

# Consumer Price Inflation

## October 2017

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

## SUMMARY

### CPIH

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

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

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 October 2017 are:

- The all items CPIH is 104.4, up from 104.3 in September.
- The all items CPIH annual rate is 2.8%, unchanged from last month.
- The annual rate for CPIH excluding indirect taxes, CPIHY, is 2.6%, down from 2.7% last month.
- The OOH component of CPIH is 104.8, unchanged from last month.
- The OOH component annual rate is 1.6%, down from 1.9% last month.
- The CPIH all goods index is 102.8, up from 102.4 in September.
- The CPIH all goods index annual rate is 3.3%, up from 3.2% last month.
- The CPIH all services index is 105.6, down from 105.7 in September.
- 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 October 2017 are:

- The all items CPI is 104.2, up from 104.1 in September.
- The all items CPI annual rate is 3.0%, unchanged from last month.
- The annual rate for CPI excluding indirect taxes, CPIY, is 2.9%, up from 2.8% last month.
- The annual rate for CPI at constant tax rates, CPI-CT, is 2.8%, unchanged from last month.
- The CPI all goods index is 102.8, up from 102.4 in September.
- The CPI all goods index annual rate is 3.3%, up from 3.2% last month.
- The CPI all services index is 105.9, down from 106.1 in September.
- The CPI all services index annual rate is 2.7%, unchanged from 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 October 2017 are:

- The all items RPI is 275.3, up from 275.1 in September.
- The all items RPI annual rate is 4.0%, up from 3.9% last month.
- The annual rate for RPIX, the all items RPI excluding mortgage interest payments (MIPs), is 4.2%, up from 4.1% last month.
- The all goods RPI is 208.7, up from 208.4 in September.
- The all goods RPI annual rate is 4.5%, unchanged from last month.
- The all services RPI is 376.2, unchanged from last month.
- The all services RPI annual rate is 3.8%, up from 3.7% last month.

## CPIH SUMMARY

### CONTRIBUTIONS TO CHANGE IN THE CPIH ANNUAL RATE

CPIH COICOP DIVISIONS	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
01: Food and non-alcoholic beverages	83	81	-0.5	0.4	0.07
02: Alcoholic beverages and tobacco	34	34	-0.1	-	-
03: Clothing and footwear	58	58	0.3	0.2	-0.01
04: Housing, water, electricity, gas and other fuels	294	294	0.3	0.1	-0.05
05: Furniture, household equipment and maintenance	49	49	0.5	-0.4	-0.05
06: Health	22	21	-1.0	-	0.02
07: Transport	122	126	-	-0.2	-0.03
08: Communication	25	21	0.1	-0.2	-0.01
09: Recreation and culture	119	121	0.2	0.5	0.04
10: Education	20	17	2.0	1.9	-0.01
11: Restaurants and hotels	98	101	-0.1	-0.1	-
12: Miscellaneous goods and services	76	77	-	-0.5	-0.04

#### Large upward effects came from:

- Food and non-alcoholic beverages**, which made the largest upward contribution to change in the rate between September and October 2017, increasing by 0.4%, having fallen by 0.5% a year ago. The upward effect came from a broad range of food products and, to a lesser extent, soft drinks; and
- Recreation and culture**, with prices rising by 0.5% between September and October 2017, compared with a smaller rise of 0.2% a year earlier. This was due to prices for various recreational goods rising by more than they did a year ago, along with prices for package holidays, which rose by 0.4% between September 2017 and October 2017, having fallen by 0.4% in the same period last year.

**Large downward effects came from:**

- **Housing and household services**, where owner occupiers' housing costs had the largest downward effect, with prices remaining unchanged between September 2017 and October 2017, having seen a particularly large increase of 0.4% in the same period a year ago. This was partially offset by electricity prices rising by 2.2% between September 2017 and October 2017, having been unchanged last year; and
- **Furniture and household goods**, where the downward effect came mainly from furniture and furnishings. Prices for these goods tend to fall in October, with the fall in 2017 being more pronounced than in 2016. Overall in 2017, furniture prices have seen relatively large increases compared with recent years, and the fall in October 2017 only partially offset these.

**A small downward effect came from:**

- **Transport**, with the main downward effect coming from motor fuels, which also made the largest downward contribution to the overall CPIH 12-month rate. Prices fell by 0.4% between September and October 2017, having risen by 2.3% a year earlier. This downward effect was partially offset by prices for vehicles, which rose by more than they did a year ago, along with air fares, which fell by less than they did last year.

Overall, the upward and downward contributions broadly offset each other, leaving the CPIH 12-month rate unchanged in October 2017.

