

Consumer Price Inflation

June 2017

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

SUMMARY

CPIH

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

Aside from including owner occupiers' housing costs (OOH) and council tax, CPIH is otherwise identical to CPI. This means that, aside from these 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.

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

The main movements for CPIH in June 2017 are:

- The all items CPIH is 103.5, unchanged from last month.
- The all items CPIH annual rate is 2.6%, down from 2.7% in May.
- The annual rate for CPIH excluding indirect taxes, CPIHY, is 2.4%, down from 2.6% last month.
- The OOH component of CPIH is 104.2, unchanged from last month.
- The OOH component annual rate is 2.0%, down from 2.1% last month.
- The CPIH all goods index is 101.3, down from 101.7 in May.
- The CPIH all goods index annual rate is 2.6%, down from 3.0% last month.
- The CPIH all services index is 105.1, up from 104.9 in May.
- The CPIH all services index annual rate is 2.5%, down from 2.6% last month.

Consumer Prices Index (CPI)

The CPI continues to be a National Statistic and is a measure of consumer price inflation produced to international standards and in line with European regulations. First published in 1997 as the

Harmonised Index of Consumer Prices (HICP), the CPI is the inflation measure used in the Government's target for inflation.

The CPI is also used for purposes such as uprating pensions, wages and benefits and can aid in the understanding of inflation on family budgets. For more information see [Users and uses of consumer price inflation statistics](#).

The main movements for CPI in June 2017 are:

- The all items CPI is 103.3, unchanged from last month.
- The all items CPI annual rate is 2.6%, down from 2.9% in May.
- The annual rate for CPI excluding indirect taxes, CPIY, is 2.5%, down from 2.7% last month.
- The annual rate for CPI at constant tax rates, CPI-CT, is 2.4%, down from 2.7% last month.
- The CPI all goods index is 101.3, down from 101.7 in May.
- The CPI all goods index annual rate is 2.6%, down from 2.9% last month.
- The CPI all services index is 105.5, up from 105.1 in May.
- The CPI all services index annual rate is 2.7%, down from 2.8% last month.

Retail Prices Index (RPI)

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

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

The main movements for RPI in June 2017 are:

- The all items RPI is 272.3, up from 271.7 in May.
- The all items RPI annual rate is 3.5%, down from 3.7% last month.
- The annual rate for RPIX, the all items RPI excluding mortgage interest payments (MIPs) index, is 3.8%, down from 3.9% last month.
- The all goods RPI is 206.1, down from 206.3 in May.
- The all goods RPI annual rate is 3.9%, down from 4.1% last month.
- The all services RPI is 373.0, up from 370.5 in May.
- The all services RPI annual rate is 3.6%, up from 3.5% last month.

CPIH SUMMARY

CONTRIBUTIONS TO CHANGE IN THE CPIH ANNUAL RATE

CPIH COICOP DIVISIONS	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
01: Food and non-alcoholic beverages	83	81	-0.4	-0.2	0.02
02: Alcoholic beverages and tobacco	34	34	-0.3	-0.2	0.01
03: Clothing and footwear	58	58	-0.7	-1.0	-0.03
04: Housing, water, electricity, gas and other fuels	294	294	0.1	-	-0.03
05: Furniture, household equipment and maintenance	49	49	-0.3	0.5	0.04
06: Health	22	21	0.1	0.1	-
07: Transport	122	126	1.0	0.1	-0.12
08: Communication	25	21	0.6	0.7	-
09: Recreation and culture	119	121	0.6	-0.1	-0.09
10: Education	20	17	-	-	-
11: Restaurants and hotels	98	101	0.2	0.3	0.01
12: Miscellaneous goods and services	76	77	-	0.1	0.01

Large downward effects came from:

- **Transport**, in particular motor fuels. Fuel prices fell by 1.1% between May and June 2017, the fourth successive month of price decreases. This contrasts with the same period last year, when fuel prices rose by 2.2%. Taken together, these movements resulted in prices for motor fuels making a large downward contribution to the change in the rate; and
- **Recreational and cultural goods and services**, with prices overall falling by 0.1% between May and June 2017, compared with a rise of 0.6% a year ago. This downward effect partially reverses the upward pressure seen between April and May 2017 and comes from a variety of categories, principally data processing equipment, cultural services, and games, toys and hobbies. Each of these individual contributions is relatively small.

Small downward effects came from:

- **Housing, water, electricity, gas and other fuels**, where prices overall were little changed between May and June this year compared with a rise of 0.1% between the same months a year ago; and
- **Clothing and footwear**, where prices overall fell by 1.0% between May and June this year compared with a fall of 0.7% a year ago.

