

Consumer Price Inflation

May 2018

Coverage: **UK**
Date: **13 June 2018**
Geographical Area: **UK**
Theme: **Economy**

CONTENTS

SUMMARY	2
CPIH SUMMARY	4
CPIH NOTABLE MOVEMENTS	6
CPIH DETAILED BRIEFING	7
RPI SUMMARY	26
RPI NOTABLE MOVEMENTS	27
RPI DETAILED BRIEFING	28
RECONCILIATION OF CPI AND RPI	36
RPI MISCELLANEOUS DATA	37
OUTLOOK	38

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 May 2018 are:

- The all items CPIH is 105.9, up from 105.5 in April.
- The all items CPIH annual rate is 2.3%, up from 2.2% in April.
- The annual rate for CPIH excluding indirect taxes, CPIHY, is 2.1%, unchanged from last month.
- The OOH component of CPIH is 105.4, up from 105.3 in April.
- The OOH component annual rate is 1.1%, down from 1.2% last month.
- The CPIH all goods index is 104.2, up from 103.8 in April.
- The CPIH all goods index annual rate is 2.5%, down from 2.6% last month.
- The CPIH all services index is 107.1, up from 106.8 in April.
- The CPIH all services index annual rate is 2.1%, up from 1.9% 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 May 2018 are:

- The all items CPI is 105.8, up from 105.4 in April.
- 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 104.2, up from 103.8 in April.
- The CPI all goods index annual rate is 2.5%, down from 2.6% last month.
- The CPI all services index is 107.6, up from 107.2 in April.
- The CPI all services index annual rate is 2.3%, up from 2.1% last month.

Retail Prices Index (RPI)

In accordance with the Statistics and Registration Service Act 2007, the Retail Prices Index and its derivatives have been assessed against the Code of Practice for Official Statistics and found not to meet the required standard for designation as National Statistics. The [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 May 2018 are:

- The all items RPI is 280.7, up from 279.7 in April.
- The all items RPI annual rate is 3.3%, down from 3.4% last month.
- The annual rate for RPIX, the all items RPI excluding mortgage interest payments (MIPs), is 3.4%, unchanged from last month.
- The all goods RPI is 213.8, up from 212.8 in April.
- The all goods RPI annual rate is 3.6%, unchanged from last month.
- The all services RPI is 381.6, up from 380.2 in April.
- The all services RPI annual rate is 3.0%, up from 2.9% 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 May 2017	% change May 2018	
01: Food and non-alcoholic beverages	81	83	0.1	-0.3	-0.04
02: Alcoholic beverages and tobacco	34	34	0.8	0.9	-
03: Clothing and footwear	58	57	0.5	0.2	-0.02
04: Housing, water, electricity, gas and other fuels	294	301	0.3	0.1	-0.06
05: Furniture, household equipment and maintenance	49	48	1.2	0.6	-0.03
06: Health	21	21	0.3	-	-0.01
07: Transport	126	124	-0.7	1.5	0.28
08: Communication	21	20	0.6	0.3	-0.01
09: Recreation and culture	121	120	0.9	0.1	-0.09
10: Education	17	18	-	-	-
11: Restaurants and hotels	101	97	0.5	0.4	-0.02
12: Miscellaneous goods and services	77	77	0.1	0.1	-

A large upward effect came from:

- Transport**, principally from motor fuels, air fares and sea fares. Petrol prices rose by 4.6 pence per litre between April and May 2018 to stand at 125.3 pence per litre in May, the highest average price since October 2014. This compares with a 1.0 pence per litre fall between the same two months of 2017 to stand at 116.4 pence per litre in May 2017. Similarly, diesel prices rose by 4.7 pence per litre between April and May 2018 compared with a 1.6 pence per litre fall between the same two months a year ago. These recent rises reflect increases in the price of crude oil. There were also large upward effects from air and sea fares. Fares in both categories rose between April and May this year but fell between the same two months a year ago. The timing of Easter in the middle of April 2017

contributed to relatively high fares in that month with subsequent price falls into May 2017. This year, Easter fell at the beginning of April before the price collection period leading to relatively lower fares being observed and subsequent price rises into May.

