

Consumer Price Inflation

July 2015

Coverage: **UK**
Date: **18 August 2015**
Geographical Area: **UK**
Theme: **Economy**

CONTENTS

SUMMARY	2
CPI SUMMARY	5
CPI NOTABLE MOVEMENTS	7
CPI DETAILED BRIEFING	8
RPI SUMMARY	25
RPI NOTABLE MOVEMENTS	26
RPI DETAILED BRIEFING	27
RECONCILIATION OF CPI AND RPI	35
RPI MISCELLANEOUS DATA	36
OUTLOOK	37

This note is produced as background briefing for the Consumer Price Inflation Statistical Bulletin. Users who require authoritative figures should use the Consumer Price Inflation Statistical Bulletin or Consumer Price Inflation Reference Tables.

SUMMARY

Consumer Prices Index (CPI)

The CPI is a measure of consumer price inflation produced to international standards and in line with European regulations. First published in 1997 as the Harmonised Index of Consumer Prices (HICP), the CPI is the inflation measure used in the Government's target for inflation.

The CPI is also used for purposes such as uprating pensions, wages and benefits and can aid in the understanding of inflation on family budgets. For more information see [Users and uses of consumer price inflation statistics](#).

The main movements for CPI in July 2015 are:

- The all items CPI is 128.0, down from 128.2 in June.
- The all items CPI annual rate is 0.1%, UP from 0.0% in June.
- The annual rate for CPI excluding indirect taxes, CPIY, is 0.1%, up from -0.1% last month.
- The annual rate for CPI at constant tax rates, CPI-CT, is 0.1%, up from 0.0% last month.
- The CPI all goods index is 118.6, down from 119.7 in June.
- The CPI all goods index annual rate is -1.8%, up from -2.0% last month.
- The CPI all services index is 140.0, up from 139.1 in June.
- The CPI all services index annual rate is 2.4%, up from 2.2% last month.

CPIH

The National Statistics status of CPIH and its derivative indices has been discontinued pending work to investigate and improve the method for measuring owner occupiers' housing costs in these indices. Full details can be found on the UK Statistics Authority website and in an explanatory note on this website. The improvements from the resulting development work were introduced in CPIH as part of the February 2015 dataset with the historical series revised back to 2005. Improved methodology for owner occupiers' housing costs in the CPIHY (CPIH excluding indirect taxation) measure of consumer prices has been implemented as part of this release, again with the historical series revised back to 2005. Further information on the changes is available in the following articles: [Improvements to the measurement of Owner Occupiers' Housing Costs and Private Housing Rental Prices](#) and [Revising the weight of Owner Occupiers' Housing in CPIH](#).

CPIH is a measure of UK consumer price inflation that includes owner occupiers' housing costs (OOH). These are the costs of housing services associated with owning, maintaining and living in one's own home. OOH does not include costs such as utility bills, minor repairs and maintenance which are already included in the index. CPIH uses an approach called rental equivalence to

measure OOH. Rental equivalence uses the rent paid for an equivalent house as a proxy for the costs faced by an owner occupier. In other words this answers the question “how much would I have to pay in rent to live in a home like mine?” for an owner occupier. OOH does not seek to capture increases in house prices. Although this may be inconsistent with some users’ expectations of measures of OOH, the inclusion of an asset price and therefore capital gains would make the index less suitable for a measure of consumption. OOH currently accounts for 17.8% of the expenditure weight of CPIH. This compares with a weight of 19.5% in 2005.

Currently, the method of calculation, the population coverage and the basket of goods and services are the same as the Consumer Prices Index (CPI), with the exception of OOH. The method of deriving the weights for CPIH and the data used for these are also the same as for CPI, with the exception of OOH. This can result in some differences from the CPI.

The main movements for CPIH in July 2015 are:

- The all items CPIH is 126.0, down from 126.1 in June.
- The all items CPIH annual rate is 0.4%, up from 0.3% in June.
- The annual rate for CPIH excluding indirect taxes, CPIHY, is 0.5%, up from 0.3% last month.
- The OOH component of CPIH is 116.8, up from 116.6 in June.
- The OOH component annual rate is 1.8%, down from 1.9% last month.
- The CPIH all goods index is 118.8, down from 119.9 in June.
- The CPIH all goods index annual rate is -1.8%, up from -2.0% last month.
- The CPIH all services index is 131.8, up from 131.1 in June.
- The CPIH all services index annual rate is 2.2%, up from 2.1% last month.

Retail Prices Index (RPI) and RPIJ

In accordance with the Statistics and Registration Service Act 2007, the Retail Prices Index and its derivatives have been assessed against the Code of Practice for Official Statistics and found not to meet the required standard for designation as National Statistics. The full assessment report can be found on the UK Statistics Authority website.

The RPI is a long-standing measure of UK inflation that has historically been used for a wide range of purposes such as the indexation of pensions, rents and index-linked gilts. For further information see Users and uses of consumer price inflation statistics.

RPIJ is an improved variant of the Retail Prices Index which is calculated using formulae that meet international standards. The rationale for creating RPIJ was to give users a better alternative to the RPI if their needs were for a measure of inflation based on the same population, classifications,

weights, etc. as the RPI. Currently, RPIJ also acts as an analytical series, in that it allows users to see the impact of using the Jevons (which meets international standards) in place of the Carli formula (which does not meet international standards) in the RPI. The use of the different formulae at the elementary aggregate level is currently the only difference between these indices. Detailed goods and services indices for RPIJ are not produced.

The main movements for RPI and RPIJ in July 2015 are:

- The all items RPI is 258.6, down from 258.9 in June.
- The all items RPI annual rate is 1.0%, unchanged from last month.
- The all items RPIJ is 238.4, down from 238.7 in June.
- The all items RPIJ annual rate is 0.4%, unchanged from last month.
- The annual rate for RPIX, the all items RPI excluding mortgage interest payments (MIPs) index, is 1.1%, unchanged from last month.
- The all goods RPI is 197.4, down from 199.6 in June.
- The all goods RPI annual rate is -0.9%, down from -0.7% last month.
- The all services RPI is 353.0, up from 350.3 in June.
- The all services RPI annual rate is 2.4%, up from 2.1% last month.
- The annual rate for RPIY, the all items RPI excluding MIPs and indirect taxes index, is 1.0%, unchanged from last month.
- The Tax and Price Index (TPI) for July is 225.6, down from 225.9 in June.
- The TPI annual rate is 0.5%, unchanged from last month.