## CPIH NOTABLE MOVEMENTS

All items CPIH	<p>Annual rate +2.8%, unchanged from last month          Also +2.8% in April 2012          Last higher in March 2012 (+3.1%)          Last lower in August 2017(+2.7%)</p>
All items CPIH exc energy, food, alcohol and tobacco	<p>Annual rate +2.5%, unchanged from last month          Last lower in July 2017 (+2.4%)          Last higher in August 2017 (+2.6%)</p>
Food & non-alcoholic beverages	<p>Annual rate +4.1%, up from +3.1% last month          Highest since September 2013 (+4.3%)</p>
Health	<p>Annual rate +3.3%, up from +2.2% last month          Also +3.3% in March 2014 and February 2014          Last higher in June 2012 (+3.6%)</p>
Recreation and culture	<p>Annual rate +2.9%, up from +2.6% last month          Last higher in January 2010 (+3.6%)</p>
Education	<p>Annual rate +2.8%, down from +2.9% last month          Never lower since series began in January 2006</p>
All goods	<p>Annual rate +3.3%, up from +3.2% last month          Highest since March 2012 (+3.6%)</p>
All services	<p>Annual rate +2.4%, down from +2.5% last month          Also +2.4% In July 2017          Last lower in March 2017 (+2.2%)</p>
Electricity, gas and other fuels	<p>Annual rate +5.8%, up from +5.2% last month          Highest since January 2014 (+6.5%)</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.

<b>01 FOOD AND NON-ALCOHOLIC BEVERAGES</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
01 Food & non-alcoholic beverages	83	81	-0.5	0.4	0.07

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

<b>01.1 Food</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
01.1 Food	74	71	-0.2	0.5	0.05
01.1.1 Bread and cereals	12	12	-0.3	0.8	0.01
01.1.2 Meat	17	16	-0.5	0.2	0.01
01.1.3 Fish	3	3	2.9	-1.7	-0.02
01.1.4 Milk, cheese and eggs	10	9	-0.1	1.9	0.02
01.1.5 Oils and fats	2	2	-1.0	-9.0	-0.02
01.1.6 Fruit	7	7	1.2	3.1	0.01
01.1.7 Vegetables including potatoes	11	10	-1.9	2.6	0.05
01.1.8 Sugar, jam, syrups, chocolate and confectionery	10	10	1.1	-1.6	-0.03
01.1.9 Food products not elsewhere covered	2	2	-2.0	1.0	0.01

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

**Bread and cereals**

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

**Meat**

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

**Fish**

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

**Milk, cheese and eggs**

- Small upward effect.
- Prices overall rose this year but fell a year ago, particularly for yoghurt/fromage frais .

**Oils and fats**

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

**Fruit**

- Small upward effect.
- Prices overall rose this year by more than a year ago.

**Vegetables including potatoes**

- Large upward effect.
- Prices overall rose this year but fell a year ago, particularly for premium potato crisps.

**Sugar, jam, syrups, chocolate and confectionery**

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

**Food products not elsewhere covered**

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

<b>01.2 Non-alcoholic beverages</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
01.2 Non-alcoholic beverages	9	10	-3.3	-0.8	0.02
01.2.1 Coffee, tea and cocoa	2	3	-1.8	-0.6	-
01.2.2 Mineral waters, soft drinks and juices	7	7	-3.7	-0.9	0.02

- Small upward effect on the all items 12-month rate change.
- Due to **mineral waters, soft drinks and juices**, where prices overall fell this year by less than a year ago, with the main upward contributions coming from fruit squash and bottled cola flavoured drinks. Partially offset by a small downward contribution from fresh orange juice, where prices overall fell this year but were little changed a year ago.

<b>02 ALCOHOLIC BEVERAGES AND TOBACCO</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
02 Alcoholic beverages and tobacco	34	34	-0.1	-	-

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

<b>02.1 Alcoholic Beverages</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
02.1 Alcoholic beverages	15	16	-0.4	-0.2	-
02.1.1 Spirits	4	5	-0.3	0.6	-
02.1.2 Wine	7	7	-1.1	0.5	0.01
02.1.3 Beer	4	4	0.6	-2.4	-0.01

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

<b>02.2 Tobacco</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
02.2 Tobacco	19	18	0.2	0.1	-

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

<b>03 CLOTHING AND FOOTWEAR</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
03 Clothing and footwear	58	58	0.3	0.2	-0.01

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

<b>03.1 Clothing</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
03.1 Clothing	50	49	0.2	0.2	-
03.1.2 Garments	44	44	0.2	0.1	-0.01
03.1.3 Other clothing and clothing accessories	5	4	0.2	1.4	-
03.1.4 Cleaning, repair and hire of clothing	1	1	0.2	0.3	-

- Negligible overall effect on the all items 12-month rate change.
- There is a small downward contribution coming from **garments**, where prices overall rose this year by less than a year ago, with the main downward contributions coming from women's skirts and girls fashion tops. Partially offset by a small upward contribution coming from men's coats.

<b>03.2 Footwear including repairs</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
03.2 Footwear including repairs	8	9	0.4	-	-

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

<b>04 HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
04 Housing, water, electricity, gas and other fuels	294	294	0.3	0.1	-0.05

- Largest downward effect on the all items 12-month rate change.
- Due to **owner occupiers' housing costs**; and to a lesser extent, **actual rentals for housing**.
- Partially offset by **electricity, gas and other fuels**.

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

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

<b>4.2 Owner occupiers' housing costs</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
4.2 Owner occupiers' housing costs	171	174	0.4	-	-0.06

- Large downward effect on the all items 12-month rate change.
- Charges overall were little changed this year but rose a year ago, with the main downward contribution coming from housing costs in England.

<b>04.3 Regular maintenance and repair of the dwelling</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
04.3 Regular maintenance and repair of the dwelling	2	2	-0.6	0.2	-
04.3.1 Materials for maintenance and repair	1	1	-1.5	0.2	-
04.3.2 Services for maintenance and repair	1	1	0.2	0.2	-

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

<b>04.4 Other services related to the dwelling</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 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.

