

Consumer Price Inflation

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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.

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

The main movements for CPIH in July 2017 are:

- The all items CPIH is 103.5, unchanged from last month.
- The all items CPIH annual rate is 2.6%, unchanged from last month.
- The annual rate for CPIH excluding indirect taxes, CPIHY, is 2.4%, unchanged from last month.
- The OOH component of CPIH is 104.4, up from 104.2 in June.
- The OOH component annual rate is 2.0%, unchanged from last month.
- The CPIH all goods index is 100.7, down from 101.3 in June.
- The CPIH all goods index annual rate is 2.7%, up from 2.6% last month.
- The CPIH all services index is 105.6, up from 105.1 in June.
- The CPIH all services index annual rate is 2.4%, down from 2.5% 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 July 2017 are:

- The all items CPI is 103.2, down from 103.3 in June.
- The all items CPI annual rate is 2.6%, unchanged from last month.
- The annual rate for CPI excluding indirect taxes, CPIY, is 2.5%, unchanged from last month.
- The annual rate for CPI at constant tax rates, CPI-CT, is 2.4%, unchanged from last month.
- The CPI all goods index is 100.7, down from 101.3 in June.
- The CPI all goods index annual rate is 2.7%, up from 2.6% last month.
- The CPI all services index is 106.0, up from 105.5 in June.
- The CPI all services index annual rate is 2.6%, down from 2.7% 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 July 2017 are:

- The all items RPI is 272.9, up from 272.3 in June.
- The all items RPI annual rate is 3.6%, up from 3.5% last month.
- The annual rate for RPIX, the all items RPI excluding mortgage interest payments (MIPs) index, is 3.9%, up from 3.8% last month.
- The all goods RPI is 204.9, down from 206.1 in June.
- The all goods RPI annual rate is 3.9%, unchanged from last month.
- The all services RPI is 376.7, up from 373.0 in June.
- The all services RPI annual rate is 3.9%, up from 3.6% last month.

CPIH SUMMARY

CONTRIBUTIONS TO CHANGE IN THE CPIH ANNUAL RATE

CPIH COICOP DIVISIONS	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jul 2016	1 month % change Jul 2017	Contribution to CPIH annual rate change
01: Food and non-alcoholic beverages	83	81	-0.3	-0.1	0.02
02: Alcoholic beverages and tobacco	34	34	0.3	0.3	-
03: Clothing and footwear	58	58	-3.4	-2.9	0.02
04: Housing, water, electricity, gas and other fuels	294	294	0.1	0.2	0.02
05: Furniture, household equipment and maintenance	49	49	-1.7	-1.2	0.02
06: Health	22	21	-	0.3	0.01
07: Transport	122	126	1.5	1.0	-0.06
08: Communication	25	21	0.3	-0.4	-0.02
09: Recreation and culture	119	121	-0.1	-0.2	-0.01
10: Education	20	17	-	-	-
11: Restaurants and hotels	98	101	0.4	0.3	-0.01
12: Miscellaneous goods and services	76	77	-0.1	0.1	0.01

A large downward effect came from:

- **Transport**, in particular motor fuels. Fuel prices fell by 1.3% between June and July 2017, the fifth successive month of price decreases. This contrasts with the same period last year, when fuel prices rose by 0.7%.
- This was offset by smaller upward contributions from a range of goods and services. The 12-month inflation rates for some of the broad groupings (namely **food and non-alcoholic beverages; clothing and footwear; miscellaneous goods and services; furniture and household goods**) have edged up to the highest seen for several years.

CPIH NOTABLE MOVEMENTS

All items CPIH	<p>Annual rate +2.6%, unchanged from last month</p> <p>Last higher in May 2017 (+2.7%)</p> <p>Last lower in March 2017 (+2.3%)</p>
All items CPIH exc energy, food, alcohol and tobacco	<p>Annual rate +2.4%, unchanged from last month</p> <p>Last higher in May 2017 (+2.5%)</p> <p>Last lower in March 2017 (+1.9%)</p>
Food and non-alcoholic beverages	<p>Annual rate +2.6%, up from +2.4% last month</p> <p>Highest since November 2013 (+2.8%)</p>
Clothing and footwear	<p>Annual rate +3.2%, up from 2.7% last month</p> <p>Also +3.2% in March 2012</p> <p>Highest since October 2011 (+3.6%)</p>
Housing, water, electricity, gas and other fuels	<p>Annual rate +2.2%, up from +2.1% last month</p> <p>Also +2.2% in May 2017, April 2017, November 2014 and October 2014</p> <p>Highest since October 2013 (+2.3%)</p>
Furniture, household equipment and maintenance	<p>Annual rate +3.7%, up from +3.2% last month</p> <p>Highest since May 2012 (+4.0%)</p>
Communication	<p>Annual rate +0.8%, down from +1.5% last month</p> <p>Also +0.8% in March 2015 and February 2015</p> <p>Last lower in January 2015 (+0.1%)</p>
Miscellaneous goods and services	<p>Annual rate +1.9%, up from +1.8% last month</p> <p>Also +1.9% in December 2012</p> <p>Last higher in November 2012 (+2.2%)</p>
All goods	<p>Annual rate +2.7%, up from +2.6% last month</p> <p>Highest since May 2017 (+3.0%)</p>
All services	<p>Annual rate +2.4%, down from +2.5% last month</p> <p>Lowest since March 2017 (+2.2%)</p>

