

Consumer Price Inflation

December 2019

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CONTENTS

SUMMARY	2
CPIH SUMMARY	4
CPIH NOTABLE MOVEMENTS	6
CPIH DETAILED BRIEFING	7
RPI SUMMARY	24
RPI NOTABLE MOVEMENTS	25
RPI DETAILED BRIEFING	26
RECONCILIATION OF CPIH AND RPI	33
RPI MISCELLANEOUS DATA	34
OUTLOOK	35

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

SUMMARY

CPIH

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

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

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

The main movements for CPIH in December 2019 are:

- The all items CPIH is 108.5, unchanged from last month.
- The all items CPIH annual rate is 1.4%, down from 1.5% in November.
- The annual rate for CPIH excluding indirect taxes, CPIHY, is 1.3%, down from 1.4% last month.
- The OOH component of CPIH is 107.5, up from 107.3 in November.
- The OOH component annual rate is 1.2%, unchanged from last month.
- The CPIH all goods index is 105.8, down from 106.1 in November.
- The CPIH all goods index annual rate is 0.6%, up from 0.5% last month.
- The CPIH all services index is 110.5, up from 110.3 in November.
- The CPIH all services index annual rate is 1.9%, down from 2.2% 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 December 2019 are:

- The all items CPI is 108.5, unchanged from last month.
- The all items CPI annual rate is 1.3%, down from 1.5% in November.
- The annual rate for CPI excluding indirect taxes, CPIY, is 1.3%, down from 1.5% last month.
- The annual rate for CPI at constant tax rates, CPI-CT, is 1.3%, down from 1.4% last month.
- The CPI all goods index is 105.9, down from 106.2 in November.
- The CPI all goods index annual rate is 0.6%, unchanged from last month.
- The CPI all services index is 111.5, up from 111.2 in November.
- The CPI all services index annual rate is 2.1%, down from 2.5% 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 December 2019 are:

- The all items RPI is 291.9, up from 291.0 in November.
- The all items RPI annual rate is 2.2%, unchanged from last month.
- The annual rate for RPIX, the all items RPI excluding mortgage interest payments (MIPs), is 2.2%, down from 2.3% last month.
- The all goods RPI is 219.4, down from 219.6 in November.
- The all goods RPI annual rate is 1.7%, up from 1.6% last month.
- The all services RPI is 402.5, up from 399.4 in November.
- The all services RPI annual rate is 2.7%, down from 3.1% last month.

CPIH SUMMARY

CONTRIBUTIONS TO CHANGE IN THE CPIH ANNUAL RATE

CPIH COICOP DIVISIONS	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2018 Feb-Dec	2019 Feb-Dec	% change Dec 2018	% change Dec 2019	
01: Food and non-alcoholic beverages	83	82	0.9	0.6	-0.03
02: Alcoholic beverages and tobacco	34	32	-1.1	-1.4	-0.01
03: Clothing and footwear	57	54	-1.0	-1.8	-0.04
04: Housing, water, electricity, gas and other fuels	301	298	0.1	0.1	-
05: Furniture, household equipment and maintenance	48	53	1.0	1.4	0.02
06: Health	21	22	0.1	0.1	-
07: Transport	124	123	0.8	0.6	-0.02
08: Communication	20	20	-0.1	0.8	0.02
09: Recreation and culture	120	127	-0.2	-0.3	-0.01
10: Education	18	18	-	-	-
11: Restaurants and hotels	97	97	0.3	-0.5	-0.08
12: Miscellaneous goods and services	77	74	-0.3	-0.1	0.02

Large downward effects came from:

- **Restaurants and hotels**, where prices for overnight hotel accommodation fell by 7.5% between November and December 2019, compared with a rise of 0.9% between November and December 2018; and
- **Clothing and footwear**, where the largest individual downward contributions came from women's casual jackets and cardigans, where prices fell between November and December 2019 but rose between the same two months in 2018. There were also small individual downward contributions from formal trousers and formal skirts. There is evidence of increased discounting, with the proportion of women's clothing items recorded on sale being higher in December 2019 than in December 2018.

Small downward effects came from:

- **Food and non-alcoholic beverages**, where prices overall rose between November and December 2019 but by less than a year ago. There were downward contributions from bread and cereals, and margarine or low-fat spread, where prices rose between November and December 2019 but by less than between the same two months in 2018. Sugar, jam, syrups, chocolate and confectionery (where prices fell by 2.1% in 2019, compared with a fall of 0.1% in 2018) also had a small downward contribution. These were partially offset by upward contributions from vegetables (including potatoes and tubers) and fruit; and
- **Transport**, which overall had a small downward contribution (of 0.02 percentage points) to change in the 12-month CPIH inflation rate. A large downward contribution (of 0.10 percentage points) from transport services came predominantly from airfares, where prices rose between November and December 2019 but by less than between the same two months in 2018. The timing of the price collection days in relation to Christmas may have been a factor. There was also a smaller downward contribution from the purchase of vehicles where prices overall were little changed in 2019 but increased by 0.7% in 2018. These were partially offset by a large upward movement (of 0.10 percentage points) from fuels and lubricants, where prices fell between November and December 2019 but by less than between the same two months of 2018.

Small upward effects came from:

- **Furniture, household equipment and maintenance**, with prices rising by 1.4% between November and December 2019 compared with a smaller rise of 1.0% between the same two months in 2018. There were small upward contributions from furniture and furnishings, and major appliances and small electrical goods; and
- **Communication**, where mobile phone charges increased between November and December 2019 by more than between the same two months in 2018.

