

Statistical Bulletin

BRIEFING NOTE

Consumer Price Inflation April 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

<u>CPIH</u>

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

Aside from including owner occupiers' housing costs (OOH) and council tax, CPIH is otherwise identical to CPI. This means that, aside from these 2 components, the factors contributing to the CPI rate are the same as those contributing to the CPIH. For example, if food is reported as increasing the CPIH rate, it is also acting to increase the CPI rate. The size of the contributions for components other than OOH and council tax are exaggerated in the CPI compared with the CPIH because they account for a larger proportion of the overall index.

CPIH is not currently a <u>National Statistic</u>. It has been reassessed by the Office for Statistics Regulation (OSR) against the standards set out in the <u>Code of Practice for Official Statistics</u>. The <u>assessment report</u> 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 April 2017 are:

- The all items CPIH is 103.2, up from 102.7 in March.
- The all items CPIH annual rate is 2.6%, up from 2.3% in March.
- The annual rate for CPIH excluding indirect taxes, CPIHY, is 2.5%, up from 2.2% last month.
- The OOH component of CPIH is 104.1, up from 104.0 in March.
- The OOH component annual rate is 2.2%, down from 2.4% last month.
- The CPIH all goods index is 101.1, down from 101.2 in March.
- The CPIH all goods index annual rate is 2.4%, down from 2.5% last month.
- The CPIH all services index is 104.8, up from 103.8 in March.
- The CPIH all services index annual rate is 2.8%, up 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 <u>Users and uses of consumer price inflation statistics</u>.

The main movements for CPI in April 2017 are:

- The all items CPI is 102.9, up from 102.5 in March.
- The all items CPI annual rate is 2.7%, up from 2.3% in March.
- The annual rate for CPI excluding indirect taxes, CPIY, is 2.6%, up from 2.1% last month.
- The annual rate for CPI at constant tax rates, CPI-CT, is 2.5%, up from 2.1% last month.
- The CPI all goods index is 101.1, down from 101.2 in March.
- The CPI all goods index annual rate is 2.4%, down from 2.5% last month.
- The CPI all services index is 105.0, up from 103.8 in March.
- The CPI all services index annual rate is 3.0%, up from 2.1% 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 <u>full</u> <u>assessment report</u> 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 <u>Users and uses of consumer</u> <u>price inflation statistics</u>.

The main movements for RPI in April 2017 are:

- The all items RPI is 270.6, up from 269.3 in March.
- The all items RPI annual rate is 3.5%, up from 3.1% last month.
- The annual rate for RPIX, the all items RPI excluding mortgage interest payments (MIPs) index, is 3.8%, up from 3.4% last month.
- The all goods RPI is 205.5, down from 205.9 in March.
- The all goods RPI annual rate is 3.9%, down from 4.1% last month.
- The all services RPI is 369.4, up from 365.2 in March.
- The all services RPI annual rate is 3.6%, up from 2.2% last month.

CPIH SUMMARY

CONTRIBUTIONS TO CHANGE IN THE CPIH ANNUAL RATE

	Weight	Weight	1 month	1 month	Contribution
CPIH COICOP DIVISIONS	2016	2017	% change	% change	to CPIH annual
		Feb-Dec	Apr 2016	Apr 2017	rate change
01: Food and non-alcoholic beverages	83	81	-0.1	0.2	0.02
02: Alcoholic beverages and tobacco	34	34	0.8	0.3	-0.02
03: Clothing and footwear	58	58	-0.3	1.1	0.09
04: Housing, water, electricity, gas and other fuels	294	294	0.4	0.5	0.04
05: Furniture, household equipment and maintenance	49	49	-1.5	-1.0	0.03
06: Health	22	21	0.9	1.0	-
07: Transport	122	126	-0.1	1.6	0.21
08: Communication	25	21	0.2	-0.9	-0.03
09: Recreation and culture	119	121	0.8	0.3	-0.06
10: Education	20	17	-	-	-
11: Restaurants and hotels	98	101	0.4	0.6	0.02
12: Miscellaneous goods and services	76	77	-	-0.1	-0.01

Large upward effects came from:

Transport, mainly from air fares, with a rise of 18.6% reflecting the usual pattern of increasing prices around Easter. This counterbalanced a downward effect of similar magnitude in March 2017 and is a result of Easter falling in April this year, compared with March last year. <u>Changes to Vehicle Excise Duty</u> introduced on 1 April 2017 also pushed up the rate. These upward effects were partially offset by a downward contribution from motor fuels, with prices falling for a second consecutive month. Overall, fuel prices fell by 1.5% between March 2017 and April 2017, whereas in the same period last year they rose by 3.4%;



- **Clothing and footwear**, largely from clothing prices which rose by 1.1% between March 2017 and April 2017 compared with a fall of 0.4% a year ago. The upward effects were spread across a wide range of items, principally in women's clothing. Whilst this year was the largest April rise since 2011, it is important to note that the fall in April last year was unusual compared with recent years, accentuating the upward contribution from clothing to the inflation rate. Sales patterns may have contributed to the price movements, as the proportion of items on sale fell between March and April this year, having risen slightly a year ago; and
- Housing and household services, mainly from electricity prices increasing by 2.5% compared with a fall of 0.2% a year ago. Price increases were partially offset by a cap placed on prepayment meter charges (known as the <u>Prepayment Charge Restriction</u>), which began on 1 April 2017 and will be in effect until the end of 2020. Council Tax also had an upward effect, with an increase of 3.8% being the largest since 2007. These upward effects were partially offset by owner occupiers' housing costs (OOH), which increased by 0.1% between March 2017 and April 2017, compared with a larger increase of 0.3% a year ago. This meant that they had a downward effect on the change in the inflation rate.

A large downward effect came from:

• Recreation and culture, this was largely due to falls in prices for computer games, although it is important to note that the price movements are heavily dependent on the composition of bestseller charts. Games in the chart can vary widely in price, meaning that large changes from month-to-month are not unusual.



CPIH NOTABLE MOVEMENTS

All items CPIH	Annual rate +2.6%, up from +2.3% last month Also +2.6% in June 2013 Last higher in April 2012 (+2.8%)
All items CPIH exc energy, food, alcohol and tobacco	Annual rate +2.4%, up from +1.9% last month Also +2.4% in November 2012 and January 2012 Last higher in December 2011 (+2.6%)
Food and non-alcoholic beverages	Annual rate +1.6%, up from +1.3% last month Highest since March 2014 (+1.7%)
Clothing and footwear	Annual rate +2.4%, up from +1.0% last month Highest since June 2014 (+2.5%)
Housing, water, electricity, gas and other fuels	Annual rate +2.2%, up from +2.0% last month Also +2.2% in November 2014 and October 2014 Last higher in October 2013 (+2.3%)
Furniture, household equipment and maintenance	Annual rate +1.7%, up from +1.1% last month Also +1.7% in October 2012 and September 2012 Last higher in August 2012 (+2.3%)
All goods	Annual rate +2.4%, down from +2.5% last month Lowest since February 2017 (+1.9%)
All services	Annual rate +2.8%, up from +2.2% last month Also +2.8% in May 2013 Last higher in March 2013 (+3.0%)
Electricity, gas and other fuels	Annual rate +2.8%, up from +1.3% last month Highest since November 2014 (+4.3%)

