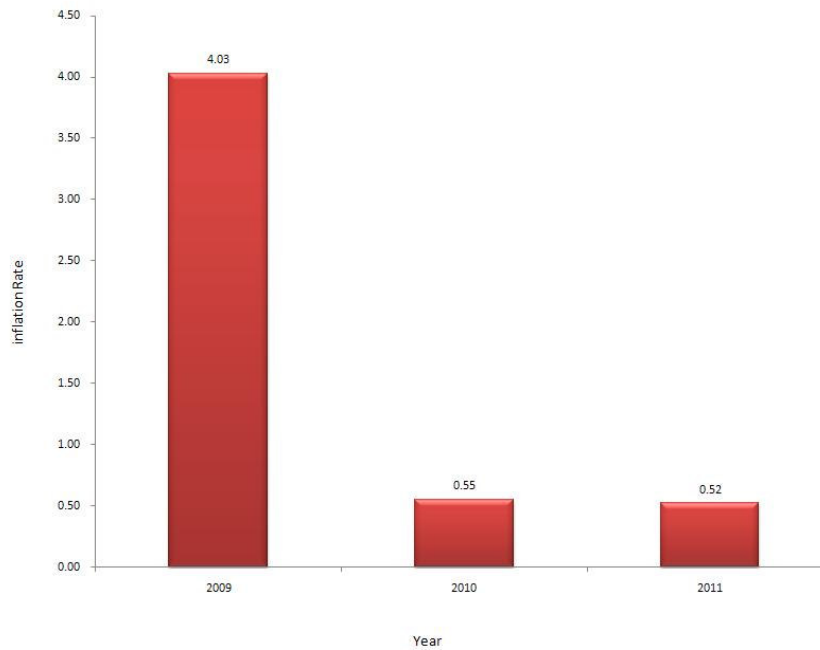


## Inflation and Consumer Price Index Emirate of Dubai 2011

Consumer Price Index considered as a principal base to show inflation indicator, which measure the periodic changes in goods and services prices during a specific period of time. The general increases in prices (Consumer Price Index) measure economic inflation and a direct measurement of purchasing power of money in various financial operations which include goods and services. Inflation is usually calculate monthly and compared with the previous period. It depends on base year, where weights of goods and services calculated according to families' expenditure on these goods and services. 2007 is chosen as a base year by using this year family expenditures and income survey results. Based on this, goods and services have been divided into 12 main expenditure groups, according to Classification of Individual Consumption According to Purpose (COICOP).



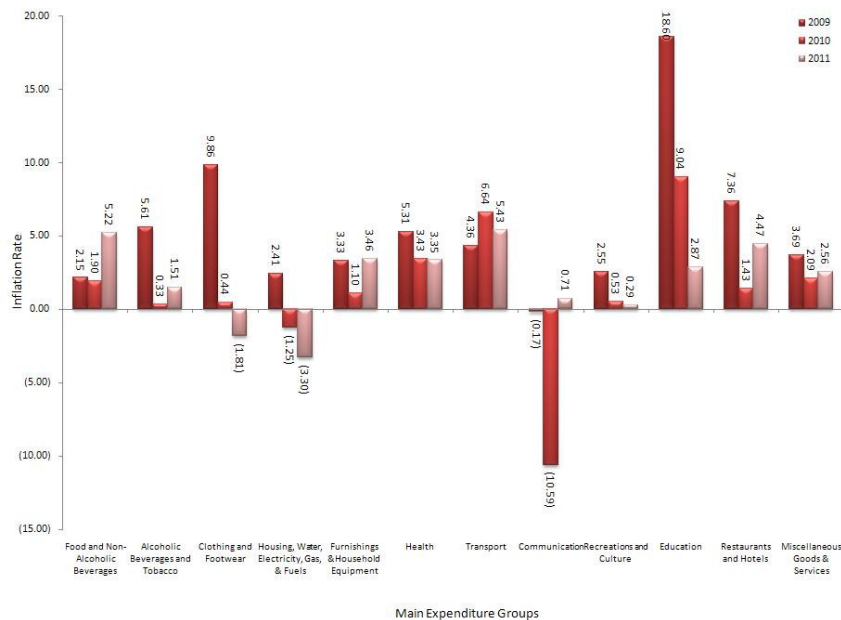
## General Index Number (CPI)

The Inflation rate of 2011 is 0.52% compared to 2010, due to increase in the prices of Food and Non-Alcoholic Beverages group 5.22%, Transport group 5.43%, Restaurants and Hotels group 4.47%, Furnishings, Household Equipment and Routine Household Maintenance group 3.46%, Health group 3.35%, Education group 2.87%, Miscellaneous Goods and Services group 2.56%, Alcoholic Beverages and Tobacco group 1.51%, Communication group 0.71%, Receptions and Culture 0.29%. On the other hand, inflation rate for Housing, Water, Electricity, Gas, and other Fuels group declined by 3.30% and Clothing and Footwear group 1.81%. As illustrated in table (1) and chart (1).

