Additional material by sections

Espasa A. and Mayo, I., "Forecasting aggregates and disaggregates with common features". WP 11-08. April 2011.

The additional results of this paper reported below are presented following the sections of the paper.

<u>Index</u>

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[1] Notes:
The OCSB and HEGY tests critical values of Rodrigues and Osborn (1997) are used
The ADF critical values of McKinnon (1991) are used.
* indicates the null hypothesis of zero is rejected at the 5% significance level.
** indicates the null hypothesis is rejected at the 1% significance level.

5. Forecasting results for inflation in the US, the EA and the UK

5.1. Forecasting procedures

5.2 Single-equation forecasting models.

5.3. Forecasting exercise

Table W13. Indirect procedures based on intermediate disaggregations considered in the paper. Summary results of FP3 from the two approaches for estimating CSCF

Table W14: RMSE (in percentage terms) of the direct approach FP1 and RMSE ratio for each approach to FP1. The FP3 procedure has been run estimating the CSCF by the fit of $\Delta\tau 2t$. US, year-on-year inflation rate

Table W15: Diebold–Mariano test results based on multivariate loss function for the path forecast between two approaches (Capistrán 2006). The FP3 procedure has been run estimating the CSCF by the fit of $\Delta\tau 2t$. US results.

Table W16: RMSE (in percentage terms) of the direct approach FP1 and RMSE ratio for each approach to FP1. The FP3 procedure has been run estimating the CSCF by the fit of $\Delta\tau 2t$. Euro Area, year-on-year inflation rate.

Table W17: Diebold–Mariano test results based on multivariate loss function for the path forecast between two approaches (Capistrán 2006). The FP3 procedure has been run estimating the CSCF by the fit of $\Delta\tau 2t$. Euro Area results.

Table W18: RMSE (in percentage terms) of the direct approach A1 and RMSE ratio for each approach to A1. The FP3 procedure has been run estimating the CSCF by the fit of $\Delta\tau 2t$. United Kingdom, year-on-year inflation rate.

Table W19: Diebold–Mariano test results based on multivariate loss function for the path forecast between two approaches (Capistrán 2006). The FP3 procedure has been run estimating the CSCF by the fit of $\Delta\tau 2t$. United Kingdom results.

6. Conclusions and proposed extensions.

6.1 Conclusions.

6.2 Proposed extensions.

Details about the disaggregation maps

Table W20. Classification of basic components in US CPI by broad categories.

Table W21. Classification of basic components in EA HICP by broad categories.

Table W22. Classification of basic components in UK HICP by broad categories.

2. Theoretical efficiency, estimation uncertainty and relevant restrictions

In charts W1 to W3 the ones inside the matrix indicate that the corresponding pair is cointegrated in step 1 of Figure 2.

The basic components in red in the upper left corner are the elements of subset N.

The subset N1of Figure 2 in the paper includes the orange and yellow elements of these charts.

The green elements signal subsets with all the elements pairwise cointegrated. After steps 2 to 4 of figure 1 in the paper, the dimensions of these subsets are highly reduced as mentioned in the paper, with most of them with dimension zero.

Summary results.

In the US case, the green elements after steps 2 to 4 collapse to just one subset of dimension 4. The rest of subsets appearing in chart W1 are eliminated in step 2.

In the EA case, all the green subsets are eliminated after step 2.

In the UK case, the green elements after steps 2 to 4 collapse to one subset of dimension two. The rest of subsets are eliminated in step 2.

4

Chart W1. US Binary cointegration test.

5
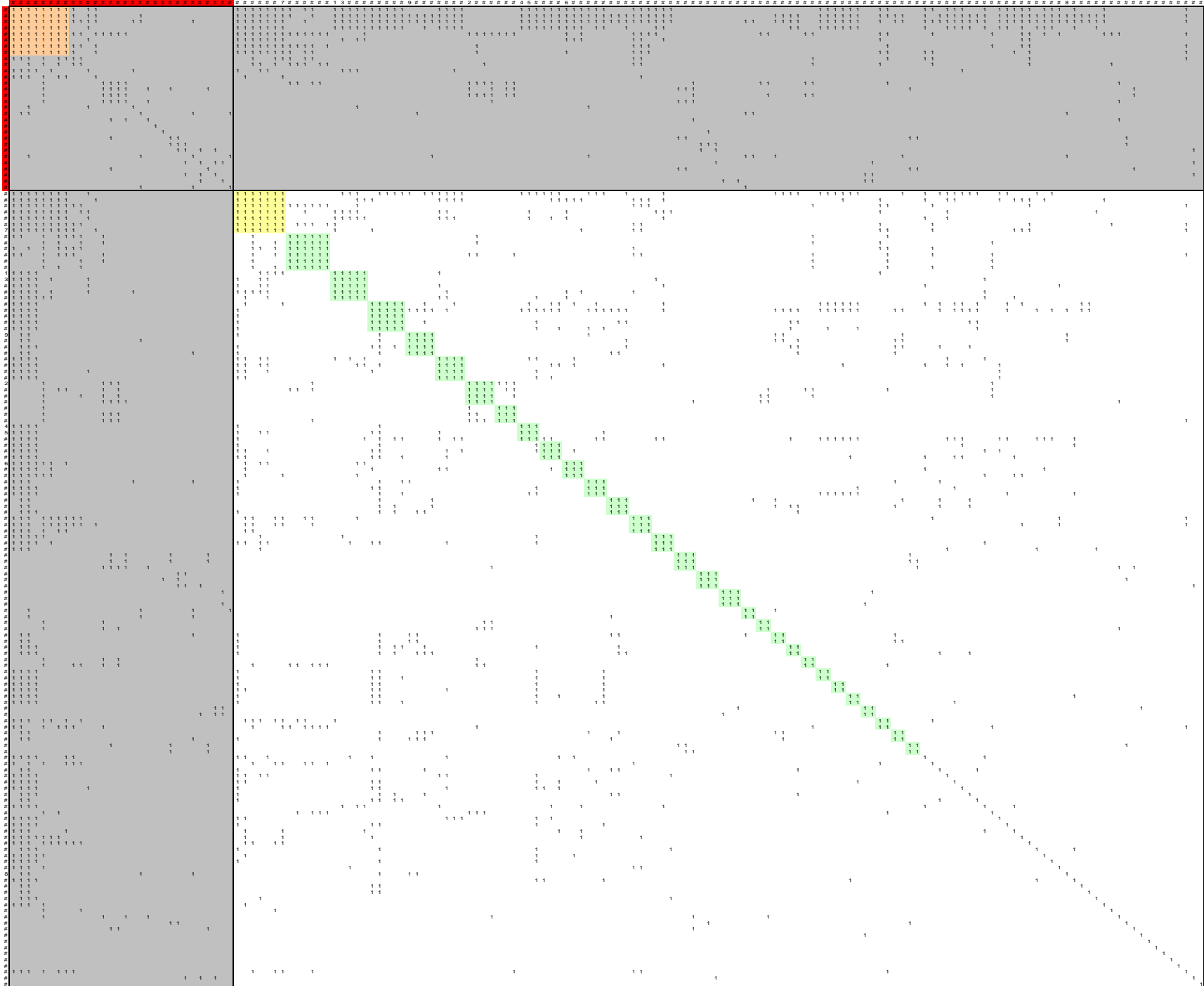
Chart W2. EA Binary cointegration test.

6
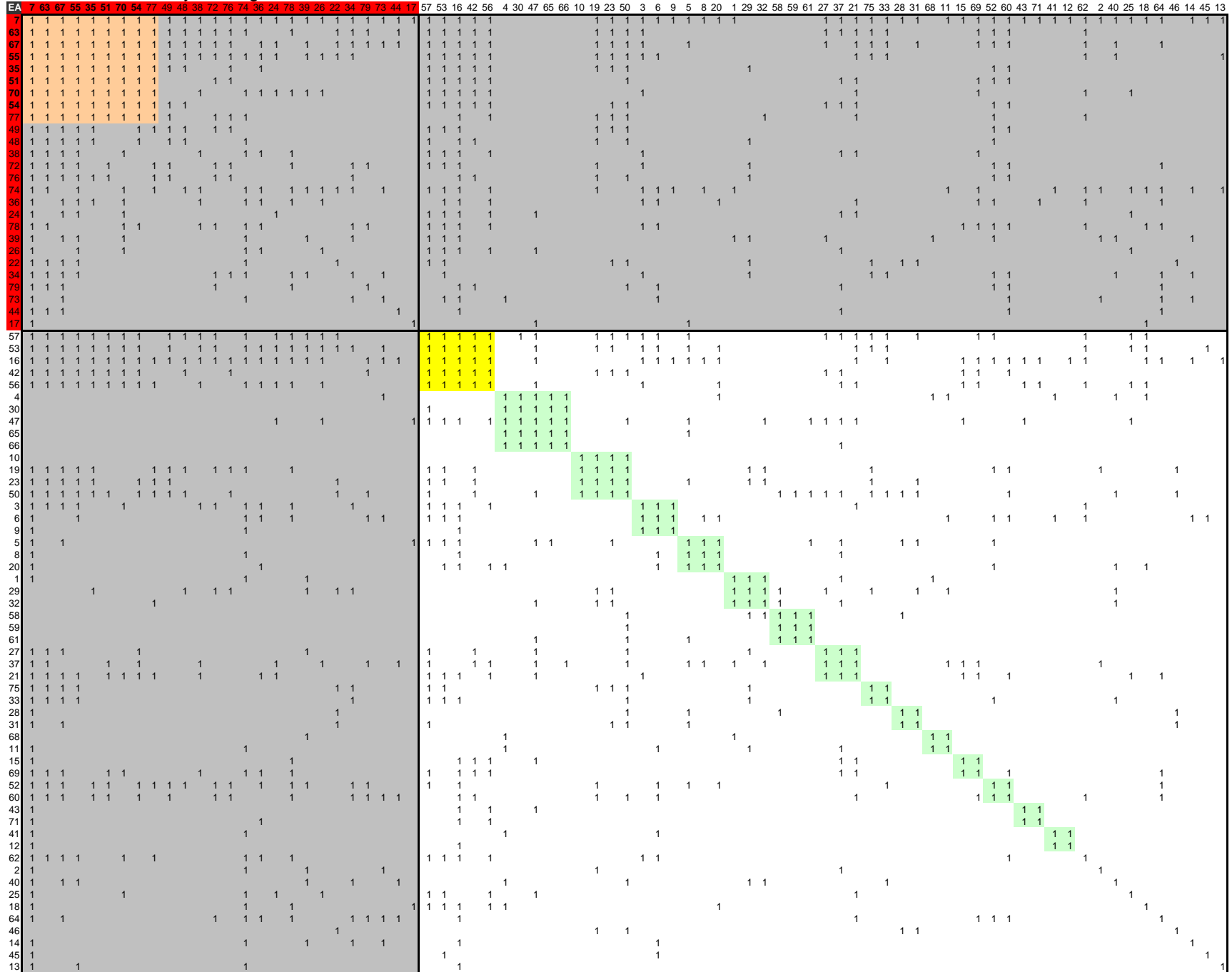
Chart W3. UK Binary cointegration test.
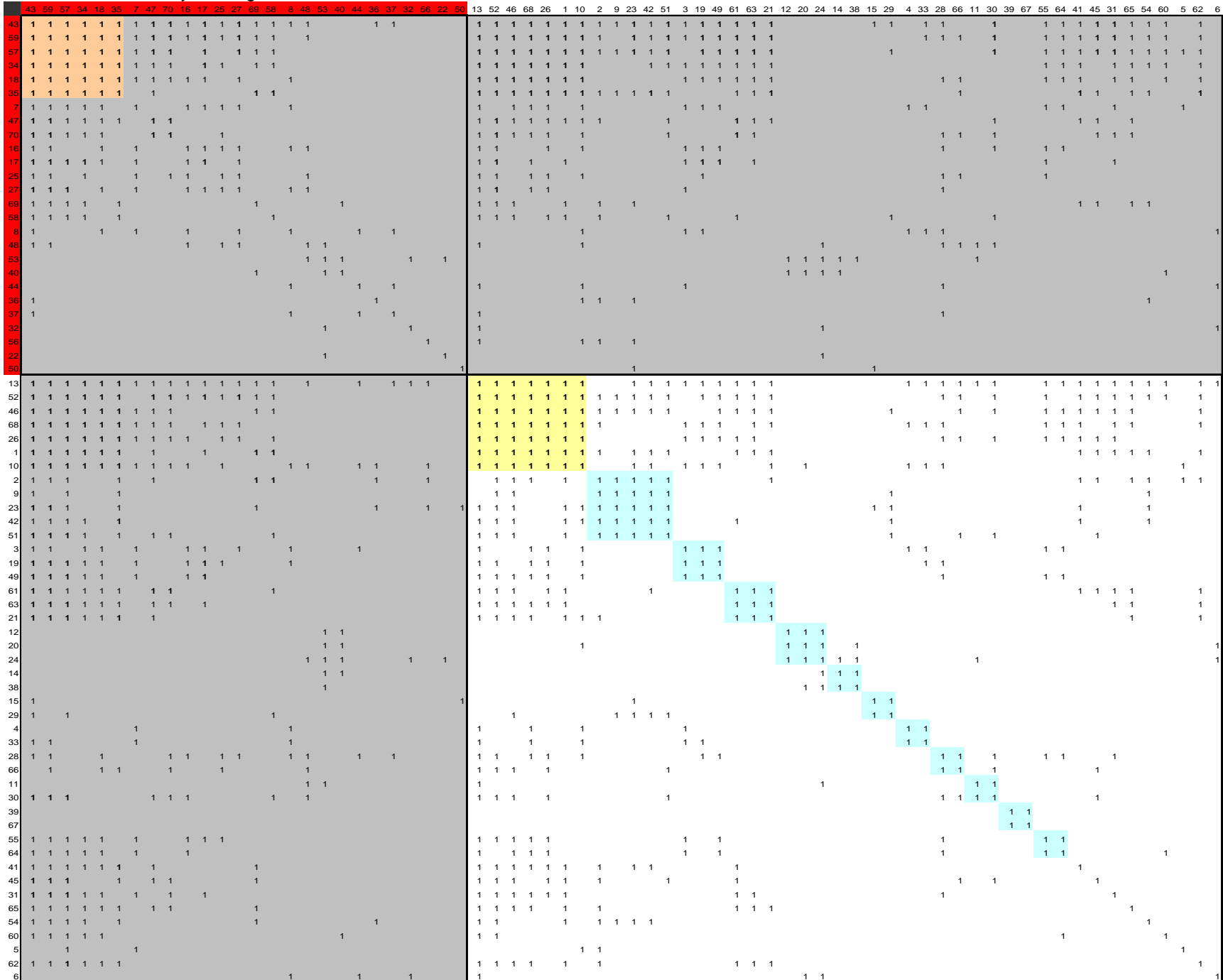
Chart W4. Common features and subsets of basic components in EA HICP*.

