

Consumer Price Inflation

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CONTENTS

SUMMARY	2
CPIH SUMMARY	4
CPIH NOTABLE MOVEMENTS	6
CPIH DETAILED BRIEFING	7
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 Dataset.

SUMMARY

CPIH

The Consumer Prices Index including owner occupiers' housing costs (CPIH) is the most comprehensive measure of inflation. It extends the Consumer Prices Index (CPI) to include a measure of the costs associated with owning, maintaining and living in one's own home, known as owner occupiers' housing costs (OOH), along with council tax. Both of these are significant expenses for many households and are not included in the CPI.

Aside from including owner occupiers' housing costs (OOH) and council tax, CPIH is otherwise identical to CPI. This means that, aside from these two components, the factors contributing to the CPI rate are the same as those contributing to the CPIH. For example, if food is reported as increasing the CPIH rate, it is also acting to increase the CPI rate. The size of the contributions for components other than OOH and council tax are exaggerated in the CPI compared with the CPIH because they account for a larger proportion of the overall index.

The [National Statistics](#) status of the Consumer Prices Index including owner occupiers' housing costs (CPIH) was reinstated on 31 July 2017. [A letter](#) from the Director General for Regulation to the National Statistician detailed the actions that were taken to meet the requirements as set out in the [CPIH assessment report](#).

The main movements for CPIH in August 2018 are:

- The all items CPIH is 106.5, up from 105.9 in July.
- The all items CPIH annual rate is 2.4%, up from 2.3% in July.
- The annual rate for CPIH excluding indirect taxes, CPIHY, is 2.3%, up from 2.2% last month.
- The OOH component of CPIH is 105.7, up from 105.6 in July.
- The OOH component annual rate is 1.0%, down from 1.1% last month.
- The CPIH all goods index is 104.1, up from 103.3 in July.
- The CPIH all goods index annual rate is 2.7%, up from 2.6% last month.
- The CPIH all services index is 108.3, up from 107.7 in July.
- The CPIH all services index annual rate is 2.2%, up from 2.0% last month.

Consumer Prices Index (CPI)

The CPI continues to be a National Statistic and 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 August 2018 are:

- The all items CPI is 106.5, up from 105.8 in July.
- The all items CPI annual rate is 2.7%, up from 2.5% in July.
- The annual rate for CPI excluding indirect taxes, CPIY, is 2.7%, up from 2.5% last month.
- The annual rate for CPI at constant tax rates, CPI-CT, is 2.6%, up from 2.4% last month.
- The CPI all goods index is 104.1, up from 103.3 in July.
- The CPI all goods index annual rate is 2.8%, up from 2.6% last month.
- The CPI all services index is 109.2, up from 108.5 in July.
- The CPI all services index annual rate is 2.5%, up from 2.3% last month.

Retail Prices Index (RPI)

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 legacy measure of UK inflation that continues to be published because of its use in long-term contracts and index-linked gilts. For further information see [Users and uses of consumer price inflation statistics](#).

The main movements for RPI in August 2018 are:

- The all items RPI is 284.2, up from 281.7 in July.
- The all items RPI annual rate is 3.5%, up from 3.2% last month.
- The annual rate for RPIX, the all items RPI excluding mortgage interest payments (MIPs), is 3.4%, up from 3.3% last month.
- The all goods RPI is 213.9, up from 212.2 in July.
- The all goods RPI annual rate is 3.7%, up from 3.6% last month.
- The all services RPI is 391.3, up from 387.7 in July.
- The all services RPI annual rate is 3.1%, up from 2.9% last month.

CPIH SUMMARY

CONTRIBUTIONS TO CHANGE IN THE CPIH ANNUAL RATE

CPIH COICOP DIVISIONS	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2017 Feb-Dec	2018 Feb-Dec	% change Aug 2017	% change Aug 2018	
01: Food and non-alcoholic beverages	81	83	0.1	0.2	0.01
02: Alcoholic beverages and tobacco	34	34	0.1	0.6	0.02
03: Clothing and footwear	58	57	2.4	3.1	0.04
04: Housing, water, electricity, gas and other fuels	294	301	0.1	0.1	-0.01
05: Furniture, household equipment and maintenance	49	48	1.8	1.2	-0.03
06: Health	21	21	-	0.3	-
07: Transport	126	124	1.0	1.3	0.05
08: Communication	21	20	1.7	0.4	-0.03
09: Recreation and culture	121	120	0.1	0.6	0.06
10: Education	17	18	-	-	-
11: Restaurants and hotels	101	97	0.1	0.1	0.01
12: Miscellaneous goods and services	77	77	0.3	0.6	0.02

Large upward effects came from:

- Recreation and culture**, where prices rose by 0.6% between July and August 2018 compared with a smaller rise of 0.1% between the same two months a year ago. The main effects came from cultural services, where theatre admission prices rose by more than a year ago, and games, toys and hobbies, where prices for computer games rose this year but fell a year ago. These games are heavily dependent on the composition of bestseller charts, often resulting in large overall price changes from month to month;
- Transport**, with passenger transport fares showing larger price rises between July and August 2018 than between the same two months a year ago. The effect came from a combination of sea and air fares. Within transport, these effects were partially offset by a

small downward contribution from motor fuels. Petrol prices rose by 1.4 pence per litre between July and August 2018 compared with a larger rise of 1.8 pence per litre between July and August 2017. Similarly, diesel rose by 1.2 pence this year compared with 2.0 pence a year ago; and

- **Clothing and footwear**, with average prices rising by 3.1% between July and August 2018 compared with a smaller rise of 2.4% between the same two months a year ago. Prices of clothing and footwear usually rise between July and August as autumn ranges start to enter the shops following the summer sales season. The rise was larger this year than in 2017 and may have been influenced by the proportion of items on sale, which fell by more between July and August this year than between the same two months a year ago. The upward effect came principally from women's and children's clothing.

