Intra diaria de datos financieros de alta frecuencia" nº 81, pp54-60)
- Quilis, Enrique M., "Algunas consideraciones sobre los indicadores cíclicos" (nº 79, pp. 73-80)
- Jimeno, Juan F., "Empleo y salarios públicos: una aproximación a partir de la teoría de los incentivos" (nº 78, pp. 57-64)
- Herce, José A., "¿Existe una solución demográfica al problema de las pensiones?" (nº 77, pp. 71-83)
- González Veiga, I., "El cambio de sistema del Índice de Precios de Consumo", (nº 76, pp. 60-76)
- Astolfi, R. D. Ladiray y G.L. Mazzi, "Business cycle statistics for the Euro-zone: Situation and prospectives", (nº 75, pp. 58-86)
- Gutiérrez, I. y C. Delgado, "Empresa y comercio electrónico: algunas reflexiones", (nº 75, pp. 87-91)
- Prades Sierra, F., "El Proyecto de Presupuestos Generales del Estado 2001: rasgos básicos y valoración", (nº 74, pp. 62-72)
- Robinson, P. M., "Econometrics, Statistics and the interface", (nº 73, pp. 59-61)
- Alonso, C., "Reconocimiento de la microeconometría en el estudio de los problemas sociales", (nº 73, pp. 62-64)
- Rodríguez López, J., "La reciente aceleración de los precios de la vivienda en España. Un comentario", (nº 72, pp. 41-63)

REVIEW WORKS IN PREVIOUS BULLETINS

- Galeano, P. Y D. Peña, "Análisis multivariante en vectores de series temporales" (Boletín nº 79)
- Carnero, M. A., D. Peña y E. Ruiz "Modelos econométricos alternativos para la volatilidad en series financieras" (Boletín nº 78)
- Ledoit, O. Y M. Wolf, "Improved estimation of the covariance matrix of stock returns with an application to portfolio selection" (Boletín nº 77)
- Gómez, V. "The use of butterworth filters for trend and cycle estimation in economic time series" (Boletín nº 76)
- Pérez-Espartero, A. "Estimación e identificación de modelos de volatilidad estocásticos con memoria larga" (Boletín nº 75)
- Modrego, A., A. García-Romero, E. Sanz y C. García Zorita, "La investigación española en economía" (Boletín nº 65)
- Aparicio, F. M. y J. Estrada, "Information-theoretic analysis of serial dependence and cointegration" (Boletín nº 62)
- Aparicio, F. M., y A. Escribano, "On the empirical distributions of stock returns: European markets, 1990-95" (Boletín nº 62)
- Kaiser, R. y A. Maravall, "Trend, seasonality and Economic Cycles. The Hodrick-Prescott paradigm revisited" (Boletín nº 60).
- Rodríguez, R., "Actividad económica y valoración de activos financieros" (Boletín nº 57).
- Sanjuan Meso, C., "Comparaciones de productividad en la agricultura europea" (Boletín nº 52).
- Font, B., "Modelización de Series Temporales Financieras. Una Recopilación" (Boletín nº 51).
- Miles, D., "Especificación e inferencia en modelos econométricos para curvas de Engel" (Boletín nº 50).
- Poncela Blanco, P., "Algunos problemas en la identificación y predicción de factores comunes en series temporales multivariantes" (Boletín nº 49).
- Dolado, J.J., y María-Dolores, R., "Un análisis de los efectos cíclicos de la política monetaria en España (1977-1996)" (Boletín nº 48).
- María-Dolores, R., "Asimetrías en los efectos de la política monetaria en España (1977-1996)" (Boletín nº 46).
- Senra, E., "Modelos para series temporales con rupturas tendenciales y estructuras cíclicas asimétricas y bruscas" (Universidad Carlos III de Madrid) (Boletín nº 45).
- Álvarez, M^a.J., "Las cuentas de las privatizaciones: el caso de Seat" (Universidad Carlos III de Madrid) (Boletín nº 44).
- Balbás, A., "Measuring the degree of fulfillment of the law of one price. Applications to financial market integration" (Universidad Carlos III de Madrid) (Boletín nº 43)
- Martínez, J.M., Espasa, A., "La demanda de importaciones españolas. Un enfoque VECM desagregado". Universidad Carlos III de Madrid) (Boletín nº 42).
- Boldrin, M., Jiménez-Martín, S., Peracchi, F., "Resumen de social security and retirement in Spain, NBER, WP 6136. Universidad Carlos III de Madrid) (Boletín nº 41).
- Lorenzo, F. "Modelización de la inflación con fines de predicción y diagnóstico". (Universidad Carlos III de Madrid) (Boletín nº 40).
- Risueño, M. "Estimación y modelización de la tasa de depreciación del capital. Un análisis desagregado. (Universidad Carlos III de Madrid) (Boletín nº 39).
- Ruiz, E., Lorenzo, F., "Estimación de la volatilidad de la inflación en presencia de observaciones atípicas y heteroscedasticidad condicional. (Universidad Carlos III de Madrid) (Boletín nº 38).
- García, T., Ocaña, C., "El efecto del control bancario en el comportamiento inversor de las empresas españolas". (Universidad Carlos III de Madrid) (Boletín nº 37).