A large upward effect came from:

- **Furniture, household equipment and maintenance**, where prices overall rose by 0.5% compared with a 0.3% fall a year ago. The upward effect came from prices for a variety of bedroom, kitchen and lounge furniture

A small upward effect came from:

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

CPIH NOTABLE MOVEMENTS

All items CPIH	Annual rate +2.6%, down from +2.7% last month Also +2.6% in April 2017 Last lower in March 2017 (+2.3%)
All items CPIH exc energy, food, alcohol and tobacco	Annual rate +2.4%, down from +2.5% last month Also +2.4% in April 2017 Last lower in March 2017 (+1.9%)
Food and non-alcoholic beverages	Annual rate +2.4%, up from +2.1% last month Highest since November 2013 (+2.8%)
Alcoholic beverages and tobacco	Annual rate +5.1%, up from +4.9% last month Highest since October 2014 (+5.2%)
Furniture, household equipment and maintenance	Annual rate +3.2%, up from +2.4% last month Highest since July 2012 (+3.6%)
Restaurants and hotels	Annual rate +3.3%, up from +3.1% last month Also +3.3% in November 2012, May 2012 and April 2012 Last higher in December 2011 (+4.4%)
Miscellaneous goods and services	Annual rate +1.8%, up from +1.7% last month Also +1.8% in March 2017 Last higher in December 2012 (+1.9%)
All goods	Annual rate +2.6%, down from +3.0% last month Lowest since April 2017 (+2.4%)
All services	Annual rate +2.5%, down from +2.6% last month Lowest since March 2017 (+2.2%)

CPIH DETAILED BRIEFING

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

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

01 FOOD AND NON-ALCOHOLIC BEVERAGES	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
01 Food & non-alcoholic beverages	83	81	-0.4	-0.2	0.02

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

01.1 Food	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
01.1 Food	74	71	-0.5	-0.3	0.01
01.1.1 Bread and cereals	12	12	-0.6	0.3	0.01
01.1.2 Meat	17	16	1.1	0.4	-0.01
01.1.3 Fish	3	3	-	1.9	0.01
01.1.4 Milk, cheese and eggs	10	9	-1.6	-	0.02
01.1.5 Oils and fats	2	2	0.8	2.2	-
01.1.6 Fruit	7	7	-1.1	-0.4	-
01.1.7 Vegetables including potatoes	11	10	-0.8	-0.9	-
01.1.8 Sugar, jam, syrups, chocolate and confectionery	10	10	-2.1	-2.6	-0.01
01.1.9 Food products not elsewhere covered	2	2	3.2	-1.5	-0.01

- Small upward effect on the all items 12-month rate change.
- Due to **milk, cheese and eggs**; **bread and cereals**; and **fish**.
- Partially offset by **meat**; **food products not elsewhere covered**; and **sugar, jam, syrups, chocolate and confectionery**.

Bread and cereals

- Small upward effect.
- Prices overall rose this year but fell a year ago, particularly for breakfast cereals.
- Partially offset by a small downward contribution coming from chilled pizzas, where prices overall fell this year but rose a year ago.

Meat

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

Fish

- Small upward effect.
- Prices overall rose this year but were little changed a year ago.

Milk, cheese and eggs

- Small upward effect.
- Prices overall were little changed this year but fell a year ago, with the main upward contribution coming from yoghurt/fromage frais.

Sugar, jam, syrups, chocolate and confectionery

- Small downward effect.
- Prices overall fell this year by more than a year ago, particularly for cartons/boxes of chocolates and bags of chocolate sweets.
- Partially offset by small upward contributions coming from bags of non-chocolate sweets and large bars of chocolate.

Food products not elsewhere covered

- Small downward effect.
- Prices overall fell this year but rose a year ago, particularly for cook-in sauces.

01.2 Non-alcoholic beverages	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
01.2 Non-alcoholic beverages	9	10	-0.1	0.6	0.01
01.2.1 Coffee, tea and cocoa	2	3	-0.5	1.5	0.01
01.2.2 Mineral waters, soft drinks and juices	7	7	0.1	0.2	-

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

- Due to **coffee, tea and cocoa**, where prices overall rose this year but fell a year ago.

02 ALCOHOLIC BEVERAGES AND TOBACCO	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
02 Alcoholic beverages and tobacco	34	34	-0.3	-0.2	0.01

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

02.1 Alcoholic Beverages	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
02.1 Alcoholic beverages	15	16	-0.9	-0.4	0.01
02.1.1 Spirits	4	5	-0.6	-2.8	-0.01
02.1.2 Wine	7	7	-0.4	-	-
02.1.3 Beer	4	4	-2.2	1.8	0.02

- Small upward effect on the all items 12-month rate change.
- Due to **beer**, where prices overall rose this year but fell a year ago, particularly for lager.
- Partially offset by **spirits**, where prices overall fell this year by more than a year ago, with the main downward contribution coming from vodka.

02.2 Tobacco	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
02.2 Tobacco	19	18	0.1	-	-

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

03 CLOTHING AND FOOTWEAR	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
03 Clothing and footwear	58	58	-0.7	-1.0	-0.03

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

03.1 Clothing	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
03.1 Clothing	50	49	-0.5	-1.1	-0.03
03.1.2 Garments	44	44	-0.2	-1.2	-0.05
03.1.3 Other clothing and clothing accessories	5	4	-3.1	-0.4	0.01
03.1.4 Cleaning, repair and hire of clothing	1	1	0.2	0.1	-

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

Garments

- Large downward effect.
- Prices overall fell this year by more than a year ago, with the main downward contributions coming from men's branded T-shirts, women's showerproof jackets, women's trousers, boys' jeans and girls' fashion tops.
- Partially offset by small upward contributions coming from women's casual jackets and men's non-branded T-shirts.