CPI SUMMARY

CONTRIBUTIONS TO CHANGE IN THE CPI ANNUAL RATE

CPI COICOP DIVISIONS	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
01: Food and non-alcoholic beverages	112	110	-0.2	-0.7	-0.06
02: Alcoholic beverages and tobacco	45	43	-0.7	-1.0	-0.01
03: Clothing and footwear	72	70	-5.7	-3.4	0.19
04: Housing, water, electricity, gas and other fuels	129	128	0.3	0.3	-0.01
05: Furniture, household equipment and maintenance	60	59	-1.5	-1.4	0.01
06: Health	24	25	0.1	0.9	0.02
07: Transport	152	149	1.3	1.2	-0.02
08: Communication	32	31	0.1	0.3	0.01
09: Recreation and culture	144	147	-0.2	0.2	0.05
10: Education	22	26	-	-	-
11: Restaurants and hotels	120	121	0.4	0.1	-0.04
12: Miscellaneous goods and services	88	91	-0.5	-	0.05

Large upward effects came from:

- Clothing and footwear**, where prices, overall, fell by 3.4% between June and July this year compared with a larger fall of 5.7% between the same 2 months a year ago. Prices always fall between June and July during the summer sales period. The price fall between June and July this year was in line with recent years. However, the price fall between June and July last year was larger than usual between these 2 months and followed an atypical price increase between May and June 2014. At the time there were reports of a shift in the timing of the summer sales compared with previous years. The downward contribution came from price movements across the garments sector;
- Transport services**, where prices, overall, rose by 6.6% between June and July this year, compared with a smaller rise of 4.6% between the same 2 months a year ago. The upward contribution came from most transport fares – notably air fares;

- **Recreation and culture**, where prices, overall, rose by 0.2% between June and July this year, compared with a fall of 0.2% between the same 2 months a year ago. The main upward contribution came from price movements in the games, toys and hobbies sector – notably computer games and consoles; and
- **Miscellaneous goods and services**, where prices, overall, remained little changed between June and July this year, compared with a fall of 0.5% between the same 2 months a year ago. The upward contribution came from a range of services – notably bank overdraft charges, where a number of banks removed or reduced some of their charges last year.

Large downward effects came from:

- **Food and non-alcoholic beverages**, where prices, overall, fell by 0.7% between June and July this year, compared with a smaller fall of 0.2% between the same 2 months a year ago. The downward contribution came from price movements in most sectors – notably in the milk, cheese and eggs sector – where the prices of 2 pint cartons of shop bought milk have fallen. There was a partially offsetting contribution from rising prices in the bread and cereals sector;
- **Fuels and lubricants**, where average petrol prices rose by 0.1p and diesel prices fell by 2.5p between June and July this year to stand at 116.5p and 118.7p per litre respectively. This compares with a rise of 1.0p per litre on petrol and no change on diesel between the same 2 months in 2014; and
- **Restaurants and hotels**, where prices, overall, rose by 0.1% between June and July this year, compared with a larger rise of 0.4% a year ago. The downward contribution came from price movements across the whole sector.

CPI NOTABLE MOVEMENTS

All items CPI	Annual rate 0.1%, up from 0.0% last month Also +0.1% in May 2015 Last higher January 2015 (+0.3%)
All items CPI exc energy, food, alcohol and tobacco	Annual rate +1.2%, up from +0.8% last month Also +1.2% in February 2015 Last higher in January 2015 (+1.4%)
Alcoholic beverages and tobacco	Annual rate +1.9%, down from +2.3% last month Lowest since February 2006 (+1.6%)
Clothing and footwear	Annual rate +1.7%, up from -0.8% last month Also +1.7% in February 2015 Last higher in June 2014 (+2.4%)
Restaurants and hotels	Annual rate +1.6%, down from +1.9% last month Also +1.6% in November 2009, October 2009 and September 2009 Never lower since official series began in January 1997
All goods	Annual rate -1.8%, up from -2.0% last month Also -1.8% in May 2015 Last higher in January 2015 (-1.5%)
All services	Annual rate +2.4%, up from +2.2% last month Also +2.4% in March 2015, February 2015, January 2015 and November 2014 Last higher in October 2014 (+2.5%)

CPI DETAILED BRIEFING

- Weights are specified as parts per 1000 in the CPI.

01 FOOD & NON-ALCOHOLIC BEVERAGES	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
01 Food & non-alcoholic beverages	112	110	-0.2	-0.7	-0.06

- Largest downward effect on the all items 12-month rate change.
- Due to **food** and, to a lesser extent, **non-alcoholic beverages**.

01.1 Food	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
01.1 Food	99	97	-0.2	-0.7	-0.05
01.1.1 Bread and cereals	17	16	-1.1	0.7	0.03
01.1.2 Meat	22	22	0.1	0.1	-
01.1.3 Fish	4	4	2.8	-0.2	-0.01
01.1.4 Milk, cheese and eggs	14	14	-0.4	-2.7	-0.03
01.1.5 Oils and fats	2	2	-0.8	0.4	-
01.1.6 Fruit	10	10	-0.5	-1.4	-0.01
01.1.7 Vegetables including potatoes	15	14	-0.1	-1.7	-0.02
01.1.8 Sugar, jam, syrups, chocolate and confectionery	12	12	-0.1	-0.2	-
01.1.9 Food products not elsewhere covered	3	3	0.7	-1.1	-0.01

- Large downward effect on the all items 12-month rate change.
- Due to **milk cheese and eggs; vegetables including potatoes; fish; fruit and food products not elsewhere covered**.
- Partially offset by **bread and cereals**.

Bread and cereals

- Small upward effect.
- Prices overall rose this year but fell a year ago, particularly for unsweetened breakfast cereals and dried potted snacks.

Fish

- Small downward effect.
- Prices overall fell this year but rose a year ago, particularly for canned tuna.

Milk, cheese and eggs

- Small downward effect.
- Prices overall fell this year by more than a year ago, with the main downward contributions coming from 2 pint cartons of shop bought milk and yoghurt/fromage frais.

Fruit

- Small downward effect.
- Prices overall fell this year by more than a year ago, particularly for grapes.

Vegetables including potatoes

- Small downward effect.
- Prices overall fell this year by more than a year ago, with the main downward contribution coming from premium potato crisps.

Food products not elsewhere covered

- Small downward effect.
- Prices overall fell this year but rose a year ago.

01.2 Non-alcoholic beverages	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
01.2 Non-alcoholic beverages	13	13	-0.1	-0.6	-0.01
01.2.1 Coffee, tea and cocoa	3	3	1.3	0.4	-
01.2.2 Mineral waters, soft drinks and juices	10	10	-0.5	-0.9	-

- Small downward effect on the all items 12-month rate change.
- Prices overall fell this year by more than a year ago.

02 ALCOHOLIC BEVERAGES AND TOBACCO	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
02 Alcoholic beverages and tobacco	45	43	-0.7	-1.0	-0.01

- Small downward effect on the all items 12-month rate change.
- Due to **tobacco**.