Table 1 | Inflation Rate for Main Expenditure Groups 2009 - 2011

Expenditure groups	Weight	2009	2010	2011
<b>Inflation (General number)</b>	<b>100.00</b>	<b>4.03</b>	<b>0.55</b>	<b>0.52</b>
Food and Non-Alcoholic Beverages	11.08	2.15	1.90	5.22
Alcoholic Beverages and Tobacco	0.24	5.61	0.33	1.51
Clothing and Footwear	5.52	9.86	0.44	(1.81)
Housing, Water, Electricity, Gas, and other Fuels	43.70	2.41	(1.25)	(3.30)
Furnishings, Household Equipment and Routine Household Maintenance	3.34	3.33	1.10	3.46
Health	1.08	5.31	3.43	3.35
Transport	9.08	4.36	6.64	5.43
Communication	6.00	(0.17)	(10.59)	0.71
Receptions and Culture	4.24	2.55	0.53	0.29
Education	4.09	18.60	9.04	2.87
Restaurants and Hotels	5.48	7.36	1.43	4.47
Miscellaneous Goods and Services	6.15	3.69	2.09	2.56

Chart 1 | Inflation Rate for Main Expenditure Groups 2009 - 2011



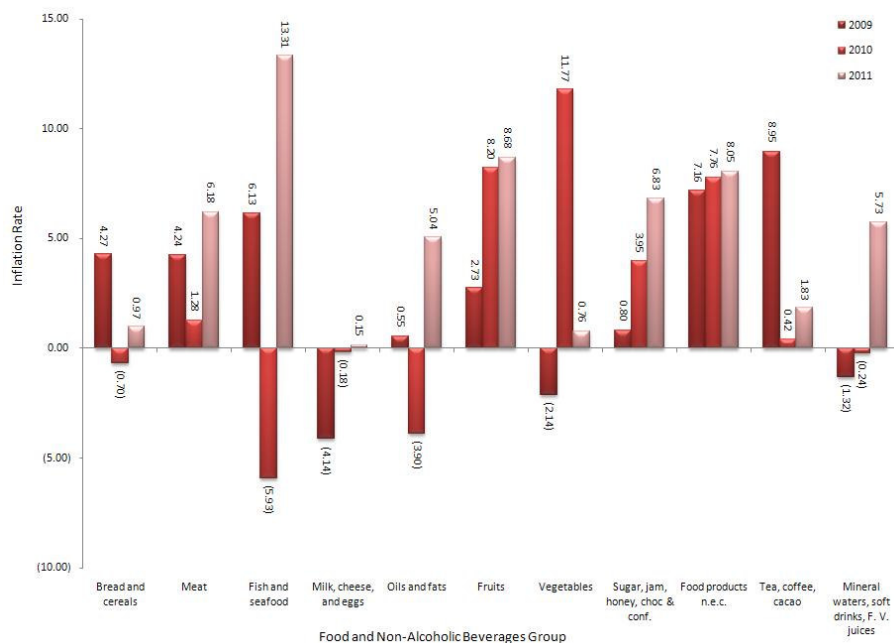
## Food and Non-Alcoholic Beverages

Food and Non-Alcoholic Beverages inflation rate amounted to 5.22%, with highest increase in the prices of Fish and seafood at 13.31%. Followed by, Fruits prices by 8.68% and Food Products n.e.c prices by 8.05%. As illustrated in table (2) and chart (2).

Table 2 | Inflation Rate for Food and Non-Alcoholic Beverages group 2009 - 2011

Expenditure groups	Weight	2007 = 100		
		2009	2010	2011
<b>Food and non-alcoholic beverages</b>	<b>11.08</b>	<b>2.15</b>	<b>1.90</b>	<b>5.22</b>
Bread and cereals	1.45	4.27	(0.70)	0.97
Meat	2.10	4.24	1.28	6.18
Fish and seafood	1.20	6.13	(5.93)	13.31
Milk, cheese, and eggs	1.27	(4.14)	(0.18)	0.15
Oils and fats	0.39	0.55	(3.90)	5.04
Fruits	1.32	2.73	8.20	8.68
Vegetables	1.25	(2.14)	11.77	0.76
Sugar, jam, honey, chocolate, and confectionery	0.58	0.80	3.95	6.83
Food products n.e.c.	0.32	7.16	7.76	8.05
Tea, coffee, cacao	0.30	8.95	0.42	1.83
Mineral waters, soft drinks, fruits and vegetables juices	0.90	(1.32)	(0.24)	5.73

Chart 2 | Inflation Rate for Food and Non-Alcoholic Beverages group 2009 – 2011



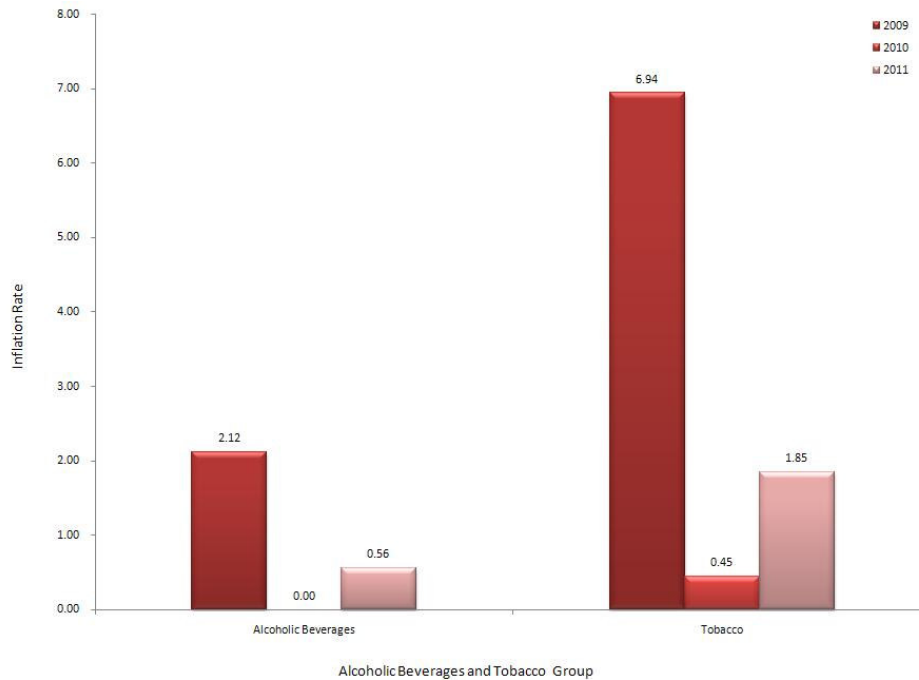
### Alcoholic Beverages and Tobacco

Alcoholic Beverages and Tobacco group inflation rate reached 1.51%, due to the increase in prices of Tobacco by 1.85%, and prices of Alcoholic Beverages by 0.56%. As illustrated in table (3) and chart (3).

