

Consumer Price Inflation

June 2018

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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 June 2018 are:

- The all items CPIH is 105.9, unchanged from last month.
- The all items CPIH annual rate is 2.3%, unchanged from last month.
- The annual rate for CPIH excluding indirect taxes, CPIHY, is 2.2%, up from 2.1% last month.
- The OOH component of CPIH is 105.4, unchanged from last month.
- The OOH component annual rate is 1.1%, unchanged from last month.
- The CPIH all goods index is 103.9, down from 104.2 in May.
- The CPIH all goods index annual rate is 2.5%, unchanged from last month.
- The CPIH all services index is 107.3, up from 107.1 in May.
- The CPIH all services index annual rate is 2.0%, down from 2.1% 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 June 2018 are:

- The all items CPI is 105.8, unchanged from last month.
- The all items CPI annual rate is 2.4%, unchanged from last month.
- The annual rate for CPI excluding indirect taxes, CPIY, is 2.4%, unchanged from last month.
- The annual rate for CPI at constant tax rates, CPI-CT, is 2.3%, unchanged from last month.
- The CPI all goods index is 103.9, down from 104.2 in May.
- The CPI all goods index annual rate is 2.6%, up from 2.5% last month.
- The CPI all services index is 107.9, up from 107.6 in May.
- The CPI all services index annual rate is 2.3%, unchanged from 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 June 2018 are:

- The all items RPI is 281.5, up from 280.7 in May.
- The all items RPI annual rate is 3.4%, up from 3.3% last month.
- The annual rate for RPIX, the all items RPI excluding mortgage interest payments (MIPs), is 3.4%, unchanged from last month.
- The all goods RPI is 214.0, up from 213.8 in May.
- The all goods RPI annual rate is 3.8%, up from 3.6% last month.
- The all services RPI is 383.8, up from 381.6 in May.
- The all services RPI annual rate is 2.9%, down from 3.0% 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 Jun 2017	% change Jun 2018	
01: Food and non-alcoholic beverages	81	83	-0.2	-0.4	-0.02
02: Alcoholic beverages and tobacco	34	34	-0.2	-0.1	-
03: Clothing and footwear	58	57	-1.0	-2.1	-0.07
04: Housing, water, electricity, gas and other fuels	294	301	-	0.2	0.07
05: Furniture, household equipment and maintenance	49	48	0.5	0.3	-0.01
06: Health	21	21	0.1	0.2	-
07: Transport	126	124	0.1	0.8	0.09
08: Communication	21	20	0.7	0.7	-
09: Recreation and culture	121	120	-0.1	-0.4	-0.04
10: Education	17	18	-	-	-
11: Restaurants and hotels	101	97	0.3	0.3	-
12: Miscellaneous goods and services	77	77	0.1	-0.1	-0.01

Large upward effects came from:

- Transport**, principally from motor fuels. Petrol prices rose by 2.7 pence per litre between May and June 2018 to stand at 128.0 pence per litre in June, the highest average price since September 2014. This compares with a 1.1 pence per litre fall between the same two months of 2017 to stand at 115.3 pence per litre in June 2017. Similarly, diesel prices rose by 2.9 pence per litre between May and June 2018 compared with a 1.4 pence per litre fall between the same two months a year ago. Within the broad transport group, the upward effect from motor fuels was partially offset by a small downward contribution from air fares, which rose between May and June this year by less than between the same two months a year ago; and

- **Housing, water, electricity, gas and other fuels**, with domestic gas and electricity prices rising between May and June this year compared with no change between the same two months a year ago.

Large downward effects came from:

- **Clothing and footwear**, where prices of clothing fell by 2.3% between May and June this year compared with a fall of 1.1% between the same two months a year ago. Prices usually fall between May and June as the summer sales season begins but the fall in 2018 is the largest since 2012. The effect came mainly from men's clothing; and
- **Recreation and culture**, where prices overall fell by 0.4% between May and June this year compared with a smaller fall of 0.1% between the same two months a year ago. The main effect came from games, toys and hobbies, where prices fell this year by more than a year ago, particularly for computer games. Prices for these games are heavily dependent on the composition of bestseller charts, often resulting in large overall price changes from month to month.

A small downward effect came from:

- **Food and non-alcoholic beverages**, where prices overall fell by 0.4% this year compared with a smaller fall of 0.2% a year ago.

CPIH NOTABLE MOVEMENTS

All items CPIH	Annual rate +2.3%, unchanged from last month Also +2.3% in March 2018 Last higher in February 2018 (+2.5%) Last lower in April 2018 (+2.2%)
All items CPIH exc energy, food, alcohol and tobacco	Annual rate +1.8%, down from +2.0% last month Also +1.8% in January 2017 and December 2016 Last lower in November 2016 (+1.7%)
Food and non-alcoholic beverages	Annual rate +2.0%, down from +2.3% last month Lowest since April 2017 (+1.6%)
Clothing and footwear	Annual rate +0.4%, down from +1.5% last month Lowest since February 2017 (0.0%)
Furniture, household equipment and maintenance	Annual rate +2.0%, down from +2.1% last month Lowest since April 2017 (+1.7%)
Transport	Annual rate +5.3%, up from +4.6% last month Highest since April 2017 (+6.2%)
Miscellaneous goods and services	Annual rate -0.2%, down from 0.0% last month Also -0.2% in May 2015 Last lower in March 2015 (-0.5%)
All goods	Annual rate +2.5%, unchanged from last month Last higher in April 2018 (+2.6%) Last lower in March 2018 (+2.4%)
All services	Annual rate +2.0%, down from +2.1% last month Lowest since April 2018 (+1.9%)
Fuels and lubricants	Annual rate +11.6%, up from +8.0% last month Highest since March 2017 (+17.1%)

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 Jun 2017	1 month % change Jun 2018	Contribution to CPIH annual rate change
01 Food & non-alcoholic beverages	81	83	-0.2	-0.4	-0.02