Small upward effects came from:

- **Miscellaneous goods and services**, where prices overall rose by 0.6% between July and August 2018 compared with a smaller rise of 0.3% between the same two months in 2017; and
- **Alcoholic beverages and tobacco**, where prices overall rose by 0.6% this year compared with a smaller rise of 0.1% a year ago.

Small downward effects came from:

- **Furniture, household equipment and maintenance**, where prices rose by 1.2% between July and August 2018 compared with 1.8% in 2017. The effect was widespread across most subcategories; and
- **Communication**, with prices rising by less than a year ago. The main downward contributions came from mobile phone charges and bundled telecommunication services.

CPIH NOTABLE MOVEMENTS

All items CPIH	Annual rate +2.4%, up from +2.3% last month Highest since February 2018 (+2.5%)
All items CPIH exc energy, food, alcohol and tobacco	Annual rate +1.9%, up from +1.8% last month Highest since May 2018 (+2.0%)
Furniture, household equipment and maintenance	Annual rate +0.7%, down from +1.3% last month Lowest since January 2017 (+0.4%)
Transport	Annual rate +6.0%, up from +5.6% last month Highest since April 2017 (+6.2%)
Recreation and culture	Annual rate +3.6%, up from +3.1% last month Also +3.6% in January 2010 Never higher since series began in January 2006
All goods	Annual rate +2.7%, up from +2.6% last month Highest since February 2018 (+3.0%)
All services	Annual rate +2.2%, up from +2.0% last month Highest since January 2018 (+2.3%)

CPIH DETAILED BRIEFING

The [National Statistics](#) status of the Consumer Prices Index including owner occupiers' housing costs (CPIH) was reinstated on 31 July 2017. [A letter](#) from the Director General for Regulation to the National Statistician detailed the actions that were taken to meet the requirements as set out in the [CPIH assessment report](#).

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

01 FOOD AND NON-ALCOHOLIC BEVERAGES	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
01 Food & non-alcoholic beverages	81	83	0.1	0.2	0.01

- Small upward effect on the all items 12-month rate change.
- Due to **food**.

01.1 Food	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
01.1 Food	71	73	0.1	0.2	0.01
01.1.1 Bread and cereals	12	12	0.7	-0.2	-0.01
01.1.2 Meat	16	16	-0.1	-0.2	-
01.1.3 Fish	3	3	1.7	1.7	-
01.1.4 Milk, cheese and eggs	9	9	-0.3	-0.3	-
01.1.5 Oils and fats	2	2	4.4	-6.5	-0.02
01.1.6 Fruit	7	8	-0.3	-0.2	-
01.1.7 Vegetables including potatoes	10	10	-0.4	1.4	0.02
01.1.8 Sugar, jam, syrups, chocolate and confectionery	10	11	0.5	2.1	0.02
01.1.9 Food products not elsewhere covered	2	2	-4.2	-0.7	0.01

- Small upward effect on the all items 12-month rate change.
- Due to **sugar, jam, syrups, chocolate and confectionery; vegetables including potatoes; and food products not elsewhere covered**.
- Partially offset by **oils and fats; and bread and cereals**.

Bread and cereals

- Small downward effect.
- Prices overall fell this year but rose a year ago, with the main downward contribution coming from bread.
- Partially offset by a small upward contribution from chocolate biscuits, where prices overall rose this year but fell a year ago.

Oils and fats

- Small downward effect.
- Prices overall fell this year but rose a year ago, particularly for margarine/low fat spread.

Vegetables including potatoes

- Small upward effect.
- Prices overall rose this year but fell a year ago, with the main upward contribution coming from potato crisps.

Sugar, jam, syrups, chocolate and confectionery

- Small upward effect.
- Prices overall rose this year by more than a year ago, with the main upward contributions coming from chocolate covered ice cream bars and cartons/boxes of chocolates.
- Partially offset by a small downward contribution coming from bags of chocolates, where prices overall fell this year but rose a year ago.

Food products not elsewhere covered

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

01.2 Non-alcoholic beverages	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
01.2 Non-alcoholic beverages	10	10	-0.3	-0.4	-
01.2.1 Coffee, tea and cocoa	3	3	-0.2	-0.7	-
01.2.2 Mineral waters, soft drinks and juices	7	7	-0.4	-0.3	-

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

02 ALCOHOLIC BEVERAGES AND TOBACCO	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
02 Alcoholic beverages and tobacco	34	34	0.1	0.6	0.02

- Small upward effect on the all items 12-month rate change.
- Due to **alcoholic beverages**.

02.1 Alcoholic Beverages	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
02.1 Alcoholic beverages	16	16	0.4	1.7	0.02
02.1.1 Spirits	5	5	2.3	1.3	-0.01
02.1.2 Wine	7	7	-0.9	2.0	0.02
02.1.3 Beer	4	4	0.2	1.6	0.01

- Small upward effect on the all items 12-month rate change.
- Due to **wine** and **beer**.
- Partially offset by **spirits**.

Spirits

- Small downward effect.
- Prices overall rose this year by less than a year ago, with the main downward contribution coming from vodka.

Wine

- Small upward effect.
- Prices overall rose this year but fell a year ago, particularly for New World wine.

Beer

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

02.2 Tobacco	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
02.2 Tobacco	18	18	-0.1	-0.2	-

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

03 CLOTHING AND FOOTWEAR	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
03 Clothing and footwear	58	57	2.4	3.1	0.04

- Large upward effect on the all items 12-month rate change.
- Due to **clothing** and **footwear including repairs**.

03.1 Clothing	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
03.1 Clothing	49	47	2.4	3.2	0.03
03.1.2 Garments	44	42	2.7	3.5	0.02
03.1.3 Other clothing and clothing accessories	4	4	-0.4	1.5	0.01
03.1.4 Cleaning, repair and hire of clothing	1	1	0.1	-0.1	-

- Small upward effect on the all items 12-month rate change.
- Due to **garments** and **other clothing and clothing accessories**.