<b>04.5 Electricity, gas and other fuels</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
04.5 Electricity, gas and other fuels	28	27	0.7	1.2	0.02
04.5.1 Electricity	14	13	-	2.2	0.03
04.5.2 Gas	12	12	-	0.1	-
04.5.3 Liquid fuels	1	1	14.1	1.1	-0.02
04.5.4 Solid fuels	1	1	1.8	2.1	-

- Small upward effect on the all items 12-month rate change.
- Due to **electricity**.
- Partially offset by **liquid fuels**.

#### Electricity

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

#### Liquid fuels

- Small downward effect.
- Due to kerosene, where average charges rose this year by less than a year ago.

<b>4.9 Council tax and rates</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 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.

<b>05 FURNITURE, HOUSEHOLD EQUIPMENT AND MAINTENANCE</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
05 Furniture, household equipment and maintenance	49	49	0.5	-0.4	-0.05

- Large downward effect on the all items 12-month rate change.
- Due to **furniture, furnishings and carpets; household textiles; and household appliances, fitting and repairs.**
- Partially offset by **goods and services for routine maintenance; and tools and equipment for house and garden.**

<b>05.1 Furniture, furnishings and carpets</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
05.1 Furniture, furnishings and carpets	16	18	-0.8	-2.2	-0.03
05.1.1 Furniture and furnishings	13	15	-1.1	-2.7	-0.03
05.1.2 Carpets and other floor coverings	3	3	0.7	0.4	-

- Small downward effect on the all items 12-month rate change.
- Due to **furniture and furnishings**, where prices overall fell this year by more than a year ago, with the main downward contributions coming from leather settees and double wardrobes.

<b>05.2 Household textiles</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
05.2 Household textiles	6	6	1.4	-1.2	-0.02

- Small downward effect on the all items 12-month rate change.
- Prices overall fell this year but rose a year ago, particularly for ready-made curtains.

<b>05.3 Household appliances, fitting and repairs</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
05.3 Household appliances, fitting and repairs	7	7	2.6	1.9	-0.01
05.3.1/2 Major appliances and small electric goods	6	6	3.0	2.2	-
05.3.3 Repair of household appliances	1	1	0.1	0.1	-

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

<b>05.4 Glassware, tableware and household utensils</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
05.4 Glassware, tableware and household utensils	5	4	0.3	-0.6	-

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

<b>05.5 Tools and equipment for house and garden</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
05.5 Tools and equipment for house and garden	4	4	-1.0	0.1	0.01

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

<b>05.6 Goods and services for routine maintenance</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
05.6 Goods and services for routine maintenance	11	10	1.3	1.9	0.01
05.6.1 Non-durable household goods	4	4	3.5	3.8	-
05.6.2 Domestic services and household services	7	6	0.1	0.7	-

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

<b>06 HEALTH</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
06 Health	22	21	-1.0	-	0.02

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

<b>06.1 Medical products, appliances and equipment</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
06.1 Medical products, appliances and equipment	10	10	-0.6	0.2	0.01
06.1.1 Pharmaceutical products	6	6	-0.9	0.3	0.01
06.1.2/3 Other medical and therapeutic equipment	4	4	-	-	-

- 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.

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

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

<b>06.3 Hospital services</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
06.3 Hospital Services	7	6	-2.4	-0.4	0.02

- Small upward effect on the all items 12-month rate change.
- Charges overall fell this year by less than a year ago, with the main upward contribution coming from private hospital in-patient services.

<b>07 TRANSPORT</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
07 Transport	122	126	-	-0.2	-0.03

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

<b>07.1 Purchase of vehicles</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
07.1 Purchase of vehicles	35	37	0.1	0.8	0.03
07.1.1A New cars	20	21	0.4	0.6	-
07.1.1B Second-hand cars	13	14	-0.2	0.9	0.01
07.1.2/3 Motorcycles and bicycles	2	2	-1.1	2.4	0.01

- Small upward effect on the all items 12-month rate change.
- Due to **second-hand cars**; and **motorcycles and bicycles**.

#### Second-hand cars

- Small upward effect.
- Prices overall rose this year by more than a year ago.

#### Motorcycles and bicycles

- Small upward effect.
- Prices overall rose this year but fell a year ago, particularly for children's bicycles.

<b>07.2 Operation of personal transport equipment</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
07.2 Operation of personal transport equipment	58	61	1.1	-0.1	-0.07
07.2.1 Spare parts and accessories	4	4	0.4	0.3	-
07.2.2 Fuels and lubricants	25	26	2.3	-0.4	-0.07
07.2.3 Maintenance and repairs	18	20	0.1	0.1	-
07.2.4 Other services	11	11	-0.1	-	-

- Large downward effect on the all items 12-month rate change.
- Due to **fuels and lubricants**.
- The average price of petrol across the month, as recorded for the CPIH, fell by 0.9 pence per litre between September and October 2017 to stand at 117.3 pence per litre.
- Last year, the average price of petrol rose by 2.6 pence per litre between September and October 2016 to stand at 113.8 pence per litre.
- The average price of diesel rose by 0.4 pence per litre between September and October 2017 to stand at 120.5 pence per litre, compared with a rise of 2.7 pence per litre a year earlier to stand at 116.0 pence per litre.