CPIH DETAILED BRIEFING

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

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

01 FOOD AND NON-ALCOHOLIC BEVERAGES	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jul 2016	1 month % change Jul 2017	Contribution to CPIH annual rate change
01 Food & non-alcoholic beverages	83	81	-0.3	-0.1	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 Jul 2016	1 month % change Jul 2017	Contribution to CPIH annual rate change
01.1 Food	74	71	-0.1	-	0.01
01.1.1 Bread and cereals	12	12	-0.7	-0.2	0.01
01.1.2 Meat	17	16	-1.3	-0.5	0.01
01.1.3 Fish	3	3	2.8	-2.0	-0.02
01.1.4 Milk, cheese and eggs	10	9	1.5	0.6	-0.01
01.1.5 Oils and fats	2	2	-1.4	-1.6	-
01.1.6 Fruit	7	7	-1.5	-1.2	-
01.1.7 Vegetables including potatoes	11	10	1.2	0.5	-0.01
01.1.8 Sugar, jam, syrups, chocolate and confectionery	10	10	0.2	1.2	0.01
01.1.9 Food products not elsewhere covered	2	2	-1.4	3.9	0.01

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

Bread and cereals

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

Meat

- Small upward effect.
- Prices overall fell this year by less than a year ago, with the main upward contribution coming from sausages. Partially offset by a small downward contribution from pre-packed cooked ham.

Fish

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

Milk, cheese and eggs

- Small downward effect.
- Prices overall rose this year by less than a year ago, with the main downward contribution coming from yoghurt/fromage frais.

Vegetables including potatoes

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

Sugar, jam, syrups, chocolate and confectionery

- Small upward effect.
- Prices overall rose this year by more than a year ago, particularly for chocolate covered ice cream bars. Partially offset by a small downward contribution coming from bags of chocolate sweets.

Food products not elsewhere covered

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

01.2 Non-alcoholic beverages	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jul 2016	1 month % change Jul 2017	Contribution to CPIH annual rate change
01.2 Non-alcoholic beverages	9	10	-1.4	-0.6	0.01
01.2.1 Coffee, tea and cocoa	2	3	-0.3	1.3	-
01.2.2 Mineral waters, soft drinks and juices	7	7	-1.7	-1.5	-

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

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

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

02.1 Alcoholic Beverages	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jul 2016	1 month % change Jul 2017	Contribution to CPIH annual rate change
02.1 Alcoholic beverages	15	16	0.5	0.5	-
02.1.1 Spirits	4	5	2.3	-	-0.01
02.1.2 Wine	7	7	-0.2	1.6	0.01
02.1.3 Beer	4	4	-0.1	-0.7	-

- Negligible overall effect on the all items 12-month rate change.
- There is a small downward contribution coming from **spirits**, where prices overall were little changed this year put rose a year ago.
- Offset by a small upward contribution coming from **wine**, where prices overall rose this year but fell a year ago, particularly for New World white wine and European red wine.

02.2 Tobacco	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jul 2016	1 month % change Jul 2017	Contribution to CPIH annual rate change
02.2 Tobacco	19	18	0.1	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 Jul 2016	1 month % change Jul 2017	Contribution to CPIH annual rate change
03 Clothing and footwear	58	58	-3.4	-2.9	0.02

- Small upward 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 Jul 2016	1 month % change Jul 2017	Contribution to CPIH annual rate change
03.1 Clothing	50	49	-3.6	-3.0	0.03
03.1.2 Garments	44	44	-3.7	-3.1	0.02
03.1.3 Other clothing and clothing accessories	5	4	-3.5	-2.2	0.01
03.1.4 Cleaning, repair and hire of clothing	1	1	0.1	0.2	-

- Small upward effect on the all items 12-month rate change.
- Due to **garments**, and **other clothing and clothing accessories**.

Garments

- Small upward effect.
- Prices overall fell this year by less than a year ago, with the main upward contributions coming from men's official football shirts, women's shower-proof jackets, casual trousers and skirts.
- Partially offset by small downward contributions coming from women's casual jackets, men's jumpers or sweatshirts and girl's fashion tops.

Other clothing and clothing accessories

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

03.2 Footwear including repairs	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jul 2016	1 month % change Jul 2017	Contribution to CPIH annual rate change
03.2 Footwear including repairs	8	9	-2.1	-2.7	-0.01

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

04 HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jul 2016	1 month % change Jul 2017	Contribution to CPIH annual rate change
04 Housing, water, electricity, gas and other fuels	294	294	0.1	0.2	0.02

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

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

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

4.2 Owner occupiers' housing costs	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jul 2016	1 month % change Jul 2017	Contribution to CPIH annual rate change
4.2 Owner occupiers' housing costs	171	174	0.2	0.2	-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 Jul 2016	1 month % change Jul 2017	Contribution to CPIH annual rate change
04.3 Regular maintenance and repair of the dwelling	2	2	0.3	-0.1	-
04.3.1 Materials for maintenance and repair	1	1	0.5	-0.3	-
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 Jul 2016	1 month % change Jul 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 Jul 2016	1 month % change Jul 2017	Contribution to CPIH annual rate change
04.5 Electricity, gas and other fuels	28	27	-	0.8	0.02
04.5.1 Electricity	14	13	-	1.2	0.02
04.5.2 Gas	12	12	-	0.5	0.01
04.5.3 Liquid fuels	1	1	0.2	-0.8	-
04.5.4 Solid fuels	1	1	-0.9	-0.1	-

- Small upward effect on the all items 12-month rate change.
- Due to **electricity** and **gas**.