Garments

- Small upward effect.
- Prices overall rose this year by more than a year ago, with the main upward contributions coming from women's skirts, casual trousers, jeans, short sleeve/sleeveless formal tops and nightdresses/pyjamas; and children's jumpers/sweatshirts/cardigans.
- Partially offset by small downward contributions coming from women's jackets, cardigans and formal trousers; girls' fashion tops and men's T-shirts.

Other clothing and clothing accessories

- Small upward effect.
- Prices overall rose this year but fell a year ago, particularly for ladies' scarves.

03.2 Footwear including repairs	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
03.2 Footwear including repairs	9	10	2.1	2.4	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 women's sandals.

04 HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
04 Housing, water, electricity, gas and other fuels	294	301	0.1	0.1	-0.01

- Small downward effect on the all items 12-month rate change.
- Due to **owner occupiers' housing costs**.

04.1 Actual rentals for housing	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
04.1 Actual rentals for housing	56	69	0.1	0.1	-

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

4.2 Owner occupiers' housing costs	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
4.2 Owner occupiers' housing costs	174	169	0.2	0.2	-0.01

- Small downward effect on the all items 12-month rate change.
- Average costs in England rose this year by less than a year ago.

04.3 Regular maintenance and repair of the dwelling	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
04.3 Regular maintenance and repair of the dwelling	2	2	-0.3	0.2	-
04.3.1 Materials for maintenance and repair	1	1	-0.7	0.4	-
04.3.2 Services for maintenance and repair	1	1	0.1	-	-

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

04.4 Other services related to the dwelling	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
04.4 Other services related to the dwelling	9	9	-	-	-
04.4.1 Water supply	4	4	-	-	-
04.4.3 Sewerage collection	5	5	-	-	-

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

04.5 Electricity, gas and other fuels	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
04.5 Electricity, gas and other fuels	27	27	0.1	0.1	-
04.5.1 Electricity	13	13	-	-	-
04.5.2 Gas	12	12	-	-	-
04.5.3 Liquid fuels	1	1	4.5	1.2	-
04.5.4 Solid fuels	1	1	-	0.2	-

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

4.9 Council tax and rates	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
4.9 Council tax and rates	26	25	-	-	-

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

05 FURNITURE, HOUSEHOLD EQUIPMENT AND MAINTENANCE	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
05 Furniture, household equipment and maintenance	49	48	1.8	1.2	-0.03

- Largest downward effect on the all items 12-month rate change.
- Due to **household textiles; goods and services for routine maintenance; household appliances, fitting and repairs; and glassware, tableware and household utensils.**

05.1 Furniture, furnishings and carpets	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
05.1 Furniture, furnishings and carpets	18	18	3.3	3.5	-
05.1.1 Furniture and furnishings	15	14	4.0	4.3	-
05.1.2 Carpets and other floor coverings	3	4	-0.1	0.7	-

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

05.2 Household textiles	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
05.2 Household textiles	6	5	2.5	0.7	-0.01

- Small downward effect on the all items 12-month rate change.
- Prices overall rose this year by less than a year ago, with the main downward contribution coming from bath sheets.

05.3 Household appliances, fitting and repairs	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
05.3 Household appliances, fitting and repairs	7	7	1.1	0.2	-0.01
05.3.1/2 Major appliances and small electric goods	6	6	1.3	0.2	-0.01
05.3.3 Repair of household appliances	1	1	-	-	-

- Small downward effect on the all items 12-month rate change.
- Due to **major appliances and small electric goods**, where prices overall rose this year by

less than a year ago.

05.4 Glassware, tableware and household utensils	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
05.4 Glassware, tableware and household utensils	4	4	1.8	0.6	-0.01

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

05.5 Tools and equipment for house and garden	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
05.5 Tools and equipment for house and garden	4	4	0.5	-0.5	-

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

05.6 Goods and services for routine maintenance	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
05.6 Goods and services for routine maintenance	10	10	-0.3	-1.0	-0.01
05.6.1 Non-durable household goods	4	4	-1.2	-2.9	-0.01
05.6.2 Domestic services and household services	6	6	0.3	0.2	-

- Small downward effect on the all items 12-month rate change.
- Due to **non-durable household goods**, where prices overall fell this year by more than a year ago.

06 HEALTH	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
06 Health	21	21	-	0.3	-

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

06.1 Medical products, appliances and equipment	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
06.1 Medical products, appliances and equipment	10	9	-0.1	0.4	0.01
06.1.1 Pharmaceutical products	6	5	-	0.7	-
06.1.2/3 Other medical and therapeutic equipment	4	4	-0.2	0.1	-

- Small upward effect on the all items 12-month rate change.
- Prices overall rose this year but fell a year ago.

06.2 Out-patient services	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
06.2 Out-patient services	5	7	0.3	0.2	-
06.2.1/3 Medical and paramedical services	3	4	0.3	0.2	-
06.2.2 Dental services	2	3	0.1	0.2	-

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

06.3 Hospital services	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
06.3 Hospital Services	6	5	-	0.1	-

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

07 TRANSPORT	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
07 Transport	126	124	1.0	1.3	0.05

- Large upward effect on the all items 12-month rate change.
- Due to **transport services** and, to a lesser extent, **purchase of vehicles**.
- Partially offset by **operation of personal transport equipment**.

07.1 Purchase of vehicles	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2017	2018	% change	% change	
	Feb-Dec	Feb-Dec	Aug 2017	Aug 2018	
07.1 Purchase of vehicles	37	38	-0.3	-	0.01
07.1.1A New cars	21	22	-0.3	0.2	0.01
07.1.1B Second-hand cars	14	14	-0.2	-0.2	-
07.1.2/3 Motorcycles and bicycles	2	2	-0.2	-0.1	-

- Small upward effect on the all items 12-month rate change.
- Due to **new cars**, where prices overall rose this year but fell a year ago.