N (39.5%) Largest subset of basic components (26) with a common trend

S (22.1%) Largest subset of basic components (23) outside N with a CSCF

Basic components outside N and S (30)

R (38.4%)
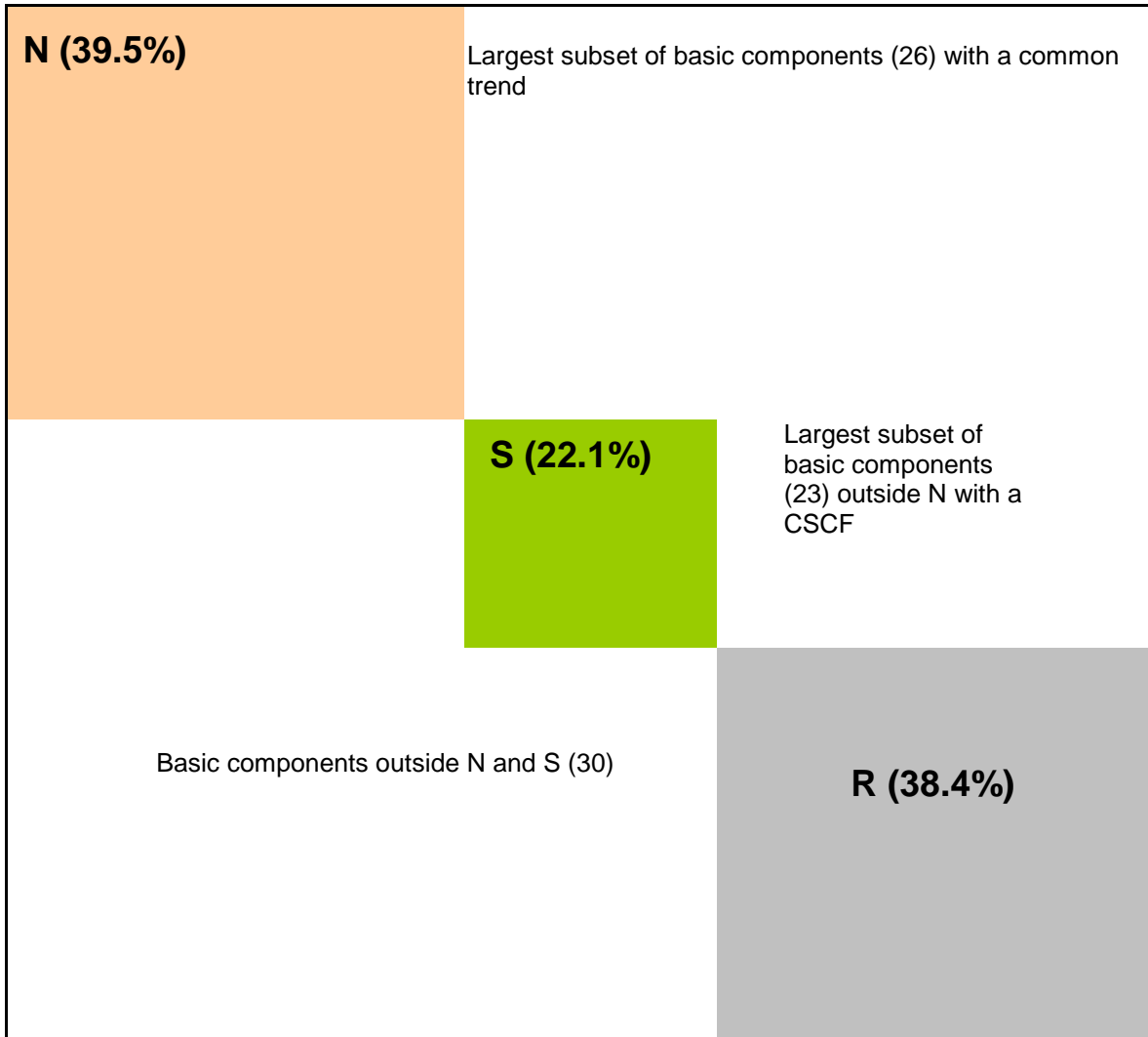
(*) In brackets appears the weight in EA HICP of all the basic components in the corresponding subset.

Chart W5. Common features and subsets of basic components in UK HICP *.

N (39.3%)	Largest subset of basic components (26) with a common trend
S (30.4%)	Largest subset of basic components (19) outside N with a CSCF
Basic components outside N and S (25)	R (30.3%)
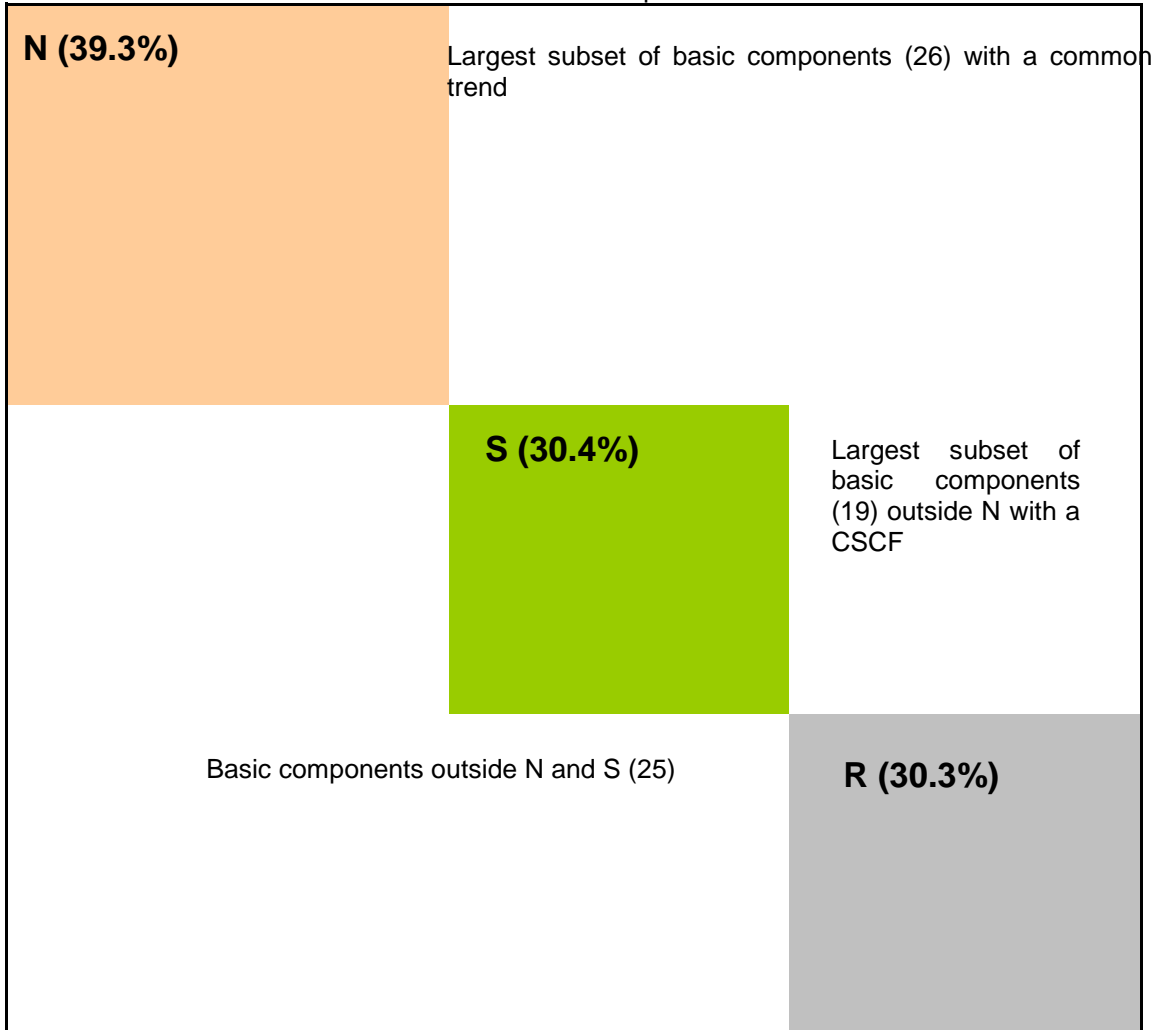
(*) In brackets appears the weight in UK HICP of all the basic components in the corresponding subset.

4. Our procedure

4.2. The final disaggregation maps

Column 7 (F12) in tables W1 to W3 give the statistics for testing the null I(1,1). The column 2 and 4 show the β coefficients, and the columns 3 and 5 show the separate t-type statistic for β1=0 and for β2=0. OSCB uses these two statistics to distinguish the two possible alternatives hypothesis, I(1,0) and I(0,1).

'*' indicates the corresponding null hypothesis is rejected at the 5% significance level and '**' indicates that it is rejected at the 1% significance level.

Table W1. OCBS test for prices of US CPI.

	β_1			β_2			F_{12}		Lags
1	0.02	0.77		-1.11	-10.82	*	63.86	**	1
2	0.01	0.34		-1.16	-10.62	*	67.29	**	2
3	0.06	3.56		-1.15	-10.96	*	61.38	**	0
4	0.06	2.64		-1.25	-12.25	*	83.22	**	3
5	0.04	1.62		-0.89	-7.71	*	31.77	**	2
6	0.10	5.18		-1.16	-10.79	*	58.52	**	1
7	0.06	2.17		-1.07	-10.87	*	60.71	**	1
8	0.05	2.67		-1.22	-12.05	*	78.18	**	1
9	0.03	1.30		-1.24	-12.10	*	78.48	**	0
10	0.02	0.86		-1.15	-11.27	*	73.15	**	1
11	0.03	1.35		-1.13	-10.96	*	63.82	**	0
12	0.02	0.90		-1.13	-10.88	*	62.26	**	0
13	0.03	0.64		-1.31	-13.30	*	95.29	**	1
14	-0.02	-0.61		-0.91	-9.41	*	48.20	**	1
15	0.02	0.57		-1.26	-13.17	*	92.59	**	0
16	0.06	1.84		-0.97	-9.50	*	45.51	**	2
17	0.05	1.81		-1.13	-11.10	*	66.28	**	2
18	0.07	1.43		-1.10	-12.02	*	78.84	**	4
19	0.03	0.89		-1.03	-9.04	*	48.23	**	1
20	0.04	1.58		-1.28	-12.62	*	84.97	**	1
21	-0.02	-0.98		-1.12	-11.96	*	90.83	**	2
22	-0.02	-0.62		-1.06	-11.74	*	86.83	**	2
23	0.04	1.64		-1.19	-11.32	*	65.93	**	2
24	0.00	0.04		-0.91	-8.51	*	42.58	**	2
25	0.00	-0.07		-1.07	-11.54	*	74.54	**	2
26	0.00	-0.02		-1.03	-10.29	*	58.64	**	1
27	0.01	0.16		-1.00	-10.02	*	54.47	**	0
28	0.02	0.73		-0.99	-10.52	*	57.85	**	2
29	-0.07	-1.50		-1.02	-10.91	*	76.39	**	0
30	0.01	0.52		-1.20	-12.14	*	75.73	**	2
31	-0.20	-3.79	**	-1.05	-11.12	*	87.17	**	0
32	-0.12	-2.26		-1.13	-12.30	*	100.33	**	1
33	-0.04	-0.97		-1.04	-9.77	*	60.16	**	3
34	0.11	4.16		-1.28	-11.63	*	71.67	**	2
35	0.07	2.69		-1.15	-11.44	*	68.29	**	2
36	0.05	1.67		-0.91	-8.19	*	41.13	**	5
37	0.10	2.35		-1.20	-10.59	*	61.94	**	5
38	0.03	1.31		-0.97	-9.69	*	49.70	**	1
39	0.06	1.59		-1.04	-11.65	*	72.34	**	2
40	0.07	3.47		-1.33	-13.31	*	90.02	**	1
41	0.06	1.38		-0.81	-6.93	*	26.28	**	4
42	0.09	3.14		-1.07	-10.27	*	52.74	**	3
43	0.13	4.32		-1.08	-10.54	*	55.60	**	2
44	0.09	3.19		-1.17	-11.54	*	67.63	**	1
45	0.03	1.58		-1.19	-11.77	*	72.47	**	0
46	0.03	0.70		-1.12	-11.49	*	77.43	**	2
47	0.03	1.54		-1.21	-11.65	*	81.53	**	1
48	-0.04	-1.01		-0.88	-8.25	*	40.57	**	0
49	0.02	0.63		-0.97	-8.91	*	42.48	**	3

	β_1		β_2			F_{12}		Lags
50	0.05	1.89	-1.34	-12.67	*	86.18	**	0
51	0.02	0.58	-0.95	-9.33	*	45.99	**	1
52	0.09	3.83	-1.24	-10.80	*	58.79	**	1
53	0.01	0.14	-1.09	-10.77	*	66.25	**	0
54	0.10	10.25	-1.24	-11.23	*	63.19	**	0
55	0.13	8.06	-1.18	-11.58	*	69.08	**	2
56	0.08	3.72	-0.91	-7.73	*	30.06	**	2
57	0.09	5.46	-1.15	-10.37	*	53.90	**	2
58	0.12	5.76	-1.14	-10.09	*	51.80	**	2
59	0.07	3.68	-0.98	-8.80	*	39.01	**	1
60	0.12	4.78	-1.09	-10.38	*	53.89	**	2
61	0.04	1.87	-1.12	-10.62	*	63.18	**	1
62	0.08	7.16	-1.01	-8.84	*	39.38	**	0
63	0.04	2.76	-1.26	-13.25	*	187.68	**	2
64	0.05	5.69	-0.65	-6.30		19.85		0
65	0.01	0.26	-0.83	-7.91	*	34.07	**	0
66	0.03	1.37	-1.08	-10.66	*	129.75	**	3
67	0.08	3.39	-1.22	-12.26	*	76.59	**	2
68	0.00	-0.09	-1.18	-12.15	*	82.33	**	1
69	0.03	1.40	-1.32	-13.79	*	103.01	**	1
70	0.05	3.19	-0.97	-9.37	*	44.86	**	0
71	-0.01	-0.35	-1.23	-13.26	*	95.36	**	1
72	0.07	6.77	-0.76	-7.00	*	25.23	**	0
73	0.12	5.37	-1.30	-11.78	*	70.13	**	3
74	0.05	1.76	-1.09	-10.84	*	60.81	**	1
75	-0.02	-0.38	-0.99	-9.85	*	54.42	**	1
76	0.03	1.33	-0.81	-7.88	*	33.11	**	0
77	-0.02	-0.57	-1.09	-10.25	*	59.95	**	0
78	0.04	1.49	-1.16	-10.63	*	60.31	**	1
79	0.10	3.52	-1.11	-8.29	*	34.42	**	2
80	0.07	2.90	-1.03	-9.53	*	47.49	**	1
81	-0.01	-0.45	-1.17	-12.09	*	80.84	**	0
82	0.04	0.97	-1.08	-9.99	*	56.51	**	2
83	0.03	0.89	-1.03	-12.25	*	79.55	**	3
84	0.03	0.79	-1.12	-9.25	*	45.77	**	1
85	0.01	0.36	-1.09	-10.77	*	65.89	**	4
86	0.07	3.84	-1.09	-11.02	*	61.84	**	0
87	0.07	3.90	-1.15	-11.50	*	67.98	**	0
88	0.03	0.91	-1.18	-11.32	*	69.48	**	0
89	0.06	3.18	-1.00	-9.29	*	46.32	**	2
90	-0.07	-1.50	-0.88	-8.36	*	44.70	**	1
91	-0.07	-1.33	-0.98	-8.76	*	49.45	**	0
92	0.01	0.15	-0.98	-9.10	*	45.52	**	3
93	0.00	-0.09	-0.86	-7.52	*	31.99	**	0
94	0.00	-0.09	-0.89	-8.48	*	39.88	**	1
95	-0.10	-1.66	-0.74	-7.46	*	37.10	**	3
96	-0.09	-1.78	-0.82	-7.93	*	38.47	**	1
97	-0.02	-0.53	-1.00	-10.01	*	57.91	**	0
98	-0.02	-0.47	-1.02	-9.36	*	49.14	**	2
99	-0.06	-1.19	-0.84	-7.95	*	39.43	**	1