Table 3 | Inflation Rate for Alcoholic Beverages and Tobacco group 2009 - 2011

2007 = 100				
Expenditure groups	Weight	2009	2010	2011
<b>Alcoholic Beverages and Tobacco</b>	<b>0.24</b>	<b>5.61</b>	<b>0.33</b>	<b>1.51</b>
Alcoholic Beverages	0.06	2.12	-	0.56
Tobacco	0.18	6.94	0.45	1.85

Chart 3 | Inflation Rate for Alcoholic Beverages and Tobacco group 2009 – 2011



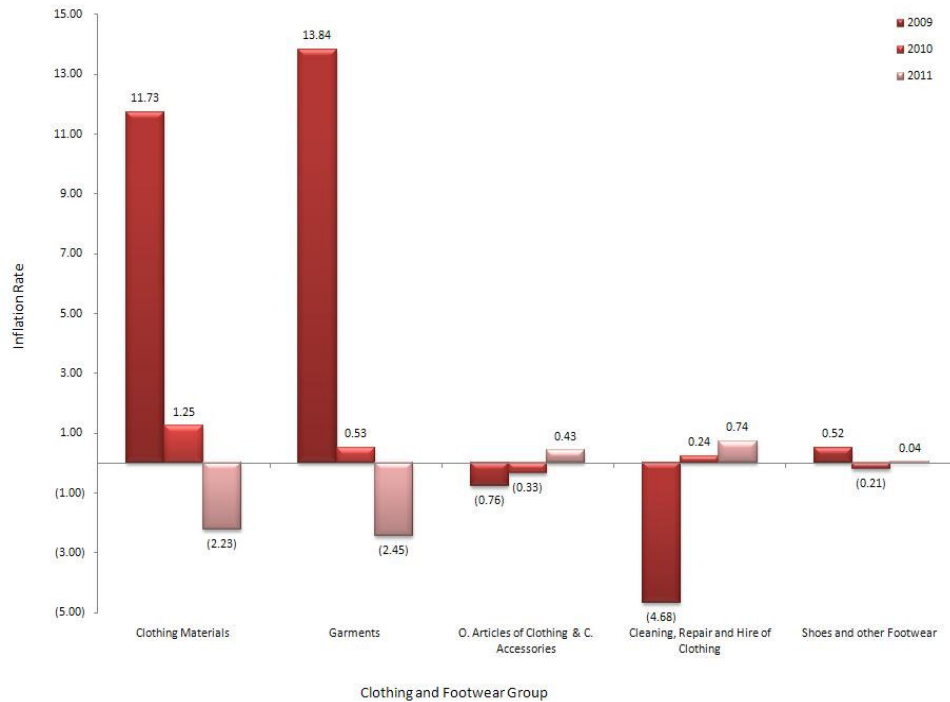
## Clothing and Footwear

Clothing and Footwear group inflation rate decreased by 1.81%. Garments obtained the highest decrease in inflation rate at 2.45%, followed by Clothing Materials at 2.23%. As illustrated in table (4) and chart (4).

Table 4 | Inflation Rate for Clothing and Footwear group 2009 - 2011

Expenditure groups	Weight	2007 = 100		
		2009	2010	2011
<b>Clothing and Footwear</b>	<b>5.52</b>	<b>9.86</b>	<b>0.44</b>	<b>(1.81)</b>
Clothing Materials	0.34	11.73	1.25	(2.23)
Garments	3.77	13.84	0.53	(2.45)
Other Articles of Clothing and Clothing Accessories	0.06	(0.76)	(0.33)	0.43
Cleaning, Repair and Hire of Clothing	0.39	(4.68)	0.24	0.74
Shoes and other Footwear	0.96	0.52	(0.21)	0.04

