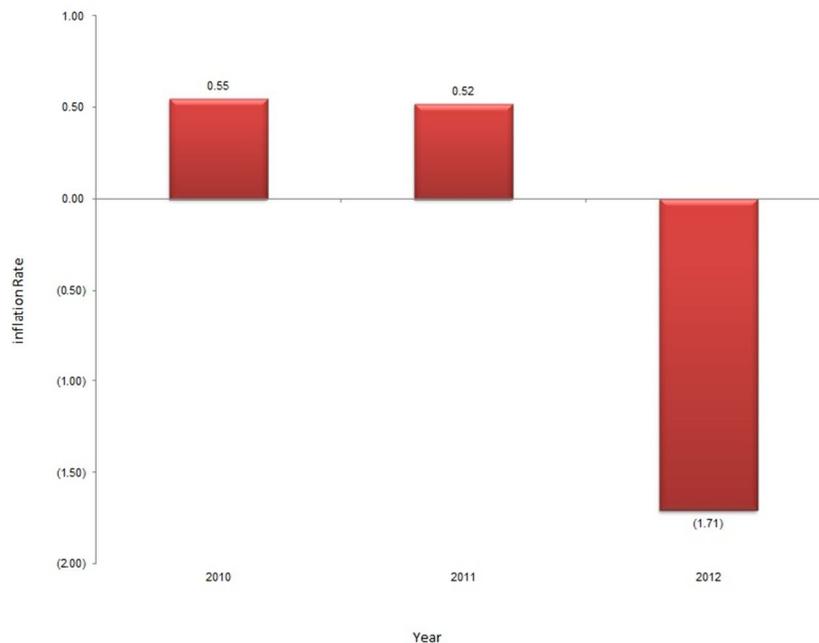


## Inflation and Consumer Price Index Emirate of Dubai 2012

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 increase 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 calculated 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)

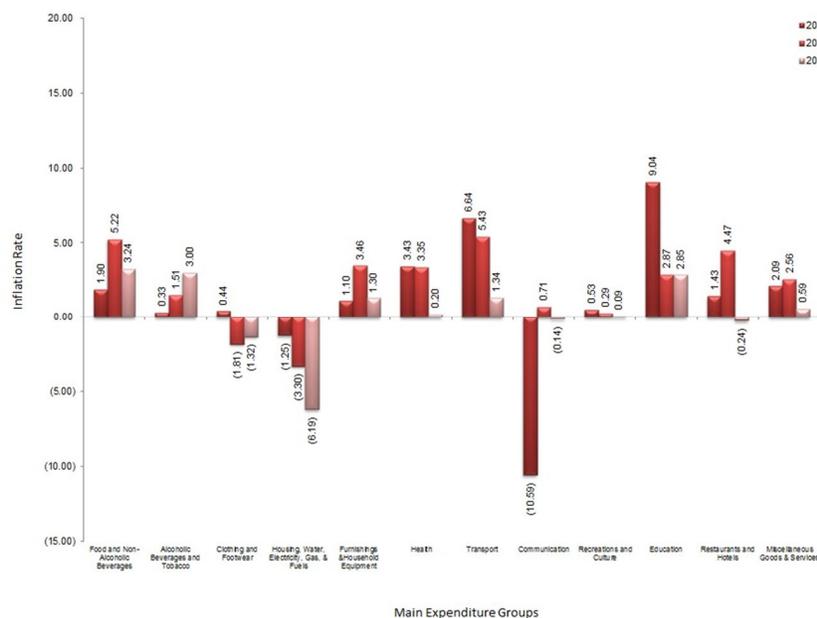
Consumer price index in 2012 records a deflation rate amounted to 1.71% compared to 2011, due to a decrease in the prices of Housing, Water, Electricity, Gas, and other Fuels group by 6.19%, Clothing and Footwear group by 1.32%, Restaurants and Hotels group by 0.24% and Communication group by 0.14%. On the other hand, the inflation rate for Food and Non-Alcoholic Beverages group increased by 3.24%, Alcoholic Beverages and Tobacco group by 3.00%, Education group by 2.85%, Transport group by 1.34%, Furnishings, Household Equipment and Routine Household Maintenance group by 1.30%, Miscellaneous Goods and Services group by 0.59%, Health group by 0.20% and an increase by 0.09% for Recreations and Culture group. As illustrated in table (1) and chart (1).

Table 1 | Inflation Rate for Main Expenditure Groups 2010 - 2012

Expenditure groups	Weight	2010	2011	2012
<b>Inflation (General number)</b>	<b>100.00</b>	<b>0.55</b>	<b>0.52</b>	<b>(1.71)</b>
Food and Non-Alcoholic Beverages	11.08	1.90	5.22	3.24
Alcoholic Beverages and Tobacco	0.24	0.33	1.51	3.00
Clothing and Footwear	5.52	0.44	(1.81)	(1.32)
Housing, Water, Electricity, Gas, and other Fuels	43.70	(1.25)	(3.30)	(6.19)
Furnishings, Household Equipment and Routine Household Maintenance	3.34	1.10	3.46	1.30
Health	1.08	3.43	3.35	0.20
Transport	9.08	6.64	5.43	1.34
Communication	6.00	(10.59)	0.71	(0.14)
Recreations and Culture	4.24	0.53	0.29	0.09
Education	4.09	9.04	2.87	2.85
Restaurants and Hotels	5.48	1.43	4.47	(0.24)
Miscellaneous Goods and Services	6.15	2.09	2.56	0.59

