

Consumer Price Inflation Detailed Briefing Note, May 2015

Coverage: UK Date: 16 June 2015 Geographical Area: UK Theme: **Economy**

Summary

Consumer Prices Index (CPI)

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

The CPI is also used for purposes such as uprating pensions, wages and benefits and can aid in the understanding of inflation on family budgets. For more information see <u>Users and uses of consumer</u> price inflation statistics (100.5 Kb Pdf).

The main movements for CPI in May 2015 are:

- The all items CPI is 128.2, up from 128.0 in April.
- The all items CPI annual rate is 0.1%, up from -0.1% in April.
- The annual rate for CPI excluding indirect taxes, CPIY, is 0.0%, up from -0.3% last month.
- The annual rate for CPI at constant tax rates, CPI-CT, is 0.1%, up from -0.1% last month.
- The CPI all goods index is 119.9, up from 119.7 in April.
- The CPI all goods index annual rate is -1.8%, up from -2.0% last month.
- The CPI all services index is 138.7, up from 138.5 in April.
- The CPI all services index annual rate is 2.3%, up from 2.0% last month.

CPIH

The National Statistics status of CPIH has been discontinued pending work to investigate and improve the method for measuring owner occupiers' housing costs in this index. Full details can be found on the UK Statistics Authority website and in an explanatory note (313.9 Kb Pdf) on this website. The improvements from the resulting development work were introduced as part of the February 2015 dataset with the historical series revised back to 2005. Further information on the changes is available in the following articles: <u>Improvements</u>

to the measurement of Owner Occupiers' Housing Costs and Private Housing Rental Prices (2.48 Mb Pdf) and Revising the weight of Owner Occupiers' Housing in CPIH (197.4 Kb Pdf).

CPIH is a measure of UK consumer price inflation that includes owner occupiers' housing costs (OOH). These are the costs of housing services associated with owning, maintaining and living in one's own home. OOH does not include costs such as utility bills, minor repairs and maintenance which are already included in the index. CPIH uses an approach called rental equivalence to measure OOH. Rental equivalence uses the rent paid for an equivalent house as a proxy for the costs faced by an owner occupier. In other words this answers the question "how much would I have to pay in rent to live in a home like mine?" for an owner occupier. OOH does not seek to capture increases in house prices. Although this may be inconsistent with some users' expectations of measures of OOH, the inclusion of an asset price and therefore capital gains would make the index less suitable for a measure of consumption. OOH currently accounts for 17.8% of the expenditure weight of CPIH. This compares with a weight of 19.5% in 2005.

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

The main movements for CPIH in May 2015 are:

- The all items CPIH is 126.0, up from 125.8 in April.
- The all items CPIH annual rate is 0.4%, up from 0.2% in April.
- The annual rate for CPIH excluding indirect taxes, CPIHY, is 0.3%, up from 0.1% last month.
- The OOH component of CPIH is 116.4, up from 116.3 in April.
- The OOH component annual rate is 1.8%, down from 1.9% last month.
- The CPIH all goods index is 120.0, up from 119.8 in April.
- The CPIH all goods index annual rate is -1.8%, up from -2.0% last month.
- The CPIH all services index is 130.8, up from 130.6 in April.
- The CPIH all services index annual rate is 2.2%, up from 2.0% last month.

Retail Prices Index (RPI) and RPIJ

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

The RPI is a long-standing measure of UK inflation that has historically been used for a wide range of purposes such as the indexation of pensions, rents and index-linked gilts. For further information see Users and uses of consumer price inflation statistics (100.5 Kb Pdf).

RPIJ is an improved variant of the Retail Prices Index which is calculated using formulae that meet international standards. The rationale for creating RPIJ was to give users a better alternative to the RPI if their needs were for a measure of inflation based on the same population, classifications, weights etc as the RPI. Currently, RPIJ also acts as an analytical series, in that it allows users to see

the impact of using the Jevons (which meets international standards) in place of the Carli formula (which does not meet international standards) in the RPI. The use of the different formulae at the elementary aggregate level is currently the only difference between these indices. Detailed goods and services indices for RPIJ are not produced.

The main movements for RPI in May 2015 are:

- The all items RPI is 258.5, up from 258.0 in April.
- The all items RPI annual rate is 1.0%, up from 0.9% last month.
- The all items RPIJ is 238.5, up from 238.0 in April.
- The all items RPIJ annual rate is 0.4%, up from 0.3% last month.
- The annual rate for RPIX, the all items RPI excluding mortgage interest payments (MIPs) index, is 1.1%, up from 0.9% last month.
- The all goods RPI is 199.3, up from 198.9 in April.
- The all goods RPI annual rate is -0.7%, up from -0.8% last month.
- The all services RPI is 349.7, up from 348.9 in April.
- The all services RPI annual rate is 2.1%, up from 1.8% last month.
- The annual rate for RPIY, the all items RPI excluding MIPs and indirect taxes index, is 1.0%, up from 0.8% last month.
- The Tax and Price Index (TPI) for May is 225.5, up from 225.1 in April.
- The TPI annual rate is 0.5%, up from 0.4% last month.

