

Consumer Price Inflation

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

SUMMARY

CPIH

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

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

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

The main movements for CPIH in July 2018 are:

- The all items CPIH is 105.9, unchanged from last month.
- The all items CPIH annual rate is 2.3%, unchanged from last month.
- The annual rate for CPIH excluding indirect taxes, CPIHY, is 2.2%, unchanged from last month.
- The OOH component of CPIH is 105.6, up from 105.4 in June.
- The OOH component annual rate is 1.1%, unchanged from last month.
- The CPIH all goods index is 103.3, down from 103.9 in June.
- The CPIH all goods index annual rate is 2.6%, up from 2.5% last month.
- The CPIH all services index is 107.7, up from 107.3 in June.
- The CPIH all services index annual rate is 2.0%, unchanged from last month.

Consumer Prices Index (CPI)

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

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

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

The main movements for CPI in July 2018 are:

- The all items CPI is 105.8, unchanged from last month.
- The all items CPI annual rate is 2.5%, up from 2.4% in June.
- The annual rate for CPI excluding indirect taxes, CPIY, is 2.5%, up from 2.4% last month.
- The annual rate for CPI at constant tax rates, CPI-CT, is 2.4%, up from 2.3% last month.
- The CPI all goods index is 103.3, down from 103.9 in June.
- The CPI all goods index annual rate is 2.6%, unchanged from last month.
- The CPI all services index is 108.5, up from 107.9 in June.
- The CPI all services index annual rate is 2.3%, 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 July 2018 are:

- The all items RPI is 281.7, up from 281.5 in June.
- The all items RPI annual rate is 3.2%, down from 3.4% last month.
- The annual rate for RPIX, the all items RPI excluding mortgage interest payments (MIPs), is 3.3%, down from 3.4% last month.
- The all goods RPI is 212.2, down from 214.0 in June.
- The all goods RPI annual rate is 3.6%, down from 3.8% last month.
- The all services RPI is 387.7, up from 383.8 in June.
- The all services RPI annual rate is 2.9%, unchanged from last month.

CPIH SUMMARY

CONTRIBUTIONS TO CHANGE IN THE CPIH ANNUAL RATE

CPIH COICOP DIVISIONS	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2017 Feb-Dec	2018 Feb-Dec	% change Jul 2017	% change Jul 2018	
01: Food and non-alcoholic beverages	81	83	-0.1	0.3	0.03
02: Alcoholic beverages and tobacco	34	34	0.3	-0.2	-0.02
03: Clothing and footwear	58	57	-2.9	-3.7	-0.04
04: Housing, water, electricity, gas and other fuels	294	301	0.2	0.2	0.01
05: Furniture, household equipment and maintenance	49	48	-1.2	-1.8	-0.03
06: Health	21	21	0.3	0.1	-
07: Transport	126	124	1.0	1.3	0.04
08: Communication	21	20	-0.4	0.5	0.02
09: Recreation and culture	121	120	-0.2	0.5	0.09
10: Education	17	18	-	-	-
11: Restaurants and hotels	101	97	0.3	0.2	-0.01
12: Miscellaneous goods and services	77	77	0.1	-0.8	-0.06

Large upward effects came from:

- **Recreation and culture**, with the main effect coming from an increase in prices for computer games, although these are heavily dependent on the composition of bestseller charts, often resulting in large overall price changes from month to month; and
- **Transport**, with passenger transport fares seeing larger price rises between June and July 2018 compared with the same period a year ago. Motor fuels also made an upward contribution, with prices falling by less between June and July 2018 than they did a year ago. These upward effects were partially offset by a downward contribution from the sale of new cars, where prices were little changed between June and July this year but rose between the same two months a year ago.

Large downward effects came from:

- **Miscellaneous goods and services**, in particular insurance and the initial charges for unit trust investments. Some companies have recently removed their initial fees for these investments; and
- **Clothing and footwear**, with prices falling by 3.7% between June and July 2018, compared with a smaller fall of 2.9% between the same two months a year ago. The effect came mainly from women's clothing and footwear.

CPIH NOTABLE MOVEMENTS

All items CPIH	<p>Annual rate +2.3%, unchanged from last month Also +2.3% in May 2018 and March 2018 Last higher in February 2018 (+2.5%) Last lower in April 2018 (+2.2%)</p>
All items CPIH exc energy, food, alcohol and tobacco	<p>Annual rate +1.8%, unchanged from last month Also +1.8% in January 2017 and December 2016 Last higher in May 2018 (+2.0%) Last lower in November 2016 (+1.7%)</p>
Clothing and footwear	<p>Annual rate -0.4%, down from +0.4% last month Lowest since October 2016 (-0.7%)</p>
Miscellaneous goods and services	<p>Annual rate -1.0%, down from -0.2% last month Never lower since official series began in January 1997</p>
All goods	<p>Annual rate +2.6%, up from +2.5% last month Also +2.6% in April 2018 Last higher in February 2018 (+3.0%)</p>
All services	<p>Annual rate +2.0%, unchanged from last month Last higher in May 2018 (+2.1%) Last lower in April 2018 (+1.9%)</p>
Electricity gas and other fuels	<p>Annual rate +6.7%, up from +6.2% last month Highest since December 2013 (+7.1%)</p>

CPIH DETAILED BRIEFING

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

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

01 FOOD AND NON-ALCOHOLIC BEVERAGES	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to CPIH annual rate change
01 Food & non-alcoholic beverages	81	83	-0.1	0.3	0.03