2007 = 100

Chart 1 | Inflation Rate for Main Expenditure Groups 2010 - 2012



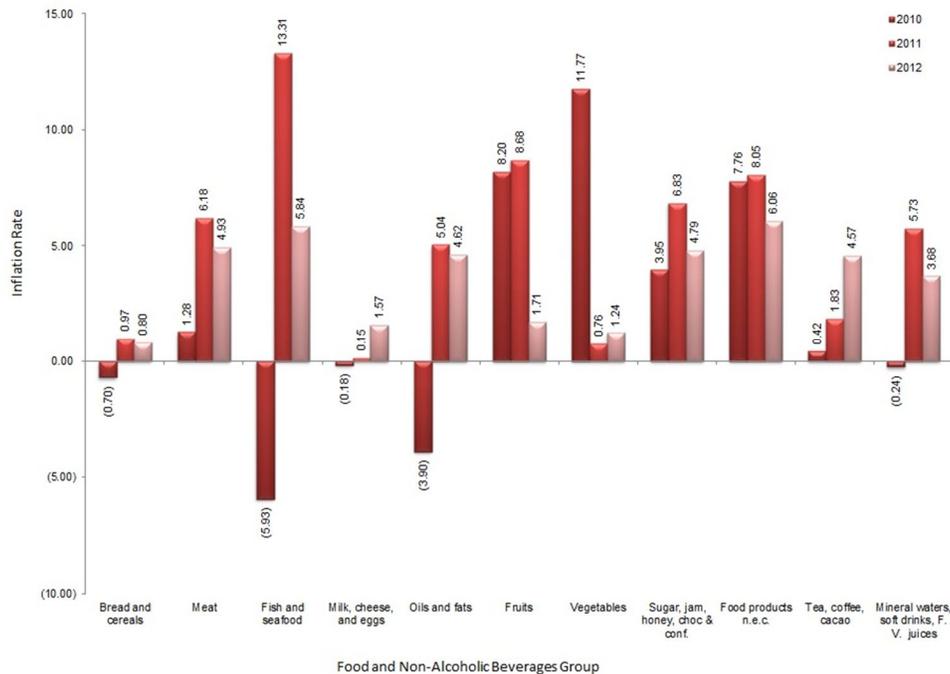
## Food and Non-Alcoholic Beverages

Food and Non-Alcoholic Beverages group inflation rate amounted to 3.24%, with highest increase in the prices of Food Products n.e.c by 6.06%, followed by an increase in the prices of Fish and seafood by 5.84%, then an increase by 4.93% in the prices of Meat. As illustrated in table (2) and chart (2).

Table 2 | Inflation Rate for Food and Non-Alcoholic Beverages group 2010 - 2012

Expenditure groups	Weight	2007 = 100		
		2010	2011	2012
<b>Food and non-alcoholic beverages</b>	<b>11.08</b>	<b>1.90</b>	<b>5.22</b>	<b>3.24</b>
Bread and cereals	1.45	(0.70)	0.97	0.80
Meat	2.10	1.28	6.18	4.93
Fish and seafood	1.20	(5.93)	13.31	5.84
Milk, cheese and eggs	1.27	(0.18)	0.15	1.57
Oils and fats	0.39	(3.90)	5.04	4.62
Fruits	1.32	8.20	8.68	1.71
Vegetables	1.25	11.77	0.76	1.24
Sugar, jam, honey, chocolate and confectionery	0.58	3.95	6.83	4.79
Food products n.e.c.	0.32	7.76	8.05	6.06
Tea, coffee and cacao	0.30	0.42	1.83	4.57
Mineral waters, soft drinks, fruits and vegetables juices	0.90	(0.24)	5.73	3.68

Chart 2 | Inflation Rate for Food and Non-Alcoholic Beverages group 2010 – 2012



### Alcoholic Beverages and Tobacco

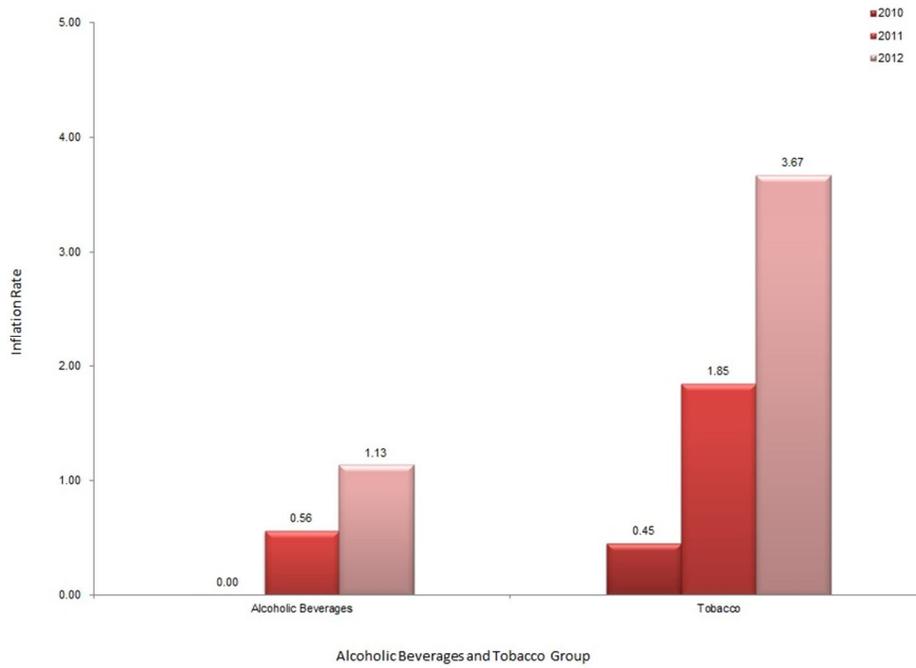
Alcoholic Beverages and Tobacco group inflation rate reached 3.00%, due to an increase in the prices of Tobacco by 3.67% and the prices of Alcoholic Beverages by 1.13%. As illustrated in table (3) and chart (3).