CPI SummaryContributions to change in the CPI annual rate

CPI COICOP DIVISIONS	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to CPI annual rate change
01: Food and non-alcoholic beverages	112	110	-1.1	-0.1	0.12
02: Alcoholic beverages and tobacco	45	43	1.5	0.7	-0.04
03: Clothing and footwear	72	70	-0.1	0.5	0.04
04: Housing, water, electricity, gas and other fuels	129	128	-	-	-
05: Furniture, household equipment and maintenance	60	59	0.5	0.6	-
06: Health	24	25	0.1	0.3	0.01
07: Transport	152	149	-0.7	0.6	0.20
08: Communication	32	31	-0.5	-0.2	0.01
09: Recreation and culture	144	147	0.4	-0.1	-0.08
10: Education	22	26	-	-	-
11: Restaurants and hotels	120	121	0.4	0.2	-0.02
12: Miscellaneous goods and services	88	91	-0.1	-0.2	-0.01



Large upward effects came from:

- Transport, where prices overall rose by 0.6% between April and May 2015, compared with a fall of 0.7% a year earlier. The majority of the upward contribution came from transport services, particularly air transport where fares rose this year but fell a year ago. Changes in fares between April and May vary notably year on year, with the timing of Easter a likely factor in the movements. There was also a significant upward effect from motor fuels with average petrol prices rising by 2.5 pence per litre between April and May this year compared with a smaller rise of 0.4 pence per litre a year earlier. Diesel prices also rose this year, by 1.5 pence per litre, compared with a rise of 0.3 pence per litre a year ago;
- **Food and non-alcoholic beverages**, where prices overall fell slightly by 0.1% between April and May this year but by a larger 1.1% between the same 2 months a year ago. The upward effect came from a variety of product groups, most notably vegetables, bread and cereals, and sugar, jam, syrups, chocolate and confectionery; and
- Clothing and footwear, where prices rose this year but fell a year ago, particularly for women's outerwear.

Large downward effects came from:

- **Recreation and culture**, where prices overall fell by 0.1% between April and May 2015, compared with a rise of 0.4% between the same 2 months a year ago. The downward effects came principally from games, toys and hobbies (notably computer games) and data processing equipment (principally computer peripherals such as printers and routers); and
- Alcoholic beverages and tobacco, where prices overall rose by 0.7% between April and May this year but by a larger 1.5% between the same 2 months a year ago. The downward effect came mostly from wine.

A small downward effect came from:

• Restaurants and hotels, where prices rose this year by less than a year ago.

CPI Notable Movements

CPI notable movements, May 2015

All items CPI	Annual rate +0.1%, up from -0.1% last month
	Highest since January 2015 (+0.3%)
All items CPI exc energy, food,	Annual rate +0.9%, up from +0.8% last month
alcohol and tobacco	Highest since March 2015 (+1.0%)
Alcoholic beverages and tobacco	Annual rate +2.2%, down from +3.0% last month
	Also +2.2% in January 2008 and May 2006
	Last lower in February 2006 (+1.6%)
Housing, water, electricity, gas and	Annual rate +0.4%, down from +0.5% last month
other fuels	Lowest since August 2010 (+0.3%)
Communication	Annual rate +1.2%, up from +1.0% last month
	Highest since April 2014 (+1.9%)
Recreation and culture	Annual rate -1.0%, down from -0.4% last month
	Lowest since December 2008 (-1.2%)
Restaurants and hotels	Annual rate +1.9%, down from +2.0% last month
	Lowest since December 2009 (+1.8%)
All goods	Annual rate -1.8%, up from -2.0% last month
	Highest since January 2015 (-1.5%)
All services	Annual rate +2.3%, up from +2.0% last month
	Highest since March 2015 (+2.4%)

Download table



CPI Detailed Briefing

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

01 Food and non-alcoholic beverages

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to CPI annual rate change
01 Food & non-alcoholic beverages	112	110	-1.1	-0.1	0.12



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

01.1 Food

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to CPI annual rate change
01.1 Food	99	97	-1.2	0.1	0.12
01.1.1 Bread and cereals	17	16	-1.6	0.1	0.03
01.1.2 Meat	22	22	-1.0	-0.7	0.01
01.1.3 Fish	4	4	3.4	1.0	-0.01
01.1.4 Milk, cheese and eggs	14	14	-0.1	-	-
01.1.5 Oils and fats	2	2	-0.5	4.4	0.01
01.1.6 Fruit	10	10	-2.0	-0.1	0.02
01.1.7 Vegetables including potatoes	15	14	-2.6	-0.1	0.04
01.1.8 Sugar, jam, syrups, chocolate and confectionery	12	12	-1.6	1.0	0.03
01.1.9 Food products not elsewhere covered	3	3	-0.4	-1.1	_



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

Bread and cereals

Small upward effect.

- Prices overall rose this year but fell a year ago, with the main upward contributions coming from pizzas and dried potted snacks.
- Partially offset by a small downward contribution coming from breakfast cereals.

Meat

- Small upward effect.
- Prices overall fell this year by less than a year ago, particularly for back bacon.

Fish

- Small downward effect.
- Prices overall rose this year by less than a year ago, with the main downward contributions coming from fresh salmon fillets and frozen prawns.
- Partially offset by a small upward contribution from fresh white fillets, where prices rose this year but fell a year ago.

Oils and fats

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

Fruit

- Small upward effect.
- Prices overall fell this year by less than a year ago, with the main upward contributions coming from grapes and peaches/nectarines.

Vegetables including potatoes

- Large upward effect.
- Due to old white potatoes, iceberg lettuces, fresh tomatoes, broccoli and baked beans.
- Partially offset by cauliflowers.

Old white potatoes

- Small upward effect.
- Prices overall rose this year but fell a year ago.
- In May 2014, EU potato prices were down nearly 50% year on year due to an increase in supply. (The Grocer 31 May 2014)

Iceberg lettuces

- Small upward effect.
- Prices overall fell this year by less than a year ago.
- In May 2014, overall prices fell due to good supplies from Spain (The Grocer 31 May 2014).

Fresh tomatoes

- Small upward effect.
- Prices overall rose this year but fell a year ago.
- Price falls in May 2014 were due to good weather in Spain and the Canary Islands, and tomatoes from the Netherlands coming into season. (The Grocer 31 May 2014)

Broccoli

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

Baked beans

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

Cauliflowers

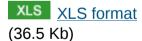
- Small downward effect.
- Prices overall fell this year but rose a year ago.