- Small downward 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 Jun 2017	1 month % change Jun 2018	Contribution to CPIH annual rate change
01.1 Food	71	73	-0.3	-0.6	-0.02
01.1.1 Bread and cereals	12	12	0.3	-	-0.01
01.1.2 Meat	16	16	0.4	-0.5	-0.01
01.1.3 Fish	3	3	1.9	-0.2	-0.01
01.1.4 Milk, cheese and eggs	9	9	-	-0.5	-0.01
01.1.5 Oils and fats	2	2	2.2	1.7	-
01.1.6 Fruit	7	8	-0.4	-1.1	-0.01
01.1.7 Vegetables including potatoes	10	10	-0.9	-0.9	-
01.1.8 Sugar, jam, syrups, chocolate and confectionery	10	11	-2.6	-1.3	0.01
01.1.9 Food products not elsewhere covered	2	2	-1.5	0.6	-

- Small downward effect on the all items 12-month rate change.
- Due to **meat; fish; fruit; milk, cheese and eggs; and bread and cereals**.
- Partially offset by **sugar, jam, syrups, chocolate and confectionery**.

Bread and cereals

- Small downward effect.
- Prices overall were little changed this year but rose a year ago, with the main downward

contribution coming from chocolate biscuits.

Meat

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

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 but were little changed a year ago, with the main downward contribution coming from chilled pot desserts.
- Partially offset by a small upward contribution coming from cheese spread, where prices overall rose this year but fell a year ago.

Fruit

- Small downward effect.
- Prices overall fell this year by more than a year ago.

Sugar, jam, syrups, chocolate and confectionery

- Small upward effect.
- Prices overall fell this year by less than a year ago, with the main upward contributions coming from bags of chocolate sweets and ice cream.
- Partially offset by a small downward contribution coming from large bars of chocolate.

01.2 Non-alcoholic beverages	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2017	2018	% change	% change	
	Feb-Dec	Feb-Dec	Jun 2017	Jun 2018	
01.2 Non-alcoholic beverages	10	10	0.6	0.4	-
01.2.1 Coffee, tea and cocoa	3	3	1.5	-0.2	-0.01
01.2.2 Mineral waters, soft drinks and juices	7	7	0.2	0.6	-

- Negligible overall effect on the all items 12-month rate change.
- There is a small downward contribution coming from **coffee, tea and cocoa**, where overall prices for coffee fell this year but rose a year ago.

02 ALCOHOLIC BEVERAGES AND TOBACCO	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jun 2017	1 month % change Jun 2018	Contribution to CPIH annual rate change
02 Alcoholic beverages and tobacco	34	34	-0.2	-0.1	-

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

02.1 Alcoholic Beverages	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jun 2017	1 month % change Jun 2018	Contribution to CPIH annual rate change
02.1 Alcoholic beverages	16	16	-0.4	-0.5	-
02.1.1 Spirits	5	5	-2.8	-1.3	0.01
02.1.2 Wine	7	7	-	-	-
02.1.3 Beer	4	4	1.8	-0.2	-0.01

- Negligible overall effect on the all items 12-month rate change.
- There is a small downward contribution coming from **beer**, where overall prices for lager fell this year but rose a year ago.
- Offset by a small upward contribution coming from **spirits**, where prices overall fell this year by less than a year ago, with the main upward contribution coming from vodka.

02.2 Tobacco	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jun 2017	1 month % change Jun 2018	Contribution to CPIH annual rate change
02.2 Tobacco	18	18	-	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 Jun 2017	1 month % change Jun 2018	Contribution to CPIH annual rate change
03 Clothing and footwear	58	57	-1.0	-2.1	-0.07

- Largest downward effect on the all items 12-month rate change.
- Due to **clothing** and, to a lesser extent, **footwear including repairs**.

03.1 Clothing	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jun 2017	1 month % change Jun 2018	Contribution to CPIH annual rate change
03.1 Clothing	49	47	-1.1	-2.3	-0.05
03.1.2 Garments	44	42	-1.2	-2.5	-0.05
03.1.3 Other clothing and clothing accessories	4	4	-0.4	-0.6	-
03.1.4 Cleaning, repair and hire of clothing	1	1	0.1	0.2	-

- Large downward effect on the all items 12-month rate change.
- Due to **garments**, where prices overall fell this year by more than a year ago, with the main downward contributions coming from men's jumpers, sweatshirts, suits and jeans; and women's casual jackets and blouses/shirts. Partially offset by a small upward contribution coming from women's showerproof jackets, where prices overall rose this year but fell a year ago.

03.2 Footwear including repairs	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jun 2017	1 month % change Jun 2018	Contribution to CPIH annual rate change
03.2 Footwear including repairs	9	10	-0.5	-1.4	-0.01

- Small downward effect on the all items 12-month rate change.
- Prices overall fell this year by more than a year ago, with the main downward contribution coming from footwear for women.

04 HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jun 2017	1 month % change Jun 2018	Contribution to CPIH annual rate change
04 Housing, water, electricity, gas and other fuels	294	301	-	0.2	0.07

- Large upward effect on the all items 12-month rate change.
- Due to **electricity, gas and other fuels**.

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

- 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 Jun 2017	1 month % change Jun 2018	Contribution to CPIH annual rate change
4.2 Owner occupiers' housing costs	174	169	0.1	0.1	-

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

04.3 Regular maintenance and repair of the dwelling	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jun 2017	1 month % change Jun 2018	Contribution to CPIH annual rate change
04.3 Regular maintenance and repair of the dwelling	2	2	-0.2	0.6	-
04.3.1 Materials for maintenance and repair	1	1	-0.5	1.2	-
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 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jun 2017	1 month % change Jun 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 Jun 2017	1 month % change Jun 2018	Contribution to CPIH annual rate change
04.5 Electricity, gas and other fuels	27	27	-0.1	2.2	0.06
04.5.1 Electricity	13	13	-	2.2	0.03
04.5.2 Gas	12	12	-	2.5	0.03
04.5.3 Liquid fuels	1	1	-1.8	-0.9	-
04.5.4 Solid fuels	1	1	-0.2	-0.1	-

- Large upward effect on the all items 12-month rate change.
- Due to **gas** and **electricity**, where average charges rose this year but were unchanged a year ago.