Table 3 | Inflation Rate for Alcoholic Beverages and Tobacco group 2010 - 2012

Expenditure groups	Weight	2010	2011	2012
Alcoholic Beverages and Tobacco	0.24	0.33	1.51	3.00
Alcoholic Beverages	0.06	-	0.56	1.13
Tobacco	0.18	0.45	1.85	3.67

2007 = 100

Chart 3 | Inflation Rate for Alcoholic Beverages and Tobacco group 2010 – 2012



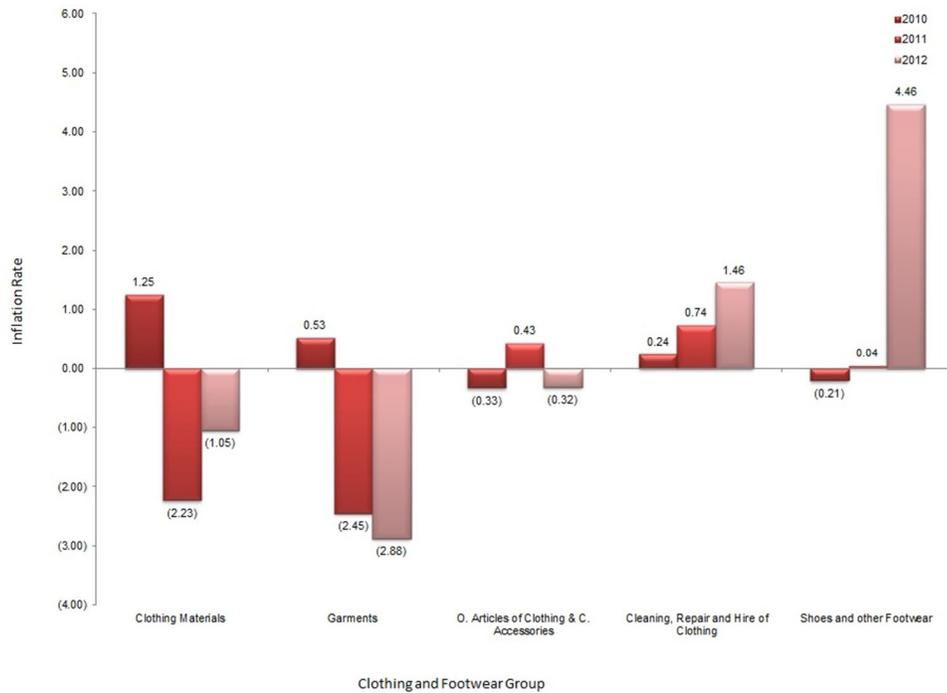
## Clothing and Footwear

Clothing and Footwear group deflation rate reached to 1.32%. Due to a drop in Garments prices with 2.88%, followed by a drop in Clothing Materials prices at 1.05%, then a decrease by 0.32% in the prices of Other Articles of Clothing and Clothing Accessories. As illustrated in table (4) and chart (4).

Table 4 | Inflation Rate for Clothing and Footwear group 2010 - 2012

Expenditure groups	Weight	2010	2011	2012
<b>Clothing and Footwear</b>	<b>5.52</b>	<b>0.44</b>	<b>(1.81)</b>	<b>(1.32)</b>
Clothing Materials	0.34	1.25	(2.23)	(1.05)
Garments	3.77	0.53	(2.45)	(2.88)
Other Articles of Clothing and Clothing Accessories	0.06	(0.33)	0.43	(0.32)
Cleaning, Repair and Hire of Clothing	0.39	0.24	0.74	1.46
Shoes and other Footwear	0.96	(0.21)	0.04	4.46