Sugar, jam, syrups, chocolate and confectionery

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

01.2 Non-alcoholic beverages

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to CPI annual rate change
01.2 Non- alcoholic beverages	13	13	-0.8	-1.2	-0.01
01.2.1 Coffee, tea and cocoa	3	3	1.1	-1.8	-0.01
01.2.2 Mineral waters, soft drinks and juices	10	10	-1.3	-1.0	-



- Small downward effect on the all items 12-month rate change.
- Due to **coffee, tea and cocoa**, where prices overall fell this year but rose a year ago, with the main downward contribution coming from coffee.

02 Alcoholic beverages and tobacco

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to CPI annual rate change
02 Alcoholic beverages and tobacco	45	43	1.5	0.7	-0.04

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- Large downward effect on the all items 12-month rate change.
- Due to alcoholic beverages and tobacco.

02.1 Alcoholic beverages

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to CPI annual rate change
02.1 Alcoholic beverages	20	19	2.6	1.5	-0.02
02.1.1 Spirits	6	5	0.5	1.7	0.01
02.1.2 Wine	9	9	4.0	1.5	-0.02
02.1.3 Beer	5	5	2.8	1.2	-0.01

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

Spirits

- Small upward effect.
- Prices overall rose this year by more than a year ago, with the main upward contribution coming from whisky.

Wine

Small downward effect.

- Prices overall rose this year by less than a year ago, with the main downward contributions coming from red wine and New World white wine.
- Partially offset by upward contributions coming from cider and European white wine.

Beer

- Small downward effect.
- Prices overall rose this year by less than a year ago, with the main downward contribution coming from multipacks of bottled premium lager.
- Partially offset by a small upward contribution from multipacks of canned lager.

02.2 Tobacco

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

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

03 Clothing and footwear

	Weight 2014	Weight 2015	1 month % change May 2014		Contribution to CPI annual rate change
03 Clothing and footwear	72	70	-0.1	0.5	0.04



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

03.1 Clothing

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to CPI annual rate change
03.1 Clothing	62	60	-0.1	0.5	0.04
03.1.2 Garments	55	54	-0.1	0.6	0.04
03.1.3 Other clothing and clothing accessories	6	5	-0.2	-0.5	-
03.1.4 Cleaning, repair and hire of clothing	1	1	0.1	0.2	-

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- Large upward effect on the all items 12-month rate change.
- Due to garments, where prices overall rose this year but fell a year ago, with the main upward
 contributions coming from women's outerwear; in particular formal trousers, plain t-shirts,
 showerproof jackets, blouses/shirts and dresses; and girls' fashion tops. Partially offset by small
 downward contributions coming from women's jackets and long-sleeved tops; and men's t-shirts
 and sweatshirts.

03.2 Footwear including repairs

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to CPI annual rate change
03.2 Footwear including repairs	10	10	0.2	0.7	0.01

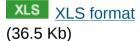


- Small upward effect on the all items 12-month rate change.
- Prices overall rose this year by more than a year ago.

04 Housing, water, electricity, gas and other fuels

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to CPI annual rate change
04 Housing, water, electricity, gas and other fuels	129	128	-	-	-

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- Negligible overall effect on the all items 12-month rate change.
- There is a small downward contribution coming from **electricity**, **gas and other fuels**.
- Offset by a small upward contribution coming from actual rentals for housing.

04.1 Actual rentals for housing

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to CPI annual rate change
04.1 Actual rentals for housing	70	72	0.1	0.2	0.01



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

04.3 Regular maintenance and repair of the dwelling

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to CPI annual rate change
04.3 Regular maintenance and repair of the dwelling	2	2	0.6	0.1	-
04.3.1 Materials for maintenance and repair	1	1	1.3	0.3	-
04.3.2 Services for maintenance and repair	1	1	-	-	-

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

04.4 Other services related to the dwelling

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

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

04.5 Electricity, gas and other fuels

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to CPI annual rate change
04.5 Electricity, gas and other fuels	45	42	-0.1	-0.3	-0.01
04.5.1 Electricity	21	20	-	-	-
04.5.2 Gas	21	20	-	-0.7	-0.01
04.5.3 Liquid fuels	2	1	-1.1	1.5	-
04.5.4 Solid fuels	1	1	-0.8	-2.1	-

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- Small downward effect on the all items 12-month rate change.
- Due to gas, where average bills fell this year but were unchanged a year ago.

05 Furniture, household equipment and maintenance

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to CPI annual rate change
05 Furniture, household equipment and maintenance	60	59	0.5	0.6	-



- Negligible overall effect on the all items 12-month rate change.
- There are small upward contributions coming from glassware, tableware and household utensils; and household textiles.
- Offset by a small downward contribution coming from furniture, furnishings and carpets.

05.1 Furniture, furnishings and carpets

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to CPI annual rate change
05.1 Furniture, furnishings and carpets	21	21	0.9	0.5	-0.01
05.1.1 Furniture and furnishings	16	15	0.8	0.3	-0.01
05.1.2 Carpets and other floor coverings	5	6	1.2	1.0	-

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- Small downward effect on the all items 12-month rate change.
- Due to **furniture and furnishings**, where prices overall rose this year by less than a year ago, with the main downward contributions coming from leather settees and bookcases/free standing shelving units.

05.2 Household textiles

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to CPI annual rate change
05.2 Household textiles	7	6	0.5	1.9	0.01

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- 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 bedding textiles.

