

# Consumer Price Inflation

**March 2017**

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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 2 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.

CPIH is not currently a [National Statistic](#). It has been reassessed by the Office for Statistics Regulation (OSR) against the standards set out in the [Code of Practice for Official Statistics](#). The [assessment report](#) published on 3 March 2016 included a number of requirements that need to be implemented for CPIH to regain its status as a National Statistic and we are working to address these.

The main movements for CPIH in March 2017 are:

- The all items CPIH is 102.7, up from 102.4 in February.
- 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%, down from 2.3% last month.
- The OOH component of CPIH is 104.0, up from 103.9 in February.
- The OOH component annual rate is 2.4%, down from 2.5% last month.
- The CPIH all goods index is 101.2, up from 100.5 in February.
- The CPIH all goods index annual rate is 2.5%, up from 1.9% last month.
- The CPIH all services index is 103.8, unchanged from last month.
- The CPIH all services index annual rate is 2.2%, down from 2.6% 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 March 2017 are:

- The all items CPI is 102.5, up from 102.1 in February.
- The all items CPI annual rate is 2.3%, unchanged from last month.
- The annual rate for CPI excluding indirect taxes, CPIY, is 2.1%, down from 2.2% last month.
- The annual rate for CPI at constant tax rates, CPI-CT, is 2.1%, down from 2.3% last month.
- The CPI all goods index is 101.2, up from 100.5 in February.
- The CPI all goods index annual rate is 2.5%, up from 1.9% last month.
- The CPI all services index is 103.8, down from 103.9 in February.
- The CPI all services index annual rate is 2.1%, down from 2.8% 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 March 2017 are:

- The all items RPI is 269.3, up from 268.4 in February.
- The all items RPI annual rate is 3.1%, down from 3.2% last month.
- The annual rate for RPIX, the all items RPI excluding mortgage interest payments (MIPs) index, is 3.4%, down from 3.5% last month.
- The all goods RPI is 205.9, up from 204.4 in February.
- The all goods RPI annual rate is 4.1%, up from 3.8% last month.
- The all services RPI is 365.2, up from 364.8 in February.
- The all services RPI annual rate is 2.2%, down from 2.6% last month.

## CPIH SUMMARY

### CONTRIBUTIONS TO CHANGE IN THE CPIH ANNUAL RATE

CPIH COICOP DIVISIONS	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
01: Food and non-alcoholic beverages	83	81	-0.7	0.4	0.09
02: Alcoholic beverages and tobacco	34	34	-0.3	1.7	0.07
03: Clothing and footwear	58	58	1.0	2.0	0.06
04: Housing, water, electricity, gas and other fuels	294	294	-	0.1	0.01
05: Furniture, household equipment and maintenance	49	49	0.7	0.7	-
06: Health	22	21	0.2	-	-
07: Transport	122	126	1.6	-0.5	-0.26
08: Communication	25	21	-0.5	0.1	0.01
09: Recreation and culture	119	121	0.4	0.3	-
10: Education	20	17	-	-	-
11: Restaurants and hotels	98	101	0.5	0.2	-0.03
12: Miscellaneous goods and services	76	77	-	0.6	0.05

#### Large upward effects came from:

- Food and non-alcoholic beverages**, where food prices fell between February and March in the previous 6 years but in 2017 they rose by 0.6%. The upward effect came from a wide range of food items with only fruit providing a small downward contribution. At a detailed product level, the largest upward effects came from margarine, low-fat spread and crisps with prices for these items rising between February and March 2017 but falling between the same two months a year earlier;
- Alcohol and tobacco**, where the upward effect came reasonably equally from both components. Within alcohol, prices of spirits (particularly whisky) and beer (principally lager) rose this year but fell a year ago. With tobacco, cigarette prices rose by more

between February and March 2017 than between the same two months in 2016. The movements may have been influenced by the timing of price collection in relation to the introduction of duty changes. This year prices were collected in the week after increases in duty on tobacco were introduced whereas in March 2016 price collection was mostly completed before duty increases took effect. As a result they would have had less influence on last year's March index;

- **Clothing and footwear**, where prices overall rose by 2.0% between February and March this year compared with 1.0% a year ago. The effects are spread across a wide range of items, principally in women's clothing; and
- **Miscellaneous goods and services**, where prices overall rose by 0.6% between February and March 2017, the largest price rise between February and March for this category in CPIH history (which began in 2005). The largest individual effect came from jewellery, clocks and watches though there were small upward contributions from a variety of groups.

#### A large downward effect came from:

- **Transport**, with downward contributions coming principally from air fares and, to a lesser extent, movements in fuel prices. The timing of Easter in March 2016 contributed to air fares rising by 22.9% on the month whereas this year, Easter is in April and there was no price rise. Instead fares fell by 3.9% between February and March. Prices of motor fuels also fell between February and March this year reflecting falls in global oil prices whereas prices rose a year ago. Petrol fell by 1.0 pence per litre this year but rose by 0.9 pence per litre a year ago. Similarly diesel fell by 1.1 pence per litre this year but rose by 2.0 pence a year ago.

#### A small downward effect came from:

- **Restaurants and hotels**, where prices overall rose by 0.2%, compared with a larger rise of 0.5% a year ago. Average prices for overnight hotel accommodation fell this year but rose a year ago.

## CPIH NOTABLE MOVEMENTS

All items CPIH	Annual rate +2.3%, unchanged from last month Last higher in September 2013 (+2.4%) Last lower in January 2017 (+1.9%)
All items CPIH exc energy, food, alcohol and tobacco	Annual rate +1.9%, down from +2.1% last month Lowest since January 2017 (+1.8%)
Food and non-alcoholic beverages	Annual rate +1.3%, up from +0.2% last month Highest since March 2014 (+1.7%)
Alcoholic beverages and tobacco	Annual rate +4.9%, up from +2.9% last month Highest since December 2014 (+5.0%)
Miscellaneous goods and services	Annual rate +1.8%, up from +1.1% last month Highest since December 2012 (+1.9%)
All goods	Annual rate +2.5%, up from +1.9% last month Also +2.5% in June 2013 Last higher in April 2012 (+3.1%)
All services	Annual rate +2.2%, down from +2.6% last month Also +2.2% in January 2016 and November 2015 Last lower in October 2015 (+2.1%)
Electricity, gas and other fuels	Annual rate +1.3%, up from +0.1% last month Highest since November 2014 (+4.3%)

## CPIH DETAILED BRIEFING

CPIH is not currently a [National Statistic](#). It has been reassessed by the Office for Statistics Regulation (OSR) against the standards set out in the [Code of Practice for Official Statistics](#). The [assessment report](#) published on 3 March 2016 included a number of requirements that need to be implemented for CPIH to regain its status as a National Statistic and we are working to address these.