4.9 Council tax and rates	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jun 2017	1 month % change Jun 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 Jun 2017	1 month % change Jun 2018	Contribution to CPIH annual rate change
05 Furniture, household equipment and maintenance	49	48	0.5	0.3	-0.01

- Small downward effect on the all items 12-month rate change.
- Due to **household appliances, fitting and repairs**; and **goods and services for routine maintenance**.
- Partially offset by **household textiles**.

05.1 Furniture, furnishings and carpets	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jun 2017	1 month % change Jun 2018	Contribution to CPIH annual rate change
05.1 Furniture, furnishings and carpets	18	18	1.6	1.6	-
05.1.1 Furniture and furnishings	15	14	1.8	1.9	-
05.1.2 Carpets and other floor coverings	3	4	0.6	0.5	-

- 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 Jun 2017	1 month % change Jun 2018	Contribution to CPIH annual rate change
05.2 Household textiles	6	5	-0.8	0.2	0.01

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

05.3 Household appliances, fitting and repairs	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jun 2017	1 month % change Jun 2018	Contribution to CPIH annual rate change
05.3 Household appliances, fitting and repairs	7	7	0.9	-0.5	-0.01
05.3.1/2 Major appliances and small electric goods	6	6	1.0	-0.6	-0.01
05.3.3 Repair of household appliances	1	1	0.1	0.1	-

- Small downward effect on the all items 12-month rate change.
- Due to **major appliances and small electric goods**, where prices overall fell this year but rose a year ago, particularly for washing machines.

05.4 Glassware, tableware and household utensils	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jun 2017	1 month % change Jun 2018	Contribution to CPIH annual rate change
05.4 Glassware, tableware and household utensils	4	4	-0.4	-0.8	-

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

05.5 Tools and equipment for house and garden	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jun 2017	1 month % change Jun 2018	Contribution to CPIH annual rate change
05.5 Tools and equipment for house and garden	4	4	-0.3	0.6	-

- 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 Jun 2017	1 month % change Jun 2018	Contribution to CPIH annual rate change
05.6 Goods and services for routine maintenance	10	10	-0.4	-1.1	-0.01
05.6.1 Non-durable household goods	4	4	-1.8	-3.6	-0.01
05.6.2 Domestic services and household services	6	6	0.5	0.7	-

- 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, particularly for household cleaner cream/liquid.

06 HEALTH	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jun 2017	1 month % change Jun 2018	Contribution to CPIH annual rate change
06 Health	21	21	0.1	0.2	-

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

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

06.2 Out-patient services	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jun 2017	1 month % change Jun 2018	Contribution to CPIH annual rate change
06.2 Out-patient services	5	7	0.1	0.2	-
06.2.1/3 Medical and paramedical services	3	4	0.1	0.2	-
06.2.2 Dental services	2	3	-	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 Jun 2017	1 month % change Jun 2018	Contribution to CPIH annual rate change
06.3 Hospital Services	6	5	0.4	0.3	-

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

07 TRANSPORT	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jun 2017	1 month % change Jun 2018	Contribution to CPIH annual rate change
07 Transport	126	124	0.1	0.8	0.09

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

07.1 Purchase of vehicles	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jun 2017	1 month % change Jun 2018	Contribution to CPIH annual rate change
07.1 Purchase of vehicles	37	38	-0.6	0.2	0.03
07.1.1A New cars	21	22	-0.1	0.6	0.02
07.1.1B Second-hand cars	14	14	-1.4	-0.6	0.01
07.1.2/3 Motorcycles and bicycles	2	2	-1.2	-	-

- Small upward effect on the all items 12-month rate change.
- Due to **new cars** and **second-hand cars**.

New cars

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

Second-hand cars

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

07.2 Operation of personal transport equipment	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jun 2017	1 month % change Jun 2018	Contribution to CPIH annual rate change
07.2 Operation of personal transport equipment	61	58	-0.3	1.0	0.08
07.2.1 Spare parts and accessories	4	4	0.5	0.1	-
07.2.2 Fuels and lubricants	26	25	-1.1	2.2	0.08
07.2.3 Maintenance and repairs	20	19	0.2	-0.1	-0.01
07.2.4 Other services	11	10	0.2	0.5	-

- Large upward effect on the all items 12-month rate change.
- Due to **fuels and lubricants**.
- Partially offset by **maintenance and repairs**.

Fuels and lubricants

- Large upward effect.
- Prices overall rose this year but fell a year ago.
- The average price of petrol across the month, as recorded for the CPIH, rose by 2.7 pence per litre between May and June 2018 to stand at 128.0 pence per litre.
- Last year, the average price of petrol fell by 1.1 pence per litre between May and June 2017 to stand at 115.3 pence per litre.
- The average price of diesel rose by 2.9 pence per litre between May and June 2018 to stand at 132.1 pence per litre, compared with a fall of 1.4 pence per litre a year earlier to stand at 117.3 pence per litre.

Maintenance and repairs

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

07.3 Transport services	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jun 2017	1 month % change Jun 2018	Contribution to CPIH annual rate change
07.3 Transport services	28	28	1.8	1.1	-0.02
07.3.1 Passenger transport by railway	11	11	-1.9	-1.2	0.01
07.3.2 Passenger transport by road	10	10	-0.2	0.7	0.01
07.3.3 Passenger transport by air	4	4	14.5	8.1	-0.03
07.3.4 Passenger transport by sea and inland waterway	3	3	3.2	0.5	-0.01

- Small downward effect on the all items 12-month rate change.
- Due to **passenger transport by air** and **passenger transport by sea and inland**

waterway.