CPIH DETAILED BRIEFING

CPIH is not currently a <u>National Statistic</u>. It has been reassessed by the Office for Statistics Regulation (OSR) against the standards set out in the <u>Code of Practice for Official Statistics</u>. The <u>assessment report</u> 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-	Weight	Weight	1 month	1 month	Contribution
ALCOHOLIC BEVERAGES	2016	2017	% change	% change	to CPIH annual
		Feb-Dec	Apr 2016	Apr 2017	rate change
01 Food & non-alcoholic beverages	83	81	-0.1	0.2	0.02

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

01.1 Food	Weight 2016	Weight 2017	1 month % change	1 month % change	Contribution to CPIH annual
		Feb-Dec	Apr 2016	Apr 2017	rate change
01.1 Food	74	71	-	0.1	0.01
01.1.1 Bread and cereals	12	12	-0.5	0.8	0.02
01.1.2 Meat	17	16	-0.6	0.8	0.02
01.1.3 Fish	3	3	-0.3	-1.3	-
01.1.4 Milk, cheese and eggs	10	9	-1.1	-0.8	-
01.1.5 Oils and fats	2	2	10.5	-6.5	-0.03
01.1.6 Fruit	7	7	-1.9	-0.2	0.01
01.1.7 Vegetables including potatoes	11	10	-0.2	0.1	-
01.1.8 Sugar, jam, syrups, chocolate and confectionery	10	10	2.7	1.4	-0.01
01.1.9 Food products not elsewhere covered	2	2	1.3	-0.2	-

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

Bread and cereals

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

from packs of individual cakes.

Meat

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

Oils and fats

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

Fruit

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

Sugar, jam, syrups, chocolate and confectionery

- Small downward effect.
- Prices overall rose this year by less than a year ago, with the main downward contribution coming from cartons/boxes of chocolates.
- Partially offset by a small upward contribution coming from bags of chocolate sweets, where prices overall rose this year but fell a year ago.

01.2 Non-alcoholic beverages	Weight 2016	Weight 2017 Feb-Dec	1 month % change Apr 2016	1 month % change Apr 2017	Contribution to CPIH annual rate change
01.2 Non-alcoholic beverages	9	10	-1.1	0.7	0.02
01.2.1 Coffee, tea and cocoa	2	3	-0.2	1.5	0.01
01.2.2 Mineral waters, soft drinks and juices	7	7	-1.3	0.3	0.01

- Small upward effect on the all items 12-month rate change.
- Due to coffee, tea and cocoa; and mineral waters, soft drinks and juices.

Coffee, tea and cocoa

- Small upward effect.
- Prices overall rose this year but fell a year ago, particularly for jars of instant coffee.

Mineral waters, soft drinks and juices

- Small upward effect.
- Prices overall rose this year but fell a year ago, particularly for bottled cola flavoured drinks and fruit squash.

02 ALCOHOLIC BEVERAGES AND TOBACCO	Weight 2016	Weight 2017 Feb-Dec	1 month % change Apr 2016	1 month % change Apr 2017	Contribution to CPIH annual rate change
02 Alcoholic beverages and tobacco	34	34	0.8	0.3	-0.02

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

02.1 Alcoholic Beverages	Weight 2016	Weight 2017 Feb-Dec	1 month % change Apr 2016	1 month % change Apr 2017	Contribution to CPIH annual rate change
02.1 Alcoholic beverages	15	16	-0.4	-0.4	-
02.1.1 Spirits	4	5	-1.4	-0.4	-
02.1.2 Wine	7	7	-0.3	0.8	0.01
02.1.3 Beer	4	4	0.4	-2.5	-0.01

- Negligible overall effect on the all items 12-month rate change.
- There was a small upward contribution coming from **wine**, where prices overall rose this year but fell a year ago, particularly for New World red wine.
- Offset by a small downward contribution coming from **beer**, where prices overall fell this year but rose a year ago, particularly for larger packs of bottled lager.

02.2 Tobacco	Weight	Weight	1 month	1 month	Contribution
	2016	2017	% change	% change	to CPIH annual
		Feb-Dec	Apr 2016	Apr 2017	rate change
02.2 Tobacco	19	18	1.8	1.0	-0.01

- Small downward effect on the all items 12-month rate change.
- Prices overall rose this year by less than a year ago, with the main downward contribution coming from cigarettes.

03 CLOTHING AND FOOTWEAR	Weight	Weight	1 month	1 month	Contribution
	2016	2017	% change	% change	to CPIH annual
		Feb-Dec	Apr 2016	Apr 2017	rate change
03 Clothing and footwear	58	58	-0.3	1.1	0.09

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



03.1 Clothing	Weight	Weight	1 month	1 month	Contribution
	2016	2017	% change	% change	to CPIH annual
		Feb-Dec	Apr 2016	Apr 2017	rate change
03.1 Clothing	50	49	-0.4	1.1	0.08
03.1.2 Garments	44	44	-0.6	1.1	0.08
03.1.3 Other clothing and clothing accessories	5	4	1.1	1.3	-
03.1.4 Cleaning, repair and hire of clothing	1	1	0.2	0.2	-

- Large upward effect on the all items 12-month rate change.
- Due to **garments**, where prices overall rose this year but fell a year ago, with the main upward contributions coming from women's casual trousers, jumpers, formal skirts and nightwear; men's football shirts and branded T-shirts; and girl's fashion tops.

03.2 Footwear including repairs	Weight 2016	Weight 2017 Feb-Dec	1 month % change Apr 2016	1 month % change Apr 2017	Contribution to CPIH annual rate change
03.2 Footwear including repairs	8	9	0.1	1.2	0.01

- Small upward effect on the all items 12-month rate change.
- Prices overall rose this year by more than a year ago, with the main upward contribution coming from women's high heeled shoes.

04 HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS	Weight 2016	Weight 2017 Feb-Dec	1 month % change Apr 2016	1 month % change Apr 2017	Contribution to CPIH annual rate change
					Tate change
04 Housing, water, electricity, gas and other fuels	294	294	0.4	0.5	0.04

- Large upward effect on the all items 12-month rate change.
- Due to electricity, gas and other fuels and, to a lesser extent, council tax and rates.
- Partially offset by owner occupiers' housing costs.

04.1 Actual rentals for housing	Weight 2016	Weight 2017 Feb-Dec	1 month % change Apr 2016	1 month % change Apr 2017	Contribution to CPIH annual rate change
		rep-Dec	Api 2016	Api 2017	Tale change
04.1 Actual rentals for housing	58	56	-0.2	-0.2	-

4.2 Owner occupiers' housing costs	Weight 2016	Weight 2017 Feb-Dec	1 month % change Apr 2016	1 month % change Apr 2017	Contribution to CPIH annual rate change
4.2 Owner occupiers' housing costs	171	174	0.3	0.1	-0.04

- Large downward effect on the all items 12-month rate change.
- Average charges rose this year by less than a year ago, with the main downward contributions coming from England and Northern Ireland.