02.1 Alcoholic Beverages	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
02.1 Alcoholic beverages	20	19	-2.4	-2.5	-
02.1.1 Spirits	6	5	-2.2	1.6	0.02
02.1.2 Wine	9	9	-2.0	-4.7	-0.02
02.1.3 Beer	5	5	-3.3	-2.6	-

- Negligible overall effect on the all items 12-month rate change.
- There was a small upward contribution coming from **spirits**, where prices overall rose this year but fell a year ago, particularly for bottles of whisky and rum.
- Offset by a small downward contribution coming from **wine**, where prices overall fell this year by more than a year ago, particularly for white wine.

02.2 Tobacco	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
02.2 Tobacco	25	24	0.6	0.1	-0.01

- Small downward effect on the all items 12-month rate change.
- Prices overall rose this year by less than a year ago, particularly for some brands of cigarettes.

03 CLOTHING AND FOOTWEAR	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
03 Clothing and footwear	72	70	-5.7	-3.4	0.19

- Largest upward effect on the all items 12-month rate change.
- Due to **clothing**.
- Partially offset by **footwear**.

03.1 Clothing	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
03.1 Clothing	62	60	-6.3	-3.4	0.20
03.1.2 Garments	55	54	-6.7	-3.5	0.19
03.1.3 Other clothing and clothing accessories	6	5	-3.7	-3.3	0.01
03.1.4 Cleaning, repair and hire of clothing	1	1	0.4	-	-

- Large upward effect on the all items 12-month rate change.
- Due to **garments** and, to a lesser extent, **other clothing and clothing accessories**.

Garments

- Large upward effect.
- Prices overall fell this year by less than a year ago, with the main upward contributions coming from a wide range of women's and men's outerwear.

Other clothing and clothing accessories

- Small upward effect.
- Prices overall fell this year by less than a year ago.

03.2 Footwear including repairs	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
03.2 Footwear including repairs	10	10	-2.0	-3.1	-0.01

- Small downward effect on the all items 12-month rate change.
- Prices overall fell this year by more than a year ago.

04 HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
04 Housing, water, electricity, gas and other fuels	129	128	0.3	0.3	-0.01

- Small downward effect on the all items 12-month rate change.
- The downward contribution is due to weight changes in 2015.

04.1 Actual rentals for housing	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
04.1 Actual rentals for housing	70	72	0.6	0.6	-

- Negligible overall effect on the all items 12-month rate change.

04.3 Regular maintenance and repair of the dwelling	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
04.3 Regular maintenance and repair of the dwelling	2	2	-	-0.7	-
04.3.1 Materials for maintenance and repair	1	1	-	-1.5	-
04.3.2 Services for maintenance and repair	1	1	0.1	0.1	-

- Negligible overall effect on the all items 12-month rate change.

04.4 Other services related to the dwelling	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
04.4 Other services related to the dwelling	12	12	-	-	-
04.4.1 Water supply	6	6	-	-	-
04.4.3 Sewerage collection	6	6	-	-	-

- Negligible overall effect on the all items 12-month rate change.

04.5 Electricity, gas and other fuels	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
04.5 Electricity, gas and other fuels	45	42	-	-0.1	-
04.5.1 Electricity	21	20	-	-	-
04.5.2 Gas	21	20	-	-	-
04.5.3 Liquid fuels	2	1	-0.9	-4.2	-
04.5.4 Solid fuels	1	1	-0.1	-	-

- Negligible overall effect on the all items 12-month rate change.

05 FURNITURE, HOUSEHOLD EQUIPMENT AND MAINTENANCE	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
05 Furniture, household equipment and maintenance	60	59	-1.5	-1.4	0.01

- Small upward effect on the all items 12-month rate change.
- Due to **household textiles**; and **furniture, furnishings and carpets**.
- Partially offset by **glassware, tableware and household utensils**.

05.1 Furniture, furnishings and carpets	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
05.1 Furniture, furnishings and carpets	21	21	-3.0	-2.8	0.01
05.1.1 Furniture and furnishings	16	15	-3.7	-4.2	-0.01
05.1.2 Carpets and other floor coverings	5	6	-0.7	1.1	0.01

- Small upward effect on the all items 12-month rate change.
- Due to **carpets and other floor coverings**, where prices overall rose this year but fell a year ago, particularly for floor rugs.
- Partially offset by **furniture and furnishings**, where prices fell this year by more than a year ago.

05.2 Household textiles	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
05.2 Household textiles	7	6	-3.5	-1.3	0.02

- Small upward effect on the all items 12-month rate change.
- Prices overall fell this year by less than a year ago, with the main upward contribution coming from fabric roller blinds.

05.3 Household appliances, fitting and repairs	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
05.3 Household appliances, fitting and repairs	9	8	0.2	0.8	-
05.3.1/2 Major appliances and small electric goods	8	7	0.5	0.6	-
05.3.3 Repair of household appliances	1	1	-1.7	1.9	-

- Negligible overall effect on the all items 12-month rate change.

05.4 Glassware, tableware and household utensils	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
05.4 Glassware, tableware and household utensils	6	6	-0.8	-2.9	-0.01

- Small downward effect on the all items 12-month rate change.
- Prices overall fell this year by more than a year ago.

05.5 Tools and equipment for house and garden	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
05.5 Tools and equipment for house and garden	4	5	-0.3	-1.1	-

- Negligible overall effect on the all items 12-month rate change.

05.6 Goods and services for routine maintenance	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
05.6 Goods and services for routine maintenance	13	13	0.3	-	-
05.6.1 Non-durable household goods	5	5	0.5	-0.1	-
05.6.2 Domestic services and household services	8	8	0.3	0.2	-

- Negligible overall effect on the all items 12-month rate change.

06 HEALTH	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
06 Health	24	25	0.1	0.9	0.02

- Small upward effect on the all items 12-month rate change.
- Due to **medical products, appliances and equipment**.

06.1 Medical products, appliances and equipment	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
06.1 Medical products, appliances and equipment	10	12	0.1	1.8	0.02
06.1.1 Pharmaceutical products	6	7	-0.2	2.1	0.02
06.1.2/3 Other medical and therapeutic equipment	4	5	0.5	1.3	0.01

- Small upward effect on the all items 12-month rate change.
- Due to **pharmaceutical products**, where prices overall rose this year but fell a year ago, with the main upward contributions coming from indigestion tablets and multi-vitamin tablets/capsules.

06.2 Out-patient services	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
06.2 Out-patient services	6	5	0.2	-	-
06.2.1/3 Medical and paramedical services	3	3	0.1	0.1	-
06.2.2 Dental services	3	2	0.3	-0.2	-

- Negligible overall effect on the all items 12-month rate change.

06.3 Hospital services	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
06.3 Hospital Services	8	8	0.1	0.2	-

- Negligible overall effect on the all items 12-month rate change.

07 TRANSPORT	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
07 Transport	152	149	1.3	1.2	-0.02

- Small downward effect on the all items 12-month rate change.
- Due to **purchase of vehicles**; and **operation of personal transport equipment**.
- Partially offset by **transport services**.