CPIH NOTABLE MOVEMENTS

All items CPIH	Annual rate +1.4%, down from +1.5% last month Lowest since October 2016 (+1.3%)
All items CPIH excl. energy, food, alcohol and tobacco	Annual rate +1.4%, down from +1.7% last month Also +1.4% in February 2016, January 2016 and November 2015 Last lower in October 2015 (+1.3%)
Alcoholic beverages and tobacco	Annual rate +1.5%, down from +1.9% last month Lowest since August 2016 (+1.4%)
Restaurants and hotels	Annual rate +1.6%, down from +2.4% last month Also +1.6% in January 2016, October 2015, July 2015, November 2009, October 2009 and September 2009
Miscellaneous goods and services	Annual rate +2.1%, up from +1.9% last month Highest since November 2012 (+2.2%)
All goods	Annual rate +0.6%, up from +0.5% last month Highest since September 2019 (+0.9%)
All services	Annual rate +1.9%, down from +2.2% last month Also +1.9% in April 2018, May 2014 and March 2014 Last lower in May 2010 (+1.7%)

CPIH DETAILED BRIEFING

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

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

01 FOOD AND NON-ALCOHOLIC BEVERAGES	Weight 2018 Feb-Dec	Weight 2019 Feb-Dec	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to CPIH annual rate change
01 Food & non-alcoholic beverages	83	82	0.9	0.6	-0.03

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

01.1 Food	Weight 2018 Feb-Dec	Weight 2019 Feb-Dec	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to CPIH annual rate change
01.1 Food	73	72	0.9	0.5	-0.03
01.1.1 Bread and cereals	12	12	2.5	0.6	-0.02
01.1.2 Meat	16	15	0.8	0.9	-
01.1.3 Fish	3	3	-0.1	0.1	-
01.1.4 Milk, cheese and eggs	9	9	1.5	1.1	-
01.1.5 Oils and fats	2	2	6.1	1.3	-0.01
01.1.6 Fruit	8	8	-0.5	0.8	0.01
01.1.7 Vegetables including potatoes	10	11	0.1	1.6	0.02
01.1.8 Sugar, jam, syrups, chocolate and confectionery	11	10	-0.1	-2.1	-0.02
01.1.9 Food products not elsewhere covered	2	2	-0.8	-0.1	-

- Small downward effect on the all items 12-month rate change.
- Due to **bread and cereals; sugar, jam, syrups, chocolate and confectionery; and oils and fats**.
- Partially offset by **vegetables including potatoes and fruit**.

Bread and cereals

- Small downward effect.
- Prices overall rose this year by less than a year ago, with the main downward contribution coming from chocolate biscuits, dried potted snacks and breakfast cereal.
- Partially offset by a small upward contribution coming from packs of individual cakes, where prices overall rose this year but fell a year ago.

Oils and fats

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

Fruit

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

Vegetables including potatoes

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

Sugar, jam, syrups, chocolate and confectionery

- Small downward effect.
- Prices overall fell this year by more than a year ago, with the main downward contributions coming from cartons/boxes of chocolates and chocolate covered ice-cream bars.

01.2 Non-alcoholic beverages	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2018 Feb-Dec	2019 Feb-Dec	% change Dec 2018	% change Dec 2019	
01.2 Non-alcoholic beverages	10	10	1.5	1.1	-
01.2.1 Coffee, tea and cocoa	3	3	1.9	0.4	-
01.2.2 Mineral waters, soft drinks and juices	7	7	1.3	1.5	-

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

02 ALCOHOLIC BEVERAGES AND TOBACCO	Weight 2018 Feb-Dec	Weight 2019 Feb-Dec	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to CPIH annual rate change
02 Alcoholic beverages and tobacco	34	32	-1.1	-1.4	-0.01

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

02.1 Alcoholic Beverages	Weight 2018 Feb-Dec	Weight 2019 Feb-Dec	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to CPIH annual rate change
02.1 Alcoholic beverages	16	15	-2.3	-3.1	-0.01
02.1.1 Spirits	5	4	-3.6	-3.9	-
02.1.2 Wine	7	7	-0.8	-2.1	-0.01
02.1.3 Beer	4	4	-3.3	-4.2	-

- Small downward effect on the all items 12-month rate change.
- Due to **wine**, where prices overall fell this year by more than a year ago, with the main downward contribution coming from New World white wine.

02.2 Tobacco	Weight 2018 Feb-Dec	Weight 2019 Feb-Dec	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to CPIH annual rate change
02.2 Tobacco	18	17	-0.1	-	-

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

03 CLOTHING AND FOOTWEAR	Weight 2018 Feb-Dec	Weight 2019 Feb-Dec	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to CPIH annual rate change
03 Clothing and footwear	57	54	-1.0	-1.8	-0.04

- Large downward effect on the all items 12-month rate change.
- Due to **clothing**, partially offset by **footwear including repairs**.

03.1 Clothing	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2018	2019	% change	% change	
	Feb-Dec	Feb-Dec	Dec 2018	Dec 2019	
03.1 Clothing	47	45	-0.8	-1.8	-0.05
03.1.2 Garments	42	41	-0.8	-2.0	-0.05
03.1.3 Other clothing and clothing accessories	4	3	-1.0	-0.2	-
03.1.4 Cleaning, repair and hire of clothing	1	1	0.1	0.3	-

- Large downward effect on the all items 12-month rate change.
- Due to **garments**.

Garments

- Large downward effect.
- Prices overall fell this year by more than a year ago, with the main downward contributions coming from women's cardigans, formal trousers, casual outer jacket and formal skirt.