04.3 Regular maintenance and repair of the dwelling	Weight	Weight	1 month	1 month	Contribution
	2016	2017	% change	% change	to CPIH annual
		Feb-Dec	Apr 2016	Apr 2017	rate change
04.3 Regular maintenance and repair of the dwelling	2	2	-0.3	-	-
04.3.1 Materials for maintenance and repair	1	1	-0.5	-0.1	-
04.3.2 Services for maintenance and repair	1	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 Apr 2016	1 month % change Apr 2017	Contribution to CPIH annual rate change
04.4 Other services related to the dwelling	9	9	1.3	1.8	-
04.4.1 Water supply	5	4	0.9	1.4	-
04.4.3 Sewerage collection	4	5	1.9	2.1	-



04.5 Electricity, gas and other fuels	Weight 2016	Weight 2017 Feb-Dec	1 month % change Apr 2016	1 month % change Apr 2017	Contribution to CPIH annual rate change
04.5 Electricity, gas and other fuels	28	27	-0.6	1.0	0.04
04.5.1 Electricity	14	13	-0.2	2.5	0.04
04.5.2 Gas	12	12	-1.3	-0.6	0.01
04.5.3 Liquid fuels	1	1	2.3	0.1	-
04.5.4 Solid fuels	1	1	0.2	0.1	-

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

Electricity

- Large upward effect.
- Average charges rose this year but fell a year ago.

Gas

- Small upward effect.
- Average charges fell this year by less than a year ago.

	Weight	Weight	1 month	1 month	Contribution
4.9 Council tax and rates	2016	2017	% change	% change	to CPIH annual
		Feb-Dec	Apr 2016	Apr 2017	rate change
4.9 Council tax and rates	26	26	2.8	3.8	0.03

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

05 FURNITURE, HOUSEHOLD EQUIPMENT AND MAINTENANCE	Weight 2016	Weight 2017 Feb-Dec	1 month % change Apr 2016	1 month % change Apr 2017	Contribution to CPIH annual rate change
05 Furniture, household equipment and maintenance	49	49	-1.5	-1.0	0.03

- Small upward effect on the all items 12-month rate change.
- Due to household appliances, fitting and repairs; and tools and equipment for house and garden.

05.1 Furniture, furnishings and carpets	Weight 2016	Weight 2017 Feb-Dec	1 month % change Apr 2016	1 month % change Apr 2017	Contribution to CPIH annual rate change
05.1 Furniture, furnishings and carpets	16	18	-2.3	-1.9	-
05.1.1 Furniture and furnishings	13	15	-2.5	-1.8	-
05.1.2 Carpets and other floor coverings	3	3	-1.5	-2.7	-

05.2 Household textiles	Weight 2016	Weight 2017 Feb-Dec	1 month % change Apr 2016	1 month % change Apr 2017	Contribution to CPIH annual rate change
05.2 Household textiles	6	6	-0.9	-1.4	-

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

05.3 Household appliances, fitting and repairs	Weight	Weight	1 month	1 month	Contribution
	2016	2017	% change	% change	to CPIH annual
		Feb-Dec	Apr 2016	Apr 2017	rate change
05.3 Household appliances, fitting and repairs	7	7	-2.0	0.4	0.02
05.3.1/2 Major appliances and small electric goods	6	6	-2.3	0.4	0.02
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, particularly for washing machines.

05.4 Glassware, tableware and household utensils	Weight 2016	Weight 2017 Feb-Dec	1 month % change Apr 2016	1 month % change Apr 2017	Contribution to CPIH annual rate change
05.4 Glassware, tableware and household utensils	5	4	-0.8	-1.4	-

05.5 Tools and equipment for house and garden	Weight 2016	Weight 2017 Feb-Dec	1 month % change Apr 2016	1 month % change Apr 2017	Contribution to CPIH annual rate change
05.5 Tools and equipment for house and garden	4	4	-1.8	0.5	0.01

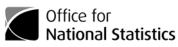
- Small upward effect on the all items 12-month rate change.
- Prices overall rose this year but fell a year ago.

05.6 Goods and services for routine maintenance	Weight	Weight	1 month	1 month	Contribution
	2016	2017	% change	% change	to CPIH annual
		Feb-Dec	Apr 2016	Apr 2017	rate change
05.6 Goods and services for routine					
maintenance	11	10	-0.6	-0.2	-
05.6.1 Non-durable household goods	4	4	-2.0	-0.6	0.01
05.6.2 Domestic services and household					
services	7	6	0.3	0.1	-

- Negligible overall effect on the all items 12-month rate change.
- There was a small upward contribution coming from **non-durable household goods**, where prices overall fell this year by less than a year ago, with the main upward contribution coming from cream/liquid household cleaners.

	Weight	Weight	1 month	1 month	Contribution
06 HEALTH	2016	2017	% change	% change	to CPIH annual
		Feb-Dec	Apr 2016	Apr 2017	rate change
06 Health	22	21	0.9	1.0	-

06.1 Medical products, appliances and equipment	Weight 2016	Weight 2017	1 month % change	1 month % change	Contribution to CPIH annual
		Feb-Dec	Apr 2016	Apr 2017	rate change
06.1 Medical products, appliances and equipment	10	10	0.5	0.3	-
06.1.1 Pharmaceutical products	6	6	0.7	0.6	-
06.1.2/3 Other medical and therapeutic equipment	4	4	0.2	-	-



06.2 Out-patient services	Weight 2016	Weight 2017 Feb-Dec	1 month % change Apr 2016	1 month % change Apr 2017	Contribution to CPIH annual rate change
06.2 Out-patient services	5	5	1.0	0.9	
06.2.1/3 Medical and paramedical services	3	3	-	-0.2	-
06.2.2 Dental services	2	2	2.6	2.5	-

06.3 Hospital services	Weight 2016	Weight 2017 Feb-Dec	1 month % change Apr 2016	1 month % change Apr 2017	Contribution to CPIH annual rate change
06.3 Hospital Services	7	6	1.3	2.0	

	Weight	Weight	1 month	1 month	Contribution
07 TRANSPORT	2016	2017	% change	% change	to CPIH annual
		Feb-Dec	Apr 2016	Apr 2017	rate change
07 Transport	122	126	-0.1	1.6	0.21

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

07.1 Purchase of vehicles	Weight 2016	Weight 2017 Feb-Dec	1 month % change Apr 2016	1 month % change Apr 2017	Contribution to CPIH annual rate change
07.1 Purchase of vehicles	35	37	-0.5	-0.4	-
07.1.1A New cars	20	21	0.2	-0.3	-0.01
07.1.1B Second-hand cars	13	14	-2.1	-0.4	0.02
07.1.2/3 Motorcycles and bicycles	2	2	2.0	-1.5	-0.01

- Negligible overall effect on the all items 12-month rate change.
- There was a small upward contribution coming from **second-hand cars**, where prices overall fell this year by less than a year ago.
- Offset by small downward contributions coming from new cars; and motorcycles and bicycles; where prices overall fell this year but rose a year ago, particularly for new cars and

children's bicycles.