<b>07.3 Transport services</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
07.3 Transport services	29	28	-2.1	-1.5	0.02
07.3.1 Passenger transport by railway	10	11	-0.6	0.2	0.01
07.3.2 Passenger transport by road	10	10	0.5	0.1	-
07.3.3 Passenger transport by air	6	4	-7.4	-4.8	0.03
07.3.4 Passenger transport by sea and inland waterway	3	3	-2.6	-7.6	-0.02

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

#### **Passenger transport by air**

- Small upward effect.
- Average air fares fell this year by less than a year ago, with the main upward contribution

coming from European and long-haul flights.

### Passenger transport by sea and inland waterway

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

<b>08 COMMUNICATION</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
08 Communication	25	21	0.1	-0.2	-0.01

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

<b>08.1 Postal services</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
08.1 Postal services	1	1	-	0.4	-

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

<b>08.2/3 Telephone equipment and services</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
08.2/3 Telephone equipment and services	24	20	0.1	-0.2	-0.01

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

<b>09 RECREATION AND CULTURE</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
09 Recreation and culture	119	121	0.2	0.5	0.04

- Large upward effect on the all items 12-month rate change.
- Due to **other major durables for recreation and culture**; and to a lesser extent, **other recreational items, gardens and pets**; and **package holidays**.

- Partially offset by **books, newspapers and stationery; recreational and cultural services;** and **audio-visual equipment and related products.**

<b>09.1 Audio-visual equipment and related products</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
09.1 Audio-visual equipment and related products	16	15	-0.2	-1.0	-0.01
09.1.1 Equipment for the reception and reproduction of sound and pictures	4	3	0.9	-0.1	-
09.1.2 Photographic, cinematographic and optical equipment	2	2	2.0	-0.6	-0.01
09.1.3 Data processing equipment	6	5	-	-0.2	-
09.1.4 Recording media	3	4	-3.4	-3.0	-
09.1.5 Repair of audio-visual equipment and related products	1	1	-	0.2	-

- Small downward effect on the all items 12-month rate change.
- Due to **photographic, cinematographic and optical equipment**, where prices overall fell this year but rose a year ago.

<b>09.2 Other major durables for recreation and culture</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
09.2.1/2 Major durables for in/outdoor recreation	9	13	0.9	3.6	0.04

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

<b>09.3 Other recreational items, gardens and pets</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
09.3 Other recreational items, gardens and pets	27	30	0.3	1.1	0.03
09.3.1 Games, toys and hobbies	16	16	0.1	1.7	0.03
09.3.2 Equipment for sport and open-air recreation	2	3	0.2	1.3	-
09.3.3 Gardens, plants and flowers	3	4	0.5	0.8	-
09.3.4/5 Pets, related products and services	6	7	0.6	-	-

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

- Due to **games, toys and hobbies**, where prices overall rose this year by more than a year ago, with the main upward contributions coming from computer games purchased via the internet; computer game downloads; pre-school activity toys; board games and construction toys. Partially offset by a downward contribution coming from shop bought computer games, where prices fell this year but rose a year ago.

<b>09.4 Recreational and cultural services</b>	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2016	2017 Feb-Dec	% change Oct 2016	% change Oct 2017	
09.4 Recreational and cultural services	27	26	0.2	-0.5	-0.02
09.4.1 Recreational and sporting services	8	8	0.1	-0.2	-
09.4.2 Cultural services	19	18	0.2	-0.6	-0.02

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

<b>09.5 Books, newspapers and stationery</b>	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2016	2017 Feb-Dec	% change Oct 2016	% change Oct 2017	
09.5 Books, newspapers and stationery	11	9	1.9	0.2	-0.02
09.5.1 Books	3	3	3.7	-1.3	-0.02
09.5.2 Newspapers and periodicals	4	3	0.8	0.4	-
09.5.3/4 Misc. printed matter, stationery, drawing materials	4	3	1.7	1.7	-

- Small downward effect on the all items 12-month rate change.
- Due to **books**, where prices overall fell this year but rose a year ago, particularly for eBooks and non-fiction hard cover books.

<b>09.6 Package holidays</b>	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2016	2017 Feb-Dec	% change Oct 2016	% change Oct 2017	
09.6 Package holidays	29	28	-0.4	0.4	0.02

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

<b>10 EDUCATION</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
10 Education	20	17	2.0	1.9	-0.01

- Small downward effect on the all items 12-month rate change.
- Charges overall rose this year by less than a year ago, with the main downward contributions coming from student tuition fees.

<b>11 RESTAURANTS AND HOTELS</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
11 Restaurants and hotels	98	101	-0.1	-0.1	-

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

<b>11.1 Catering services</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
11.1 Catering services	81	77	0.2	0.2	-
11.1.1 Restaurants and cafes	74	70	0.2	0.3	-
11.1.2 Canteens	7	7	-	-	-

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

<b>11.2 Accommodation services</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
11.2 Accommodation services	17	24	-1.6	-1.2	-

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

<b>12 MISCELLANEOUS GOODS AND SERVICES</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
12 Misc. goods and services	76	77	-	-0.5	-0.04

- Large downward effect on the all items 12-month rate change.
- Due to **other services not elsewhere covered** and **financial services not elsewhere covered**.