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

01.1 Food	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to CPIH annual rate change
01.1 Food	71	73	-	0.2	0.02
01.1.1 Bread and cereals	12	12	-0.2	0.3	0.01
01.1.2 Meat	16	16	-0.5	0.1	0.01
01.1.3 Fish	3	3	-2.0	-1.7	-
01.1.4 Milk, cheese and eggs	9	9	0.6	1.1	0.01
01.1.5 Oils and fats	2	2	-1.6	4.2	0.01
01.1.6 Fruit	7	8	-1.2	-0.7	-
01.1.7 Vegetables including potatoes	10	10	0.5	-0.1	-0.01
01.1.8 Sugar, jam, syrups, chocolate and confectionery	10	11	1.2	0.4	-0.01
01.1.9 Food products not elsewhere covered	2	2	3.9	0.4	-0.01

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

Bread and cereals

- Small upward effect.
- Prices overall rose this year but fell a year ago, with the main upward contribution coming from chilled pizza.
- Partially offset by a small downward contribution from chocolate biscuits, where prices overall fell this year but rose a year ago.

Meat

- Small upward effect.
- Prices overall rose this year but fell a year ago, particularly for deli type meats and cooked ham.

Milk, cheese and eggs

- Small upward effect.
- Prices overall rose this year by more than a year ago, with the main upward contribution coming from yoghurt/fromage frais.
- Partially offset by a small downward contribution coming from cheese spread, where prices overall rose this year by less than a year ago.

Oils and fats

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

Vegetables including potatoes

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

Sugar, jam, syrups, chocolate and confectionery

- Small downward effect.
- Prices overall rose this year by less than a year ago, with the main downward contributions coming from ice cream.
- Partially offset by a small upward contribution coming from large bars of chocolate.

Food products not elsewhere covered

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

01.2 Non-alcoholic beverages	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to CPIH annual rate change
01.2 Non-alcoholic beverages	10	10	-0.6	0.3	0.01
01.2.1 Coffee, tea and cocoa	3	3	1.3	-0.3	-0.01
01.2.2 Mineral waters, soft drinks and juices	7	7	-1.5	0.6	0.01

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

Coffee, tea and cocoa

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

Mineral waters, soft drinks and juices

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

02 ALCOHOLIC BEVERAGES AND TOBACCO	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to CPIH annual rate change
02 Alcoholic beverages and tobacco	34	34	0.3	-0.2	-0.02

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

02.1 Alcoholic Beverages	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to CPIH annual rate change
02.1 Alcoholic beverages	16	16	0.5	-0.7	-0.02
02.1.1 Spirits	5	5	-	-0.9	-
02.1.2 Wine	7	7	1.6	-1.6	-0.02
02.1.3 Beer	4	4	-0.7	1.1	0.01

- Small downward effect on the all items 12-month rate change.
- Due to **wine**.
- Partially offset by **beer**.

Wine

- Small downward effect.
- Prices overall fell this year but rose a year ago, particularly for New World red and white wine and European red wine.

Beer

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

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

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

03 CLOTHING AND FOOTWEAR	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to CPIH annual rate change
03 Clothing and footwear	58	57	-2.9	-3.7	-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 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to CPIH annual rate change
03.1 Clothing	49	47	-3.0	-3.5	-0.02
03.1.2 Garments	44	42	-3.1	-3.9	-0.02
03.1.3 Other clothing and clothing accessories	4	4	-2.2	-0.9	0.01
03.1.4 Cleaning, repair and hire of clothing	1	1	0.2	0.4	-

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

Garments

- Small downward effect.
- Prices overall fell this year by more than a year ago, with the main downward contributions coming from men's football shirts and women's formal trousers. Partially offset by small upward contributions coming from women's casual jackets and tops and men's jumpers and sweatshirts.

Other clothing and clothing accessories

- Small upward effect.
- Prices overall fell this year by less than a year ago.

03.2 Footwear including repairs	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2017	2018	% change	% change	
	Feb-Dec	Feb-Dec	Jul 2017	Jul 2018	
03.2 Footwear including repairs	9	10	-2.7	-4.1	-0.02

- Small downward effect on the all items 12-month rate change.
- Prices overall fell this year by more than a year ago, with the main downward contribution coming from women's branded training shoes.

04 HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2017	2018	% change	% change	
	Feb-Dec	Feb-Dec	Jul 2017	Jul 2018	
04 Housing, water, electricity, gas and other fuels	294	301	0.2	0.2	0.01

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

04.1 Actual rentals for housing	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to CPIH annual rate change
04.1 Actual rentals for housing	56	69	0.1	0.2	0.01

- Small upward effect on the all items 12-month rate change.
- Charges overall rose this year by more than a year ago, with the main upward contribution coming from Registered Social Landlord (RSL) rents.