07.2 Operation of personal	Weight 2016	Weight 2017	1 month % change	1 month	Contribution to CPIH annual
transport equipment	2010	Feb-Dec	Apr 2016	% change Apr 2017	rate change
07.2 Operation of personal transport equipment	58	61	1.7	0.7	-0.05
07.2.1 Spare parts and accessories	4	4	-	0.3	-
07.2.2 Fuels and lubricants	25	26	3.4	-1.5	-0.13
07.2.3 Maintenance and repairs	18	20	0.1	0.8	0.02
07.2.4 Other services	11	11	1.0	6.0	0.06

- Large downward effect on the all items 12-month rate change.
- Due to fuels and lubricants.
- Partially offset by other services; and maintenance and repairs.

Fuels and lubricants

- Large downward effect.
- The average price of petrol across the month, as recorded for the CPIH, fell by 1.8 pence per litre between March and April 2017 to stand at 117.4 pence per litre.
- Last year, the average price of petrol rose by 3.6 pence per litre between March and April 2016 to stand at 105.9 pence per litre.
- The average price of diesel fell by 1.8 pence per litre between March and April 2017 to stand at 120.3 pence per litre, compared with a rise of 3.4 pence per litre a year earlier to stand at 106.5 pence per litre.

Maintenance and repairs

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

Other services

- Large upward effect.
- Average charges rose this year by more than a year ago, particularly for vehicle excise duty.



07.3 Transport services	Weight	Weight	1 month	1 month	Contribution
07.5 Transport Services	2016	2017	% change	% change	to CPIH annual
		Feb-Dec	Apr 2016	Apr 2017	rate change
07.3 Transport services	29	28	-2.9	6.0	0.26
07.3.1 Passenger transport by railway	10	11	-1.0	2.0	0.03
07.3.2 Passenger transport by road	10	10	0.6	1.0	-
07.3.3 Passenger transport by air	6	4	-14.2	18.6	0.19
07.3.4 Passenger transport by sea and					
inland waterway	3	3	8.6	20.7	0.04

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

Passenger transport by railway

- Small upward effect.
- Average charges for international rail journeys rose this year but fell a year ago.

Passenger transport by air

- Large upward effect.
- Average air fares rose this year but fell a year ago. The upward effect counterbalanced a downward effect of similar magnitude in March 2017 and is a result of Easter falling in April this year, compared with March last year.

Passenger transport by sea and inland waterway

- Large upward effect.
- Average sea fares rose this year by more than a year ago, with the main upward contribution coming from fares for international routes.

	Weight	Weight	1 month	1 month	Contribution
08 COMMUNICATION	2016	2017	% change	% change	to CPIH annual
		Feb-Dec	Apr 2016	Apr 2017	rate change
08 Communication	25	21	0.2	-0.9	-0.03

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



08.1 Postal services	Weight	Weight	1 month	1 month	Contribution
	2016	2017	% change	% change	to CPIH annual
		Feb-Dec	Apr 2016	Apr 2017	rate change
08.1 Postal services	1	1	1.5	1.7	-

08.2/3 Telephone equipment and services	Weight 2016	Weight 2017 Feb-Dec	1 month % change Apr 2016	1 month % change Apr 2017	Contribution to CPIH annual rate change
08.2/3 Telephone equipment and services	24	20	0.2	-1.0	-0.02

- Small downward effect on the all items 12-month rate change.
- Average charges fell this year but rose a year ago, with the main downward contributions coming from bundled telecommunication services and mobile telephone applications.

09 RECREATION AND	Weight	Weight	1 month	1 month	Contribution
CULTURE	2016	2017	% change	% change	to CPIH annual
		Feb-Dec	Apr 2016	Apr 2017	rate change
09 Recreation and culture	119	121	0.8	0.3	-0.06

- Largest downward effect on the all items 12-month rate change.
- Due to other recreational items, gardens and pets; recreational and cultural services; and to a lesser extent, books, newspapers and stationery.
- Partially offset by package holidays; and to a lesser extent, audio-visual equipment and related products; and other major durables for recreation and culture.

09.1 Audio-visual equipment and related products	Weight 2016	Weight 2017 Feb-Dec	1 month % change Apr 2016	1 month % change Apr 2017	Contribution to CPIH annual rate change
09.1 Audio-visual equipment and related products	16	15	-0.8	0.2	0.02
09.1.1 Equipment for the reception and reproduction of sound and pictures	4	3	-1.8	0.1	0.01
09.1.2 Photographic, cinematographic and optical equipment	2	2	-1.6	-1.8	-
09.1.3 Data processing equipment	6	5	-0.6	-2.5	-0.01
09.1.4 Recording media	3	4	0.3	4.5	0.02
09.1.5 Repair of audio-visual equipment and related products	1	1	-	0.1	-

- Small upward effect on the all items 12-month rate change.
- Due to recording media; and equipment for the reception and reproduction of sound and pictures.
- Partially offset by data processing equipment.

Equipment for the reception and reproduction of sound and pictures

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

Data processing equipment

- Small downward effect.
- Prices overall fell this year by more than a year ago, with the main downward contributions coming from tablet computers and computer software.

Recording media

- Small upward effect.
- Prices overall rose this year by more than a year ago, particularly for music downloads.

09.2 Other major durables	Weight	Weight	1 month	1 month	Contribution
for recreation and culture	2016	2017	% change	% change	to CPIH annual
		Feb-Dec	Apr 2016	Apr 2017	rate change
09.2.1/2 Major durables for in/outdoor					
recreation	9	13	0.5	1.4	0.01

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

09.3 Other recreational items, gardens and pets	Weight 2016	Weight 2017	1 month % change	1 month % change	Contribution to CPIH annual
		Feb-Dec	Apr 2016	Apr 2017	rate change
09.3 Other recreational items, gardens and pets	27	30	0.4	-2.1	-0.08
09.3.1 Games, toys and hobbies	16	16	0.5	-3.9	-0.07
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	-0.5	-0.4	-
09.3.4/5 Pets, related products and services	6	7	0.6	-0.3	-0.01

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

Games, toys and hobbies

- Large downward effect.
- Prices overall fell this year but rose a year ago, particularly for shop bought computer games and computer game downloads.
- Partially offset by a small upward contribution coming from computer games consoles, where prices rose this year but fell a year ago.

Pets, related products and services

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

09.4 Recreational and cultural services	Weight 2016	Weight 2017 Feb-Dec	1 month % change Apr 2016	1 month % change Apr 2017	Contribution to CPIH annual rate change
09.4 Recreational and cultural services	27	26	3.4	2.2	-0.04
09.4.1 Recreational and sporting services	8	8	2.5	1.9	-0.01
09.4.2 Cultural services	19	18	3.8	2.3	-0.03

- Large downward effect on the all items 12-month rate change.
- Due to cultural services and recreational and sporting services.