Electricity

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

Gas

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

4.9 Council tax and rates	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jul 2016	1 month % change Jul 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 Jul 2016	1 month % change Jul 2017	Contribution to CPIH annual rate change
05 Furniture, household equipment and maintenance	49	49	-1.7	-1.2	0.02

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

05.1 Furniture, furnishings and carpets	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jul 2016	1 month % change Jul 2017	Contribution to CPIH annual rate change
05.1 Furniture, furnishings and carpets	16	18	-2.8	-2.7	-0.01
05.1.1 Furniture and furnishings	13	15	-3.5	-3.1	-
05.1.2 Carpets and other floor coverings	3	3	0.3	-0.8	-

- Small downward effect on the all items 12-month rate change.
- The downward contribution is due to weight changes between 2016 and 2017.

05.2 Household textiles	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jul 2016	1 month % change Jul 2017	Contribution to CPIH annual rate change
05.2 Household textiles	6	6	-1.2	-2.9	-0.01

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

05.3 Household appliances, fitting and repairs	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jul 2016	1 month % change Jul 2017	Contribution to CPIH annual rate change
05.3 Household appliances, fitting and repairs	7	7	-0.2	0.8	0.01
05.3.1/2 Major appliances and small electric goods	6	6	-0.3	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 Jul 2016	1 month % change Jul 2017	Contribution to CPIH annual rate change
05.4 Glassware, tableware and household utensils	5	4	-2.8	-2.0	0.01

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

05.5 Tools and equipment for house and garden	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jul 2016	1 month % change Jul 2017	Contribution to CPIH annual rate change
05.5 Tools and equipment for house and garden	4	4	0.5	0.7	-

- 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 Jul 2016	1 month % change Jul 2017	Contribution to CPIH annual rate change
05.6 Goods and services for routine maintenance	11	10	-1.4	1.0	0.03
05.6.1 Non-durable household goods	4	4	-4.1	2.4	0.03
05.6.2 Domestic services and household services	7	6	0.1	0.1	-

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

06 HEALTH	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jul 2016	1 month % change Jul 2017	Contribution to CPIH annual rate change
06 Health	22	21	-	0.3	0.01

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

06.1 Medical products, appliances and equipment	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jul 2016	1 month % change Jul 2017	Contribution to CPIH annual rate change
06.1 Medical products, appliances and equipment	10	10	-0.2	0.3	0.01
06.1.1 Pharmaceutical products	6	6	-0.2	0.6	0.01
06.1.2/3 Other medical and therapeutic equipment	4	4	-0.3	-0.2	-

- Small upward effect on the all items 12-month rate change.
- Due to **pharmaceutical products**, where prices overall rose this year but fell a year ago.

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

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

06.3 Hospital services	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jul 2016	1 month % change Jul 2017	Contribution to CPIH annual rate change
06.3 Hospital Services	7	6	0.4	0.6	-

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

07 TRANSPORT	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jul 2016	1 month % change Jul 2017	Contribution to CPIH annual rate change
07 Transport	122	126	1.5	1.0	-0.06

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

07.1 Purchase of vehicles	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jul 2016	1 month % change Jul 2017	Contribution to CPIH annual rate change
07.1 Purchase of vehicles	35	37	-	0.3	0.01
07.1.1A New cars	20	21	0.2	1.3	0.02
07.1.1B Second-hand cars	13	14	-0.3	-1.1	-0.01
07.1.2/3 Motorcycles and bicycles	2	2	-0.7	-0.2	-

- Small upward effect on the all items 12-month rate change.
- Due to **new cars**, where prices overall rose this year by more than a year ago.
- Partially offset by **second-hand cars**, where prices 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 Jul 2016	1 month % change Jul 2017	Contribution to CPIH annual rate change
07.2 Operation of personal transport equipment	58	61	0.2	-0.4	-0.04
07.2.1 Spare parts and accessories	4	4	0.1	0.2	-
07.2.2 Fuels and lubricants	25	26	0.7	-1.3	-0.05
07.2.3 Maintenance and repairs	18	20	-0.4	0.3	0.01
07.2.4 Other services	11	11	-	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 1.4 pence per litre between June and July 2017 to stand at 113.9 pence per litre. Last year, the average price of petrol rose by 0.8 pence per litre between June and July 2016 to stand at 111.8 pence per litre. The average price of diesel fell by 1.7 pence per litre between June and July 2017 to stand at 115.6 pence per litre, compared with a rise of 0.9 pence per litre a year earlier to stand at 113.0 pence per litre.
- Partially offset by **maintenance and repairs**, where prices overall rose this year but fell a year ago, with the main upward contribution coming from roadside recovery services.

