

Statistical Bulletin

BRIEFING NOTE

Consumer Price Inflation October 2018

Coverage: **UK**

Date: 14 November 2018 Geographical Area: UK Theme: Economy

CONTENTS

SUMMARY	2
CPIH SUMMARY	4
CPIH NOTABLE MOVEMENTS	6
CPIH DETAILED BRIEFING	7
RPI SUMMARY	24
RPI NOTABLE MOVEMENTS	25
RPI DETAILED BRIEFING	26
RECONCILIATION OF CPIH AND RPI	35
RPI MISCELLANEOUS DATA	36
OUTLOOK	37

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 <u>National Statistics</u> status of the Consumer Prices Index including owner occupiers' housing costs (CPIH) was reinstated on 31 July 2017. <u>A letter</u> 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 <u>CPIH</u> assessment report.

The main movements for CPIH in October 2018 are:

- The all items CPIH is 106.7, up from 106.6 in September.
- The all items CPIH annual rate is 2.2%, unchanged from last month.
- The annual rate for CPIH excluding indirect taxes, CPIHY, is 2.1%, unchanged from last month.
- The OOH component of CPIH is 106.0, up from 105.9 in September.
- The OOH component annual rate is 1.1%, up from 1.0% last month.
- The CPIH all goods index is 105.1, up from 104.9 in September.
- The CPIH all goods index annual rate is 2.3%, down from 2.5% last month.
- The CPIH all services index is 107.8, down from 107.9 in September.
- The CPIH all services index annual rate is 2.1%, up from 2.0% last month.

Consumer Prices Index (CPI)

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



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

The CPI is also used for purposes such as uprating pensions, wages and benefits and can aid in the understanding of inflation on family budgets. For more information see <u>Users and uses of consumer price inflation statistics</u>.

The main movements for CPI in October 2018 are:

- The all items CPI is 106.7, up from 106.6 in September.
- The all items CPI annual rate is 2.4%, unchanged from last month.
- The annual rate for CPI excluding indirect taxes, CPIY, is 2.4%, unchanged from last month.
- The annual rate for CPI at constant tax rates, CPI-CT, is 2.3%, unchanged from last month.
- The CPI all goods index is 105.1, up from 104.9 in September.
- The CPI all goods index annual rate is 2.3%, down from 2.5% last month.
- The CPI all services index is 108.5, down from 108.6 in September.
- The CPI all services index annual rate is 2.5%, up from 2.3% last month.

Retail Prices Index (RPI)

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

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

The main movements for RPI in October 2018 are:

- The all items RPI is 284.5, up from 284.1 in September.
- The all items RPI annual rate is 3.3%, unchanged from last month.
- The annual rate for RPIX, the all items RPI excluding mortgage interest payments (MIPs), is 3.2%, down from 3.3% last month.
- The all goods RPI is 215.1, unchanged from last month.
- The all goods RPI annual rate is 3.1%, down from 3.2% last month.
- The all services RPI is 388.9, up from 388.6 in September.
- The all services RPI annual rate is 3.4%, up from 3.3% last month.



CPIH SUMMARY

CONTRIBUTIONS TO CHANGE IN THE CPIH ANNUAL RATE

	Weight	Weight	1 month	1 month	Contribution
CPIH COICOP DIVISIONS	2017	2018	% change	% change	to CPIH annual
	Feb-Dec	Feb-Dec	Oct 2017	Oct 2018	rate change
01: Food and non-alcoholic beverages	81	83	0.4	-0.2	-0.05
02: Alcoholic beverages and tobacco	34	34	-	-0.2	-
03: Clothing and footwear	58	57	0.2	-0.5	-0.04
04: Housing, water, electricity, gas and other fuels	294	301	0.1	0.3	0.04
05: Furniture, household equipment and maintenance	49	48	-0.4	-0.1	0.01
06: Health	21	21	-	-0.3	-0.01
07: Transport	126	124	-0.2	-0.4	-0.03
08: Communication	21	20	-0.2	0.7	0.02
09: Recreation and culture	121	120	0.5	0.7	0.02
10: Education	17	18	1.9	2.1	0.01
11: Restaurants and hotels	101	97	-0.1	-0.2	-0.01
12: Miscellaneous goods and services	77	77	-0.5	-0.1	0.03

Large downward effects came from:

- Food and non-alcoholic beverages. Food prices remain little changed since the start of 2018 and fell by 0.1% between September and October 2018 compared with a rise of 0.5% between the same two months a year ago. The main effects came from yoghurts and from cheese where prices fell between September and October this year but rose a year ago. Prices for non-alcoholic beverages had a small downward effect as prices fell by more than a year ago; and
- Clothing and footwear, where prices fell between September and October 2018 but rose between
 the same two months a year ago. There were small downward contributions from menswear,
 footwear and other articles of clothing, partially offset by a small upward effect from children's
 clothes, which rose in price between September and October 2018 but were little changed a year
 ago.



A small downward effect came from:

• Transport, with the purchase price of vehicles overall being unchanged this year compared with rising prices between September and October 2017. Transport services also showed larger price falls between September and October 2018 than between the same two months a year ago. There were small downward effects from new and used cars, bicycles, and from international rail and coach fares. Within transport, there was an offsetting small upward effect from motor fuels. Petrol prices rose by 0.4 pence per litre between September and October 2018 compared with a fall of 0.9 pence per litre between September and October 2017. Diesel prices rose by 1.8 pence for the same period this year compared with a 0.4 pence rise a year ago.

A large upward effect came from:

 Housing and household services, where prices for gas rose between September and October 2018 by more than a year ago. Electricity prices also rose between September and October 2018 but they had no contribution to the change in the CPIH 12-month rate, as prices rose by a similar rate a year ago.

Small upward effects came from:

- Miscellaneous goods and services, where between September and October 2018 prices overall
 fell by less than a year ago. The upward contributions came from surveyors' fees, where prices were
 unchanged this year but some providers offered price reductions last year, and increases to initial
 charges for unit trust investments and to home delivery costs;
- Recreation and culture, with upward contributions coming from a range of items including cultural
 services, PC peripherals, DVDs, shop bought computer games and eBooks. These were partially
 offset by a large downward contribution from other major durables for recreation and culture where
 prices rose, between September and October 2018, by less than a year ago; and
- **Communication**, where the price of bundled telecommunication services and telephone charges rose this year but were unchanged a year ago. This was offset by a small downward contribution from mobile phone apps where prices fell between September and October this year by more than a year ago.