07.2 Operation of personal transport equipment	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2017	2018	% change	% change	
	Feb-Dec	Feb-Dec	Aug 2017	Aug 2018	
07.2 Operation of personal transport equipment	61	58	0.8	0.6	-0.01
07.2.1 Spare parts and accessories	4	4	1.1	0.3	-
07.2.2 Fuels and lubricants	26	25	1.6	1.0	-0.02
07.2.3 Maintenance and repairs	20	19	0.2	0.2	-
07.2.4 Other services	11	10	-	0.4	-

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

Fuels and lubricants

- Small downward effect.
- Prices overall rose this year by less than a year ago.
- The average price of petrol across the month, as recorded for the CPIH, rose by 1.4 pence per litre between July and August 2018, to stand at 128.6 pence per litre.
- Last year, the average price of petrol rose by 1.8 pence per litre between July and August 2017, to stand at 115.7 pence per litre.
- The average price of diesel rose by 1.2 pence per litre between July and August 2018 to stand at 132.8 pence per litre, compared with a larger rise of 2.0 pence per litre a year earlier, to stand at 117.6 pence per litre.

07.3 Transport services	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2017	2018	% change	% change	
	Feb-Dec	Feb-Dec	Aug 2017	Aug 2018	
07.3 Transport services	28	28	2.9	4.3	0.05
07.3.1 Passenger transport by railway	11	11	-0.8	-1.3	-0.01
07.3.2 Passenger transport by road	10	10	0.3	0.6	-
07.3.3 Passenger transport by air	4	4	10.9	13.5	0.02
07.3.4 Passenger transport by sea and inland waterway	3	3	7.8	17.2	0.04

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

Passenger transport by railway

- Small downward effect.
- Average charges for international rail journeys fell this year by more than a year ago.

Passenger transport by air

- Small upward effect.
- Average air fares rose this year by more than a year ago, with the main upward contribution coming from long haul flights.

Passenger transport by sea and inland waterway

- Large upward effect.
- Average international sea fares rose this year by more than a year ago.

08 COMMUNICATION	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2017	2018	% change	% change	
	Feb-Dec	Feb-Dec	Aug 2017	Aug 2018	
08 Communication	21	20	1.7	0.4	-0.03

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

08.1 Postal services	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
08.1 Postal services	1	1	-	-	-

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

08.2/3 Telephone equipment and services	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
08.2/3 Telephone equipment and services	20	19	1.7	0.4	-0.03

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

09 RECREATION AND CULTURE	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
09 Recreation and culture	121	120	0.1	0.6	0.06

- Largest upward effect on the all items 12-month rate change.
- Due to **recreational and cultural services; other recreational items, gardens and pets; package holidays; and books, newspapers and stationery.**
- Partially offset by **audio-visual equipment and related products.**

09.1 Audio-visual equipment and related products	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
09.1 Audio-visual equipment and related products	15	14	1.2	-	-0.02
09.1.1 Equipment for the reception and reproduction of sound and pictures	3	4	-0.3	-0.3	-
09.1.2 Photographic, cinematographic and optical equipment	2	1	2.8	1.9	-
09.1.3 Data processing equipment	5	5	3.6	1.9	-0.01
09.1.4 Recording media	4	3	-1.0	-3.1	-0.01
09.1.5 Repair of audio-visual equipment and related products	1	1	-0.1	-0.1	-

- Small downward effect on the all items 12-month rate change.
- Due to **data processing equipment** and **recording media**.

Data processing equipment

- Small downward effect.
- Prices overall rose this year by less than a year ago, particularly for computer software.

Recording media

- Small downward effect.
- Prices overall fell this year by more than a year ago, with the main downward contribution coming from DVDs.
- Partially offset by a small upward contribution coming from CDs purchased over the internet.

09.2 Other major durables for recreation and culture	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
09.2.1/2 Major durables for in/outdoor recreation	13	14	-	-	-

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

09.3 Other recreational items, gardens and pets	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
09.3 Other recreational items, gardens and pets	30	29	-0.9	-0.1	0.02
09.3.1 Games, toys and hobbies	16	17	-1.6	-0.1	0.02
09.3.2 Equipment for sport and open-air recreation	3	2	-0.3	1.1	-
09.3.3 Gardens, plants and flowers	4	3	-0.7	-1.3	-
09.3.4/5 Pets, related products and services	7	7	0.1	-0.1	-

- Small upward effect on the all items 12-month rate change.
- Due to **games, toys and hobbies**, where prices overall fell this year by less than a year ago, with the main upward contributions coming from computer games and computer game consoles. Partially offset by small downward contributions coming from preschool activity toys, craft kits and children's plastic dolls.

09.4 Recreational and cultural services	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
09.4 Recreational and cultural services	26	23	0.7	2.1	0.03
09.4.1 Recreational and sporting services	8	7	0.3	0.4	-
09.4.2 Cultural services	18	16	0.9	2.9	0.03

- Small upward effect on the all items 12-month rate change.
- Due to **cultural services**, where average theatre admission charges rose this year by more than a year ago.

09.5 Books, newspapers and stationery	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
09.5 Books, newspapers and stationery	9	9	-2.3	-1.4	0.01
09.5.1 Books	3	3	-6.3	-3.5	0.01
09.5.2 Newspapers and periodicals	3	3	0.4	0.8	-
09.5.3/4 Misc. printed matter, stationery, drawing materials	3	3	-0.7	-1.6	-

- Small upward effect on the all items 12-month rate change.
- Due to **books**, where prices overall fell this year by less than a year ago, particularly for eBooks. Partially offset by a small downward contribution coming from non-fiction hardbacks, where prices overall fell this year but rose a year ago.