PREDICCIÓN Y DIAGNÓSTICO

1999, 2000 and 2001

- * La Actividad Industrial Se Mantiene Débil Aunque Ha Comenzado A Exhibir Ciertos Signos De Mejora (nº64 y 65 Octubre – Nov. 2001)
- * La coyuntura económica internacional y sus perspectivas, a finales de 2001. (nº 62 y 63, Agosto-septiembre 2001)
- * La aceleración de los costes laborales en una situación de debilidad del empleo. (nº 61, Junio)
- * Situación y perspectivas de la economía española en un contexto de incertidumbre. Bienio 2001-2002. (nº60, Mayo 2001)
- * El sector exterior español acusa el debilitamiento de la economía mundial.(nº 59, Abril 2001)
- * El mercado laboral acusa la desaceleración de la actividad económica (nº57 y 58, Febrero - Marzo 2001)
- * Situación de la economía española y perspectivas para el bienio 2001-2002 (nº 55, Diciembre 2000)
- * Los costes laborales frenan la moderación de los últimos años (nº 54, Noviembre 2000)
- * Situación del sector exterior: abultado déficit comercial aunque mejora su contribución al crecimiento del PIB (nº 53, Octubre 2000)
- * La actividad industrial confirma su debilitamiento (nº 52, Octubre 2000)
- * La creación de empleo se desacelera aunque sigue manteniendo un elevado dinamismo. (nº 51, Agosto 2000)
- * El gasto en consumo de los hogares consolida la desaceleración. (nº 50, Junio 2000).
- * Los salarios abandonan la moderación de los últimos años. (nº 49, Mayo 2000).
- * El favorable comportamiento del mercado laboral. Situación actual y perspectivas. (nº 48, Abril 2000)
- * El auge de la construcción: situación actual y perspectivas (nº 47, Marzo 2000)
- * La actividad industrial prosigue la recuperación impulsada por el dinamismo de las exportaciones (nº 46, Febrero 2000)
- * La recuperación del sector exterior: situación actual y perspectivas (nº 45, Enero 2000)

Elaborated by: Nicolás Carrasco, Antoni Espasa y Roman Minguez
Director of PyD: Antoni Espasa

PREDICCIÓN Y DIAGNÓSTICO Sponsor:
Fundación Universidad Carlos III

For further information please contact with:

Mónica López, Laboratorio de Predicción y Análisis Macroeconómico
Instituto Flores de Lemus de Estudios Avanzados en Economía, Universidad Carlos III
C/ Madrid, 126 E-28903 Getafe (Madrid) T. +34 91 624 98 89 F. +34 91 624 93 05
E-mail: laborat@est-econ.uc3m.es
www.uc3m.es/boletin