CPIH NOTABLE MOVEMENTS

All items CPIH	Annual rate +2.2%, unchanged from last month Also +2.2% in April 2018 Last higher in August 2018 (+2.4%) Last lower in January 2017 (+1.9%)
All items CPIH exc energy, food, alcohol and tobacco	Annual rate +1.8%, unchanged from last month Also +1.8% in July 2018, June 2018, January 2017 and December 2016 Last higher in August 2018 (+1.9%) Last lower in November 2016 (+1.7%)
Food and non-alcoholic beverages	Annual rate +0.9%, down from +1.5% last month Lowest since February 2017 (+0.2%)
Clothing and footwear	Annual rate -1.1%, down from -0.4% last month Lowest since August 2016 (-1.2%)
Restaurants and hotels	Annual rate +2.4%, down from +2.5% last month Also +2.4% in February 2018 Last lower in August 2016 (+2.3%)
Electricity, gas and other fuels	Annual rate +9.2%, up from +8.1% last month Highest since August 2012 (+10.2%)
All goods	Annual rate +2.3%, down from +2.5% last month Lowest since February 2017 (+1.9%)
All services	Annual rate +2.1%, up from +2.0% last month Highest since August 2018 (+2.2%)



CPIH DETAILED BRIEFING

The <u>National Statistics</u> status of the Consumer Prices Index including owner occupiers' housing costs (CPIH) was reinstated on 31 July 2017. <u>A letter</u> 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 <u>CPIH assessment report</u>.

Weights are specified as parts per 1000 in the CPIH.

01 FOOD AND NON- ALCOHOLIC BEVERAGES	Weight	Weight	1 month	1 month	Contribution
	2017	2018	% change	% change	to CPIH annual
	Feb-Dec	Feb-Dec	Oct 2017	Oct 2018	rate change
01 Food & non-alcoholic beverages	81	83	0.4	-0.2	-0.05

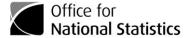
- Largest downward effect on the all items 12-month rate change.
- Due to food and, to a lesser extent, non-alcoholic beverages.

	Weight	Weight	1 month	1 month	Contribution
01.1 Food	2017	2018	% change	% change	to CPIH annual
	Feb-Dec	Feb-Dec	Oct 2017	Oct 2018	rate change
01.1 Food	71	73	0.5	-0.1	-0.04
01.1.1 Bread and cereals	12	12	0.8	0.8	-
01.1.2 Meat	16	16	0.2	-0.6	-0.01
01.1.3 Fish	3	3	-1.7	0.3	0.01
01.1.4 Milk, cheese and eggs	9	9	1.9	-1.4	-0.03
01.1.5 Oils and fats	2	2	-9.0	-6.3	0.01
01.1.6 Fruit	7	8	3.1	3.3	-
01.1.7 Vegetables including potatoes	10	10	2.6	1.2	-0.01
01.1.8 Sugar, jam, syrups, chocolate and confectionery	10	11	-1.6	-1.5	-
01.1.9 Food products not elsewhere covered	2	2	1.0	-0.4	-

- Large downward effect on the all items 12-month rate change.
- Due to milk cheese and eggs; meat; and vegetables including potatoes.
- Partially offset by fish; and oils and fats.

Meat

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



Fish

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

Milk, cheese and eggs

- Small downward effect.
- Prices overall fell this year but rose a year ago, particularly for yoghurt/fromage frais and tubs
 of cheese spread.

Oils and fats

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

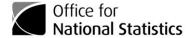
Vegetables including potatoes

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

01.2 Non-alcoholic beverages	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Oct 2017	1 month % change Oct 2018	Contribution to CPIH annual rate change
01.2 Non-alcoholic beverages	10	10	-0.8	-1.5	-0.01
01.2.1 Coffee, tea and cocoa	3	3	-0.6	-0.9	-
01.2.2 Mineral waters, soft drinks and juices	7	7	-0.9	-1.7	-0.01

- Small downward effect on the all items 12-month rate change.
- Due to mineral waters, soft drinks and juices, where prices overall fell this year by more than a year ago, with the main downward contributions coming from a range of products.
 Partially offset by a small upward contribution coming from fruit squash.

02 ALCOHOLIC BEVERAGES AND TOBACCO	Weight 2017	Weight 2018	1 month % change	1 month % change	Contribution to CPIH annual
	Feb-Dec	Feb-Dec	Oct 2017	Oct 2018	rate change
02 Alcoholic beverages and tobacco	34	34	1	-0.2	-



02.1 Alcoholic Beverages	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Oct 2017	1 month % change Oct 2018	Contribution to CPIH annual rate change
02.1 Alcoholic beverages	16	16	-0.2	-0.7	-0.01
02.1.1 Spirits	5	5	0.6	-1.4	-0.01
02.1.2 Wine	7	7	0.5	1.2	-
02.1.3 Beer	4	4	-2.4	-3.1	-

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

02.2 Tobacco	Weight	Weight	1 month	1 month	Contribution
	2017	2018	% change	% change	to CPIH annual
	Feb-Dec	Feb-Dec	Oct 2017	Oct 2018	rate change
02.2 Tobacco	18	18	0.1	0.3	-

03 CLOTHING AND FOOTWEAR	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Oct 2017	1 month % change Oct 2018	Contribution to CPIH annual rate change
03 Clothing and footwear	58	57	0.2	-0.5	-0.04

- Large downward effect on the all items 12-month rate change.
- Due to clothing and footwear including repairs.

03.1 Clothing	Weight 2017	Weight 2018	1 month % change	1 month % change	Contribution to CPIH annual
	Feb-Dec	Feb-Dec	Oct 2017	Oct 2018	rate change
03.1 Clothing	49	47	0.2	-0.3	-0.02
03.1.2 Garments	44	42	0.1	-0.3	-0.01
03.1.3 Other clothing and clothing accessories	4	4	1.4	-0.8	-0.01
03.1.4 Cleaning, repair and hire of clothing	1	1	0.3	0.2	-

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



Garments

- Small downward effect.
- Prices overall fell this year but rose a year ago, with the main downward contributions coming from men's coats and women's formal trousers and casual jackets.
- Partially offset by small upward contributions coming from women's jumpers and dresses;
 and boy's T-shirts.

Other clothing and clothing accessories

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

03.2 Footwear including repairs	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Oct 2017	1 month % change Oct 2018	Contribution to CPIH annual rate change
03.2 Footwear including repairs	9	10	-	-1.3	-0.01

- Small downward effect on the all items 12-month rate change.
- Prices overall fell this year but were little changed a year ago, with the main downward contribution coming from women's flat shoes.