09.6 Package holidays	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
09.6 Package holidays	28	31	0.9	1.2	0.01

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

10 EDUCATION	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
10 Education	17	18	-	-	-

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

11 RESTAURANTS AND HOTELS	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
11 Restaurants and hotels	101	97	0.1	0.1	0.01

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

11.1 Catering services	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
11.1 Catering services	77	75	0.1	0.2	0.01
11.1.1 Restaurants and cafes	70	69	0.2	0.2	0.01
11.1.2 Canteens	7	6	-0.2	-0.2	-

- Small upward effect on the all items 12-month rate change.
- Due to **restaurants and cafes**, where average prices for take-away food rose this year by more than a year ago.

11.2 Accommodation services	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
11.2 Accommodation services	24	22	-0.2	-0.2	-

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

12 MISCELLANEOUS GOODS AND SERVICES	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
12 Misc. goods and services	77	77	0.3	0.6	0.02

- Small upward effect on the all items 12-month rate change.
- Due to **personal care** and **personal effects not elsewhere covered**.

12.1 Personal care	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
12.1 Personal care	25	25	-0.2	0.4	0.02
12.1.1 Hairdressing and personal grooming establishments	6	6	-	0.2	-
12.1.2/3 Appliances and products for personal care	19	19	-0.3	0.5	0.02

- Small upward effect on the all items 12-month rate change.
- Due to **appliances and products for personal care**, where prices overall rose this year but fell a year ago, particularly for disposable nappies. Partially offset by a small downward contribution coming from toothbrushes, where prices overall fell this year but rose a year ago.

12.3 Personal effects not elsewhere covered	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
12.3 Personal effects not elsewhere covered	11	12	2.1	2.4	0.01
12.3.1 Jewellery, clocks and watches	7	8	1.2	1.6	-
12.3.2 Other personal effects	4	4	3.8	3.9	-

- Small upward effect on the all items 12-month rate change.
- Prices overall rose this year by more than a year ago. Partially offset by a small downward contribution coming from luggage trolley cases, where prices overall fell this year but rose a year ago.

12.4 Social protection	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
12.4 Social protection	13	14	0.2	0.2	-

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

12.5 Insurance	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
12.5 Insurance	7	7	0.6	0.5	-
12.5.2 House contents insurance	2	2	1.3	1.1	-
12.5.3 Health insurance	2	2	-	-	-
12.5.4 Transport insurance	3	3	0.6	0.5	-

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

12.6 Financial services not elsewhere covered	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
12.6 Financial services not elsewhere covered	11	9	-	-0.1	-

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

12.7 Other services not elsewhere covered	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to CPIH annual rate change
12.7 Other services not elsewhere covered	10	10	-0.2	-	-

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

RPI SUMMARY

CONTRIBUTIONS TO CHANGE IN THE RPI ANNUAL RATE

GROUPS	Weight 2017	Weight 2018	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to RPI annual rate change
FOOD	102	102	-0.1	-	0.01
CATERING	48	50	0.1	0.3	0.01
ALCOHOLIC DRINKS	57	56	0.1	0.6	0.02
TOBACCO	24	23	-0.1	-0.3	-
HOUSING	266	257	0.4	0.7	0.08
FUEL AND LIGHT	38	37	0.1	-	-0.01
HOUSEHOLD GOODS	65	68	2.1	2.1	-
HOUSEHOLD SERVICES	64	58	0.8	0.5	-0.02
CLOTHING AND FOOTWEAR	41	43	2.6	3.3	0.03
PERSONAL GOODS AND SERVICES	38	42	0.3	0.8	0.02
MOTORING EXPENDITURE	123	124	0.6	0.4	-0.03
FARES AND OTHER TRAVEL COSTS	26	25	5.5	6.7	0.03
LEISURE GOODS	29	30	-0.7	-0.5	-
LEISURE SERVICES	79	85	0.6	1.2	0.05

RPI NOTABLE MOVEMENTS

All items RPI	Annual rate +3.5%, up from +3.2% last month Highest since February 2018 (+3.6%)
All items RPI exc MIPS (RPIX)	Annual rate +3.4%, up from +3.3% last month Also +3.4% in June 2018, May 2018, April 2018 and March 2018 Last higher in February 2018 (+3.6%)
Leisure services	Annual rate +5.3%, up from +4.7% last month Highest since October 2010 (+5.4%)
All goods	Annual rate +3.7%, up from +3.6% last month Highest since June 2018 (+3.8%)
All services	Annual rate +3.1%, up from +2.9% last month Highest since March 2018 (+3.5%)

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 2017	Weight 2018	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to RPI annual rate change
FOOD	102	102	-0.1	-	0.01

- Small upward effect on the all items 12-month rate change.
- Due to **non-seasonal food**.

Seasonal Food	Weight 2017	Weight 2018	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to RPI annual rate change
SEASONAL FOOD	18	18	-0.4	-	-
Home killed lamb	1	1	1.4	-3.7	-0.01
Fresh fish	2	2	-	-	-
Eggs	1	1	-0.3	-0.2	-
Unprocessed potatoes	1	1	0.3	0.2	-
Other fresh vegetables	6	6	-1.1	-0.1	0.01
Fresh fruit	7	7	-0.2	0.5	-

- Negligible overall effect on the all items 12-month rate change.
- There is an upward contribution coming from **other fresh vegetables**, where prices overall fell this year by less than a year ago.
- Offset by a downward contribution coming from **home killed lamb**, where prices overall fell this year but rose a year ago.