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

<b>01 FOOD AND NON-ALCOHOLIC BEVERAGES</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
01 Food & non-alcoholic beverages	83	81	-0.7	0.4	0.09

- Largest upward effect on the all items 12-month rate change.
- Due to **food**.
- Partially offset by **non-alcoholic beverages**.

<b>01.1 Food</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
01.1 Food	74	71	-0.8	0.6	0.10
01.1.1 Bread and cereals	12	12	-0.1	0.4	0.01
01.1.2 Meat	17	16	-0.7	0.1	0.01
01.1.3 Fish	3	3	-2.5	-	0.01
01.1.4 Milk, cheese and eggs	10	9	-0.1	1.7	0.02
01.1.5 Oils and fats	2	2	-10.0	2.8	0.03
01.1.6 Fruit	7	7	2.4	1.3	-0.01
01.1.7 Vegetables including potatoes	11	10	-2.4	0.3	0.03
01.1.8 Sugar, jam, syrups, chocolate and confectionery	10	10	-0.9	0.3	0.01
01.1.9 Food products not elsewhere covered	2	2	0.8	-	-

- Large upward effect on the all items 12-month rate change.
- Due to **vegetables including potatoes; oils and fats; milk, cheese and eggs; meat; sugar, jam, syrups, chocolate and confectionery; fish; and bread and cereals**.
- Partially offset by **fruit**.

**Bread and cereals**

- Small upward effect.
- Prices overall rose this year but fell a year ago, with the main upward contributions coming from bread and other bakery products.
- Partially offset by a small downward contribution coming from individual fruit pies, where prices overall fell this year but rose a year ago.

**Meat**

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

**Fish**

- Small upward effect.
- Prices overall were little changed this year but fell a year ago, with the main upward contribution coming from fresh salmon fillets.

**Milk, cheese and eggs**

- Small upward effect.
- Prices overall rose this year but fell a year ago, with the main upward contributions coming from cheese and eggs.

**Oils and fats**

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

**Fruit**

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

**Vegetables including potatoes**

- Small upward effect.
- Prices overall rose this year but fell a year ago, with the main upward contribution coming from crisps and canned tomatoes.
- Partially offset by small downward contributions coming from fresh vegetables and frozen chips.

**Sugar, jam, syrups, chocolate and confectionery**

- Small upward effect.
- Prices overall rose this year but fell a year ago, particularly for chocolate covered ice cream bars and large bars of chocolate.



- Partially offset by a small downward contribution coming from bags of chocolate sweets, where prices overall fell this year but rose a year ago.

<b>01.2 Non-alcoholic beverages</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
01.2 Non-alcoholic beverages	9	10	-	-1.3	-0.01
01.2.1 Coffee, tea and cocoa	2	3	0.1	-0.9	-
01.2.2 Mineral waters, soft drinks and juices	7	7	-	-1.5	-0.01

- Small downward effect on the all items 12-month rate change.
- Due to **mineral waters, soft drinks and juices**, where prices overall fell this year but were little changed a year ago, with the main downward contributions coming from fresh/chilled orange juice and cola flavoured drinks.

<b>02 ALCOHOLIC BEVERAGES AND TOBACCO</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
02 Alcoholic beverages and tobacco	34	34	-0.3	1.7	0.07

- Large upward effect on the all items 12-month rate change.
- Due to **alcoholic beverages** and, to a lesser extent, **tobacco**.

<b>02.1 Alcoholic Beverages</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
02.1 Alcoholic beverages	15	16	-0.9	1.4	0.04
02.1.1 Spirits	4	5	-0.3	3.7	0.02
02.1.2 Wine	7	7	-0.9	-0.5	-
02.1.3 Beer	4	4	-1.3	1.8	0.01

- Large upward effect on the all items 12-month rate change.
- Due to **spirits** and **beer**, where prices overall rose this year but fell a year ago, particularly for lager and whisky.

<b>02.2 Tobacco</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
02.2 Tobacco	19	18	0.2	2.0	0.03

- 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 cigarettes.
- The movements in tobacco prices may have been influenced by the timing of price collection in relation to the introduction of duty changes. This year prices were collected in the week after increases in duty on tobacco were introduced whereas in March 2016 price collection was mostly completed before duty increases took effect. As a result they would have had less influence on last year's March index.

<b>03 CLOTHING AND FOOTWEAR</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
03 Clothing and footwear	58	58	1.0	2.0	0.06

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

<b>03.1 Clothing</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
03.1 Clothing	50	49	1.0	1.9	0.05
03.1.2 Garments	44	44	0.9	2.0	0.05
03.1.3 Other clothing and clothing accessories	5	4	2.0	1.9	-
03.1.4 Cleaning, repair and hire of clothing	1	1	0.2	0.2	-

- Large upward effect on the all items 12-month rate change.
- Due to **garments**, where prices overall rose this year by more than a year ago, with the main upward contributions coming from women's dresses, jackets and coats; and men's and boys' T-shirts.
- Partially offset by small downward contributions coming from women's blouses/shirts and men's jackets and coats.

<b>03.2 Footwear including repairs</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
03.2 Footwear including repairs	8	9	1.3	2.7	0.02

- Small upward effect on the all items 12-month rate change.
- Prices overall rose this year by more than a year ago, with the main upward contributions coming from women's boots and sandals.

<b>04 HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
04 Housing, water, electricity, gas and other fuels	294	294	-	0.1	0.01

- Small upward effect on the all items 12-month rate change.
- Due to **electricity, gas and other fuels**.
- Partially offset by **owner occupiers' housing costs**.