07.3 Transport services	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jul 2016	1 month % change Jul 2017	Contribution to CPIH annual rate change
07.3 Transport services	29	28	5.9	4.9	-0.04
07.3.1 Passenger transport by railway	10	11	2.9	1.2	-0.02
07.3.2 Passenger transport by road	10	10	0.8	0.9	-
07.3.3 Passenger transport by air	6	4	15.9	17.9	-0.03
07.3.4 Passenger transport by sea and inland waterway	3	3	7.3	9.1	0.01

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

Passenger transport by railway

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

Passenger transport by air

- 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 upward effect.
- Average sea fares rose this year by more than a year ago.

08 COMMUNICATION	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jul 2016	1 month % change Jul 2017	Contribution to CPIH annual rate change
08 Communication	25	21	0.3	-0.4	-0.02

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

08.1 Postal services	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jul 2016	1 month % change Jul 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 Jul 2016	1 month % change Jul 2017	Contribution to CPIH annual rate change
08.2/3 Telephone equipment and services	24	20	0.3	-0.4	-0.02

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

09 RECREATION AND CULTURE	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jul 2016	1 month % change Jul 2017	Contribution to CPIH annual rate change
09 Recreation and culture	119	121	-0.1	-0.2	-0.01

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

09.1 Audio-visual equipment and related products	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jul 2016	1 month % change Jul 2017	Contribution to CPIH annual rate change
09.1 Audio-visual equipment and related products	16	15	-0.5	-0.8	-
09.1.1 Equipment for the reception and reproduction of sound and pictures	4	3	2.6	1.1	-0.01
09.1.2 Photographic, cinematographic and optical equipment	2	2	-2.8	-3.4	-
09.1.3 Data processing equipment	6	5	-0.9	-0.1	-
09.1.4 Recording media	3	4	-2.5	-1.9	-
09.1.5 Repair of audio-visual equipment and related products	1	1	0.2	0.4	-

- Negligible overall effect on the all items 12-month rate change.
- There was a small downward contribution coming from **equipment for the reception and reproduction of sound and pictures**, where prices overall rose this year by less than a year ago.

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

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

09.3 Other recreational items, gardens and pets	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jul 2016	1 month % change Jul 2017	Contribution to CPIH annual rate change
09.3 Other recreational items, gardens and pets	27	30	-0.6	-0.9	-0.01
09.3.1 Games, toys and hobbies	16	16	-1.1	-1.6	-0.01
09.3.2 Equipment for sport and open-air recreation	2	3	-0.5	-2.1	-0.01
09.3.3 Gardens, plants and flowers	3	4	0.3	-0.1	-
09.3.4/5 Pets, related products and services	6	7	0.4	0.4	-

- Small downward effect on the all items 12-month rate change.
- Due to **games, toys and hobbies**; and **equipment for sport and open-air recreation**.

Games, toys and hobbies

- Small downward effect.
- Prices overall fell this year by more than a year ago, with the main downward contributions coming from computer games and computer game downloads.
- Partially offset by computer games consoles and children's activity toys, where prices overall rose this year but fell a year ago.

Equipment for sport and open-air recreation

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

09.4 Recreational and cultural services	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jul 2016	1 month % change Jul 2017	Contribution to CPIH annual rate change
09.4 Recreational and cultural services	27	26	0.1	-0.3	-0.01
09.4.1 Recreational and sporting services	8	8	0.1	0.3	-
09.4.2 Cultural services	19	18	0.2	-0.5	-0.01

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

09.5 Books, newspapers and stationery	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jul 2016	1 month % change Jul 2017	Contribution to CPIH annual rate change
09.5 Books, newspapers and stationery	11	9	1.5	2.6	0.01
09.5.1 Books	3	3	4.7	7.4	0.01
09.5.2 Newspapers and periodicals	4	3	0.8	0.3	-
09.5.3/4 Misc. printed matter, stationery, drawing materials	4	3	-0.3	0.1	-

- Small upward effect on the all items 12-month rate change.
- Due to **books**, where prices overall rose this year by more than a year ago, with the main upward contribution coming from eBooks.
- Partially offset by fiction hard cover books where prices overall rose this year by less than a year ago, and non-fiction hard cover books, where prices overall fell this year but rose a year ago.

09.6 Package holidays	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jul 2016	1 month % change Jul 2017	Contribution to CPIH annual rate change
09.6 Package holidays	29	28	-0.2	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 hotel foreign holidays.

10 EDUCATION	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jul 2016	1 month % change Jul 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 Jul 2016	1 month % change Jul 2017	Contribution to CPIH annual rate change
11 Restaurants and hotels	98	101	0.4	0.3	-0.01

- Small downward 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 Jul 2016	1 month % change Jul 2017	Contribution to CPIH annual rate change
11.1 Catering services	81	77	0.1	0.1	-
11.1.1 Restaurants and cafes	74	70	0.2	0.2	-
11.1.2 Canteens	7	7	-	-0.3	-

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

11.2 Accommodation services	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jul 2016	1 month % change Jul 2017	Contribution to CPIH annual rate change
11.2 Accommodation services	17	24	1.8	0.8	-0.01

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

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

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

12.1 Personal care	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jul 2016	1 month % change Jul 2017	Contribution to CPIH annual rate change
12.1 Personal care	25	25	0.5	-0.2	-0.02
12.1.1 Hairdressing and personal grooming establishments	6	6	0.5	0.6	-
12.1.2/3 Appliances and products for personal care	19	19	0.5	-0.5	-0.02

- Small downward effect on the all items 12-month rate change.
- Due to **appliances and products for personal care**, where prices overall fell this year but rose a year ago, particularly for deodorant/anti-perspirant.