	β_1		β_2			F_{12}		Lags
100	-0.04	-1.13	-0.98	-9.97	*	56.37	**	0
101	-0.05	-1.17	-0.97	-9.80	*	59.56	**	1
102	-0.12	-2.28	-1.00	-9.85	*	71.55	**	2
103	-0.06	-1.61	-0.90	-10.28	*	60.06	**	2
104	-0.02	-0.50	-1.01	-10.25	*	58.98	**	1
105	0.04	0.93	-0.97	-9.40	*	49.18	**	2
106	0.01	0.81	-1.16	-11.71	*	78.22	**	1
107	-0.02	-0.75	-1.40	-15.09	*	127.66	**	1
108	-0.01	-0.53	-1.28	-13.93	*	107.66	**	1
109	0.04	1.97	-1.16	-11.00	*	68.78	**	2
110	0.12	6.81	-1.20	-12.13	*	74.42	**	2
111	0.12	7.29	-1.23	-12.16	*	75.29	**	1
112	0.10	7.05	-1.14	-10.62	*	56.65	**	1
113	0.10	6.50	-1.05	-9.64	*	46.50	**	1
114	0.05	2.05	-1.06	-9.89	*	61.01	**	3
115	0.08	4.38	-1.33	-11.50	*	66.33	**	0
116	0.11	6.41	-1.08	-10.40	*	54.58	**	1
117	-0.01	-0.62	-1.07	-13.04	*	92.60	**	3
118	-0.05	-1.47	-0.62	-6.65	*	24.31	**	1
119	0.07	2.92	-1.08	-9.55	*	47.43	**	1
120	0.10	3.54	-1.18	-10.57	*	65.17	**	4
121	-0.01	-0.22	-0.98	-8.94	*	45.07	**	1
122	0.01	0.24	-1.18	-10.79	*	79.82	**	7
123	0.07	5.55	-0.97	-9.20	*	42.86	**	1
124	0.08	7.80	-0.93	-7.82	*	32.84	**	0
125	0.16	5.78	-1.11	-11.18	*	62.63	**	3
126	0.08	4.88	-0.93	-8.00	*	32.65	**	1
127	0.02	0.74	-0.97	-9.28	*	47.68	**	1
128	0.08	2.85	-1.15	-10.77	*	62.39	**	3
129	0.03	0.68	-1.12	-10.65	*	62.41	**	1
130	0.09	3.80	-1.06	-9.91	*	49.33	**	3
131	0.10	10.90	-1.33	-13.80	*	95.72	**	0
132	0.00	0.13	-0.96	-9.51	*	50.04	**	1
133	0.05	1.65	-1.09	-10.07	*	54.37	**	1
134	0.05	2.67	-0.83	-7.53	*	30.15	**	2
135	0.03	1.20	-1.06	-9.25	*	45.97	**	1
136	0.09	5.01	-1.00	-9.49	*	45.09	**	1
137	-0.11	-2.55	-0.86	-8.73	*	50.21	**	4
138	-0.01	-0.22	-1.14	-11.44	*	72.78	**	1
139	0.04	1.77	-1.07	-10.29	*	55.73	**	0
140	0.09	3.12	-0.95	-8.27	*	35.33	**	4
141	0.10	5.53	-1.17	-11.06	*	61.16	**	1
142	0.10	4.94	-1.09	-9.68	*	47.03	**	1
143	0.00	0.09	-1.09	-11.92	*	83.03	**	1
144	0.13	4.88	-1.00	-11.59	*	69.23	**	5
145	0.06	6.57	-0.67	-7.15	*	25.56	**	0
146	0.05	3.96	-0.74	-7.16	*	27.16	**	1
147	0.08	8.07	-1.04	-9.91	*	50.12	**	0
148	0.08	4.31	-0.89	-8.42	*	35.70	**	2
149	0.02	0.87	-0.96	-9.22	*	44.77	**	0
150	0.02	0.77	-0.85	-7.09	*	27.18	**	1
151	0.10	4.33	-1.09	-11.11	*	63.58	**	3
152	0.04	2.20	-0.87	-8.65	*	38.73	**	0
153	0.09	4.17	-1.13	-11.42	*	72.81	**	2
154	0.10	9.51	-1.23	-11.74	*	70.49	**	0
155	0.10	4.33	-1.07	-9.95	*	50.92	**	2
156	-0.01	-0.81	-0.97	-52.49	*	1598.14	**	2
157	0.10	3.90	-1.01	-8.47	*	36.14	**	4
158	0.06	2.44	-0.71	-6.53	*	21.59		1
159	0.14	5.21	-1.05	-6.26		21.42		2
160	0.07	3.45	-0.91	-7.91	*	37.03	**	2

Table W2. OCBS test for prices of EA HICP.

	β_1		β_2			F_{12}		Lags
1	0.03	2.17	-1.08	-14.40	*	180.76	**	2
2	0.00	0.15	-0.83	-12.29	*	108.76	**	1
3	0.08	5.18	-1.06	-12.00	*	72.97	**	1
4	0.04	2.26	-1.15	-15.55	*	192.81	**	2
5	0.00	0.07	-1.21	-13.70	*	109.27	**	4
6	0.06	2.67	-1.08	-12.13	*	76.89	**	1
7	-0.04	-1.15	-1.01	-11.46	*	78.01	**	0
8	0.05	2.92	-1.13	-13.61	*	101.06	**	2
9	0.04	1.15	-1.07	-10.73	*	73.15	**	5
10	0.01	0.40	-1.10	-13.79	*	180.55	**	3
11	0.07	4.54	-1.14	-11.88	*	73.76	**	2
12	0.05	2.95	-1.08	-11.55	*	68.77	**	1
13	0.06	4.13	-1.17	-12.95	*	91.00	**	2
14	0.09	4.56	-1.20	-11.83	*	71.87	**	2
15	0.04	3.09	-1.04	-12.21	*	84.92	**	1
16	0.07	0.98	-1.16	-11.32	*	79.41	**	6
17	-0.04	-1.29	-0.24	-5.40		18.35		2
18	0.02	0.62	-0.39	-5.19		15.07		3
19	0.08	9.56	-1.09	-13.35	*	91.44	**	0
20	0.01	0.28	-0.32	-6.39	*	21.28		2
21	0.08	8.21	-1.01	-15.03	*	124.15	**	1
22	0.11	6.77	-1.24	-13.12	*	86.64	**	3
23	0.06	4.49	-1.06	-11.66	*	81.34	**	1
24	0.05	6.87	-0.71	-9.41	*	46.21	**	0
25	0.05	4.64	-0.59	-7.28	*	26.53	**	1
26	0.07	6.17	-0.94	-10.93	*	61.05	**	1
27	0.07	7.78	-0.86	-9.62	*	46.80	**	0
28	0.08	4.49	-1.13	-13.13	*	86.26	**	2
29	0.02	0.78	-1.29	-12.96	*	129.46	**	4
30	0.03	1.13	-1.22	-12.03	*	80.30	**	1
31	0.11	4.99	-1.09	-10.74	*	60.15	**	3
32	-0.02	-0.59	-1.03	-8.34	*	77.02	**	5
33	0.05	4.24	-1.01	-10.26	*	55.40	**	1
34	0.07	2.47	-1.09	-11.19	*	70.72	**	4
35	0.15	6.72	-1.16	-12.49	*	78.92	**	4
36	0.02	1.16	-0.53	-7.57	*	29.65	**	1
37	0.05	3.19	-0.86	-8.17	*	37.62	**	1
38	0.10	7.93	-1.24	-14.55	*	110.37	**	1
39	0.08	7.37	-0.93	-10.45	*	54.94	**	0
40	0.09	7.61	-1.09	-11.18	*	62.52	**	0
41	0.10	3.55	-1.40	-14.60	*	128.23	**	5
42	0.10	7.48	-1.02	-12.01	*	72.14	**	1
43	0.07	5.26	-1.13	-12.74	*	82.98	**	0
44	0.10	4.96	-1.25	-12.54	*	82.05	**	2

	β_1		β_2			F_{12}		Lags
45	0.07	4.74	-1.13	-13.13	*	92.48	**	0
46	0.09	7.47	-0.97	-13.07	*	85.57	**	1
47	0.03	1.19	-1.37	-13.52	*	97.99	**	1
48	0.09	6.88	-1.07	-11.73	*	76.60	**	1
49	0.11	7.49	-1.27	-14.75	*	108.86	**	2
50	0.10	4.25	-1.04	-12.70	*	81.34	**	4
51	0.12	6.44	-0.96	-9.98	*	49.89	**	3
52	0.08	2.31	-1.13	-12.33	*	77.10	**	2
53	0.00	0.18	-0.84	-12.84	*	90.03	**	0
54	0.11	7.25	-1.15	-11.62	*	67.63	**	2
55	0.07	4.97	-0.95	-14.78	*	115.21	**	1
56	0.09	3.50	-1.23	-13.10	*	93.40	**	3
57	0.06	4.04	-1.10	-13.03	*	91.21	**	1
58	0.10	12.69	-1.11	-11.56	*	82.70	**	0
59	0.09	10.56	-0.92	-9.21	*	58.54	**	0
60	0.05	5.05	-1.11	-12.94	*	93.86	**	1
61	0.10	5.45	-1.08	-10.08	*	51.63	**	2
62	0.10	6.72	-1.05	-11.65	*	67.92	**	2
63	0.07	3.52	-1.09	-11.51	*	70.79	**	2
64	0.08	4.14	-0.80	-7.06	*	25.30	**	2
65	0.08	5.55	-1.35	-13.93	*	99.76	**	0
66	0.02	0.94	-0.50	-6.40	*	21.16		2
67	0.06	1.85	-1.06	-12.93	*	88.86	**	4
68	0.11	10.24	-1.24	-11.35	*	69.49	**	0
69	0.06	5.63	-0.88	-9.45	*	45.39	**	0
70	0.07	3.87	-1.14	-11.60	*	69.43	**	0
71	0.12	5.37	-1.16	-10.05	*	51.04	**	3
72	0.10	8.63	-1.11	-12.22	*	74.94	**	1
73	0.06	4.41	-1.00	-10.22	*	60.50	**	1
74	0.10	1.34	-1.08	-11.69	*	83.65	**	3
75	0.08	5.83	-1.16	-12.04	*	73.86	**	0
76	0.05	4.29	-0.99	-11.66	*	82.98	**	1
77	0.11	8.63	-1.21	-12.74	*	81.69	**	1
78	0.14	4.56	-0.76	-7.77	*	32.41	**	4
79	0.08	10.14	-1.01	-11.45	*	65.70	**	0

Table W3. OCBS test for prices of UK HICP.

	β_1		β_2			F_{12}		Lags
1	0.07	4.01	-0.91	-9.16	*	43.09	**	2
2	0.08	4.64	-1.03	-11.15	*	62.18	**	1
3	0.03	1.18	-1.05	-11.57	*	74.35	**	3
4	0.08	3.68	-1.08	-12.65	*	80.97	**	1
5	0.05	2.52	-1.32	-14.37	*	110.95	**	2
6	0.03	1.47	-1.19	-12.63	*	84.29	**	0
7	-0.05	-1.44	-0.98	-11.14	*	74.20	**	0
8	-0.02	-0.54	-1.05	-12.53	*	92.84	**	1
9	0.07	4.91	-0.94	-9.21	*	42.60	**	0
10	0.04	1.59	-1.02	-9.59	*	47.60	**	3
11	0.05	1.81	-1.11	-11.52	*	70.10	**	3
12	0.06	2.12	-0.92	-10.24	*	54.39	**	1
13	0.03	0.77	-1.00	-9.44	*	48.80	**	5
14	0.08	1.87	-1.16	-11.63	*	71.26	**	4
15	0.02	0.56	-0.88	-8.55	*	43.19	**	3
16	0.07	3.47	-0.94	-10.00	*	51.53	**	3
17	0.00	-0.11	-0.61	-7.08	*	26.86	**	3
18	0.00	0.20	-0.50	-6.08		20.28		3
19	0.04	2.69	-0.75	-7.77	*	38.50	**	1
20	0.09	3.03	-1.06	-10.54	*	57.12	**	3
21	0.08	5.82	-1.01	-13.47	*	95.15	**	2
22	0.03	1.71	-0.91	-10.18	*	54.51	**	0
23	0.04	1.72	-1.12	-13.40	*	96.97	**	4
24	-0.02	-0.36	-0.70	-8.12	*	46.69	**	3
25	0.04	1.63	-0.83	-8.69	*	39.31	**	1
26	0.04	1.28	-0.84	-8.36	*	36.93	**	3
27	0.08	4.20	-1.09	-11.70	*	69.43	**	1
28	0.05	1.42	-0.91	-8.83	*	40.78	**	2
29	0.05	2.19	-1.10	-11.08	*	63.31	**	1
30	0.03	1.28	-0.94	-9.38	*	46.51	**	0
31	0.07	7.87	-0.92	-9.18	*	42.43	**	0
32	0.05	1.44	-1.01	-10.45	*	56.80	**	2
33	0.02	0.65	-0.83	-9.73	*	52.33	**	2
34	0.03	1.44	-1.13	-12.68	*	84.73	**	1
35	0.03	2.29	-0.47	-6.14		19.40		1

	β_1			β_2			F_{12}		Lags
36	0.06	6.00		-0.72	-7.91	*	31.26	**	0
37	0.02	0.80		-0.96	-9.05	*	47.71	**	4
38	0.07	3.08		-1.20	-11.72	*	69.46	**	1
39	0.06	2.31		-0.63	-5.77		16.66		2
40	0.01	0.30		-1.28	-14.29	*	111.16	**	2
41	0.10	4.99		-0.99	-9.65	*	46.60	**	3
42	0.08	4.71		-1.09	-11.39	*	67.34	**	2
43	-0.03	-0.78		-0.44	-6.17		22.34		1
44	0.02	0.86		-1.08	-11.79	*	76.61	**	1
45	0.09	6.87		-1.03	-10.14	*	51.45	**	1
46	0.12	5.70		-1.26	-12.63	*	80.24	**	3
47	0.10	7.91		-1.02	-11.62	*	68.16	**	1
48	0.02	0.61		-0.59	-5.63		16.41		0
49	0.05	2.75		-0.96	-10.37	*	55.07	**	2
50	0.04	1.87		-0.79	-7.95	*	32.70	**	1
51	0.11	3.92		-1.16	-12.09	*	73.63	**	2
52	0.04	1.38		-0.91	-9.08	*	44.16	**	2
53	-0.16	-3.32	**	-0.74	-8.71	*	53.78	**	1
54	0.09	4.04		-0.98	-10.32	*	55.57	**	4
55	0.03	3.70		-0.46	-6.33		20.50		0
56	0.06	3.52		-1.01	-11.08	*	63.11	**	0
57	-0.07	-1.93		-0.39	-4.77		16.47		0
58	0.08	4.14		-1.08	-12.17	*	76.66	**	2
59	0.04	1.16		-1.09	-10.68	*	62.16	**	2
60	0.10	3.95		-1.22	-12.85	*	100.70	**	3
61	0.03	2.49		-0.37	-5.25		13.85		0
62	0.06	3.59		-0.86	-9.37	*	46.79	**	3
63	0.09	3.23		-0.98	-9.48	*	50.12	**	5
64	0.11	6.87		-1.02	-11.21	*	65.06	**	2
65	0.13	8.74		-1.14	-12.31	*	76.83	**	2
66	0.03	1.32		-1.02	-10.61	*	61.08	**	0
67	0.05	2.39		-0.83	-8.52	*	36.93	**	0
68	0.00	0.00		-0.86	-9.49	*	50.28	**	1
69	0.04	2.25		-0.78	-8.37	*	45.05	**	2
70	-0.02	-0.51		-0.66	-5.61		17.07		1

In tables W4 to W6 the columns F1,12 give the statistics to test the null I(0.1).

The columns Π1 give the statistics to test the existence of a positive unit root.

The columns F2,12 give the statistics to the existence of eleven seasonal unit roots.

'*' indicates the corresponding null hypothesis is rejected at the 5% significance level and '**' indicates that it is rejected at the 1% significance level.

Table W4. HEGY test for prices of US CPI.