07.1 Purchase of vehicles	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
07.1 Purchase of vehicles	44	40	0.3	-0.7	-0.04
07.1.1A New cars	23	24	0.1	0.1	-
07.1.1B Second-hand cars	18	14	0.6	-1.8	-0.04
07.1.2/3 Motorcycles and bicycles	3	2	0.3	-1.8	-0.01

- Large downward effect on the all items 12-month rate change.
- Due to **second-hand cars** and, to a lesser extent, **motorcycles and bicycles**, where prices overall fell this year but rose a year ago.

07.2 Operation of personal transport equipment	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
07.2 Operation of personal transport equipment	76	77	0.3	-0.2	-0.04
07.2.1 Spare parts and accessories	5	6	0.1	-	-
07.2.2 Fuels and lubricants	35	34	0.5	-0.6	-0.04
07.2.3 Maintenance and repairs	23	23	-	0.2	-
07.2.4 Other services	13	14	0.4	0.3	-

- Large downward effect on the all items 12-month rate change.
- Due to **fuels and lubricants**.
- The average price of petrol across the month, as recorded for the CPI, rose by 0.1 pence per litre between June and July 2015 to stand at 116.5 pence per litre.
- Last year, the average price of petrol rose by 1.0 pence per litre between June and July 2014 to stand at 131.0 pence per litre.
- The average price of diesel fell by 2.5 pence per litre between June and July 2015 to stand at 118.7 pence per litre, compared with a rise of 0.0 pence per litre a year earlier to stand at 135.9 pence per litre.

07.3 Transport services	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
07.3 Transport services	32	32	4.6	6.6	0.06
07.3.1 Passenger transport by railway	11	12	0.2	1.7	0.02
07.3.2 Passenger transport by road	11	12	0.9	1.7	0.01
07.3.3 Passenger transport by air	6	6	14.0	21.6	0.06
07.3.4 Passenger transport by sea and inland waterway	4	2	8.8	9.0	-0.02

- Large upward effect on the all items 12-month rate change.
- Due to **passenger transport by air** and, to a lesser extent, **passenger transport by railway**; and **passenger transport by road**.
- Partially offset by **passenger transport by sea and inland waterway**.

Passenger transport by railway

- Small upward effect.
- Prices overall rose this year by more than a year ago, particularly for international rail journeys.

Passenger transport by road

- Small upward effect.
- Prices overall rose this year by more than a year ago, particularly for coach fares.

Passenger transport by air

- Large upward effect.
- Average air fares rose this year by more than a year ago, with the main upward contribution coming from European flights and, to a lesser extent, long haul flights.

Passenger transport by sea and inland waterway

- Small downward effect.
- The downward contribution is due to weight changes in 2015. Average fares rose this year by slightly more than a year ago. However as the weight for passenger transport by sea and inland waterway has decreased between 2014 and 2015, this has resulted in a small downward effect on the all items 12-month rate change.

08 COMMUNICATION	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
08 Communication	32	31	0.1	0.3	0.01

- Small upward effect on the all items 12-month rate change.
- Due to **telephone equipment and services**.

08.1 Postal services	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
08.1 Postal services	2	2	-	-	-

- Negligible overall effect on the all items 12-month rate change.

08.2/3 Telephone equipment and services	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
08.2/3 Telephone equipment and services	30	29	0.1	0.3	0.01

- Small upward effect on the all items 12-month rate change.
- Prices overall rose this year by more than a year ago, with the main upward contributions coming from land-line and mobile telephone charges.
- Partially offset by a small downward contribution coming from mobile phone applications, where prices fell this year by more than a year ago.

09 RECREATION AND CULTURE	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
09 Recreation and culture	144	147	-0.2	0.2	0.05

- Large upward effect on the all items 12-month rate change.
- Due to **other recreational items, gardens and pets**; and, to a lesser extent, **audio-visual equipment and related products**; and **other major durables for recreation and culture**.
- Partially offset by **recreational and cultural services**.

09.1 Audio-visual equipment and related products	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
09.1 Audio-visual equipment and related products	22	23	-2.4	-2.1	0.01
09.1.1 Equipment for the reception and reproduction of sound and pictures	5	5	-0.9	-3.8	-0.02
09.1.2 Photographic, cinematographic and optical equipment	3	3	-1.6	-5.0	-0.01
09.1.3 Data processing equipment	8	9	-2.5	-2.5	-
09.1.4 Recording media	5	5	-4.3	1.7	0.03
09.1.5 Repair of audio-visual equipment and related products	1	1	0.2	-	-

- Small upward effect on the all items 12-month rate change.
- Due to **recording media**.
- Partially offset by **equipment for the reception and reproduction of sound and pictures**; and **photographic, cinematographic and optical equipment**.

Equipment for the reception and reproduction of sound and pictures

- Small downward effect.
- Prices overall fell this year by more than a year ago, with the main downward contribution coming from larger televisions.

Photographic, cinematographic and optical equipment

- Small downward effect.
- Prices overall fell this year by more than a year ago, with the main downward contribution coming from digital camcorders.

Recording Media

- Small upward effect.
- Prices overall rose this year but fell a year ago, particularly for DVDs purchased via the internet. Partially offset by a small downward contribution coming from top 40 CD albums.

09.2 Other major durables for recreation and culture	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
09.2.1/2 Major durables for in/outdoor recreation	9	10	0.3	0.8	0.01

- Small upward effect on the all items 12-month rate change.
- Prices overall rose this year by more than a year ago, with the main upward contribution

coming from caravans.

09.3 Other recreational items, gardens and pets	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
09.3 Other recreational items, gardens and pets	36	36	-0.7	0.8	0.05
09.3.1 Games, toys and hobbies	21	21	-0.8	1.5	0.05
09.3.2 Equipment for sport and open-air recreation	3	4	-0.9	-0.4	-
09.3.3 Gardens, plants and flowers	4	4	-2.0	-0.1	0.01
09.3.4/5 Pets, related products and services	8	7	0.3	0.1	-

- Large upward effect on the all items 12-month rate change.
- Due to **games, toys and hobbies**; and, to a lesser extent, **gardens, plants and flowers**.

Game, toys and hobbies

- Large upward effect.
- Prices overall rose this year but fell a year ago, with the main upward contributions coming from computer games, computer games consoles and pre-school activity toys. Partially offset by a small downward contribution coming from children's craft kits.

Gardens, plants and flowers

- Small upward effect.
- Prices overall fell this year by less than a year ago, with the main upward contribution coming from potted shrubs.

09.4 Recreational and cultural services	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
09.4 Recreational and cultural services	31	31	0.4	0.1	-0.01
09.4.1 Recreational and sporting services	9	8	0.4	0.2	-
09.4.2 Cultural services	22	23	0.4	0.1	-0.01

- Small downward effect on the all items 12-month rate change.
- Due to **cultural services**, where prices overall rose this year by less than a year ago, with the main downward contributions coming from live music events and subscription costs for satellite TV. Partially offset by a small upward contribution coming from admission to theatres, where prices overall rose this year but fell a year ago.