Chart 4 | Inflation Rate for Clothing and Footwear group 2010 - 2012



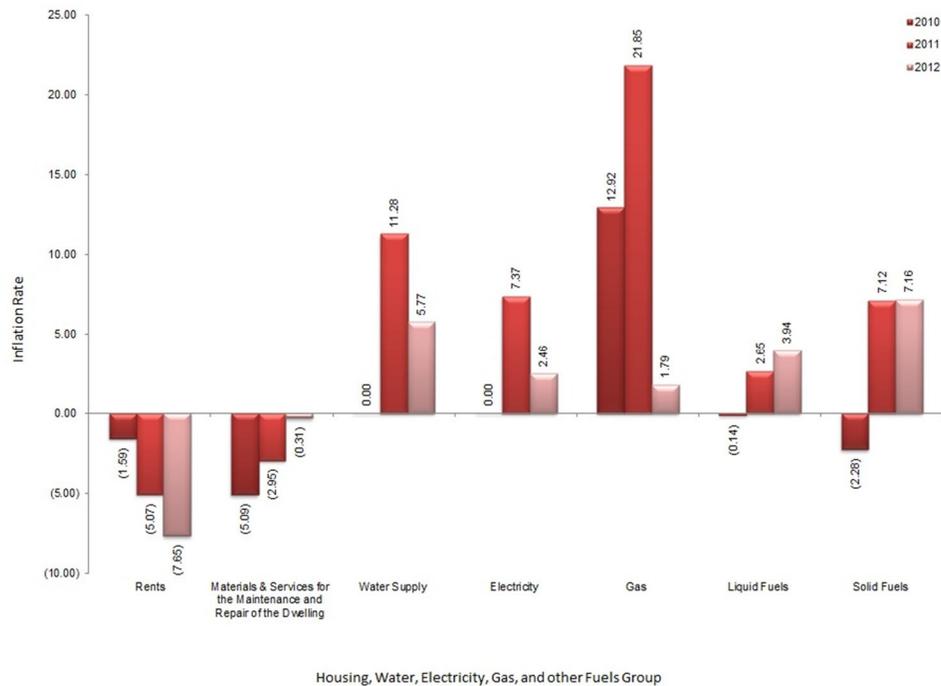
## Housing, Water, Electricity, Gas, and other Fuels

Housing, Water, Electricity, Gas, and other Fuels group deflate to 6.19%, due to the decline in the prices of Rents by 7.65%, followed by a decrease in the prices of Materials & Services for the Maintenance and Repair of the Dwelling by 0.31%. As illustrated in table (5) and chart (5).

Table 5 | Inflation Rate for Housing, Water, Electricity, Gas, and other Fuels group 2010 - 2012

2007 = 100				
Expenditure groups	Weight	2010	2011	2012
<b>Housing, Water, Electricity, Gas, and other Fuels</b>	<b>43.70</b>	<b>(1.25)</b>	<b>(3.30)</b>	<b>(6.19)</b>
Rents	38.33	(1.59)	(5.07)	(7.65)
Materials & Services for the Maintenance and Repair of the Dwelling	0.22	(5.09)	(2.95)	(0.31)
Water Supply	1.41	-	11.28	5.77
Electricity	3.19	-	7.37	2.46
Gas	0.51	12.92	21.85	1.79
Liquid Fuels	0.02	(0.14)	2.65	3.94
Solid Fuels	0.02	(2.28)	7.12	7.16

Chart 5 | Inflation Rate for Housing, Water, Electricity, Gas, and other Fuels group 2010 - 2012



## Furnishings, Household Equipment and Routine Household Maintenance

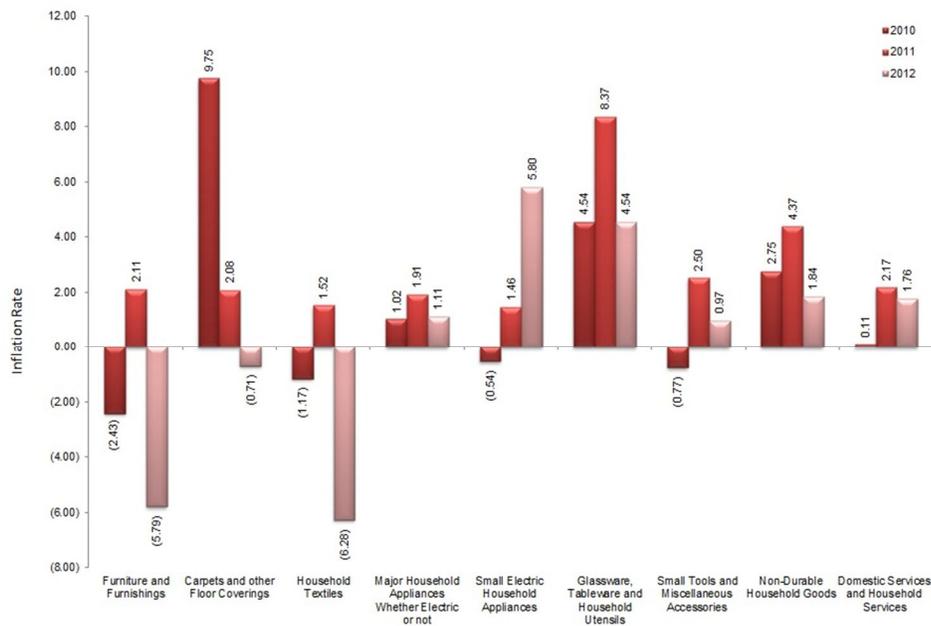
Furnishings, Household Equipment and Routine Household Maintenance group inflation rate reached 1.30%, due to an increase in the prices of Small Electric Household Appliances by 5.80%, followed by prices of Glassware, Tableware and Household Utensils increased by 4.54%, then an increase in the prices of Non-Durable Household Goods by 1.84%. As illustrated in table (6) and chart (6).