	Constant & Trend				Constant			
	Π_1	$F_{2\,12}$	$F_{1\,12}$	Lags	Π_1	$F_{2\,12}$	$F_{1\,12}$	Lags
1	1.44989842	2.121565	48.7451862 **	3	2.491826248	2.076592	51.9686218 **	3
2	2.83420175	32.0208 **	30.5436196 **	1	4.033195996	34.15744 **	34.3825496 **	0
3	4.37171911	199.5627 **	142.39349 **	0	5.284152116	91.76247 **	136.98685 **	1
4	3.97909865	213.3629 **	113.270784 **	0	4.218323267	204.789 **	112.489404 **	0
5	3.34442151	8.20443 **	76.7807312 **	1	3.932441683	9.89582 **	78.3444607 **	1
6	4.11787561	11.18176 **	62.9454153 **	3	4.716401646	11.78987 **	64.0298476 **	3
7	3.60820048	63.86984 **	32.1571025 **	0	4.659536073	61.44855 **	32.185457 **	0
8	3.88473375	13.09955 **	74.857726 **	2	3.424214876	9.923734 **	70.8659594 **	3
9	4.97492428	13.74809 **	37.6253849 **	3	5.678422315	14.14808 **	38.8028402 **	3
10	2.71428718	136.0976 **	74.242615 **	0	2.931113671	141.2637 **	76.7215213 **	0
11	3.4771426	107.0673 **	52.4881131 **	0	4.435553218	100.6976 **	51.487817 **	0
12	3.95381051	93.74731 **	67.6706034 **	0	4.382450115	96.1647 **	69.8980518 **	0
13	0.96937288	30.0471 **	14.3264781 **	1	5.103977306	23.62295 **	15.1852169 **	2
14	3.15937693	70.48393 **	40.6298527 **	0	3.610825567	70.92812 **	42.3036516 **	0
15	4.37823104	15.02036 **	35.3771246 **	2	6.008769082	15.57795 **	38.6963674 **	1
16	2.83375064	16.3245 **	10.3084901 **	2	3.98969435	16.55255 **	10.7916395 **	2
17	3.72226732	110.9173 **	52.5385681 **	0	4.630641303	102.4205 **	49.7175944 **	0
18	2.48529376	25.18991 **	11.9549538 **	0	4.035955297	23.60492 **	11.6972909 **	0
19	5.43600349	20.41574 **	41.692333 **	1	5.932651507	21.13648 **	41.7138446 **	1
20	4.71162472	36.82925 **	48.4140229 **	0	5.145607117	33.77694 **	46.1232709 **	0
21	4.38441127	240.2799 **	110.87473 **	0	4.958805715	231.2597 **	111.082153 **	0
22	2.05350388	243.0456 **	113.94018 **	0	2.804954694	223.3487 **	108.340958 **	0
23	5.20124061	223.3021 **	128.307686 **	1	5.806477569	262.3867 **	126.609302 **	1
24	2.91625039	51.97728 **	23.9418777 **	0	3.671846028	47.87119 **	22.2466443 **	1
25	3.63595305	28.73066 **	72.6350654 **	3	4.244676645	19.77688 **	65.8415997 **	4
26	3.85083426	183.8722 **	88.3667432 **	0	4.299463591	178.596 **	88.0780186 **	0
27	3.53299041	67.06719 **	34.9510771 **	0	3.90780916	66.7471 **	35.0659073 **	0
28	5.99402687	61.13998 **	42.9103984 **	1	6.966589308	65.5421 **	43.7390471 **	1
29	2.2953747	38.59227 **	18.3569196 **	0	4.807252782	37.07597 **	18.2777505 **	0
30	3.75554105	11.55354 **	86.2875165 **	1	4.722261448	14.62919 **	82.8427961 **	1
31	0.51062876	28.34688 **	12.7289114 **	2	4.309609836	24.92633 **	11.4436253 **	2
32	-0.08398454	16.08883 **	13.7179189 **	1	1.705292868	15.29156 **	13.4573504 **	1
33	2.08360379	30.23842 **	17.8041904 **	1	2.281957082	31.38924 **	17.8109293 **	2
34	4.42941229	48.47646 **	62.1117273 **	1	4.571862239	53.68866 **	60.6138978 **	1
35	2.85903885	58.04315 **	28.7783853 **	0	4.028243179	52.03695 **	26.8926107 **	0
36	3.86235809	120.1663 **	95.8943925 **	0	4.149799628	123.2896 **	99.1872806 **	0
37	2.1860917	23.77219 **	20.7292431 **	3	2.668522487	24.77032 **	20.1822157 **	2
38	4.60919767	43.20639 **	68.8083774 **	4	5.347324927	54.54039 **	68.2448875 **	2
39	4.0563765	35.27488 **	22.2876523 **	2	4.974569182	36.29432 **	20.716873 **	2
40	5.31857529	15.92838 **	112.061315 **	2	4.811787235	14.94648 **	104.452818 **	3
41	2.05346753	30.21144 **	14.0322874 **	1	3.369815999	28.47295 **	13.8321108 **	1
42	4.36038155	23.7926 **	41.7899232 **	1	5.404872633	29.24179 **	41.5842676 **	1
43	4.93779491	26.12091 **	38.9294867 **	0	5.521259245	26.29393 **	40.5099706 **	0
44	4.42084426	35.85757 **	26.4672435 **	0	5.354452461	33.51207 **	25.6898934 **	0
45	3.31015325	10.70668 **	93.7159781 **	1	4.309765069	12.80564 **	89.3680988 **	1
46	3.8979747	28.3578 **	23.2280624 **	1	4.933396251	37.42683 **	25.0438786 **	0
47	4.92643998	31.60762 **	143.160556 **	3	5.517655102	32.45437 **	147.333213 **	3
48	2.44643415	26.3462 **	13.9203539 **	0	4.276974719	24.5257 **	13.5499657 **	0
49	4.31428427	46.38435 **	26.0607402 **	0	4.781981418	45.96567 **	26.9581181 **	0
50	6.0407548	52.55526 **	36.1810495 **	0	6.611468335	50.6897 **	35.7364734 **	0

	Constant & Trend				Constant			
	Π_1	$F_{2\,12}$	$F_{1\,12}$	Lags	Π_1	$F_{2\,12}$	$F_{1\,12}$	Lags
51	4.28487468	20.85796 **	15.5985785 **	0	5.03093803	21.02479 **	16.2256223 **	0
52	2.77525284	26.9608 **	25.8292463 **	3	5.650106403	33.47808 **	25.960171 **	3
53	4.57722202	24.30265 **	21.7436294 **	1	5.434195876	23.6313 **	20.753436 **	1
54	5.26336239	216.7174 **	140.753799 **	0	5.289852499	208.9334 **	141.606533 **	0
55	3.28635025	203.2553 **	176.666675 **	0	3.444333839	212.0479 **	182.724482 **	0
56	4.40411394	6.776789 **	55.2691532 **	2	5.162933112	6.989248 **	53.1713792 **	2
57	4.65549172	75.5279 **	150.524674 **	0	4.648322025	78.00416 **	157.081104 **	0
58	3.72328463	9.688383 **	25.644013 **	3	4.38641863	9.517976 **	25.9123293 **	3
59	2.6423837	14.89506 **	25.050573 **	2	4.112131863	17.98747 **	27.5745118 **	1
60	4.1043649	10.23821 **	34.4577566 **	1	4.981510858	10.4849 **	33.8300119 **	1
61	3.76813283	11.86093 **	45.3927158 **	2	4.183396264	11.68503 **	45.3458896 **	2
62	4.89341619	20.87284 **	37.1860151 **	3	5.16584702	21.47027 **	37.8581229 **	3
63	4.50596725	18.1059 **	543.603355 **	2	5.298571618	29.6401 **	599.673974 **	1
64	4.72784821	87.03002 **	42.3773815 **	0	5.003992637	90.08284 **	43.9099148 **	0
65	3.25626697	69.53719 **	36.5800646 **	0	3.772804045	75.40516 **	37.818921 **	0
66	4.22701261	14.26093 **	568.156441 **	3	4.302489229	14.54393 **	592.411734 **	3
67	3.09200781	70.3776 **	72.9561686 **	5	3.164086957	82.80752 **	73.6569416 **	4
68	4.79222469	305.2238 **	152.779406 **	1	5.197680033	301.3337 **	154.799327 **	1
69	5.57064248	17.22576 **	125.626928 **	1	6.557471273	20.25468 **	125.219146 **	1
70	3.03731572	178.6654 **	92.1969725 **	0	3.221047794	180.5312 **	93.5123772 **	0
71	5.99116986	215.1801 **	109.12488 **	1	6.519491463	223.5551 **	113.684926 **	1
72	4.86791746	76.21103 **	118.473503 **	1	4.970229606	84.1487 **	121.565586 **	1
73	4.74806407	150.9678 **	158.826853 **	0	4.880477741	177.1411 **	157.898467 **	0
74	3.50880125	71.95465 **	43.2619052 **	5	4.321808845	83.0564 **	48.5842119 **	3
75	4.81372575	40.69077 **	19.1010073 **	0	5.618707996	39.96057 **	19.5509241 **	0
76	1.66608889	6.161706	18.1085752 **	1	2.818943719	6.099285	17.2444568 **	1
77	3.21262316	44.86072 **	24.5302708 **	1	3.90635676	45.78995 **	25.5963881 **	1
78	4.6565301	145.6794 **	87.8213982 **	0	4.726396634	186.2013 **	91.2496011 **	0
79	3.53957313	46.10816 **	48.7178482 **	0	3.561422788	75.51823 **	51.3091996 **	0
80	3.33428091	57.15812 **	27.9765033 **	0	4.077590851	40.41025 **	23.7509283 **	1
81	2.56338818	74.756 **	37.3965322 **	0	3.9980176	68.63045 **	35.4771997 **	0
82	-0.56547492	43.0904 **	21.1994151 **	1	2.653963026	32.18202 **	17.4403413 **	2
83	4.2260819	90.15285 **	61.2084448 **	0	4.209849847	132.1744 **	63.8558416 **	0
84	3.09774065	7.946466 **	38.4283209 **	1	3.293868308	8.009266 **	39.6334306 **	1
85	2.78807856	17.06118 **	23.9197455 **	2	4.244334163	30.27771 **	40.4293915 **	1
86	5.17951248	52.38914 **	111.375403 **	1	5.415828871	67.12502 **	113.744438 **	1
87	4.00303713	177.5334 **	88.4936171 **	0	4.172851565	173.7725 **	90.1133168 **	0
88	5.86407624	15.25892 **	40.6343921 **	4	6.419125508	14.65607 **	40.1866993 **	4
89	4.65177111	145.0153 **	65.9016138 **	2	4.854147789	136.4996 **	65.4901662 **	1
90	1.38976826	40.72369 **	19.0609005 **	0	4.200987244	36.01162 **	17.5813527 **	0
91	1.49923874	30.51155 **	17.5791047 **	1	2.786121185	37.02116 **	17.9334114 **	0
92	5.34243111	28.01295 **	14.5628504 **	0	5.857953246	28.36125 **	15.2122611 **	0
93	3.95108058	41.81837 **	30.0542621 **	0	3.994622244	51.76559 **	31.6942073 **	0
94	4.83823508	32.62605 **	21.5729651 **	1	5.624814662	34.11192 **	22.5598022 **	1
95	1.66487619	20.61857 **	10.3033281 **	0	3.270672913	20.93303 **	10.2194192 **	0
96	2.92678469	24.13221 **	17.1224938 **	0	4.282296116	32.22997 **	15.9255149 **	0
97	4.12602724	50.24472 **	23.913007 **	0	4.737593894	49.23822 **	24.4562256 **	0
98	1.92767809	40.0372 **	19.6259469 **	0	2.677417671	41.08565 **	20.5111918 **	0
99	0.8838269	6.347383 **	7.97771498 **	5	2.302988112	6.934773 **	8.05725726 **	5

	Constant & Trend				Constant			
	Π_1	$F_{2\ 12}$	$F_{1\ 12}$	Lags	Π_1	$F_{2\ 12}$	$F_{1\ 12}$	Lags
100	3.11069662	30.00466 **	33.8071737 **	2	3.066535762	32.88164 **	35.3097412 **	2
101	3.34960167	31.15473 **	22.5958707 **	0	3.756633032	45.14208 **	22.4594038 **	0
102	2.61062713	22.90406 **	9.93140743 **	3	3.329966411	22.33933 **	9.92463055 **	3
103	3.50010685	30.13375 **	18.0174291 **	1	4.224888833	34.07064 **	18.5341561 **	1
104	4.54775707	52.12662 **	30.1551489 **	1	4.599426806	55.02308 **	31.7762218 **	1
105	2.9302803	37.53493 **	35.9028351 **	0	3.066949558	68.90323 **	35.4735741 **	0
106	3.21909722	370.0378 **	172.593937 **	0	3.325678585	370.0094 **	178.313555 **	0
107	4.32358747	138.5859 **	70.4655032 **	0	4.663718742	132.98 **	66.6522804 **	0
108	4.66125945	135.9283 **	106.421733 **	3	4.887099731	133.994 **	107.155275 **	3
109	3.83158652	158.8515 **	115.214457 **	0	3.99796837	158.8546 **	116.969229 **	0
110	4.3331675	175.4157 **	154.653324 **	0	4.417337338	173.0637 **	158.742454 **	0
111	3.60859643	115.9161 **	58.4277546 **	0	3.908356545	112.9332 **	59.4127924 **	0
112	4.61858708	133.2391 **	81.4883735 **	0	4.982353021	132.7646 **	83.0331519 **	0
113	3.56244706	78.96776 **	43.9554667 **	0	3.868698748	78.10909 **	45.1711201 **	0
114	4.38368602	1024.728 **	514.317953 **	0	4.304448077	978.152 **	507.822286 **	0
115	4.97004378	12.23261 **	99.0869756 **	1	5.325300804	14.82367 **	100.118204 **	1
116	1.9712521	9.881555 **	27.1810928 **	4	2.62669755	10.21283 **	27.5556723 **	4
117	4.17201263	226.0713 **	105.541761 **	0	4.416381244	221.2797 **	107.781324 **	0
118	4.03779339	86.07703 **	38.4578261 **	1	4.122161084	87.19378 **	40.5054445 **	1
119	4.28653763	41.02012 **	35.031029 **	2	4.947694605	44.80402 **	35.8864451 **	2
120	5.97228704	160.7229 **	116.268255 **	0	6.116564911	160.4506 **	120.83394 **	0
121	4.35086244	44.56124 **	27.7224371 **	1	5.088937558	45.44697 **	28.8968831 **	1
122	4.06290376	12.68093 **	16.8964461 **	2	5.324384859	12.77071 **	16.0299698 **	2
123	4.16964324	73.87577 **	68.3016322 **	1	4.721511008	74.99348 **	70.8951812 **	1
124	2.21631611	100.5346 **	180.06116 **	1	2.221748934	104.2992 **	189.74434 **	1
125	4.4634908	12.40536 **	56.5891589 **	5	4.379448475	12.2193 **	58.2768873 **	5
126	1.82536907	29.54545 **	39.305531 **	2	4.301105899	40.70494 **	33.1601463 **	2
127	5.2299716	46.62558 **	42.3620196 **	0	5.255856666	59.47826 **	44.5716213 **	0
128	3.58558286	24.27103 **	27.6567664 **	1	5.453724658	27.04863 **	24.4723248 **	1
129	5.45102613	31.02011 **	29.4426464 **	0	5.516325811	58.18173 **	28.1989998 **	0
130	4.5907395	166.9594 **	184.941354 **	0	4.675776497	163.8627 **	188.627871 **	0
131	3.88748618	113.6804 **	68.6942681 **	0	4.504873998	97.69138 **	47.6451216 **	1
132	5.48915151	65.73088 **	30.406266 **	0	5.795161197	65.13057 **	31.2518514 **	0
133	6.26007162	67.36679 **	60.0683583 **	0	6.343609533	92.57551 **	63.3151724 **	0
134	4.06398057	144.4583 **	93.1584252 **	1	5.26601177	173.3302 **	91.2334779 **	2
135	4.98461175	117.0371 **	59.3319269 **	2	5.534707027	114.4701 **	60.3319333 **	2
136	4.40481901	53.74815 **	28.977725 **	1	5.877073106	54.81601 **	29.7907122 **	1
137	1.983479	44.3515 **	23.4398028 **	3	3.628751897	40.85009 **	22.4202237 **	3
138	3.33566433	85.84252 **	39.6022195 **	0	3.72907853	84.70395 **	40.7575657 **	0
139	4.09458744	74.28194 **	38.5497392 **	0	5.525989643	70.56991 **	38.2242583 **	0
140	4.01755945	18.86209 **	16.599944 **	3	4.14759079	19.11244 **	17.4332466 **	3
141	4.63084047	11.4807 **	18.7536529 **	1	6.104957409	11.72385 **	19.0063031 **	1
142	3.91007054	68.81074 **	50.1989104 **	0	5.258569178	77.89435 **	49.6704937 **	0
143	2.8643523	39.95047 **	22.2961792 **	1	3.899607007	39.70406 **	21.7330281 **	1
144	4.62572085	30.67564 **	15.2819273 **	0	5.488176404	30.80467 **	15.9561739 **	0
145	4.83166128	260.8851 **	132.975167 **	0	5.004237564	276.6243 **	137.1248 **	0
146	2.8892608	4.903368	34.9825034 **	2	2.623602144	5.680269	37.3217707 **	1
147	4.22940388	40.11331 **	37.2438289 **	1	4.841911574	42.30687 **	38.2036428 **	1
148	5.52471201	60.20967 **	31.7836054 **	0	5.643529193	63.64388 **	33.4775695 **	0
149	3.42640855	69.60064 **	32.7756098 **	0	4.273514656	67.24374 **	32.7541416 **	0
150	1.95596826	4.872291	57.6014985 **	1	3.332509796	5.951657	55.2480633 **	1
151	5.10964451	78.76945 **	45.4968911 **	0	5.547678797	77.64316 **	45.8160647 **	0
152	4.63693519	110.695 **	125.957708 **	0	4.692118171	221.2296 **	130.596422 **	0
153	2.34302297	51.30706 **	266.663905 **	4	2.782479946	63.90002 **	264.241243 **	4
154	4.23312628	14.14927 **	225.617126 **	2	4.332315083	14.28139 **	232.61203 **	2
155	5.14884077	18.48048 **	39.2913376 **	4	4.881471862	19.3154 **	39.9704552 **	4
156	3.848477	510.6681 **	403.226563 **	1	3.870624113	554.4131 **	411.036849 **	1
157	3.99010074	28.15879 **	41.9971114 **	1	3.241731461	38.44839 **	41.0812683 **	1
158	3.3607171	47.32238 **	40.6849706 **	2	3.63174909	53.95731 **	42.6587408 **	2
159	4.40659329	99.1015 **	77.7392627 **	0	4.887237293	138.5999 **	79.9959406 **	0
160	4.01442727	25.24653 **	57.7592581 **	2	4.574208901	28.49009 **	57.8985643 **	2

Table W5. HEGY test for prices of EA HICP.