09.5 Books, newspapers and stationery	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
09.5 Books, newspapers and stationery	14	14	1.8	1.7	-
09.5.1 Books	4	4	3.1	5.7	0.01
09.5.2 Newspapers and periodicals	5	5	1.6	0.2	-0.01
09.5.3/4 Misc. printed matter, stationery, drawing materials	5	5	0.8	0.1	-

- Negligible overall effect on the all items 12-month rate change.
- There was a small upward contribution from **books**, where prices overall rose this year by more than a year ago, particularly for non-fiction hard back books. Within the sector it was partially offset by a small downward contribution from eBooks, where prices overall rose this year by less than a year ago.
- Offset by a small downward contribution from **newspapers and periodicals**, where prices overall rose this year by less than a year ago, particularly for periodicals.

09.6 Package holidays	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
09.6 Package holidays	32	33	0.2	0.1	-

- Negligible overall effect on the all items 12-month rate change.

10 EDUCATION	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
10 Education	22	26	-	-	-

- Negligible overall effect on the all items 12-month rate change.

11 RESTAURANTS AND HOTELS	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
11 Restaurants and hotels	120	121	0.4	0.1	-0.04

- Large downward effect on the all items 12-month rate change.
- Due to **catering services**, and **accommodation services**.

11.1 Catering services	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
11.1 Catering services	100	100	0.2	0.1	-0.02
11.1.1 Restaurants and cafes	91	91	0.2	0.1	-0.01
11.1.2 Canteens	9	9	0.2	-	-

- Small downward effect on the all items 12-month rate change.
- Due to **restaurants and cafes**, where prices overall rose this year by less than a year ago.

11.2 Accommodation services	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
11.2 Accommodation services	20	21	1.3	0.3	-0.02

- Small downward effect on the all items 12-month rate change.
- Prices overall rose this year by less than a year ago, particularly for overnight hotel stays.

12 MISCELLANEOUS GOODS AND SERVICES	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
12 Misc. goods and services	88	91	-0.5	-	0.05

- Large upward effect on the all items 12-month rate change.
- Due to **financial services not elsewhere covered**; and **other services not elsewhere covered**.

12.1 Personal care	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
12.1 Personal care	29	30	-	0.1	-
12.1.1 Hairdressing and personal grooming establishments	7	7	0.2	0.4	-
12.1.2/3 Appliances and products for personal care	22	23	-	-	-

- Negligible overall effect on the all items 12-month rate change.

12.3 Personal effects not elsewhere covered	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
12.3 Personal effects not elsewhere covered	13	14	-1.3	-1.2	-
12.3.1 Jewellery, clocks and watches	8	9	-0.4	0.2	-
12.3.2 Other personal effects	5	5	-2.8	-3.4	-

- Negligible overall effect on the all items 12-month rate change.

12.4 Social protection	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
12.4 Social protection	12	13	0.2	0.3	-

- Negligible overall effect on the all items 12-month rate change.

12.5 Insurance	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
12.5 Insurance	7	10	-	0.2	-
12.5.2 House contents insurance	2	2	-0.6	0.9	-
12.5.3 Health insurance	2	3	-	-0.9	-
12.5.4 Transport insurance	3	5	0.5	0.6	-

- Negligible overall effect on the all items 12-month rate change.

12.6 Financial services not elsewhere covered	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
12.6 Financial services not elsewhere covered	17	12	-1.3	-0.1	0.02

- Small upward effect on the all items 12-month rate change.
- Prices overall fell this year by less than a year ago, with the main upward contribution coming from bank overdraft charges, which were little changed this year but fell a year ago.

12.7 Other services not elsewhere covered	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to CPI annual rate change
12.7 Other services not elsewhere covered	10	12	-0.5	1.1	0.02

- Small upward effect on the all items 12-month rate change.
- Charges overall rose this year but fell a year ago, with the main upward contributions coming from surveyors fees and dating agency fees. Partially offset by a small downward contribution coming from home delivery charges which fell this year but were little changed a year ago.

RPI SUMMARY

CONTRIBUTIONS TO CHANGE IN THE RPI ANNUAL RATE

GROUPS	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to RPI annual rate change
FOOD	114	109	-0.3	-0.8	-0.05
CATERING	47	47	0.3	0.2	-0.01
ALCOHOLIC DRINKS	58	56	-0.7	-0.9	-0.01
TOBACCO	29	27	0.6	0.1	-0.01
HOUSING	253	263	0.6	0.3	-0.06
FUEL AND LIGHT	48	45	-0.1	-0.2	-
HOUSEHOLD GOODS	61	59	-1.6	-2.2	-0.03
HOUSEHOLD SERVICES	62	65	-0.2	0.4	0.04
CLOTHING AND FOOTWEAR	45	42	-5.1	-2.9	0.12
PERSONAL GOODS AND SERVICES	40	41	-0.2	-0.1	0.01
MOTORING EXPENDITURE	120	115	0.5	-0.3	-0.10
FARES AND OTHER TRAVEL COSTS	22	25	4.0	7.8	0.12
LEISURE GOODS	30	28	-0.7	-	0.02
LEISURE SERVICES	71	78	0.4	0.2	-0.01

RPI NOTABLE MOVEMENTS

All items RPI	Annual rate +1.0%, unchanged from last month Also +1.0% in May 2015 and February 2015 Last higher in January 2015 (+1.1%) Last lower in April 2015 (+0.9%)
All items RPI exc MIPS (RPIX)	Annual rate +1.1%, unchanged from last month Also +1.1% in May 2015 Last higher in January 2015 (+1.2%) Last lower in April 2015 (+0.9%)
All items RPI exc MIPS and indirect taxes (RPIY)	Annual rate +1.0%, unchanged from last month Also +1.0% in May 2015 Last higher in January 2015 (+1.1%) Last lower in April 2015 (+0.8%)
Non-seasonal food	Annual rate -2.8%, down from -2.4% last month Also -2.8% in April 2015 Last lower in February 1958 (-3.9%)
Catering	Annual rate +1.4%, down from +1.6% last month Never lower since official series for catering began in January 1988
Tobacco	Annual rate +5.2%, down from +5.7% last month Lowest since December 2009 (+4.5%)
Fares and other travel	Annual rate +7.5%, up from +3.7% last month Also +7.5% in April 2014 Last higher in August 2012 (+7.8%)
All goods	Annual rate -0.9%, down from -0.7% last month Lowest since February 2015 (-1.0%)
All services	Annual rate +2.4%, up from +2.1% last month Highest since November 2014 (+2.8%)

RPI DETAILED BRIEFING

In accordance with the Statistics and Registration Service Act 2007, the Retail Prices Index and its derivatives have been assessed against the Code of Practice for Official Statistics and found not to meet the required standard for designation as National Statistics. A consultation was carried out in March 2013 on whether to maintain this detailed RPI briefing and, based on views received, it was decided to continue with its publication.