05.3 Household appliances, fitting and repairs

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to CPI annual rate change
05.3 Household appliances, fitting and repairs	9	8	0.1	-0.3	-
05.3.1/2 Major appliances and small electric goods	8	7	0.1	-0.4	-
05.3.3 Repair of household appliances	1	1	-	-	-

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

05.4 Glassware, tableware and household utensils

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to CPI annual rate change
05.4 Glassware, tableware and household utensils	6	6	-0.4	1.2	0.01



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

05.5 Tools and equipment for house and garden

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to CPI annual rate change
05.5 Tools and equipment for house and garden	4	5	0.4	0.1	-

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

05.6 Goods and services for routine maintenance

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to CPI annual rate change
05.6 Goods and services for routine maintenance	13	13	0.4	0.5	_
05.6.1 Non- durable household goods	5	5	0.8	0.6	-
05.6.2 Domestic services and household services	8	8	0.1	0.5	-

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

06 Health

	Weight 2014	Weight 2015	1 month % change May 2014		Contribution to CPI annual rate change
06 Health	24	25	0.1	0.3	0.01

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

06.1 Medical products, appliances and equipment

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to CPI annual rate change
06.1 Medical products, appliances and equipment	10	12	-	0.5	0.01
06.1.1 Pharmaceutical products	6	7	0.1	0.6	-
06.1.2/3 Other medical and therapeutic equipment	4	5	-	0.4	-



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

06.2 Out-patient services

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

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

06.3 Hospital services

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

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

07 Transport

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to CPI annual rate change
07 Transport	152	149	-0.7	0.6	0.20



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

07.1 Purchase of vehicles

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to CPI annual rate change
07.1 Purchase of vehicles	44	40	-0.2	-0.2	_
07.1.1A New cars	23	24	0.3	0.3	-
07.1.1B Second-hand cars	18	14	-0.5	-1.3	-0.01
07.1.2/3 Motorcycles and bicycles	3	2	-2.1	0.2	0.01

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(36.5 Kb)

- Negligible overall effect on the all items 12-month rate change.
- There is a small upward contribution coming from motorcycles and bicycles.
- Partially offset by second-hand cars.

Second-hand cars

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

Motorcycles and bicycles

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

07.2 Operation of personal transport equipment

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to CPI annual rate change
07.2 Operation of personal transport equipment	76	77	0.2	0.9	0.06
07.2.1 Spare parts and accessories	5	6	-	-0.1	-
07.2.2 Fuels and lubricants	35	34	0.3	1.9	0.05
07.2.3 Maintenance and repairs	23	23	0.1	0.3	-
07.2.4 Other services	13	14	0.1	-0.1	_



(36.5 Kb)

- Large upward effect on the all items 12-month rate change.
- Due to fuels and lubricants.
- The average price of petrol across the month, as recorded for the CPI, rose by 2.5 pence per litre between April and May 2015 to stand at 115.3 pence per litre.
- Last year, the average price of petrol rose by 0.4 pence between April and May 2014 to stand at 129.4 pence per litre.
- The average price of diesel rose by 1.5 pence per litre between April and May 2015 to stand at 120.7 pence per litre, compared with a rise of 0.3 pence per litre a year earlier to stand at 136.3 pence per litre.

07.3 Transport services

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to CPI annual rate change
07.3 Transport services	32	32	-3.2	0.9	0.14
07.3.1 Passenger transport by railway	11	12	-0.8	-1.1	-0.01
07.3.2 Passenger transport by road	11	12	-2.6	-0.8	0.02
07.3.3 Passenger transport by air	6	6	-3.2	10.4	0.09
07.3.4 Passenger transport by sea and inland waterway	4	2	-9.9	-6.4	0.03

Download table



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

Passenger transport by railway

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

Passenger transport by road

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

Passenger transport by air

- Large upward effect.
- Average air fares rose this year but fell a year ago, particularly for European flights.
- Partially offset by a small downward contribution coming from long-haul flights, where average fares rose this year by less than a year ago.

Passenger transport by sea and inland waterway

- Small upward effect.
- Average international sea fares fell this year by less than a year ago.

08 Communication

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to CPI annual rate change
08 Communication	32	31	-0.5	-0.2	0.01

Download table



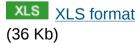
(36 Kb)

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

08.1 Postal services

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

Download table



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

08.2/3 Telephone equipment and services

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to CPI annual rate change
08.2/3 Telephone equipment and services	30	29	-0.5	-0.3	0.01

Download table



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

09 Recreation and culture

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to CPI annual rate change
09 Recreation and culture	144	147	0.4	-0.1	-0.08



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

09.1 Audio-visual equipment and related products

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to CPI annual rate change
09.1 Audiovisual equipment and related products	22	23	0.5	-1.7	-0.05
09.1.1 Equipment for the reception and reproduction of sound and pictures	5	5	0.3	2.4	0.01
09.1.2 Photographic, cinematographic and optical equipment	3	3	0.2	0.6	-
09.1.3 Data processing equipment	8	9	-	-4.8	-0.04
09.1.4 Recording media	5	5	2.0	-2.1	-0.02
09.1.5 Repair of audio-visual equipment and related products	1	1	-	0.2	-

XLS XLS format (36.5 Kb)

- Large downward effect on the all items 12-month rate change.
- Due to data processing equipment and, to a lesser extent, recording media.
- Partially offset by equipment for the reception and reproduction of sound and pictures.

Equipment for the reception and reproduction of sound and pictures

- Small upward effect.
- Prices overall rose this year by more than a year ago, with the main upward contribution coming from hi-fi systems.

Data processing equipment

- Large downward effect.
- Prices overall fell this year but were little changed a year ago, with the main downward contributions coming from PC peripherals and tablet computers.

Recording media

- Small downward effect.
- Prices overall fell this year but rose a year ago, particularly for DVDs and CDs.

09.2 Other major durables for recreation and culture

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to CPI annual rate change
09.2.1/2 Major durables for in/outdoor recreation	9	10	0.1	0.1	-

Download table



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

09.3 Other recreational items, gardens and pets

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to CPI annual rate change
09.3 Other recreational items, gardens and pets	36	36	2.0	0.5	-0.06
09.3.1 Games, toys and hobbies	21	21	3.3	0.7	-0.05
09.3.2 Equipment for sport and open-air recreation	3	4	0.7	0.7	-
09.3.3 Gardens, plants and flowers	4	4	-0.2	-0.3	-
09.3.4/5 Pets, related products and services	8	7	0.5	-0.1	-0.01



- Large downward effect on the all items 12-month rate change.
- Due to games, toys and hobbies and, to a lesser extent, pets, related products and services.