Chart 4 | Inflation Rate for Clothing and Footwear group 2009 - 2011



## Housing, Water, Electricity, Gas, and other Fuels

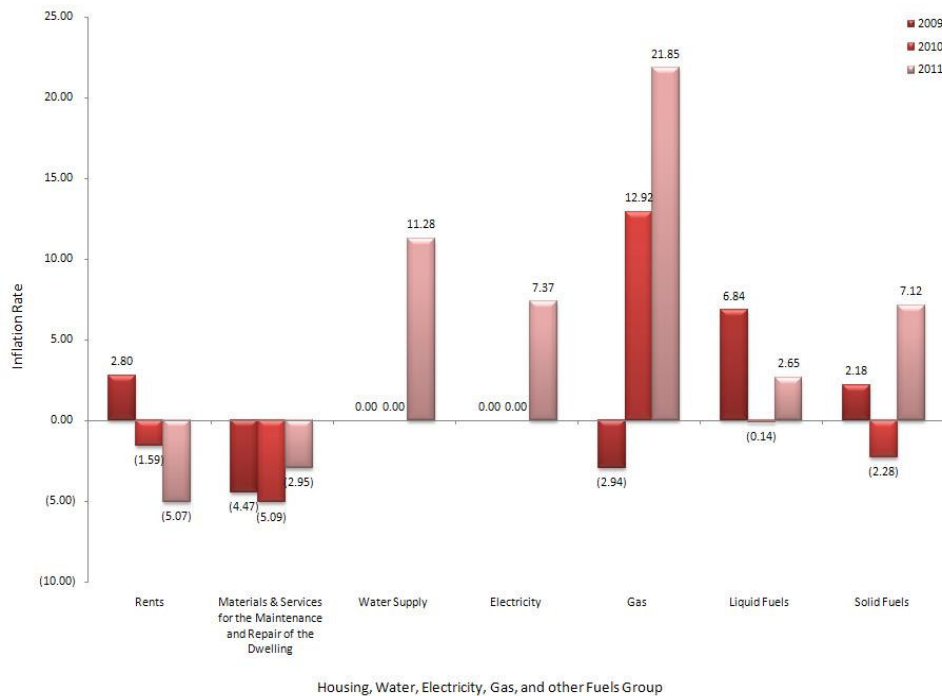
Housing, Water, Electricity, Gas, and other Fuels group inflation rate decreased to 3.30%, due to the declined in the prices of Rents by 5.07%, followed by Materials & Services for the Maintenance and Repair of the Dwelling by 2.95%. While prices of Gas increased by 21.85%. As illustrated in table (5) and chart (5).

Table 5 | Inflation Rate for Housing, Water, Electricity, Gas, and other Fuels group 2009 - 2011

Expenditure groups	Weight	2009	2010	2011
<b>Housing, Water, Electricity, Gas, and other Fuels</b>	<b>43.70</b>	<b>2.41</b>	<b>(1.25)</b>	<b>(3.30)</b>
Rents	38.33	2.80	(1.59)	(5.07)
Materials & Services for the Maintenance and Repair of the Dwelling	0.22	(4.47)	(5.09)	(2.95)
Water Supply	1.41	-	-	11.28
Electricity	3.19	-	-	7.37
Gas	0.51	(2.94)	12.92	21.85
Liquid Fuels	0.02	6.84	(0.14)	2.65
Solid Fuels	0.02	2.18	(2.28)	7.12

2007 = 100

Chart 5 | Inflation Rate for Housing, Water, Electricity, Gas, and other Fuels group 2009 - 2011



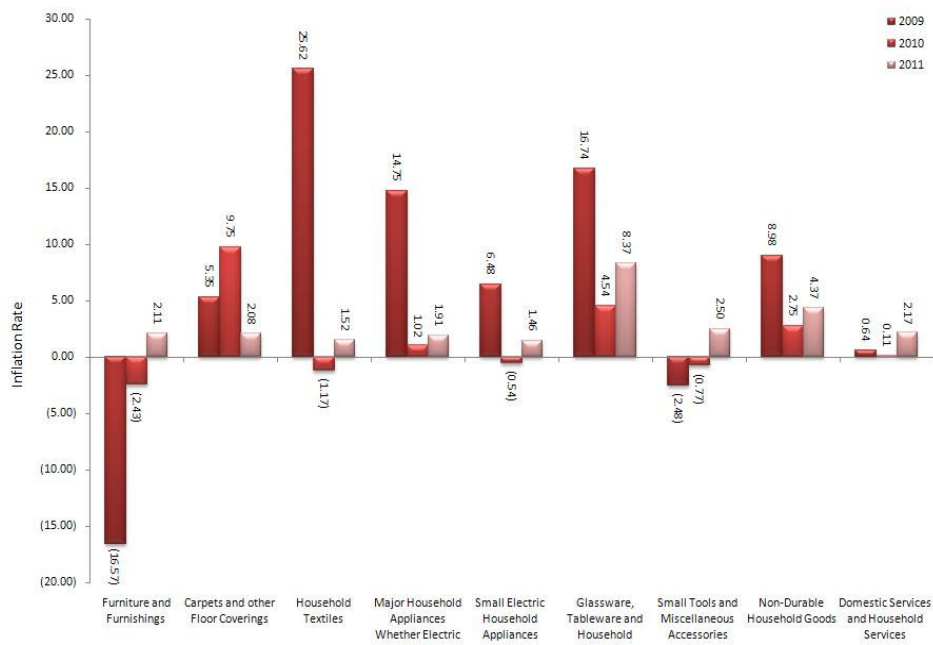
## Furnishings, Household Equipment and Routine Household Maintenance

Furnishings, Household Equipment and Routine Household Maintenance group inflation rate reached 3.46%, due to increase in Glassware, Tableware and Household Utensils prices by 8.37%, followed by prices of Non-Durable Household Goods by 4.37%, then prices of Small Tools and Miscellaneous Accessories by 2.50%. As illustrated in table (6) and chart (6).

