Methodology for the calculation of the annual variation rate of the competitiveness guarantee index

The annual variation rate of the Competitiveness Guarantee Index (CGI) for month *m* from year *t* is calculated using the following formula:

$$VIGC^{mt} = VIPCA_{UM}{}^{mt} - \propto \times \left(VIPCA_{ESP}{}^{\frac{mt}{m1999}} - VIPCA_{UM}{}^{\frac{mt}{m1999}} \right)$$

where:

$VIGC^{mt}$, is the annual variation rate of the Competitiveness Guarantee Index for month *m* from year *t*,

$VIPCA\_UM^{mt}$, is the annual change of the Harmonised Index of Consumer Prices of the Monetary Union for month *m* from year *t*,

$VIPCA\_ESP^{mt/m1999}$, is the change over last December of the Harmonised Index of Consumer Prices of Spain between month *m* from year *t*, and the same month *m* from year 1999,

$VIPCA\_UM^{mt/m1999}$, is the accumulated change of the Harmonised Index of of Consumer Prices of the Monetary Union between month *m* from year *t*, and the same month *m* from year 1999, and

$\propto$, is a parameter included in the interval between 0.2 and 0.35, which may be revised every five years, and which shall be published in the General State Budget Law. Currently, $\propto$ it is equal to 0.25.

This item of data shall be published monthly, according to the publication calendar available on the INE website.