12.3 Personal effects not elsewhere covered	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jul 2016	1 month % change Jul 2017	Contribution to CPIH annual rate change
12.3 Personal effects not elsewhere covered	12	11	-1.7	-1.0	0.01
12.3.1 Jewellery, clocks and watches	7	7	-0.9	-	0.01
12.3.2 Other personal effects	5	4	-2.7	-2.8	-

- Small upward effect on the all items 12-month rate change.
- Due to **jewellery, clocks and watches**, where prices overall were little changed this year but fell a year ago.

12.4 Social protection	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jul 2016	1 month % change Jul 2017	Contribution to CPIH annual rate change
12.4 Social protection	13	13	0.3	0.4	-

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

12.5 Insurance	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jul 2016	1 month % change Jul 2017	Contribution to CPIH annual rate change
12.5 Insurance	7	7	0.4	2.2	0.01
12.5.2 House contents insurance	2	2	-0.1	1.9	-
12.5.3 Health insurance	2	2	0.1	1.3	-
12.5.4 Transport insurance	3	3	0.9	3.0	0.01

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

12.6 Financial services not elsewhere covered	Weight 2016	Weight 2017 Feb-Dec	1 month % change Jul 2016	1 month % change Jul 2017	Contribution to CPIH annual rate change
12.6 Financial services not elsewhere covered	9	11	-0.1	-0.5	-

- 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 Jul 2016	1 month % change Jul 2017	Contribution to CPIH annual rate change
12.7 Other services not elsewhere covered	10	10	-0.7	0.4	0.01

- Small upward effect on the all items 12-month rate change.
- Charges overall rose this year but fell a year ago, particularly for surveyors' fees.

RPI SUMMARY

CONTRIBUTIONS TO CHANGE IN THE RPI ANNUAL RATE

GROUPS	Weight 2016	Weight 2017	1 month % change Jul 2016	1 month % change Jul 2017	Contribution to RPI annual rate change
FOOD	102	102	-0.4	-	0.04
CATERING	47	48	0.2	0.2	-
ALCOHOLIC DRINKS	57	57	0.3	0.3	-
TOBACCO	25	24	0.1	0.1	-
HOUSING	266	266	0.3	0.2	-0.03
FUEL AND LIGHT	41	38	-	0.8	0.03
HOUSEHOLD GOODS	62	65	-2.2	-1.4	0.04
HOUSEHOLD SERVICES	67	64	0.3	0.3	-0.01
CLOTHING AND FOOTWEAR	41	41	-2.9	-2.6	0.01
PERSONAL GOODS AND SERVICES	42	38	-0.1	-0.1	-
MOTORING EXPENDITURE	117	123	0.5	-	-0.06
FARES AND OTHER TRAVEL COSTS	26	26	7.2	8.8	0.06
LEISURE GOODS	29	29	0.3	0.6	0.01
LEISURE SERVICES	78	79	0.1	0.3	0.01

RPI NOTABLE MOVEMENTS

All items RPI	Annual rate +3.6%, up from +3.5% last month Highest since May 2017 (+3.7%)
All items RPI exc MIPS (RPIX)	Annual rate +3.9%, up from +3.8% last month Also +3.9% in May 2017 Last higher in January 2012 (+4.0%)
Food	Annual rate +2.8%, up from +2.3% last month Highest since October 2013 (+3.8%)
Non-seasonal food	Annual rate +2.7%, up from +2.0% last month Highest since October 2013 (+2.9%)
Catering	Annual rate +2.9%, up from +2.8% last month Also +2.9% in June 2013, May 2013 and April 2013 Last higher in March 2013 (+3.0%)
Housing	Annual rate +1.9%, down from +2.0% last month Lowest since October 2013 (+1.6%)
Fuel and light	Annual rate +5.5%, up from +4.6% last month Highest since January 2014 (+6.4%)
Household goods	Annual rate +6.3%, up from +5.5% last month Highest since October 2011 (+7.0%)
All goods	Annual rate +3.9%, unchanged from last month Last higher in May 2017 (+4.1%) Last lower in February 2017 (+3.8%)
All services	Annual rate +3.9%, up from +3.6% last month Highest since May 2013 (+4.0%)
Furniture	Annual rate +8.6%, up from +8.0% 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 Jul 2016	1 month % change Jul 2017	Contribution to RPI annual rate change
FOOD	102	102	-0.4	-	0.04

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

Seasonal Food	Weight 2016	Weight 2017	1 month % change Jul 2016	1 month % change Jul 2017	Contribution to RPI annual rate change
SEASONAL FOOD	18	18	-0.5	-1.0	-0.01
Home killed lamb	1	1	-6.4	-1.4	0.01
Fresh fish	2	2	5.5	-1.7	-0.01
Eggs	1	1	0.3	-	-
Unprocessed potatoes	1	1	-0.2	0.4	-
Other fresh vegetables	6	6	-	0.2	-
Fresh fruit	7	7	-1.9	-2.1	-

- Small downward effect on the all items 12-month rate change.
- Due to **fresh fish**, where prices overall fell this year but rose a year ago, particularly for frozen prawns and fresh salmon fillets.
- Partially offset by **home killed lamb**, where prices overall fell this year by less than a year ago, particularly for lamb joints.