Recreational and sporting services

- Small downward effect.
- Charges overall rose this year by less than a year ago, particularly for admission to attractions.

Cultural services

- Small downward effect.
- Charges overall rose this year by less than a year ago, particularly for admission to cultural events. Partially offset by small upward contributions coming from theatre admission and admission to live music events, where charges rose this year but fell a year ago.

09.5 Books, newspapers	Weight	Weight	1 month	1 month	Contribution
and stationery	2016	2017	% change	% change	to CPIH annual
		Feb-Dec	Apr 2016	Apr 2017	rate change
09.5 Books, newspapers and stationery	11	9	0.5	-1.2	-0.02
09.5.1 Books	3	3	-0.9	-2.4	-0.01
09.5.2 Newspapers and periodicals	4	3	1.8	-1.0	-0.01
09.5.3/4 Misc. printed matter, stationery, drawing materials	4	3	0.2	-0.3	-

- Small downward effect on the all items 12-month rate change.
- Due to **books**; and **newspapers and periodicals**.

Books

- Small downward effect.
- Prices overall fell this year by more than a year ago, with the main downward contribution coming from non-fiction hard cover books. Partially offset by a small upward contribution coming from non-fiction paper-back books, where prices rose this year but fell a year ago.

Newspapers and periodicals

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

	Weight	Weight	1 month	1 month	Contribution
09.6 Package holidays	2016	2017	% change	% change	to CPIH annual
		Feb-Dec	Apr 2016	Apr 2017	rate change
09.6 Package holidays	29	28	-0.1	1.1	0.04

- Large upward effect on the all items 12-month rate change.
- Prices overall rose this year but fell a year ago, with the main upward contributions coming from late booked foreign holidays and hotel and self catering foreign holidays.



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

11 RESTAURANTS AND HOTELS	Weight 2016	Weight 2017 Feb-Dec	1 month % change Apr 2016	1 month % change Apr 2017	Contribution to CPIH annual rate change
11 Restaurants and hotels	98	101	0.4	0.6	0.02

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

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

11.2 Accommodation services	Weight 2016	Weight 2017	1 month % change	1 month % change	Contribution to CPIH annual
		Feb-Dec	Apr 2016	Apr 2017	rate change
11.2 Accommodation services	17	24	0.8	1.3	0.02

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

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

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

12.1 Personal care	Weight 2016	Weight 2017 Feb-Dec	1 month % change Apr 2016	1 month % change Apr 2017	Contribution to CPIH annual rate change
12.1 Personal care	25	25	-	-0.1	-0.01
12.1.1 Hairdressing and personal grooming establishments	6	6	0.3	0.1	-
12.1.2/3 Appliances and products for personal care	19	19	-0.1	-0.2	-

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

12.3 Personal effects not elsewhere covered	Weight 2016	Weight 2017 Feb-Dec	1 month % change Apr 2016	1 month % change Apr 2017	Contribution to CPIH annual rate change
12.3 Personal effects not elsewhere covered12.3.1 Jewellery, clocks and watches12.3.2 Other personal effects	12 7 5	11 7 4	-0.9 -0.1 -1.9	-1.1 -0.4 -2.3	-

12.4 Social protection	Weight 2016	Weight 2017 Feb-Dec	1 month % change Apr 2016	1 month % change Apr 2017	Contribution to CPIH annual rate change
12.4 Social protection	13	13	0.4	0.5	-



12.5 Insurance	Weight 2016	Weight 2017 Feb-Dec	1 month % change Apr 2016	1 month % change Apr 2017	Contribution to CPIH annual rate change
12.5 Insurance	7	7	0.2	1.1	0.01
12.5.2 House contents insurance	2	2	0.2	0.7	-
12.5.3 Health insurance	2	2	3.1	2.5	-
12.5.4 Transport insurance	3	3	-1.7	0.4	0.01

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

12.6 Financial services not elsewhere covered	Weight 2016	Weight 2017 Feb-Dec	1 month % change Apr 2016	1 month % change Apr 2017	Contribution to CPIH annual rate change
12.6 Financial services not elsewhere covered	9	11	-0.1	-0.4	-0.01

- Small downward effect on the all items 12-month rate change.
- Charges overall fell this year by more than a year ago, with the main downward contribution coming from unit trust initial charges.

12.7 Other services not elsewhere covered	Weight 2016	Weight 2017	1 month % change	1 month % change	Contribution to CPIH annual
		Feb-Dec	Apr 2016	Apr 2017	rate change
12.7 Other services not elsewhere					
covered	10	10	0.5	0.2	-

RPI SUMMARY

CONTRIBUTIONS TO CHANGE IN THE RPI ANNUAL RATE

GROUPS	Weight 2016	Weight 2017	1 month % change	1 month % change	Contribution to RPI annual
			Apr 2016	Apr 2017	rate change
FOOD	102	102	-0.1	0.2	0.03
CATERING	47	48	0.2	0.4	0.01
ALCOHOLIC DRINKS	57	57	0.1	0.1	-
ТОВАССО	25	24	1.7	1.1	-0.02
HOUSING	266	266	0.7	0.4	-0.09
FUEL AND LIGHT	41	38	-0.6	1.0	0.06
HOUSEHOLD GOODS	62	65	-1.6	-1.1	0.02
HOUSEHOLD SERVICES	67	64	0.6	-0.4	-0.07
CLOTHING AND FOOTWEAR	41	41	0.1	1.6	0.07
PERSONAL GOODS AND SERVICES	42	38	0.4	0.1	-0.01
MOTORING EXPENDITURE	117	123	0.5	-	-0.06
FARES AND OTHER TRAVEL COSTS	26	26	-5.6	8.4	0.39
LEISURE GOODS	29	29	-0.1	-0.4	-0.01
LEISURE SERVICES	78	79	0.6	1.2	0.05

RPI NOTABLE MOVEMENTS

All items RPI	Annual rate +3.5%, up from +3.1% last month Also +3.5% in April 2012 Last higher in March 2012 (+3.6%)
All items RPI exc MIPS (RPIX)	Annual rate +3.8%, up from +3.4% last month Also +3.8% in February 2012 Last higher in January 2012 (+4.0%)
Food	Annual rate +1.5%, up from +1.2% last month Highest since March 2014 (+1.9%)
Non seasonal food	Annual rate +1.1%, up from +1.0% last month Also +1.1% in June 2014 Last higher in April 2014 (+1.5%)
Seasonal food	Annual rate +3.2%, up from +2.1% last month Highest since November 2013 (+3.8%)
Catering	Annual rate +2.8%, up from +2.6% last month Also +2.8%, in September 2013 and July 2013
	Last higher in June 2013 (+2.9%)
Housing	Last higher in June 2013 (+2.9%) Annual rate +2.0%, down from +2.4% last month Lowest since October 2013 (+1.6%)
Housing Fuel and light	Annual rate +2.0%, down from +2.4% last month
	Annual rate +2.0%, down from +2.4% last month Lowest since October 2013 (+1.6%) Annual rate +3.3%, up from +1.6% last month
Fuel and light	Annual rate +2.0%, down from +2.4% last month Lowest since October 2013 (+1.6%) Annual rate +3.3%, up from +1.6% last month Highest since November 2014 (+4.0%) Annual rate +3.4%, up from +2.9% last month



Leisure services	Annual rate +2.7%, up from +2.1% last month					
	Also +2.7% in February 2016 and December 2015 Last higher in November 2015 (+2.9%)					
All goods	Annual rate +3.9%, down from +4.1% last month Lowest since February 2017 (+3.8%)					
All services	Annual rate +3.6%, up from +2.2% last month Highest since September 2013 (+3.7%)					



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.