- Partially offset by **passenger transport by road** and **passenger transport by railway**.

Passenger transport by railway

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

Passenger transport by road

- Small upward effect.
- Average coach fares rose this year but fell a year ago.

Passenger transport by air

- Small downward effect.
- Average air fares rose this year by less than a year ago, with the main downward contributions coming from European and long haul flights.

Passenger transport by sea and inland waterway

- Small downward effect.
- Average sea fares rose this year by less than a year ago, with the main downward contribution coming from international routes.

08 COMMUNICATION	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jun 2017	1 month % change Jun 2018	Contribution to CPIH annual rate change
08 Communication	21	20	0.7	0.7	-

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

08.1 Postal services	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jun 2017	1 month % change Jun 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 Jun 2017	1 month % change Jun 2018	Contribution to CPIH annual rate change
08.2/3 Telephone equipment and services	20	19	0.7	0.7	-

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

09 RECREATION AND CULTURE	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jun 2017	1 month % change Jun 2018	Contribution to CPIH annual rate change
09 Recreation and culture	121	120	-0.1	-0.4	-0.04

- Large downward 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**.
- Partially offset by **recreational and cultural services**; and **package holidays**.

09.1 Audio-visual equipment and related products	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jun 2017	1 month % change Jun 2018	Contribution to CPIH annual rate change
09.1 Audio-visual equipment and related products	15	14	-1.1	-2.3	-0.02
09.1.1 Equipment for the reception and reproduction of sound and pictures	3	4	-1.0	-1.3	-
09.1.2 Photographic, cinematographic and optical equipment	2	1	0.3	-0.5	-
09.1.3 Data processing equipment	5	5	-3.8	-4.8	-0.01
09.1.4 Recording media	4	3	1.2	-1.0	-0.01
09.1.5 Repair of audio-visual equipment and related products	1	1	0.4	0.4	-

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

Data processing equipment

- Small downward effect.
- Prices overall fell this year by more than a year ago, particularly for computer software and laptop computers.
- Partially offset by a small upward contribution coming from tablet computers, where prices overall rose this year but fell a year ago.

Recording media

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

09.2 Other major durables for recreation and culture	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jun 2017	1 month % change Jun 2018	Contribution to CPIH annual rate change
09.2.1/2 Major durables for in/outdoor recreation	13	14	-	0.1	-

- 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 Jun 2017	1 month % change Jun 2018	Contribution to CPIH annual rate change
09.3 Other recreational items, gardens and pets	30	29	-0.4	-2.0	-0.05
09.3.1 Games, toys and hobbies	16	17	-0.9	-3.8	-0.05
09.3.2 Equipment for sport and open-air recreation	3	2	0.7	-0.3	-
09.3.3 Gardens, plants and flowers	4	3	0.1	2.0	0.01
09.3.4/5 Pets, related products and services	7	7	-	0.1	-

- Large downward effect on the all items 12-month rate change.
- Due to **games, toys and hobbies**, where prices overall fell this year by more than a year ago, with the main downward contributions coming from computer games and computer game downloads.
- Partially offset by **gardens, plants and flowers**, where prices overall rose this year by more than a year ago, with the main upward contribution coming from potted shrubs.

09.4 Recreational and cultural services	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jun 2017	1 month % change Jun 2018	Contribution to CPIH annual rate change
09.4 Recreational and cultural services	26	23	0.1	0.7	0.02
09.4.1 Recreational and sporting services	8	7	-	-0.1	-
09.4.2 Cultural services	18	16	0.1	1.1	0.02

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

the main upward contribution coming from average charges for live music.

09.5 Books, newspapers and stationery	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jun 2017	1 month % change Jun 2018	Contribution to CPIH annual rate change
09.5 Books, newspapers and stationery	9	9	0.9	0.8	-
09.5.1 Books	3	3	2.1	0.4	-0.01
09.5.2 Newspapers and periodicals	3	3	-0.4	0.2	-
09.5.3/4 Misc. printed matter, stationery, drawing materials	3	3	1.1	1.7	-

- Negligible overall effect on the all items 12-month rate change.
- There is a small downward contribution coming from **books**, where prices overall rose this year by less than a year ago, with the main downward contribution coming from non-fiction hard cover books. Partially offset by a small upward contribution coming from e-books, where prices overall rose this year but fell a year ago.

09.6 Package holidays	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jun 2017	1 month % change Jun 2018	Contribution to CPIH annual rate change
09.6 Package holidays	28	31	0.2	0.4	0.01

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

10 EDUCATION	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jun 2017	1 month % change Jun 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 Jun 2017	1 month % change Jun 2018	Contribution to CPIH annual rate change
11 Restaurants and hotels	101	97	0.3	0.3	-

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

11.1 Catering services	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2017	2018	% change	% change	
	Feb-Dec	Feb-Dec	Jun 2017	Jun 2018	
11.1 Catering services	77	75	0.1	0.2	-
11.1.1 Restaurants and cafes	70	69	0.2	0.2	-
11.1.2 Canteens	7	6	-0.1	0.5	-

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

11.2 Accommodation services	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2017	2018	% change	% change	
	Feb-Dec	Feb-Dec	Jun 2017	Jun 2018	
11.2 Accommodation services	24	22	0.7	0.7	-

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

12 MISCELLANEOUS GOODS AND SERVICES	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2017	2018	% change	% change	
	Feb-Dec	Feb-Dec	Jun 2017	Jun 2018	
12 Misc. goods and services	77	77	0.1	-0.1	-0.01

- Small downward effect on the all items 12-month rate change.
- Due to **personal effects not elsewhere covered** and **insurance**.
- Partially offset by **personal care**.