04 HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Oct 2017	1 month % change Oct 2018	Contribution to CPIH annual rate change
04 Housing, water, electricity, gas and other fuels	294	301	0.1	0.3	0.04

- Largest upward effect on the all items 12-month rate change.
- Due to electricity, gas and other fuels; and owner occupiers' housing costs.

04.1 Actual rentals for housing	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Oct 2017	1 month % change Oct 2018	Contribution to CPIH annual rate change
04.1 Actual rentals for housing	56	69	-0.1	1	-



4.2 Owner occupiers' housing costs	Weight 2017	Weight 2018	1 month % change	1 month % change	Contribution to CPIH annual
	Feb-Dec	Feb-Dec	Oct 2017	Oct 2018	rate change
4.2 Owner occupiers' housing costs	174	169	1	0.1	0.01

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

04.3 Regular maintenance and repair of the dwelling	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Oct 2017	1 month % change Oct 2018	Contribution to CPIH annual rate change
04.3 Regular maintenance and repair of the dwelling	2	2	0.2	-0.2	-
04.3.1 Materials for maintenance and repair	1	1	0.2	-0.4	-
04.3.2 Services for maintenance and repair	1	1	0.2	-	-

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

04.4 Other services related to the dwelling	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Oct 2017	1 month % change Oct 2018	Contribution to CPIH annual rate change
04.4 Other services related to the dwelling	9	9	-	-	-
04.4.1 Water supply	4	4	-	-	-
04.4.3 Sewerage collection	5	5	-	-	ı



04.5 Electricity, gas and other fuels	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Oct 2017	1 month % change Oct 2018	Contribution to CPIH annual rate change
04.5 Electricity, gas and other fuels	27	27	1.2	2.3	0.03
04.5.1 Electricity	13	13	2.2	2.0	-
04.5.2 Gas	12	12	0.1	2.0	0.03
04.5.3 Liquid fuels	1	1	1.1	7.2	0.01
04.5.4 Solid fuels	1	1	2.1	3.7	-

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

Gas

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

Liquid fuels

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

	Weight	Weight	1 month	1 month	Contribution
4.9 Council tax and rates	2017	2018	% change	% change	to CPIH annual
	Feb-Dec	Feb-Dec	Oct 2017	Oct 2018	rate change
4.9 Council tax and rates	26	25	_	-	-

05 FURNITURE,	Weight	Weight	1 month	1 month	Contribution
HOUSEHOLD EQUIPMENT AND MAINTENANCE	2017	2018	% change	% change	to CPIH annual
AND MAINTENANCE	Feb-Dec	Feb-Dec	Oct 2017	Oct 2018	rate change
05 Furniture, household equipment and					
maintenance	49	48	-0.4	-0.1	0.01

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



05.1 Furniture, furnishings and carpets	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Oct 2017	1 month % change Oct 2018	Contribution to CPIH annual rate change
05.1 Furniture, furnishings and carpets	18	18	-2.2	-1.2	0.02
05.1.1 Furniture and furnishings	15	14	-2.7	-1.5	0.02
05.1.2 Carpets and other floor coverings	3	4	0.4	-0.3	-

- Small upward effect on the all items 12-month rate change.
- Due to **furniture and furnishings**, where prices overall fell this year by less than a year ago, with the main upward contribution coming from kitchen units.

05.2 Household textiles	Weight 2017 Feb-Dec	Weight 2018	1 month % change Oct 2017	1 month % change Oct 2018	Contribution to CPIH annual rate change
05.2 Household textiles	6	5	-1.2	0.4	0.01

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

05.3 Household appliances, fitting and repairs	Weight 2017	Weight 2018	1 month % change	1 month % change	Contribution to CPIH annual
	Feb-Dec	Feb-Dec	Oct 2017	Oct 2018	rate change
05.3 Household appliances, fitting and repairs	7	7	1.9	1.2	-
05.3.1/2 Major appliances and small electric goods	6	6	2.2	1.4	-
05.3.3 Repair of household appliances	1	1	0.1	-	-

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

05.4 Glassware, tableware and household utensils	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Oct 2017	1 month % change Oct 2018	Contribution to CPIH annual rate change
05.4 Glassware, tableware and household					J
utensils	4	4	-0.6	0.1	-



05.5 Tools and equipment for house and garden	Weight	Weight	1 month	1 month	Contribution
	2017	2018	% change	% change	to CPIH annual
	Feb-Dec	Feb-Dec	Oct 2017	Oct 2018	rate change
05.5 Tools and equipment for house and					
garden	4	4	0.1	1.5	0.01

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

05.6 Goods and services for routine maintenance	Weight 2017	Weight 2018	1 month % change	1 month % change	Contribution to CPIH annual
	Feb-Dec	Feb-Dec	Oct 2017	Oct 2018	rate change
05.6 Goods and services for routine maintenance	10	10	1.9		-0.02
05.6.1 Non-durable household goods	4	4	3.8	-0.6	-0.02
05.6.2 Domestic services and household services	6	6	0.7	0.4	-

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

	Weight	Weight	1 month	1 month	Contribution
06 HEALTH	2017	2018	% change	% change	to CPIH annual
	Feb-Dec	Feb-Dec	Oct 2017	Oct 2018	rate change
06 Health	21	21	-	-0.3	-0.01

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



06.1 Medical products, appliances and equipment	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Oct 2017	1 month % change Oct 2018	Contribution to CPIH annual rate change
06.1 Medical products, appliances and equipment	10	9	0.2	-0.2	-
06.1.1 Pharmaceutical products 06.1.2/3 Other medical and therapeutic	6	5	0.3	-0.3	-
equipment	4	4	-	-0.2	-

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

06.2 Out-patient services	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Oct 2017	1 month % change Oct 2018	Contribution to CPIH annual rate change
06.2 Out-patient services	5	7	0.2	0.1	-
06.2.1/3 Medical and paramedical					
services	3	4	0.2	0.1	-
06.2.2 Dental services	2	3	0.2	-	-

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

	Weight	Weight	1 month	1 month	Contribution
06.3 Hospital services	2017	2018	% change	% change	to CPIH annual
	Feb-Dec	Feb-Dec	Oct 2017	Oct 2018	rate change
06.3 Hospital Services	6	5	-0.4	-0.9	-

	Weight	Weight	1 month	1 month	Contribution
07 TRANSPORT	2017	2018	% change	% change	to CPIH annual
	Feb-Dec	Feb-Dec	Oct 2017	Oct 2018	rate change
07 Transport	126	124	-0.2	-0.4	-0.03

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



07.1 Purchase of vehicles	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Oct 2017	1 month % change Oct 2018	Contribution to CPIH annual rate change
07.1 Purchase of vehicles	37	38	0.8	-	-0.03
07.1.1A New cars	21	22	0.6	-0.2	-0.02
07.1.1B Second-hand cars	14	14	0.9	0.4	-0.01
07.1.2/3 Motorcycles and bicycles	2	2	2.4	-0.7	-0.01

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

New cars

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

Second-hand cars

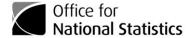
- Small downward effect.
- Prices overall rose this year by less than a year ago.