Games, toys and hobbies

- Large downward effect.
- Prices overall rose this year by less than a year ago, with the main downward contributions coming from computer games, preschool activity toys and children's soft toys.

Pets, related products and services

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

09.4 Recreational and cultural services

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

Download table



- Small upward effect on the all items 12-month rate change.
- Due to cultural services, where prices overall rose this year but fell a year ago, particularly for admission to live music events.

09.5 Books, newspapers and stationery

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to CPI annual rate change
09.5 Books, newspapers and stationery	14	14	-1.8	-0.9	0.01
09.5.1 Books	4	4	-3.8	-0.9	0.01
09.5.2 Newspapers and periodicals	5	5	-1.7	-0.7	0.01
09.5.3/4 Misc. printed matter, stationery, drawing materials	5	5	-0.1	-1.0	-



- Small upward effect on the all items 12-month rate change.
- Due to **books**; and **newspapers and periodicals**, where prices overall fell this year by less than a year ago, particularly for eBooks.

09.6 Package holidays

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

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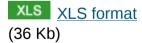


• Negligible overall effect on the all items 12-month rate change.

10 Education

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

Download table



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

11 Restaurants and hotels

	Weight 2014	Weight 2015	1 month % change May 2014		Contribution to CPI annual rate change
11 Restaurants and hotels	120	121	0.4	0.2	-0.02

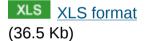


- Small downward effect on the all items 12-month rate change.
- Due to catering services and accommodation services.

11.1 Catering services

	Weight 2014	Weight 2015	1 month % change May	1 month % change May	Contribution to CPI annual
			2014	2015	rate change
11.1 Catering services	100	100	0.2	0.1	-0.01
11.1.1 Restaurants and cafes	91	91	0.2	0.1	-0.01
11.1.2 Canteens	9	9	0.3	-0.2	-0.01

Download table



Small downward effect on the all items 12-month rate change.

Restaurants and cafes

- Small downward effect.
- Prices overall rose this year by less than a year ago.

Canteens

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

11.2 Accommodation services

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to CPI annual rate change
11.2 Accommodation services	20	21	1.3	0.9	-0.01

Download table



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

12 Miscellaneous goods and services

	Weight 2014	Weight 2015	1 month % change May 2014		Contribution to CPI annual rate change
12 Misc. goods and services	88	91	-0.1	-0.2	-0.01



- Small downward effect on the all items 12-month rate change.
- Due to financial services not elsewhere covered.
- Partially offset by personal effects not elsewhere covered.

12.1 Personal care

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to CPI annual rate change
12.1 Personal care	29	30	-0.7	-0.7	-
12.1.1 Hairdressing and personal grooming establishments	7	7	0.2	0.1	-
12.1.2/3 Appliances and products for personal care	22	23	-0.9	-0.9	-

Download table



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

12.3 Personal effects not elsewhere covered

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to CPI annual rate change
12.3 Personal effects not elsewhere covered	13	14	-	0.4	0.01
12.3.1 Jewellery, clocks and watches	8	9	0.3	0.4	-
12.3.2 Other personal effects	5	5	-0.3	0.3	-

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

12.4 Social protection

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

Download table



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

12.5 Insurance

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to CPI annual rate change
12.5 Insurance	7	10	0.1	-0.2	-
12.5.2 House contents insurance	2	2	0.7	-1.1	-
12.5.3 Health insurance	2	3	-	-	-
12.5.4 Transport insurance	3	5	-0.3	-	-

Download table



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

12.6 Financial services not elsewhere covered

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to CPI annual rate change
12.6 Financial services not elsewhere covered	17	12	0.1	-0.6	-0.01

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- Small downward effect on the all items 12-month rate change.
- Prices overall fell this year but rose a year ago, with the main downward contribution coming from mortgage fees.

12.7 Other services not elsewhere covered

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to CPI annual rate change
12.7 Other services not elsewhere covered	10	12	0.2	0.2	-

Download table



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

RPI Summary Contributions to change in the RPI annual rate

GROUPS	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to RPI annual rate change
FOOD	114	109	-1.0	-0.2	0.09
CATERING	47	47	0.2	0.1	-0.01
ALCOHOLIC DRINKS	58	56	1.1	0.5	-0.04
TOBACCO	29	27	0.6	0.1	-0.01
HOUSING	253	263	0.3	0.1	-0.05
FUEL AND LIGHT	48	45	-0.1	-0.3	-0.01
HOUSEHOLD GOODS	61	59	0.6	0.5	-0.01
HOUSEHOLD SERVICES	62	65	-	0.1	0.01
CLOTHING AND FOOTWEAR	45	42	0.2	0.6	0.02
PERSONAL GOODS AND SERVICES	40	41	-0.1	-0.2	-
MOTORING EXPENDITURE	120	115	-	0.4	0.05
FARES AND OTHER TRAVEL COSTS	22	25	-2.2	2.6	0.12
LEISURE GOODS	30	28	0.2	-0.5	-0.02
LEISURE SERVICES	71	78	0.2	0.2	-