12.1 Personal care	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2017	2018	% change	% change	
	Feb-Dec	Feb-Dec	Jun 2017	Jun 2018	
12.1 Personal care	25	25	-	0.5	0.01
12.1.1 Hairdressing and personal grooming establishments	6	6	0.1	0.2	-
12.1.2/3 Appliances and products for personal care	19	19	-0.1	0.6	0.01

- 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.

12.3 Personal effects not elsewhere covered	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jun 2017	1 month % change Jun 2018	Contribution to CPIH annual rate change
12.3 Personal effects not elsewhere covered	11	12	-0.6	-1.7	-0.01
12.3.1 Jewellery, clocks and watches	7	8	-1.2	-1.3	-
12.3.2 Other personal effects	4	4	0.4	-2.5	-0.01

- Small downward effect on the all items 12-month rate change.
- Due to **other personal effects**, where prices overall fell this year but rose a year ago, particularly for ladies' handbags/shoulder bags and luggage trolley cases.

12.4 Social protection	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jun 2017	1 month % change Jun 2018	Contribution to CPIH annual rate change
12.4 Social protection	13	14	0.5	0.5	-

- 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 Jun 2017	1 month % change Jun 2018	Contribution to CPIH annual rate change
12.5 Insurance	7	7	1.0	-0.6	-0.01
12.5.2 House contents insurance	2	2	1.2	-0.6	-
12.5.3 Health insurance	2	2	-	-	-
12.5.4 Transport insurance	3	3	1.4	-1.0	-0.01

- Small downward effect on the all items 12-month rate change.
- Due to **transport insurance**, where average premiums for car insurance fell this year but rose a year ago.

12.6 Financial services not elsewhere covered	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jun 2017	1 month % change Jun 2018	Contribution to CPIH annual rate change
12.6 Financial services not elsewhere covered	11	9	0.1	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 Jun 2017	1 month % change Jun 2018	Contribution to CPIH annual rate change
12.7 Other services not elsewhere covered	10	10	0.1	-	-

- 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 Jun 2017	1 month % change Jun 2018	Contribution to RPI annual rate change
FOOD	102	102	-0.2	-0.3	-0.02
CATERING	48	50	0.1	0.2	-
ALCOHOLIC DRINKS	57	56	-	-	-
TOBACCO	24	23	-	0.2	-
HOUSING	266	257	0.1	0.1	0.02
FUEL AND LIGHT	38	37	-0.1	2.2	0.09
HOUSEHOLD GOODS	65	68	1.1	0.9	-0.01
HOUSEHOLD SERVICES	64	58	0.5	0.4	-0.01
CLOTHING AND FOOTWEAR	41	43	-1.0	-2.1	-0.05
PERSONAL GOODS AND SERVICES	38	42	-0.1	-0.1	-
MOTORING EXPENDITURE	123	124	0.2	0.9	0.09
FARES AND OTHER TRAVEL COSTS	26	25	5.7	3.5	-0.06
LEISURE GOODS	29	30	-0.7	-0.5	-
LEISURE SERVICES	79	85	0.2	0.5	0.02

RPI NOTABLE MOVEMENTS

All items RPI	<p>Annual rate +3.4%, up from +3.3% last month Also +3.4% in April 2018 Last higher in February 2018 (+3.6%)</p>
All items RPI exc MIPS (RPIX)	<p>Annual rate +3.4%, unchanged from last month Also +3.4% in April 2018, March 2018 and March 2017 Last higher in February 2018 (+3.6%) Last lower in January 2017 (+2.9%)</p>
Food	<p>Annual rate +2.0%, down from +2.2% last month Lowest since April 2017 (+1.5%)</p>
Non-seasonal food	<p>Annual rate +2.0%, down from +2.2% last month Also +2.0% in August 2017 and June 2017 Last lower in May 2017 (+1.9%)</p>
Alcoholic drinks	<p>Annual rate +2.0%, down from +2.1% last month Lowest since February 2017 (+1.8%)</p>
Household goods	<p>Annual rate +2.4%, down from +2.6% last month Lowest since January 2017 (+2.2%)</p>
Clothing and footwear	<p>Annual rate +6.2%, down from +7.4% last month Lowest since January 2017 (+6.0%)</p>
Leisure services	<p>Annual rate +4.8%, up from +4.5% last month Also +4.8% in March 2018, March 2013, February 2013, January 2013 and December 2012 Last higher in November 2012 (+5.1%)</p>
All goods	<p>Annual rate +3.8%, up from +3.6% last month Highest since January 2018 (+4.1%)</p>
All services	<p>Annual rate +2.9%, down from +3.0% last month Also +2.9% in April 2018 Last lower in March 2017 (+2.2%)</p>
Petrol and oil	<p>Annual rate +11.6%, up from +8.0% last month Highest since April 2017 (+11.7%)</p>

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	Weight	1 month	1 month	Contribution to RPI annual rate change
	2017	2018	% change Jun 2017	% change Jun 2018	
FOOD	102	102	-0.2	-0.3	-0.02

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

Seasonal Food	Weight	Weight	1 month	1 month	Contribution to RPI annual rate change
	2017	2018	% change Jun 2017	% change Jun 2018	
SEASONAL FOOD	18	18	-0.4	-0.5	-
Home killed lamb	1	1	0.2	0.1	-
Fresh fish	2	2	1.9	1.0	-
Eggs	1	1	0.3	0.1	-
Unprocessed potatoes	1	1	-0.1	-0.1	-
Other fresh vegetables	6	6	-0.9	-	0.01
Fresh fruit	7	7	-0.9	-1.7	-0.01

- Negligible overall effect on the all items 12-month rate change.
- There is an upward contribution coming from **other fresh vegetables**, where prices overall were little changed this year but fell a year ago.
- Offset by a downward contribution coming from **fresh fruit**, where prices overall fell this year by more than a year ago, with the downward contributions coming from a range of items. Partially offset by a small upward contribution coming from strawberries, where prices overall fell this year by less than a year ago.