- Weights are specified as parts per 1000 in the RPI.

FOOD	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to RPI annual rate change
FOOD	114	109	-0.3	-0.8	-0.05

- Large downward effect on the all items 12-month rate change.
- Due to **non-seasonal food** and, to a lesser extent, **seasonal food**.

Seasonal Food	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to RPI annual rate change
SEASONAL FOOD	19	18	-0.9	-1.3	-0.01
Home killed lamb	1	1	-5.7	-	0.01
Fresh fish	2	2	2.0	4.3	-
Eggs	1	1	2.6	-1.3	-
Unprocessed potatoes	2	2	-1.5	-2.9	-
Other fresh vegetables	7	6	-1.3	-2.7	-0.01
Fresh fruit	6	6	-0.6	-1.5	-

- Small downward effect on the all items 12-month rate change.
- Due to **other fresh vegetables**, where prices fell this year by more than a year ago.
- Partially offset by a small upward contribution from **home killed lamb**, where prices were little changed this year but fell a year ago.

Non-Seasonal Food	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to RPI annual rate change
NON-SEASONAL FOOD	95	91	-0.2	-0.7	-0.04
Bread	5	4	-0.5	-1.1	-
Cereals	4	4	0.2	0.4	-
Biscuits and cakes	7	7	-0.8	-0.5	-
Beef	4	4	0.3	-0.8	-
Imported lamb	1	1	2.4	0.7	-
Pork	1	1	2.8	1.5	-
Bacon	2	2	-0.7	-1.4	-
Poultry	4	4	1.0	0.3	-
Other meat	7	7	-0.7	0.6	0.01
Processed fish	2	2	2.0	-7.3	-0.02
Butter	1	1	-0.3	-1.7	-
Oils and fats	2	1	-1.5	2.4	0.01
Cheese	4	4	-1.8	-1.9	-
Milk, fresh	4	3	-	-2.5	-0.01
Milk products	4	4	-0.9	-3.3	-0.01
Tea	1	1	3.3	1.4	-
Soft drinks	11	10	-0.8	-1.3	-
Sugar and preserves	1	1	-0.4	-1.9	-
Sweets and chocolates	11	11	-0.2	-0.2	-
Potato products	3	3	2.2	-0.7	-0.01
Processed vegetables	2	2	-0.3	0.6	-
Processed fruit	1	2	0.5	-1.2	-
Other foods	11	11	-0.6	0.3	0.01
Coffee and other hot drinks	2	1	0.5	-0.2	-

- Large downward effect on the all items 12-month rate change.
- Due to:
 - **Processed fish**; and **potato products**, where prices overall fell this year but rose a year ago, particularly for canned tuna and premium potato crisps;
 - **Fresh milk**, where prices overall fell this year but were little changed a year ago, with the main downward contribution coming from shop bought milk; and
 - **Milk products**, where prices overall fell this year by more than a year ago, with the main downward contribution coming from yoghurt/fromage frais.
- Partially offset by:
 - **Other meat**; **oils and fats**; and **other foods**, where prices overall rose this year but fell a year ago, with the main upward contributions coming from sausages, frozen pizza and dried potted snacks. Partially offset by a small downward contribution coming from mayonnaise.

CATERING	Weight	Weight	1 month	1 month	Contribution to RPI annual rate change
	2014	2015	% change	% change	
			Jul 2014	Jul 2015	
CATERING	47	47	0.3	0.2	-0.01
Restaurant meals	28	28	0.3	0.2	-
Canteen meals	3	3	0.1	0.1	-
Take-away meals and snacks	16	16	0.4	0.1	-

- Small downward effect on the all items 12-month rate change.
- Prices overall rose this year by less than a year ago.

ALCOHOLIC DRINKS	Weight	Weight	1 month	1 month	Contribution to RPI annual rate change
	2014	2015	% change	% change	
			Jul 2014	Jul 2015	
ALCOHOLIC DRINKS	58	56	-0.7	-0.9	-0.01
Beer on sales	20	19	0.1	-	-
Beer off sales	5	5	-3.4	-2.8	-
Wines and spirits on sales	18	18	0.1	-	-
Wines and spirits off sales	15	14	-2.0	-2.6	-0.01

- Small downward effect on the all items 12-month rate change.
- Due to **wines and spirits off sales**, where prices overall fell this year by more than a year ago, particularly for white wine. Partially offset by small upward contributions coming from whisky and rum, where prices overall rose this year but fell a year ago.

TOBACCO	Weight	Weight	1 month	1 month	Contribution to RPI annual rate change
	2014	2015	% change	% change	
			Jul 2014	Jul 2015	
TOBACCO	29	27	0.6	0.1	-0.01
Cigarettes	25	23	0.7	0.1	-0.01
Other tobacco products	4	4	0.1	-	-

- Small downward effect on the all items 12-month rate change.
- Due to **cigarettes**, where prices overall rose this year by less than a year ago.

HOUSING	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to RPI annual rate change
HOUSING	253	263	0.6	0.3	-0.06
Rent	87	84	0.6	0.6	-
Mortgage interest payments	30	29	0.3	-0.4	-0.02
Council tax and rates	42	40	-	-	-
Water and other charges	14	14	-	-	-
Repairs and maintenance charges	10	9	0.1	0.1	-
DIY materials	6	8	-0.5	-1.1	-0.01
Dwelling insurance and ground rent	6	6	1.4	0.3	-0.01
House depreciation	58	73	1.2	0.6	-0.03

- Large downward effect on the all items 12-month rate change.
- Due to:
 - **House depreciation**, with the smoothed house price index used to calculate this component rising this year by less than a year ago;
 - **Mortgage interest payments**, where charges fell this year but rose a year ago;
 - **DIY materials**, where prices overall fell this year by more than a year ago; and
 - **Dwelling insurance and ground rent**, with the main downward contribution coming from dwelling insurance, where average premiums rose this year by less than a year ago.

FUEL AND LIGHT	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to RPI annual rate change
FUEL AND LIGHT	48	45	-0.1	-0.2	-
Coal and solid fuels	1	1	-0.1	-	-
Electricity	22	21	-	-	-
Gas	21	21	-	-	-
Oil and other fuels	4	2	-0.8	-3.5	-

- Negligible overall effect on the all items 12-month rate change.