Non-Seasonal Food	Weight 2016	Weight 2017	1 month % change Jul 2016	1 month % change Jul 2017	Contribution to RPI annual rate change
NON-SEASONAL FOOD	84	84	-0.4	0.3	0.05
Bread	4	4	-2.0	-1.1	-
Cereals	4	3	0.1	-	-
Biscuits and cakes	6	6	1.3	0.4	-0.01
Beef	4	4	-2.6	-1.4	-
Imported lamb	1	1	-2.5	-0.1	-
Pork	1	1	-0.5	-1.4	-
Bacon	1	1	0.5	0.1	-
Poultry	4	3	-0.3	0.1	-
Other meat	6	6	-1.2	-0.8	-
Processed fish	2	2	-0.4	-2.6	-
Butter	1	1	0.2	0.5	-
Oils and fats	1	1	-3.0	-2.8	-
Cheese	3	3	2.0	4.2	0.01
Milk, fresh	3	3	0.7	-0.6	-
Milk products	4	4	2.7	-1.0	-0.01
Tea	1	1	2.0	2.8	-
Soft drinks	9	8	-1.4	-1.5	-
Sugar and preserves	1	1	-1.7	-1.8	-
Sweets and chocolates	11	11	0.5	-	-
Potato products	2	3	2.8	0.1	-0.01
Processed vegetables	2	2	2.5	5.8	0.01
Processed fruit	1	2	-	1.6	-
Other foods	10	11	-2.7	2.8	0.06
Coffee and other hot drinks	2	2	-0.7	0.4	-

- Large upward effect on the all items 12-month rate change.
- Due to:
 - **Other foods**, where prices overall rose this year but fell a year ago, particularly for cook in sauces, potted snacks, mayonnaise and tomato ketchup; and, to a lesser extent
 - **Cheese** and **processed vegetables**, where prices overall rose this year by more than a year ago, particularly for cheese spread.
- Partially offset by:
 - **Biscuits and cakes**; and **potato products**, where prices overall rose this year by less than a year ago, with the main downward contributions coming from whole sponge cakes, packs of individual cakes and premium potato crisps; and
 - **Milk products**, where prices overall fell this year but rose a year ago, particularly for yoghurt/fromage frais.

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

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

ALCOHOLIC DRINKS	Weight 2016	Weight 2017	1 month % change Jul 2016	1 month % change Jul 2017	Contribution to RPI annual rate change
ALCOHOLIC DRINKS	57	57	0.3	0.3	-
Beer on sales	19	19	0.1	0.1	-
Beer off sales	5	5	0.8	-0.5	-0.01
Wines and spirits on sales	19	19	0.2	0.3	-
Wines and spirits off sales	14	14	0.5	1.0	0.01

- Negligible overall effect on the all items 12-month rate change.
- There is 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 bottled lager. Partially offset by a small upward contribution coming from smaller packs of bottled lager, where prices rose this year but fell a year ago.
- Offset by **wines and spirits off sales**, where prices overall rose this year by more than a year ago, with the main upward contributions coming from New World white wine and European red and European white wine. Partially offset by a small downward contribution from whisky, where prices rose this year by less than a year ago.

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

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

HOUSING	Weight 2016	Weight 2017	1 month % change Jul 2016	1 month % change Jul 2017	Contribution to RPI annual rate change
HOUSING	266	266	0.3	0.2	-0.03
Rent	83	84	0.1	0.1	-
Mortgage interest payments	28	25	-0.1	-0.1	-
Council tax and rates	40	39	-	-	-
Water and other charges	13	13	-	-	-
Repairs and maintenance charges	9	9	-	0.1	-
DIY materials	7	6	0.8	-	-
Dwelling insurance and ground rent	6	6	0.6	0.3	-
House depreciation	80	84	1.0	0.6	-0.03

- Small 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.

FUEL AND LIGHT	Weight 2016	Weight 2017	1 month % change Jul 2016	1 month % change Jul 2017	Contribution to RPI annual rate change
FUEL AND LIGHT	41	38	-	0.8	0.03
Coal and solid fuels	1	1	-0.8	-0.1	-
Electricity	20	19	-	1.2	0.02
Gas	18	16	-	0.5	0.01
Oil and other fuels	2	2	0.3	-0.5	-

- Small upward effect on the all items 12-month rate change.
- Due to **electricity** and **gas**, where average prices rose this year but were unchanged a year ago.

HOUSEHOLD GOODS	Weight 2016	Weight 2017	1 month % change Jul 2016	1 month % change Jul 2017	Contribution to RPI annual rate change
HOUSEHOLD GOODS	62	65	-2.2	-1.4	0.04
Furniture	25	26	-3.8	-3.3	-
Furnishings	8	10	-0.4	-1.6	-0.01
Electrical appliances	7	6	-0.7	0.9	0.01
Other household equipment	4	4	-1.9	-1.9	-
Household consumables	11	11	-2.3	1.2	0.04
Pet care	7	8	0.7	0.5	-

- Large upward effect on the all items 12-month rate change.
- Due to **household consumables**, and to a lesser extent, **electrical appliances**, where

prices overall rose this year but fell a year ago, with the main upward contributions coming from household cleaner creams/liquids and dishwasher tablets.