Non-Seasonal Food	Weight 2017	Weight 2018	1 month % change Jun 2017	1 month % change Jun 2018	Contribution to RPI annual rate change
NON-SEASONAL FOOD	84	84	-0.1	-0.3	-0.01
Bread	4	4	-0.1	-0.6	-
Cereals	3	3	0.1	1.8	0.01
Biscuits and cakes	6	6	1.1	-0.8	-0.01
Beef	4	3	-0.6	-	-
Imported lamb	1	1	0.4	1.1	-
Pork	1	1	1.7	3.2	-
Bacon	1	1	-	-0.2	-
Poultry	3	4	-	-1.0	-
Other meat	6	6	1.3	-0.7	-0.01
Processed fish	2	2	1.8	-1.5	-0.01
Butter	1	1	1.5	-2.2	-
Oils and fats	1	1	3.1	3.0	-
Cheese	3	3	-3.3	1.6	0.01
Milk, fresh	3	3	0.5	-0.3	-
Milk products	4	4	2.1	-1.9	-0.02
Tea	1	1	-1.2	-0.8	-
Soft drinks	8	8	0.4	0.7	-
Sugar and preserves	1	1	2.1	1.0	-
Sweets and chocolates	11	11	-1.8	-2.0	-
Potato products	3	3	-0.9	-2.6	-0.01
Processed vegetables	2	2	-3.7	-1.6	-
Processed fruit	2	2	0.4	3.5	0.01
Other foods	11	11	-1.2	0.9	0.02
Coffee and other hot drinks	2	2	2.7	-0.4	-0.01

- Small downward effect on the all items 12-month rate change.
- Due to:
 - **Milk products, biscuits and cakes, other meat, processed fish and coffee and other hot drinks**, where prices overall fell this year but rose a year ago, particularly for chocolate biscuits, canned tuna, yoghurt/fromage frais and individual meat pies; and
 - **Potato products**, where prices overall fell this year by more than a year ago, with the main downward contribution coming from premium potato crisps.
- Partially offset by:
 - **Other foods and cheese**, where prices overall rose this year but fell a year ago, particularly for cheese spread, ice cream, chilled pizza and tomato ketchup. Partially offset by a small downward contribution coming from dried potted snacks, where prices overall fell this year but rose a year ago; and
 - **Cereals and processed fruit**, where prices overall rose this year by more than a year ago, particularly for packets of peanuts.

CATERING	Weight 2017	Weight 2018	1 month % change Jun 2017	1 month % change Jun 2018	Contribution to RPI annual rate change
CATERING	48	50	0.1	0.2	-
Restaurant meals	29	30	0.2	0.1	-
Canteen meals	3	3	-0.1	0.3	-
Take-away meals and snacks	16	17	0.2	0.3	-

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

ALCOHOLIC DRINKS	Weight 2017	Weight 2018	1 month % change Jun 2017	1 month % change Jun 2018	Contribution to RPI annual rate change
ALCOHOLIC DRINKS	57	56	-	-	-
Beer on sales	19	18	0.1	0.1	-
Beer off sales	5	5	1.7	-0.5	-0.01
Wines and spirits on sales	19	19	0.2	0.3	-
Wines and spirits off sales	14	14	-1.2	-0.4	0.01

- Negligible overall effect on the all items 12-month rate change.
- There is an upward contribution coming from **wines and spirits off sales**, where prices overall fell this year by less than a year ago, with the main upward contribution coming from vodka.
- Offset by a downward contribution coming from **beer off sales**, where prices overall fell this year but rose a year ago, with the main downward contribution coming from lager.

TOBACCO	Weight 2017	Weight 2018	1 month % change Jun 2017	1 month % change Jun 2018	Contribution to RPI annual rate change
TOBACCO	24	23	-	0.2	-
Cigarettes	20	19	-	0.2	-
Other tobacco products	4	4	0.3	-	-

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

HOUSING	Weight 2017	Weight 2018	1 month % change Jun 2017	1 month % change Jun 2018	Contribution to RPI annual rate change
HOUSING	266	257	0.1	0.1	0.02
Rent	84	76	0.1	0.1	-
Mortgage interest payments	25	24	-0.5	-	0.01
Council tax and rates	39	38	-	-	-
Water and other charges	13	12	-	-	-
Repairs and maintenance charges	9	9	0.1	0.1	-
DIY materials	6	8	-0.2	0.6	0.01
Dwelling insurance and ground rent	6	7	1.4	0.2	-0.01
House depreciation	84	83	0.2	0.2	-

- Small upward effect on the all items 12-month rate change.
- Due to:
 - **DIY materials**, where prices overall rose this year but fell a year ago, particularly for gloss and emulsion paint; and
 - **Mortgage interest payments**, where average charges were little changed this year but fell a year ago.
- Partially offset by **dwelling insurance and ground rent**, where average insurance premiums rose this year by less than a year ago.

FUEL AND LIGHT	Weight 2017	Weight 2018	1 month % change Jun 2017	1 month % change Jun 2018	Contribution to RPI annual rate change
FUEL AND LIGHT	38	37	-0.1	2.2	0.09
Coal and solid fuels	1	1	-0.2	-0.1	-
Electricity	19	20	-	2.2	0.05
Gas	16	15	-	2.6	0.04
Oil and other fuels	2	1	-1.4	-0.8	-

- Largest upward effect on the all items 12-month rate change.
- Due to **electricity** and **gas**, where average charges rose this year but were unchanged a year ago.