4.2 Owner occupiers' housing costs	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to CPIH annual rate change
4.2 Owner occupiers' housing costs	174	169	0.2	0.1	-0.01

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

04.3 Regular maintenance and repair of the dwelling	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to CPIH annual rate change
04.3 Regular maintenance and repair of the dwelling	2	2	-0.1	-0.9	-
04.3.1 Materials for maintenance and repair	1	1	-0.3	-1.7	-
04.3.2 Services for maintenance and repair	1	1	0.1	-	-

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

04.4 Other services related to the dwelling	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jul 2017	1 month % change Jul 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	-	-	-

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

04.5 Electricity, gas and other fuels	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to CPIH annual rate change
04.5 Electricity, gas and other fuels	27	27	0.8	1.3	0.01
04.5.1 Electricity	13	13	1.2	1.8	0.01
04.5.2 Gas	12	12	0.5	1.1	0.01
04.5.3 Liquid fuels	1	1	-0.8	-2.5	-
04.5.4 Solid fuels	1	1	-0.1	0.5	-

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

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

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

05 FURNITURE, HOUSEHOLD EQUIPMENT AND MAINTENANCE	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to CPIH annual rate change
05 Furniture, household equipment and maintenance	49	48	-1.2	-1.8	-0.03

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

05.1 Furniture, furnishings and carpets	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to CPIH annual rate change
05.1 Furniture, furnishings and carpets	18	18	-2.7	-3.7	-0.02
05.1.1 Furniture and furnishings	15	14	-3.1	-4.2	-0.01
05.1.2 Carpets and other floor coverings	3	4	-0.8	-1.7	-

- 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, particularly for leather settees.

05.2 Household textiles	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to CPIH annual rate change
05.2 Household textiles	6	5	-2.9	-2.0	0.01

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

05.3 Household appliances, fitting and repairs	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to CPIH annual rate change
05.3 Household appliances, fitting and repairs	7	7	0.8	-0.4	-0.01
05.3.1/2 Major appliances and small electric goods	6	6	1.0	-0.4	-0.01
05.3.3 Repair of household appliances	1	1	0.1	-	-

- Small downward effect on the all items 12-month rate change.
- Due to **major appliances and small electric goods**, where prices overall fell this year but rose a year ago.

05.4 Glassware, tableware and household utensils	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to CPIH annual rate change
05.4 Glassware, tableware and household utensils	4	4	-2.0	-0.8	0.01

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

05.5 Tools and equipment for house and garden	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to CPIH annual rate change
05.5 Tools and equipment for house and garden	4	4	0.7	-1.2	-0.01

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

05.6 Goods and services for routine maintenance	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to CPIH annual rate change
05.6 Goods and services for routine maintenance	10	10	1.0	-	-0.01
05.6.1 Non-durable household goods	4	4	2.4	-0.1	-0.01
05.6.2 Domestic services and household services	6	6	0.1	0.1	-

- 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, with the main downward contribution coming from household cleaner cream/liquid.

06 HEALTH	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to CPIH annual rate change
06 Health	21	21	0.3	0.1	-

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

06.1 Medical products, appliances and equipment	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to CPIH annual rate change
06.1 Medical products, appliances and equipment	10	9	0.3	-	-
06.1.1 Pharmaceutical products	6	5	0.6	-	-
06.1.2/3 Other medical and therapeutic equipment	4	4	-0.2	0.2	-

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

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

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

06.3 Hospital services	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to CPIH annual rate change
06.3 Hospital Services	6	5	0.6	0.2	-

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

07 TRANSPORT	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to CPIH annual rate change
07 Transport	126	124	1.0	1.3	0.04

- Large upward effect on the all items 12-month rate change.
- Due to **transport services** and, to a lesser extent, **operation of personal transport equipment**.
- Partially offset by **purchase of vehicles**.

07.1 Purchase of vehicles	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2017	2018	% change	% change	
	Feb-Dec	Feb-Dec	Jul 2017	Jul 2018	
07.1 Purchase of vehicles	37	38	0.3	-0.4	-0.02
07.1.1A New cars	21	22	1.3	-	-0.03
07.1.1B Second-hand cars	14	14	-1.1	-1.0	-
07.1.2/3 Motorcycles and bicycles	2	2	-0.2	0.1	-

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

07.2 Operation of personal transport equipment	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2017	2018	% change	% change	
	Feb-Dec	Feb-Dec	Jul 2017	Jul 2018	
07.2 Operation of personal transport equipment	61	58	-0.4	0.1	0.03
07.2.1 Spare parts and accessories	4	4	0.2	0.5	-
07.2.2 Fuels and lubricants	26	25	-1.3	-0.5	0.02
07.2.3 Maintenance and repairs	20	19	0.3	0.7	0.01
07.2.4 Other services	11	10	0.2	0.5	-

- Small upward effect on the all items 12-month rate change.
- Due to **fuels and lubricants** and **maintenance and repairs**.

Fuels and lubricants

- Small upward effect.
- Prices overall fell this year by less than a year ago.
- The average price of petrol across the month, as recorded for the CPIH, fell by 0.8 pence per litre between June and July 2018, to stand at 127.2 pence per litre.
- Last year, the average price of petrol fell by 1.4 pence per litre between June and July 2017, to stand at 113.9 pence per litre.
- The average price of diesel fell by 0.5 pence per litre between June and July 2018 to stand at 131.6 pence per litre, compared with a fall of 1.7 pence per litre a year earlier, to stand at 115.6 pence per litre.