Table 6 | Inflation Rate for Furnishings, Household Equipment and Routine Household Maintenance group 2010-2012

Expenditure groups	Weight	2010	2011	2012
<b>Furnishings, Household Equipment and Routine Household Maintenance</b>	<b>3.34</b>	<b>1.10</b>	<b>3.46</b>	<b>1.30</b>
Furniture and Furnishings	0.37	(2.43)	2.11	(5.79)
Carpets and other Floor Coverings	0.03	9.75	2.08	(0.71)
Household Textiles	0.07	(1.17)	1.52	(6.28)
Major Household Appliances Whether Electric or not	0.14	1.02	1.91	1.11
Small Electric Household Appliances	0.01	(0.54)	1.46	5.80
Glassware, Tableware and Household Utensils	0.40	4.54	8.37	4.54
Small Tools and Miscellaneous Accessories	0.04	(0.77)	2.50	0.97
Non-Durable Household Goods	0.61	2.75	4.37	1.84
Domestic Services and Household Services	1.67	0.11	2.17	1.76

2007 = 100

Chart 6 | Inflation Rate for Furnishings, Household Equipment and Routine Household Maintenance group 2010 – 2012



Furnishings, Household Equipment and Routine Household Maintenance Group

## Health

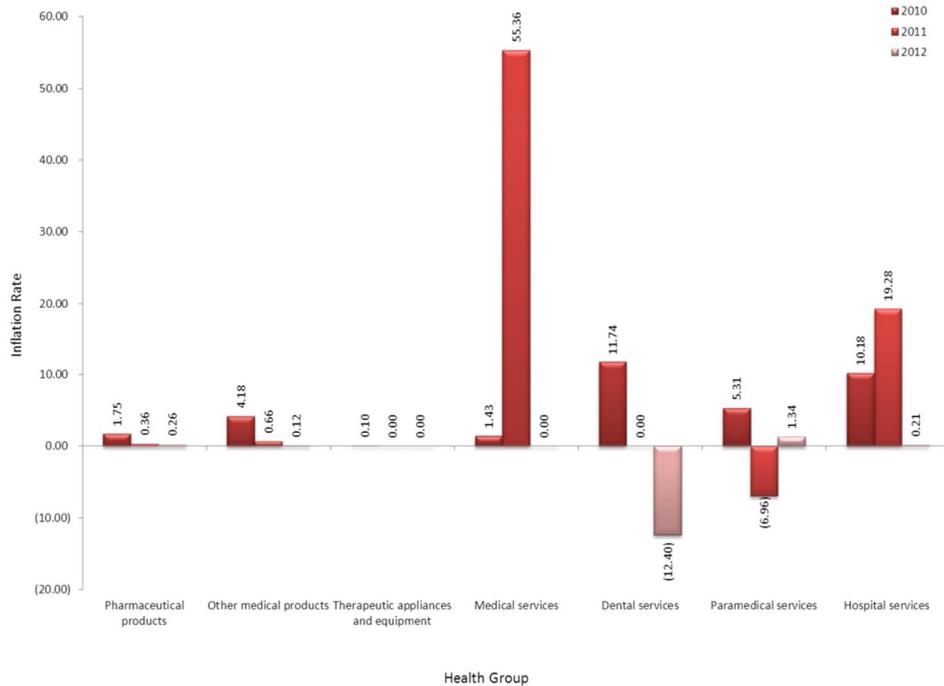
Health group inflation rate amounted to 0.20%, due to the raise in the prices of Paramedical services by 1.34%, followed by prices of Pharmaceutical products increased by 0.26%, then an increase in the Hospital services fee by 0.21%. As illustrated in table (7) and chart (7).

Table 7 | Inflation Rate for Health group 2010 - 2012

Expenditure groups	Weight	2010	2011	2012
<b>Health</b>	<b>1.08</b>	<b>3.43</b>	<b>3.35</b>	<b>0.20</b>
Pharmaceutical products	0.73	1.75	0.36	0.26
Other medical products	0.04	4.18	0.66	0.12
Therapeutic appliances and equipment	0.02	0.10	-	-
Medical services	0.04	1.43	55.36	-
Dental services	0.02	11.74	-	(12.40)
Paramedical services	0.15	5.31	(6.96)	1.34
Hospital services	0.08	10.18	19.28	0.21