03.2 Footwear including repairs	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2018	2019	% change	% change	
	Feb-Dec	Feb-Dec	Dec 2018	Dec 2019	
03.2 Footwear including repairs	10	9	-2.0	-1.6	0.01

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

04 HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2018	2019	% change	% change	
	Feb-Dec	Feb-Dec	Dec 2018	Dec 2019	
04 Housing, water, electricity, gas and other fuels	301	298	0.1	0.1	-

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

04.1 Actual rentals for housing	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2018	2019	% change	% change	
	Feb-Dec	Feb-Dec	Dec 2018	Dec 2019	
04.1 Actual rentals for housing	69	69	0.1	0.1	-

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

04.2 Owner occupiers' housing costs	Weight 2018 Feb-Dec	Weight 2019 Feb-Dec	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to CPIH annual rate change
04.2 Owner occupiers' housing costs	169	165	0.1	0.1	-

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

04.3 Regular maintenance and repair of the dwelling	Weight 2018 Feb-Dec	Weight 2019 Feb-Dec	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to CPIH annual rate change
04.3 Regular maintenance and repair of the dwelling	2	3	0.6	-	-
04.3.1 Materials for maintenance and repair	1	1	1.0	-	-
04.3.2 Services for maintenance and repair	1	2	0.1	-	-

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

04.4 Other services related to the dwelling	Weight 2018 Feb-Dec	Weight 2019 Feb-Dec	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to CPIH annual rate change
04.4 Other services related to the dwelling	9	9	-	-	-
04.4.1 Water supply	4	4	-	-	-
04.4.3 Sewerage collection	5	5	-	-	-

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

04.5 Electricity, gas and other fuels	Weight 2018 Feb-Dec	Weight 2019 Feb-Dec	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to CPIH annual rate change
04.5 Electricity, gas and other fuels	27	26	-0.2	-	0.01
04.5.1 Electricity	13	14	-	-	-
04.5.2 Gas	12	10	-	-	-
04.5.3 Liquid fuels	1	1	-6.3	0.1	0.01
04.5.4 Solid fuels	1	1	2.0	0.5	-

- Small upward effect on the all items 12-month rate change.
- Prices overall were little change this year but fell a year ago, with the main upward contribution coming from **liquid fuels**.

04.9 Council Tax and rates	Weight 2018 Feb-Dec	Weight 2019 Feb-Dec	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to CPIH annual rate change
04.9 Council Tax and rates	25	26	-	-	-

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

05 FURNITURE, HOUSEHOLD EQUIPMENT AND MAINTENANCE	Weight 2018 Feb-Dec	Weight 2019 Feb-Dec	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to CPIH annual rate change
05 Furniture, household equipment and maintenance	48	53	1.0	1.4	0.02

- Largest upward effect on the all items 12-month rate change.
- Due to **furniture, furnishings and carpets**; and **household appliances, fitting and repairs**.

05.1 Furniture, furnishings and carpets	Weight 2018 Feb-Dec	Weight 2019 Feb-Dec	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to CPIH annual rate change
05.1 Furniture, furnishings and carpets	18	22	1.7	2.3	0.02
05.1.1 Furniture and furnishings	14	15	2.3	3.3	0.02
05.1.2 Carpets and other floor coverings	4	7	-0.5	0.1	-

- 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 contribution coming from leather settees.

05.2 Household textiles	Weight 2018 Feb-Dec	Weight 2019 Feb-Dec	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to CPIH annual rate change
05.2 Household textiles	5	5	0.8	0.7	-

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

05.3 Household appliances, fitting and repairs	Weight 2018 Feb-Dec	Weight 2019 Feb-Dec	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to CPIH annual rate change
05.3 Household appliances, fitting and repairs	7	8	1.0	2.0	0.01
05.3.1/2 Major appliances and small electric goods	6	7	1.2	2.2	0.01
05.3.3 Repair of household appliances	1	1	-	-0.1	-

- Small upward effect on the all items 12-month rate change.
- Due to **major appliances and small electric goods**, where prices overall rose this year by more than a year ago, with the main upward contribution coming from vacuum cleaners.

05.4 Glassware, tableware and household utensils	Weight 2018 Feb-Dec	Weight 2019 Feb-Dec	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to CPIH annual rate change
05.4 Glassware, tableware and household utensils	4	4	0.7	0.8	-

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

05.5 Tools and equipment for house and garden	Weight 2018 Feb-Dec	Weight 2019 Feb-Dec	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to CPIH annual rate change
05.5 Tools and equipment for house and garden	4	5	-	-0.5	-

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

05.6 Goods and services for routine maintenance	Weight 2018 Feb-Dec	Weight 2019 Feb-Dec	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to CPIH annual rate change
05.6 Goods and services for routine maintenance	10	9	0.5	0.1	-
05.6.1 Non-durable household goods	4	3	1.2	0.1	-
05.6.2 Domestic services and household services	6	6	-	-	-

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

06 HEALTH	Weight 2018 Feb-Dec	Weight 2019 Feb-Dec	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to CPIH annual rate change
06 Health	21	22	0.1	0.1	-

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

06.1 Medical products, appliances and equipment	Weight 2018 Feb-Dec	Weight 2019 Feb-Dec	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to CPIH annual rate change
06.1 Medical products, appliances and equipment	9	9	0.2	-	-
06.1.1 Pharmaceutical products	5	5	0.2	-0.7	-
06.1.2/3 Other medical and therapeutic equipment	4	4	0.1	0.8	-

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

06.2 Out-patient services	Weight 2018 Feb-Dec	Weight 2019 Feb-Dec	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to CPIH annual rate change
06.2 Out-patient services	7	8	0.2	0.1	-
06.2.1/3 Medical and paramedical services	4	5	0.3	-	-
06.2.2 Dental services	3	3	0.1	0.2	-

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

06.3 Hospital services	Weight 2018 Feb-Dec	Weight 2019 Feb-Dec	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to CPIH annual rate change
06.3 Hospital Services	5	5	-	0.1	-

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

07 TRANSPORT	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2018	2019	% change	% change	
	Feb-Dec	Feb-Dec	Dec 2018	Dec 2019	
07 Transport	124	123	0.8	0.6	-0.02

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

07.1 Purchase of vehicles	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2018	2019	% change	% change	
	Feb-Dec	Feb-Dec	Dec 2018	Dec 2019	
07.1 Purchase of vehicles	38	37	0.7	-	-0.03
07.1.1A New cars	22	21	0.8	0.3	-0.01
07.1.1B Second-hand cars	14	14	0.6	-0.3	-0.01
07.1.2/3 Motorcycles and bicycles	2	2	0.2	-0.4	-

- Small downward effect on the all items 12-month rate change.
- Due to **second-hand cars**, where prices overall fell this year but rose a year ago, and **new cars**, where prices rose this year by less than a year ago.