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RPI Notable Movements

RPI notable movements, May 2015

All items RPI	Annual rate +1.0%, up from +0.9% last month
	Also +1.0% in February 2015
	Last higher in January 2015 (+1.1%)
All items RPI exc MIPS (RPIX)	Annual rate +1.1%, up from +0.9% last month
	Highest since January 2015 (+1.2%)
All items RPI exc MIPS and indirect	Annual rate +1.0%, up from +0.8% last month
taxes (RPIY)	Highest since January 2015 (+1.1%)
Seasonal food	Annual rate -0.6%, up from -1.9% last month
	Highest since March 2014 (+0.8%)
Catering	Annual rate +1.7%, down from +1.8% last month
	Also +1.7% in March 2015
	Never lower since official series began in January 1988
Alcoholic drink	Annual rate +0.4%, down from +1.0% last month
	Never lower since official series began in January 1988
Tobacco	Annual rate +5.9%, down from +6.3% last month
	Lowest since December 2009 (+4.5%)
Housing	Annual rate +3.0%, down from +3.2% last month
	Also +3.0% in June 2014
	Last lower in May 2014 (+2.8%)
Household goods	Annual rate +0.9%, down from +1.0% last month
	Also +0.9% in February 2015
	Last lower in March 2008 (+0.7%)
Fares and other travel	Annual rate +5.8%, up from +0.9% last month
	Highest since April 2014 (+7.5%)
Leisure goods	Annual rate -2.2%, down from -1.5% last month

	Lowest since February 2012 (-2.3%)
All goods	Annual rate -0.7%, up from -0.8% last month
	Highest since January 2015 (-0.6%)
All services	Annual rate +2.1%, up from +1.8% last month
	Also +2.1% in February 2015 and December 2014
	Last higher in November 2014 (+2.8%)

XLS XLS format (37.5 Kb)

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. ONS consulted in March 2013 on whether to maintain this detailed RPI briefing and, based on views received, decided to continue with its publication.

Weights are specified as parts per 1000 in the RPI.

Food

	Weight 2014	Weight 2015	1 month % change May 2014		Contribution to RPI annual rate change
FOOD	114	109	-1.0	-0.2	0.09



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

Seasonal food

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to RPI annual rate change
SEASONAL FOOD	19	18	-1.5	-0.2	0.02
Home killed lamb	1	1	-2.2	-4.2	-
Fresh fish	2	2	7.3	-0.9	-0.02
Eggs	1	1	-4.8	0.2	-
Unprocessed potatoes	2	2	-4.2	1.5	0.01
Other fresh vegetables	7	6	-1.9	-0.3	0.01
Fresh fruit	6	6	-2.3	0.3	0.02



- Small upward effect on the all items 12-month rate change.
- Due to:
 - Fresh fruit and unprocessed potatoes, where prices overall rose this year but fell a year ago, with the main upward contributions coming from grapes, strawberries and old white potatoes; and
 - Other fresh vegetables, where prices overall fell this year by less than a year ago, with the main upward contributions coming from iceberg lettuces and fresh tomatoes. Partially offset by a small downward contribution coming from cauliflowers, where prices overall fell this year but rose a year ago.
- Partially offset by fresh fish, where prices overall fell this year but rose a year ago, particularly for frozen prawns and fresh salmon fillets.

Non-seasonal food

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to RPI annual rate change
NON- SEASONAL FOOD	95	91	-0.9	-0.2	0.07
Bread	5	4	-1.3	0.7	0.01
Cereals	4	4	-0.1	-	-
Biscuits and cakes	7	7	-1.1	-1.1	-
Beef	4	4	0.8	0.5	-
Imported lamb	1	1	4.0	0.7	-
Pork	1	1	-1.9	-0.6	-
Bacon	2	2	-2.7	-1.1	-
Poultry	4	4	-0.3	0.1	-
Other meat	7	7	-0.7	-0.2	-
Processed fish	2	2	-	-2.5	-
Butter	1	1	-1.0	1.8	-
Oils and fats	2	1	-0.8	5.4	0.01
Cheese	4	4	-0.7	-1.3	-
Milk, fresh	4	3	-	-	-
Milk products	4	4	1.8	0.3	-0.01
Tea	1	1	1.0	-1.3	-
Soft drinks	11	10	-1.0	-1.0	-
Sugar and preserves	1	1	-6.1	-0.4	0.01
Sweets and chocolates	11	11	-1.5	0.6	0.02
Potato products	3	3	-1.9	-1.4	-
Processed vegetables	2	2	-3.6	1.8	0.01
Processed fruit	1	2	-0.4	0.1	-
Other foods	11	11	-1.9	0.1	0.02

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to RPI annual rate change
Coffee and other hot drinks	2	1	1.2	-2.0	-



(38.5 Kb)

- Large upward effect on the all items 12-month rate change.
- Due to:
 - Sweets and chocolates, other foods, bread, oils and fats and processed vegetables, where prices overall rose this year but fell a year ago, with the main upward contributions coming from bags of sweets, dried potted snacks, pizzas, chocolate covered ice cream bars, chilled ready meals and baked beans. Partially offset by small downward contributions coming from cook-in sauces and mayonnaise, where prices overall fell this year but rose a vear ago; and
 - Sugar and preserves, where prices overall fell this year by less than a year ago, particularly for granulated sugar.
- Partially offset by **milk products**, where prices rose this year by less than a year ago.

Catering

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

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

Alcoholic drinks

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to RPI annual rate change
ALCOHOLIC DRINKS	58	56	1.1	0.5	-0.04
Beer on sales	20	19	0.2	-	-
Beer off sales	5	5	2.2	2.4	-
Wines and spirits on sales	18	18	0.2	0.1	-
Wines and spirits off sales	15	14	3.1	0.7	-0.03

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

Tobacco

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to RPI annual rate change
TOBACCO	29	27	0.6	0.1	-0.01
Cigarettes	25	23	0.7	0.1	-0.02
Other tobacco products	4	4	-0.1	0.2	-

Download table

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

Housing

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to RPI annual rate change
HOUSING	253	263	0.3	0.1	-0.05
Rent	87	84	0.1	0.2	0.01
Mortgage interest payments	30	29	-0.2	-0.3	-
Council tax and rates	42	40	-	-	-
Water and other charges	14	14	-	-	-
Repairs and maintenance charges	10	9	-	-	-
DIY materials	6	8	1.0	0.3	-
Dwelling insurance and ground rent	6	6	0.1	-0.1	-
House depreciation	58	73	1.2	0.2	-0.05



- Largest downward effect on the all items 12-month rate change.
- Due to house depreciation, with the smoothed house price index used to calculate this component rising this year by less than a year ago.
- Partially offset by rent, where average charges rose this year by more than a year ago.