<b>04.1 Actual rentals for housing</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
04.1 Actual rentals for housing	58	56	0.1	-	-

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

<b>4.2 Owner occupiers' housing costs</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
4.2 Owner occupiers' housing costs	171	174	0.2	0.1	-0.01

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

<b>04.3 Regular maintenance and repair of the dwelling</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
04.3 Regular maintenance and repair of the dwelling	2	2	0.4	0.7	-
04.3.1 Materials for maintenance and repair	1	1	0.8	1.3	-
04.3.2 Services for maintenance and repair	1	1	0.1	-	-

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

<b>04.4 Other services related to the dwelling</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
04.4 Other services related to the dwelling	9	9	-	-	-
04.4.1 Water supply	5	4	-	-	-
04.4.3 Sewerage collection	4	5	-	-	-

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

<b>04.5 Electricity, gas and other fuels</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
04.5 Electricity, gas and other fuels	28	27	-0.9	0.3	0.03
04.5.1 Electricity	14	13	-	1.0	0.01
04.5.2 Gas	12	12	-2.6	-	0.03
04.5.3 Liquid fuels	1	1	7.8	-5.0	-0.01
04.5.4 Solid fuels	1	1	-0.2	0.1	-

- Small upward effect on the all items 12-month rate change.
- Due to **gas** and **electricity**.
- Partially offset by **liquid fuels**.

#### Electricity

- Small upward effect.
- Average charges rose this year but were unchanged a year ago.

#### Gas

- Small upward effect.
- Average charges were unchanged this year but fell a year ago.

**Liquid fuels**

- Small downward effect.
- Average kerosene prices fell this year but rose a year ago.

<b>4.9 Council tax and rates</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
4.9 Council tax and rates	26	26	-	-	-

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

<b>05 FURNITURE, HOUSEHOLD EQUIPMENT AND MAINTENANCE</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
05 Furniture, household equipment and maintenance	49	49	0.7	0.7	-

- Negligible overall effect on the all items 12-month rate change.
- There are small downward contributions coming from **goods and services for routine maintenance**; and **household appliances, fitting and repairs**.
- Offset by a small upward contribution coming from **furniture, furnishings and carpets**.

<b>05.1 Furniture, furnishings and carpets</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
05.1 Furniture, furnishings and carpets	16	18	1.7	1.9	0.01
05.1.1 Furniture and furnishings	13	15	1.6	2.1	0.01
05.1.2 Carpets and other floor coverings	3	3	2.2	1.1	-

- Small upward effect on the all items 12-month rate change.
- Due to **furniture and furnishings**, where prices overall rose this year by more than a year ago, with the main upward contributions coming from kitchen units and lounge furniture.

<b>05.2 Household textiles</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
05.2 Household textiles	6	6	1.0	1.6	-

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

<b>05.3 Household appliances, fitting and repairs</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
05.3 Household appliances, fitting and repairs	7	7	0.6	-0.4	-0.01
05.3.1/2 Major appliances and small electric goods	6	6	0.7	-0.5	-0.01
05.3.3 Repair of household appliances	1	1	-	0.2	-

- 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.

<b>05.4 Glassware, tableware and household utensils</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
05.4 Glassware, tableware and household utensils	5	4	-0.1	1.0	-

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

<b>05.5 Tools and equipment for house and garden</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
05.5 Tools and equipment for house and garden	4	4	-0.8	-1.1	-

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

<b>05.6 Goods and services for routine maintenance</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
05.6 Goods and services for routine maintenance	11	10	0.1	-0.7	-0.01
05.6.1 Non-durable household goods	4	4	-0.2	-1.8	-0.01
05.6.2 Domestic services and household services	7	6	0.2	0.1	-

- 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 cleaning products.

<b>06 HEALTH</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
06 Health	22	21	0.2	-	-

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

<b>06.1 Medical products, appliances and equipment</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
06.1 Medical products, appliances and equipment	10	10	0.3	-	-
06.1.1 Pharmaceutical products	6	6	0.3	-0.1	-
06.1.2/3 Other medical and therapeutic equipment	4	4	0.2	0.2	-

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

<b>06.2 Out-patient services</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
06.2 Out-patient services	5	5	0.1	0.1	-
06.2.1/3 Medical and paramedical services	3	3	-	-	-
06.2.2 Dental services	2	2	0.4	0.1	-

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

<b>06.3 Hospital services</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
06.3 Hospital Services	7	6	0.1	0.1	-

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

<b>07 TRANSPORT</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
07 Transport	122	126	1.6	-0.5	-0.26

- Largest downward effect on the all items 12-month rate change.
- Due to **transport services** and **operation of personal transport equipment**.

<b>07.1 Purchase of vehicles</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
07.1 Purchase of vehicles	35	37	-	-	-
07.1.1A New cars	20	21	-	0.2	-
07.1.1B Second-hand cars	13	14	-	-0.3	-0.01
07.1.2/3 Motorcycles and bicycles	2	2	-0.9	1.0	-

- Negligible overall effect on the all items 12-month rate change.
- There is a small downward contribution coming from **second-hand cars**, where prices overall fell this year but were little changed a year ago.

<b>07.2 Operation of personal transport equipment</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
07.2 Operation of personal transport equipment	58	61	0.7	-0.2	-0.06
07.2.1 Spare parts and accessories	4	4	0.3	-0.2	-
07.2.2 Fuels and lubricants	25	26	1.2	-0.8	-0.05
07.2.3 Maintenance and repairs	18	20	0.3	0.4	-
07.2.4 Other services	11	11	0.4	-0.1	-0.01

- Large downward effect on the all items 12-month rate change.
- Due to **fuels and lubricants** and, to a lesser extent, **other services**.



### Fuels and lubricants

- Large downward effect.
- The average price of petrol across the month, as recorded for the CPI, fell by 1.0 pence per litre between February and March 2017 to stand at 119.2 pence per litre.
- Last year, the average price of petrol rose by 0.9 pence per litre between February and March 2016 to stand at 102.3 pence per litre.
- The average price of diesel fell by 1.1 pence per litre between February and March 2017 to stand at 122.1 pence per litre, compared with a rise of 2.0 pence per litre a year earlier to stand at 103.1 pence per litre.

### Other services

- Small downward effect.
- Average charges fell this year but rose a year ago.

07.3 Transport services	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2016	2017 Feb-Dec	% change Mar 2016	% change Mar 2017	
07.3 Transport services	29	28	5.2	-1.7	-0.20
07.3.1 Passenger transport by railway	10	11	1.2	0.2	-0.01
07.3.2 Passenger transport by road	10	10	-0.1	-0.2	-
07.3.3 Passenger transport by air	6	4	22.9	-3.9	-0.16
07.3.4 Passenger transport by sea and inland waterway	3	3	-1.0	-9.8	-0.03

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

### Passenger transport by railway

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

### Passenger transport by air

- Large downward effect.
- Average fares fell this year but rose a year ago. The timing of Easter in March 2016 contributed to air fares rising by 22.9% on the month whereas this year, Easter is in April and there was no price rise. Instead fares fell by 3.9% between February and March.