Other clothing and clothing accessories

- Small upward effect.
- Prices overall fell this year by less than a year ago, with the main upward contributions coming from ladies' scarves and knitting wool.

03.2 Footwear including repairs	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
03.2 Footwear including repairs	8	9	-1.5	-0.5	0.01

- 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 women's footwear.

04 HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
04 Housing, water, electricity, gas and other fuels	294	294	0.1	-	-0.03

- Small downward effect on the all items 12-month rate change.
- Due to **owner occupiers' housing costs; electricity, gas and other fuels; and actual rentals for housing.**

04.1 Actual rentals for housing	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
04.1 Actual rentals for housing	58	56	0.1	-	-0.01

- Small downward effect on the all items 12-month rate change.
- Average charges were little changed this year but rose a year ago.

4.2 Owner occupiers' housing costs	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
4.2 Owner occupiers' housing costs	171	174	0.1	0.1	-0.01

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

04.3 Regular maintenance and repair of the dwelling	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
04.3 Regular maintenance and repair of the dwelling	2	2	0.4	-0.2	-
04.3.1 Materials for maintenance and repair	1	1	0.9	-0.5	-
04.3.2 Services for maintenance and repair	1	1	-	0.1	-

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

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

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

04.5 Electricity, gas and other fuels	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
04.5 Electricity, gas and other fuels	28	27	0.3	-0.1	-0.01
04.5.1 Electricity	14	13	-	-	-
04.5.2 Gas	12	12	-	-	-
04.5.3 Liquid fuels	1	1	8.1	-1.8	-0.01
04.5.4 Solid fuels	1	1	-0.8	-0.2	-

- Small downward effect on the all items 12-month rate change.
- Due to **liquid fuels**, where average kerosene prices fell this year but rose a year ago.

4.9 Council tax and rates	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
4.9 Council tax and rates	26	26	-	-	-

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

05 FURNITURE, HOUSEHOLD EQUIPMENT AND MAINTENANCE	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
05 Furniture, household equipment and maintenance	49	49	-0.3	0.5	0.04

- Largest upward effect on the all items 12-month rate change.
- Due to **furniture, furnishings and carpets**; and **household appliances, fitting and repairs**.
- Partially offset by **goods and services for routine maintenance**.

05.1 Furniture, furnishings and carpets	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
05.1 Furniture, furnishings and carpets	16	18	-0.1	1.6	0.03
05.1.1 Furniture and furnishings	13	15	-0.1	1.8	0.03
05.1.2 Carpets and other floor coverings	3	3	0.2	0.6	-

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

05.2 Household textiles	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
05.2 Household textiles	6	6	-1.6	-0.8	-

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

05.3 Household appliances, fitting and repairs	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
05.3 Household appliances, fitting and repairs	7	7	-0.6	0.9	0.01
05.3.1/2 Major appliances and small electric goods	6	6	-0.7	1.0	0.01
05.3.3 Repair of household appliances	1	1	0.1	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 but fell a year ago.

05.4 Glassware, tableware and household utensils	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
05.4 Glassware, tableware and household utensils	5	4	-1.0	-0.4	-

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

05.5 Tools and equipment for house and garden	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
05.5 Tools and equipment for house and garden	4	4	-0.7	-0.3	-

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

05.6 Goods and services for routine maintenance	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
05.6 Goods and services for routine maintenance	11	10	0.5	-0.4	-0.01
05.6.1 Non-durable household goods	4	4	0.7	-1.8	-0.01
05.6.2 Domestic services and household services	7	6	0.4	0.5	-

- Small downward effect on the all items 12-month rate change.
- Due to **non-durable household goods**, where prices overall fell this year but rose a year ago, particularly for household cleaner creams/liquids.

06 HEALTH	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
06 Health	22	21	0.1	0.1	-

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

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

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

06.2 Out-patient services	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
06.2 Out-patient services	5	5	0.2	0.1	-
06.2.1/3 Medical and paramedical services	3	3	0.2	0.1	-
06.2.2 Dental services	2	2	0.2	-	-

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

06.3 Hospital services	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
06.3 Hospital Services	7	6	0.2	0.4	-

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

07 TRANSPORT	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
07 Transport	122	126	1.0	0.1	-0.12

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

07.1 Purchase of vehicles	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
07.1 Purchase of vehicles	35	37	-0.3	-0.6	-0.02
07.1.1A New cars	20	21	-0.3	-0.1	-
07.1.1B Second-hand cars	13	14	-0.3	-1.4	-0.02
07.1.2/3 Motorcycles and bicycles	2	2	-0.3	-1.2	-

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

07.2 Operation of personal transport equipment	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
07.2 Operation of personal transport equipment	58	61	1.0	-0.3	-0.08
07.2.1 Spare parts and accessories	4	4	0.2	0.5	-
07.2.2 Fuels and lubricants	25	26	2.2	-1.1	-0.09
07.2.3 Maintenance and repairs	18	20	0.1	0.2	-
07.2.4 Other services	11	11	-0.1	0.2	-

- Large downward effect on the all items 12-month rate change.
- Due to **fuels and lubricants**, where the average price of petrol across the month, as recorded for the CPIH, fell by 1.1 pence per litre between May and June 2017 to stand at 115.3 pence per litre. Last year, the average price of petrol rose by 2.3 pence per litre between May and June 2016 to stand at 111.0 pence per litre. The average price of diesel fell by 1.4 pence per litre between May and June 2017 to stand at 117.3 pence per litre, compared with a rise of 2.6 pence per litre a year earlier to stand at 112.1 pence per litre.