	Weight	Weight	1 month	1 month	Contribution
FOOD	2016	2017	% change	% change	to RPI annual
			Apr 2016	Apr 2017	rate change
FOOD	102	102	-0.1	0.2	0.03

- 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	1 month % change	Contribution to RPI annual
			Apr 2016	Apr 2017	rate change
SEASONAL FOOD	18	18	-1.1	-0.1	0.02
Home killed lamb	1	1	3.6	2.7	-
Fresh fish	2	2	-0.6	-0.7	-
Eggs	1	1	-0.2	0.2	-
Unprocessed potatoes	1	1	0.1	-0.6	-
Other fresh vegetables	6	6	-1.2	-0.4	-
Fresh fruit	7	7	-2.2	-	0.02

- Small upward effect on the all items 12-month rate change.
- Due to **fresh fruit**, where prices overall were little changed this year but fell a year ago, with the main upward contribution coming from strawberries.



	Weight	Weight	1 month	1 month	Contribution
Non-Seasonal Food	2016	2017	% change	% change	to RPI annual
			Apr 2016	Apr 2017	rate change
NON-SEASONAL FOOD	84	84	0.1	0.2	0.01
Bread	4	4	-0.3	0.1	-
Cereals	4	3	-1.2	-0.7	-
Biscuits and cakes	6	6	-1.1	0.7	0.01
Beef	4	4	-0.3	-1.3	-
Imported lamb	1	1	-2.2	-2.4	-
Pork	1	1	-0.9	-2.4	-
Bacon	1	1	1.3	3.7	-
Poultry	4	3	-2.6	1.1	0.01
Other meat	6	6	-0.8	0.8	0.01
Processed fish	2	2	0.8	-1.4	-
Butter	1	1	4.2	0.6	-
Oils and fats	1	1	14.9	-9.1	-0.02
Cheese	3	3	-2.1	-2.2	-
Milk, fresh	3	3	0.9	-0.5	-
Milk products	4	4	-3.7	0.3	0.02
Tea	1	1	1.9	-1.0	-
Soft drinks	9	8	-1.4	0.5	0.02
Sugar and preserves	1	1	0.2	1.3	-
Sweets and chocolates	11	11	3.4	1.2	-0.02
Potato products	2	3	1.4	2.8	0.01
Processed vegetables	2	2	-0.3	-4.1	-0.01
Processed fruit	1	2	-0.6	-0.8	-
Other foods	10	11	1.2	1.2	-
Coffee and other hot drinks	2	2	-1.6	2.2	0.01

- Small upward effect on the all items 12-month rate change.
- Due to:
 - Soft drinks, milk products, poultry, biscuits and cakes, other meat and coffee and other hot drinks, where prices overall rose this year but fell a year ago, particularly for bottles of cola flavoured drinks, fruit squash, yoghurt/fromage frais, fresh chicken breasts, packs of individual cakes, individual fruit pies, plain biscuits and jars of instant coffee. Partially offset by a small downward contribution coming from whole sponge cakes, where prices overall fell this year but rose a year ago; and
 - Potato products, where prices overall rose this year by more than a year ago, with the main upward contribution coming from frozen chips. Partially offset by a small downward contribution coming from multi-packs of potato crisps, where prices overall fell this year but rose a year ago.
- Partially offset by:
 - **Sweets and chocolates**, where prices overall rose this year by less than a year ago, with the main downward contributions coming from carton/boxes of chocolates and

large bars of chocolate. Partially offset by a small upward contribution coming from bags of chocolate sweets, where prices overall rose this year but fell a year ago;

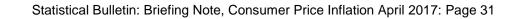
- **Oils and fats**, where prices overall fell this year but rose a year ago, particularly for margarine/low fat spread; and
- **Processed vegetables**, where prices overall fell this year by more than a year ago.

CATERING	Weight 2016	Weight 2017	1 month % change Apr 2016	1 month % change Apr 2017	Contribution to RPI annual rate change
CATERING	47	48	0.2	0.4	0.01
Restaurant meals	28	29	0.3	0.5	-
Canteen meals	3	3	0.2	0.1	-
Take-away meals and snacks	16	16	0.1	0.4	-

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

ALCOHOLIC DRINKS	Weight 2016	Weight 2017	1 month % change	1 month % change	Contribution to RPI annual
			Apr 2016	Apr 2017	rate change
ALCOHOLIC DRINKS	57	57	0.1	0.1	-
Beer on sales	19	19	0.4	0.4	-
Beer off sales	5	5	0.8	-1.6	-0.01
Wines and spirits on sales	19	19	0.4	0.4	-
Wines and spirits off sales	14	14	-1.0	-	0.01

- Negligible overall effect on the all items 12-month rate change.
- There was a small upward contribution coming from **wines and spirits off sales**, where prices overall were little changed this year but fell a year ago, with the main upward contributions coming from New World red wine and rosé wine.
- Offset by a small downward contribution coming from **beer off sales**, where prices overall fell this year but rose a year ago, particularly for larger packs of lager.



ТОВАССО	Weight 2016	Weight 2017	1 month % change	1 month % change	Contribution to RPI annual
ТОВАССО	25	24	Apr 2016 1.7	Apr 2017 1.1	rate change -0.02
Cigarettes	20	20	1.8	0.9	-0.02
Other tobacco products	4	4	1.6	2.0	-

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

HOUSING	Weight 2016	Weight 2017	1 month % change	1 month % change	Contribution to RPI annual
			Apr 2016	Apr 2017	rate change
HOUSING	266	266	0.7	0.4	-0.09
Rent	83	84	-0.1	-0.1	-
Mortgage interest payments	28	25	-0.1	-0.3	-
Council tax and rates	40	39	2.8	3.8	0.04
Water and other charges	13	13	1.4	1.8	-
Repairs and maintenance charges	9	9	-	-	-
DIY materials	7	6	-0.7	-0.1	-
Dwelling insurance and ground rent	6	6	0.1	-0.3	-
House depreciation	80	84	1.0	-0.6	-0.13

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

FUEL AND LIGHT	Weight 2016	Weight 2017	1 month % change	1 month % change	Contribution to RPI annual
			Apr 2016	Apr 2017	rate change
FUEL AND LIGHT	41	38	-0.6	1.0	0.06
Coal and solid fuels	1	1	0.3	0.1	-
Electricity	20	19	-0.2	2.5	0.05
Gas	18	16	-1.4	-0.6	0.01
Oil and other fuels	2	2	1.8	0.2	-

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

Office for

National Statistics

 Electricity, where average charges rose this year but fell a year ago; and to a lesser extent



• **Gas**, where average charges fell this year by less than a year ago.