Maintenance and repairs

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

07.3 Transport services	Weight	Weight	1 month	1 month	Contribution
	2017	2018	% change	% change	to CPIH annual
	Feb-Dec	Feb-Dec	Jul 2017	Jul 2018	rate change
07.3 Transport services	28	28	4.9	6.1	0.04
07.3.1 Passenger transport by railway	11	11	1.2	3.1	0.02
07.3.2 Passenger transport by road	10	10	0.9	1.6	0.01
07.3.3 Passenger transport by air	4	4	17.9	20.1	0.01
07.3.4 Passenger transport by sea and inland waterway	3	3	9.1	9.1	-

- Large upward effect on the all items 12-month rate change.
- Due to **passenger transport by railway; passenger transport by road; and passenger transport by air.**

Passenger transport by railway

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

Passenger transport by road

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

Passenger transport by air

- Small upward effect.
- Average air fares rose this year by more than a year ago, with the main upward contribution coming from European flights. Partially offset by small downward contributions coming from long haul and domestic flights.

08 COMMUNICATION	Weight	Weight	1 month	1 month	Contribution
	2017	2018	% change	% change	to CPIH annual
	Feb-Dec	Feb-Dec	Jul 2017	Jul 2018	rate change
08 Communication	21	20	-0.4	0.5	0.02

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

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

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

08.2/3 Telephone equipment and services	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to CPIH annual rate change
08.2/3 Telephone equipment and services	20	19	-0.4	0.5	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 mobile phone applications and bundled telecommunication services.

09 RECREATION AND CULTURE	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to CPIH annual rate change
09 Recreation and culture	121	120	-0.2	0.5	0.09

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

09.1 Audio-visual equipment and related products	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to CPIH annual rate change
09.1 Audio-visual equipment and related products	15	14	-0.8	-0.6	-
09.1.1 Equipment for the reception and reproduction of sound and pictures	3	4	1.1	-0.8	-0.01
09.1.2 Photographic, cinematographic and optical equipment	2	1	-3.4	-0.9	0.01
09.1.3 Data processing equipment	5	5	-0.1	-0.7	-
09.1.4 Recording media	4	3	-1.9	-0.7	0.01
09.1.5 Repair of audio-visual equipment and related products	1	1	0.4	0.5	-

- Negligible overall effect on the all items 12-month rate change.
- There was a small downward contribution coming from **equipment for the reception and reproduction of sound and pictures**, where prices overall fell this year but rose a year ago.
- Offset by small upward contributions coming from **photographic, cinematographic and optical equipment**; and **recording media**; where prices overall fell this year by less than a year ago.

09.2 Other major durables for recreation and culture	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to CPIH annual rate change
09.2.1/2 Major durables for in/outdoor recreation	13	14	-0.1	1.0	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 boats and water-sports equipment.

09.3 Other recreational items, gardens and pets	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to CPIH annual rate change
09.3 Other recreational items, gardens and pets	30	29	-0.9	2.2	0.09
09.3.1 Games, toys and hobbies	16	17	-1.6	4.1	0.09
09.3.2 Equipment for sport and open-air recreation	3	2	-2.1	-1.0	0.01
09.3.3 Gardens, plants and flowers	4	3	-0.1	-1.0	-
09.3.4/5 Pets, related products and services	7	7	0.4	0.2	-

- Large upward effect on the all items 12-month rate change.
- Due to **games, toys and hobbies**; and, to a lesser extent, **equipment for sport and open-air recreation**.

Games, toys and hobbies

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

from computer games, computer game downloads and pre-school activity toys.

Equipment for sport and open-air recreation

- Small upward effect.
- Prices overall fell this year by less than a year ago.

09.4 Recreational and cultural services	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to CPIH annual rate change
09.4 Recreational and cultural services	26	23	-0.3	-0.6	-0.01
09.4.1 Recreational and sporting services	8	7	0.3	0.1	-
09.4.2 Cultural services	18	16	-0.5	-0.9	-0.01

- Small downward effect on the all items 12-month rate change.
- Due to **cultural services**, where prices overall fell this year by more than a year ago, with the main downward contribution coming from theatre admission. Partially offset by a small upward contribution coming from live music events.

09.5 Books, newspapers and stationery	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to CPIH annual rate change
09.5 Books, newspapers and stationery	9	9	2.6	0.2	-0.02
09.5.1 Books	3	3	7.4	1.6	-0.02
09.5.2 Newspapers and periodicals	3	3	0.3	-0.6	-
09.5.3/4 Misc. printed matter, stationery, drawing materials	3	3	0.1	-0.3	-

- Small downward effect on the all items 12-month rate change.
- Due to **books**, where prices overall rose this year by less than a year ago, with the main downward contribution coming from e-books.

09.6 Package holidays	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to CPIH annual rate change
09.6 Package holidays	28	31	0.2	0.3	0.01

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

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

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

11 RESTAURANTS AND HOTELS	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to CPIH annual rate change
11 Restaurants and hotels	101	97	0.3	0.2	-0.01

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

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

- Negligible overall effect on the all items 12-month rate change.
- There is a small downward effect coming from **restaurants and cafés**, where prices overall rose this year by less than a year ago.