HOUSEHOLD GOODS	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to RPI annual rate change
HOUSEHOLD GOODS	61	59	-1.6	-2.2	-0.03
Furniture	21	22	-4.2	-4.6	-0.02
Furnishings	9	9	-1.7	-0.3	0.01
Electrical appliances	6	5	0.1	-0.8	-
Other household equipment	4	4	-1.0	-3.2	-0.01
Household consumables	12	12	0.9	-0.3	-0.01
Pet care	9	7	0.3	0.1	-

- Small downward effect on the all items 12-month rate change.
- Due to:
 - **Furniture**; and **other household equipment**, where prices for a wide range of products fell this year by more than a year ago. Partially offset by a small upward contribution from leather settees; and
 - **Household consumables**, where prices overall fell this year but rose a year ago.
- Partially offset by **furnishings**, where prices overall fell this year by less than a year ago, with the main upward contribution coming from floor rugs.

HOUSEHOLD SERVICES	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to RPI annual rate change
HOUSEHOLD SERVICES	62	65	-0.2	0.4	0.04
Domestic services	13	13	0.1	0.1	-
Fees and subscriptions	24	26	-0.5	0.5	0.03
Postage	1	1	-	-	-
Telephone charges	24	25	0.1	0.4	0.01

- Large upward effect on the all items 12-month rate change.
- Due to:
 - **Fees and subscriptions**, where average charges rose this year but fell a year ago, particularly for estate agent fees and house contents insurance; and
 - **Telephone charges**, where prices overall rose this year by more than a year ago, with the main upward contributions coming from land-line and mobile telephone charges. There is a partially offsetting downward contribution coming from mobile phone applications, where prices fell this year but rose a year ago.

CLOTHING AND FOOTWEAR	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to RPI annual rate change
CLOTHING AND FOOTWEAR	45	42	-5.1	-2.9	0.12
Men's outerwear	10	8	-4.4	-2.0	0.03
Women's outerwear	16	16	-7.8	-3.6	0.08
Children's outerwear	5	5	-6.0	-3.8	0.01
Other clothing	5	5	-2.6	-1.9	-
Footwear	9	8	-1.5	-2.5	-0.01

- Large upward effect on the all items 12-month rate change.
- Due to:
 - **Women's outerwear** and, to a lesser extent, **men's outerwear**; and **children's outerwear**, where prices overall fell this year by less than a year ago.
- Partially offset by **footwear**, where prices overall fell this year by more than a year ago.

PERSONAL GOODS & SERVICES	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to RPI annual rate change
PERSONAL GOODS & SERVICES	40	41	-0.2	-0.1	0.01
Personal articles	10	10	-1.1	-1.2	-
Chemists' goods	16	17	-0.2	0.3	0.01
Personal services	14	14	0.4	0.2	-

- Small upward effect on the all items 12-month rate change.
- Due to **chemists' goods**, where prices overall rose this year but fell a year ago, particularly for liquid soap.

MOTORING EXPENDITURE	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to RPI annual rate change
MOTORING EXPENDITURE	120	115	0.5	-0.3	-0.10
Purchase of motor vehicles	36	42	0.3	-1.0	-0.05
Maintenance of motor vehicles	17	16	-	0.1	-
Petrol and oil	43	35	0.8	-0.6	-0.05
Vehicle tax and insurance	24	22	0.4	0.8	0.01

- Largest downward effect on the all items 12-month rate change.
- Due to:
 - **Purchase of motor vehicles**, where prices overall fell this year but rose a year ago, with the main downward contribution coming from second hand cars; and

- **Petrol and oil**, where prices overall fell this year but rose a year ago. The price of petrol, as recorded for the RPI, rose by 0.1 pence per litre between June and July 2015, to stand at 116.4 pence per litre, compared with a rise of 1.4 pence per litre last year to stand at 131.1 pence per litre. Diesel prices fell by 2.5 pence per litre, to stand at 118.8 pence per litre in July 2015, compared with a rise of 0.2 pence per litre last year to stand at 136.2 pence per litre.
- Partially offset by **vehicle tax and insurance**, where average premiums for car insurance rose this year by more than a year ago.

FARES AND OTHER TRAVEL COSTS	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to RPI annual rate change
FARES AND OTHER TRAVEL COSTS	22	25	4.0	7.8	0.12
Rail fares	7	7	0.2	1.3	0.01
Bus and coach fares	4	3	1.3	2.8	-
Other travel costs	11	15	7.1	11.5	0.11

- Largest upward effect on the all items 12-month rate change.
- Due to **other travel costs** and, to a lesser extent, **rail fares** where average fares rose this year by more than a year ago, with the main upward contributions coming from European flights and, to a lesser extent, long-haul flights and international rail journeys.

LEISURE GOODS	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to RPI annual rate change
LEISURE GOODS	30	28	-0.7	-	0.02
Audio-visual equipment	7	7	-2.4	-2.7	-0.01
CDs and tapes	2	2	-3.5	1.7	0.01
Toys, photographic and sports goods	9	8	-0.6	0.7	0.01
Books and newspapers	7	6	1.9	2.2	-
Gardening products	5	5	-1.3	-0.5	-

- Small upward effect on the all items 12-month rate change.
- Due to **CDs and tapes**; and **toys, photographic and sports goods**, where prices overall rose this year but fell a year ago, particularly for DVDs purchased via the internet.
- Partially offset by **audio-visual equipment**, where prices overall fell this year by more than a year ago, particularly for PC peripherals. Partially offset by a small upward contribution coming from laptop computers, where prices rose this year but fell a year ago.

LEISURE SERVICES	Weight 2014	Weight 2015	1 month % change Jul 2014	1 month % change Jul 2015	Contribution to RPI annual rate change
LEISURE SERVICES	71	78	0.4	0.2	-0.01
TV licence and rentals	12	12	1.2	-	-0.01
Entertainment and other recreation	15	15	-0.4	0.3	0.01
Foreign holidays	34	41	0.3	0.2	-
UK holidays	10	10	0.6	0.4	-

- Small downward effect on the all items 12-month rate change.
- Due to **TV licence and rentals**, where prices overall were little changed this year but rose a year ago, particularly for subscription costs for satellite TV.
- Partially offset by **entertainment and other recreation**, where prices overall rose this year but fell a year ago, particularly for admission to theatres. Partially offset by a small downward contribution coming from live music events, where prices fell this year but rose a year ago.

RECONCILIATION OF CPI AND RPI

(Table 5 of the Consumer Price Inflation Reference Tables)

This table identifies the main factors contributing to the differences between the unrounded inflation rates for the CPI and the RPI. These differences are broken down into: mortgage interest payments, other housing components excluded from the CPI, other differences in the coverage of goods and services, and the formula effect. The final column titled 'other differences including weights' is derived as a residual.

The difference between the CPI and RPI unrounded annual rates in July 2015 was -0.88 percentage points, narrowing from -1.05 percentage points in June 2015.