HOUSEHOLD GOODS	Weight 2016	Weight 2017	1 month % change	1 month % change	Contribution to RPI annual
			Apr 2016	Apr 2017	rate change
HOUSEHOLD GOODS	62	65	-1.6	-1.1	0.02
Furniture	25	26	-2.7	-1.8	0.02
Furnishings	8	10	-1.1	-2.1	-0.01
Electrical appliances	7	6	-2.0	0.3	0.02
Other household equipment	4	4	0.4	-1.3	-0.01
Household consumables	11	11	-1.0	-	0.01
Pet care	7	8	0.5	-0.2	-0.01

- Small upward effect on the all items 12-month rate change.
- Due to:
 - **Furniture**, where prices overall fell this year by less than a year ago, particularly for double beds. Partially offset by a small upward contribution coming from dining room furniture;
 - Electrical appliances, where prices overall rose this year but fell a year ago, particularly for washing machines; and
 - **Household consumables**, where prices overall were little changed this year but fell a year ago, with the main upward contribution coming from cream/liquid household cleaners.
- Partially offset by:
 - **Furnishings**, where prices overall fell this year by more than a year ago, with the main downward contribution coming from tufted carpets; and
 - Other household equipment and pet care, where prices fell this year but rose a year ago, particularly for small mammal cages.

HOUSEHOLD SERVICES	Weight 2016	Weight 2017	1 month % change	1 month % change	Contribution to RPI annual
			Apr 2016	Apr 2017	rate change
HOUSEHOLD SERVICES	67	64	0.6	-0.4	-0.07
Domestic services	14	15	0.3	0.4	-
Fees and subscriptions	27	22	0.9	0.1	-0.02
Postage	1	1	1.5	1.7	-
Telephone charges	25	26	0.5	-1.2	-0.05

- Large downward effect on the all items 12-month rate change.
- Due to:
 - **Telephone charges**, where prices overall fell this year but rose a year ago; with the



main downward contributions coming from bundled telecommunication services, mobile telephone applications and subscriptions to the internet; and to a lesser extent

• **Fees and subscriptions**, where charges overall rose this year by less than a year ago, with the main downward contribution coming from estate agent fees.

CLOTHING AND FOOTWEAR	Weight 2016	Weight 2017	1 month % change	1 month % change	Contribution to RPI annual
			Apr 2016	Apr 2017	rate change
CLOTHING AND FOOTWEAR	41	41	0.1	1.6	0.07
Men's outerwear	9	8	0.8	3.5	0.02
Women's outerwear	15	15	-0.3	1.1	0.02
Children's outerwear	4	5	0.3	1.3	0.01
Other clothing	5	5	-	1.5	0.01
Footwear	8	8	0.2	1.3	0.01

- Large upward effect on the all items 12-month rate change.
- Due to:
 - **Women's outerwear**, where prices overall rose this year but fell a year ago, with the main upward contributions coming from women's jumpers and casual trousers;
 - Men's outerwear, children's outerwear and footwear, where prices overall rose this year by more than a year ago; and
 - **Other clothing**, where prices overall rose this year but were little changed a year ago.

PERSONAL GOODS AND SERVICES	Weight 2016	Weight 2017	1 month % change Apr 2016	1 month % change Apr 2017	Contribution to RPI annual rate change
PERSONAL GOODS AND SERVICES	42	38	0.4	0.1	-0.01
Personal articles	12	9	-0.5	-1.2	-
Chemists' goods	15	15	0.4	-	-0.01
Personal services	15	14	1.1	1.2	-

- Small downward effect on the all items 12-month rate change.
- Due to **chemists' goods**, where prices overall were little changed this year but rose a year ago.

MOTORING EXPENDITURE	Weight 2016	Weight 2017	1 month % change Apr 2016	1 month % change Apr 2017	Contribution to RPI annual rate change
MOTORING EXPENDITURE	117	123	0.5	-	-0.06
Purchase of motor vehicles	45	46	-1.1	-0.3	0.03
Maintenance of motor vehicles	16	16	0.1	0.7	0.01
Petrol and oil	33	37	3.5	-2.3	-0.20
Vehicle tax and insurance	23	24	-0.1	3.8	0.10

- Large downward effect on the all items 12-month rate change.
- Due to:
 - Petrol and oil, where prices overall fell this year but rose a year ago. The price of petrol, as recorded for the RPI, fell by 2.8 pence per litre between March and April 2017, to stand at 117.0 pence per litre, compared with a rise of 3.7 pence per litre last year to stand at 105.4 pence per litre. Diesel prices fell by 2.8 pence per litre, to stand at 120.0 pence per litre in April 2017, compared with a rise of 3.5 pence per litre last year to stand at 106.0 pence per litre.
- Partially offset by;
 - Vehicle tax and insurance, where average premiums for car insurance rose this year but fell a year ago and vehicle excise duty rose this year by more than a year ago; and to a lesser extent
 - **Purchase of motor vehicles**, where prices overall fell this year by less than a year ago, particularly for second-hand vehicles. Partially offset by new cars, where prices overall fell this year but rose a year ago; and
 - **Maintenance of motor vehicles**, where prices overall rose this year by more than a year ago, with the main upward contribution coming from roadside recovery services.

FARES AND OTHER TRAVEL COSTS	Weight 2016	Weight 2017	1 month % change Apr 2016	1 month % change Apr 2017	Contribution to RPI annual rate change
FARES AND OTHER TRAVEL COSTS	26	26	-5.6	8.4	0.39
Rail fares	7	6	-0.8	2.0	0.02
Bus and coach fares	3	3	0.5	1.8	-
Other travel costs	16	17	-8.4	11.9	0.36

- Largest upward effect on the all items 12-month rate change.
- Due to:
 - Other travel costs, where average air fares rose this year but fell a year ago. The upward effect counterbalanced a downward effect of similar magnitude in March 2017

and is a result of Easter falling in April this year, compared with March last year; and

• **Rail fares**, where average charges for international rail journeys rose this year but fell a year ago.