**Passenger transport by sea and inland waterway**

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

<b>08 COMMUNICATION</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
08 Communication	25	21	-0.5	0.1	0.01

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

<b>08.1 Postal services</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
08.1 Postal services	1	1	-	-	-

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

<b>08.2/3 Telephone equipment and services</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
08.2/3 Telephone equipment and services	24	20	-0.5	0.1	0.01

- Small upward effect on the all items 12-month rate change.
- Average charges rose this year but fell a year ago, particularly for mobile phone applications.

<b>09 RECREATION AND CULTURE</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
09 Recreation and culture	119	121	0.4	0.3	-

- Negligible overall effect on the all items 12-month rate change.
- There are small upward contributions coming from **other recreational items, gardens and pets; books, newspapers and stationery**; and **package holidays**.
- Offset by small downward contributions coming from **recreational and cultural services**;

and **audio-visual equipment and related products.**

<b>09.1 Audio-visual equipment and related products</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
09.1 Audio-visual equipment and related products	16	15	0.8	0.3	-0.01
09.1.1 Equipment for the reception and reproduction of sound and pictures	4	3	-	-0.1	-
09.1.2 Photographic, cinematographic and optical equipment	2	2	-0.4	0.2	-
09.1.3 Data processing equipment	6	5	0.8	0.5	-
09.1.4 Recording media	3	4	2.7	0.5	-0.01
09.1.5 Repair of audio-visual equipment and related products	1	1	0.3	0.2	-

- Small downward effect on the all items 12-month rate change.
- Due to **recording media**, where prices overall rose this year by less than a year ago, with the main downward contribution coming from DVDs.

<b>09.2 Other major durables for recreation and culture</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
09.2.1/2 Major durables for in/outdoor recreation	9	13	0.1	-	-

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

<b>09.3 Other recreational items, gardens and pets</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
09.3 Other recreational items, gardens and pets	27	30	1.4	1.7	0.01
09.3.1 Games, toys and hobbies	16	16	2.2	2.9	0.01
09.3.2 Equipment for sport and open-air recreation	2	3	1.6	2.2	-
09.3.3 Gardens, plants and flowers	3	4	-0.5	-0.9	-
09.3.4/5 Pets, related products and services	6	7	0.3	0.3	-

- Small upward effect on the all items 12-month rate change.
- Due to **games, toys and hobbies**, where prices overall rose this year by more than a year ago, with the main upward contribution coming from computer game downloads. Partially

offset by a small downward contribution coming from computer game discs.

<b>09.4 Recreational and cultural services</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
09.4 Recreational and cultural services	27	26	0.2	-0.5	-0.02
09.4.1 Recreational and sporting services	8	8	0.3	0.1	-
09.4.2 Cultural services	19	18	0.2	-0.8	-0.02

- Small downward effect on the all items 12-month rate change.
- Due to **cultural services**, where average admission prices for live music events fell this year but rose a year ago. Partially offset by a small upward contribution coming from theatre admissions, where average prices rose this year but fell a year ago.

<b>09.5 Books, newspapers and stationery</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
09.5 Books, newspapers and stationery	11	9	-1.1	-0.3	0.01
09.5.1 Books	3	3	-5.5	-1.4	0.01
09.5.2 Newspapers and periodicals	4	3	0.9	0.2	-
09.5.3/4 Misc. printed matter, stationery, drawing materials	4	3	0.3	0.5	-

- 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, with the main upward contribution coming from non-fiction hardbacks.

<b>09.6 Package holidays</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
09.6 Package holidays	29	28	-0.1	0.1	0.01

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

<b>10 EDUCATION</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
10 Education	20	17	-	-	-

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

<b>11 RESTAURANTS AND HOTELS</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
11 Restaurants and hotels	98	101	0.5	0.2	-0.03

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

<b>11.1 Catering services</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
11.1 Catering services	81	77	0.3	0.4	-
11.1.1 Restaurants and cafes	74	70	0.3	0.4	-
11.1.2 Canteens	7	7	-	-	-

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

<b>11.2 Accommodation services</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
11.2 Accommodation services	17	24	1.4	-0.2	-0.03

- Small downward effect on the all items 12-month rate change.
- Average prices for overnight hotel accommodation fell this year but rose a year ago.

<b>12 MISCELLANEOUS GOODS AND SERVICES</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
12 Misc. goods and services	76	77	-	0.6	0.05

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

<b>12.1 Personal care</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
12.1 Personal care	25	25	0.3	0.7	0.01
12.1.1 Hairdressing and personal grooming establishments	6	6	0.3	0.1	-
12.1.2/3 Appliances and products for personal care	19	19	0.3	0.9	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 by more than a year ago, with the main upward contribution coming from baby wipes. Partially offset by small downward contributions coming from toothbrushes and liquid soap.

<b>12.3 Personal effects not elsewhere covered</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
12.3 Personal effects not elsewhere covered	12	11	-0.7	1.7	0.03
12.3.1 Jewellery, clocks and watches	7	7	-0.6	1.4	0.02
12.3.2 Other personal effects	5	4	-0.9	2.2	0.01

- Small upward effect on the all items 12-month rate change.
- Due to **jewellery, clocks and watches**; and **other personal effects**.

#### Jewellery, clocks and watches

- Small upward effect.
- Prices overall rose this year but fell a year ago, particularly for sterling silver earrings.

#### Other personal effects

- Small upward effect.
- Prices overall rose this year but fell a year ago, particularly for luggage trolley cases.