07.2 Operation of personal transport equipment	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2018	2019	% change	% change	
	Feb-Dec	Feb-Dec	Dec 2018	Dec 2019	
07.2 Operation of personal transport equipment	58	60	-1.9	-0.2	0.10
07.2.1 Spare parts and accessories	4	4	-0.2	0.2	-
07.2.2 Fuels and lubricants	25	24	-4.4	-0.6	0.10
07.2.3 Maintenance and repairs	19	20	0.2	-	-
07.2.4 Other services	10	12	-0.1	0.2	-

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

Fuels and lubricants

- Large upward effect.
- Prices overall fell this year by less than a year ago.
- The average price of petrol across the month, as recorded for the CPIH, fell by 0.9 pence per litre between November and December 2019, to stand at 124.6 pence per litre.
- Last year, the average price of petrol fell by 6.4 pence per litre between November and

December 2018, to stand at 121.7 pence per litre.

- The average price of diesel fell by 0.4 pence per litre between November and December 2019 to stand at 129.9 pence per litre, compared with a fall of 4.6 pence per litre a year earlier, to stand at 131.9 pence per litre.

07.3 Transport services	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2018 Feb-Dec	2019 Feb-Dec	% change Dec 2018	% change Dec 2019	
07.3 Transport services	28	26	6.6	3.4	-0.10
07.3.1 Passenger transport by railway	11	11	-0.2	1.0	0.01
07.3.2 Passenger transport by road	10	9	1.6	1.2	-0.01
07.3.3 Passenger transport by air	4	4	39.6	15.8	-0.09
07.3.4 Passenger transport by sea and inland waterway	3	2	4.4	-	-0.01

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

Passenger transport by railway

- Small upward effect.
- Due to international rail, where prices rose this year but fell a year ago.

Passenger transport by road

- Small upward effect.
- Due to coach fares, where average charges rose this year by less than a year ago.

Passenger transport by air

- Large downward effect.
- Average air fares rose this year by less than a year ago, particularly for European and long-haul flights.

Passenger transport by sea and inland waterway

- Small downward effect.
- Average sea fares were little changed this year but rose a year ago, particularly for international routes.

08 COMMUNICATION	Weight 2018 Feb-Dec	Weight 2019 Feb-Dec	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to CPIH annual rate change
08 Communication	20	20	-0.1	0.8	0.02

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

08.1 Postal services	Weight 2018 Feb-Dec	Weight 2019 Feb-Dec	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to CPIH annual rate change
08.1 Postal services	1	1	-	-	-

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

08.2/3 Telephone equipment and services	Weight 2018 Feb-Dec	Weight 2019 Feb-Dec	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to CPIH annual rate change
08.2/3 Telephone equipment and services	19	19	-0.1	0.9	0.02

- Small upward effect on the all items 12-month rate change.
- Prices overall rose this year but fell a year ago, with the main upward contribution coming from mobile phone charges.

09 RECREATION AND CULTURE	Weight 2018 Feb-Dec	Weight 2019 Feb-Dec	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to CPIH annual rate change
09 Recreation and culture	120	127	-0.2	-0.3	-0.01

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

09.1 Audio-visual equipment and related products	Weight 2018 Feb-Dec	Weight 2019 Feb-Dec	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to CPIH annual rate change
09.1 Audio-visual equipment and related products	14	17	-1.0	-3.3	-0.04
09.1.1 Equipment for the reception and reproduction of sound and pictures	4	4	-0.7	-1.9	-0.01
09.1.2 Photographic, cinematographic and optical equipment	1	2	1.1	-4.2	-0.01
09.1.3 Data processing equipment	5	7	-3.1	-6.9	-0.03
09.1.4 Recording media	3	3	1.3	2.2	-
09.1.5 Repair of audio-visual equipment and related products	1	1	-	-	-

- Large downward effect on the all items 12-month rate change.
- Due to **data processing equipment**; and **equipment for the reception and reproduction of sounds and pictures**, where prices overall fell this year by more than a year ago, with the main downward contribution coming from computer software; laptop computers and PC peripherals, and **photographic, cinematographic and optical equipment**, where prices fell this year but rose a year ago.

09.2 Other major durables for recreation and culture	Weight 2018 Feb-Dec	Weight 2019 Feb-Dec	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to CPIH annual rate change
09.2.1/2 Major durables for in/outdoor recreation	14	14	-0.1	-	-

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

09.3 Other recreational items, gardens and pets	Weight 2018 Feb-Dec	Weight 2019 Feb-Dec	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to CPIH annual rate change
09.3 Other recreational items, gardens and pets	29	30	-0.8	-	0.02
09.3.1 Games, toys and hobbies	17	18	-1.3	-0.2	0.02
09.3.2 Equipment for sport and open-air recreation	2	2	0.5	-1.0	-
09.3.3 Gardens, plants and flowers	3	3	-0.5	0.9	-
09.3.4/5 Pets, related products and services	7	7	-	0.3	-

- Small upward effect on the all items 12-month rate change.
- Prices overall were unchanged this year but fell a year ago, due to **games, toys and hobbies**, with the main upward contributions coming from child's preschool activity toy and shop brought computer games, partially offset by computer game downloads.

09.4 Recreational and cultural services	Weight 2018 Feb-Dec	Weight 2019 Feb-Dec	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to CPIH annual rate change
09.4 Recreational and cultural services	23	22	0.3	-0.1	-0.01
09.4.1 Recreational and sporting services	7	6	-0.1	-	-
09.4.2 Cultural services	16	16	0.4	-0.1	-0.01

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

09.5 Books, newspapers and stationery	Weight 2018 Feb-Dec	Weight 2019 Feb-Dec	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to CPIH annual rate change
09.5 Books, newspapers and stationery	9	10	0.4	-	-
09.5.1 Books	3	3	-0.7	-1.5	-
09.5.2 Newspapers and periodicals	3	3	1.6	0.3	-
09.5.3/4 Misc. printed matter, stationery, drawing materials	3	4	0.4	0.9	-

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

09.6 Package holidays	Weight 2018 Feb-Dec	Weight 2019 Feb-Dec	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to CPIH annual rate change
09.6 Package holidays	31	34	0.1	0.6	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 late booked and self-catering foreign holidays.