Motorcycles and bicycles

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

07.2 Operation of personal transport equipment	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Oct 2017	1 month % change Oct 2018	Contribution to CPIH annual rate change
07.2 Operation of personal transport equipment	61	58	-0.1	0.4	0.03
07.2.1 Spare parts and accessories	4	4	0.3	0.5	-
07.2.2 Fuels and lubricants	26	25	-0.4	0.7	0.03
07.2.3 Maintenance and repairs	20	19	0.1	0.1	-
07.2.4 Other services	11	10	-	0.3	-

- Small upward 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, rose by 0.4 pence per litre between September and October 2018, to stand at 130.7 pence per litre.
- Last year, the average price of petrol fell by 0.9 pence per litre between September and October 2017, to stand at 117.3 pence per litre.
- The average price of diesel rose by 1.8 pence per litre between September and October
 2018 to stand at 136.1 pence per litre, compared with a smaller rise of 0.4 pence per litre a



year earlier, to stand at 120.5 pence per litre.

07.3 Transport services	Weight 2017	Weight 2018	1 month % change	1 month % change	Contribution to CPIH annual
	Feb-Dec	Feb-Dec	Oct 2017	Oct 2018	rate change
07.3 Transport services	28	28	-1.5	-2.5	-0.03
07.3.1 Passenger transport by railway	11	11	0.2	-1.4	-0.02
07.3.2 Passenger transport by road	10	10	0.1	-0.8	-0.01
07.3.3 Passenger transport by air	4	4	-4.8	-5.0	-
07.3.4 Passenger transport by sea and inland waterway	3	3	-7.6	-8.1	-

- Small downward effect on the all items 12-month rate change.
- Due to passenger transport by railway; and passenger transport by road.

Passenger transport by railway

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

Passenger transport by road

- Small downward effect.
- Average fares fell this year but rose a year ago, with the main downward contribution coming from coach fares.

	Weight	Weight	1 month	1 month	Contribution
08 COMMUNICATION	2017	2018	% change	% change	to CPIH annual
	Feb-Dec	Feb-Dec	Oct 2017	Oct 2018	rate change
08 Communication	21	20	-0.2	0.7	0.02

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

	Weight	Weight	1 month	1 month	Contribution
08.1 Postal services	2017	2018	% change	% change	to CPIH annual
	Feb-Dec	Feb-Dec	Oct 2017	Oct 2018	rate change
08.1 Postal services	1	1	0.4	-	-



08.2/3 Telephone equipment	Weight 2017	Weight 2018	1 month % change	1 month % change	Contribution to CPIH annual
and services	2017	2010	76 Change	76 Change	to CF II I allitual
	Feb-Dec	Feb-Dec	Oct 2017	Oct 2018	rate change
08.2/3 Telephone equipment and services	20	19	-0.2	0.8	0.02

- Small upward effect on the all items 12-month rate change.
- Prices overall rose this year but fell a year ago, with the main upward contributions coming from bundled telecommunication services and telephone charges.
- Partially offset by a small downward contribution coming from mobile phone applications, where prices fell this year by more than a year ago.

09 RECREATION AND CULTURE	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Oct 2017	1 month % change Oct 2018	Contribution to CPIH annual rate change
09 Recreation and culture	121	120	0.5	0.7	0.02

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

09.1 Audio-visual equipment and related products	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Oct 2017	1 month % change Oct 2018	Contribution to CPIH annual rate change
09.1 Audio-visual equipment and related products	15	14	-1.0	0.7	0.02
09.1.1 Equipment for the reception and reproduction of sound and pictures	3	4	-0.1	0.1	-
09.1.2 Photographic, cinematographic and optical equipment	2	1	-0.6	-1.6	-
09.1.3 Data processing equipment	5	5	-0.2	2.1	0.01
09.1.4 Recording media	4	3	-3.0	0.2	0.01
09.1.5 Repair of audio-visual equipment and related products	1	1	0.2	0.2	-

- Small upward effect on the all items 12-month rate change.
- Due to data processing equipment; and recording media.



Data processing equipment

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

Recording media

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

09.2 Other major durables for recreation and culture	Weight	Weight	1 month	1 month	Contribution
	2017	2018	% change	% change	to CPIH annual
	Feb-Dec	Feb-Dec	Oct 2017	Oct 2018	rate change
09.2.1/2 Major durables for in/outdoor					
recreation	13	14	3.6	0.7	-0.04

- Large downward effect on the all items 12-month rate change.
- Prices overall rose this year by less than a year ago, with the main downward contributions coming from boats and water-sports equipment.

09.3 Other recreational items, gardens and pets	Weight 2017	Weight 2018	1 month % change	1 month % change	Contribution to CPIH annual
	Feb-Dec	Feb-Dec	Oct 2017	Oct 2018	rate change
09.3 Other recreational items, gardens and pets	30	29	1.1	1.4	0.01
09.3.1 Games, toys and hobbies	16	17	1.7	2.3	0.01
09.3.2 Equipment for sport and open-air recreation	3	2	1.3	-0.1	-
09.3.3 Gardens, plants and flowers	4	3	0.8	-0.1	-
09.3.4/5 Pets, related products and services	7	7	-	0.2	-

- 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 shop bought computer games,
 computer game consoles and model road vehicles. Partially offset by small downward
 contributions coming from computer games bought via the internet and children's pre-school
 activity toys.