<b>12.4 Social protection</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
12.4 Social protection	13	13	0.2	0.3	-

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

<b>12.5 Insurance</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
12.5 Insurance	7	7	-0.3	0.7	0.01
12.5.2 House contents insurance	2	2	-1.8	-0.6	-
12.5.3 Health insurance	2	2	-	-	-
12.5.4 Transport insurance	3	3	0.6	2.1	-

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

<b>12.6 Financial services not elsewhere covered</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to CPIH annual rate change
12.6 Financial services not elsewhere covered	9	11	0.2	0.2	-

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

<b>12.7 Other services not elsewhere covered</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Mar 2016	1 month % change Mar 2017	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

<b>GROUPS</b>	Weight 2016	Weight 2017	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to RPI annual rate change
FOOD	102	102	-0.4	0.2	0.07
CATERING	47	48	0.2	0.3	-
ALCOHOLIC DRINKS	57	57	0.1	0.9	0.04
TOBACCO	25	24	0.2	2.0	0.04
HOUSING	266	266	0.1	-0.1	-0.05
FUEL AND LIGHT	41	38	-0.9	0.3	0.05
HOUSEHOLD GOODS	62	65	1.3	1.0	-0.01
HOUSEHOLD SERVICES	67	64	-0.4	-	0.02
CLOTHING AND FOOTWEAR	41	41	2.1	2.9	0.04
PERSONAL GOODS AND SERVICES	42	38	0.1	0.5	0.01
MOTORING EXPENDITURE	117	123	0.4	0.3	-0.01
FARES AND OTHER TRAVEL COSTS	26	26	8.4	-1.7	-0.27
LEISURE GOODS	29	29	0.6	0.2	-0.01
LEISURE SERVICES	78	79	0.1	-	-0.01



## RPI NOTABLE MOVEMENTS

All items RPI	Annual rate +3.1%, down from +3.2% last month Lowest since January 2017 (+2.6%)
All items RPI exc MIPS (RPIX)	Annual rate +3.4%, down from +3.5% last month Lowest since January 2017 (+2.9%)
Food	Annual rate +1.2%, up from +0.5% last month Highest since March 2014 (+1.9%)
Non-seasonal food	Annual rate +1.0%, up from +0.1% last month Highest since June 2014 (+1.1%)
Alcoholic drinks	Annual rate +2.6%, up from +1.8% last month Highest since March 2014 (+2.9%)
Tobacco	Annual rate +7.0%, up from +5.1% last month Highest since March 2015 (+7.4%)
Fuel and light	Annual rate +1.6%, up from +0.5% last month Highest since November 2014 (+4.0%)
Clothing and footwear	Annual rate +7.5%, up from +6.7% last month Highest since October 2015 (+8.0%)
Personal goods and services	Annual rate +2.1%, up from +1.7% last month Also +2.1% in May 2014 Last higher in April 2014 (+2.2%)
Fares and other travel costs	Annual rate -6.4%, down from +3.1% last month Never lower since official series began in January 1957
All goods	Annual rate +4.1%, up from +3.8% last month Also +4.1% in March 2012 Last higher in February 2012 (+4.2%)
All services	Annual rate +2.2%, down from +2.6% last month Also +2.2% in April 2016 Last lower in October 2015 (+2.1%)

## 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.

<b>FOOD</b>	Weight 2016	Weight 2017	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to RPI annual rate change
FOOD	102	102	-0.4	0.2	0.07

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

<b>Seasonal Food</b>	Weight 2016	Weight 2017	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to RPI annual rate change
SEASONAL FOOD	18	18	-0.1	-0.1	-
Home killed lamb	1	1	-4.8	-1.5	-
Fresh fish	2	2	-3.0	1.4	0.01
Eggs	1	1	-6.5	-0.2	0.01
Unprocessed potatoes	1	1	-2.4	-	-
Other fresh vegetables	6	6	0.5	-1.7	-0.01
Fresh fruit	7	7	2.4	1.3	-0.01

- Negligible overall effect on the all items 12-month rate change.
- There are upward contributions coming from:
  - Fresh fish**, where prices overall rose this year but fell a year ago, particularly for fresh salmon fillets; and
  - Eggs**, where prices overall fell this year by less than a year ago.
- Offset by downward contributions coming from:
  - Other fresh vegetables**, where prices overall fell this year but rose a year ago, particularly for lettuces and cauliflowers; and
  - Fresh fruit**, where prices overall rose this year by less than a year ago, particularly for blueberries.

<b>Non-Seasonal Food</b>	Weight 2016	Weight 2017	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to RPI annual rate change
NON-SEASONAL FOOD	84	84	-0.6	0.3	0.07
Bread	4	4	-1.7	0.3	0.01
Cereals	4	3	0.5	0.2	-
Biscuits and cakes	6	6	1.1	2.3	0.01
Beef	4	4	-3.0	-0.1	0.01
Imported lamb	1	1	0.5	2.0	-
Pork	1	1	0.7	-0.3	-
Bacon	1	1	-2.2	-2.2	-
Poultry	4	3	-0.3	-1.0	-
Other meat	6	6	0.2	0.4	-
Processed fish	2	2	0.1	-1.0	-
Butter	1	1	-3.2	-1.7	-
Oils and fats	1	1	-14.5	4.5	0.02
Cheese	3	3	-0.4	1.2	-
Milk, fresh	3	3	-0.5	0.3	-
Milk products	4	4	3.1	4.2	0.01
Tea	1	1	-0.2	-2.0	-
Soft drinks	9	8	0.1	-1.2	-0.01
Sugar and preserves	1	1	-2.1	0.8	-
Sweets and chocolates	11	11	-1.0	-0.1	0.01
Potato products	2	3	-4.7	1.6	0.01
Processed vegetables	2	2	-4.6	3.4	0.02
Processed fruit	1	2	0.6	0.5	-
Other foods	10	11	0.5	-1.1	-0.02
Coffee and other hot drinks	2	2	0.8	-0.3	-

- Large upward effect on the all items 12-month rate change.
- Due to:
  - **Oils and fats, processed vegetables, bread and potato products**, where prices overall rose this year but fell a year ago, particularly for crisps, margarine/low fat spread, canned tomatoes, chilled garlic bread and baked beans. Partially offset by a small downward contribution coming from frozen chips, where prices overall fell this year but rose a year ago;
  - **Biscuits and cakes** and **milk products**, where prices overall rose this year by more than a year ago. Partially offset by a small downward contribution coming from individual fruit pies, where prices overall fell this year but rose a year ago; and
  - **Beef** and **sweets and chocolates**, where prices overall fell this year by less than a year ago, with the main upward contributions coming from large chocolate bars and beef mince.
- Partially offset by **other foods** and **soft drinks**, where prices overall fell this year but rose a year ago, with the main downward contributions coming from fresh/chilled orange juice, cola

flavoured drinks, dried potted snacks, cook-in sauces and tomato ketchup. Partially offset by a small upward contribution coming from canned soup, where prices overall rose this year but fell a year ago.

