

### **Index numbers with two decimals from 2006**

*The CPI for Sweden is published with two decimals from January 2006. The decimals are uncertain. Also the NPI and the HICP are published with two decimals. There as well the decimals are uncertain. Rates of change are still published with one decimal.*

The index numbers of the CPI for Sweden have earlier been published as numbers with one decimal place. The NPI and the HICP have also been published with one decimal. However, also earlier CPI numbers with two decimals have been computed and have been available to users on request. Furthermore, the latter numbers have been used for the computation of published rates of change.

Two decimals are now given also in the published index numbers, from January 2006. This applies to CPI, NPI and HICP. For instance, the CPI number for January 2006 is published as 279.59, not rounded to 279.6. Index numbers with two decimals are thus now made easily available. Eurostat and several European countries likewise publish HICP numbers with two decimals from January 2006.

The transition to two decimals in published Swedish CPI numbers from January 2006 does not affect the earlier officially fixed CPI numbers from the time before that. On the other hand, the potentially adjustable "shadow index" numbers have now got two decimals also in published series over the time before.

#### *The decimals are uncertain but advantageous for computations*

The index numbers with two decimals are less affected by rounding than those with one decimal are. This should be of advantage to users who utilise the index numbers for different kinds of computations.

It should be stressed that the decimals in the index numbers are uncertain. Previous studies have indicated a sampling error (two-sigma error) of 0.3-0.4 percentage points in the twelve-month change of the overall CPI. Presumably these results are still largely valid.

Thus the precision of the index numbers has not now been improved. The precision in the index numbers is actually not quite as good as numbers with two decimals may give an impression of. The transition to two decimals in published index numbers should nevertheless be motivated in regard of the technical suitability of the index numbers for use in further computations.