07.3 Transport services	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
07.3 Transport services	29	28	2.5	1.8	-0.02
07.3.1 Passenger transport by railway	10	11	-2.1	-1.9	-
07.3.2 Passenger transport by road	10	10	0.8	-0.2	-0.01
07.3.3 Passenger transport by air	6	4	10.9	14.5	-0.01
07.3.4 Passenger transport by sea and inland waterway	3	3	4.6	3.2	-0.01

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

Passenger transport by road

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

Passenger transport by air

- Small downward effect.
- The downward contribution is due to weight changes in 2017. Average fares rose this year by more than a year ago. However, as the weight for passenger transport by air has decreased between 2016 and 2017, this has resulted in a small downward effect on the all

items 12-month rate change.

Passenger transport by sea and inland waterway

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

08 COMMUNICATION	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
08 Communication	25	21	0.6	0.7	-

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

08.1 Postal services	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	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 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
08.2/3 Telephone equipment and services	24	20	0.6	0.7	-

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

09 RECREATION AND CULTURE	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
09 Recreation and culture	119	121	0.6	-0.1	-0.09

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

09.1 Audio-visual equipment and related products	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
09.1 Audio-visual equipment and related products	16	15	1.0	-1.1	-0.03
09.1.1 Equipment for the reception and reproduction of sound and pictures	4	3	-0.3	-1.0	-
09.1.2 Photographic, cinematographic and optical equipment	2	2	2.6	0.3	-
09.1.3 Data processing equipment	6	5	1.0	-3.8	-0.03
09.1.4 Recording media	3	4	2.2	1.2	-
09.1.5 Repair of audio-visual equipment and related products	1	1	-	0.4	-

- Small downward effect on the all items 12-month rate change.
- Due to **data processing equipment**, where prices overall fell this year but rose a year ago, with the main downward contributions coming from PC peripherals and tablet computers.

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

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

09.3 Other recreational items, gardens and pets	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
09.3 Other recreational items, gardens and pets	27	30	0.3	-0.4	-0.02
09.3.1 Games, toys and hobbies	16	16	0.4	-0.9	-0.02
09.3.2 Equipment for sport and open-air recreation	2	3	0.5	0.7	-
09.3.3 Gardens, plants and flowers	3	4	-	0.1	-
09.3.4/5 Pets, related products and services	6	7	0.2	-	-

- Small downward effect on the all items 12-month rate change.
- Due to **games, toys and hobbies**, where prices overall fell this year but rose a year ago, particularly for shop bought computer games, preschool activity toys and computer games consoles. Partially offset by small upward contributions coming from computer game

downloads and computer games purchased over the internet.

09.4 Recreational and cultural services	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
09.4 Recreational and cultural services	27	26	1.3	0.1	-0.03
09.4.1 Recreational and sporting services	8	8	0.2	-	-
09.4.2 Cultural services	19	18	1.7	0.1	-0.03

- Small downward effect on the all items 12-month rate change.
- Due to **cultural services**, where charges overall rose this year by less than a year ago, with the main downward contributions coming from subscriptions to satellite television services, theatre admissions and live music events.

09.5 Books, newspapers and stationery	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
09.5 Books, newspapers and stationery	11	9	1.8	0.9	-0.01
09.5.1 Books	3	3	3.4	2.1	-
09.5.2 Newspapers and periodicals	4	3	0.3	-0.4	-
09.5.3/4 Misc. printed matter, stationery, drawing materials	4	3	2.1	1.1	-0.01

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

09.6 Package holidays	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
09.6 Package holidays	29	28	-0.1	0.2	0.01

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

10 EDUCATION	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
10 Education	20	17	-	-	-

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

11 RESTAURANTS AND HOTELS	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
11 Restaurants and hotels	98	101	0.2	0.3	0.01

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

11.1 Catering services	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
11.1 Catering services	81	77	0.2	0.1	-0.01
11.1.1 Restaurants and cafes	74	70	0.2	0.2	-
11.1.2 Canteens	7	7	0.5	-0.1	-

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

11.2 Accommodation services	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
11.2 Accommodation services	17	24	-0.1	0.7	0.02

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

12 MISCELLANEOUS GOODS AND SERVICES	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
12 Misc. goods and services	76	77	-	0.1	0.01

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

12.1 Personal care	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
12.1 Personal care	25	25	-0.2	-	-
12.1.1 Hairdressing and personal grooming establishments	6	6	0.2	0.1	-
12.1.2/3 Appliances and products for personal care	19	19	-0.3	-0.1	-

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

12.3 Personal effects not elsewhere covered	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
12.3 Personal effects not elsewhere covered	12	11	-0.3	-0.6	-
12.3.1 Jewellery, clocks and watches	7	7	-0.4	-1.2	-0.01
12.3.2 Other personal effects	5	4	-0.1	0.4	-

- 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 by more than a year ago, with the main downward contribution coming from diamond solitaire rings.