HOUSEHOLD GOODS	Weight 2017	Weight 2018	1 month % change Jun 2017	1 month % change Jun 2018	Contribution to RPI annual rate change
HOUSEHOLD GOODS	65	68	1.1	0.9	-0.01
Furniture	26	28	2.6	2.4	-
Furnishings	10	9	0.3	0.5	-
Electrical appliances	6	7	0.9	-0.5	-0.01
Other household equipment	4	4	-0.3	-0.6	-
Household consumables	11	11	-0.6	-0.9	-
Pet care	8	9	0.1	0.4	-

- Small downward effect on the all items 12-month rate change.
- Due to **electrical appliances**, where prices overall fell this year but rose a year ago, particularly for washing machines.

HOUSEHOLD SERVICES	Weight 2017	Weight 2018	1 month % change Jun 2017	1 month % change Jun 2018	Contribution to RPI annual rate change
HOUSEHOLD SERVICES	64	58	0.5	0.4	-0.01
Domestic services	15	13	0.3	0.4	-
Fees and subscriptions	22	19	0.2	0.1	-
Postage	1	1	-	-	-
Telephone charges	26	25	0.8	0.7	-

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

CLOTHING AND FOOTWEAR	Weight 2017	Weight 2018	1 month % change Jun 2017	1 month % change Jun 2018	Contribution to RPI annual rate change
CLOTHING AND FOOTWEAR	41	43	-1.0	-2.1	-0.05
Men's outerwear	8	9	0.4	-3.2	-0.03
Women's outerwear	15	16	-1.9	-2.5	-0.01
Children's outerwear	5	5	-2.8	-1.6	0.01
Other clothing	5	5	0.2	-0.3	-
Footwear	8	8	-0.3	-1.3	-0.01

- Large downward effect on the all items 12-month rate change.
- Due to:
 - **Men's outerwear**, where prices overall fell this year but rose a year ago, with the main downward contribution coming from men's suits; and
 - **Women's outerwear** and **footwear**, where prices overall fell this year by more than a

year ago, with the main downward contribution coming from women's blouses/shirts. Partially offset by an upward contribution coming from women's showerproof jackets, where prices overall rose this year but fell a year ago.

- Partially offset by **children's outerwear**, where prices overall fell this year by less than a year ago, with the main upward contribution coming from girls' fashion tops.

PERSONAL GOODS AND SERVICES	Weight 2017	Weight 2018	1 month % change Jun 2017	1 month % change Jun 2018	Contribution to RPI annual rate change
PERSONAL GOODS AND SERVICES	38	42	-0.1	-0.1	-
Personal articles	9	11	-0.3	-1.1	-0.01
Chemists' goods	15	15	-0.1	0.4	0.01
Personal services	14	16	0.1	0.2	-

- Negligible overall effect on the all items 12-month rate change.
- There is an upward contribution coming from **chemists' goods**, where prices overall rose this year but fell a year ago.
- Offset by a downward contribution coming from **personal articles**, where prices overall fell this year by more than a year ago.

MOTORING EXPENDITURE	Weight 2017	Weight 2018	1 month % change Jun 2017	1 month % change Jun 2018	Contribution to RPI annual rate change
MOTORING EXPENDITURE	123	124	0.2	0.9	0.09
Purchase of motor vehicles	46	50	-0.8	-0.1	0.03
Maintenance of motor vehicles	16	16	0.3	-	-0.01
Petrol and oil	37	34	0.1	3.4	0.12
Vehicle tax and insurance	24	24	1.8	-0.5	-0.06

- Large upward effect on the all items 12-month rate change.
- Due to:
 - Petrol and oil**, where prices overall rose this year by more than a year ago. The price of petrol, as recorded for the RPI, rose by 4.3 pence per litre between May and June 2018, to stand at 128.6 pence per litre, compared with a smaller rise of 0.1 pence per litre last year to stand at 115.7 pence per litre. Diesel prices rose by 4.3 pence per litre, to stand at 132.6 pence per litre in June 2018, compared with a smaller rise of 0.2 pence per litre last year to stand at 117.8 pence per litre; and, to a lesser extent
 - Purchase of motor vehicles**, where prices overall fell this year by less than a year ago, with the main upward contributions coming from second-hand and new cars.
- Partially offset by:

- **Vehicle tax and insurance**, where average car insurance premiums fell this year but rose a year ago; and, to a lesser extent
- **Maintenance of motor vehicles**, where prices overall were little changed this year but rose a year ago.

FARES AND OTHER TRAVEL COSTS	Weight 2017	Weight 2018	1 month % change Jun 2017	1 month % change Jun 2018	Contribution to RPI annual rate change
FARES AND OTHER TRAVEL COSTS	26	25	5.7	3.5	-0.06
Rail fares	6	6	-1.9	-1.1	-
Bus and coach fares	3	3	-0.3	1.4	0.01
Other travel costs	17	16	9.3	5.4	-0.07

- Largest downward effect on the all items 12-month rate change.
- Due to **other travel costs**, where average air fares rose this year by less than a year ago.
- Partially offset by **bus and coach fares**, where average coach fares rose this year but fell a year ago.

LEISURE GOODS	Weight 2017	Weight 2018	1 month % change Jun 2017	1 month % change Jun 2018	Contribution to RPI annual rate change
LEISURE GOODS	29	30	-0.7	-0.5	-
Audio-visual equipment	6	6	-1.4	-2.9	-
CDs and tapes	2	2	0.2	-1.1	-
Toys, photographic and sports goods	9	10	-0.1	-1.3	-0.01
Books and newspapers	6	6	-0.9	0.4	0.01
Gardening products	6	6	-0.4	1.5	0.01

- Negligible overall effect on the all items 12-month rate change.
- There are upward contributions coming from **books and newspapers** and **gardening products**, where prices overall rose this year but fell a year ago, particularly for e-books and potted shrubs. Partially offset by a small downward contribution coming from non-fiction hard cover books, where prices overall fell this year but rose a year ago.
- Offset by a downward contribution coming from **toys, photographic and sports goods**, where prices overall fell this year by more than a year ago.