2007 = 100

Chart 7 | Inflation Rate for Health group 2010 – 2012



## Transport

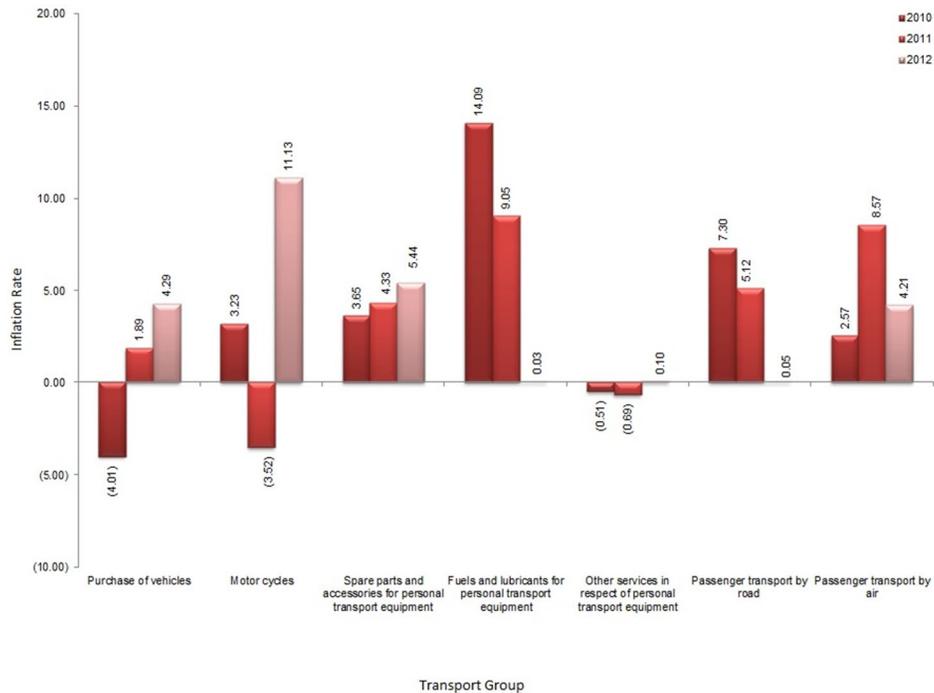
Transport group inflation rate reached 1.34%. As a result of an increase in the prices of Motor cycles by 11.13%, followed by prices of Spare parts and accessories for personal transport equipment increased by 5.44%, then a raise prices of Purchase of vehicles by 4.29%. As illustrated in table (8) and chart (8).

Table 8 | Inflation Rate for Transport group 2010 - 2012

Expenditure groups	Weight	2010	2011	2012
<b>Transport</b>	<b>9.08</b>	<b>6.64</b>	<b>5.43</b>	<b>1.34</b>
Purchase of vehicles	1.17	(4.01)	1.89	4.29
Motor cycles	0.01	3.23	(3.52)	11.13
Spare parts and accessories for personal transport equipment	1.08	3.65	4.33	5.44
Fuels and lubricants for personal transport equipment	4.47	14.09	9.05	0.03
Maintenance and repair of personal transport equipment	1.41	-	-	-
Other services in respect of personal transport equipment	0.46	(0.51)	(0.69)	0.10
Passenger transport by road	0.39	7.30	5.12	0.05
Passenger transport by air	0.09	2.57	8.57	4.21

2007 = 100

Chart 8 | Inflation Rate for Transport group 2010 - 2012



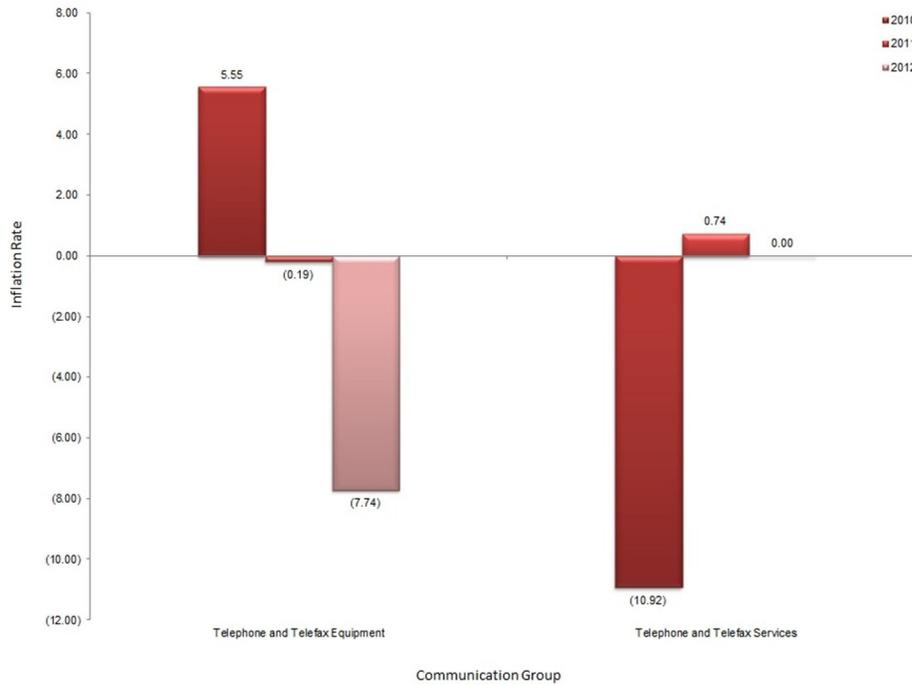
## Communication

Communication group deflation rate amounted to 0.14%, due to the decline in the prices of Telephone and Telefax Equipment by 7.74%. As illustrated in table (9) and chart (9).