09.4 Recreational and cultural services	Weight 2017	Weight 2018	1 month % change	1 month % change	Contribution to CPIH annual
	Feb-Dec	Feb-Dec	Oct 2017	Oct 2018	rate change
09.4 Recreational and cultural services	26	23	-0.5	0.4	0.02
09.4.1 Recreational and sporting services	8	7	-0.2	-0.2	-
09.4.2 Cultural services	18	16	-0.6	0.6	0.02

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

09.5 Books, newspapers and stationery	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Oct 2017	1 month % change Oct 2018	Contribution to CPIH annual rate change
09.5 Books, newspapers and stationery	9	9	0.2	1.2	0.01
09.5.1 Books	3	3	-1.3	1.7	0.01
09.5.2 Newspapers and periodicals	3	3	0.4	1.2	-
09.5.3/4 Misc. printed matter, stationery, drawing materials	3	3	1.7	0.6	-

- Small upward effect on the all items 12-month rate change.
- Due to **books**, where prices overall rose this year but fell a year ago, with the main upward contribution coming from eBooks.

	Weight	Weight	1 month	1 month	Contribution
09.6 Package holidays	2017	2018	% change	% change	to CPIH annual
	Feb-Dec	Feb-Dec	Oct 2017	Oct 2018	rate change
09.6 Package holidays	28	31	0.4	0.3	-

10 EDUCATION	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Oct 2017	1 month % change Oct 2018	Contribution to CPIH annual rate change
10 Education	17	18	1.9	2.1	0.01

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



11 RESTAURANTS AND HOTELS	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Oct 2017	1 month % change Oct 2018	Contribution to CPIH annual rate change
11 Restaurants and hotels	101	97	-0.1	-0.2	-0.01

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

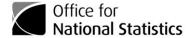
11.1 Catering services	Weight 2017	Weight 2018	1 month % change	1 month % change	Contribution to CPIH annual
	Feb-Dec	Feb-Dec	Oct 2017	Oct 2018	rate change
11.1 Catering services	77	75	0.2	0.1	-0.01
11.1.1 Restaurants and cafes	70	69	0.3	0.1	-0.01
11.1.2 Canteens	7	6	-	0.4	-

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

11.2 Accommodation services	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Oct 2017	1 month % change Oct 2018	Contribution to CPIH annual rate change
11.2 Accommodation services	24	22	-1.2	-1.1	-

12 MISCELLANEOUS GOODS AND SERVICES	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Oct 2017	1 month % change Oct 2018	Contribution to CPIH annual rate change
12 Misc. goods and services	77	77	-0.5	-0.1	0.03

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



12.1 Personal care	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Oct 2017	1 month % change Oct 2018	Contribution to CPIH annual rate change
12.1 Personal care	25	25	0.7	0.4	-0.01
12.1.1 Hairdressing and personal grooming establishments	6	6	-0.3	-0.2	-
12.1.2/3 Appliances and products for personal care	19	19	1.0	0.5	-0.01

- Small downward effect on the all items 12-month rate change.
- Due to appliances and products for personal care, where prices overall rose this year by less than a year ago, with the main downward contribution coming from toothbrushes.
 Partially offset by a small upward contribution coming from toothpaste.

12.3 Personal effects not elsewhere covered	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Oct 2017	1 month % change Oct 2018	Contribution to CPIH annual rate change
12.3 Personal effects not elsewhere covered	11	12	-0.8	-1.0	-
12.3.1 Jewellery, clocks and watches	7	8	-0.2	-1.3	-0.01
12.3.2 Other personal effects	4	4	-1.9	-0.5	0.01

- Negligible overall effect on the all items 12-month rate change.
- There is a small downward contribution coming from **jewellery**, **clocks and watches**, where prices overall fell this year by more than a year ago.
- Offset by a small upward contribution coming from other personal effects, where prices
 overall fell this year by less than a year ago.

12.4 Social protection	Weight	Weight	1 month	1 month	Contribution
	2017	2018	% change	% change	to CPIH annual
	Feb-Dec	Feb-Dec	Oct 2017	Oct 2018	rate change
12.4 Social protection	13	14	0.3	0.2	-



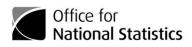
12.5 Insurance	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Oct 2017	1 month % change Oct 2018	Contribution to CPIH annual rate change
12.5 Insurance	7	7	-0.9	-1.2	-
12.5.2 House contents insurance	2	2	•	-1.4	-
12.5.3 Health insurance	2	2	-1.4	-0.7	-
12.5.4 Transport insurance	3	3	-1.0	-1.5	-

12.6 Financial services not elsewhere covered	Weight	Weight	1 month	1 month	Contribution
	2017	2018	% change	% change	to CPIH annual
	Feb-Dec	Feb-Dec	Oct 2017	Oct 2018	rate change
12.6 Financial services not elsewhere					
covered	11	9	-1.0	-0.2	0.01

- 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 initial charges for unit trust investments.

12.7 Other services not elsewhere covered	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Oct 2017	1 month % change Oct 2018	Contribution to CPIH annual rate change
12.7 Other services not elsewhere covered	10	10	-3.1	0.1	0.03

- Small upward effect on the all items 12-month rate change.
- Charges overall rose this year but fell a year ago, with the main upward contributions coming from surveyor's valuation fees and home delivery charges.



RPI SUMMARY

CONTRIBUTIONS TO CHANGE IN THE RPI ANNUAL RATE

GROUPS	Weight 2017	Weight 2018	1 month % change Oct 2017	1 month % change Oct 2018	Contribution to RPI annual rate change
FOOD	102	102	0.5	-0.3	-0.08
CATERING	48	50	0.2	0.3	0.01
ALCOHOLIC DRINKS	57	56	0.1	-0.2	-0.02
TOBACCO	24	23	0.1	0.3	0.01
HOUSING	266	257	0.2	0.4	0.07
FUEL AND LIGHT	38	37	1.3	2.2	0.04
HOUSEHOLD GOODS	65	68	-0.8	-0.2	0.03
HOUSEHOLD SERVICES	64	58	-	0.4	0.02
CLOTHING AND FOOTWEAR	41	43	0.4	-0.2	-0.02
PERSONAL GOODS AND SERVICES	38	42	-	-0.2	-0.01
MOTORING EXPENDITURE	123	124	0.1	0.1	-
FARES AND OTHER TRAVEL COSTS	26	25	-2.0	-2.8	-0.02
LEISURE GOODS	29	30	-0.2	1.1	0.04
LEISURE SERVICES	79	85	0.2	0.2	0.01