	Constant & Trend				Constant			
	Π_1	$F_{2\,12}$	$F_{1\,12}$	Lags	Π_1	$F_{2\,12}$	$F_{1\,12}$	Lags
1	5.09176524	920.2197 **	2048.55659 **	1	5.231308065	993.2644 **	2178.32371 **	1
2	3.15208031	8.738344 **	880.940952 **	3	3.345423055	8.729404 **	886.067073 **	3
3	4.93254735	121.031 **	64.5813178 **	2	5.342564011	122.883 **	67.0941212 **	2
4	4.90505871	1645.88 **	1006.59662 **	0	4.709829789	1619.202 **	1011.67732 **	0
5	6.17249391	20.69239 **	590.809441 **	4	5.991009631	22.72309 **	542.459417 **	5
6	4.97037635	104.5207 **	62.9288419 **	1	5.478369706	136.5658 **	65.4284446 **	0
7	4.68654092	47.92933 **	25.2775034 **	3	6.127826249	44.6196 **	24.4320178 **	3
8	3.68398147	1534.89 **	765.313587 **	0	3.590495768	1467.518 **	762.734329 **	0
9	5.03537693	91.83896 **	424.653024 **	3	5.084978965	97.8889 **	418.017706 **	3
10	5.06730661	1596.829 **	807.279782 **	0	5.081310374	1757.573 **	843.800816 **	0
11	4.7094632	130.9558 **	434.067822 **	1	4.735944337	771.5822 **	467.59641 **	0
12	4.90382199	265.4666 **	124.482266 **	0	5.248171034	251.1801 **	122.897608 **	0
13	5.19768112	24.81107 **	793.051041 **	1	5.330574749	30.76219 **	808.592833 **	1
14	6.92892725	33.07505 **	123.077378 **	4	6.624430646	31.27941 **	119.071366 **	3
15	4.22932409	167.6337 **	83.407242 **	0	4.397624189	171.4469 **	85.6438128 **	0
16	3.77114399	16.39325 **	6.81086803 **	1	5.891966147	16.39513 **	6.91108368 **	1
17	4.9540008	13.57556 **	19.8380663 **	3	6.064641133	14.09962 **	19.700456 **	4
18	3.55475748	6.541867 **	7.59059888 **	2	3.770204144	6.801444 **	7.87300992 **	2
19	5.31551657	364.0967 **	139.501888 **	0	5.479092214	358.6189 **	141.307774 **	0
20	4.07269267	8.967022 **	16.1031568 **	3	4.446569533	9.154988 **	16.3925813 **	3
21	4.99488163	124.341 **	238.319034 **	1	5.306165883	83.05704 **	215.937535 **	2
22	5.89139093	308.211 **	189.456164 **	0	5.952727115	340.5455 **	195.323117 **	0
23	5.2869153	314.0608 **	191.225315 **	0	5.313896513	314.2408 **	196.724783 **	0
24	4.97407234	251.6761 **	171.259995 **	0	5.48994922	298.3821 **	169.814551 **	0
25	3.4122837	4.647353	93.6798047 **	2	3.910462055	4.976957	90.2079791 **	2
26	4.59596853	97.8452 **	193.406623 **	1	5.406124797	131.3724 **	178.641604 **	1
27	5.04086981	264.7968 **	134.555361 **	0	5.221472079	261.1019 **	138.455437 **	0
28	5.97681034	19.61388 **	171.86307 **	3	6.3133433	20.68233 **	171.708969 **	3
29	4.58672766	372.7448 **	339.551251 **	2	4.928172713	14.21347 **	325.576648 **	4
30	5.06941309	42.38352 **	60.2413798 **	1	5.900793475	50.32591 **	59.2127592 **	1
31	4.61706048	62.24276 **	94.7754477 **	1	4.766109138	66.77257 **	96.0893699 **	1
32	3.63231603	33.07641 **	813.646428 **	1	3.808092612	47.67826 **	818.525272 **	1
33	5.42876773	301.1102 **	105.528913 **	0	5.571283813	294.2567 **	102.525424 **	0
34	4.33257798	41.83252 **	37.0063665 **	2	5.255595836	43.4118 **	36.9211671 **	2
35	6.79847521	134.941 **	45.2042001 **	0	7.070645898	134.5633 **	46.2793265 **	0
36	7.16969353	65.1802 **	36.9926958 **	0	7.972452671	72.20875 **	36.407552 **	0
37	7.57560197	151.111 **	122.282436 **	2	7.648204194	165.9901 **	124.058567 **	2
38	5.02214422	57.73638 **	42.0102865 **	3	5.709229769	64.25014 **	41.7917102 **	3
39	6.12944445	193.7279 **	70.342551 **	1	6.910531645	218.7259 **	73.9245241 **	0

	Constant & Trend				Constant			
	Π_1	$F_{2\ 12}$	$F_{1\ 12}$	Lags	Π_1	$F_{2\ 12}$	$F_{1\ 12}$	Lags
40	6.14428548	195.888 **	105.802165 **	0	6.241845642	195.8002 **	108.062364 **	0
41	4.71752527	317.482 **	491.971467 **	3	5.125773193	468.805 **	498.514955 **	2
42	3.73843264	81.02372 **	29.4512749 **	0	3.977965103	83.32659 **	30.3804241 **	0
43	6.00047401	159.4503 **	54.5640251 **	0	6.416388671	153.9283 **	54.2041898 **	0
44	6.55488969	32.06091 **	61.549125 **	3	7.488892138	36.45176 **	59.8860915 **	3
45	5.01712348	13.65371 **	106.497519 **	2	5.13824837	13.98219 **	108.533428 **	2
46	4.36489124	67.54354 **	378.379561 **	1	4.650916449	172.4341 **	337.432799 **	1
47	7.98331391	54.2363 **	53.4202521 **	1	9.273301283	62.08398 **	52.543433 **	1
48	4.42915865	44.89169 **	251.021819 **	1	4.64224349	55.83302 **	245.6725 **	1
49	5.98925607	99.55286 **	36.1891173 **	0	6.277919473	99.61802 **	37.2279095 **	0
50	5.520305	13.9648 **	29.8228422 **	1	5.63568312	14.08485 **	30.9344547 **	1
51	5.16868174	92.26852 **	29.9384517 **	0	5.560266917	62.19425 **	23.8216572 **	1
52	3.01978099	17.56005 **	18.0389321 **	2	3.865881726	18.07328 **	17.7045697 **	2
53	4.0338935	18.32396 **	22.1312373 **	1	5.58145378	17.94811 **	21.4960631 **	1
54	5.32559246	172.0196 **	55.9364934 **	0	5.621893181	170.4089 **	56.9205008 **	0
55	5.21648267	48.34437 **	47.7875721 **	1	5.929090579	51.66841 **	47.6568192 **	1
56	4.04451351	139.0182 **	47.4520858 **	1	5.429478791	136.6548 **	49.9947987 **	0
57	6.45968731	21.88969 **	109.51787 **	3	6.671921899	21.79535 **	108.322333 **	3
58	7.3506044	244.9091 **	1389.50878 **	2	7.36220973	247.8861 **	1435.36948 **	2
59	5.21500671	136.8419 **	1231.38905 **	3	5.271331042	144.444 **	1273.83332 **	3
60	5.41009596	251.8244 **	409.169987 **	1	5.556619033	328.7862 **	401.967307 **	1
61	6.62955717	72.6233 **	96.160028 **	0	6.838708819	83.29258 **	97.4418631 **	0
62	4.23389491	38.31874 **	113.522452 **	2	4.528706008	38.72164 **	112.004047 **	2
63	4.51306006	13.33917 **	32.1824103 **	1	5.633544106	14.38243 **	31.382337 **	1
64	2.72413303	14.59507 **	43.987773 **	3	2.964253921	14.64543 **	42.7126686 **	3
65	7.2883787	17.91799 **	164.471927 **	3	7.533849206	18.24221 **	167.570819 **	3
66	2.90717354	7.574241 **	48.2037768 **	2	3.037992077	7.570157 **	48.8588012 **	2
67	1.28199303	33.16468 **	12.458098 **	1	4.625966946	32.21945 **	11.4739966 **	3
68	3.93878966	11.56349 **	212.50394 **	3	3.963903505	11.72449 **	220.301012 **	3
69	5.56298421	41.26277 **	28.1353446 **	1	6.013839766	45.86016 **	28.0656529 **	1
70	4.51723705	108.5622 **	35.6929771 **	0	5.163223029	105.6997 **	34.9910597 **	0
71	5.81092703	98.10959 **	73.0135333 **	0	5.890192566	112.677 **	75.0386338 **	0
72	6.11842195	209.9731 **	105.132736 **	1	6.990787991	268.2359 **	104.418228 **	1
73	4.40484439	824.016 **	263.679707 **	0	4.148419712	764.5352 **	251.272524 **	0
74	1.38673914	11.98825 **	4.52681409	1	2.414109479	12.09971 **	4.56657859	1
75	5.20489729	105.1193 **	45.7824395 **	0	5.488994466	101.5736 **	45.5133268 **	0
76	5.2784416	658.9614 **	319.774445 **	0	5.250176387	675.2756 **	319.451168 **	0
77	4.78472044	128.7076 **	55.6473138 **	0	5.342262437	132.5631 **	54.8381291 **	0
78	2.02250259	6.975362 **	8.82641654 **	1	2.074091291	7.100403 **	9.15416153 **	1
79	7.09925501	53.36582 **	189.40658 **	2	7.434419704	98.16069 **	185.336426 **	2

Table W6. HEGY test for prices of UK HICP.

	Constant & Trend				Constant			
	Π_1	$F_{2\ 12}$	$F_{1\ 12}$	Lags	Π_1	$F_{2\ 12}$	$F_{1\ 12}$	Lags
1	2.99762541	2.171503 **	106.522171 **	1	3.304364246	2.407042 **	112.810485 **	1
2	4.26412229	10.69037 **	300.019914 **	1	4.4571698	11.32343 **	317.498613 **	1
3	5.21283594	154.8306 **	123.116457 **	0	5.406969068	154.6226 **	124.957035 **	0
4	7.40777718	40.89198 **	76.9568499 **	2	7.731298206	45.48145 **	76.8128621 **	2
5	4.71731752	17.95906 **	169.863472 **	4	4.825198257	17.89596 **	170.635368 **	4
6	4.62956988	134.2172 **	83.0821411 **	0	4.748947737	147.009 **	85.5040816 **	0
7	4.0412009	53.24608 **	25.2321914 **	0	5.114292232	51.12833 **	25.236825 **	0
8	4.20958696	92.58322 **	50.9050726 **	0	5.059706711	93.13493 **	51.037413 **	0
9	5.38700862	40.05095 **	90.4961457 **	4	5.399979104	40.56493 **	94.5480719 **	4
10	3.16525155	98.28039 **	86.4522002 **	3	3.969019062	96.32899 **	86.200523 **	3
11	4.11930812	10.21689 **	86.9255177 **	4	4.074894553	10.25285 **	87.492373 **	4
12	4.67930854	63.21973 **	43.1566753 **	1	5.237699784	69.13695 **	44.2724625 **	1
13	4.45746491	40.79086 **	23.3984373 **	0	4.971781046	40.50656 **	24.1317439 **	0
14	7.15912686	24.71486 **	26.6332803 **	3	6.994400877	28.34778 **	27.157896 **	3
15	4.22031987	54.5219 **	30.8539315 **	0	4.534523637	65.6744 **	31.7173998 **	0
16	5.21269488	9.522244 **	66.6943738 **	1	6.160793532	82.65894 **	72.2916689 **	0
17	3.78003538	5.471646 **	38.3602923 **	3	3.865311791	4.896087 **	40.3827644 **	2
18	5.94134162	32.72091 **	19.0656598 **	0	7.302274719	33.49044 **	18.821844 **	0
19	3.42363669	147.13 **	70.6914326 **	0	1.609460422	7.166296 **	70.1341662 **	1
20	5.50051152	87.12016 **	105.7269 **	0	5.30170308	62.02087 **	97.3224638 **	1
21	7.39676116	75.14949 **	136.511654 **	2	7.319694274	85.09988 **	138.693759 **	2
22	5.39166633	113.7814 **	59.9963518 **	0	5.577425774	113.7309 **	62.0193645 **	0
23	4.0567953	17.83421 **	277.086065 **	3	4.125165458	19.82751 **	281.815025 **	3
24	3.15574807	8.787934 **	10.321552 **	1	4.16064953	11.75673 **	10.5711134 **	0
25	3.10148588	61.75847 **	29.4089706 **	1	5.004894064	59.54258 **	27.9614587 **	1
26	5.4743746	6.21621 **	30.9328404 **	3	4.769175826	7.761776 **	28.6060405 **	4
27	4.5046245	65.34355 **	50.5042685 **	0	4.852493398	65.86477 **	51.4996428 **	0
28	4.30034503	18.6139 **	26.3844806 **	1	4.39621471	18.9448 **	27.6912 **	1
29	4.74104015	89.11276 **	64.1896409 **	1	4.755740158	121.426 **	67.4109593 **	1
30	5.44087276	55.7053 **	84.731008 **	1	5.460878779	57.54314 **	88.7824148 **	1
31	6.85505784	237.5231 **	133.820617 **	0	6.852353885	265.5878 **	140.19466 **	0
32	4.535913	50.81194 **	30.8073401 **	0	4.671601851	51.04191 **	32.1524088 **	0
33	5.68757704	50.66591 **	46.1115235 **	0	5.724631493	53.98561 **	48.4770467 **	0
34	3.41086747	49.73943 **	47.4169433 **	2	4.670631267	53.08912 **	45.7627466 **	2