<b>12.1 Personal care</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
12.1 Personal care	25	25	0.7	0.7	-
12.1.1 Hairdressing and personal grooming establishments	6	6	-0.2	-0.3	-
12.1.2/3 Appliances and products for personal care	19	19	0.9	1.0	-

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

<b>12.3 Personal effects not elsewhere covered</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
12.3 Personal effects not elsewhere covered	12	11	-1.0	-0.8	-
12.3.1 Jewellery, clocks and watches	7	7	-0.4	-0.2	-
12.3.2 Other personal effects	5	4	-1.9	-1.9	-

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

<b>12.4 Social protection</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
12.4 Social protection	13	13	0.3	0.3	-

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

<b>12.5 Insurance</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
12.5 Insurance	7	7	-0.8	-0.9	-
12.5.2 House contents insurance	2	2	-0.7	-	-
12.5.3 Health insurance	2	2	-2.2	-1.4	-
12.5.4 Transport insurance	3	3	-	-1.0	-

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

<b>12.6 Financial services not elsewhere covered</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
12.6 Financial services not elsewhere covered	9	11	0.3	-1.0	-0.01

- Small downward effect on the all items 12-month rate change.
- Charges overall fell this year but rose a year ago, particularly for Unit Trusts Commission initial charge.

<b>12.7 Other services not elsewhere covered</b>	Weight 2016	Weight 2017 Feb-Dec	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to CPIH annual rate change
12.7 Other services not elsewhere covered	10	10	-0.2	-3.1	-0.03

- Small downward effect on the all items 12-month rate change.
- Charges overall fell this year by more than a year ago, particularly for surveyors valuation fees and home delivery charges.

## RPI SUMMARY

### CONTRIBUTIONS TO CHANGE IN THE RPI ANNUAL RATE

<b>GROUPS</b>	Weight 2016	Weight 2017	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to RPI annual rate change
FOOD	102	102	-0.3	0.5	0.09
CATERING	47	48	0.2	0.2	-
ALCOHOLIC DRINKS	57	57	-	0.1	0.01
TOBACCO	25	24	0.2	0.1	-
HOUSING	266	266	-0.2	0.2	0.11
FUEL AND LIGHT	41	38	0.8	1.3	0.02
HOUSEHOLD GOODS	62	65	0.2	-0.8	-0.06
HOUSEHOLD SERVICES	67	64	0.4	-	-0.02
CLOTHING AND FOOTWEAR	41	41	0.3	0.4	0.01
PERSONAL GOODS AND SERVICES	42	38	-0.3	-	0.01
MOTORING EXPENDITURE	117	123	0.4	0.1	-0.04
FARES AND OTHER TRAVEL COSTS	26	26	-3.1	-2.0	0.03
LEISURE GOODS	29	29	0.5	-0.2	-0.02
LEISURE SERVICES	78	79	-0.1	0.2	0.02

## RPI NOTABLE MOVEMENTS

All items RPI	Annual rate +4.0%, up from +3.9% last month Highest since December 2011 (+4.8%)
All items RPI exc MIPS (RPIX)	Annual rate +4.2%, up from +4.1% last month Highest since December 2011 (+5.0%)
Food	Annual rate +4.1%, up from +3.2% last month Highest since August 2013 (+4.2%)
Non-seasonal food	Annual rate +4.2%, up from +3.3% last month Also +4.2% in May 2012 Last higher in April 2012 (+4.8%)
Seasonal food	Annual rate +3.9%, up from +3.0% last month Highest since October 2013 (+8.0%)
Catering	Annual rate +3.1%, up from +3.0% last month Also +3.1% in July 2012 and May 2012 Last higher in April 2012 (+3.3%)
Fuel and light	Annual rate +6.2%, up from +5.6% last month Highest since January 2014 (+6.4%)
Leisure services	Annual rate +3.7%, up from +3.5% last month Also +3.7% in June 2013 Last higher in May 2013 (+4.2%)
All goods	Annual rate +4.5%, unchanged from last month Last higher in December 2011 (+5.4%) Last lower in August 2017 (+4.2%)
All services	Annual rate +3.8%, up from +3.7% last month Highest since August 2017 (+4.0%)

## 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.

<b>FOOD</b>	Weight 2016	Weight 2017	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to RPI annual rate change
FOOD	102	102	-0.3	0.5	0.09

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

<b>Seasonal Food</b>	Weight 2016	Weight 2017	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to RPI annual rate change
SEASONAL FOOD	18	18	0.8	1.7	0.02
Home killed lamb	1	1	0.6	3.4	-
Fresh fish	2	2	4.7	-2.7	-0.01
Eggs	1	1	-1.7	-0.2	-
Unprocessed potatoes	1	1	-2.7	0.3	-
Other fresh vegetables	6	6	-0.8	1.4	0.01
Fresh fruit	7	7	1.9	3.5	0.01

- Small upward effect on the all items 12-month rate change.
- Due to:
  - Other fresh vegetables**, where prices overall rose this year but fell a year ago; and
  - Fruit**, where prices overall rose this year by more than a year ago, particularly for strawberries.
- Partially offset by **fresh fish**, where prices overall fell this year but rose a year ago, particularly for fresh salmon fillets and frozen prawns.