RPI NOTABLE MOVEMENTS

All items RPI	Annual rate +3.3%, unchanged from last month Last higher in August 2018 (+3.5%) Last lower in July 2018 (+3.2%)
All items RPI exc MIPS (RPIX)	Annual rate +3.2%, down from +3.3% last month Lowest since January 2017 (+2.9%)
Food	Annual rate +0.5%, down from +1.4% last month Also +0.5% in February 2017 Last lower in January 2017 (-0.4%)
Housing	Annual rate +3.0%, up from +2.8% last month Also +3.0% in April 2018 Last higher in September 2016 (+3.3%)
Fuel and light	Annual rate +9.3%, up from +8.3% last month Highest since August 2012 (+9.7%)
Clothing and footwear	Annual rate +5.0%, down from +5.5% last month Lowest since July 2010 (+4.3%)
All goods	Annual rate +3.1%, down from +3.2% last month Lowest since January 2017 (+2.8%)
All services	Annual rate +3.4%, up from +3.3% last month Highest since March 2018 (+3.5%)



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	Weight	1 month	1 month	Contribution
	2017	2018	% change	% change	to RPI annual
			Oct 2017	Oct 2018	rate change
FOOD	102	102	0.5	-0.3	-0.08

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

Seasonal Food	Weight 2017	Weight 2018	1 month % change	1 month % change	Contribution to RPI annual
			Oct 2017	Oct 2018	rate change
SEASONAL FOOD	18	18	1.7	1.6	-
Home killed lamb	1	1	3.4	1.7	-
Fresh fish	2	2	-2.7	0.5	0.01
Eggs	1	1	-0.2	0.2	-
Unprocessed potatoes	1	1	0.3	1.3	-
Other fresh vegetables	6	6	1.4	0.9	-
Fresh fruit	7	7	3.5	2.8	-

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



	Weight	Weight	1 month	1 month	Contribution
Non-Seasonal Food	2017	2018	% change	% change	to RPI annual
			Oct 2017	Oct 2018	rate change
NON-SEASONAL FOOD	84	84	0.3	-0.8	-0.08
Bread	4	4	0.8	-	-
Cereals	3	3	2.6	0.9	-
Biscuits and cakes	6	6	1.4	-0.5	-0.01
Beef	4	3	1.0	-0.6	-0.01
Imported lamb	1	1	4.0	-4.2	-0.01
Pork	1	1	3.5	-	-
Bacon	1	1	0.9	0.9	-
Poultry	3	4	-0.5	-0.6	-
Other meat	6	6	-0.7	-1.4	-
Processed fish	2	2	-1.2	0.4	-
Butter	1	1	4.2	-0.6	-
Oils and fats	1	1	-14.2	-7.5	0.01
Cheese	3	3	2.7	-0.5	-0.01
Milk, fresh	3	3	-0.1	-0.4	-
Milk products	4	4	4.5	-3.9	-0.03
Tea	1	1	0.3	1.5	-
Soft drinks	8	8	-0.8	-1.3	-0.01
Sugar and preserves	1	1	-0.7	-5.1	-
Sweets and chocolates	11	11	-1.7	-0.7	0.01
Potato products	3	3	4.0	1.1	-0.01
Processed vegetables	2	2	2.0	-0.3	-
Processed fruit	2	2	1.4	2.2	-
Other foods	11	11	-0.8	0.1	0.01
Coffee and other hot drinks	2	2	-0.7	-1.5	-

- Large downward effect on the all items 12-month rate change.
- Due to:
 - Milk products; biscuits and cakes; beef; imported lamb; and cheese, where prices
 overall fell this year but rose a year ago, with the main downward contributions coming
 from yoghurt/fromage frais, half chocolate coated biscuits, beef joints, frozen lamb
 joints and tubs of cheese spread;
 - Soft drinks, where prices fell this year by more than a year ago, with the main downward contribution coming from a variety of products, partially offset by a small upward contribution coming from fruit squash; and
 - **Potato products**, where prices rose this year by less than a year ago, with the main downward contribution coming from frozen chips.
- Partially offset by:
 - Oils and fats; and sweets and chocolates; where prices overall fell this year by less
 than a year ago, particularly for margarine/low fat spread, large bars of chocolate and
 bags of chocolate sweets. Partially offset by a small downward contribution coming
 from bags of non-chocolate sweets; and



 Other foods, where prices overall rose this year but fell a year ago, with the main upward contribution coming from chilled pizza. Partially offset by a small downward contribution coming from cook-in sauces, where prices overall fell this year but rose a year ago.

CATERING	Weight 2017	Weight 2018	1 month % change Oct 2017	1 month % change Oct 2018	Contribution to RPI annual rate change
CATERING	48	50	0.2	0.3	0.01
Restaurant meals	29	30	0.2	0.4	0.01
Canteen meals	3	3	-0.1	0.5	-
Take-away meals and snacks	16	17	0.2	0.2	-

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

ALCOHOLIC DRINKS	Weight 2017	Weight 2018	1 month % change Oct 2017	1 month % change Oct 2018	Contribution to RPI annual rate change
ALCOHOLIC DRINKS	57	56	0.1	-0.2	-0.02
Beer on sales	19	18	0.2	-0.1	-0.01
Beer off sales	5	5	-2.0	-3.0	-0.01
Wines and spirits on sales	19	19	0.4	-0.2	-0.01
Wines and spirits off sales	14	14	0.3	0.6	-

- Small downward effect on the all items 12-month rate change.
- Due to:
 - Beer on sales; and wines and spirits on sales, where prices overall fell this year but rose a year ago; and
 - **Beer off sales**, where prices overall fell this year by more than a year ago, particularly for smaller packs of bottled lager.

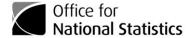


ТОВАССО	Weight 2017	Weight 2018	1 month % change	1 month % change	Contribution to RPI annual
			Oct 2017	Oct 2018	rate change
TOBACCO	24	23	0.1	0.3	0.01
Cigarettes	20	19	0.1	0.3	-
Other tobacco products	4	4	0.1	0.5	-

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

HOUSING	Weight 2017	Weight 2018	1 month % change	1 month % change	Contribution to RPI annual
			Oct 2017	Oct 2018	rate change
HOUSING	266	257	0.2	0.4	0.07
Rent	84	76	-0.1	-	0.01
Mortgage interest payments	25	24	-0.2	3.2	0.08
Council tax and rates	39	38	-	-	-
Water and other charges	13	12	-	-	-
Repairs and maintenance charges	9	9	0.2	-	-
DIY materials	6	8	0.3	-	-
Dwelling insurance and ground rent	6	7	1.5	0.1	-0.01
House depreciation	84	83	0.5	0.5	-

- Largest upward effect on the all items 12-month rate change.
- Due to;
 - Mortgage interest payments, where charges overall rose this year but fell a year ago;
 and, to a lesser extent
 - Rent, where charges were little changed this year but fell a year ago, with the main upward contribution coming from Registered Social Landlord (RSL) rents.
- Partially offset by dwelling insurance and ground rent, where charges overall rose this
 year by less than a year ago, with the main downward contribution coming from dwelling
 insurance.