	Constant & Trend				Constant			
	Π_1	$F_{2\ 12}$	$F_{1\ 12}$	Lags	Π_1	$F_{2\ 12}$	$F_{1\ 12}$	Lags
35	1.67374878	3.804918 **	95.8026064 **	1	1.926557039	3.854922 **	94.8545165 **	1
36	4.98035933	60.54906 **	396.607213 **	1	5.205036706	74.83026 **	388.92196 **	1
37	5.7084987	44.01437 **	132.744146 **	1	5.876037166	45.46641 **	138.483944 **	1
38	5.02709931	135.4384 **	107.027656 **	0	4.412510376	205.8116 **	98.778625 **	1
39	4.08620011	87.15238 **	46.3690223 **	0	4.150653959	88.87843 **	48.7460937 **	0
40	6.70439309	20.7292 **	105.852464 **	1	7.549477461	22.76654 **	107.075518 **	1
41	4.43937532	119.5981 **	56.2446902 **	0	4.722664814	119.9718 **	58.107528 **	0
42	5.0961695	87.6321 **	42.5921565 **	0	5.427858431	89.0377 **	44.3613328 **	0
43	2.03184205	8.639271 **	7.8148529 **	4	3.351605158	9.076516 **	8.17600046 **	4
44	3.77943167	93.97952 **	69.3416737 **	2	4.144228026	96.33648 **	71.2698981 **	2
45	5.29022936	95.88621 **	73.4704644 **	1	5.592363461	106.7264 **	74.5972192 **	1
46	4.53049401	139.5488 **	198.077749 **	0	4.617173993	138.1322 **	204.545346 **	0
47	3.85332326	108.035 **	108.573502 **	1	3.916308202	119.1571 **	109.044739 **	1
48	4.09675927	38.33013 **	28.5709845 **	5	4.177030163	4.91718 **	29.4683732 **	5
49	3.48585749	9.263048 **	40.1510595 **	1	4.523050575	9.815915 **	40.8232023 **	1
50	4.39906657	88.83622 **	58.8953317 **	0	4.766058461	99.24136 **	59.7294854 **	0
51	3.90780859	31.12415 **	22.4050291 **	2	4.193456196	31.43569 **	23.4981426 **	2
52	6.20822211	53.10851 **	30.3292205 **	0	6.246225621	61.83992 **	31.8700115 **	0
53	3.00652132	23.6635 **	15.3325358 **	1	3.356009189	23.80233 **	16.0530151 **	1
54	3.31864129	56.12937 **	76.2560874 **	1	3.406177333	57.40031 **	80.0898972 **	1
55	2.34954127	3.683501 **	34.7457918 **	2	2.745470959	3.696979 **	33.8844421 **	2
56	5.64755875	68.63398 **	51.8675225 **	4	6.493600723	69.00194 **	51.5472944 **	4
57	0.35988383	3.455714 **	11.0486145 **	3	1.461712443	3.476619 **	11.4859555 **	3
58	4.09425817	102.0347 **	50.2216155 **	0	5.081636711	99.08176 **	50.8445818 **	0
59	4.14520081	69.51502 **	34.8642608 **	1	4.919465838	69.17658 **	35.2495421 **	1
60	5.15482859	16.01532 **	661.864911 **	4	5.257356941	15.51382 **	660.924162 **	4
61	1.66276099	2.648198 **	69.8664018 **	1	1.873624432	2.280222 **	63.4965667 **	2
62	4.46549058	23.71245 **	88.0896481 **	3	5.366104556	25.49513 **	86.8934779 **	3
63	5.51615752	45.2953 **	57.3147785 **	2	5.544273188	45.77495 **	60.0373405 **	2
64	5.61387784	265.8922 **	172.979209 **	0	5.530642604	330.9419 **	180.002484 **	0
65	7.84035823	56.89788 **	245.64126 **	2	7.885830233	59.56241 **	254.191491 **	2
66	4.44479913	24.52457 **	88.6148401 **	1	4.499171177	24.63211 **	92.4163439 **	1
67	6.10677293	89.32163 **	92.4755086 **	0	6.154601127	90.28849 **	96.191516 **	0
68	5.02999041	41.4174 **	27.9258017 **	0	4.886133098	52.30567 **	28.7943929 **	0
69	3.40765369	7.816043 **	1088.30007 **	1	3.576983433	8.938221 **	1081.98463 **	1
70	1.26069725	3.53896 **	31.4012968 **	1	1.389739162	3.949175 **	32.7925017 **	1

Table W7. ADF test for prices of US HICP.

Ho: the first differences of the basic components are I(1).
H1:

Series	None	Constant	Series	None	Constant
1	-12.2908483 **	-12.31944 **	81	-12.3807085 **	-12.49326 **
2	-13.3337508 **	-13.44084 **	82	-11.8672699 **	-11.8350609 **
3	-10.3535381 **	-10.5882 **	83	-11.7847405 **	-11.804871 **
4	-11.1373772 **	-11.46028 **	84	-12.1697492 **	-12.1981804 **
5	-10.1278955 **	-10.84468 **	85	-12.0431468 **	-12.0378624 **
6	-13.8445297 **	-15.68715 **	86	-12.3003731 **	-12.537708 **
7	-11.8093523 **	-12.12893 **	87	-9.73117831 **	-10.3639569 **
8	-11.2667095 **	-11.37345 **	88	-12.2909387 **	-12.428251 **
9	-10.8216277 **	-10.94258 **	89	-6.81623098 **	-8.62411885 **
10	-8.53908676 **	-8.683377 **	90	-10.7768841 **	-10.7627426 **
11	-9.90957109 **	-10.23072 **	91	-10.3141505 **	-10.3217842 **
12	-10.2568968 **	-10.709 **	92	-9.89763977 **	-9.87463686 **
13	-13.0951318 **	-13.31988 **	93	-10.852552 **	-10.8249226 **
14	-14.4418182 **	-14.66541 **	94	-10.7746049 **	-10.7546488 **
15	-13.7716835 **	-14.00843 **	95	-9.18094169 **	-9.16000183 **
16	-14.3638068 **	-15.2079 **	96	-8.48083198 **	-8.45608755 **
17	-14.2260661 **	-14.8091 **	97	-9.4049335 **	-9.37632862 **
18	-14.6248068 **	-14.80398 **	98	-10.0950091 **	-10.0862279 **
19	-14.0597742 **	-14.82314 **	99	-10.084052 **	-10.0619362 **
20	-13.4092645 **	-13.75883 **	100	-12.0254106 **	-12.0531286 **
21	-12.8790236 **	-12.87608 **	101	-11.7416107 **	-11.7522614 **
22	-11.1133344 **	-11.20191 **	102	-9.97390447 **	-9.97571515 **
23	-12.0533815 **	-12.50297 **	103	-11.3714055 **	-11.3659736 **
24	-13.3289576 **	-13.52477 **	104	-12.2181974 **	-12.2241459 **
25	-12.9382944 **	-13.42456 **	105	-12.9621319 **	-13.0080287 **
26	-7.62775209 **	-7.628218 **	106	-12.0004523 **	-12.0272302 **
27	-12.5977073 **	-12.61074 **	107	-8.28858972 **	-8.28555975 **
28	-6.76595812 **	-6.748243 **	108	-7.5041986 **	-7.52006526 **
29	-8.65276027 **	-8.639853 **	109	-11.8503949 **	-12.2812342 **
30	-8.9228762 **	-8.905588 **	110	-7.16616051 **	-9.10122926 **
31	-12.1938803 **	-12.16722 **	111	-11.7497003 **	-14.3399068 **
32	-10.3651438 **	-10.34752 **	112	-7.74359595 **	-11.4537683 **
33	-10.024054 **	-10.08074 **	113	-6.71427392 **	-11.5047042 **
34	-12.663466 **	-12.94049 **	114	-7.90936165 **	-9.86712063 **
35	-14.9959465 **	-15.49891 **	115	-6.17264688 **	-12.0085353 **
36	-11.1520261 **	-11.76275 **	116	-5.8947905 **	-7.41196893 **
37	-12.8724538 **	-13.19217 **	117	-9.49433899 **	-9.57999062 **
38	-16.7499663 **	-17.28435 **	118	-12.0121141 **	-12.031829 **
39	-14.0924167 **	-14.25444 **	119	-8.03621198 **	-8.06056947 **
40	-11.7801623 **	-11.98132 **	120	-6.46072404 **	-9.09423521 **
41	-13.2468962 **	-13.5617 **	121	-10.0758136 **	-11.6905651 **
42	-12.3765503 **	-12.77443 **	122	-5.87474114 **	-9.30562793 **
43	-13.9055942 **	-14.54506 **	123	-9.04560622 **	-9.87161142 **
44	-15.9587242 **	-16.68789 **	124	-11.9295542 **	-11.8873812 **
45	-12.7536349 **	-12.96309 **	125	-7.83999585 **	-9.28889607 **
46	-13.9672494 **	-14.1669 **	126	-11.8682386 **	-11.8266445 **
47	-9.40482752 **	-9.664366 **	127	-12.1427272 **	-12.1243437 **
48	-11.278869 **	-11.32103 **	128	-12.1096833 **	-12.0769723 **
49	-12.8467003 **	-12.98571 **	129	-13.2209798 **	-13.2253125 **
50	-16.8134674 **	-17.79678 **	130	-10.1190043 **	-10.9855108 **
51	-13.1976543 **	-13.3874 **	131	-10.9876055 **	-11.2386582 **
52	-12.6501112 **	-13.8762 **	132	-12.2760255 **	-12.3735478 **
53	-14.0926992 **	-14.28715 **	133	-11.9626313 **	-11.9571764 **
54	-11.6642311 **	-14.01538 **	134	-12.0800754 **	-12.0430463 **
55	-9.64574059 **	-14.34283 **	135	-12.240631 **	-12.3556401 **
56	-11.3083253 **	-12.35351 **	136	-11.8749845 **	-11.8378428 **
57	-12.2563715 **	-13.13435 **	137	-11.5250059 **	-11.5412688 **
58	-8.73634738 **	-10.87367 **	138	-12.2547197 **	-12.2778321 **
59	-11.7081897 **	-12.68614 **	139	-11.8974723 **	-12.0994479 **
60	-12.6004434 **	-12.92015 **	140	-9.6431784 **	-10.496035 **
61	-12.043102 **	-12.20631 **	141	-8.67878932 **	-11.0874985 **
62	-6.72778221 **	-12.27372 **	142	-11.5045208 **	-12.0431787 **
63	-5.8751658 **	-11.86967 **	143	-12.2670892 **	-12.323377 **
64	-9.43487392 **	-9.733054 **	144	-10.9636848 **	-11.0966972 **
65	-9.41428848 **	-9.388715 **	145	-10.3250043 **	-10.4381207 **
66	-11.8401631 **	-13.98173 **	146	-10.394592 **	-10.5161109 **
67	-12.294679 **	-12.71396 **	147	-9.66774929 **	-10.2591848 **
68	-9.63091119 **	-9.621686 **	148	-10.7591789 **	-10.9612277 **
69	-10.0443734 **	-10.04034 **	149	-11.8846734 **	-12.4760876 **
70	-8.33030834 **	-8.349204 **	150	-9.46710598 **	-9.56838149 **
71	-9.12164716 **	-9.104726 **	151	-9.70341771 **	-10.5559469 **
72	-8.97420822 **	-10.05439 **	152	-12.0911716 **	-12.1115889 **
73	-6.12062819 **	-10.5703 **	153	-11.9792593 **	-11.9546592 **
74	-12.4534578 **	-12.59022 **	154	-11.8904276 **	-11.8490346 **
75	-12.0468917 **	-12.01585 **	155	-11.9333644 **	-11.896104 **
76	-12.0578098 **	-12.02492 **	156	-11.1895682 **	-11.1595493 **
77	-12.0498703 **	-12.04093 **	157	-11.9214482 **	-11.8838775 **
78	-11.6721477 **	-11.68242 **	158	-15.5352423 **	-15.8696483 **
79	-12.0035002 **	-11.97685 **	159	-10.9263312 **	-11.5237291 **
80	-12.0366679 **	-12.00071 **	160	-11.7709128 **	-12.6277654 **

Table W8. ADF test for prices of EA HICP.

Ho: the first differences of the basic components are I(1).

H1:

	None		Constant	
1	-3.505145597	**	-4.494733502	**
2	-5.188571912	**	-6.058544402	**
3	-14.15576426	**	-15.23533142	**
4	-4.275878565	**	-4.541692181	**
5	-5.171748286	**	-5.232373769	**
6	-7.982259372	**	-8.025831722	**
7	-9.815698049	**	-9.806497324	**
8	-5.143419465	**	-6.873446879	**
9	-5.707177531	**	-7.349843727	**
10	-5.43634957	**	-5.422771558	**
11	-6.937742103	**	-8.89315673	**
12	-12.47139991	**	-13.54014203	**
13	-6.254243775	**	-9.233310802	**
14	-9.98123334	**	-12.40153034	**
15	-10.38342181	**	-13.15406842	**
16	-12.07248749	**	-12.0518387	**
17	-10.91235085	**	-10.8801974	**
18	-12.0610524	**	-12.03498125	**
19	-9.023156823	**	-14.69171459	**
20	-10.40406342	**	-10.3809829	**
21	-5.216010689	**	-10.73446893	**
22	-4.422413034	**	-8.338966353	**
23	-5.864894812	**	-9.238680667	**
24	-8.644764654	**	-12.71229998	**
25	-7.845849783	**	-9.843003051	**
26	-10.20151516	**	-13.33167387	**
27	-8.135724096	**	-14.92877305	**
28	-11.67104732	**	-12.36735596	**
29	-8.726405468	**	-9.959119798	**
30	-9.867508268	**	-9.9012043	**
31	-7.012123251	**	-7.739571913	**
32	-5.037392216	**	-5.844169198	**
33	-10.08089408	**	-13.23585608	**
34	-12.41577829	**	-13.18935083	**
35	-8.080257724	**	-13.79415906	**
36	-11.1821313	**	-11.23733724	**
37	-13.19535522	**	-15.26629829	**
38	-6.986636576	**	-11.61312628	**
39	-10.10030358	**	-12.07522835	**
40	-9.101721997	**	-12.96497568	**
41	-4.996397352	**	-6.839610883	**
42	-11.30299922	**	-17.70915263	**
43	-11.38406653	**	-13.29859259	**
44	-12.52330883	**	-14.64173768	**
45	-10.80016947	**	-11.82496712	**
46	-9.754098996	**	-12.23374274	**
47	-8.604345765	**	-8.647101847	**
48	-6.000451251	**	-12.17688315	**
49	-8.489968635	**	-12.3911149	**
50	-11.12805856	**	-12.81279511	**
51	-9.19817453	**	-13.90334526	**
52	-15.51673568	**	-15.55557348	**
53	-10.41691866	**	-10.44095309	**
54	-8.355272781	**	-14.59834687	**
55	-9.751168045	**	-10.28761638	**
56	-15.11129528	**	-16.36679145	**
57	-9.999356449	**	-11.18094858	**
58	-3.964547531	**	-7.469962582	**
59	-3.728145447	**	-5.996178781	**
60	-3.047150641	**	-6.429763406	**
61	-11.65846314	**	-13.42216674	**
62	-5.793193268	**	-10.91104201	**
63	-10.97888494	**	-13.50511055	**
64	-12.0376932	**	-14.08727475	**
65	-9.104127787	**	-9.07706905	**
66	-9.908955045	**	-9.907600337	**
67	-10.68415059	**	-10.70626679	**
68	-7.976494502	**	-10.32174871	**
69	-10.61838618	**	-14.80337885	**
70	-11.54035247	**	-13.33288699	**
71	-9.580642389	**	-12.07340588	**
72	-6.306668878	**	-11.75534683	**
73	-7.28727424	**	-8.659091126	**
74	-19.95512256	**	-19.92627705	**
75	-10.25225391	**	-12.22941423	**
76	-4.153658154	**	-10.13718468	**
77	-8.532007916	**	-14.10091991	**
78	-14.34510606	**	-14.42246237	**
79	-6.332650246	**	-11.74776413	**

Table W9. ADF test for prices of UK HICP.

Ho: the first differences of the basic components are I(1).