<b>Non-Seasonal Food</b>	Weight 2016	Weight 2017	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to RPI annual rate change
NON-SEASONAL FOOD	84	84	-0.6	0.3	0.07
Bread	4	4	-0.1	0.8	-
Cereals	4	3	1.0	2.6	-
Biscuits and cakes	6	6	-	1.4	0.01
Beef	4	4	1.9	1.0	-
Imported lamb	1	1	1.7	4.0	-
Pork	1	1	-	3.5	-
Bacon	1	1	-3.1	0.9	-
Poultry	4	3	2.3	-0.5	-0.01
Other meat	6	6	-1.6	-0.7	0.01
Processed fish	2	2	1.5	-1.2	-0.01
Butter	1	1	3.4	4.2	-
Oils and fats	1	1	-3.2	-14.2	-0.01
Cheese	3	3	2.1	2.7	-
Milk, fresh	3	3	0.2	-0.1	-
Milk products	4	4	-2.0	4.5	0.03
Tea	1	1	-1.4	0.3	-
Soft drinks	9	8	-3.6	-0.8	0.03
Sugar and preserves	1	1	-0.7	-0.7	-
Sweets and chocolates	11	11	1.0	-1.7	-0.03
Potato products	2	3	-1.4	4.0	0.01
Processed vegetables	2	2	-2.9	2.0	0.01
Processed fruit	1	2	-	1.4	-
Other foods	10	11	-2.3	-0.8	0.01
Coffee and other hot drinks	2	2	-1.3	-0.7	-

- Large upward effect on the all items 12-month rate change.
- Due to:
  - **Milk products; potato products and processed vegetables**, where prices overall rose this year but fell a year ago, particularly for yoghurt/fromage frais and premium potato crisps;
  - **Soft drinks; other meat and other foods**, where prices overall fell this year by less than a year ago, with the main upward contributions coming from bottles of cola flavoured drink; fruit squash; fruit smoothies; chilled chicken kiev's; canned soup; jars/cans of cook-in sauce; and dried potted snacks. Partially offset by small downward contributions coming from fresh orange juice and chilled pizza; and
  - **Biscuits and cakes**, where prices overall rose this year but were little changed a year ago.

- Partially offset by:
  - Sweets and chocolates; poultry and processed fish**, where prices overall fell this year but rose a year ago, with the main downward contributions coming from large chocolate bars; bags of chocolate sweets; cartons/boxes of chocolates and chicken breast fillets; and
  - Oils and fats**, where prices overall fell this year by more than a year ago, particularly for margarine/low fat spread.

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

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

<b>ALCOHOLIC DRINKS</b>	Weight 2016	Weight 2017	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to RPI annual rate change
ALCOHOLIC DRINKS	57	57	-	0.1	0.01
Beer on sales	19	19	0.2	0.2	-
Beer off sales	5	5	-0.7	-2.0	-0.01
Wines and spirits on sales	19	19	0.5	0.4	-
Wines and spirits off sales	14	14	-0.7	0.3	0.01

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

<b>TOBACCO</b>	Weight 2016	Weight 2017	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to RPI annual rate change
TOBACCO	25	24	0.2	0.1	-
Cigarettes	21	20	0.1	0.1	-
Other tobacco products	4	4	0.3	0.1	-

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

<b>HOUSING</b>	Weight 2016	Weight 2017	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to RPI annual rate change
HOUSING	266	266	-0.2	0.2	0.11
Rent	83	84	0.1	-0.1	-0.01
Mortgage interest payments	28	25	-2.8	-0.2	0.07
Council tax and rates	40	39	-	-	-
Water and other charges	13	13	-	-	-
Repairs and maintenance charges	9	9	0.2	0.2	-
DIY materials	7	6	-1.1	0.3	0.01
Dwelling insurance and ground rent	6	6	0.7	1.5	0.01
House depreciation	80	84	0.1	0.5	0.04

- Largest upward effect on the all items 12-month rate change.
- Due to:
  - **Mortgage interest payments**, where average charges fell this year by less than a year ago;
  - **House depreciation**, with the smoothed house price index used to calculate this component rising this year by more than a year ago; and, to a lesser extent
  - **DIY materials**, where prices overall rose this year but fell a year ago; and
  - **Dwelling insurance and ground rent**, where charges overall rose this year by more than a year ago.
- Partially offset by **rent**, where prices overall fell this year but rose a year ago, with the main downward contribution coming from Registered Social Landlord (RSL) rents.

<b>FUEL AND LIGHT</b>	Weight 2016	Weight 2017	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to RPI annual rate change
FUEL AND LIGHT	41	38	0.8	1.3	0.02
Coal and solid fuels	1	1	1.8	2.1	-
Electricity	20	19	-	2.2	0.05
Gas	18	16	-	0.1	-
Oil and other fuels	2	2	12.1	0.9	-0.03

- Small upward effect on the all items 12-month rate change.
- Due to **electricity**, where prices overall rose this year but were little changed a year ago.
- Partially offset by **oil and other fuels**, where kerosene prices rose this year by less than a year ago.