Non-Seasonal Food	Weight 2017	Weight 2018	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to RPI annual rate change
NON-SEASONAL FOOD	84	84	-	0.1	0.01
Bread	4	4	1.6	0.4	-
Cereals	3	3	-	-2.3	-0.01
Biscuits and cakes	6	6	1.2	2.6	0.01
Beef	4	3	2.3	1.2	-0.01
Imported lamb	1	1	-0.2	-0.2	-
Pork	1	1	-3.4	0.4	-
Bacon	1	1	1.2	0.2	-
Poultry	3	4	-0.6	-0.7	-
Other meat	6	6	-1.0	0.3	0.01
Processed fish	2	2	3.4	3.0	-
Butter	1	1	1.8	0.2	-
Oils and fats	1	1	4.9	-9.6	-0.01
Cheese	3	3	-0.9	-	-
Milk, fresh	3	3	-0.2	-0.3	-
Milk products	4	4	0.6	-0.5	-
Tea	1	1	-1.9	-0.5	-
Soft drinks	8	8	-0.3	-0.2	-
Sugar and preserves	1	1	-0.9	-2.2	-
Sweets and chocolates	11	11	1.0	0.9	-
Potato products	3	3	0.1	4.0	0.01
Processed vegetables	2	2	-0.5	-0.2	-
Processed fruit	2	2	-0.7	-2.1	-
Other foods	11	11	-2.9	-1.0	0.02
Coffee and other hot drinks	2	2	0.7	-0.7	-

- Small upward effect on the all items 12-month rate change.
- Due to:
 - **Biscuits and cakes** and **potato products**, where prices overall rose this year by more than a year ago, with the main upward contributions coming from chocolate biscuits and crisps;
 - **Other foods**, where prices overall fell this year by less than a year ago, with the main upward contributions coming from mayonnaise, cook-in sauces and chocolate covered ice cream bars. Partially offset by a small downward contribution coming from chilled pizzas, where prices overall fell this year but rose a year ago; and
 - **Other meat**, where prices overall rose this year but fell a year ago. Partially offset by a small downward contribution coming from prepacked cooked ham, where prices overall fell this year but rose a year ago.
- Partially offset by:
 - **Oils and fats**, where prices overall fell this year but rose a year ago, particularly for margarine/low fat spread;
 - **Cereals**, where prices overall fell this year but were little changed a year ago; and

- **Beef**, where prices overall rose this year by less than a year ago.

CATERING	Weight 2017	Weight 2018	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to RPI annual rate change
CATERING	48	50	0.1	0.3	0.01
Restaurant meals	29	30	-	0.1	-
Canteen meals	3	3	-	-0.1	-
Take-away meals and snacks	16	17	0.5	0.8	0.01

- Small upward effect on the all items 12-month rate change.
- Due to **take-away meals and snacks**, where prices overall rose this year by more than a year ago.

ALCOHOLIC DRINKS	Weight 2017	Weight 2018	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to RPI annual rate change
ALCOHOLIC DRINKS	57	56	0.1	0.6	0.02
Beer on sales	19	18	0.1	-	-
Beer off sales	5	5	-	1.2	0.01
Wines and spirits on sales	19	19	0.2	0.1	-
Wines and spirits off sales	14	14	0.1	1.7	0.02

- Small upward effect on the all items 12-month rate change.
- Due to:
 - **Wines and spirits off sales**, where prices overall rose this year by more than a year ago, with the main upward contribution coming from wine. Partially offset by a small downward contribution coming from vodka, where prices overall fell this year but rose a year ago; and
 - **Beer off sales**, where prices overall rose this year but were little changed a year ago, with the main upward contribution coming from four-packs of bottled lager.

TOBACCO	Weight 2017	Weight 2018	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to RPI annual rate change
TOBACCO	24	23	-0.1	-0.3	-
Cigarettes	20	19	-0.1	-0.1	-
Other tobacco products	4	4	-0.3	-0.8	-

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

HOUSING	Weight 2017	Weight 2018	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to RPI annual rate change
HOUSING	266	257	0.4	0.7	0.08
Rent	84	76	0.1	0.1	-
Mortgage interest payments	25	24	-0.2	2.8	0.07
Council tax and rates	39	38	-	-	-
Water and other charges	13	12	-	-	-
Repairs and maintenance charges	9	9	0.2	-	-
DIY materials	6	8	-0.2	0.1	-
Dwelling insurance and ground rent	6	7	1.1	1.5	-
House depreciation	84	83	0.9	1.1	0.01

- Largest upward effect on the all items 12-month rate change.
- Due to:
 - **Mortgage interest payments**, where charges overall rose this year but fell a year ago; and, to a lesser extent
 - **House depreciation**, with the smoothed house price index used to calculate this component rising this year by more than a year ago.

FUEL AND LIGHT	Weight 2017	Weight 2018	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to RPI annual rate change
FUEL AND LIGHT	38	37	0.1	-	-0.01
Coal and solid fuels	1	1	-	0.2	-
Electricity	19	20	-	-	-
Gas	16	15	-	-	-
Oil and other fuels	2	1	3.5	1.0	-0.01

- Small downward effect on the all items 12-month rate change.
- Due to **oil and other fuels**, where average kerosene prices rose this year by less than a year ago.

HOUSEHOLD GOODS	Weight 2017	Weight 2018	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to RPI annual rate change
HOUSEHOLD GOODS	65	68	2.1	2.1	-
Furniture	26	28	4.6	5.6	0.04
Furnishings	10	9	0.8	0.7	-
Electrical appliances	6	7	0.8	0.9	-
Other household equipment	4	4	2.4	0.1	-0.01
Household consumables	11	11	-0.7	-1.7	-0.01
Pet care	8	9	0.1	-0.8	-0.01

- Negligible overall effect on the all items 12-month rate change.
- There is an upward contribution coming from **furniture**, where prices overall rose this year by more than a year ago, particularly for leather settees, sofa beds and bedroom furniture. Partially offset by a small downward contribution coming from kitchen furniture, where prices overall rose this year by less than a year ago.
- Offset by downward contributions coming from:
 - **Pet care**, where prices overall fell this year but rose a year ago, with the main downward contribution coming from dry dog food;
 - **Household consumables**, where prices overall fell this year by more than a year ago; and
 - **Other household equipment**, where prices overall rose this year by less than a year ago.