FUEL AND LIGHT	Weight 2017	Weight 2018	1 month % change Oct 2017	1 month % change Oct 2018	Contribution to RPI annual rate change
FUEL AND LIGHT	38	37	1.3	2.2	0.04
Coal and solid fuels	1	1	2.1	3.8	-
Electricity	19	20	2.2	1.9	-
Gas	16	15	0.1	2.0	0.03
Oil and other fuels	2	1	0.9	6.6	0.01

- Large upward effect on the all items 12-month rate change.
- Due to gas and oil and other fuels, where average charges rose this year by more than a
 year ago.

HOUSEHOLD GOODS	Weight 2017	Weight 2018	1 month % change	1 month % change	Contribution to RPI annual
			Oct 2017	Oct 2018	rate change
HOUSEHOLD GOODS	65	68	-0.8	-0.2	0.03
Furniture	26	28	-2.9	-1.4	0.04
Furnishings	10	9	-0.1	-	-
Electrical appliances	6	7	2.4	2.3	-
Other household equipment	4	4	-0.2	-	-
Household consumables	11	11	2.1	0.2	-0.02
Pet care	8	9	-	0.9	0.01

- Small upward effect on the all items 12-month rate change.
- Due to:
 - **Furniture**, where prices overall fell this year by less than a year ago, with the main upward contributions coming from kitchen units and single beds; and, to a lesser extent
 - **Pet care**, where prices overall rose this year but were little changed a year ago, with the main upward contribution coming from dry dog food.
- Partially offset by household consumables, where prices overall rose this year by less than
 a year ago, with the main downward contribution coming from household cream/liquid
 cleaner.



HOUSEHOLD SERVICES	Weight 2017	Weight 2018	1 month % change Oct 2017	1 month % change Oct 2018	Contribution to RPI annual rate change
HOUSEHOLD SERVICES	64	58	-	0.4	0.02
Domestic services	15	13	0.3	0.2	-
Fees and subscriptions	22	19	0.2	0.5	-
Postage	1	1	0.4	-	-
Telephone charges	26	25	-0.3	0.4	0.02

- Small upward effect on the all items 12-month rate change.
- Due to telephone charges, where prices overall rose this year but fell a year ago, with the
 main upward contributions coming from bundled telecommunication services and telephone
 charges. Partially offset by a small downward contribution coming from mobile phone
 applications.

CLOTHING AND FOOTWEAR	Weight 2017	Weight 2018	1 month % change Oct 2017	1 month % change Oct 2018	Contribution to RPI annual rate change
CLOTHING AND FOOTWEAR	41	43	0.4	-0.2	-0.02
Men's outerwear	8	9	1.2	-0.1	-0.01
Women's outerwear	15	16	-0.5	-0.1	0.01
Children's outerwear	5	5	0.4	0.9	-
Other clothing	5	5	1.5	0.1	-0.01
Footwear	8	8	0.4	-1.0	-0.01

- Small downward effect on the all items 12-month rate change.
- Due to;
 - Men's outerwear and footwear, where prices overall fell this year but rose a year ago, particularly for walking/hiking boots; and
 - Other clothing, where prices overall rose this year by less than a year ago.
- Partially offset by women's outerwear, where prices overall fell this year by less than a year ago.



PERSONAL GOODS AND SERVICES	Weight 2017	Weight 2018	1 month % change Oct 2017	1 month % change Oct 2018	Contribution to RPI annual rate change
PERSONAL GOODS AND SERVICES	38	42	-	-0.2	-0.01
Personal articles	9	11	-1.0	-0.6	-
Chemists' goods	15	15	0.9	0.2	-0.01
Personal services	14	16	-0.3	-0.3	-

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

MOTORING EXPENDITURE	Weight 2017	Weight 2018	1 month % change Oct 2017	1 month % change Oct 2018	Contribution to RPI annual rate change
MOTORING EXPENDITURE	123	124	0.1	0.1	-
Purchase of motor vehicles	46	50	0.8	0.2	-0.03
Maintenance of motor vehicles	16	16	0.2	0.2	-
Petrol and oil	37	34	-0.3	0.5	0.03
Vehicle tax and insurance	24	24	-0.6	-1.0	-0.01

- Negligible overall effect on the all items 12-month rate change.
- There are small downward contributions coming from:
 - Purchase of motor vehicles, where prices overall rose this year by less than a year ago, with the main downward contributions coming from both new and second-hand cars; and
 - Vehicle tax and insurance, where prices fell this year by more than a year ago, particularly for car insurance.
- Offset by a small upward contribution coming from petrol and oil, where prices overall rose this year but fell a year ago. The price of petrol, as recorded for the RPI, rose by 0.5 pence per litre between September and October 2018, to stand at 130.7 pence per litre, compared with a fall of 0.9 pence per litre last year, to stand at 117.2 pence per litre. Diesel prices rose by 1.1 pence per litre, to stand at 135.4 pence per litre in October 2018, compared with a smaller rise of 0.6 pence per litre last year, to stand at 120.5 pence per litre.

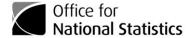


FARES AND OTHER TRAVEL COSTS	Weight 2017	Weight 2018	1 month % change Oct 2017	1 month % change Oct 2018	Contribution to RPI annual rate change
FARES AND OTHER TRAVEL COSTS	26	25	-2.0	-2.8	-0.02
Rail fares	6	6	0.3	-1.4	-0.01
Bus and coach fares	3	3	0.1	-2.0	-0.01
Other travel costs	17	16	-3.0	-3.4	-

- Small downward effect on the all items 12-month rate change.
- Due to **rail fares**; and **bus and coach fares**, where charges fell this year but rose a year ago, with the main downward contributions coming from international rail travel and coach fares.