Large downward effects came from:

- **Recreation and culture**, where prices, overall, rose by 0.1% between April and May this year compared with a larger rise of 0.9% between the same two months a year ago. The main effect came from games, toys and hobbies, where prices fell this year but rose a year ago, particularly for computer games. Prices for these games are heavily dependent on the composition of bestseller charts, often resulting in large overall price changes from month to month;
- **Housing, water, electricity, gas and other fuels**, with domestic electricity prices rising by 0.1% between April and May this year compared with 4.0% between the same two months a year ago; and
- **Food and non-alcoholic beverages**, with the largest single effect coming from sugar, jam, syrups, chocolate and confectionery, where prices fell this year but rose a year ago. Partially offsetting this was a small upward effect from vegetables, where prices rose this year but fell a year ago.

Small downward effects came from:

- **Furniture, household equipment and maintenance**, where prices overall rose by 0.6% between April and May 2018 compared with a larger rise of 1.2% between the same two months a year ago;
- **Restaurants and hotels**, where prices overall rose by 0.4% this year compared with a larger rise of 0.5% a year ago. The contribution came almost entirely from accommodation services; and
- **Clothing and footwear**, where prices overall rose by 0.2% this year compared with a larger rise of 0.5% a year ago.

CPIH NOTABLE MOVEMENTS

All items CPIH	Annual rate +2.3%, up from +2.2% last month Also +2.3% in March 2018 Last higher in February 2018 (+2.5%)
All items CPIH exc energy, food, alcohol and tobacco	Annual rate +2.0%, unchanged from last month Last higher in March 2018 (+2.1%) Last lower in March 2017 (+1.9%)
Clothing and footwear	Annual rate +1.5%, down from +1.8% last month Lowest since March 2017 (+1.0%)
Housing, water, electricity, gas and other fuels	Annual rate +1.6%, down from +1.8% last month Also +1.6% in August 2016, July 2016, June 2016 and May 2016 Last lower in April 2016 (+1.5%)
Furniture, household equipment and maintenance	Annual rate +2.1%, down from +2.7% last month Lowest since April 2017 (+1.7%)
Transport	Annual rate +4.6%, up from +2.3% last month Highest since April 2017 (+6.2%)
All goods	Annual rate +2.5%, down from +2.6% last month Lowest since March 2018 (+2.4%)
All services	Annual rate +2.1%, up from +1.9% last month Also +2.1% in March 2018 and February 2018 Last higher in January 2018 (+2.3%)
Fuels and lubricants	Annual rate +8.0%, up from +3.1% last month Highest since April 2017 (+11.5%)

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 May 2017	1 month % change May 2018	Contribution to CPIH annual rate change
01 Food & non-alcoholic beverages	81	83	0.1	-0.3	-0.04

- Large downward 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 May 2017	1 month % change May 2018	Contribution to CPIH annual rate change
01.1 Food	71	73	0.1	-0.2	-0.03
01.1.1 Bread and cereals	12	12	-0.5	-	0.01
01.1.2 Meat	16	16	-0.2	-0.6	-0.01
01.1.3 Fish	3	3	2.3	1.6	-
01.1.4 Milk, cheese and eggs	9	9	0.8	-0.2	-0.01
01.1.5 Oils and fats	2	2	3.3	-4.0	-0.01
01.1.6 Fruit	7	8	-0.6	-0.1	-
01.1.7 Vegetables including potatoes	10	10	-1.2	0.7	0.02
01.1.8 Sugar, jam, syrups, chocolate and confectionery	10	11	1.4	-0.5	-0.02
01.1.9 Food products not elsewhere covered	2	2	0.7	-1.5	-

- Small downward effect on the all items 12-month rate change.
- Due to **sugar, jam, syrups, chocolate and confectionery; oils and fats; milk, cheese and eggs; and meat**.
- Partially offset by **vegetables including potatoes; and bread and cereals**.

Bread and cereals

- Small upward effect.
- Prices overall were little changed this year but fell a year ago, with the main upward contributions coming from packs of individual cakes, chocolate biscuits and dried potted snacks.
- Partially offset by small downward contributions coming from chilled pizzas, breakfast cereals and sponge cakes, where prices fell this year but rose a year ago.