10 EDUCATION	Weight 2018 Feb-Dec	Weight 2019 Feb-Dec	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to CPIH annual rate change
10 Education	18	18	-	-	-

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

11 RESTAURANTS AND HOTELS	Weight 2018 Feb-Dec	Weight 2019 Feb-Dec	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to CPIH annual rate change
11 Restaurants and hotels	97	97	0.3	-0.5	-0.08

- Largest downward effect on the all items 12-month rate change.
- Mainly due to **accommodation services** and, to a lesser extent, **catering services**.

11.1 Catering services	Weight 2018 Feb-Dec	Weight 2019 Feb-Dec	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to CPIH annual rate change
11.1 Catering services	75	76	0.2	0.1	-0.01
11.1.1 Restaurants and cafes	69	70	0.3	0.1	-0.01
11.1.2 Canteens	6	6	-	0.1	-

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

11.2 Accommodation services	Weight 2018 Feb-Dec	Weight 2019 Feb-Dec	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to CPIH annual rate change
11.2 Accommodation services	22	21	0.5	-2.7	-0.07

- Large downward effect on the all items 12-month rate change.
- Due to **accommodation services**, with the main downward contribution coming from overnight hotel accommodation, where prices fell this year but rose a year ago.

12 MISCELLANEOUS GOODS AND SERVICES	Weight 2018 Feb-Dec	Weight 2019 Feb-Dec	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to CPIH annual rate change
12 Misc. goods and services	77	74	-0.3	-0.1	0.02

- Small upward effect on the all items 12-month rate change.
- There is a small upward contribution coming from **personal care**.

12.1 Personal care	Weight 2018 Feb-Dec	Weight 2019 Feb-Dec	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to CPIH annual rate change
12.1 Personal care	25	24	-0.9	-0.2	0.02
12.1.1 Hairdressing and personal grooming establishments	6	6	0.1	0.2	-
12.1.2/3 Appliances and products for personal care	19	18	-1.2	-0.3	0.02

- Small upward effect on the all items 12-month rate change.
- Due to **appliances and products for personal care**, where prices fell this year by less than a year ago, with the main upward contribution coming from tissues and shower gel. Partially offset by a small downward contribution coming from deodorant/anti-perspirant, where prices fell this year by more than a year ago.

12.3 Personal effects not elsewhere covered	Weight 2018 Feb-Dec	Weight 2019 Feb-Dec	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to CPIH annual rate change
12.3 Personal effects not elsewhere covered	12	15	-0.4	-0.4	-
12.3.1 Jewellery, clocks and watches	8	10	0.3	-0.2	-0.01
12.3.2 Other personal effects	4	5	-1.8	-0.9	-

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

12.4 Social protection	Weight 2018 Feb-Dec	Weight 2019 Feb-Dec	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to CPIH annual rate change
12.4 Social protection	14	13	0.3	0.1	-

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

12.5 Insurance	Weight 2018 Feb-Dec	Weight 2019 Feb-Dec	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to CPIH annual rate change
12.5 Insurance	7	5	0.1	0.9	-
12.5.2 House contents insurance	2	1	-	1.3	-
12.5.3 Health insurance	2	2	-	-	-
12.5.4 Transport insurance	3	2	0.2	1.6	-

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

12.6 Financial services not elsewhere covered	Weight 2018 Feb-Dec	Weight 2019 Feb-Dec	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to CPIH annual rate change
12.6 Financial services not elsewhere covered	9	8	0.1	-0.3	-

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

12.7 Other services not elsewhere covered	Weight 2018 Feb-Dec	Weight 2019 Feb-Dec	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to CPIH annual rate change
12.7 Other services not elsewhere covered	10	9	0.1	0.1	-

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

RPI SUMMARY

CONTRIBUTIONS TO CHANGE IN THE RPI ANNUAL RATE

GROUPS	Weight 2018	Weight Jul 2019 onwards	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to RPI annual rate change
FOOD	102	101	0.8	0.3	-0.05
CATERING	50	49	0.3	0.2	-0.01
ALCOHOLIC DRINKS	56	59	-0.5	-1.1	-0.04
TOBACCO	23	23	-0.1	-	-
HOUSING	257	258	-0.1	0.2	0.05
FUEL AND LIGHT	37	35	-0.1	-	-
HOUSEHOLD GOODS	68	68	1.1	1.8	0.05
HOUSEHOLD SERVICES	58	62	-	0.6	0.04
CLOTHING AND FOOTWEAR	43	39	-0.9	-1.7	-0.03
PERSONAL GOODS AND SERVICES	42	43	-0.3	-	0.01
MOTORING EXPENDITURE	124	125	-0.9	0.2	0.13
FARES AND OTHER TRAVEL COSTS	25	28	16.3	7.3	-0.19
LEISURE GOODS	30	24	-0.9	-1.1	-
LEISURE SERVICES	85	86	0.2	0.2	-

RPI NOTABLE MOVEMENTS

All items RPI	Annual rate +2.2%, unchanged from last month Last higher in September 2019 (+2.4%) Last lower in October 2019 (+2.1%)
All items RPI excl. MIPS (RPIX)	Annual rate +2.2%, down from +2.3% last month Lowest since October 2019 (+2.1%)
Personal goods and services	Annual rate +2.7%, up from +2.4% last month Also +2.7% in August 2013 Last higher in July 2013 (+2.8%)
Fares and other travel costs	Annual rate -3.0%, down from +5.1% last month Lowest since March 2017 (-6.4%)
All goods	Annual rate +1.7%, up from +1.6% last month Highest since September 2019 (+1.8%)
All services	Annual rate +2.7%, down from +3.1% last month Also +2.7% in March 2019, February 2019 and January 2019 Last lower in March 2017 (+2.2%)
Furniture	Annual rate +5.6%, up from +4.3% last month Highest since February 2018 (+7.8%)