<b>HOUSEHOLD GOODS</b>	Weight 2016	Weight 2017	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to RPI annual rate change
HOUSEHOLD GOODS	62	65	0.2	-0.8	-0.06
Furniture	25	26	-1.2	-2.9	-0.06
Furnishings	8	10	0.8	-0.1	-0.01
Electrical appliances	7	6	2.4	2.4	-
Other household equipment	4	4	0.2	-0.2	-
Household consumables	11	11	1.5	2.1	0.01
Pet care	7	8	0.5	-	-

- Largest downward effect on the all items 12-month rate change.
- Due to:
  - **Furniture**, where prices overall fell this year by more than a year ago, with the main downward contributions coming from double wardrobes, leather settees, kitchen units and single beds; and, to a lesser extent
  - **Furnishings**, where prices overall fell this year but rose a year ago.
- Partially offset by **household consumables**, where prices overall rose this year by more than a year ago.

<b>HOUSEHOLD SERVICES</b>	Weight 2016	Weight 2017	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to RPI annual rate change
HOUSEHOLD SERVICES	67	64	0.4	-	-0.02
Domestic services	14	15	0.2	0.3	-
Fees and subscriptions	27	22	0.8	0.2	-0.02
Postage	1	1	-	0.4	-
Telephone charges	25	26	-	-0.3	-0.01

- Small downward effect on the all items 12-month rate change.
- Due to:
  - **Fees and subscriptions**, where prices overall rose this year by less than a year ago, with the main downward contribution coming from surveyors valuation fees; and
  - **Telephone charges**, where prices overall fell this year but were little changed a year ago.

<b>CLOTHING AND FOOTWEAR</b>	Weight 2016	Weight 2017	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to RPI annual rate change
CLOTHING AND FOOTWEAR	41	41	0.3	0.4	0.01
Men's outerwear	9	8	0.6	1.2	0.01
Women's outerwear	15	15	-0.4	-0.5	-
Children's outerwear	4	5	2.1	0.4	-0.01
Other clothing	5	5	-	1.5	0.01
Footwear	8	8	0.2	0.4	-

- Small upward effect on the all items 12-month rate change.
- Due to:
  - **Men's outerwear**, where prices overall rose this year by more than a year ago; and
  - **Other clothing**, where prices rose this year but were little changed a year ago,
- Partially offset by **children's outerwear**, where prices overall rose this year by less than a year ago.

<b>PERSONAL GOODS AND SERVICES</b>	Weight 2016	Weight 2017	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to RPI annual rate change
PERSONAL GOODS AND SERVICES	42	38	-0.3	-	0.01
Personal articles	12	9	-1.1	-1.0	-
Chemists' goods	15	15	0.9	0.9	-
Personal services	15	14	-0.8	-0.3	0.01

- Small upward effect on the all items 12-month rate change.
- Due to **personal services**, where prices overall fell this year by less than a year ago.

<b>MOTORING EXPENDITURE</b>	Weight 2016	Weight 2017	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to RPI annual rate change
MOTORING EXPENDITURE	117	123	0.4	0.1	-0.04
Purchase of motor vehicles	45	46	0.1	0.8	0.03
Maintenance of motor vehicles	16	16	0.2	0.2	-
Petrol and oil	33	37	0.9	-0.3	-0.04
Vehicle tax and insurance	23	24	0.3	-0.6	-0.02

- 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 0.9 pence per litre between September and October 2017, to stand at 117.2 pence per litre, compared with a rise of 1.0 pence per litre last year to stand at 112.3 pence per litre. Diesel prices rose by 0.6 pence per litre, to stand at 120.5 pence per litre in October 2017, compared with a rise of 1.0 pence per litre last year to stand at 114.4 pence per litre; and, to a lesser extent
  - **Vehicle tax and insurance**, where average premiums for car insurance fell this year but rose a year ago.

<b>FARES AND OTHER TRAVEL COSTS</b>	Weight 2016	Weight 2017	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to RPI annual rate change
FARES AND OTHER TRAVEL COSTS	26	26	-3.1	-2.0	0.03
Rail fares	7	6	-0.4	0.3	-
Bus and coach fares	3	3	0.5	0.1	-
Other travel costs	16	17	-4.7	-3.0	0.03

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

- Due to **other travel costs**, where average prices fell this year by less than a year ago, with the main upward contributions coming from air fares and children's bicycles.

<b>LEISURE GOODS</b>	Weight 2016	Weight 2017	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to RPI annual rate change
LEISURE GOODS	29	29	0.5	-0.2	-0.02
Audio-visual equipment	7	6	1.5	-	-0.01
CDs and tapes	2	2	-3.7	-2.8	-
Toys, photographic and sports goods	9	9	0.2	0.6	-
Books and newspapers	6	6	1.8	-1.3	-0.02
Gardening products	5	6	0.3	0.7	-

- Small downward effect on the all items 12-month rate change.
- Due to:
  - **Books and newspapers**, where prices overall fell this year but rose a year ago, particularly for eBooks and non-fiction hard cover books; and
  - **Audio-visual equipment**, where prices overall were little changed this year but rose a year ago.