LEISURE SERVICES	Weight 2017	Weight 2018	1 month % change Jun 2017	1 month % change Jun 2018	Contribution to RPI annual rate change
LEISURE SERVICES	79	85	0.2	0.5	0.02
TV licence and rentals	12	11	-	-	-
Entertainment and other recreation	16	16	0.2	0.7	0.01
Foreign holidays	40	47	0.2	0.5	0.02
UK holidays	11	11	0.3	0.3	-

- Small upward effect on the all items 12-month rate change.
- Due to **foreign holidays** and **entertainment and other recreation**, where prices overall rose this year by more than a year ago, with the main upward contributions coming from foreign holidays overall and live music events.

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 June 2018 was -0.95 percentage points, widening from -0.91 percentage points in May 2018.

The main factor contributing to the widening was:

- **The formula effect**, which increased the RPI 12-month rate relative to the CPI 12-month rate by 0.04 percentage points between May and June 2018. The effect came mainly from recreation and culture.

The main offsetting factor was:

- **Other differences including weights**, which decreased the RPI 12-month rate relative to the CPI 12-month rate by 0.02 percentage points between May and June 2018. The effect came mainly from insurance and air fares. This was partially offset by games, toys and hobbies and equipment for sport and open air recreation.

RPI MISCELLANEOUS DATA

Selected Average Prices

Description		April 2018	May 2018	June 2018
Petrol per litre	Diesel	£1.24	£1.28	£1.33
	Petrol	£1.21	£1.24	£1.29
Alcohol pub prices	Draught bitter (pint)	£3.05	£3.06	£3.06
	Draught lager (pint)	£3.63	£3.64	£3.65
	Whisky (per nip)	£2.86	£2.86	£2.87
Cigarettes	Per 20 king size	£10.12	£10.23	£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
June 2017	+0.2	Down -0.02% points	-0.02% points
July 2017	+0.2	Down -0.01% points	-0.01% points
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

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 July of recent years, but are typically dependent on weather conditions both in the UK and around the world.

Monthly % change for CPIH seasonal food index			
Year	May	June	July
2012	0.6	0.6	-0.5
2013	-0.4	-1.5	0.2
2014	-1.6	-0.5	0.2
2015	0.1	-	-1.4
2016	-0.7	-0.8	0.5
2017	-0.5	-0.3	-0.4
2018	0.5	-0.9	

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

CLOTHING AND FOOTWEAR

- Prices tend to fall sharply in July as a result of the summer sales.

Monthly % change for CPIH clothing and footwear index			
Year	May	June	July
2012	-0.1	-4.2	-2.6
2013	1.2	-1.9	-3.2
2014	-0.1	0.6	-5.7
2015	0.5	-0.4	-3.3
2016	-0.2	-0.7	-3.4
2017	0.5	-1.0	-2.9
2018	0.2	-2.1	

- 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

- Npower has announced a change to its Standard Variable and Juice tariffs. From 17 June the cost of a typical dual fuel energy bill will be going up by 5.3%, or £64 a year on average. Gas prices will go up by an average of 4.4%. Electricity prices will go up by an average of 6.2%. (npower.com 11 May 2018)
- SSE has announced an increase to standard electricity and gas prices in a change that will

increase a typical dual fuel bill by an average of 6.7%, effective from 11 July 2018. This rise equates to an increase of 5.7% for gas and 7.7% for electricity, meaning a typical dual fuel customer will see a rise of around £1.50 each week. Customers who are on fixed-price tariffs, have a prepayment meter, or are on the vulnerable customer safeguard tariff will not be affected. SSE Energy Services will also be removing its £6 per fuel per year paperless billing discount from 11 July 2018. (sse.com 30 May 2018)

- 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)

FURNITURE, HOUSEHOLD EQUIPMENT AND MAINTENANCE

- Prices tend to fall in July as a result of the summer sales.

Monthly % change for CPIH furniture, household equipment and maintenance index			
Year	May	June	July
2012	0.7	-	-1.1
2013	1.0	-0.4	-1.0
2014	0.5	0.2	-1.5
2015	0.6	0.4	-1.5
2016	0.4	-0.3	-1.7
2017	1.2	0.5	-1.2
2018	0.6	0.3	

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

TRANSPORT

Fuels and Lubricants

- Oil prices have fallen as concerns about supply disruptions eased and Libyan ports reopened while traders anticipated potential supply increases by Russia and other oil producers. Benchmark Brent crude fell \$1.69 to a low of \$73.64 before recovering a little to trade around \$73.80, down \$1.53. U.S. light crude was down \$1.15 at \$69.86. (uk.reuters.com 16 July 2018)
- When considering the price of petrol between June and July 2018, it may be useful to note that the average price of petrol fell by 1.4 pence per litre between June and July 2017, to stand at 113.9 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 rise in July.

Monthly % change for CPIH air fares index			
Year	May	June	July
2012	1.4	7.4	21.7
2013	22.0	-2.8	13.9
2014	-3.2	7.0	14.0
2015	10.4	0.3	21.6
2016	3.8	10.9	15.9
2017	-6.4	14.5	17.9
2018	10.0	8.1	

- 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 0.5% on Thursday 21 June 2018. The next announcement and minutes from the Bank of England's Monetary Policy Committee are scheduled to be published on 2 August 2018.
- The change in average mortgage interest rates recorded in the RPI was -0.01 percentage points between June and July 2017. The Bank of England Bank Rate remained unchanged at 0.25% in June 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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Media contact:

Tel: Briony Craber +44 (0) 20 7411 756
Out of hours media line +44 (0) 7867 906553
Email: media.relations@ons.gsi.gov.uk

Statistical contact:

Tel: Philip Gooding +44 (0) 1633 455896
Email: cpi@ons.gsi.gov.uk

Website: www.ons.gov.uk

Consumer Price Inflation Enquiries:

Tel: +44 (0) 1633 456900