<b>CATERING</b>	Weight 2016	Weight 2017	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to RPI annual rate change
CATERING	47	48	0.2	0.3	-
Restaurant meals	28	29	0.3	0.3	-
Canteen meals	3	3	0.1	-0.1	-
Take-away meals and snacks	16	16	0.2	0.3	-

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

<b>ALCOHOLIC DRINKS</b>	Weight 2016	Weight 2017	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to RPI annual rate change
ALCOHOLIC DRINKS	57	57	0.1	0.9	0.04
Beer on sales	19	19	0.5	0.6	-
Beer off sales	5	5	-3.0	1.4	0.02
Wines and spirits on sales	19	19	0.7	0.8	-
Wines and spirits off sales	14	14	-0.1	1.1	0.02

- Large upward effect on the all items 12-month rate change.
- Due to **beer off sales** and **wines and spirits off sales**, where prices overall rose this year but fell a year ago, with the main upward contributions coming from lager, whisky and cider. Partially offset by small downward contributions coming from rosé wine and New World red wine.

<b>TOBACCO</b>	Weight 2016	Weight 2017	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to RPI annual rate change
TOBACCO	25	24	0.2	2.0	0.04
Cigarettes	21	20	0.2	2.2	0.04
Other tobacco products	4	4	0.1	1.1	-

- Large upward effect on the all items 12-month rate change.
- Due to **cigarettes**, where prices overall rose this year by more than a year ago.
- The movements in tobacco prices may have been influenced by the timing of price collection in relation to the introduction of duty changes. This year prices were collected in the week after increases in duty on tobacco were introduced whereas in March 2016 price collection

was mostly completed before duty increases took effect. As a result they would have had less influence on last year's March index.

<b>HOUSING</b>	Weight 2016	Weight 2017	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to RPI annual rate change
HOUSING	266	266	0.1	-0.1	-0.05
Rent	83	84	0.1	0.1	-0.01
Mortgage interest payments	28	25	-0.1	-0.2	-
Council tax and rates	40	39	-	-	-
Water and other charges	13	13	-	-	-
Repairs and maintenance charges	9	9	0.1	-	-
DIY materials	7	6	0.5	0.6	-
Dwelling insurance and ground rent	6	6	-1.1	0.1	0.01
House depreciation	80	84	0.3	-0.3	-0.05

- Large downward effect on the all items 12-month rate change.
- Due to:
  - **House depreciation**, with the smoothed house price index used to calculate this component falling this year but rising a year ago; and to a lesser extent
  - **Rent**, where average charges for private rented properties rose this year by less than a year ago.
- Partially offset by **dwelling insurance and ground rent**, where average insurance premiums rose this year but fell a year ago.

<b>FUEL AND LIGHT</b>	Weight 2016	Weight 2017	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to RPI annual rate change
FUEL AND LIGHT	41	38	-0.9	0.3	0.05
Coal and solid fuels	1	1	-0.2	0.1	-
Electricity	20	19	-	1.0	0.02
Gas	18	16	-2.7	-	0.05
Oil and other fuels	2	2	6.7	-3.9	-0.02

- Large upward effect on the all items 12-month rate change.
- Due to:
  - **Gas**, where average charges were unchanged this year but fell a year ago; and
  - **Electricity**, where average charges rose this year but were unchanged a year ago.
- Partially offset by **oil and other fuels**, where average kerosene prices fell this year but rose a year ago.

<b>HOUSEHOLD GOODS</b>	Weight 2016	Weight 2017	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to RPI annual rate change
HOUSEHOLD GOODS	62	65	1.3	1.0	-0.01
Furniture	25	26	2.4	2.5	0.01
Furnishings	8	10	1.9	1.4	-
Electrical appliances	7	6	-0.1	-1.1	-0.01
Other household equipment	4	4	-0.2	0.8	-
Household consumables	11	11	-0.1	-0.8	-0.01
Pet care	7	8	0.4	-0.2	-0.01

- Small downward effect on the all items 12-month rate change.
- Due to:
  - **Electrical appliances** and **household consumables**, where prices overall fell this year by more than a year ago, particularly for household cleaner creams/liquids. Partially offset by a small upward contribution coming from vacuum cleaners; and
  - **Pet care**, where prices overall fell this year but rose a year ago.
- Partially offset by **furniture**, where prices overall rose this year by more than a year ago, particularly for kitchen units. Partially offset by a small downward contribution coming from double beds, where prices overall fell this year but rose a year ago.

<b>HOUSEHOLD SERVICES</b>	Weight 2016	Weight 2017	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to RPI annual rate change
HOUSEHOLD SERVICES	67	64	-0.4	-	0.02
Domestic services	14	15	0.1	0.3	-
Fees and subscriptions	27	22	-0.7	-0.3	0.01
Postage	1	1	-	-	-
Telephone charges	25	26	-0.3	-	0.01

- Small upward effect on the all items 12-month rate change.
- Due to:
  - **Telephone charges**, where prices overall were little changed this year but fell a year ago, with the main upward contribution coming from mobile phone applications; and
  - **Fees and subscriptions**, where prices overall fell this year by less than a year ago, particularly estate agent fees.

<b>CLOTHING AND FOOTWEAR</b>	Weight 2016	Weight 2017	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to RPI annual rate change
CLOTHING AND FOOTWEAR	41	41	2.1	2.9	0.04
Men's outerwear	9	8	1.3	1.4	-
Women's outerwear	15	15	2.8	4.5	0.03
Children's outerwear	4	5	2.1	1.8	-
Other clothing	5	5	1.3	1.0	-
Footwear	8	8	1.9	3.4	0.01

- Large upward effect on the all items 12-month rate change.
- Due to **women's outerwear** and **footwear**, where prices overall rose this year by more than a year ago, with the main upward contributions coming from women's coats, jackets and dresses.

<b>PERSONAL GOODS AND SERVICES</b>	Weight 2016	Weight 2017	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to RPI annual rate change
PERSONAL GOODS AND SERVICES	42	38	0.1	0.5	0.01
Personal articles	12	9	-0.3	1.2	0.02
Chemists' goods	15	15	0.4	0.5	-
Personal services	15	14	0.2	0.1	-

- Small upward effect on the all items 12-month rate change.
- Due to **personal articles**, where prices overall rose this year but fell a year ago, particularly for luggage trolley cases.