12.4 Social protection	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
12.4 Social protection	13	13	0.6	0.5	-

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

12.5 Insurance	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
12.5 Insurance	7	7	0.9	1.0	-
12.5.2 House contents insurance	2	2	0.9	1.2	-
12.5.3 Health insurance	2	2	-	-	-
12.5.4 Transport insurance	3	3	1.4	1.4	-

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

12.6 Financial services not elsewhere covered	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
12.6 Financial services not elsewhere covered	9	11	-0.3	0.1	-

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

12.7 Other services not elsewhere covered	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to CPIH annual rate change
12.7 Other services not elsewhere covered	10	10	-	0.1	-

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

RPI SUMMARY

CONTRIBUTIONS TO CHANGE IN THE RPI ANNUAL RATE

GROUPS	Weight 2016	Weight 2017	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to RPI annual rate change
FOOD	102	102	-0.3	-0.2	0.02
CATERING	47	48	0.2	0.1	-
ALCOHOLIC DRINKS	57	57	-0.2	-	0.01
TOBACCO	25	24	0.1	-	-
HOUSING	266	266	0.2	0.1	-0.05
FUEL AND LIGHT	41	38	0.4	-0.1	-0.02
HOUSEHOLD GOODS	62	65	0.2	1.1	0.07
HOUSEHOLD SERVICES	67	64	0.5	0.5	-
CLOTHING AND FOOTWEAR	41	41	-0.5	-1.0	-0.03
PERSONAL GOODS AND SERVICES	42	38	-0.2	-0.1	-
MOTORING EXPENDITURE	117	123	1.0	0.2	-0.11
FARES AND OTHER TRAVEL COSTS	26	26	3.9	5.7	0.06
LEISURE GOODS	29	29	0.8	-0.7	-0.04
LEISURE SERVICES	78	79	0.6	0.2	-0.03

RPI NOTABLE MOVEMENTS

All items RPI	Annual rate +3.5%, down from +3.7% last month Also +3.5% in April 2017 Last lower in March 2017 (+3.1%)
All items RPI exc MIPS (RPIX)	Annual rate +3.8%, down from +3.9% last month Also +3.8% in April 2017 Last lower in March 2017 (+3.4%)
Food	Annual rate +2.3%, up from +2.1% last month Highest since November 2013 (+2.7%)
Non-seasonal food	Annual rate +2.0%, up from +1.9% last month Highest since March 2014 (+2.1%)
Seasonal food	Annual rate +3.8%, up from +3.1% last month Also +3.8% in November 2013 Last higher in October 2013 (+8.0%)
Alcoholic drinks	Annual rate +3.3%, up from +3.1% last month Highest since January 2013 (+4.1%)
Housing	Annual rate +2.0%, down from +2.2% last month Also +2.0% in April 2017 Last lower in October 2013 (+1.6%)
Household goods	Annual rate +5.5%, up from +4.5% last month Highest since December 2011 (+5.8%)
Personal goods and services	Annual rate +2.2%, up from +2.1% last month Also +2.2% in April 2014 Last higher in March 2014 (+2.6%)
All goods	Annual rate +3.9%, down from +4.1% last month Also +3.9% in April 2017 Last lower in February 2017 (+3.8%)
All services	Annual rate +3.6%, up from +3.5% last month Also +3.6% in April 2017 Last higher in September 2013 (+3.7%)
Furniture	Annual rate +8.0%, up from +5.9% last month Highest since June 2007 (+12.5%)

RPI DETAILED BRIEFING

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

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

FOOD	Weight 2016	Weight 2017	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to RPI annual rate change
FOOD	102	102	-0.3	-0.2	0.02

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

Seasonal Food	Weight 2016	Weight 2017	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to RPI annual rate change
SEASONAL FOOD	18	18	-1.0	-0.4	0.01
Home killed lamb	1	1	3.2	0.2	-
Fresh fish	2	2	-0.9	1.9	0.01
Eggs	1	1	-1.4	0.3	-
Unprocessed potatoes	1	1	3.1	-0.1	-
Other fresh vegetables	6	6	-1.6	-0.9	-
Fresh fruit	7	7	-1.7	-0.9	0.01

- Small upward effect on the all items 12-month rate change.
- Due to:
 - Fresh fish**, where prices overall rose this year but fell a year ago; and
 - Fresh fruit**, where prices overall fell this year by less than a year ago.