RPI DETAILED BRIEFING

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

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

FOOD	Weight 2018	Weight Jul 2019 onwards	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to RPI annual rate change
FOOD	102	101	0.8	0.3	-0.05

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

Seasonal Food	Weight 2018	Weight Jul 2019 onwards	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to RPI annual rate change
SEASONAL FOOD	18	18	-	0.1	-
Home killed lamb	1	1	-2.6	-2.7	-
Fresh fish	2	2	-2.8	-0.1	0.01
Eggs	1	1	0.1	0.1	-
Unprocessed potatoes	1	1	2.1	2.0	-
Other fresh vegetables	6	6	1.4	0.9	-
Fresh fruit	7	7	-0.5	-0.3	-

- Negligible overall effect on the all items 12-month rate change.
- There is a small upward contribution coming from **fresh fish**, where prices overall fell this year by less than a year ago.

Non-Seasonal Food	Weight 2018	Weight Jul 2019 onwards	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to RPI annual rate change
NON-SEASONAL FOOD	84	83	1.0	0.4	-0.05
Bread	4	3	0.5	1.1	-
Cereals	3	3	2.3	2.7	-
Biscuits and cakes	6	6	1.9	-0.5	-0.01
Beef	3	3	0.1	1.1	-
Imported lamb	1	1	0.3	0.4	-
Pork	1	1	-3.1	0.7	-
Bacon	1	1	-0.2	0.3	-
Poultry	4	4	-1.0	-0.6	-
Other meat	6	6	2.7	1.1	-0.01
Processed fish	2	2	1.8	0.1	-
Butter	1	1	5.0	1.6	-
Oils and fats	1	1	4.7	0.3	-
Cheese	3	3	-0.6	1.9	0.01
Milk, fresh	3	3	0.8	0.7	-
Milk products	4	4	4.6	1.3	-0.01
Tea	1	1	2.6	0.1	-
Soft drinks	8	9	1.5	1.5	-
Sugar and preserves	1	1	4.4	1.8	-
Sweets and chocolates	11	11	-0.5	-0.1	-
Potato products	3	3	-1.0	4.0	0.01
Processed vegetables	2	2	2.0	-1.7	-0.01
Processed fruit	2	1	-3.4	1.5	0.01
Other foods	11	11	1.1	-2.3	-0.04
Coffee and other hot drinks	2	2	1.4	0.3	-

- Large downward effect on the all items 12-month rate change.
- Due to:
 - **other foods**, where prices overall fell this year but rose a year ago, with the main downward contribution coming from dried potted snack and chocolate covered ice-cream bar. Partially offset by cook-in sauce;
 - **other meat**, where prices overall rose this year by less than a year ago, with the main downward contribution coming from cooked ham;
 - **milk products**, where prices overall rose this year by less than a year ago, with the main downward contribution coming from yoghurt/fromage frais;
 - **biscuits and cakes**, where prices overall fell this year but rose a year ago, with the main downward contribution coming from chocolate biscuits. Partially offset by a small upward contribution coming from pack of individual cakes, where prices overall rose this year by more than a year ago; and
 - **processed vegetables**, where prices overall fell this year but rose a year ago, with the main downward contribution coming from canned tomatoes.

Partially offset by:

- **potato products; processed fruit; and cheese**, where prices overall rose this year but fell a year ago, with the main upward contributions coming from premium potato crisps, packets of peanuts and cheese spreads.

CATERING	Weight 2018	Weight Jul 2019 onwards	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to RPI annual rate change
CATERING	50	49	0.3	0.2	-0.01
Restaurant meals	30	29	0.3	0.1	-0.01
Canteen meals	3	3	-	0.1	-
Take-away meals and snacks	17	17	0.4	0.3	-

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

ALCOHOLIC DRINKS	Weight 2018	Weight Jul 2019 onwards	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to RPI annual rate change
ALCOHOLIC DRINKS	56	59	-0.5	-1.1	-0.04
Beer on sales	18	19	0.1	0.1	-
Beer off sales	5	6	-3.0	-3.2	-
Wines and spirits on sales	19	19	0.5	-	-0.01
Wines and spirits off sales	14	15	-2.1	-3.4	-0.02

- Large downward effect on the all items 12-month rate change.
- Due to **wines and spirits off sales**, where prices overall fell this year by more than a year ago and **wines and spirits on sales**, where prices were unchanged this year but rose a year ago, with the main downward contributions coming from vodka and New World white wine.

TOBACCO	Weight 2018	Weight Jul 2019 onwards	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to RPI annual rate change
TOBACCO	23	23	-0.1	-	-
Cigarettes	19	18	-0.1	0.1	-
Other tobacco products	4	5	-0.1	-0.3	-

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

HOUSING	Weight 2018	Weight Jul 2019 onwards	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to RPI annual rate change
HOUSING	257	258	-0.1	0.2	0.05
Rent	76	75	0.2	0.1	-
Mortgage interest payments	24	25	0.1	0.3	-
Council Tax and rates	38	39	-	-	-
Water and other charges	12	12	-	-	-
Repairs and maintenance charges	9	10	0.1	-	-
DIY materials	8	7	0.5	-0.1	-
Dwelling insurance and ground rent	7	6	-0.3	0.3	-
House depreciation	83	84	-0.3	0.3	0.05

- Large upward effect on the all items 12-month rate change.
- Due to **house depreciation**, where the smoothed house price index used to calculate this component rose this year but fell a year ago.

FUEL AND LIGHT	Weight 2018	Weight Jul 2019 onwards	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to RPI annual rate change
FUEL AND LIGHT	37	35	-0.1	-	-
Coal and solid fuels	1	1	2.1	0.6	-
Electricity	20	17	-	-	-
Gas	15	14	-	-	-
Oil and other fuels	1	3	-5.2	-	0.01

- Negligible overall effect on the all items 12-month rate change.
- There was a small upward contribution from **oil and other fuels**, where prices were little changed this year but fell a year ago, with the main contribution coming from kerosene.