LEISURE GOODS	Weight 2016	Weight 2017	1 month % change	1 month % change	Contribution to RPI annual
			Apr 2016	Apr 2017	rate change
LEISURE GOODS	29	29	-0.1	-0.4	-0.01
Audio-visual equipment	7	6	-1.4	-	-
CDs and tapes	2	2	1.1	2.3	-
Toys, photographic and sports goods	9	9	0.3	-1.2	-0.01
Books and newspapers	6	6	0.7	-0.7	-0.01
Gardening products	5	6	-0.9	0.2	0.01

- Small downward effect on the all items 12-month rate change.
- Due to **toys**, **photographic and sports goods**; and **books and newspapers**, where prices overall fell this year but rose a year ago, particularly for shop bought computer games, computer game downloads, periodicals and non-fiction hard cover books. Partially offset by a small upward contribution from non-fiction paper-back books, where prices rose this year but fell a year ago.
- Partially offset by **gardening products**, where prices overall rose this year but fell a year ago.

LEISURE SERVICES	Weight 2016	Weight 2017	1 month % change	1 month % change	Contribution to RPI annual
			Apr 2016	Apr 2017	rate change
LEISURE SERVICES	78	79	0.6	1.2	0.05
TV licence and rentals	12	12	0.1	0.6	0.01
Entertainment and other recreation	16	16	2.7	2.1	-0.01
Foreign holidays	40	40	-0.1	1.2	0.05
UK holidays	10	11	0.8	0.9	-

- Large upward effect on the all items 12-month rate change.
- Due to:
 - Foreign holidays, where prices overall rose this year but fell a year ago, with the main upward contributions coming from late booked foreign holidays and hotel and selfcatering foreign holidays; and to a lesser extent
 - **TV licence and rentals**, where charges for TV licences rose this year by more than a year ago.



• Partially offset by **entertainment and other recreation**, where prices overall rose this year by less than a year ago, particularly for admission to attractions and cultural events. Partially offset by a small upward contribution coming from admission to live music events, where prices 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 April 2017 was -0.82 percentage points, narrowing from -0.83 percentage points in March 2017.

The main factors contributing to the narrowing were:

- Other housing components excluded from the CPI, which decreased the RPI 12-month rate relative to the CPI 12-month rate by 0.11 percentage points between March 2017 and April 2017. The effect came mainly from house depreciation and estate agent fees partially offset by council tax.
- **The formula effect**, which decreased the RPI 12-month rate relative to the CPI 12-month rate by 0.03 percentage points between March 2017 and April 2017. The effect was caused by numerous small changes across a variety of sectors.

The main off-setting factor was:

• Other differences including weights, which increased the RPI 12-month rate relative to the CPI 12-month rate by 0.12 percentage points between March 2017 and April 2017. The effect came mainly from air fares; games, toys and hobbies and equipment for sport and open air recreation; insurance and second-hand cars. This was partially offset by clothing and footwear; sea fares and fuels and lubricants.

RPI MISCELLANEOUS DATA

Selected Average Prices	Se	lected	Average	Prices
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5				
Description		February 2017	March 2017	April 2017
Detrol per litro	Diesel	£1.23	£1.23	£1.20
Petrol per litre	Petrol	£1.20	£1.20	£1.17
Alcohol pub prices	Draught bitter (pint)	£3.02	£3.03	£3.04
	Draught lager (pint)	£3.52	£3.55	£3.57
	Whisky (per nip)	£2.73	£2.76	£2.77
Cigarettes	Per 20 king size	£9.21	£9.41	£9.50

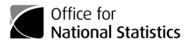
Average prices are as recorded for the RPI.

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
April 2016	+0.1	Down -0.02% points	-0.02% points
May 2016	+0.3	Down -0.01% points	-0.01% points
June 2016	+0.4	Down -0.02% points	-0.02% points
July 2016	+0.1	Down -0.01% points	-0.01% points
August 2016	+0.4	Down -0.12% points	-0.11% points
September 2016	+0.2	Up +0.06% points	+0.05% points
October 2016	0.0	Down -0.09% points	-0.08% points
November 2016	+0.3	Down -0.03% points	-0.03% points
December 2016	+0.6	Down -0.02% points	-0.02% points
January 2017	-0.6	Down -0.01% points	-0.01% points
February 2017	+1.1	Down -0.01% points	-0.01% points
March 2017	+0.3	Down -0.01% points	-0.01% points
April 2017	+0.5	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 rise and falls in May 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	March	April	Мау	
2011	-2.0	-1.1	2.8	
2012	-0.2	-1.2	0.6	
2013	-0.7	0.6	-0.4	
2014	-0.5	-1.7	-1.6	
2015	-0.4	-0.7	0.1	
2016	-0.9	-0.8	-0.7	
2017	0.6	-0.2		

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

CLOTHING AND FOOTWEAR

• Clothing and footwear prices have shown a mixed pattern of rise and falls in May of recent years.

Monthly % change for CPIH clothing and footwear index			
Year	March	April	Мау
2011	1.1	1.3	0.4
2012	2.1	0.2	-0.1
2013	2.3	-	1.2
2014	1.8	1.0	-0.1
2015	-0.1	0.7	0.5
2016	1.0	-0.3	-0.2
2017	2.0	1.1	

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

HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS

Electricity, Gas and Other Fuels

• SSE has increased standard GB domestic electricity prices from 28 April. The price change equates to a £73 or an average 6.9% rise for a typical dual fuel customer, as a result of an average 14.9% electricity price increase. (sse.com 13 March 2017)

• E.ON's standard dual fuel energy prices increased by an average of 8.8% on 26 April. Standard electricity prices will increase by an average of 13.8%. Standard gas prices increased by an average of 3.8%. (pressreleases.eon-uk.com 7 March 2017)

FURNITURE, HOUSEHOLD EQUIPMENT AND MAINTENANCE

• Prices tend to rise in May.

Monthly % change for CPIH furniture, household equipment and maintenance index			
Year	March	April	Мау
2011	1.7	-0.8	0.3
2012	1.4	-1.2	0.7
2013	0.8	-1.3	1.0
2014	0.3	-0.9	0.5
2015	0.4	-1.2	0.6
2016	0.7	-1.5	0.4
2017	0.7	-1.0	

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

TRANSPORT

Fuels and Lubricants

- Oil prices were stable on Friday as traders expected OPEC-led production cuts to extend beyond the middle of this year, and as U.S. crude inventories fell to their lowest levels since February. International Brent crude futures LCOc1 were at \$50.78 per barrel at 0159 GMT on Friday, virtually unchanged from their last close. (uk.reuters.com 12 May 2017)
- When considering the price of petrol between April and May 2017, it may be useful to note that the average price of petrol rose by 2.8 pence per litre between April and May 2016, standing at 108.7 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 May, but this can depend on the position of Easter.

Monthly % change for CPIH air fares index			
Year	March	April	Мау
2011	2.1	29.0	-11.1
2012	4.4	7.4	1.4
2013	5.3	-6.4	22.0
2014	1.9	17.9	-3.2
2015	2.7	4.5	10.4
2016	22.9	-14.2	3.8
2017	-3.9	18.6	

• 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 11 May 2017. The next announcement and minutes from the Bank of England's Monetary Policy Committee are scheduled to be published on 15 June 2017.
- The change in average mortgage interest rates recorded in the RPI was -0.01% between April and May 2016. The Bank of England Bank Rate remained unchanged at 0.5% in April 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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