HOUSEHOLD SERVICES	Weight 2017	Weight 2018	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to RPI annual rate change
HOUSEHOLD SERVICES	64	58	0.8	0.5	-0.02
Domestic services	15	13	0.2	0.3	-
Fees and subscriptions	22	19	0.4	0.4	-
Postage	1	1	-	-	-
Telephone charges	26	25	1.5	0.6	-0.02

- Small downward effect on the all items 12-month rate change.
- Due to **telephone charges**, where prices overall rose this year by less than a year ago, with the main downward contributions coming from mobile phone charges and bundled telecommunication services. Partially offset by a small upward contribution coming from mobile phone applications, where prices overall rose this year but fell a year ago.

CLOTHING AND FOOTWEAR	Weight 2017	Weight 2018	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to RPI annual rate change
CLOTHING AND FOOTWEAR	41	43	2.6	3.3	0.03
Men's outerwear	8	9	1.1	1.7	0.01
Women's outerwear	15	16	3.7	5.0	0.02
Children's outerwear	5	5	4.1	4.4	-
Other clothing	5	5	0.7	1.6	-
Footwear	8	8	2.2	2.1	-

- Small upward effect on the all items 12-month rate change.
- Due to **women's outerwear** and **men's outerwear**, where prices overall rose this year by more than a year ago, with the main upward contributions coming from women's casual trousers, skirts, jeans and short sleeve/sleeveless formal tops.
- Partially offset by small downward contributions coming from women's showerproof jackets and cardigans.

PERSONAL GOODS AND SERVICES	Weight 2017	Weight 2018	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to RPI annual rate change
PERSONAL GOODS AND SERVICES	38	42	0.3	0.8	0.02
Personal articles	9	11	1.9	2.3	0.01
Chemists' goods	15	15	-0.6	0.3	0.01
Personal services	14	16	0.1	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; and
 - **Personal articles**, where prices overall rose this year by more than a year ago, particularly for ladies' handbags/shoulder bags.

MOTORING EXPENDITURE	Weight 2017	Weight 2018	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to RPI annual rate change
MOTORING EXPENDITURE	123	124	0.6	0.4	-0.03
Purchase of motor vehicles	46	50	-0.2	-0.1	0.01
Maintenance of motor vehicles	16	16	0.4	0.3	-
Petrol and oil	37	34	1.7	1.0	-0.03
Vehicle tax and insurance	24	24	0.7	0.7	-

- Largest downward effect on the all items 12-month rate change.
- Due to **petrol and oil**, where prices overall rose this year by less than a year ago. The price of petrol, as recorded for the RPI, rose by 1.4 pence per litre between July and August 2018, to stand at 128.4 pence per litre, compared with a larger rise of 1.9 pence per litre last year, to stand at 115.5 pence per litre. Diesel prices rose by 1.1 pence per litre, to stand at 132.6 pence per litre in August 2018, compared with a larger rise of 2.1 pence per litre last year, to stand at 117.4 pence per litre.
- Partially offset by **purchase of motor vehicles**, where prices overall fell this year by less than a year ago, with the main upward contribution coming from new cars.

FARES AND OTHER TRAVEL COSTS	Weight 2017	Weight 2018	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to RPI annual rate change
FARES AND OTHER TRAVEL COSTS	26	25	5.5	6.7	0.03
Rail fares	6	6	-0.9	-1.2	-
Bus and coach fares	3	3	0.6	1.0	-
Other travel costs	17	16	7.9	10.0	0.03

- Small upward effect on the all items 12-month rate change.
- Due to **other travel costs**, where average air fares rose this year by more than a year ago.

LEISURE GOODS	Weight 2017	Weight 2018	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to RPI annual rate change
LEISURE GOODS	29	30	-0.7	-0.5	-
Audio-visual equipment	6	6	1.4	1.5	-
CDs and tapes	2	2	0.1	-2.2	-0.01
Toys, photographic and sports goods	9	10	0.7	-0.3	-0.01
Books and newspapers	6	6	-5.2	-1.3	0.02
Gardening products	6	6	-0.8	-1.2	-

- Negligible overall effect on the all items 12-month rate change.
- There is an upward contribution coming from **books and newspapers**, where prices overall fell this year by less than a year ago, particularly for eBooks.
- Offset by downward contributions coming from **CDs and tapes** and **toys, photographic and sports goods**, where prices overall fell this year but rose a year ago.

LEISURE SERVICES	Weight 2017	Weight 2018	1 month % change Aug 2017	1 month % change Aug 2018	Contribution to RPI annual rate change
LEISURE SERVICES	79	85	0.6	1.2	0.05
TV licence and rentals	12	11	-	-	-
Entertainment and other recreation	16	16	0.8	2.2	0.02
Foreign holidays	40	47	0.9	1.2	0.02
UK holidays	11	11	0.3	0.9	0.01

- Large upward effect on the all items 12-month rate change.
- Due to **entertainment and other recreation**, **foreign holidays** and **UK holidays**, where prices overall rose this year by more than a year ago, with the main upward contributions coming from various types of foreign holidays, theatre admissions and non-self catering UK holidays.

RECONCILIATION OF CPI AND RPI

(Table 5 of the Consumer Price Inflation Dataset)

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.

This table currently compares CPI with RPI. In due course it will be updated to compare CPIH with RPI.

The difference between the CPI and RPI unrounded annual rates in August 2018 was -0.80 percentage points, widening from -0.76 percentage points in July 2018.

The main factors contributing to the widening were:

- **Mortgage Interest Payments**, which increased the RPI 12-month rate by 0.07 percentage points between July and August 2018 but are excluded from the CPI.
- **Other housing components**, which increased the RPI 12-month rate relative to the CPI 12-month rate by 0.02 percentage points between July and August 2018. The effect came mainly from house depreciation.