Non-Seasonal Food	Weight 2016	Weight 2017	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to RPI annual rate change
NON-SEASONAL FOOD	84	84	-0.2	-0.1	0.01
Bread	4	4	1.6	-0.1	-0.01
Cereals	4	3	-2.7	0.1	0.01
Biscuits and cakes	6	6	-0.4	1.1	0.01
Beef	4	4	-0.9	-0.6	-
Imported lamb	1	1	1.2	0.4	-
Pork	1	1	6.8	1.7	-
Bacon	1	1	-1.0	-	-
Poultry	4	3	0.3	-	-
Other meat	6	6	1.4	1.3	-
Processed fish	2	2	1.7	1.8	-
Butter	1	1	-1.4	1.5	-
Oils and fats	1	1	2.2	3.1	-
Cheese	3	3	-2.9	-3.3	-
Milk, fresh	3	3	0.4	0.5	-
Milk products	4	4	-3.7	2.1	0.02
Tea	1	1	-2.3	-1.2	-
Soft drinks	9	8	-0.1	0.4	-
Sugar and preserves	1	1	0.2	2.1	-
Sweets and chocolates	11	11	-2.3	-1.8	-
Potato products	2	3	-0.4	-0.9	-
Processed vegetables	2	2	-2.4	-3.7	-
Processed fruit	1	2	-0.2	0.4	-
Other foods	10	11	2.7	-1.2	-0.04
Coffee and other hot drinks	2	2	0.5	2.7	-

- Small upward effect on the all items 12-month rate change.
- Due to **milk products**, **cereals** and **biscuits and cakes**, where prices overall rose this year but fell a year ago, particularly for yoghurt/fromage frais and breakfast cereals.
- Partially offset by **other foods** and, to a lesser extent, **bread**, where prices overall fell this year but rose a year ago, particularly for cook-in sauces, chilled pizzas, mayonnaise and garlic bread.

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

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

ALCOHOLIC DRINKS	Weight 2016	Weight 2017	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to RPI annual rate change
ALCOHOLIC DRINKS	57	57	-0.2	-	0.01
Beer on sales	19	19	0.1	0.1	-
Beer off sales	5	5	-2.5	1.7	0.02
Wines and spirits on sales	19	19	0.2	0.2	-
Wines and spirits off sales	14	14	-0.3	-1.2	-0.01

- Small upward effect on the all items 12-month rate change.
- Due to **beer off sales**, where prices overall rose this year but fell a year ago, particularly for lager.
- Partially offset by **wines and spirits off sales**, where prices overall fell this year by more than a year ago, with the main downward contributions coming from vodka and white wine.

TOBACCO	Weight 2016	Weight 2017	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to RPI annual rate change
TOBACCO	25	24	0.1	-	-
Cigarettes	21	20	-	-	-
Other tobacco products	4	4	0.5	0.3	-

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

HOUSING	Weight 2016	Weight 2017	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to RPI annual rate change
HOUSING	266	266	0.2	0.1	-0.05
Rent	83	84	0.1	0.1	-
Mortgage interest payments	28	25	-0.2	-0.5	-0.01
Council tax and rates	40	39	-	-	-
Water and other charges	13	13	-	-	-
Repairs and maintenance charges	9	9	-	0.1	-
DIY materials	7	6	0.3	-0.2	-
Dwelling insurance and ground rent	6	6	0.7	1.4	-
House depreciation	80	84	0.8	0.2	-0.05

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

year ago

FUEL AND LIGHT	Weight 2016	Weight 2017	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to RPI annual rate change
FUEL AND LIGHT	41	38	0.4	-0.1	-0.02
Coal and solid fuels	1	1	-0.8	-0.2	-
Electricity	20	19	-	-	-
Gas	18	16	-	-	-
Oil and other fuels	2	2	7.1	-1.4	-0.02

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

HOUSEHOLD GOODS	Weight 2016	Weight 2017	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to RPI annual rate change
HOUSEHOLD GOODS	62	65	0.2	1.1	0.07
Furniture	25	26	0.5	2.6	0.06
Furnishings	8	10	-0.2	0.3	-
Electrical appliances	7	6	-1.5	0.9	0.02
Other household equipment	4	4	-1.0	-0.3	-
Household consumables	11	11	0.9	-0.6	-0.02
Pet care	7	8	0.3	0.1	-

- Largest 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 upward contributions coming from bedroom furniture, kitchen furniture, bookcases and leather settees; and, to a lesser extent
 - **Electrical appliances**, where prices overall rose this year but fell a year ago, particularly for vacuum cleaners.
- Partially offset by **household consumables**, where prices overall fell this year but rose a year ago, particularly for household cleaner creams/liquids.

HOUSEHOLD SERVICES	Weight 2016	Weight 2017	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to RPI annual rate change
HOUSEHOLD SERVICES	67	64	0.5	0.5	-
Domestic services	14	15	0.4	0.3	-
Fees and subscriptions	27	22	0.3	0.2	-
Postage	1	1	-	-	-
Telephone charges	25	26	0.7	0.8	-

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

CLOTHING AND FOOTWEAR	Weight 2016	Weight 2017	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to RPI annual rate change
CLOTHING AND FOOTWEAR	41	41	-0.5	-1.0	-0.03
Men's outerwear	9	8	0.8	0.4	-
Women's outerwear	15	15	-1.1	-1.9	-0.01
Children's outerwear	4	5	1.5	-2.8	-0.02
Other clothing	5	5	-0.8	0.2	0.01
Footwear	8	8	-1.3	-0.3	0.01

- Small downward effect on the all items 12-month rate change.
- Due to:
 - **Children's outerwear**, where prices overall fell this year but rose a year ago, particularly for girls' fashion tops; and
 - **Women's outerwear**, where prices overall fell this year by more than a year ago, with the main downward contributions coming from trousers and showerproof jackets. Partially offset by small upward contributions coming from dresses and casual jackets.
- Partially offset by:
 - **Other clothing**, where prices overall rose this year but fell a year ago; and
 - **Footwear**, where prices overall fell this year by less than a year ago.