11.2 Accommodation services	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to CPIH annual rate change
11.2 Accommodation services	24	22	0.8	0.5	-0.01

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

12 MISCELLANEOUS GOODS AND SERVICES	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to CPIH annual rate change
12 Misc. goods and services	77	77	0.1	-0.8	-0.06

- Largest downward effect on the all items 12-month rate change.
- Due to **financial services not elsewhere covered; insurance; personal effects not elsewhere covered; and other services not elsewhere covered.**

12.1 Personal care	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to CPIH annual rate change
12.1 Personal care	25	25	-0.2	-0.3	-
12.1.1 Hairdressing and personal grooming establishments	6	6	0.6	0.9	-
12.1.2/3 Appliances and products for personal care	19	19	-0.5	-0.7	-

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

12.3 Personal effects not elsewhere covered	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to CPIH annual rate change
12.3 Personal effects not elsewhere covered	11	12	-1.0	-1.4	-0.01
12.3.1 Jewellery, clocks and watches	7	8	-	-0.7	-0.01
12.3.2 Other personal effects	4	4	-2.8	-2.6	-

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

12.4 Social protection	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to CPIH annual rate change
12.4 Social protection	13	14	0.4	0.4	-

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

12.5 Insurance	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2017	2018	% change	% change	
	Feb-Dec	Feb-Dec	Jul 2017	Jul 2018	
12.5 Insurance	7	7	2.2	0.1	-0.02
12.5.2 House contents insurance	2	2	1.9	0.6	-
12.5.3 Health insurance	2	2	1.3	-0.4	-
12.5.4 Transport insurance	3	3	3.0	0.1	-0.01

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

12.6 Financial services not elsewhere covered	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2017	2018	% change	% change	
	Feb-Dec	Feb-Dec	Jul 2017	Jul 2018	
12.6 Financial services not elsewhere covered	11	9	-0.5	-4.2	-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 the initial charges for unit trust investments. Some companies have recently removed their initial fees for these investments.

12.7 Other services not elsewhere covered	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2017	2018	% change	% change	
	Feb-Dec	Feb-Dec	Jul 2017	Jul 2018	
12.7 Other services not elsewhere covered	10	10	0.4	-0.3	-0.01

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

RPI SUMMARY

CONTRIBUTIONS TO CHANGE IN THE RPI ANNUAL RATE

GROUPS	Weight 2017	Weight 2018	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to RPI annual rate change
FOOD	102	102	-	0.3	0.02
CATERING	48	50	0.2	0.1	-
ALCOHOLIC DRINKS	57	56	0.3	-0.2	-0.03
TOBACCO	24	23	0.1	0.1	-
HOUSING	266	257	0.2	0.1	-0.02
FUEL AND LIGHT	38	37	0.8	1.4	0.02
HOUSEHOLD GOODS	65	68	-1.4	-2.4	-0.08
HOUSEHOLD SERVICES	64	58	0.3	0.4	0.01
CLOTHING AND FOOTWEAR	41	43	-2.6	-3.2	-0.03
PERSONAL GOODS AND SERVICES	38	42	-0.1	-0.3	-0.01
MOTORING EXPENDITURE	123	124	-	-0.4	-0.05
FARES AND OTHER TRAVEL COSTS	26	25	8.8	10.2	0.03
LEISURE GOODS	29	30	0.6	0.3	-0.01
LEISURE SERVICES	79	85	0.3	0.2	-

RPI NOTABLE MOVEMENTS

All items RPI	Annual rate +3.2%, down from +3.4% last month Lowest since March 2017 (+3.1%)
All items RPI exc MIPS (RPIX)	Annual rate +3.3%, down from 3.4% last month Lowest since January 2017 (+2.9%)
Alcoholic drinks	Annual rate +1.5%, down from +2.0% last month Lowest since November 2016 (+1.3%)
Fuel and light	Annual rate +6.9%, up from +6.4% last month Highest since December 2013 (+7.0%)
Household goods	Annual rate +1.4%, down from +2.4% last month Lowest since September 2016 (0.0%)
Clothing and footwear	Annual rate +5.6%, down from +6.2% last month Lowest since October 2016 (+5.4%)
Leisure goods	Annual rate +2.1%, down from +2.3% last month Lowest since December 2016 (+1.4%)
All goods	Annual rate +3.6%, down from +3.8% last month Also +3.6% in May 2018 and April 2018 Last lower in March 2018 (+3.2%)
All services	Annual rate +2.9%, unchanged from last month Also +2.9% in April 2018 Last higher in May 2018 (3.0%) Last lower in March 2017 (+2.2%)
Furniture	Annual rate +0.4%, down from +1.9% last month Lowest since September 2016 (-0.2%)

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 2017	Weight 2018	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to RPI annual rate change
FOOD	102	102	-	0.3	0.02

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

Seasonal Food	Weight 2017	Weight 2018	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to RPI annual rate change
SEASONAL FOOD	18	18	-1.0	-0.6	0.01
Home killed lamb	1	1	-1.4	0.4	-
Fresh fish	2	2	-1.7	-3.1	-
Eggs	1	1	-	-	-
Unprocessed potatoes	1	1	0.4	-1.6	-
Other fresh vegetables	6	6	0.2	0.1	-
Fresh fruit	7	7	-2.1	-0.5	0.01

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

Non-Seasonal Food	Weight 2017	Weight 2018	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to RPI annual rate change
NON-SEASONAL FOOD	84	84	0.3	0.4	0.02
Bread	4	4	-1.1	0.4	0.01
Cereals	3	3	-	0.3	-
Biscuits and cakes	6	6	0.4	-1.0	-0.01
Beef	4	3	-1.4	-0.7	-
Imported lamb	1	1	-0.1	0.3	-
Pork	1	1	-1.4	-2.9	-
Bacon	1	1	0.1	-0.2	-
Poultry	3	4	0.1	0.5	-
Other meat	6	6	-0.8	0.3	0.01
Processed fish	2	2	-2.6	-1.4	-
Butter	1	1	0.5	2.8	-
Oils and fats	1	1	-2.8	4.5	0.01
Cheese	3	3	4.2	-1.1	-0.02
Milk, fresh	3	3	-0.6	1.0	-
Milk products	4	4	-1.0	3.3	0.02
Tea	1	1	2.8	-0.3	-
Soft drinks	8	8	-1.5	0.2	0.01
Sugar and preserves	1	1	-1.8	-0.2	-
Sweets and chocolates	11	11	-	1.6	0.02
Potato products	3	3	0.1	-0.3	-
Processed vegetables	2	2	5.8	0.6	-0.01
Processed fruit	2	2	1.6	-1.1	-0.01
Other foods	11	11	2.8	0.6	-0.02
Coffee and other hot drinks	2	2	0.4	0.1	-