Fuel and light

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to RPI annual rate change
FUEL AND LIGHT	48	45	-0.1	-0.3	-0.01
Coal and solid fuels	1	1	-0.8	-2.1	-
Electricity	22	21	-	-	-
Gas	21	21	-	-0.7	-0.01
Oil and other fuels	4	2	-1.0	1.3	0.01

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- Small downward effect on the all items 12-month rate change.
- Due to gas, where average bills fell this year but were unchanged a year ago.
- Partially offset by oil and other fuels, where average prices for kerosene rose this year but fell a year ago.

Household goods

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to RPI annual rate change
HOUSEHOLD GOODS	61	59	0.6	0.5	-0.01
Furniture	21	22	1.2	0.6	-0.01
Furnishings	9	9	1.1	1.4	-
Electrical appliances	6	5	-1.6	-0.3	0.01
Other household equipment	4	4	0.2	0.7	-
Household consumables	12	12	0.7	0.3	-
Pet care	9	7	0.5	-	-



- Small downward effect on the all items 12-month rate change.
- Due to **furniture**, where prices overall rose this year by less than a year ago, with the main downward contributions coming from leather settees, bookcases/free standing shelving units and kitchen furniture. There is a partially offsetting upward contribution coming from upholstered armchairs, where prices overall rose this year but fell a year ago.
- Partially offset by electrical appliances, where prices overall fell this year by less than a year ago.

Household services

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to RPI annual rate change
HOUSEHOLD SERVICES	62	65	-	0.1	0.01
Domestic services	13	13	0.1	0.3	-
Fees and subscriptions	24	26	0.4	0.1	-0.01
Postage	1	1	-	-	-
Telephone charges	24	25	-0.5	-	0.01

Download table



(37.5 Kb)

- 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 telephone charges. There is a partially offsetting downward contribution coming from mobile phone applications, where prices fell this year but rose a year ago.
- Partially offset by **fees and subscriptions**, where average charges rose this year by less than a year ago, with the main downward contribution coming from house contents insurance.

Clothing and footwear

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to RPI annual rate change
CLOTHING AND FOOTWEAR	45	42	0.2	0.6	0.02
Men's outerwear	10	8	1.5	-0.1	-0.02
Women's outerwear	16	16	-0.4	0.8	0.02
Children's outerwear	5	5	-0.3	1.5	0.01
Other clothing	5	5	0.1	0.1	-
Footwear	9	8	0.2	0.4	-



- Small upward effect on the all items 12-month rate change.
- Due to **women's outerwear** and **children's outerwear**, where prices overall rose this year but fell a year ago, with the main upward contributions coming from women's dresses, t-shirts, showerproof jackets and sports tops. There is a partially offsetting downward contribution coming from women's casual jackets.
- Partially offset by **men's outerwear**, where prices overall fell this year but rose a year ago, particularly for branded sports sweatshirts.

Personal goods & services

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to RPI annual rate change
PERSONAL GOODS & SERVICES	40	41	-0.1	-0.2	-
Personal articles	10	10	0.4	0.2	-
Chemists' goods	16	17	-0.8	-0.6	-
Personal services	14	14	0.1	0.1	-

Download table



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

Motoring expenditure

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to RPI annual rate change
MOTORING EXPENDITURE	120	115	-	0.4	0.05
Purchase of motor vehicles	36	42	-0.2	-0.6	-0.02
Maintenance of motor vehicles	17	16	0.2	0.2	-
Petrol and oil	43	35	0.4	1.9	0.05
Vehicle tax and insurance	24	22	-0.2	0.2	0.01



- 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 2.6 pence per litre between April and May 2015, to stand at 115.1 pence per litre, compared with a rise of 0.6 pence per litre last year to stand at 129.5 pence per litre. Diesel prices rose by 1.4 pence per litre, to stand at 120.6 pence per litre in May 2015, compared with a rise of 0.3 pence per litre last year to stand at 136.4 pence per litre; and, to a lesser extent,
- Vehicle tax and insurance, where average premiums for car insurance rose this year but fell a year ago.
- Partially offset by **purchase of motor vehicles**, where prices overall fell this year by more than a year ago, particularly for second-hand cars.

Fares and other travel costs

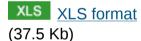
	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to RPI annual rate change
FARES AND OTHER TRAVEL COSTS	22	25	-2.2	2.6	0.12
Rail fares	7	7	-0.8	-0.9	-
Bus and coach fares	4	3	-4.2	-1.3	0.01
Other travel costs	11	15	-2.2	4.9	0.11



- Largest upward effect on the all items 12-month rate change.
- - Other travel costs, where average air fares rose this year but fell a year ago; and to a lesser extent
 - **Bus and coach fares**, where average coach fares fell this year by less than a year ago.

Leisure goods

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to RPI annual rate change
LEISURE GOODS	30	28	0.2	-0.5	-0.02
Audio-visual equipment	7	7	-	-1.4	-0.01
CDs and tapes	2	2	2.3	-1.7	-0.01
Toys, photographic and sports goods	9	8	2.3	0.8	-0.01
Books and newspapers	7	6	-2.4	-0.8	0.01
Gardening products	5	5	0.2	-0.1	-



- Small downward effect on the all items 12-month rate change.
- - Audio-visual equipment, where prices overall fell this year but were little changed a year ago, with the main downward contribution coming from PC peripherals;
 - Toys, photographic and sports goods, where prices overall rose this year by less than a year ago, particularly for computer games; and
 - **CDs and tapes**, where prices overall fell this year but rose a year ago.
- Partially offset by books and newspapers, where prices overall fell this year by less than a year ago, particularly for eBooks.