BULLETIN EU & US INFLATION
AND MACROECONOMIC ANALYSIS



Universidad Carlos III de Madrid

INSTITUTO
FLORES
DE LEMUS

SUBSCRIPTION FORM - 2002 YEAR

First and Last Name:
Address: Postal Code:
Telephone: Telefax: E-Mail:
VAT Number: Date:

EU & US Inflation and Macroeconomic Analysis Bulletin (Monthly edition) € 324,55 ☐
Delivered 14 days after the European Harmonised Prices Index publication

Inflation Forecast Update Service (3 updates) € 1051,77 ☐
12 hours after the Spanish CPI publication
48 hours after the European Harmonised Prices Index publication
48 hours after the United States CPI publication

Jointly Subscription € 1202,02 ☐
Subscription to the EU & US Inflation and Macroeconomic Analysis Bulletin
+ Inflation Forecast Update Service.

PAYMENT METHODS (Including VAT and shipping fees)

Bank Transfer ☐
To: Fundación Universidad Carlos III C.C.C.: 2096-0630-18-2839372704

Credit Card ☐ **VISA** ☐ ☐ **AMERICAN EXPRESS** ☐ ☐ **MASTERCARD** ☐
Credit card number Expiry date
Signature

Please send me **FREE OF CHARGE**

A copy of the EU & US Inflation and Macroeconomic Analysis Bulletin ☐
An Inflation Forecast Update of the current Bulletin edition ☐

☐ Thank you for giving us details of a colleague who may be interested in our products and services ☐

Authorized signature:

Bulletin EU & US Inflation and Macroeconomic Analysis

INSTITUTO FLORES DE LEMUS
Universidad Carlos III de Madrid

INTERNATIONAL INFLATION FORECASTS

	JUNE 2002		AVERAGE ANNUAL RATES			
	Monthly Rate	Annual Rate	2000*	2001*	2002	2003
MONETARY UNION						
Global Inflation	0.0	1.8	2.3	2.5	2.3	2.0
Core Inflation	0.2	2.7	1.2	2.0	2.6	2.4
Goods	0.0	2.0	0.8	1.6	2.0	1.7
Services	0.3	3.3	1.7	2.5	3.2	3.1
GDP						
Private Final Consumption Expenditure				1.5	1.1	2.4
Gross Fixed Capital Formation				1.8	1.0	2.0
Exports of Goods and Services				-0.5	0.0	2.1
Imports of Goods and Services				2.5	1.1	5.2
Gross Value Added Total				0.8	0.4	4.5
Gross Value Added Agriculture				1.5	1.1	2.4
Gross Value Added Industry				-0.7	1.3	1.7
Gross Value Added Construction				0.7	0.4	1.6
Gross Value Added Services				-0.5	-0.1	0.9
				2.3	1.9	2.6
BASIC BALANCES						
Industrial Production Index (excluding construction)				-0.1	0.4	1.5
UNITED STATES						
Global Inflation	0.2	1.2	3.4	2.8	1.7	2.6
Core Inflation	0.1	2.4	2.4	2.7	2.5	2.7
Goods	-0.5	-0.8	0.5	0.3	-0.8	0.1
Services	0.4	3.8	3.3	3.7	3.9	3.7

*Observed values.

SPANISH ECONOMY FORECASTS

	JUNE 2002		AVERAGE ANNUAL RATES			
	Monthly Rate	Annual Rate	2000*	2001*	2002	2003
Global Inflation	-0.2	3.2	3.4	3.6	3.5	3.4
Trend Inflation	0.0	3.5	2.5	3.5	3.3	3.3
Goods	-0.1	2.7	1.9	3.1	2.4	2.4
Services	0.3	4.5	3.5	4.1	4.4	4.6

*Observed values.

For information about subscriptions see
SUBSCRIPTION FORM
inside this issue