Table 6 | Inflation Rate for Furnishings, Household Equipment and Routine Household Maintenance group 2009-2011

Expenditure groups	Weight	2007 = 100		
		2009	2010	2011
<b>Furnishings, Household Equipment and Routine Household Maintenance</b>	<b>3.34</b>	<b>3.33</b>	<b>1.10</b>	<b>3.46</b>
Furniture and Furnishings	0.37	(16.57)	(2.43)	2.11
Carpets and other Floor Coverings	0.03	5.35	9.75	2.08
Household Textiles	0.07	25.62	(1.17)	1.52
Major Household Appliances Whether Electric or not	0.14	14.75	1.02	1.91
Small Electric Household Appliances	0.01	6.48	(0.54)	1.46
Glassware, Tableware and Household Utensils	0.40	16.74	4.54	8.37
Small Tools and Miscellaneous Accessories	0.04	(2.48)	(0.77)	2.50
Non-Durable Household Goods	0.61	8.98	2.75	4.37
Domestic Services and Household Services	1.67	0.64	0.11	2.17

Chart 6 | Inflation Rate for Furnishings, Household Equipment and Routine Household Maintenance group 2009 – 2011



Furnishings, Household Equipment and Routine Household Maintenance Group

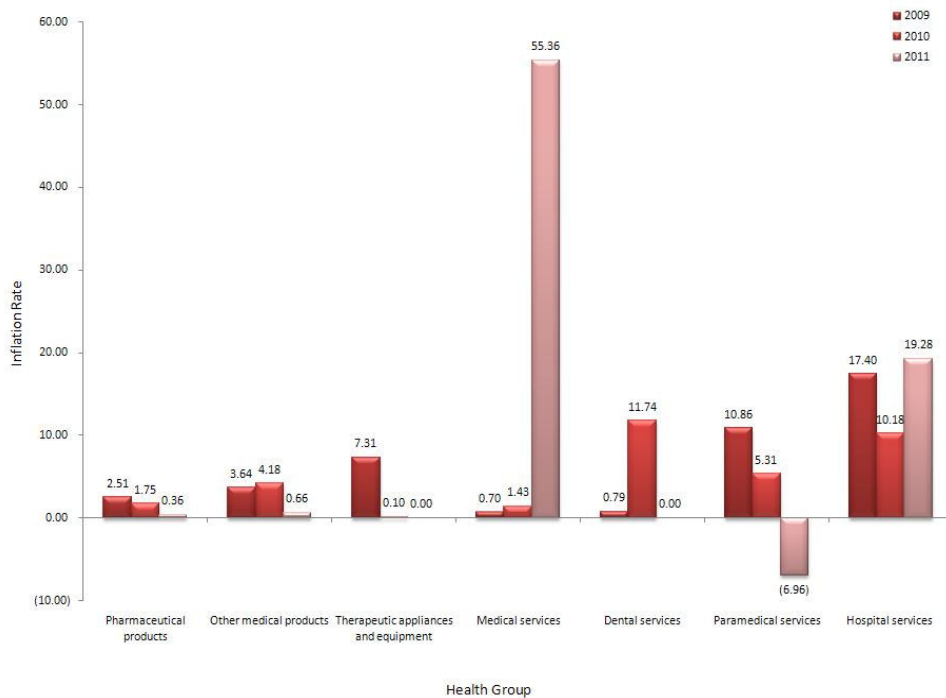
## Health

Health group inflation rate amounted to 3.35%, due to the raise in the prices of Medical Services by 55.36%, followed by prices of Hospital Services 19.28%, and Other medical products prices by 0.66%. As illustrated in table (7) and chart (7).

Table 7 | Inflation Rate for health group 2009 - 2011

Expenditure groups	Weight	2009	2010	2011
<b>Health</b>	<b>1.08</b>	<b>5.31</b>	<b>3.43</b>	<b>3.35</b>
Pharmaceutical products	0.73	2.51	1.75	0.36
Other medical products	0.04	3.64	4.18	0.66
Therapeutic appliances and equipment	0.02	7.31	0.10	-
Medical services	0.04	0.70	1.43	55.36
Dental services	0.02	0.79	11.74	-
Paramedical services	0.15	10.86	5.31	(6.96)
Hospital services	0.08	17.40	10.18	19.28

Chart 7 | Inflation Rate for health group 2009 – 2011



## Transport

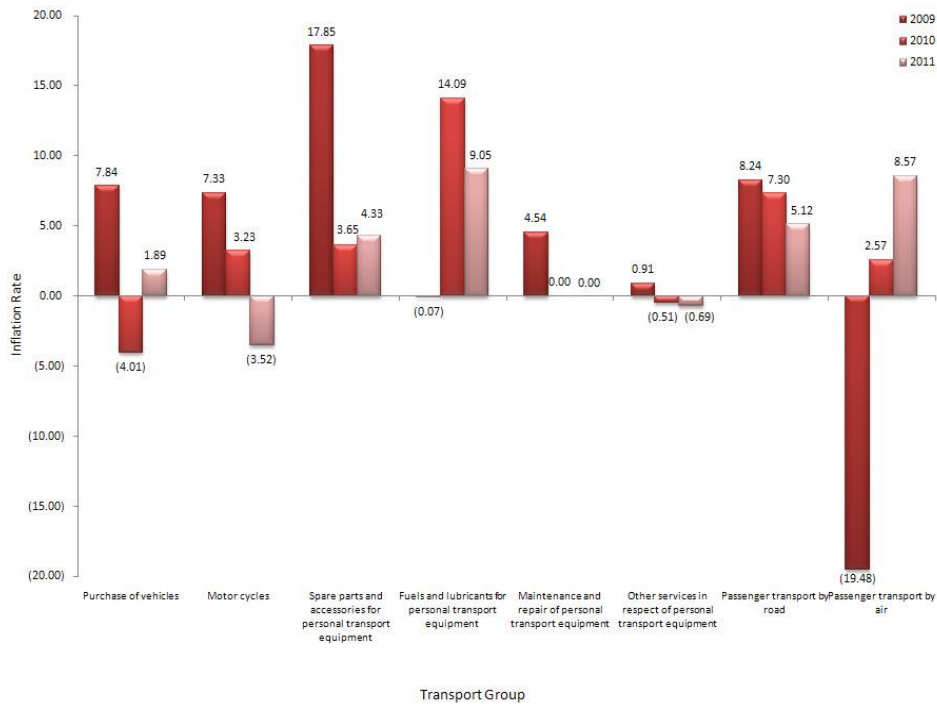
Transport group inflation rate reached 5.43%. As a result of increase in the prices of Fuels and Lubricants for Personal Transport Equipment by 9.05%, followed by prices of Passenger Transport by air by 8.57, and Passenger Transport by road prices increased by 5.12%. As illustrated in table (8) and chart (8).