<b>MOTORING EXPENDITURE</b>	Weight 2016	Weight 2017	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to RPI annual rate change
MOTORING EXPENDITURE	117	123	0.4	0.3	-0.01
Purchase of motor vehicles	45	46	-	-0.1	-0.01
Maintenance of motor vehicles	16	16	0.3	0.3	-
Petrol and oil	33	37	0.6	-0.3	-0.03
Vehicle tax and insurance	23	24	0.9	2.0	0.03

- Small downward effect on the all items 12-month rate change.
- Due to:
  - **Petrol and oil**, where prices overall fell this year but rose a year ago. The price of petrol, as recorded for the RPI, fell by 0.4 pence per litre between February and March 2017, to stand at 119.8 pence per litre, compared with a rise of 0.2 pence per litre last

year to stand at 101.7 pence per litre. Diesel prices fell by 0.4 pence per litre, to stand at 122.8 pence per litre in March 2017, compared with a rise of 1.3 pence per litre last year to stand at 102.5 pence per litre; and

- **Purchase of motor vehicles**, where prices overall fell this year but were little changed a year ago, with the downward contribution coming from second-hand cars.
- Partially offset by **vehicle tax and insurance**, where average premiums for car insurance rose this year by more than a year ago.

<b>FARES AND OTHER TRAVEL COSTS</b>	Weight 2016	Weight 2017	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to RPI annual rate change
FARES AND OTHER TRAVEL COSTS	26	26	8.4	-1.7	-0.27
Rail fares	7	6	0.9	0.2	-0.01
Bus and coach fares	3	3	-0.3	-0.6	-
Other travel costs	16	17	13.2	-2.5	-0.26

- Largest downward effect on the all items 12-month rate change.
- Due to:
  - **Other travel costs**, where average air fares fell this year but rose a year ago. The timing of Easter in March 2016 contributed to air fares rising on the month whereas this year, Easter is in April and there was no price rise. Instead fares fell between February and March; and to a lesser extent
  - **Rail fares**, where average charges for international rail journeys rose this year by less than a year ago.

<b>LEISURE GOODS</b>	Weight 2016	Weight 2017	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to RPI annual rate change
LEISURE GOODS	29	29	0.6	0.2	-0.01
Audio-visual equipment	7	6	-	-1.4	-0.01
CDs and tapes	2	2	2.3	0.3	-
Toys, photographic and sports goods	9	9	1.5	2.1	-
Books and newspapers	6	6	-1.0	-0.6	-
Gardening products	5	6	-0.5	-1.3	-0.01

- Small downward effect on the all items 12-month rate change.
- Due to:
  - **Audio-visual equipment**, where prices overall fell this year but were little changed a year ago; and
  - **Gardening products**, where prices overall fell this year by more than a year ago.



<b>LEISURE SERVICES</b>	Weight 2016	Weight 2017	1 month % change Mar 2016	1 month % change Mar 2017	Contribution to RPI annual rate change
LEISURE SERVICES	78	79	0.1	-	-0.01
TV licence and rentals	12	12	-	-	-
Entertainment and other recreation	16	16	0.2	-0.3	-0.01
Foreign holidays	40	40	-0.1	0.1	0.01
UK holidays	10	11	0.7	0.2	-0.01

- Small downward effect on the all items 12-month rate change.
- Due to:
  - **Entertainment and other recreation**, where average admission prices for live music events fell this year but rose a year ago. Partially offset by a small upward contribution coming from theatre admissions, where average prices rose this year but fell a year ago; and
  - **UK holidays**, where average prices for overnight hotel accommodation fell this year but rose a year ago.
- Partially offset by **foreign holidays**, where prices overall rose this year but fell a year ago.

## 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 March 2017 was -0.83 percentage points, narrowing from -0.93 percentage points in February 2017.

The main factors contributing to the narrowing were:

- **Other housing components excluded from the CPI**, which decreased the RPI 12-month rate relative to the CPI 12-month rate by 0.04 percentage points between February 2017 and March 2017. The effect came mainly from house depreciation.
- **The formula effect**, which decreased the RPI 12-month rate relative to the CPI 12-month rate by 0.04 percentage points between February 2017 and March 2017. The effect came mainly from clothing and footwear.

There were no off-setting factors.

## RPI MISCELLANEOUS DATA

### Selected Average Prices

Description		January 2017	February 2017	March 2017
Petrol per litre	Diesel	£1.21	£1.23	£1.23
	Petrol	£1.18	£1.20	£1.20
Alcohol pub prices	Draught bitter (pint)	£3.02	£3.02	£3.03
	Draught lager (pint)	£3.52	£3.52	£3.55
	Whisky (per nip)	£2.73	£2.73	£2.76
Cigarettes	Per 20 king size	£9.49	£9.21	£9.41

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
March 2016	+0.4	Down -0.01% points	-0.01% points
April 2016	+0.1	Down -0.02% points	-0.02% points
May 2016	+0.3	Down -0.01% points	-0.01% points
June 2016	+0.4	Down -0.02% points	-0.02% points
July 2016	+0.1	Down -0.01% points	-0.01% points
August 2016	+0.4	Down -0.12% points	-0.11% points
September 2016	+0.2	Up +0.06% points	+0.05% points
October 2016	0.0	Down -0.09% points	-0.08% points
November 2016	+0.3	Down -0.03% points	-0.03% points
December 2016	+0.6	Down -0.02% points	-0.02% points
January 2017	-0.6	Down -0.01% points	-0.01% points
February 2017	+1.1	Down -0.01% points	-0.01% points
March 2017	+0.3	Down -0.01% points	-0.01% points

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

## OUTLOOK

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

### FOOD

#### Seasonal Food

- With the exception of 2013, seasonal food prices have tended to fall in April of recent years and are typically dependent on weather conditions both in the UK and around the world.

Monthly % change for CPIH seasonal food index			
Year	February	March	April
2011	0.5	-2.0	-1.1
2012	1.3	-0.2	-1.2
2013	1.6	-0.7	0.6
2014	-0.4	-0.5	-1.7
2015	-0.3	-0.4	-0.7
2016	1.4	-0.9	-0.8
2017	2.2	0.6	

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

### CLOTHING AND FOOTWEAR

- With the exception of 2013 and 2016, prices for clothing and footwear tend to rise in April.