HOUSEHOLD GOODS	Weight 2018	Weight Jul 2019 onwards	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to RPI annual rate change
HOUSEHOLD GOODS	68	68	1.1	1.8	0.05
Furniture	28	27	2.5	3.7	0.04
Furnishings	9	9	-	0.3	-
Electrical appliances	7	7	-0.8	1.4	0.02
Other household equipment	4	5	0.8	0.8	-
Household consumables	11	11	0.8	-	-0.01
Pet care	9	9	-0.2	0.2	-

- Large upward effect on the all items 12-month rate change.
- Due to:

- **Furniture**, where prices overall rose this year by more than a year ago, with the main upwards contributions coming from settees, double beds and bookcase/freestanding shelving units. Partially offset by kitchen base units; and
- **Electrical appliances**, where prices overall rose this year but fell year ago, with the main upward contribution coming from smartphone handsets.
- Partially offset by **household consumables**, where prices overall rose this year by less than a year ago.

HOUSEHOLD SERVICES	Weight 2018	Weight Jul 2019 onwards	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to RPI annual rate change
HOUSEHOLD SERVICES	58	62	-	0.6	0.04
Domestic services	13	14	0.2	0.2	-
Fees and subscriptions	19	23	-	0.4	0.01
Postage	1	1	-	-	-
Telephone charges	25	24	-0.1	1.0	0.03

- Large upward effect on the all items 12-month rate change.
- Due to **telephone charges**, where prices rose this year but fell a year ago, and **fees and subscriptions**, where prices rose this year but were little changed a year ago, with the main upward contributions coming from mobile phone charges and house contents insurance.

CLOTHING AND FOOTWEAR	Weight 2018	Weight Jul 2019 onwards	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to RPI annual rate change
CLOTHING AND FOOTWEAR	43	39	-0.9	-1.7	-0.03
Men's outerwear	9	8	-1.5	-1.4	-
Women's outerwear	16	14	-0.6	-2.8	-0.04
Children's outerwear	5	4	-0.1	-0.3	-
Other clothing	5	5	-0.2	-0.1	-
Footwear	8	8	-1.4	-1.4	-

- Small downward effect on the all items 12-month rate change.
- Due to **women's outerwear**, where prices overall fell this year by more than a year ago, with the main downward contribution coming from women's coats.

PERSONAL GOODS AND SERVICES	Weight 2018	Weight Jul 2019 onwards	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to RPI annual rate change
PERSONAL GOODS AND SERVICES	42	43	-0.3	-	0.01
Personal articles	11	11	-	-0.1	-
Chemists' goods	15	16	-0.9	-0.1	0.01
Personal services	16	16	0.1	0.3	-

- Small upward effect on the all items 12-month rate change.
- Due to **chemist goods**, where prices fell this year by less than a year ago, with the main upward contribution coming from tissues and shower gel.

MOTORING EXPENDITURE	Weight 2018	Weight Jul 2019 onwards	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to RPI annual rate change
MOTORING EXPENDITURE	124	125	-0.9	0.2	0.13
Purchase of motor vehicles	50	51	0.6	-	-0.04
Maintenance of motor vehicles	16	17	0.1	-	-
Petrol and oil	34	35	-4.4	-0.6	0.13
Vehicle tax and insurance	24	22	0.6	1.8	0.03

- Largest upward effect on the all items 12-month rate change.
- Due to:
 - **Petrol and oil**, where prices fell this year by less than a year ago. The price of petrol, as recorded for the RPI, fell by 0.9 pence per litre between November and December 2019, to stand at 124.7 pence per litre, compared with a fall of 6.5 pence per litre last year, to stand at 122.4 pence per litre. Diesel prices fell by 0.6 pence per litre, to stand at 129.8 pence per litre in December 2019, compared with a fall of 4.6 pence per litre last year, to stand at 132.5 pence per litre; and
 - **Tax and insurance**, where prices overall rose this year by more than a year ago, with the main upward contribution coming from car insurance.
- Partially offset by **purchase of motor vehicles**, where prices overall fell this year but rose a year ago, with the main downward contributions coming from new and used cars.

FARES AND OTHER TRAVEL COSTS	Weight 2018	Weight Jul 2019 onwards	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to RPI annual rate change
FARES AND OTHER TRAVEL COSTS	25	28	16.3	7.3	-0.19
Rail fares	6	7	-0.2	1.0	0.01
Bus and coach fares	3	3	3.8	2.4	-
Other travel costs	16	18	24.8	10.4	-0.20

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

LEISURE GOODS	Weight 2018	Weight Jul 2019 onwards	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to RPI annual rate change
LEISURE GOODS	30	24	-0.9	-1.1	-
Audio-visual equipment	6	4	-1.4	-4.5	-0.01
CDs and tapes	2	1	0.3	0.2	-
Toys, photographic and sports goods	10	9	-1.0	-0.5	-
Books and newspapers	6	5	-1.0	-2.0	-
Gardening products	6	5	-0.3	0.7	0.01

- Negligible overall effect on the all items 12-month rate change.
- There is a small downward contribution from audio-visual equipment, where prices fell this year by more than a year ago. This was offset by gardening products, where prices rose this year but fell a year ago.

LEISURE SERVICES	Weight 2018	Weight Jul 2019 onwards	1 month % change Dec 2018	1 month % change Dec 2019	Contribution to RPI annual rate change
LEISURE SERVICES	85	86	0.2	0.2	-
TV licence and rentals	11	10	-	-	-
Entertainment and other recreation	16	16	0.1	-0.1	-
Foreign holidays	47	47	0.1	0.8	0.03
UK holidays	11	13	0.5	-1.5	-0.03

- Negligible overall effect on the all items 12-month rate change.
- There is a small upward contribution from foreign holidays, where prices rose this year by more than a year ago, with the main contributions coming from late booked and self catering. This was offset by UK holidays, where prices fell this year but rose a year ago, with the main contributions coming from overnight hotel accommodation.