- Small upward effect on the all items 12-month rate change.
- Due to:
 - **Milk products, soft drinks, oils and fats, other meat, and bread**, where prices overall rose this year but fell a year ago, particularly for yoghurt/fromage frais, bottled cola flavoured drinks and margarine/low fat spread. Partially offset by a small downward contribution coming from fruit squash; and
 - **Sweets and chocolates**, where prices overall rose this year but were little changed a year ago, with the main upward contributions coming from large chocolate bars and some regular size chocolate bars.
- Partially offset by:
 - **Cheese, biscuits and cakes and processed fruit**, where prices overall fell this year but rose a year ago, particularly for cheese spread and chocolate biscuits. Partially offset by a small upward contribution coming from packs of individual cakes, where prices overall rose this year but fell a year ago; and
 - **Other foods and processed vegetables**, where prices overall rose this year by less than a year ago, with the main downward contributions coming from chocolate covered

ice cream bars, jars/cans of cook-in sauces and canned tomatoes. Partially offset by a small upward contribution coming from chilled pizza.

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

- Negligible overall effect on the all items 12-month rate change.
- There is a small downward contribution coming from **take-away meals and snacks**, where prices overall fell this year but rose a year ago, with the main downward contribution coming from take-away sandwiches.

ALCOHOLIC DRINKS	Weight 2017	Weight 2018	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to RPI annual rate change
ALCOHOLIC DRINKS	57	56	0.3	-0.2	-0.03
Beer on sales	19	18	0.1	0.1	-
Beer off sales	5	5	-0.5	1.1	0.01
Wines and spirits on sales	19	19	0.3	0.1	-
Wines and spirits off sales	14	14	1.0	-1.4	-0.03

- Small downward effect on the all items 12-month rate change.
- Due to **wines and spirits off sales**, where prices overall fell this year but rose a year ago, with the main upward contributions coming from red and white New World wine and European red wine.
- Partially offset by a small upward contribution coming from **beer off sales**, where prices overall rose this year but fell a year ago.

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

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

HOUSING	Weight 2017	Weight 2018	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to RPI annual rate change
HOUSING	266	257	0.2	0.1	-0.02
Rent	84	76	0.1	0.2	0.01
Mortgage interest payments	25	24	-0.1	0.4	0.01
Council tax and rates	39	38	-	-	-
Water and other charges	13	12	-	-	-
Repairs and maintenance charges	9	9	0.1	-	-
DIY materials	6	8	-	-0.9	-0.01
Dwelling insurance and ground rent	6	7	0.3	0.8	-
House depreciation	84	83	0.6	0.1	-0.04

- Small downward effect on the all items 12-month rate change.
- Due to:
 - **House depreciation**, with the smoothed house price index used to calculate this component rising this year by less than a year ago; and, to a lesser extent
 - **DIY materials**, where prices fell this year but were little changed a year ago.
- Partially offset by:
 - **Rent**, where average charges for Registered Social Landlord (RSL) rents rising this year but falling a year ago. Partially offset by a small downward contribution coming from private rented property, where charges rose this year by less than a year ago; and
 - **Mortgage interest payments**, where charges overall rose this year but fell a year ago.

FUEL AND LIGHT	Weight 2017	Weight 2018	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to RPI annual rate change
FUEL AND LIGHT	38	37	0.8	1.4	0.02
Coal and solid fuels	1	1	-0.1	0.5	-
Electricity	19	20	1.2	1.8	0.01
Gas	16	15	0.5	1.1	0.01
Oil and other fuels	2	1	-0.5	-1.5	-

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

HOUSEHOLD GOODS	Weight 2017	Weight 2018	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to RPI annual rate change
HOUSEHOLD GOODS	65	68	-1.4	-2.4	-0.08
Furniture	26	28	-3.3	-4.7	-0.05
Furnishings	10	9	-1.6	-1.8	-
Electrical appliances	6	7	0.9	-1.4	-0.02
Other household equipment	4	4	-1.9	0.1	0.01
Household consumables	11	11	1.2	-0.2	-0.02
Pet care	8	9	0.5	0.2	-

- 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 leather settees, dining room furniture, sofa beds and chest of drawers; and, to a lesser extent
 - **Household consumables** and **electrical appliances**, where prices overall fell this year but rose a year ago, with the main downward contributions coming from household cleaner creams/liquids and smart phone handsets.
- Partially offset by **other household equipment**, where prices overall rose this year but fell a year ago.