Table 8 | Inflation Rate for Transport group 2009 - 2011

Expenditure groups	Weight	2009	2010	2011
<b>Transport</b>	<b>9.08</b>	<b>4.36</b>	<b>6.64</b>	<b>5.43</b>
Purchase of vehicles	1.17	7.84	(4.01)	1.89
Motor cycles	0.01	7.33	3.23	(3.52)
Spare parts and accessories for personal transport equipment	1.08	17.85	3.65	4.33
Fuels and lubricants for personal transport equipment	4.47	(0.07)	14.09	9.05
Maintenance and repair of personal transport equipment	1.41	4.54	-	-
Other services in respect of personal transport equipment	0.46	0.91	(0.51)	(0.69)
Passenger transport by road	0.39	8.24	7.30	5.12
Passenger transport by air	0.09	(19.48)	2.57	8.57

2007 = 100

Chart 8 | Inflation Rate for Transport group 2009 - 2011



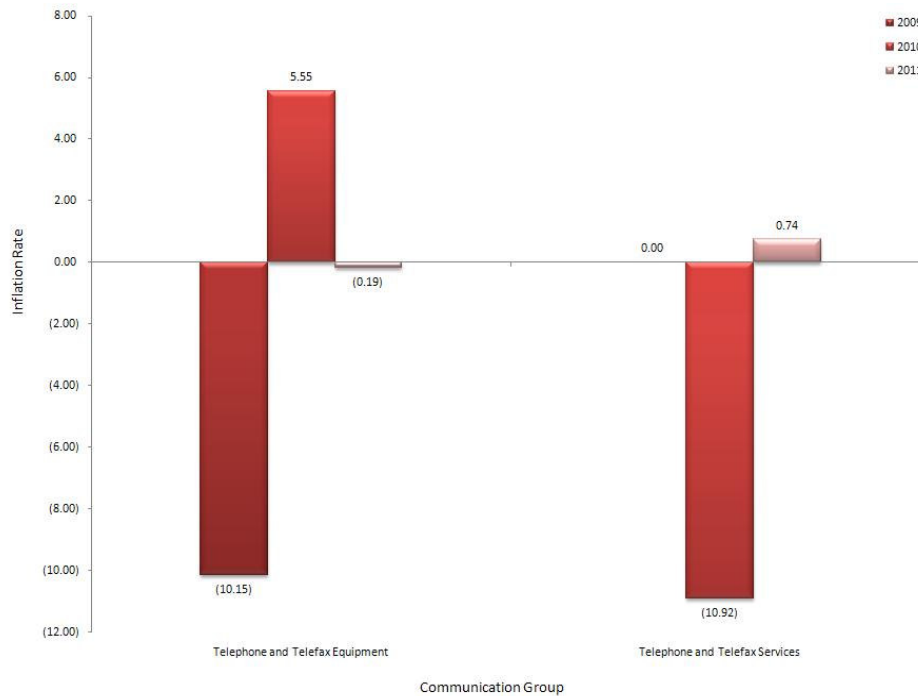
## Communication

Communication group inflation rate increased by 0.71%, due to the increase in Telephone and Telefax Services prices by 0.74%. As illustrated in table (9) and chart (9).

Table 9 | Inflation Rate for communication group 2009 - 2011

Expenditure groups	Weight	2007 = 100		
		2009	2010	2011
<b>Communication</b>	<b>6.00</b>	<b>(0.17)</b>	<b>(10.59)</b>	<b>0.71</b>
Postal services	0.03	-	-	-
Telephone and Telefax Equipment	0.12	(10.15)	5.55	(0.19)
Telephone and Telefax Services	5.85	-	(10.92)	0.74