PERSONAL GOODS AND SERVICES	Weight 2016	Weight 2017	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to RPI annual rate change
PERSONAL GOODS AND SERVICES	42	38	-0.2	-0.1	-
Personal articles	12	9	-0.1	-0.3	-
Chemists' goods	15	15	-0.6	-0.1	0.01
Personal services	15	14	0.2	0.1	-

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

- There is a small upward contribution coming from **chemists' goods**, where prices overall fell this year by less than a year ago.

MOTORING EXPENDITURE	Weight 2016	Weight 2017	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to RPI annual rate change
MOTORING EXPENDITURE	117	123	1.0	0.2	-0.11
Purchase of motor vehicles	45	46	-0.2	-0.8	-0.03
Maintenance of motor vehicles	16	16	0.1	0.3	-
Petrol and oil	33	37	2.6	0.1	-0.09
Vehicle tax and insurance	23	24	1.7	1.8	0.01

- Largest downward effect on the all items 12-month rate change.
- Due to:
 - **Petrol and oil**, where prices overall rose this year by less than a year ago. The price of petrol, as recorded for the RPI, rose by 0.1 pence per litre between May and June 2017, to stand at 115.7 pence per litre, compared with a rise of 2.8 pence per litre last year to stand at 111.0 pence per litre. Diesel prices rose by 0.2 pence per litre, to stand at 117.8 pence per litre in June 2017, compared with a rise of 3.0 pence per litre last year to stand at 112.0 pence per litre; and, to a lesser extent
 - **Purchase of motor vehicles**, where prices overall fell this year by more than a year ago, particularly for second-hand cars.
- Partially offset by **vehicle tax and insurance**, where average premiums for car insurance rose this year by more than a year ago.

FARES AND OTHER TRAVEL COSTS	Weight 2016	Weight 2017	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to RPI annual rate change
FARES AND OTHER TRAVEL COSTS	26	26	3.9	5.7	0.06
Rail fares	7	6	-1.7	-1.9	-
Bus and coach fares	3	3	1.3	-0.3	-0.01
Other travel costs	16	17	6.6	9.3	0.06

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

LEISURE GOODS	Weight 2016	Weight 2017	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to RPI annual rate change
LEISURE GOODS	29	29	0.8	-0.7	-0.04
Audio-visual equipment	7	6	1.5	-1.4	-0.02
CDs and tapes	2	2	1.4	0.2	-
Toys, photographic and sports goods	9	9	0.5	-0.1	-0.01
Books and newspapers	6	6	1.3	-0.9	-0.01
Gardening products	5	6	-0.3	-0.4	-

- Large downward effect on the all items 12-month rate change.
- Due to **audio-visual equipment, toys, photographic and sports goods** and **books and newspapers**, where prices overall fell this year but rose a year ago, particularly for eBooks, PC peripherals and shop bought computer games. Partially offset by an upward contribution coming from non-fiction hard cover books, where prices overall rose this year by more than a year ago.

LEISURE SERVICES	Weight 2016	Weight 2017	1 month % change Jun 2016	1 month % change Jun 2017	Contribution to RPI annual rate change
LEISURE SERVICES	78	79	0.6	0.2	-0.03
TV licence and rentals	12	12	2.2	-	-0.03
Entertainment and other recreation	16	16	0.9	0.2	-0.01
Foreign holidays	40	40	-0.1	0.2	0.01
UK holidays	10	11	0.9	0.3	-0.01

- Small downward effect on the all items 12-month rate change.
- Due to:
 - **TV licence and rentals**, where subscription fees for satellite TV services were unchanged this year but rose a year ago; and
 - **Entertainment and other recreation** and **UK holidays**, where prices overall rose this year by less than a year ago, with the main downward contributions coming from self catering holidays, live music events and theatre admissions. Partially offset by an upward contribution from overnight hotel accommodation, where average prices rose this year but fell a year ago.
- Partially offset by **foreign holidays**, where prices overall rose this year but fell a year ago.

RECONCILIATION OF CPI AND RPI

(Table 5 of the Consumer Price Inflation Dataset)

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

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

The difference between the CPI and RPI unrounded annual rates in June 2017 was -0.85 percentage points, widening from -0.75 percentage points in May 2017.

The main factor contributing to the widening was:

- **Other differences including weights**, which increased the RPI 12-month rate relative to the CPI 12-month rate by 0.17 percentage points between May and June 2017. The effect came mainly from Air fares, Games, toys and hobbies and equipment for sport and open air recreation, Fuels & lubricants, and Clothing and footwear. The CPI Accommodation Service Proxy also decreased the CPI 12-month rate by 0.02 percentage points but is excluded from the RPI.

The main off-setting factor was:

- **Other housing components excluded from the CPI**, which decreased the RPI 12-month rate relative to the CPI 12-month rate by 0.05 percentage points between May and June 2017. The effect came mainly from house depreciation.