HOUSEHOLD SERVICES	Weight 2017	Weight 2018	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to RPI annual rate change
HOUSEHOLD SERVICES	64	58	0.3	0.4	0.01
Domestic services	15	13	0.3	0.3	-
Fees and subscriptions	22	19	0.7	0.1	-0.01
Postage	1	1	-	-	-
Telephone charges	26	25	-0.1	0.7	0.02

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

CLOTHING AND FOOTWEAR	Weight 2017	Weight 2018	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to RPI annual rate change
CLOTHING AND FOOTWEAR	41	43	-2.6	-3.2	-0.03
Men's outerwear	8	9	-1.8	-0.9	0.01
Women's outerwear	15	16	-3.6	-5.0	-0.03
Children's outerwear	5	5	-2.8	-3.4	-
Other clothing	5	5	-1.1	-1.3	-
Footwear	8	8	-2.2	-3.3	-0.01

- Small downward effect on the all items 12-month rate change.
 - Due to **women's outerwear** and **footwear**, where prices overall fell this year by more than a year ago, with the main downward contribution coming from women's skirts. Partially offset by small upward contributions coming from women's casual jackets and tops.
 - Partially offset by **men's outerwear**, where prices overall fell this year by less than a year ago, with upward contributions coming from a wide range of products. Partially offset by a small downward contribution coming from official football shirts, where prices overall rose this year by less than a year ago.

PERSONAL GOODS AND SERVICES	Weight 2017	Weight 2018	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to RPI annual rate change
PERSONAL GOODS AND SERVICES	38	42	-0.1	-0.3	-0.01
Personal articles	9	11	-0.9	-1.2	-0.01
Chemists' goods	15	15	-	-0.4	-0.01
Personal services	14	16	0.5	0.5	-

- Small downward effect on the all items 12-month rate change.
- Due to:
 - **Personal articles**, where prices overall fell this year by more than a year ago; and
 - **Chemists' goods**, where prices fell this year but were little changed a year ago.

MOTORING EXPENDITURE	Weight 2017	Weight 2018	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to RPI annual rate change
MOTORING EXPENDITURE	123	124	-	-0.4	-0.05
Purchase of motor vehicles	46	50	-0.1	-0.5	-0.03
Maintenance of motor vehicles	16	16	0.3	0.6	0.01
Petrol and oil	37	34	-1.9	-1.1	0.03
Vehicle tax and insurance	24	24	2.4	0.3	-0.06

- Large downward effect on the all items 12-month rate change.
- Due to:
 - **Vehicle tax and insurance**, where average car insurance premiums rose this year by less than a year ago; and, to a lesser extent
 - **Purchase of motor vehicles**, where prices overall fell this year by more than a year ago, with the main downward contribution coming from new cars.
- Partially offset by:
 - **Petrol and oil**, where prices overall fell this year by less than a year ago. The price of petrol, as recorded for the RPI, fell by 1.6 pence per litre between June and July 2018, to stand at 127.0 pence per litre, compared with a larger fall of 2.1 pence per litre last year, to stand at 113.6 pence per litre. Diesel prices fell by 1.1 pence per litre, to stand at 131.5 pence per litre in July 2018, compared with a larger fall of 2.5 pence per litre last year, to stand at 115.3 pence per litre; and
 - **Maintenance of motor vehicles**, where prices overall rose this year by more than a year ago.

FARES AND OTHER TRAVEL COSTS	Weight 2017	Weight 2018	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to RPI annual rate change
FARES AND OTHER TRAVEL COSTS	26	25	8.8	10.2	0.03
Rail fares	6	6	1.2	3.0	0.01
Bus and coach fares	3	3	0.7	2.9	0.01
Other travel costs	17	16	12.3	13.8	0.01

- Largest upward effect on the all items 12-month rate change.
- Due to **rail fares**, **bus and coach fares**, and **other travel costs**, where average fares rose this year by more than a year ago, particularly for international rail travel, coach fares and air fares.

LEISURE GOODS	Weight 2017	Weight 2018	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to RPI annual rate change
LEISURE GOODS	29	30	0.6	0.3	-0.01
Audio-visual equipment	6	6	-	-	-0.01
CDs and tapes	2	2	-2.4	-1.3	-
Toys, photographic and sports goods	9	10	-1.5	1.7	0.03
Books and newspapers	6	6	4.6	0.8	-0.02
Gardening products	6	6	0.6	-1.2	-0.01

- Small downward effect on the all items 12-month rate change.
- Due to:
 - **Books and newspapers**, where prices overall rose this year by less than a year ago, particularly for e-books;
 - **Audio-visual equipment**, where prices overall fell marginally this year but rose marginally a year ago, with the main downward contribution coming from tablet computers. Partially offset by a small upward contribution coming from PC peripherals, where prices overall rose this year but fell a year ago; and
 - **Gardening products**, where prices overall fell this year but rose a year ago, particularly for potted shrubs.
- Partially offset by **toys, photographic and sports goods**, where prices overall rose this year but fell a year ago, particularly for computer games and computer game downloads.

LEISURE SERVICES	Weight 2017	Weight 2018	1 month % change Jul 2017	1 month % change Jul 2018	Contribution to RPI annual rate change
LEISURE SERVICES	79	85	0.3	0.2	-
TV licence and rentals	12	11	-	-	-
Entertainment and other recreation	16	16	-0.2	-0.6	-0.01
Foreign holidays	40	47	0.3	0.3	-
UK holidays	11	11	0.9	0.8	-

- Negligible overall effect on the all items 12-month rate change.
- There was a small downward contribution coming from **entertainment and other recreation**, where prices overall fell this year by more than a year ago, with the main downward contribution coming from theatre admissions.