H1:

Series	None		Constant	
1	-11.19440797	**	-10.53155355	**
2	-12.58264435	**	-12.71002819	**
3	-15.58133254	**	-15.76972024	**
4	-11.39640732	**	-11.43774796	**
5	-13.29344027	**	-12.87563206	**
6	-13.44978027	**	-13.82044596	**
7	-13.1636347	**	-13.04668637	**
8	-9.750835048	**	-11.61372121	**
9	-15.54017235	**	-15.2852803	**
10	-16.68975878	**	-16.54385527	**
11	-15.34631668	**	-16.17868064	**
12	-15.07619868	**	-17.76422447	**
13	-15.97909032	**	-16.71282182	**
14	-15.61244408	**	-16.45284933	**
15	-10.04851088	**	-12.58860578	**
16	-13.39651616	**	-15.15735581	**
17	-12.09159092	**	-13.25104268	**
18	-12.01319775	**	-12.20183143	**
19	-12.54966828	**	-12.76772842	**
20	-9.292938522	**	-11.81392695	**
21	-13.3041347	**	-12.84523258	**
22	-7.998880367	**	-8.04918056	**
23	-20.64877287	**	-20.23036967	**
24	-19.28859264	**	-15.90143133	**
25	-15.03664256	**	-13.93832758	**
26	-12.06826885	**	-12.86906599	**
27	-17.45290827	**	-15.42735596	**
28	-12.59556283	**	-12.05453183	**
29	-16.04593576	**	-15.25707595	**
30	-7.476581368	**	-11.48834139	**
31	-17.23012111	**	-17.35974726	**
32	-14.44099703	**	-15.09971152	**
33	-14.01792797	**	-13.61737565	**
34	-13.14720455	**	-12.87654944	**
35	-13.1068167	**	-12.82697477	**
36	-8.887931389	**	-8.665478175	**
37	-13.09598699	**	-12.78785696	**
38	-14.67347581	**	-15.21485687	**
39	-8.599777315	**	-8.849867713	**
40	-8.396768042	**	-12.49162424	**
41	-10.13697838	**	-13.22142495	**
42	-16.65877257	**	-17.74401047	**
43	-12.96976807	**	-12.58339328	**
44	-8.715511521	**	-12.37297317	**
45	-10.02307532	**	-12.4498999	**
46	-7.605380087	**	-11.65078547	**
47	-14.70880515	**	-14.18138869	**
48	-11.43758656	**	-12.92579845	**
49	-13.11758461	**	-12.72009596	**
50	-16.17782641	**	-15.75099148	**
51	-13.40531	**	-13.61174888	**
52	-15.03296224	**	-15.74452542	**
53	-12.59068441	**	-15.47007055	**
54	-10.33470372	**	-13.0393005	**
55	-13.36467525	**	-14.78540302	**
56	-16.09773146	**	-15.65544668	**
57	-12.1235776	**	-13.67261304	**
58	-13.44914882	**	-13.68773233	**
59	-5.000580238	**	-6.47027983	**
60	-9.611500092	**	-13.85010336	**
61	-4.550814696	**	-11.91648084	**
62	-8.516601709	**	-12.95315275	**
63	-7.843895568	**	-10.75038337	**
64	-4.495474936	**	-11.0090494	**
65	-13.91582984	**	-13.53725243	**
66	-17.67088178	**	-16.79459318	**
67	-5.562951218	**	-6.493152722	**
68	-11.99676911	**	-12.73208157	**
69	-11.99676911	**	-12.73208157	**
70	-13.3041347	**	-12.84523258	**

'*' indicates the corresponding null hypothesis is rejected at the 5% significance level and '**' indicates that it is rejected at the 1% significance level.

Table W10. E-G simulated critical Values at 0.1% of significance level.

Areas	Deterministic terms	Critical Values
US	Constant	-3.11
	Constant & one set of Dummies	-3.15
UK	Constant	-3.09
	Constant & one set of Dummies	-3.13
EA	Constant	-3.09
	Constant & one set of Dummies	-3.13
	Constant & two sets of Dummies	-3.33

4. Our procedure

4.2. The final disaggregation maps

Table W11. Classification by broad categories in the EA HICP of the basic components belonging to the subsets N, S and R

Basic components in subset N (one common trend)

	NPF	ENE	PF	MAN	SERV	TOTAL
Number of basic components	1	0	0	11	14	26
Weights of basic components in subset N	3.93%	0.00%	0.00%	27.66%	68.41%	100%
Weights of basic components in the corresponding broad category	21.40%	0.00%	0.00%	41.13%	59.31%	
Weights of basic components in HICP Index	1.55%	0.00%	0.00%	10.93%	27.03%	39.51%

Basic components in subset S (one CSCF)

	NPF	ENE	PF	MAN	SERV	TOTAL
Number of basic components	2	4	8	6	3	23
Weights of basic components in subset S	21.51%	22.14%	39.35%	13.73%	3.27%	100%
Weights of basic components in the corresponding broad category	65.40%	59.00%	70.59%	11.41%	1.58%	
Weights of basic components in HICP Index	4.75%	4.89%	8.69%	3.03%	0.72%	22.08%

Basic components in subset R

	NPF	ENE	PF	MAN	SERV	TOTAL
Number of basic components	1	2	3	11	13	30
Weights of basic components in subset R	2.49%	8.85%	9.42%	32.84%	46.40%	100%
Weights of basic components in the corresponding broad category	13.20%	41.00%	29.41%	47.46%	39.10%	
Weights of basic components in HICP Index	0.96%	3.40%	3.62%	12.61%	17.82%	38.41%

(*) The broad categories are non-processed food (NPF), energy (ENE), processed food (PF), other goods (MAN) and other services (SERV).

Table W12. Classification by broad categories in the UK HICP of the basic components belonging to the subsets N, S and R.

Basic components in subset N (one common trend)

	NPF	ENE	PF	MAN	SERV	TOTAL
Number of basic components	1	1	1	15	8	26
Weights of basic components in subset N	4.07%	11.70%	3.31%	51.40%	29.52%	100%
Weights of basic components in the corresponding broad category	27.35%	57.50%	11.39%	61.46%	29.59%	
Weights of basic components in HICP Index	1.60%	4.60%	1.30%	20.20%	11.60%	39.30%

Basic components in subset S (one CSCF)

	NPF	ENE	PF	MAN	SERV	TOTAL
Number of basic components	1	1	5	6	6	19
Weights of basic components in subset S	3.29%	11.18%	18.75%	18.75%	48.03%	100%
Weights of basic components in the corresponding broad category	17.09%	42.50%	49.95%	17.34%	37.24%	
Weights of basic components in HICP Index	1.00%	3.40%	5.70%	5.70%	14.60%	30.40%

Basic components in subset R

	NPF	ENE	PF	MAN	SERV	TOTAL
Number of basic components	2	0	5	10	8	25
Weights of basic components in subset R	10.73%	0.00%	14.56%	31.80%	42.91%	100%
Weights of basic components in the corresponding broad category	55.56%	0.00%	38.66%	27.12%	33.17%	
Weights of basic components in HICP Index	3.25%	0.00%	4.41%	9.64%	13.00%	30.30%

(*) The broad categories are non-processed food (NPF), energy (ENE), processed food (PF), other goods (MAN) and other services (SERV).

5. Forecasting results for inflation in the US, the EA and the UK

5.3. Forecasting exercise

Table W13. Indirect procedures based on intermediate disaggregations considered in the paper. Summary results of FP3 from the two approaches for estimating CSCF.

Prediction horizon (months)	US, year-on-year inflation rate		EA, year-on-year inflation rate		UK, year-on-year inflation rate	
	Dynamic factor analysis to the components of S	Fit of Δ_{T2t}	Dynamic factor analysis to the components of S	Fit of Δ_{T2t}	Dynamic factor analysis to the components of S	Fit of Δ_{T2t}
	FP3	FP3	FP3	FP3	FP3	FP3
1	0.96	1.03	0.88**	0.90**	0.98	1.06
2	0.92*	0.96*	0.91*	0.93*	0.93	1.05
3	0.93	0.97	0.92*	0.93*	0.91**	1.1
4	0.93	0.98	0.90**	0.90**	0.88**	1.08
5	0.93	0.98	0.89**	0.88**	0.86**	1.04
6	0.93	0.97	0.89**	0.89**	0.85**	1.03
7	0.91	0.95	0.87**	0.86**	0.84**	1.01
8	0.87*	0.91*	0.86**	0.86**	0.82**	0.99
9	0.84*	0.87*	0.87**	0.87**	0.80**	0.96
10	0.81**	0.84**	0.90**	0.90**	0.79**	0.93**
11	0.78**	0.81**	0.91**	0.90**	0.79**	0.92**
12	0.78**	0.80**	0.93**	0.92*	0.79**	0.90**

Forecast sample: 2004/01–2010/12

* Significantly different at 5% significance level using the Diebold and Mariano test

** Significantly different at 1% significance level using the Diebold and Mariano test

The base periods of the forecasts go from 2003/12 to 2010/11. For horizons 1 and 12, we have 84 and 72 forecasting errors, respectively.

Dynamic factor analysis to the components of S is the approach showed in the paper.

Table W14: RMSE (in percentage terms) of the direct approach FP1 and RMSE ratio for each approach to FP1. The FP3 procedure has been run estimating the CSCF by the fit of $\Delta\tau 2t$.

US, year-on-year inflation rate

RMSE (in percentage terms) of the direct approach FP1 and RMSE ratio for each approach to FP1.

US, year-on-year inflation rate

Prediction horizon (months)	Direct procedure	Indirect procedures based on intermediate disaggregations considered in the paper			Indirect procedure based on factor-augmented models	Indirect procedure based on AR models
	FP1	FP2	FP3	FP4	FP5	FP6
1	0.42	1.04	1.03	0.95	1.05	0.98
2	0.83	0.93*	0.96*	0.90*	0.93	1.00
3	1.11	0.94	0.97	0.91*	0.91*	1.01
4	1.32	0.94	0.98	0.90*	0.91*	1.01
5	1.48	0.94*	0.98	0.90*	0.91*	1.01
6	1.59	0.93*	0.97	0.89*	0.92*	1.01
7	1.67	0.93	0.95	0.88*	0.93	1.01
8	1.76	0.93	0.91*	0.85*	0.92	1.01
9	1.85	0.92	0.87*	0.81**	0.91	1.00
10	1.94	0.91	0.84**	0.78**	0.89*	1.00
11	2.04	0.90	0.81**	0.76**	0.87*	1.00
12	2.15	0.91*	0.80**	0.75**	0.86**	1.01

Forecast sample: 2004/01–2010/12

* Significantly different at 5% significance level using the Diebold and Mariano test

** Significantly different at 1% significance level using the Diebold and Mariano test

The base periods of the forecasts go from 2003/12 to 2010/11. For horizons 1 and 12, we have 84 and 72 forecasting errors, respectively.

Table W15: Diebold–Mariano test results based on multivariate loss function for the path forecast between two approaches (Capistrán 2006). The FP3 procedure has been run estimating the CSCF by the fit of $\Delta\tau 2t$.

US results.

Diebold–Mariano test results based on multivariate loss function for the path forecast between two approaches (Capistran 2006)

US results.

	Direct procedure	Indirect procedures based on intermediate disaggregations considered in the paper			Indirect procedure based on factor-augmented models	Indirect procedure based on AR models
	FP1	FP2	FP3	FP4	FP5	FP6
FP1		**	**	**	**	
FP2				**		
FP3				*		
FP4						
FP5				*		
FP6		**	**	**	**	

* Means that the procedure appearing in the column performs significantly better than the procedure appearing in the row at 5% significance level

** the same but at 1% significance level

Table W16: RMSE (in percentage terms) of the direct approach FP1 and RMSE ratio for each approach to FP1. The FP3 procedure has been run estimating the CSCF by the fit of Δτ2t.

Euro Area, year-on-year inflation rate.

RMSE (in percentage terms) of the direct approach FP1 and RMSE ratio for each approach to FP1.

EA, year-on-year inflation rate

	Direct procedure	Indirect procedures based on intermediate disaggregations considered in the paper			Indirect procedure based on factor-augmented models	Indirect procedure based on AR models
	FP1	FP2	FP3	FP4	FP5	FP6
Prediction horizon (months)						
1	0.21	0.94*	0.90**	0.85**	0.90*	0.90
2	0.31	0.96*	0.93*	0.91*	0.94	1.27
3	0.41	0.97*	0.93*	0.91*	0.96	1.34
4	0.49	0.99	0.90**	0.89**	0.95	1.32
5	0.58	0.99	0.88**	0.88**	0.93	1.29
6	0.65	1.01	0.89**	0.89**	0.94	1.29
7	0.73	1.01	0.86**	0.87**	0.92	1.21
8	0.81	1.01	0.86**	0.86**	0.91	1.14
9	0.88	1.01	0.87**	0.87**	0.91*	1.09
10	0.94	1.01	0.90**	0.90**	0.92*	1.07
11	1.00	1.01	0.90**	0.90**	0.93*	1.05
12	1.05	1.02	0.92*	0.92**	0.95	1.04

Forecast sample: 2004/01–2010/12

* Significantly different at 5% significance level using the Diebold and Mariano test

** Significantly different at 1% significance level using the Diebold and Mariano test

The base periods of the forecasts go from 2003/12 to 2010/11. For horizons 1 and 12, we have 84 and 72 forecasting errors, respectively.

33

Table W17: Diebold–Mariano test results based on multivariate loss function for the path forecast between two approaches (Capistrán 2006). The FP3 procedure has been run estimating the CSCF by the fit of Δτ2t.

Euro Area results.

Diebold–Mariano test results based on multivariate loss function for the path forecast between two approaches (Capistran 2006): Euro Area results

EA results						
	Direct procedure	Indirect procedures based on intermediate disaggregations considered in the paper			Indirect procedure based on factor-augmented models	Indirect procedure based on AR models
	FP1	FP2	FP3	FP4	FP5	FP6
FP1	▓		**	**	**	
FP2		▓	**	**	**	
FP3			▓			
FP4				▓		
FP5			*	**	▓	
FP6			**	**	**	▓

* Means that the procedure appearing in the column performs significantly better than the procedure appearing in the row at 5% significance level

** the same but at 1% significance level

Table W18: RMSE (in percentage terms) of the direct approach A1 and RMSE ratio for each approach to A1. The FP3 procedure has been run estimating the CSCF by the fit of Δτ2t.

United Kingdom, year-on-year inflation rate.

RMSE (in percentage terms) of the direct approach FP1 and RMSE ratio for each approach to FP1.

UK, year-on-year inflation rate						
	Direct procedure	Indirect procedures based on intermediate disaggregations considered in the paper			Indirect procedure based on factor-augmented models	Indirect procedure based on AR models
Prediction horizon (months)	FP1	FP2	FP3	FP4	FP5	FP6
1	0.27	0.99	1.06	0.98	1.05	0.92
2	0.39	0.97	1.05	0.99	0.98	1.07
3	0.51	0.96	1.10	0.90*	0.97	1.53
4	0.63	0.94	1.08	0.84**	0.96	1.38
5	0.75	0.91*	1.04	0.78**	0.92*	1.24
6	0.86	0.90**	1.03	0.75**	0.93**	1.19
7	0.97	0.91*	1.01	0.72**	0.93**	1.16
8	1.08	0.91**	0.99	0.70**	0.93**	1.14
9	1.19	0.90**	0.96	0.69**	0.92**	1.12
10	1.30	0.89**	0.93**	0.68**	0.92**	1.11
11	1.39	0.89**	0.92**	0.67**	0.92**	1.11
12	1.49	0.88**	0.90**	0.66**	0.92**	1.11

Forecast sample: 2004/01–2010/12
*   Significantly different at 5% significance level using the Diebold and Mariano test
** Significantly different at 1% significance level using the Diebold and Mariano test
The base periods of the forecasts go from 2003/12 to 2010/11. For horizons 1 and 12, we have 84 and 72 forecasting errors, respectively.

Table W19: Diebold–Mariano test results based on multivariate loss function for the path forecast between two approaches (Capistrán 2006). The FP3 procedure has been run estimating the CSCF by the fit of $\Delta\tau2t$.

United Kingdom results.

Diebold–Mariano test results based on multivariate loss function for the path forecast between two approaches (Capistran 2006)

UK results	Direct procedure	Indirect procedures based on intermediate disaggregations considered in the paper			Indirect procedure based on factor-augmented models	Indirect procedure based on AR models
	FP1	FP2	FP3	FP4	FP5	FP6
FP1				**		
FP2				**		
FP3		*		**	*	
FP4						
FP5				**		
FP6	**	**	**	**	**	

* Means that the procedure appearing in the column performs significantly better than the procedure appearing in the row at 5% significance level
** the same but at 1% significance level

Additional details about the disaggregation maps

Table W20. Classification of basic components in US CPI by broad categories*.

PF

Weights	SET	Description - Price Index -
0.31%	S1	Milk
0.21%	S1	Other beverage materials including tea
0.11%	S1	Other fats and oils including peanut butter
0.10%	S1	Soups
0.20%	S2	Breakfast cereal
0.21%	S2	Cakes, cupcakes, and cookies
0.02%	S2	Frozen noncarbonated juices and drinks
0.32%	S2	Nonfrozen noncarbonated juices and drinks
0.19%	S2	Candy and chewing gum
0.06%	S2	Other sweets
0.06%	S2	Salad dressing
0.31%	S2	Snacks
0.07%	S2	Baby food
0.43%	S2	Other miscellaneous foods
0.73%	S2	Cigarettes
0.05%	R	Flour and prepared flour mixes
0.14%	R	Rice, pasta, cornmeal
0.26%	R	Bread
0.13%	R	Fresh biscuits, rolls, muffins
0.26%	R	Other bakery products
0.32%	R	Cheese and related products
0.16%	R	Ice cream and related products
0.18%	R	Other dairy and related products
0.36%	R	Carbonated drinks
0.14%	R	Coffee
0.06%	R	Sugar and artificial sweeteners
0.08%	R	Butter and margarine
0.35%	R	Frozen and freeze dried prepared foods
0.28%	R	Spices, seasonings, condiments, sauces
0.55%	R	Alcoholic beverages away from home
0.05%	R	Tobacco products other than cigarettes
6.68%		
10.88%	S1	Weights in the broad category PF of the PF basic components in S1
38.89%	S2	Weights in the broad category PF of the PF basic components in S2
50.23%	R	Weights in the broad category PF of the PF basic components in R

(*) The broad categories are. non-processed food (NPF), energy (ENE), processed food (PF), other goods (MAN) and other services (SERV).