LEISURE GOODS	Weight 2017	Weight 2018	1 month % change Oct 2017	1 month % change Oct 2018	Contribution to RPI annual rate change
LEISURE GOODS	29	30	-0.2	1.1	0.04
Audio-visual equipment	6	6	-	1.4	0.01
CDs and tapes	2	2	-2.8	0.2	0.01
Toys, photographic and sports goods	9	10	0.6	1.0	0.01
Books and newspapers	6	6	-1.3	2.3	0.02
Gardening products	6	6	0.7	-0.7	-0.01

- Large upward effect on the all items 12-month rate change.
- Due to:
 - Books and newspapers; and CDs and tapes, where prices overall rose this year but fell a year ago, particularly for eBooks;
 - Audio-visual equipment, where prices overall rose this year but were little changed a
 year ago, with the main upward contribution coming from PC peripherals; and
 - Toys, photographic and sports goods, where prices overall rose this year by more than a year ago, with the main upward contributions coming from shop bought computer games and model road vehicles.
- Partially offset by:
 - Gardening products, where prices overall fell this year but rose a year ago.



LEISURE SERVICES	Weight 2017	Weight 2018	1 month % change Oct 2017	1 month % change Oct 2018	Contribution to RPI annual rate change
LEISURE SERVICES	79	85	0.2	0.2	0.01
TV licence and rentals	12	11	0.3	0.3	-
Entertainment and other recreation	16	16	-0.5	0.2	0.01
Foreign holidays	40	47	0.6	0.3	-0.01
UK holidays	11	11	-0.6	-0.2	0.01

- Small upward effect on the all items 12-month rate change.
- Due to:
 - Entertainment and other recreation, where charges overall rose this year but fell a year ago, with the main upward contribution coming from live music events; and
 - **UK holidays**, where prices overall fell this year by less than a year ago.
- Partially offset by foreign holidays, where prices overall rose this year by less than a year
 ago, with the main downward contribution coming from late booked foreign holidays.
 Partially offset by a small upward contribution coming from self-catering foreign holidays.



RECONCILIATION OF CPIH AND RPI

(Table 5a of the Consumer Price Inflation Dataset)

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

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

The difference between the CPIH and RPI unrounded annual rates in October 2018 was -1.13 percentage points, widening from -1.07 percentage points in September 2018.

The main factors contributing to the widening were:

- Mortgage Interest Payments, which increased the RPI 12-month rate by 0.08 percentage points between September and October 2018 but are excluded from the CPIH.
- The formula effect, which increased the RPI 12-month rate relative to the CPIH 12-month rate by 0.07 percentage points between September and October 2018. The effect came mainly from recreation and culture; and hotels, cafes and restaurants.

The main offsetting factor was:

Other differences including weights, which decreased the RPI 12-month rate by 0.07
percentage points between September and October 2018. The effect came mainly from
food and non-alcoholic beverages; games, toys and hobbies and equipment for sport and
open-air recreation; and other services not elsewhere classified.



RPI MISCELLANEOUS DATA

Selected Average Prices

Description		August 2018	September 2018	October 2018
Petrol per litre	Diesel	£1.33	£1.34	£1.35
	Petrol	£1.28	£1.30	£1.31
Alcohol pub prices	Draught bitter (pint)	£3.06	£3.06	£3.05
	Draught lager (pint)	£3.65	£3.66	£3.66
	Whisky (per nip)	£2.89	£2.89	£2.89
Cigarettes	Per 20 king size	£10.25	£10.25	£10.28

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 2017	+0.1	Down -0.02% points	-0.02% points
November 2017	+0.2	Up +0.01% points	+0.01% points
December 2017	+0.8	Up +0.09% points	+0.08% points
January 2018	-0.8	Down -0.04% points	-0.04% points
February 2018	+0.8	Down -0.01% points	-0.01% points
March 2018	+0.1	Down -0.02% points	-0.02% points
April 2018	+0.5	Down -0.01% points	-0.01% points
May 2018	+0.4	Down -0.02% points	-0.02% points
June 2018	+0.3	Down -0.01% points	-0.01% points
July 2018	+0.1	Negligible	-
August 2018	+0.9	Up +0.06% points	+0.06% points
September 2018	0.0	Down -0.06% points	-0.06% points
October 2018	+0.1	Up +0.07% points	+0.07% points

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



OUTLOOK

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

FOOD

Seasonal Food

With the exception of 2013, seasonal food prices tend to rise in November.

Monthly % change for CPIH seasonal food index				
Year	September	October	November	
2012	-0.1	0.9	2.3	
2013	1.1	-	-0.2	
2014	-0.5	1.3	0.6	
2015	0.4	0.2	8.0	
2016	1.2	-0.2	1.2	
2017	0.9	2.1	1.0	
2018	0.6	1.9		

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	
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	1.2	
2018	3.1	-0.5		

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	Year September October November				
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	0.3		
2018	-	-0.1			

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

TRANSPORT

Fuels and Lubricants

- Brent crude is down a further 0.32% this morning at \$70.71 a barrel while West Texas
 Intermediate is trading 0.16% lower at \$60.60. Both Brent and WTI have dropped by around 20% the technical definition of a bear market from the four-year highs they reached in early October. (www.bbc.co.uk 9 Nov 2018)
- When considering the price of petrol between October and November 2018, it may be useful
 to note that the average price of petrol rose by 1.8 pence per litre between October and
 November 2017, to stand at 119.1 pence per litre as measured in the CPIH.
- A 1 pence change on average in the cost of a litre of motor fuel contributes approximately
 0.02 percentage points to the 1-month change in the CPIH.

Passenger Transport by Air

Air fares tend to fall in November.

Monthly % change for CPIH air fares index				
Year	September October		November	
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	-10.4	
2018	-27.3	-5.0		

 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 0.75% on Thursday 1 November 2018. The next announcement and minutes from the Bank of England's Monetary Policy Committee are scheduled to be published on 20 December 2018.
- The change in average mortgage interest rates recorded in the RPI was +0.01 percentage points between October and November 2017. The Bank of England Bank Rate remained unchanged at 0.25% in October 2017.
- A one percentage point change in the average mortgage interest rate contributes approximately 1.0 percentage points to the 1-month percentage change in the RPI.



Next publication:

19 December 2018

Media contact:

Tel: Luke Croydon +44 (0) 845 6041858

Out of hours media line +44 (0) 7867 906553

Email: media.relations@ons.gsi.gov.uk

Statistical contact:

Tel: Andy King +44 (0) 1633 456508

Email: cpi@ons.gsi.gov.uk

Website: www.ons.gov.uk

Consumer Price Inflation Enquiries:

Tel: +44 (0) 1633 456900