The main factors contributing to the narrowing were:

- **Other differences including weights**, which decreased the RPI 12-month rate relative to the CPI 12-month rate by 0.18 percentage points between June and July 2015. The effect came mainly from clothing and footwear; games, toys and hobbies and equipment for sport and open air recreation; furniture and furnishings, carpets and household textiles; financial services; second-hand cars; recording media and other services not elsewhere classified. This was partially offset by air fares and sea fares.
- **Other housing components**, which decreased the RPI 12-month rate by 0.02 percentage points between June and July 2015 but are excluded from the CPI. The effect came mainly from house depreciation.
- **Mortgage interest payments**, which decreased the RPI 12-month rate relative to the CPI 12-month rate by 0.02 percentage points between June and July 2015.

The only offsetting factor was:

- **Formula effect**, which increased the RPI 12-month rate relative to the CPI 12-month rate by 0.04 percentage points between June and July 2015. This effect was seen across multiple sectors.

RPI MISCELLANEOUS DATA

Selected Average Prices

Description		May 2015	June 2015	July 2015
Petrol per litre	Diesel	£1.21	£1.21	£1.19
	Petrol	£1.15	£1.16	£1.16
Alcohol pub prices	Draught bitter (pint)	£2.95	£2.96	£2.97
	Draught lager (pint)	£3.44	£3.45	£3.45
	Whisky (per nip)	£2.59	£2.60	£2.60
Cigarettes	Per 20 king size	£8.87	£8.89	£8.90

Average prices are as recorded for the RPI

Changes in Mortgage Interest Rates

This table gives an estimate of the contribution that changes in the average mortgage interest rate (MI) make to the 1-month percentage change in the RPI.

Month	1-Month % change in the RPI	Approx. change in average MI rate	Approx. contribution to the 1-month % change in the RPI
July 2014	-0.1	Negligible	-
August 2014	+0.4	Down -0.01% points	-0.01% points
September 2014	+0.2	Negligible	-
October 2014	+0.0	Down -0.02% points	-0.02% points
November 2014	-0.2	Down -0.01% points	-0.01% points
December 2014	+0.2	Down -0.01% points	-0.01% points
January 2015	-0.8	Down -0.01% points	-0.01% points
February 2015	+0.5	Down -0.02% points	-0.02% points
March 2015	+0.2	Down -0.02% points	-0.02% points
April 2015	+0.4	Down -0.01% points	-0.01% points
May 2015	+0.2	Down -0.02% points	-0.02% points
June 2015	+0.2	Down -0.01% points	-0.01% points
July 2015	-0.1	Down -0.02% points	-0.02% points

NB: A one percentage point change in the average mortgage interest rate contributes approx. 0.9 percentage points to the 1-month percentage change in the RPI.

OUTLOOK

The outlook is a summary of seasonal trends, selected news cuttings and other sources of information. It gives some indication of expected changes to the annual rate of the CPI and RPI in the next few months.

FOOD

Seasonal Food

- Seasonal food prices have shown a mixed pattern of rises and falls in August of previous years, being typically dependent on weather conditions both in the UK and around the world.

Monthly % change for CPI seasonal food index			
Year	June	July	August
2009	-0.5	-2.5	-1.5
2010	0.9	0.7	-0.5
2011	0.5	-1.0	-1.0
2012	0.7	-0.5	0.2
2013	-1.5	0.2	0.2
2014	-0.5	0.2	-0.3
2015	-	-1.4	

- Seasonal food prices in the RPI tend to show a similar movement.

CLOTHING AND FOOTWEAR

- Prices tend to recover in August, following summer sales in July.

Monthly % change for CPI clothing and footwear index			
Year	June	July	August
2009	-1.5	-3.2	1.3
2010	-2.1	-4.9	2.8
2011	-1.9	-3.5	3.7
2012	-4.2	-2.6	2.8
2013	-1.9	-3.2	2.0
2014	0.6	-5.7	2.6
2015	-0.4	-3.4	

- The clothing and footwear group in the RPI exhibits a similar seasonal pattern.

FURNITURE, HOUSEHOLD EQUIPMENT AND MAINTENANCE

- Prices tend to recover in August following summer sales in July.

Monthly % change for CPI furniture, household equipment and maintenance index			
Year	June	July	August
2009	1.0	-2.7	1.5
2010	0.7	-1.9	1.0
2011	0.4	-1.1	2.0
2012	-	-1.1	0.8
2013	-0.5	-1.0	1.8
2014	0.2	-1.5	1.0
2015	0.3	-1.4	

- The household goods group in the RPI exhibits a similar seasonal pattern.

TRANSPORT

Fuels and Lubricants

- The average price of diesel has fallen below 113p per litre for the first time since January 2010, according to the information group Experian Catalyst.

In the last week, supermarkets have cut prices by between 2p and 4p per litre.

Last month, diesel became, on average, cheaper than petrol for the first time since July 2001.

Lower fuel prices have followed the falls in the price of oil.

This month, the price of a barrel of Brent Crude oil fell below \$50 (£32) for the first time since January this year. (www.bbc.co.uk/news/business 14 August 2015)

- When considering the price of petrol between July and August 2015, it may be useful to note that the average price of petrol fell by 1.8 pence per litre between July and August 2014, standing at 129.2 pence per litre as measured in the CPI.
- A 1 pence change on average in the cost of a litre of motor fuel contributes approximately 0.03 percentage points to the 1-month change in the CPI.

Passenger Transport by Air

- Historically, air fares have tended to rise more slowly in August compared to July, although there has been a mixed pattern in more recent years.

Monthly % change for CPI air fares index			
Year	June	July	August
2009	3.0	12.2	8.3
2010	10.0	9.6	16.1
2011	8.5	9.8	11.2
2012	7.4	21.7	10.2
2013	-2.8	13.9	9.4
2014	7.0	14.0	11.3
2015	0.3	21.6	

- The air fares index used in the RPI is the same as that used in the CPI, and is included in the **other travel costs** section.

HOUSING (RPI)

Mortgage interest payments (MIPs)

- The Bank of England Bank Rate remained unchanged at 0.5% on Thursday 6 August 2015.
- The change in average mortgage interest rates recorded in the RPI was down -0.01 % points between July and August 2014. The Bank of England Bank Rate remained unchanged at 0.5% in July 2014.
- A one percentage point change in the average mortgage interest rate contributes approximately 0.9 percentage points to the 1-month percentage change in the RPI.

Next publication:

15 September 2015

Issued by:

Office for National Statistics, Government Buildings, Cardiff Road, Newport. NP10 8XG

Media contact:

Tel: Luke Croydon +44 (0) 845 6041858

Out of hours media line +44 (0) 7867 906553

Email: media.relations@ons.gsi.gov.uk**Statistical contact:**

Tel: Richard Campbell +44 (0) 1633 651536

Email: richard.campbell@ons.gsi.gov.uk**Website:** www.ons.gov.uk**Email:** cpi@ons.gsi.gov.uk**Consumer Price Inflation recorded message** (available after 9.45 am on release day):

Tel: +44 (0) 800 0113703

Consumer Price Inflation Enquiries:

Tel: +44 (0) 1633 456900