RECONCILIATION OF CPI AND RPI

(Table 5 of the Consumer Price Inflation Dataset)

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

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

The difference between the CPI and RPI unrounded annual rates in July 2018 was -0.76 percentage points, narrowing from -0.95 percentage points in June 2018.

The main factors contributing to the narrowing were:

- **Other differences including weights**, which decreased the RPI 12-month rate relative to the CPI 12-month rate by 0.2 percentage points between June and July 2018. The effect came mainly from games, toys and hobbies and equipment for sport and open-air recreation; insurance; and furniture and furnishings, carpets and household textiles.
- **Other housing components**, which decreased the RPI 12-month rate relative to the CPI 12-month rate by 0.05 percentage points between June and July 2018. The effect came mainly from house depreciation.

The main offsetting factor was:

- **Other differences in coverage of goods and services**, which increased the RPI 12-month rate relative to the CPI 12-month rate by 0.05 percentage points between June and July 2018. The effect came mainly from financial services.

RPI MISCELLANEOUS DATA

Selected Average Prices

Description		May 2018	June 2018	July 2018
Petrol per litre	Diesel	£1.28	£1.33	£1.32
	Petrol	£1.24	£1.29	£1.27
Alcohol pub prices	Draught bitter (pint)	£3.06	£3.06	£3.07
	Draught lager (pint)	£3.64	£3.65	£3.65
	Whisky (per nip)	£2.86	£2.87	£2.87
Cigarettes	Per 20 king size	£10.23	£10.25	£10.26

Average prices are as recorded for the RPI.

Changes in Mortgage Interest Rates

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

Month	1-month % change in the RPI	Approx. change in average MI rate	Approx. contribution to the 1-month % change in the RPI
July 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
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	-

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

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

Monthly % change for CPIH seasonal food index			
Year	June	July	August
2012	0.6	-0.5	0.3
2013	-1.5	0.2	0.1
2014	-0.5	0.2	-0.3
2015	-	-1.4	-0.4
2016	-0.8	0.5	-0.3
2017	-0.3	-0.4	-0.1
2018	-0.9	-0.6	

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

CLOTHING AND FOOTWEAR

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

Monthly % change for CPIH clothing and footwear index			
Year	June	July	August
2012	-4.2	-2.6	2.8
2013	-1.9	-3.2	1.9
2014	0.6	-5.7	2.6
2015	-0.4	-3.3	1.5
2016	-0.7	-3.4	1.0
2017	-1.0	-2.9	2.4
2018	-2.1	-3.7	

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

HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS

Electricity, Gas and Other Fuels

- E.ON has announced that it is increasing its standard variable electricity and gas prices. On 16 August, the unit price of E.ON's standard variable tariff will increase by an average of 4.8% or £55 for customers taking both fuels, 6.2% or £36 for electricity only customers and 3.3% or £19 for gas only customers. (eonenergy.com 19 June 2018)

- EDF Energy has announced a change to its standard variable tariff prices, effective from 31 August 2018. EDF Energy's standard variable dual fuel tariff will increase by 6% to £1,228 a year. The standard variable electricity and gas tariffs will be increasing by 6.1% and 6% respectively. (edfenergy.com 5 July 2018)
- British Gas has announced a 3.8% increase in its standard variable tariff (SVT) from 1 October meaning the average bill will rise by £44, taking it to £1,205 a year. (bbc.co.uk 8 July 2018)

FURNITURE, HOUSEHOLD EQUIPMENT AND MAINTENANCE

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

Monthly % change for CPIH furniture, household equipment and maintenance index			
Year	June	July	August
2012	-	-1.1	0.8
2013	-0.4	-1.0	1.7
2014	0.2	-1.5	1.0
2015	0.4	-1.5	1.7
2016	-0.3	-1.7	1.4
2017	0.5	-1.2	1.8
2018	0.3	-1.8	

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

TRANSPORT

Fuels and Lubricants

- Oil prices steadied on Friday as concerns that a global trade dispute will slow economic growth and demand for fuel were balanced by U.S. sanctions against Iran that look set to tighten supply. Benchmark Brent crude oil was up 20 cents at \$72.27 a barrel by 1120 GMT U.S. light crude was 10 cents higher at \$66.91 a barrel. (uk.reuters.com 10 August 2018)
- When considering the price of petrol between July and August 2018, it may be useful to note that the average price of petrol rose by 1.8 pence per litre between July and August 2017, to stand at 115.7 pence per litre as measured in the CPIH.
- A 1 pence change on average in the cost of a litre of motor fuel contributes approximately 0.02 percentage points to the 1-month change in the CPIH.

Passenger Transport by Air

- Air fares have tended to rise more slowly in August compared to July.

Monthly % change for CPIH air fares index			
Year	June	July	August
2012	7.4	21.7	10.2
2013	-2.8	13.9	9.4
2014	7.0	14.0	11.3
2015	0.3	21.6	13.9
2016	10.9	15.9	14.4
2017	14.5	17.9	10.9
2018	8.1	20.1	

- 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 rose to 0.75% on Thursday 2 August 2018. The next announcement and minutes from the Bank of England's Monetary Policy Committee are scheduled to be published on 13 September 2018.
- The change in average mortgage interest rates recorded in the RPI was -0.01 percentage points between July and August 2017. The Bank of England Bank Rate remained unchanged at 0.25% in July 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.

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