- Partially offset by **furnishings**, where prices fell this year by more than a year ago.

HOUSEHOLD SERVICES	Weight 2016	Weight 2017	1 month % change Jul 2016	1 month % change Jul 2017	Contribution to RPI annual rate change
HOUSEHOLD SERVICES	67	64	0.3	0.3	-0.01
Domestic services	14	15	0.2	0.3	-
Fees and subscriptions	27	22	0.3	0.7	0.01
Postage	1	1	-	-	-
Telephone charges	25	26	0.5	-0.1	-0.02

- Small downward effect on the all items 12-month rate change.
- Due to **telephone charges**, where prices fell this year but rose a year ago, with the main downward contributions coming from telephone charges and bundled telecommunication services.
- Partially offset by **fees and subscriptions**, where prices overall rose this year by more than a year ago, with the main upward contribution coming from household services maintenance policies. Partially offset by estate agent fees, where charges overall rose this year by less than a year ago.

CLOTHING AND FOOTWEAR	Weight 2016	Weight 2017	1 month % change Jul 2016	1 month % change Jul 2017	Contribution to RPI annual rate change
CLOTHING AND FOOTWEAR	41	41	-2.9	-2.6	0.01
Men's outerwear	9	8	-1.6	-1.8	-
Women's outerwear	15	15	-4.8	-3.6	0.01
Children's outerwear	4	5	-2.6	-2.8	-
Other clothing	5	5	-1.8	-1.1	-
Footwear	8	8	-1.7	-2.2	-

- Small upward effect on the all items 12-month rate change.
- Due to **women's outerwear**, where prices overall fell this year by less than a year ago, with the main upward contributions coming from a wide variety of items, partially offset by a small downward contribution from women's casual jackets, where prices fell this year by more than a year ago.

PERSONAL GOODS AND SERVICES	Weight 2016	Weight 2017	1 month % change Jul 2016	1 month % change Jul 2017	Contribution to RPI annual rate change
PERSONAL GOODS AND SERVICES	42	38	-0.1	-0.1	-
Personal articles	12	9	-1.5	-0.9	0.01
Chemists' goods	15	15	0.7	-	-0.01
Personal services	15	14	0.3	0.5	-

- Negligible overall effect on the all items 12-month rate change.
- There is a small upward contribution coming from **personal articles**, where prices overall fell this year by less than a year ago.
- Offset by a small downward contribution coming from **chemists' goods**, where prices overall were little changed this year but rose a year ago.

MOTORING EXPENDITURE	Weight 2016	Weight 2017	1 month % change Jul 2016	1 month % change Jul 2017	Contribution to RPI annual rate change
MOTORING EXPENDITURE	117	123	0.5	-	-0.06
Purchase of motor vehicles	45	46	-0.1	-0.1	-
Maintenance of motor vehicles	16	16	-0.2	0.3	0.01
Petrol and oil	33	37	0.8	-1.9	-0.10
Vehicle tax and insurance	23	24	1.4	2.4	0.03

- Largest 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 2.1 pence per litre between June and July 2017, to stand at 113.6 pence per litre, compared with a rise of 0.9 pence per litre last year to stand at 111.9 pence per litre. Diesel prices fell by 2.5 pence per litre, to stand at 115.3 pence per litre in July 2017, compared with a rise of 1.1 pence per litre last year to stand at 113.1 pence per litre.
- Partially offset by:
 - **Vehicle tax and insurance**, where average premiums for car insurance rose this year by more than a year ago; and
 - **Maintenance of motor vehicles**, where charges overall rose this year but fell a year ago.

FARES AND OTHER TRAVEL COSTS	Weight 2016	Weight 2017	1 month % change Jul 2016	1 month % change Jul 2017	Contribution to RPI annual rate change
FARES AND OTHER TRAVEL COSTS	26	26	7.2	8.8	0.06
Rail fares	7	6	2.3	1.2	-0.01
Bus and coach fares	3	3	1.2	0.7	-
Other travel costs	16	17	9.9	12.3	0.07

- Largest 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 **rail fares**, where charges overall rose by less than a year ago, particularly for international rail travel.

LEISURE GOODS	Weight 2016	Weight 2017	1 month % change Jul 2016	1 month % change Jul 2017	Contribution to RPI annual rate change
LEISURE GOODS	29	29	0.3	0.6	0.01
Audio-visual equipment	7	6	1.5	-	-
CDs and tapes	2	2	-1.0	-2.4	-
Toys, photographic and sports goods	9	9	-0.7	-1.5	-0.01
Books and newspapers	6	6	2.1	4.6	0.02
Gardening products	5	6	0.2	0.6	-

- Small upward effect on the all items 12-month rate change.
- Due to **books and newspapers**, where prices overall rose this year by more than a year ago, with the main upward contribution coming from eBooks. Partially offset by a downward contribution coming from non-fiction hard cover books, where prices overall fell this year but rose a year ago.
- Partially offset by **toys, photographic and sports goods**, where prices overall fell this year by more than a year ago.