NPF

Weights	SET	Description - Price Index -
0.06%	S1	Other poultry including turkey
0.11%	S1	Eggs
0.22%	S1	Other fresh fruits
0.06%	S1	Lettuce
0.08%	S1	Tomatoes
0.19%	S2	Uncooked beef steaks
0.25%	S2	Other meats
0.27%	S2	Chicken
0.08%	S2	Citrus fruits
0.08%	S2	Potatoes
0.25%	R	Uncooked ground beef
0.10%	R	Uncooked beef roasts
0.06%	R	Uncooked other beef and veal
0.13%	R	Bacon, breakfast sausage, and related
0.08%	R	Ham
0.08%	R	Pork chops
0.10%	R	Other pork including roasts and picnics
0.18%	R	Fresh fish and seafood
0.16%	R	Processed fish and seafood
0.09%	R	Apples
0.08%	R	Bananas
0.26%	R	Other fresh vegetables
0.16%	R	Canned fruits and vegetables
0.09%	R	Frozen fruits and vegetables
0.06%	R	Other processed fruits and vegetables including
3.29%		
16.21%	S1	Weights in the broad category PF of the PF basic components in S1
26.70%	S2	Weights in the broad category PF of the PF basic components in S2
57.10%	R	Weights in the broad category PF of the PF basic components in R

MAN

Weights	SET	Description - Price Index -
0.11%	S1	Window coverings
0.18%	S1	Other linens
0.11%	S1	Indoor plants and flowers
0.14%	S1	Men's suits, sport coats, and outerwear
0.19%	S1	Men's furnishings
0.22%	S1	Men's shirts and sweaters
0.12%	S1	Women's outerwear
0.10%	S1	Women's dresses
0.70%	S1	Women's suits and separates
0.26%	S1	Girls' apparel
0.15%	S1	Boys' and girls' footwear
0.31%	S1	Women's footwear
0.05%	S1	Watches
0.20%	S1	Other motor fuels
0.06%	S1	Sewing machines, fabric and supplies
0.17%	S2	Men's pants and shorts
0.20%	S2	Boys' apparel
0.35%	S2	Women's underwear, nightwear, sportswear and
0.18%	S2	Infants' and toddlers' apparel
6.93%	S2	New and used motor vehicles
0.15%	S2	Vehicle accessories other than tires
0.07%	S2	Motor vehicle body work
0.14%	S2	Televisions
0.48%	S2	Pets and pet products
0.15%	S2	Newspapers and magazines
0.12%	S2	Recreational books
0.21%	S2	Personal computers and peripheral equipment
2.61%	S2	Personal care
0.05%	R	Floor coverings
1.15%	R	Furniture and bedding
0.25%	R	Major appliances
0.15%	R	Other appliances
0.38%	R	Clocks, lamps, and decorator items
0.08%	R	Dishes and flatware
0.11%	R	Nonelectric cookware and tableware
0.24%	R	Tools, hardware and supplies
0.39%	R	Outdoor equipment and supplies
0.42%	R	Household cleaning products
0.28%	R	Household paper products
0.34%	R	Miscellaneous household products
0.87%	R	Household operations
0.25%	R	Men's footwear
0.35%	R	Jewelry
0.26%	R	Tires
0.29%	R	Internal and respiratory over-the-counter drugs
0.13%	R	Nonprescription medical equipment and supplies
0.03%	R	Other video equipment
0.19%	R	Video discs and other media, including rental of
0.12%	R	Audio equipment
0.09%	R	Audio discs, tapes and other media
0.35%	R	Pet services including veterinary

39

0.36%	R	Sports vehicles including bicycles
0.30%	R	Sports equipment
0.08%	R	Photographic equipment and supplies
0.10%	R	Photographers and film processing
0.25%	R	Toys
0.05%	R	Music instruments and accessories
0.25%	R	Educational books and supplies
0.04%	R	Computer software and accessories
0.07%	R	Telephone hardware, calculators, and other
22.92%		
12.67%	S1	Weights in the broad category PF of the PF basic components in S1
51.31%	S2	Weights in the broad category PF of the PF basic components in S2
36.02%	R	Weights in the broad category PF of the PF basic components in R

SERV

Weights	SET	Description - Price Index -
0.08%	S1	Distilled spirits at home
0.73%	S1	Airline fare
1.05%	S1	Wireless telephone services
0.29%	S1	Internet services and electronic information
0.30%	S2	Food at employee sites and schools
0.14%	S2	Food from vending machines and mobile vendors
5.96%	S2	Rent of primary residence
0.16%	S2	Housing at school, excluding board
24.43%	S2	Owners' equivalent rent of primary residence
2.04%	S2	Motor vehicle insurance
0.18%	S2	Parking and other fees
0.17%	S2	Other intercity transportation
4.77%	S2	Medical care services
1.21%	S2	Cable and satellite television and radio service
1.45%	S2	College tuition and fees
0.43%	S2	Elementary and high school tuition and fees
3.51%	R	Full service meals and snacks
2.87%	R	Limited service meals and snacks
0.35%	R	Other food away from home
0.36%	R	Beer, ale, and other malt beverages at home
0.27%	R	Wine at home
0.00%	R	Other lodging away from home including hotels and
0.37%	R	Tenants' and household insurance
0.79%	R	Water and sewerage maintenance
0.30%	R	Garbage and trash collection
0.52%	R	Motor vehicle maintenance and servicing
0.70%	R	Motor vehicle repair
0.32%	R	State and local registration and license
0.25%	R	Intracity transportation
1.40%	R	Prescription drugs
0.63%	R	Club dues and fees for participant sports and
0.75%	R	Admissions
0.27%	R	Fees for lessons or instructions
0.91%	R	Child care and nursery school
0.08%	R	Technical and business school tuition and fees
0.18%	R	Postage
0.01%	R	Delivery services
0.91%	R	Land-line telephone services, local charges
0.61%	R	Land-line telephone services, long distance
59.72%		
3.60%	S1	Weights in the broad category PF of the PF basic components in S1
69.03%	S2	Weights in the broad category PF of the PF basic components in S2
27.37%	R	Weights in the broad category PF of the PF basic components in R

ENE

Weights	SET	Description - Price Index -
0.19%	S1	Fuel oil
1.16%	S1	Utility (piped) gas service
0.11%	S2	Propane, kerosene, and firewood
3.00%	S2	Electricity
2.96%	S2	Gasoline (all types)
7.42%		
18.12%	S1	Weights in the broad category PF of the PF basic components in S1
81.88%	S2	Weights in the broad category PF of the PF basic components in S2
0.00%	R	Weights in the broad category PF of the PF basic components in R

Table W21. Classification of basic components in EA HICP by broad categories*.

PF

Weights	SET	Description - Price Index -
2.44%	S2	Bread and cereals
2.16%	S2	Milk, cheese and eggs
0.53%	S2	Oils and fats
1.08%	S2	Sugar, jam, honey, chocolate and confectionery
0.40%	S2	Food products n,e,c,
0.41%	S2	Coffee, tea and cocoa
0.91%	S2	Mineral waters, soft drinks, fruit and vegetable juices
0.75%	S2	Wine
0.46%	R	Spirits
0.68%	R	Beer
2.48%	R	Tobacco
12.3%		

0.0%	S1	Weights in set S1
70.6%	S2	Weights in set S2
29.4%	R	Weights in set R

(*) The broad categories are. non-processed food (NPF), energy (ENE), processed food (PF), other goods (MAN) and other services (SERV).

NPF

Weights	SET	Description - Price Index -
3.64%	S2	Meat
1.11%	S2	Fruit
1.55%	S1	Vegetables
0.96%	R	Fish and seafood
7.3%		
21.4%	S1	Weights in set S1
65.4%	S2	Weights in set S2
13.2%	R	Weights in set R

MAN

Weights	SET	Description - Price Index -
5.21%	S1	Garments
0.79%	S1	Materials for the maintenance and repair of the dwelling
0.74%	S1	Water supply
0.34%	S1	Carpets and other floor coverings
0.63%	S1	Household textiles
0.65%	S1	Glassware, tableware and household utensils
0.34%	S1	Motor cycles, bicycles and animal drawn vehicles
0.35%	S1	Major durables for indoor and outdoor recreation including musical instruments
0.58%	S1	Gardens, plants and flowers
0.94%	S1	Newspapers and periodicals
0.35%	S1	Miscellaneous printed matter; stationery and drawing materials
0.95%	S2	Non-durable household goods
0.59%	S2	Equipment for the reception, recording and reproduction of sound and pictures
0.19%	S2	Photographic and cinematographic equipment and optical instruments
0.38%	S2	Information processing equipment
0.63%	S2	Games, toys and hobbies
0.29%	S2	Equipment for sport, camping and open-air recreation
0.03%	R	Clothing materials
0.24%	R	Other articles of clothing and clothing accessories
1.41%	R	Footwear including repair
2.50%	R	Furniture and furnishings
1.00%	R	Major household appliances whether electric or not and small electric household appliances
0.44%	R	Tools and equipment for house and garden
4.42%	R	Motor cars
0.89%	R	Spares parts and accessories for personal transport equipment
0.51%	R	Recording media
0.50%	R	Pets and related products; veterinary and other services for pets
0.66%	R	Books
26.6%		
41.1%	S1	Weights in set S1
11.4%	S2	Weights in set S2
47.5%	R	Weights in set R

SERV

Weights	SET	Description - Price Index -
0.43%	S2	Refuse collection
0.11%	S2	Passenger transport by sea and inland waterway
0.19%	S2	Postal services
0.45%	S1	Sewerage collection
0.09%	S1	Repair of furniture, furnishings and floor coverings
0.12%	S1	Repair of household appliances
2.43%	S1	Maintenance and repair of personal transport equipment
0.89%	S1	Other services in respect of personal transport equipment
0.75%	S1	Passenger transport by road
0.44%	S1	Combined passenger transport
0.06%	S1	Other purchased transport services
1.59%	S1	Cultural services
1.76%	S1	Package holidays
7.31%	S1	Restaurants, cafés and the like
0.92%	S1	Canteens
1.69%	S1	Accommodation services
8.54%	S1	Miscellaneous goods and services
0.16%	R	Cleaning, repair and hire of clothing
5.90%	R	Actual rentals for housing
0.87%	R	Services for the maintenance and repair of the dwelling
0.58%	R	Other services relating to the dwelling n,e,c,
0.77%	R	Domestic services and household services
3.70%	R	Health
0.45%	R	Passenger transport by railway
0.49%	R	Passenger transport by air
2.75%	R	Telephone and telefax equipment and services
0.09%	R	Repair of audio-visual, photographic and information processing equipment
0.00%	R	Maintenance and repair of other major durables for recreation and culture
0.99%	R	Recreational and sporting services
1.06%	R	Education
45.6%		
59.31%	S1	Weights in set S1
1.58%	S2	Weights in set S2
39.10%	R	Weights in set R

ENE

Weights	SET	Description - Price Index -
0.51%	S2	Liquid fuels
0.17%	S2	Solid fuels
0.61%	S2	Heat energy
3.59%	S2	Fuels and lubricants for personal transport equipment
2.08%	R	Electricity
1.32%	R	Gas
8.3%		
0.0%	S1	Weights in set S1
59.0%	S2	Weights in set S2
41.0%	R	Weights in set R

Table W22. Classification of basic components in UK HICP by broad categories*.

PF

Weights	SET	Description - Price Index -
1.30%	S1	Sugar, jam, honey, chocolate and confectionery
1.50%	S2	Milk, cheese and eggs
0.40%	S2	Coffee, tea and cocoa
1.00%	S2	Mineral waters, soft drinks, fruit and vegetable juices
0.50%	S2	Beer
2.30%	S2	Tobacco
1.97%	R	Bread and cereals
0.23%	R	Oils and fats
0.35%	R	Food products n.e.c.
0.70%	R	Spirits
1.16%	R	Wine
11.41%		
11.4%	S1	Weights in set S1
49.9%	S2	Weights in set S2
38.7%	R	Weights in set R

(*) The broad categories are. non-processed food (NPF), energy (ENE), processed food (PF), other goods (MAN) and other services (SERV).

NPF

Weights	SET	Description - Price Index -
1.60%	S1	Vegetables
1.00%	S2	Fruit
2.67%	R	Meat
0.58%	R	Fish and seafood
5.85%		
27.3%	S1	Weights in set S1
17.1%	S2	Weights in set S2
55.6%	R	Weights in set R

MAN

Weights	SET	Description - Price Index -
4.80%	S1	Clothing
0.90%	S1	Footwear including repair
0.80%	S1	Major household appliances whether electric or not and small electric household appliances
0.50%	S1	Glassware, tableware and household utensils
0.40%	S1	Other medical products; therapeutic appliances and equipment
4.40%	S1	Motor cars
0.30%	S1	Motor cycles, bicycles and animal drawn vehicles
2.30%	S1	Communications
0.60%	S1	Equipment for the reception, recording and reproduction of sound and pictures
0.70%	S1	Recording media
2.00%	S1	Games, toys and hobbies
0.80%	S1	Pets and related products; veterinary and other services for pets
0.50%	S1	Books
0.60%	S1	Newspapers and periodicals
0.60%	S1	Miscellaneous printed matter; stationery and drawing materials
2.80%	S2	Furniture and furnishings, carpets and other floor coverings
0.70%	S2	Household textiles
0.60%	S2	Pharmaceutical products
0.50%	S2	Information processing equipment
0.80%	S2	Jewellery, clocks and watches
0.30%	S2	Other personal effects
1.16%	R	Materials for the maintenance and repair of the dwelling
1.28%	R	Water supply and miscellaneous services relating to the dwelling
0.70%	R	Tools and equipment for house and garden
0.70%	R	Non-durable household goods
0.58%	R	Spares parts and accessories for personal transport equipment
0.46%	R	Photographic and cinematographic equipment and optical instruments
1.04%	R	Other major durables for recreation and culture
0.46%	R	Equipment for sport, camping and open-air recreation
0.58%	R	Gardens, plants and flowers
2.67%	R	Electrical appliances for personal care; other appliances, articles and products for personal care
35.54%		
56.8%	S1	Weights in set S1
16.0%	S2	Weights in set S2
27.1%	R	Weights in set R

SERV

Weights	SET	Description - Price Index -
5.10%	S1	Actual rentals for housing
0.20%	S1	Dental services
0.80%	S1	Hospital services
2.30%	S1	Maintenance and repair of personal transport equipment
0.10%	S1	Repair of audio-visual, photographic and information processing equipment
2.70%	S1	Package holidays
0.20%	S1	Insurance connected with the dwelling
0.20%	S1	Insurance connected with health
0.10%	S2	Repair of household appliances
0.50%	S2	Domestic services and household services
2.10%	S2	Education
10.00%	S2	Restaurants, cafés and the like
0.80%	S2	Hairdressing salons and personal grooming establishments
1.10%	S2	Social protection
0.93%	R	Services for the maintenance and repair of the dwelling
0.23%	R	Medical services; paramedical services
0.81%	R	Other services in respect of personal transport equipment
4.06%	R	Transport services
1.28%	R	Recreational and sporting services
2.44%	R	Cultural services
1.28%	R	Canteens
1.97%	R	Accommodation services
39.20%		
29.6%	S1	Weights in set S1
37.2%	S2	Weights in set S2
33.2%	R	Weights in set R

ENE

Weights	SET	Description - Price Index -
4.60%	S1	Electricity, gas and other fuels
3.40%	S2	Fuels and lubricants for personal transport equipment
8.00%		
57.5%	S1	Weights in set S1
42.5%	S2	Weights in set S2
0.0%	R	Weights in set R