Chart 9 | Inflation Rate for Communication group 2009 - 2011



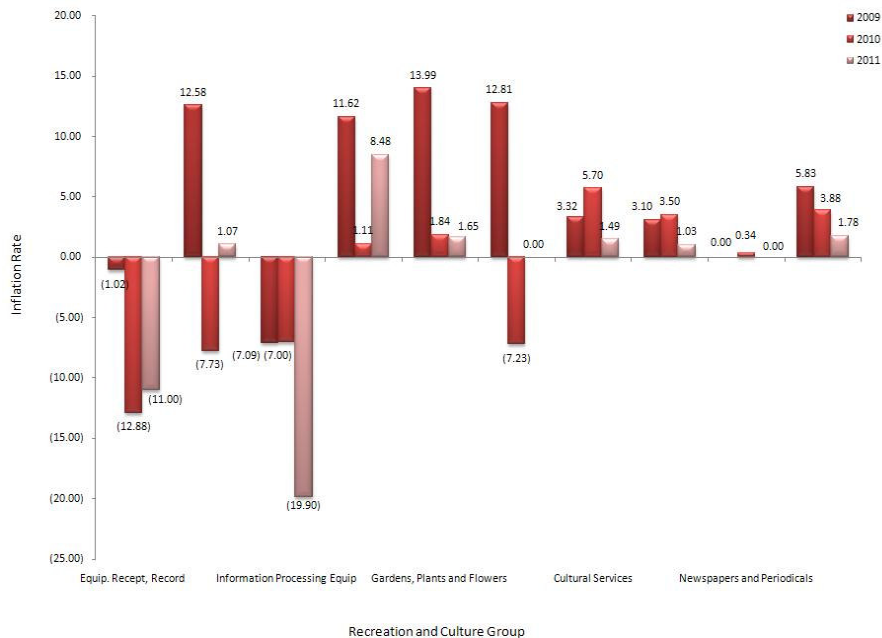
## Recreation and Culture

Recreation and Culture group inflation rate amounted to 0.29%, due to high increase in the price of Toys by 8.48%. Followed by, prices of Stationery and Drawing Materials by 1.78%. Then Gardens, Plants and Flowers prices by 1.65%. As illustrated in table (10) and chart (10).

Table 10 | Inflation Rate for Recreation and Culture group 2009 - 2011

2007 = 100				
Expenditure groups	Weight	2009	2010	2011
<b>Recreation and Culture</b>	<b>4.24</b>	<b>2.55</b>	<b>0.53</b>	<b>0.29</b>
Equipment for the Reception, Recording and Reproduction of Sound and Pictures	0.11	(1.02)	(12.88)	(11.00)
Photographic and Cinematographic Equipment and Optical Instruments	0.05	12.58	(7.73)	1.07
Information Processing Equipment	0.06	(7.09)	(7.00)	(19.90)
Toys	0.16	11.62	1.11	8.48
Gardens, Plants and Flowers	0.08	13.99	1.84	1.65
Recreational and Sporting Services	0.25	12.81	(7.23)	-
Cultural Services	0.61	3.32	5.70	1.49
Books	0.15	3.10	3.50	1.03
Newspapers and Periodicals	2.48	-	0.34	0.00
Stationery and Drawing Materials	0.29	5.83	3.88	1.78

Chart 10 | Inflation Rate for Recreation and Culture group 2009 - 2011



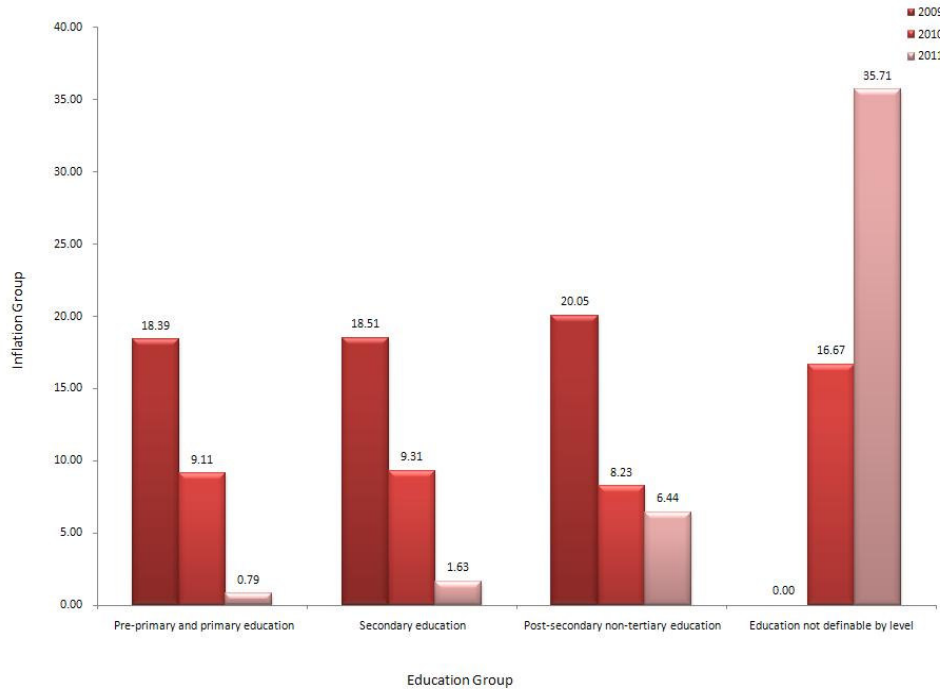
## Education

Education inflation rate has increased by 2.87%, due to an increase by 35.71% in fees of Education not definable by level, followed by an increase in fees of Post-secondary non-tertiary education by 6.44%. and by 1.63% the fees of Secondary education increased. As illustrated in table (11) and chart (11).

Table 11 | Inflation Rate for Education group 2009 - 2011

2007 = 100				
Expenditure groups	Weight	2009	2010	2011
<b>Education</b>	<b>4.09</b>	<b>18.60</b>	<b>9.04</b>	<b>2.87</b>
Pre-primary and primary education	1.61	18.39	10.20	0.79
Secondary education	1.47	18.51	9.85	1.63
Post-secondary non-tertiary education	0.96	20.05	5.71	6.44
Education not definable by level	0.05	-	16.67	35.71