LEISURE SERVICES	Weight 2016	Weight 2017	1 month % change Jul 2016	1 month % change Jul 2017	Contribution to RPI annual rate change
LEISURE SERVICES	78	79	0.1	0.3	0.01
TV licence and rentals	12	12	-	-	-
Entertainment and other recreation	16	16	0.2	-0.2	-0.01
Foreign holidays	40	40	-0.3	0.3	0.02
UK holidays	10	11	1.6	0.9	-0.01

- Small 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 hotel and self catering holidays, late booked holidays and holiday insurance. Partially offset by a small downward contribution coming from foreign city breaks, where prices fell this year but rose a year ago.
- Partially offset by:
 - **UK holidays**, where prices overall rose this year by less than a year ago, particularly for self catering holidays; and
 - **Entertainment and other recreation**, where prices overall fell this year but rose a year ago, particularly for theatre admissions.

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 July 2017 was -0.98 percentage points, widening from -0.85 percentage points in June 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 0.18 percentage points between June and July 2017. The effect came mainly from air fares; insurance; food and non-alcoholic beverages; games, toys and hobbies and equipment for sport and open air recreation; and furniture and furnishings, carpets and household textiles. This was partially offset by fuels and lubricants.

The main off-setting factors were:

- **Other housing components excluded from the CPI**, which decreased the RPI 12-month rate relative to the CPI 12-month rate by 0.03 percentage points between June and July 2017. The effect came mainly from house depreciation.
- **The formula effect**, which decreased the RPI 12-month rate relative to the CPI 12-month rate by 0.03 percentage points between June and July 2017. The effect came mainly from recreation and culture.

RPI MISCELLANEOUS DATA

Selected Average Prices

Description		May 2017	June 2017	July 2017
Petrol per litre	Diesel	£1.18	£1.18	£1.15
	Petrol	£1.16	£1.16	£1.14
Alcohol pub prices	Draught bitter (pint)	£3.05	£3.06	£3.06
	Draught lager (pint)	£3.58	£3.59	£3.59
	Whisky (per nip)	£2.78	£2.78	£2.79
Cigarettes	Per 20 king size	£9.51	£9.52	£9.53

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
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
July 2017	+0.2	Down -0.01% points	-0.01% points

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

OUTLOOK

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

FOOD

Seasonal Food

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

Monthly % change for CPIH seasonal food index			
Year	June	July	August
2011	0.5	-0.9	-1.0
2012	0.6	-0.5	0.3
2013	-1.5	0.2	0.1
2014	-0.5	0.2	-0.3
2015	-	-1.4	-0.4
2016	-0.8	0.5	-0.3
2017	-0.3	-0.4	

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

CLOTHING AND FOOTWEAR

- Prices tend to recover in August, following summer sales.

Monthly % change for CPIH clothing and footwear index			
Year	June	July	August
2011	-1.9	-3.5	3.7
2012	-4.2	-2.6	2.8
2013	-1.9	-3.2	1.9
2014	0.6	-5.7	2.6
2015	-0.4	-3.3	1.5
2016	-0.7	-3.4	1.0
2017	-1.0	-2.9	

- 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

- British Gas will increase electricity prices by 12.5% from 15 September, its owner Centrica has said. (bbc.co.uk 1 August 2017)

FURNITURE, HOUSEHOLD EQUIPMENT AND MAINTENANCE

- Prices tend to recover in August following summer sales in July.

Monthly % change for CPIH furniture, household equipment and maintenance index			
Year	June	July	August
2011	0.5	-1.1	2.0
2012	-	-1.1	0.8
2013	-0.4	-1.0	1.7
2014	0.2	-1.5	1.0
2015	0.4	-1.5	1.7
2016	-0.3	-1.7	1.4
2017	0.5	-1.2	

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

TRANSPORT

Fuels and Lubricants

- Oil prices fell on Friday (11 August 2017), dragged lower by persistent oversupply worries despite a bigger than expected drawdown in U.S. crude inventories. Investors were also keeping a close eye on the broad market impact of tensions between the United States and North Korea. Brent crude, the global benchmark, was at \$51.62 a barrel at 0652 GMT, down 28 cents, or 0.54 percent from its last close. That was the lowest since Aug. 1. (reuters.com 11 August 2017)
- When considering the price of petrol between July and August 2017, it may be useful to note that the average price of petrol fell by 1.8 pence per litre between July and August 2016, standing at 110.0 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 have tended to rise more slowly in August compared to July, although historically there is a mixed pattern.

Monthly % change for CPIH air fares index			
Year	June	July	August
2011	8.5	9.8	11.2
2012	7.4	21.7	10.2
2013	-2.8	13.9	9.4
2014	7.0	14.0	11.3
2015	0.3	21.6	13.9
2016	10.9	15.9	14.4
2017	14.5	17.9	

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

HOUSING (RPI)

Mortgage interest payments (MIPs)

- The Bank of England Bank Rate remained unchanged at 0.25% on Thursday 3 August 2017. The next announcement and minutes from the Bank of England's Monetary Policy Committee are scheduled to be published on 14 September 2017.
- The change in average mortgage interest rates recorded in the RPI was -0.12 percentage points between July and August 2016. The Bank of England Bank Rate remained unchanged at 0.5% in July 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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