The main offsetting factor was:

- **Other differences including weights**, which decreased the RPI 12-month rate relative to the CPI 12-month rate by 0.04 percentage points between July and August 2018. The effect came mainly from sea fares; and clothing and footwear. This was partially offset by furniture and furnishings, carpets and household textiles.

RPI MISCELLANEOUS DATA

Selected Average Prices

Description		June 2018	July 2018	August 2018
Petrol per litre	Diesel	£1.33	£1.32	£1.33
	Petrol	£1.29	£1.27	£1.28
Alcohol pub prices	Draught bitter (pint)	£3.06	£3.07	£3.06
	Draught lager (pint)	£3.65	£3.65	£3.65
	Whisky (per nip)	£2.87	£2.87	£2.89
Cigarettes	Per 20 king size	£10.25	£10.26	£10.25

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
August 2017	+0.7	Down -0.01% points	-0.01% points
September 2017	+0.1	Down -0.01% points	-0.01% points
October 2017	+0.1	Down -0.02% points	-0.02% points
November 2017	+0.2	Up +0.01% points	+0.01% points
December 2017	+0.8	Up +0.09% points	+0.08% points
January 2018	-0.8	Down -0.04% points	-0.04% points
February 2018	+0.8	Down -0.01% points	-0.01% points
March 2018	+0.1	Down -0.02% points	-0.02% points
April 2018	+0.5	Down -0.01% points	-0.01% points
May 2018	+0.4	Down -0.02% points	-0.02% points
June 2018	+0.3	Down -0.01% points	-0.01% points
July 2018	+0.1	Negligible	-
August 2018	+0.9	Up +0.06% points	+0.06% points

NB: A one percentage point change in the average mortgage interest rate contributes approx. 1.0 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 CPIH and RPI in the next few months.

FOOD

Seasonal Food

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

Monthly % change for CPIH seasonal food index			
Year	July	August	September
2012	-0.5	0.3	-0.1
2013	0.2	0.1	1.1
2014	0.2	-0.3	-0.5
2015	-1.4	-0.4	0.4
2016	0.5	-0.3	1.2
2017	-0.4	-0.1	0.9
2018	-0.6	0.8	

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

CLOTHING AND FOOTWEAR

- Prices for clothing and footwear tend to rise in September.

Monthly % change for CPIH clothing and footwear index			
Year	July	August	September
2012	-2.6	2.8	4.6
2013	-3.2	1.9	4.2
2014	-5.7	2.6	4.0
2015	-3.3	1.5	2.8
2016	-3.4	1.0	5.1
2017	-2.9	2.4	3.9
2018	-3.7	3.1	

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

HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS

Electricity, Gas and Other Fuels

- E.ON has announced that it is increasing its standard variable electricity and gas prices. On 16 August, the unit price of E.ON's standard variable tariff will increase by an average of 4.8% or £55 for customers taking both fuels, 6.2% or £36 for electricity only customers and 3.3% or £19 for gas only customers. (eonenergy.com 19 June 2018)

- EDF Energy has announced a change to its standard variable tariff prices, effective from 31 August 2018. EDF Energy's standard variable dual fuel tariff will increase by 6% to £1,228 a year. The standard variable electricity and gas tariffs will be increasing by 6.1% and 6% respectively. (edfenergy.com 5 July 2018)
- British Gas has announced a 3.8% increase in its standard variable tariff (SVT), with effect from 1 October. The average bill will rise by £44 to £1,205 a year. (britishgas.co.uk 8 August 2018)
- ScottishPower has announced its domestic standard variable gas and electricity prices are to increase from 8 October 2018. Standard dual fuel prices will increase by an average of 3.7%. (scottishpower.co.uk 24 August 2018)

FURNITURE, HOUSEHOLD EQUIPMENT AND MAINTENANCE

- Prices tend to rise in September.

Monthly % change for CPIH furniture, household equipment and maintenance index			
Year	July	August	September
2012	-1.1	0.8	0.5
2013	-1.0	1.7	0.1
2014	-1.5	1.0	0.6
2015	-1.5	1.7	0.7
2016	-1.7	1.4	0.4
2017	-1.2	1.8	0.2
2018	-1.8	1.2	

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

TRANSPORT

Fuels and Lubricants

- Oil prices have held steady as market participants weighed potential supply cuts from U.S. sanctions on Iran with deepening trade tensions between the United States and China that could dent global crude demand. Brent crude futures rose 13 cents to \$78.22 a barrel, while U.S. West Texas Intermediate (WTI) crude futures fell 8 cents to \$68.91 a barrel. (uk.reuters.com 17 September 2018)
- When considering the price of petrol between August and September 2018, it may be useful to note that the average price of petrol rose by 2.5 pence per litre between August and September 2017, to stand at 118.2 pence per litre as measured in the CPIH.
- A 1 pence change on average in the cost of a litre of motor fuel contributes approximately 0.02 percentage points to the 1-month change in the CPIH.

Passenger Transport by Air

- Air fares tend to fall sharply in September.

Monthly % change for CPIH air fares index			
Year	July	August	September
2012	21.7	10.2	-25.2
2013	13.9	9.4	-18.8
2014	14.0	11.3	-21.7
2015	21.6	13.9	-20.4
2016	15.9	14.4	-24.2
2017	17.9	10.9	-26.7
2018	20.1	13.5	

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

HOUSING (RPI)

Mortgage interest payments (MIPs)

- The Bank of England Bank Rate remained unchanged at 0.75% on Thursday 13 September 2018. The next announcement and minutes from the Bank of England's Monetary Policy Committee are scheduled to be published on 1 November 2018.
- The change in average mortgage interest rates recorded in the RPI was -0.01 percentage points between August and September 2017. The Bank of England Bank Rate remained unchanged at 0.25% in August 2017.
- A one percentage point change in the average mortgage interest rate contributes approximately 1.0 percentage points to the 1-month percentage change in the RPI.

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