Monthly % change for CPIH clothing and footwear index			
Year	February	March	April
2011	3.6	1.1	1.3
2012	2.8	2.1	0.2
2013	2.0	2.3	-
2014	1.1	1.8	1.0
2015	1.3	-0.1	0.7
2016	1.3	1.0	-0.3
2017	1.2	2.0	

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

### HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS

#### Council Tax

- The Department for Communities and Local Government (DCLG) announced that the average Band D council tax set by local authorities in England for 2017-18 will be £1,591 – a 4.0% increase on last year. ([www.gov.uk](http://www.gov.uk) 29 March 2017)
- Council tax bills have been frozen in Scotland since 2007. From April 2017, the freeze will be replaced with discretion for local authorities to increase council tax by a maximum of 3% per

year. (news.gov.scot 15 December 2016)

- The Welsh Government announced that the average band D council tax for Wales for 2017-18 is £1,420 – a 3.3% increase on last year. (gov.wales 23 March 2017)
- The recorded increase for council tax and rates in the CPIH last April was 2.8%.

### Social Housing Rents

- The Summer 2015 Budget announced that rents for social housing would decrease by 1% each year for four years, starting in April 2016.

### Electricity, Gas and Other Fuels

- npower is to increase a typical dual fuel annual energy bill by on average 9.8% or £109. This is made up of an average increase of 4.8% on gas and 15% on electricity. The new charges will come into effect on 16 March. (npowermediacentre.com 3 February 2017)
- ScottishPower is to increase its standard domestic gas and electricity prices from 31 March 2017. Dual fuel prices will increase by an average of 7.8%, electricity prices will increase by an average of 10.8% and gas prices by an average of 4.7%. (scottishpower.com 10 February 2017)
- SSE has announced it is to increase standard GB domestic electricity prices from 28 April. The price change equates to a £73 or an average 6.9% rise for a typical dual fuel customer, as a result of an average 14.9% electricity price increase. (sse.com 13 March 2017)
- E.ON's standard dual fuel energy prices will increase by an average of 8.8% on 26 April. Standard electricity prices will increase by an average of 13.8%. Standard gas prices will increase by an average of 3.8%. (pressreleases.eon-uk.com 7 March 2017)

## FURNITURE, HOUSEHOLD EQUIPMENT AND MAINTENANCE

- Prices tend to fall in April.

Monthly % change for CPIH furniture, household equipment and maintenance index			
Year	February	March	April
2011	1.4	1.7	-0.8
2012	1.6	1.4	-1.2
2013	1.5	0.8	-1.3
2014	2.5	0.3	-0.9
2015	1.4	0.4	-1.2
2016	1.7	0.7	-1.5
2017	2.4	0.7	

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

## HEALTH

### Prescription Charges

- The Department of Health has announced that NHS prescription charges for England will rise by 20 pence to £8.60 from 1 April 2017. ([www.gov.uk](http://www.gov.uk) 16 March 2017)

### NHS Dental Charges

- The Department of Health has announced that NHS dental charges for England will rise from £19.70 to £20.60 for Band 1, from £53.90 to £56.30 for Band 2 and from £233.70 to £244.30 for Band 3 from 1 April 2017. ([www.gov.uk](http://www.gov.uk) 16 March 2017)

## TRANSPORT

### Fuels and Lubricants

- Oil rose further above \$55 (44.22 pounds) a barrel, supported by another shutdown at Libya's largest oilfield and heightened tension over Syria. Libya's Sharara oilfield was shut after a group blocked a pipeline linking it to an oil terminal, a Libyan oil source said. The field had only just returned to production, after a week-long stoppage ending in early April. Brent crude LCOc1, the global benchmark, rose 48 cents to \$55.72, not far from the one-month high of \$56.08. U.S. crude CLc1 was up 37 cents at \$52.61. Oil also climbed on heightened tension in the Middle East, a region that is home to more than a quarter of the world's oil output. ([uk.reuters.com](http://uk.reuters.com) 10 April 2017)
- When considering the price of petrol between March and April 2017, it may be useful to note that the average price of petrol rose by 3.6 pence per litre between March and April 2016, standing at 105.9 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.

### Vehicle Excise Duty (VED)

- The March 2017 Budget announced that from 1 April 2017 VED rates will increase in line with the RPI for cars, vans and motorcycles registered between 1 March 2001 and 1 April 2017. From 1 April revised VED bands will also come into effect for vehicles first registered after 1 April 2017.

### Passenger Transport by Air

- Air fares have shown variable movements in April which can depend on the position of Easter.

Monthly % change for CPIH air fares index			
Year	February	March	April
2011	2.1	2.1	29.0
2012	-1.6	4.4	7.4
2013	9.2	5.3	-6.4
2014	3.3	1.9	17.9
2015	5.3	2.7	4.5
2016	5.6	22.9	-14.2
2017	6.0	-3.9	

- 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.

### COMMUNICATION

#### Postal Services

- Royal Mail has announced that from 27 March 2017, the prices of a First Class stamp and a Second Class stamp will rise by 1p to 65p and 56p respectively. (royalmailgroup.com 24 February 2017)

### HOUSING (RPI)

#### Mortgage interest payments (MIPs)

- The Bank of England Bank Rate remained unchanged at 0.25% on Thursday 16 March 2017. The next announcement and minutes from the Bank of England's Monetary Policy Committee are scheduled to be published on 11 May 2017.
- The change in average mortgage interest rates recorded in the RPI was -0.02% between March and April 2016. The Bank of England Bank Rate remained unchanged at 0.5% in March 2016.
- A one percentage point change in the average mortgage interest rate contributes approximately 0.9 percentage points to the 1-month percentage change in the RPI.

### BUDGET SPRING 2017

- Budgetary measures that come into force in 2017/18 will add an estimated 0.16 percentage points to the CPIH 1-month rate. Further details are available in the article [Estimated effect of the budget on consumer price inflation: Spring 2017](#).

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**Media contact:**

Tel: Luke Croydon +44 (0) 845 6041858  
Out of hours media line +44 (0) 7867 906553  
Email: [media.relations@ons.gsi.gov.uk](mailto:media.relations@ons.gsi.gov.uk)

**Statistical contact:**

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

**Website:** [www.ons.gov.uk](http://www.ons.gov.uk)

**Consumer Price Inflation recorded message** (available after 9.45am on release day):

Tel: +44 (0) 800 0113703

**Consumer Price Inflation Enquiries:**

Tel: +44 (0) 1633 456900