RPI MISCELLANEOUS DATA

Selected Average Prices

Description		April 2017	May 2017	June 2017
Petrol per litre	Diesel	£1.20	£1.18	£1.18
	Petrol	£1.17	£1.16	£1.16
Alcohol pub prices	Draught bitter (pint)	£3.04	£3.05	£3.06
	Draught lager (pint)	£3.57	£3.58	£3.59
	Whisky (per nip)	£2.77	£2.78	£2.78
Cigarettes	Per 20 king size	£9.50	£9.51	£9.52

Average prices are as recorded for the RPI.

Changes in Mortgage Interest Rates

This table gives an estimate of the contribution that changes in the average mortgage interest rate (MI) make to the 1-month percentage change in the RPI.

Month	1-month % change in the RPI	Approx. change in average MI rate	Approx. contribution to the 1-month % change in the RPI
June 2016	+0.4	Down -0.02% points	-0.02% points
July 2016	+0.1	Down -0.01% points	-0.01% points
August 2016	+0.4	Down -0.12% points	-0.11% points
September 2016	+0.2	Up +0.06% points	+0.05% points
October 2016	0.0	Down -0.09% points	-0.08% points
November 2016	+0.3	Down -0.03% points	-0.03% points
December 2016	+0.6	Down -0.02% points	-0.02% points
January 2017	-0.6	Down -0.01% points	-0.01% points
February 2017	+1.1	Down -0.01% points	-0.01% points
March 2017	+0.3	Down -0.01% points	-0.01% points
April 2017	+0.5	Down -0.02% points	-0.02% points
May 2017	+0.4	Negligible	-
June 2017	+0.2	Down -0.02% points	-0.02% points

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

OUTLOOK

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

FOOD

Seasonal Food

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

Monthly % change for CPIH seasonal food index			
Year	May	June	July
2011	2.8	0.5	-0.9
2012	0.6	0.6	-0.5
2013	-0.4	-1.5	0.2
2014	-1.6	-0.5	0.2
2015	0.1	-	-1.4
2016	-0.7	-0.8	0.5
2017	-0.5	-0.3	

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

CLOTHING AND FOOTWEAR

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

Monthly % change for CPIH clothing and footwear index			
Year	May	June	July
2011	0.4	-1.9	-3.5
2012	-0.1	-4.2	-2.6
2013	1.2	-1.9	-3.2
2014	-0.1	0.6	-5.7
2015	0.5	-0.4	-3.3
2016	-0.2	-0.7	-3.4
2017	0.5	-1.0	

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

HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS

Electricity, Gas and Other Fuels

- EDF Energy has announced changes to its standard variable electricity and gas tariffs, effective from June 21. Standard variable dual fuel direct debit tariff will increase by 7.2% to £1,160 a year. The standard variable gas tariff will increase by 5.5%, while the standard electricity tariff will increase by 9%. (media.edfenergy.com 12 April 2017)

FURNITURE, HOUSEHOLD EQUIPMENT AND MAINTENANCE

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

Monthly % change for CPIH furniture, household equipment and maintenance index			
Year	May	June	July
2011	0.3	0.5	-1.1
2012	0.7	-	-1.1
2013	1.0	-0.4	-1.0
2014	0.5	0.2	-1.5
2015	0.6	0.4	-1.5
2016	0.4	-0.3	-1.7
2017	1.2	0.5	

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

TRANSPORT

Fuels and Lubricants

- Oil prices edged up to around \$49 a barrel as a slowdown in the increase of rigs drilling in the United States eased concern that surging shale supplies will undermine OPEC-led cuts. U.S. drillers added two oil rigs in the week to July 14, bringing the total to 765. Brent crude LCOc1, the global benchmark, was up 7 cents at \$48.98 a barrel. U.S. crude CLC1 traded at \$46.55, up 1 cent. Oil prices are less than half their mid-2014 level because of a persistent glut, even after the Organization of the Petroleum Exporting Countries, plus Russia and other non-members started a supply-cutting pact in January. (uk.reuters.com 17 July 2017)
- When considering the price of petrol between June and July 2017, it may be useful to note that the average price of petrol rose by 0.8 pence per litre between June and July 2016, standing at 111.8 pence per litre as measured in the CPIH.
- A 1 pence change on average in the cost of a litre of motor fuel contributes approximately 0.02 percentage points to the 1-month change in the CPIH.

Passenger Transport by Air

- Air fares tend to rise in July.

Monthly % change for CPIH air fares index			
Year	May	June	July
2011	-11.1	8.5	9.8
2012	1.4	7.4	21.7
2013	22.0	-2.8	13.9
2014	-3.2	7.0	14.0
2015	10.4	0.3	21.6
2016	3.8	10.9	15.9
2017	-6.4	14.5	

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

HOUSING (RPI)

Mortgage interest payments (MIPs)

- The Bank of England Bank Rate remained unchanged at 0.25% on Thursday 15 June 2017. The next announcement and minutes from the Bank of England's Monetary Policy Committee are scheduled to be published on 3 August 2017.
- The change in average mortgage interest rates recorded in the RPI was -0.01 percentage points between June and July 2016. The Bank of England Bank Rate remained unchanged at 0.5% in June 2016.
- A one percentage point change in the average mortgage interest rate contributes approximately 0.9 percentage points to the 1-month percentage change in the RPI.

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