Leisure services

	Weight 2014	Weight 2015	1 month % change May 2014	1 month % change May 2015	Contribution to RPI annual rate change
LEISURE SERVICES	71	78	0.2	0.2	-
TV licence and rentals	12	12	-	-	-
Entertainment and other recreation	15	15	-	0.4	0.01
Foreign holidays	34	41	0.1	0.1	-
UK holidays	10	10	0.9	0.6	-

Download table



- Negligible overall effect on the all items 12-month rate change.
- There is a small upward contribution coming from **entertainment and other recreation**, where prices overall rose this year but were little changed a year ago, with the main upward contribution coming from admission to live music events. There is a small downward contribution coming from theatre admissions, where average charges rose this year by less than a year ago.

Reconciliation of CPI and RPI

(Table 5 of the Consumer Price Inflation Reference Tables) (2.49 Mb Excel sheet)

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

The difference between the CPI and RPI unrounded annual rates in May 2015 was -0.93 percentage points, narrowing from -1.03 percentage points in April 2015.

The main factors contributing to the narrowing were:

• Other housing components, which decreased the RPI 12-month rate relative to the CPI 12-month rate by 0.05 percentage points between April and May 2015 but are excluded from the CPI. The effect was mainly due to house depreciation.

Formula effect, which decreased the RPI 12-month rate relative to the CPI 12-month rate by 0.04 percentage points between April and May 2015. The effect was mainly due to food and nonalcoholic beverages.

There were no offsetting factors.

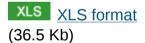
RPI Miscellaneous Data

Selected average prices

Description		March 2015	April 2015	May 2015
Petrol per litre	Diesel	£1.18	£1.19	£1.21
	Petrol	£1.11	£1.13	£1.15
Alcohol pub prices	Draught bitter (pint)	£2.97	£2.96	£2.95
	Draught lager (pint)	£3.44	£3.44	£3.44
	Whisky (per nip)	£2.59	£2.58	£2.59
Cigarettes	Per 20 king size	£8.71	£8.86	£8.87

Table notes:

Download table



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.

Average prices are as recorded for the RPI.

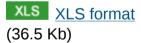
Changes in mortgage interest rates

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

Table notes:

1. 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.

Download table



Outlook

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

FOOD

Seasonal Food

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

Monthly % change for CPI seasonal food index

Year	April	May	June
2009	-0.6	+2.0	-0.5
2010	+0.6	-0.6	+0.9
2011	-1.1	+2.9	+0.5
2012	-1.3	+0.5	+0.7
2013	+0.5	-0.3	-1.5
2014	-1.7	-1.6	-0.5
2015	-0.7	+0.1	

Table notes:

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

Download table



CLOTHING AND FOOTWEAR

With the exception of 2014, prices for clothing and footwear tend to fall in June as a result of the summer sales.

Monthly % change for CPI clothing and footwear index

Year	April	May	June
2009	+0.2	+0.4	-1.5
2010	+2.2	+0.3	-2.1
2011	+1.3	+0.4	-1.9
2012	+0.2	-0.1	-4.2
2013	+0.0	+1.2	-1.9
2014	+1.0	-0.1	+0.6
2015	+0.7	+0.5	

Table notes:

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

Download table

XLS XLS format (35.5 Kb)

FURNITURE, HOUSEHOLD EQUIPMENT AND MAINTENANCE

With the exception of 2012 and 2013, prices for furniture, household equipment and maintenance have tended to rise in June.

Monthly % change for CPI furniture, household equipment and maintenance index

Year	April	May	June
2009	-1.0	+1.0	+1.0
2010	-1.6	+1.2	+0.7
2011	-0.8	+0.4	+0.4
2012	-1.2	+0.6	+0.0
2013	-1.3	+1.1	-0.5
2014	-0.9	+0.5	+0.2
2015	-1.2	+0.6	

Table notes:

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

Download table

XLS XLS format (35.5 Kb)

TRANSPORT

Fuels and Lubricants

- Oil prices declined as high production offset strong refinery runs, but a storm that could impact Gulf of Mexico operations supported U.S. crude. Front month U.S. crude had fallen 26 cents to \$59.70 a barrel and Brent futures were down 44 cents at \$63.43 a barrel. (uk.reuters.com 15 June 2015)
- When considering the price of petrol between May and June 2015, it may be useful to note that the average price of petrol rose by 0.6 pence per litre between May and June 2014, standing at 130.0 pence per litre as measured in the CPI.
- A 1 pence change on average in the cost of a litre of motor fuel contributes approximately 0.03 percentage points to the 1-month change in the CPI.

Passenger Transport by Air

With the exception of 2013, air fares have tended to rise in June.

Monthly % change for CPI air fares index

Year	April	May	June
2009	-1.2	+6.9	+3.0
2010	-1.0	+6.0	+10.0
2011	+29.0	-11.1	+8.5
2012	+7.4	+1.4	+7.4
2013	-6.4	+22.0	-2.8
2014	+17.9	-3.2	+7.0
2015	+4.5	+10.4	

Table notes:

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

Download table

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HOUSING (RPI)

Mortgage interest payments (MIPs)

- The Bank of England Bank Rate remained unchanged at 0.5% on Wednesday 3 June 2015.
- The change in average mortgage interest rates recorded in the RPI was -0.01% between May and June 2014. The Bank of England Bank Rate remained unchanged at 0.5% in May 2014.
- A one percentage point change in the average mortgage interest rate contributes approximately 0.9 percentage points to the 1-month percentage change in the RPI.

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Background notes

 Details of the policy governing the release of new data are available by visiting <u>www.statisticsauthority.gov.uk/assessment/code-of-practice/index.html</u> or from the Media Relations Office email: media.relations@ons.gsi.gov.uk

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