Table 9 | Inflation Rate for communication group 2010 - 2012

Expenditure groups	Weight	2007 = 100		
		2010	2011	2012
<b>Communication</b>	<b>6.00</b>	<b>(10.59)</b>	<b>0.71</b>	<b>(0.14)</b>
Postal services	0.03	-	-	-
Telephone and Telefax Equipment	0.12	5.55	(0.19)	(7.74)
Telephone and Telefax Services	5.85	(10.92)	0.74	-

Chart 9 | Inflation Rate for Communication group 2010 - 2012



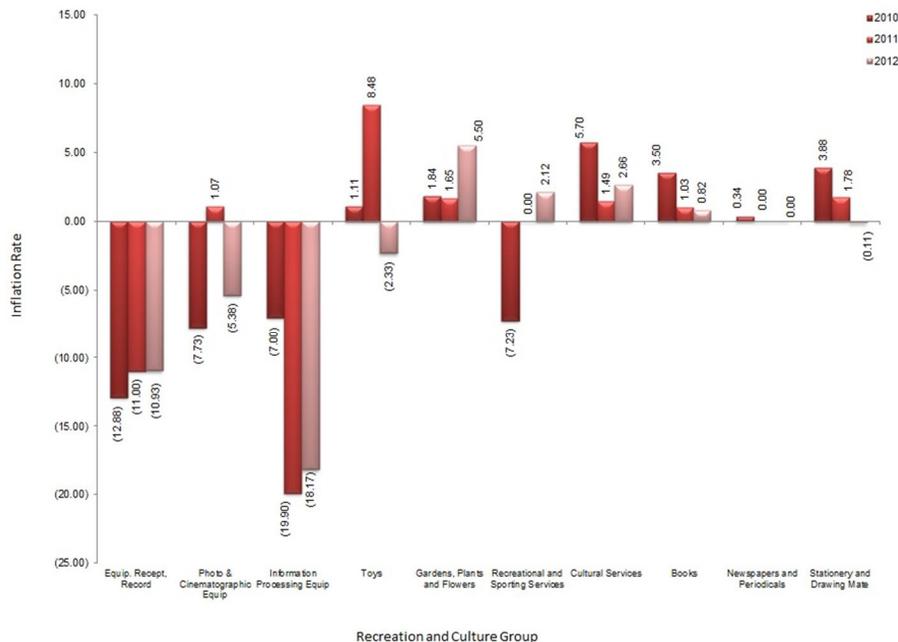
## Recreation and Culture

Recreation and Culture group inflation rate amounted to 0.09%, due to an increase in the prices of Gardens, Plants and Flowers by 5.50%, followed by Cultural Services fees increased by 2.66%, then an increase in the prices of Recreational and Sporting Services by 2.12%. As illustrated in table (10) and chart (10).

Table 10 | Inflation Rate for Recreation and Culture group 2010 - 2012

2007 = 100				
Expenditure groups	Weight	2010	2011	2012
<b>Recreation and Culture</b>	<b>4.24</b>	<b>0.53</b>	<b>0.29</b>	<b>0.09</b>
Equipment for the Reception, Recording and Reproduction of Sound and Pictures	0.11	(12.88)	(11.00)	(10.93)
Photographic and Cinematographic Equipment and Optical Instruments	0.05	(7.73)	1.07	(5.38)
Information Processing Equipment	0.06	(7.00)	(19.90)	(18.17)
Toys	0.16	1.11	8.48	(2.33)
Gardens, Plants and Flowers	0.08	1.84	1.65	5.50
Recreational and Sporting Services	0.25	(7.23)	-	2.12
Cultural Services	0.61	5.70	1.49	2.66
Books	0.15	3.50	1.03	0.82
Newspapers and Periodicals	2.48	0.34	-	-
Stationery and Drawing Materials	0.29	3.88	1.78	(0.11)

Chart 10 | Inflation Rate for Recreation and Culture group 2010 - 2012



## Education

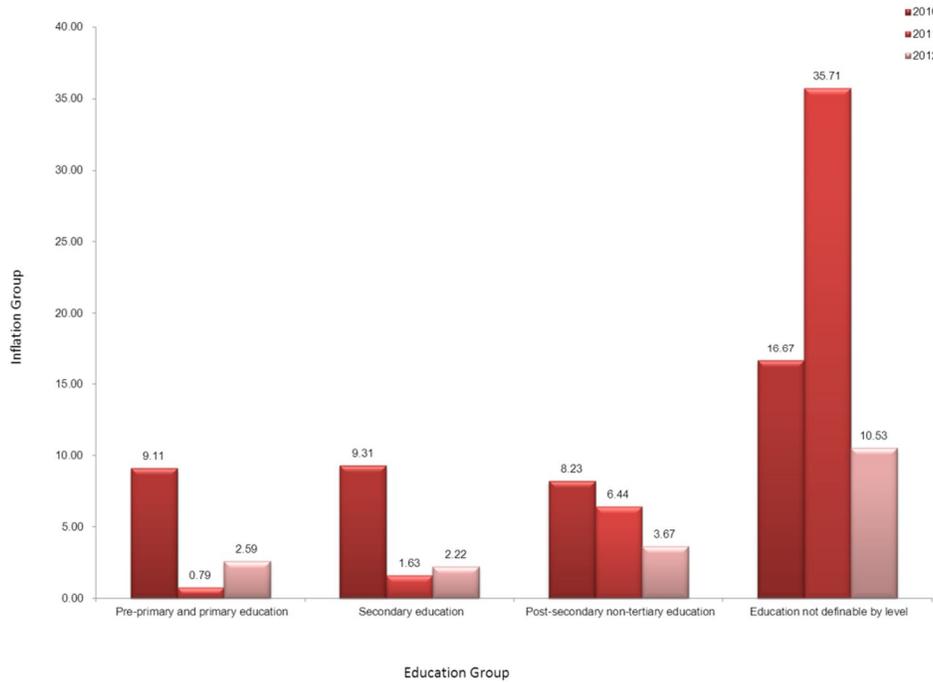
Education inflation rate has increased by 2.85%, due to an increase by 10.53% in fees of Education not definable by level, followed by an increase in fees of Post-secondary non-tertiary education by 3.67% and by 2.59% the fees of Pre-primary and primary education increased. As illustrated in table (11) and chart (11).