Chart 11 | Inflation Rate for Education group 2009 – 2011



## Restaurants and Hotels

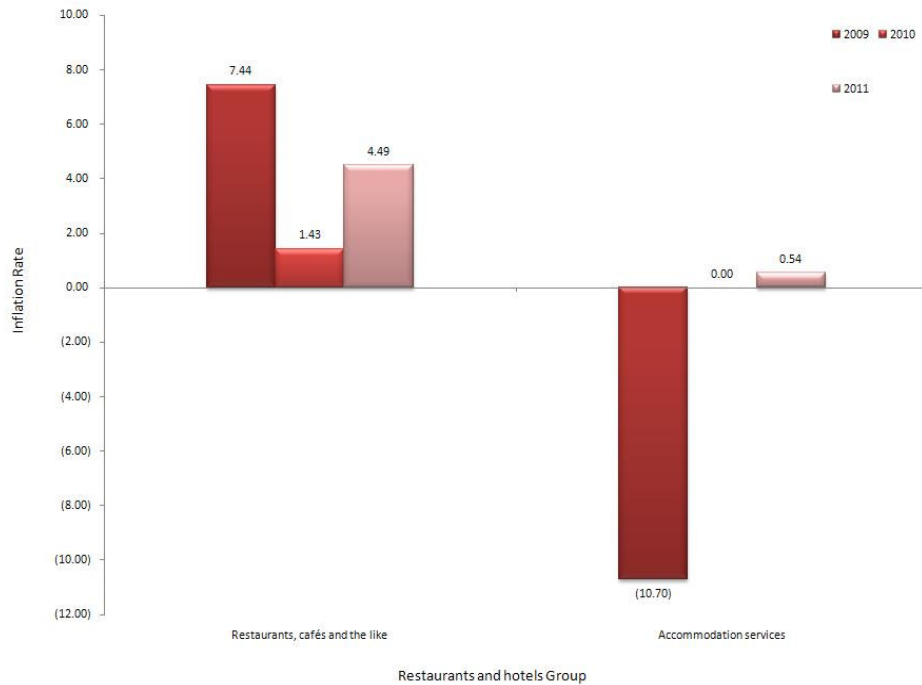
Restaurants and Hotels group inflation rate reached 4.47% due to high increase in prices of Restaurants, Cafes by 4.49%, And prices of Accommodation Services by 0.54%. As illustrated in table (12) and chart (12).

Table 12 | Inflation Rate for Restaurants and Hotels group 2009 - 2011

Expenditure groups	Weight	2009	2010	2011
<b>Restaurants and hotels</b>	<b>5.48</b>	<b>7.36</b>	<b>1.43</b>	<b>4.47</b>
Restaurants, cafés and the like	5.45	7.44	1.43	4.49
Accommodation services	0.03	(10.70)	-	0.54

2007 = 100

Chart 12 | Inflation Rate for Restaurants and Hotels group 2009 - 2011



### Miscellaneous Goods and Services

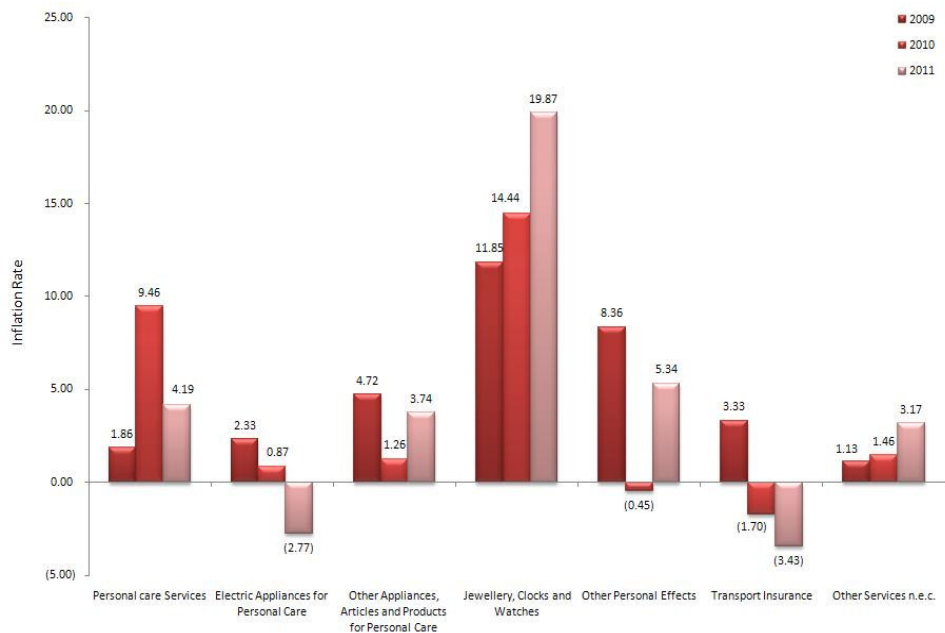
Miscellaneous Goods and Services group reached 2.56%. Due to increase in the prices of Jewellery, Clocks and Watches by 19.87%, Other Personal Effects prices by 5.34%, and prices of Personal Care Services by 4.19%. As illustrated in table (13) and chart (13).

Table 13 | Inflation Rate for Miscellaneous Goods and Services group 2009 - 2011

Expenditure groups	Weight	2009	2010	2011
<b>Miscellaneous Goods and Services</b>	<b>6.15</b>	<b>3.69</b>	<b>2.09</b>	<b>2.56</b>
Personal care Services	0.78	1.86	9.46	4.19
Electric Appliances for Personal Care	0.02	2.33	0.87	(2.77)
Other Appliances, Articles and Products for Personal Care	2.34	4.72	1.26	3.74
Jewellery, Clocks and Watches	0.29	11.85	14.44	19.87
Other Personal Effects	0.05	8.36	(0.45)	5.34
Health Insurance	0.41	-	-	0.00
Transport Insurance	1.53	3.33	(1.70)	(3.43)
Other Services n.e.c.	0.73	1.13	1.46	3.17

2007 = 100

Chart 13 | Inflation Rate for Miscellaneous Goods and Services group 2009 – 2011



Miscellaneous Goods and Services Group