RECONCILIATION OF CPIH AND RPI

(Table 5a of the Consumer Price Inflation Dataset)

This table identifies the main factors contributing to the differences between the unrounded inflation rates for the CPIH and the RPI. These differences are broken down into: mortgage interest payments, other housing components excluded from the CPIH, imputed rents (included in CPIH as a measure of owner occupiers' housing costs and excluded from RPI), other differences in the coverage of goods and services, and the formula effect. The final component titled 'other differences including weights' is derived as a residual.

The corresponding figures for the Consumer Prices Index (CPI) can be found in Table 5b of the [Consumer price inflation dataset](#).

The difference between the CPIH and RPI unrounded annual rates in December 2019 was -0.85 percentage points, widening from -0.75 percentage points in November 2019.

The main factors contributing to the widening were:

- **Other housing components**, which increased the RPI 12-month rate relative to the CPIH 12-month rate by 0.06 percentage points between November and December 2019. The effect came mainly from house depreciation.
- **Other differences including weights**, which increased the RPI 12-month rate relative to the CPIH 12-month rate by 0.02 percentage points between November and December 2019. The effect came mainly from insurance, and fuels and lubricants. This was partially offset by a narrowing effect from air fares.

There were no significant offsetting factors.

RPI MISCELLANEOUS DATA

Selected Average Prices

Description		October 2019	November 2019	December 2019
Fuel per litre	Diesel	£1.32	£1.30	£1.30
	Petrol	£1.27	£1.26	£1.25
Alcohol pub prices	Draught bitter (pint)	£3.11	£3.12	£3.12
	Draught lager (pint)	£3.72	£3.73	£3.73
	Whisky (per nip)	£2.98	£3.00	£3.00
Cigarettes	Per 20 king size	£10.79	£10.79	£10.80

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
December 2018	+0.4	Down -0.01% points	-0.01% points
January 2019	-0.9	Negligible	-
February 2019	+0.7	Negligible	-
March 2019	0.0	Down -0.01% points	-0.01% points
April 2019	+1.1	Down -0.01% points	-0.01% points
May 2019	+0.3	Negligible	-
June 2019	+0.1	Down -0.02% points	-0.02% points
July 2019	0.0	Negligible	-
August 2019	+0.8	Negligible	-
September 2019	-0.2	Negligible	-
October 2019	-0.2	Down -0.02% points	-0.02% points
November 2019	+0.2	Down -0.01% points	-0.01% points
December 2019	+0.3	Negligible	-

NB: A one percentage point change in the average mortgage interest rate contributes approx. 1.0 percentage points to the 1-month percentage change in the RPI.

OUTLOOK

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

FOOD

Seasonal Food

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

Monthly % change for CPIH seasonal food index			
Year	November	December	January
2013/14	-0.2	0.9	0.1
2014/15	0.6	0.6	-1.1
2015/16	0.8	-0.6	-1.1
2016/17	1.2	0.5	-0.8
2017/18	1.0	-0.4	0.5
2018/19	0.6	-0.2	0.7
2019/20	1.4	1.1	

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

CLOTHING AND FOOTWEAR

- Prices for clothing and footwear tend to fall in January.

Monthly % change for CPIH clothing and footwear index			
Year	November	December	January
2013/14	0.7	-0.9	-5.4
2014/15	0.7	-1.1	-3.7
2015/16	-0.1	-1.3	-3.1
2016/17	1.4	-1.0	-4.2
2017/18	1.2	-0.9	-3.9
2018/19	1.5	-1.0	-4.3
2019/20	1.0	-1.8	

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

FURNITURE, HOUSEHOLD EQUIPMENT AND MAINTENANCE

- Prices tend to fall in January.

Monthly % change for CPIH furniture, household equipment and maintenance index			
Year	November	December	January
2013/14	-0.1	1.7	-3.1
2014/15	0.1	1.6	-2.5
2015/16	-0.2	1.1	-2.3
2016/17	0.5	0.9	-2.5
2017/18	0.3	1.4	-2.6
2018/19	0.2	1.0	-2.1
2019/20	0.5	1.4	

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

TRANSPORT

Fuels and Lubricants

- Oil prices have dropped slightly due to extending days of losses as the threat of war in the Middle East receded and investors switched attention to economic growth prospects and the rise in U.S. crude oil and product inventories. Brent crude oil fell 20 cents, or 0.3%, at \$65.17 a barrel, and is heading for its first decline in six weeks, down 5%. West Texas Intermediate crude was down 20 cents, or 0.3%, at \$59.36 a barrel. (uk.reuters.com 10 January 2020)
- When considering the price of petrol between December 2019 and January 2020, it may be useful to note that the average price of petrol fell by 2.1 pence per litre between December 2018 January 2019, to stand at 119.6 pence per litre as measured in the CPIH.
- A 1 pence change on average in the cost of a litre of motor fuel contributes approximately 0.02 percentage points to the 1-month change in the CPIH.

Passenger Transport by Air

- Air fares tend to fall in January.

Monthly % change for CPIH air fares index			
Year	November	December	January
2013/14	-8.1	19.8	-18.5
2014/15	-12.3	19.3	-17.1
2015/16	-13.0	46.0	-35.8
2016/17	-13.4	48.9	-36.0
2017/18	-10.4	52.8	-33.2
2018/19	-12.1	39.6	-25.5
2019/20	-8.2	15.8	

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

HOUSING (RPI)**Mortgage interest payments (MIPs)**

- The Bank of England Bank Rate was unchanged at 0.75% on Thursday 19 December 2019. The next announcement and minutes from the Bank of England's Monetary Policy Committee are scheduled to be published on 30 January 2020.
- The change in average mortgage interest rates recorded in the RPI was -0.01 percentage points between December 2018 and January 2019. The Bank of England Bank Rate remained unchanged at 0.75% in December 2018.
- A one percentage point change in the average mortgage interest rate contributes approximately 1.0 percentage points to the 1-month percentage change in the RPI.

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