Table 11 | Inflation Rate for Education group 2010 - 2012

Expenditure groups	Weight	2010	2011	2012
<b>Education</b>	<b>4.09</b>	<b>9.04</b>	<b>2.87</b>	<b>2.85</b>
Pre-primary and primary education	1.61	9.11	0.79	2.59
Secondary education	1.47	9.31	1.63	2.22
Post-secondary non-tertiary education	0.96	8.23	6.44	3.67
Education not definable by level	0.05	16.67	35.71	10.53

2007 = 100

Chart 11 | Inflation Rate for Education group 2010 – 2012



## Restaurants and Hotels

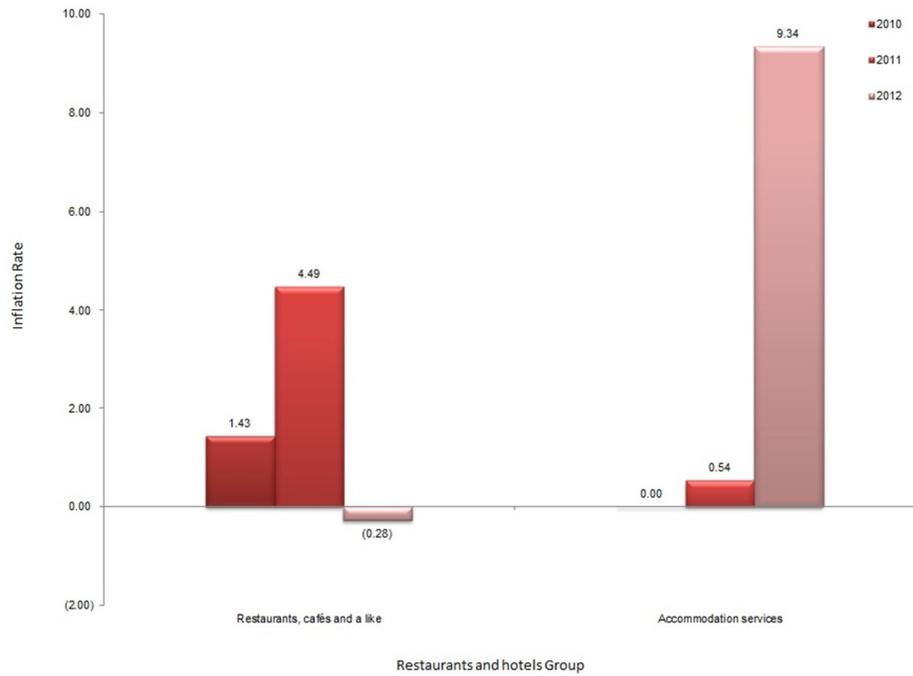
Restaurants and Hotels group records a deflation of 0.24%, due to a decline in the prices of Restaurants, cafés and a like by 0.28%. As illustrated in table (12) and chart (12).

Table 12 | Inflation Rate for Restaurants and Hotels group 2010 - 2012

Expenditure groups	Weight	2010	2011	2012
<b>Restaurants and Hotels</b>	<b>5.48</b>	<b>1.43</b>	<b>4.47</b>	<b>(0.24)</b>
Restaurants, cafés and a like	5.45	1.43	4.49	(0.28)
Accommodation services	0.03	-	0.54	9.34

2007 = 100

Chart 12 | Inflation Rate for Restaurants and Hotels group 2010 - 2012



### Miscellaneous Goods and Services

Miscellaneous Goods and Services group inflation rate reached 0.59%, due to an increase in the prices of Jewellery, Clocks and Watches by 3.87%, followed by Other Appliances, Articles and Products for Personal Care prices increased by 3.70%, then the a raise in the prices of Other Services n.e.c by 3.20%. As illustrated in table (13) and chart (13).

Table 13 | Inflation Rate for Miscellaneous Goods and Services group 2010 - 2012

Expenditure groups	Weight	2007 = 100		
		2010	2011	2012
<b>Miscellaneous Goods and Services</b>	<b>6.15</b>	<b>2.09</b>	<b>2.56</b>	<b>0.59</b>
Personal care Services	0.78	9.46	4.19	0.27
Electric Appliances for Personal Care	0.02	0.87	(2.77)	(3.19)
Other Appliances, Articles and Products for Personal Care	2.34	1.26	3.74	3.70
Jewellery, Clocks and Watches	0.29	14.44	19.87	3.87
Other Personal Effects	0.05	(0.45)	5.34	(0.73)
Health Insurance	0.41	-	-	-
Transport Insurance	1.53	(1.70)	(3.43)	(5.78)
Other Services n.e.c.	0.73	1.46	3.17	3.20

Chart 13 | Inflation Rate for Miscellaneous Goods and Services group 2010 – 2012