<b>LEISURE SERVICES</b>	Weight 2016	Weight 2017	1 month % change Oct 2016	1 month % change Oct 2017	Contribution to RPI annual rate change
LEISURE SERVICES	78	79	-0.1	0.2	0.02
TV licence and rentals	12	12	-	0.3	-
Entertainment and other recreation	16	16	0.7	-0.5	-0.02
Foreign holidays	40	40	-0.3	0.6	0.03
UK holidays	10	11	-0.7	-0.6	-

- 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, particularly for late booked foreign holidays and hotel foreign holidays.
- Partially offset by **entertainment and other recreation**, where prices overall fell this year but rose a year ago, particularly for live music events.

## 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 October 2017 was -0.96 percentage points, widening from -0.85 percentage points in September 2017.

The main factors contributing to the widening were:

- **Mortgage interest payments**, which increased the RPI 12-month rate by 0.07 percentage points between September and October 2017 but are excluded from the CPI.
- **Other housing components excluded from the CPI**, which increased the RPI 12-month rate relative to the CPI 12-month rate by 0.04 points between September and October 2017. The effect came mainly from house depreciation.
- **Other differences including weights**, which increased the RPI 12-month rate relative to the CPI 12-month rate by 0.04 between September and October 2017. The effect came mainly from fuels and lubricants; sea fares; financial services; and other services not elsewhere classified. This was partially offset by air fares and insurance.

The main off-setting factor was:

- **The formula effect**, which decreased the RPI 12-month rate relative to the CPI 12-month rate by 0.05 percentage points between September and October 2017. The effect came mainly from food and non-alcoholic beverages; and recreation and culture. This was partially offset by clothing and footwear.

## RPI MISCELLANEOUS DATA

### Selected Average Prices

Description		August 2017	September 2017	October 2017
Petrol per litre	Diesel	£1.17	£1.20	£1.21
	Petrol	£1.16	£1.18	£1.17
Alcohol pub prices	Draught bitter (pint)	£3.07	£3.07	£3.08
	Draught lager (pint)	£3.59	£3.60	£3.61
	Whisky (per nip)	£2.80	£2.81	£2.82
Cigarettes	Per 20 king size	£9.52	£9.61	£9.62

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
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
August 2017	+0.7	Down -0.01% points	-0.01% points
September 2017	+0.1	Down -0.01% points	-0.01% points
October 2017	+0.1	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

- With the exception of 2013, seasonal food prices in the CPI have risen in November in recent years.

Monthly % change for CPIH seasonal food index			
Year	September	October	November
2011	0.7	-1.6	1.7
2012	-0.1	0.9	2.3
2013	1.1	-	-0.2
2014	-0.5	1.3	0.6
2015	0.4	0.2	0.8
2016	1.2	-0.2	1.2
2017	0.9	2.1	

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

### CLOTHING AND FOOTWEAR

- Historically prices for clothing and footwear have tended to rise in November. However there have been atypical price movements in this sector during 2015.

Monthly % change for CPIH clothing and footwear index			
Year	September	October	November
2011	4.4	0.8	1.1
2012	4.6	1.2	0.6
2013	4.2	1.0	0.7
2014	4.0	0.6	0.7
2015	2.8	2.0	-0.1
2016	5.1	0.3	1.4
2017	3.9	0.2	

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

## FURNITURE, HOUSEHOLD EQUIPMENT AND MAINTENANCE

- Prices have shown a mixed pattern of rises and falls in November of previous years.

Monthly % change for CPIH furniture, household equipment and maintenance index			
Year	September	October	November
2011	1.2	-0.6	1.0
2012	0.5	-0.6	-0.1
2013	0.1	-0.4	-0.1
2014	0.6	-1.1	0.1
2015	0.7	-1.0	-0.2
2016	0.4	0.5	0.5
2017	0.2	-0.4	

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

## TRANSPORT

### Fuels and Lubricants

- Oil prices hit their highest levels for more than two years after the heir to the throne in Saudi Arabia consolidated his hold on power with a major purge of the kingdom's political and business leadership at the weekend.  
A new anti-corruption body, headed by Crown Prince Mohammed bin Salman, detained 11 princes, four sitting ministers and dozens of ex-ministers.  
Saudi Arabia is the world's biggest exporter of crude oil and the second-largest producer of the commodity. By the close of London share trading, the price of Brent crude oil was 2.7% higher at \$63.73 – its highest level since July 2015. (bbc.co.uk 6 November 2017)
- When considering the price of petrol between October and November 2017, it may be useful to note that the average price of petrol rose by 1.6 pence per litre between October and November 2016, standing at 115.4 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

- Historically air fares tend to fall in November.

Monthly % change for CPIH air fares index			
Year	September	October	November
2011	-21.2	-6.0	-7.5
2012	-25.2	-3.5	-8.3
2013	-18.8	-11.2	-8.1
2014	-21.7	-6.0	-12.3
2015	-20.4	-12.7	-13.0
2016	-24.2	-7.4	-13.4
2017	-26.7	-4.8	

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

### HOUSING (RPI)

#### Mortgage interest payments (MIPs)

- The Bank of England Bank Rate was increased by 0.25% to 0.5% on Thursday 2 November 2017. The next announcement and minutes from the Bank of England's Monetary Policy Committee are scheduled to be published on 14 December 2017.
- The change in average mortgage interest rates recorded in the RPI was -0.03 percentage points between October and November 2016. The Bank of England Bank Rate remained unchanged at 0.25% in October 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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