Meat

- Small downward effect.
- Prices overall fell this year by more than a year ago, with the main downward contributions coming from beef and pork.

Milk, cheese and eggs

- Small downward effect.
- Prices overall fell this year but rose a year ago, particularly for cheese spread.
- Partially offset by a small upward contribution coming from yoghurt/fromage frais, where prices overall rose this year but fell a year ago.

Oils and fats

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

Vegetables including potatoes

- Small upward effect.
- Prices overall rose this year but fell a year ago, particularly for premium potato crisps and fresh lettuces.
- Partially offset by a small downward contribution coming from fresh cauliflowers, where prices overall fell this year but rose a year ago.

Sugar, jam, syrups, chocolate and confectionery

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

01.2 Non-alcoholic beverages	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2017	2018	% change	% change	
	Feb-Dec	Feb-Dec	May 2017	May 2018	
01.2 Non-alcoholic beverages	10	10	0.3	-0.5	-0.01
01.2.1 Coffee, tea and cocoa	3	3	-1.2	-0.6	-
01.2.2 Mineral waters, soft drinks and juices	7	7	1.0	-0.5	-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 but rose a year ago, particularly for fresh/chilled orange juice. Partially offset by a small upward contribution coming from bottles of cola flavoured drinks, where prices overall rose this year by more than a year ago.

02 ALCOHOLIC BEVERAGES AND TOBACCO	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2017	2018	% change	% change	
	Feb-Dec	Feb-Dec	May 2017	May 2018	
02 Alcoholic beverages and tobacco	34	34	0.8	0.9	-

- Negligible overall effect on the all items 12-month rate change.
- There is a small upward contribution coming from **tobacco**.
- Offset by a small downward contribution coming from **alcoholic beverages**.

02.1 Alcoholic Beverages	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2017	2018	% change	% change	
	Feb-Dec	Feb-Dec	May 2017	May 2018	
02.1 Alcoholic beverages	16	16	1.5	0.4	-0.02
02.1.1 Spirits	5	5	1.5	1.6	-
02.1.2 Wine	7	7	1.1	-0.3	-0.01
02.1.3 Beer	4	4	2.3	0.3	-0.01

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

Wine

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

Beer

- Small downward effect.
- Prices overall rose this year by less than a year ago, particularly for lager.

02.2 Tobacco	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2017 Feb-Dec	2018 Feb-Dec	% change May 2017	% change May 2018	
02.2 Tobacco	18	18	0.2	1.3	0.02

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

03 CLOTHING AND FOOTWEAR	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2017 Feb-Dec	2018 Feb-Dec	% change May 2017	% change May 2018	
03 Clothing and footwear	58	57	0.5	0.2	-0.02

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

03.1 Clothing	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2017 Feb-Dec	2018 Feb-Dec	% change May 2017	% change May 2018	
03.1 Clothing	49	47	0.6	0.2	-0.02
03.1.2 Garments	44	42	0.6	0.3	-0.02
03.1.3 Other clothing and clothing accessories	4	4	0.7	-0.6	-0.01
03.1.4 Cleaning, repair and hire of clothing	1	1	0.4	0.5	-

- 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 rose this year by less than a year ago, with the main downward contributions coming from girls' fashion tops, and women's skirts and long sleeve tops.
- Partially offset by a small upward contribution coming from women's casual trousers, where prices overall rose this year but fell a year ago.

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 May 2017	1 month % change May 2018	Contribution to CPIH annual rate change
03.2 Footwear including repairs	9	10	-	0.3	-

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

04 HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change May 2017	1 month % change May 2018	Contribution to CPIH annual rate change
04 Housing, water, electricity, gas and other fuels	294	301	0.3	0.1	-0.06

- Large downward effect on the all items 12-month rate change.
- Due to **electricity, gas and other fuels** and, to a lesser extent, **owner occupiers' housing costs**.

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

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

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

- Small downward effect on the all items 12-month rate change.
- Average charges rose this year by slightly less than a year ago, particularly in England. Additionally, the weight for owner occupiers' housing costs has decreased between 2017 and 2018, which has also contributed to the downward effect.

04.3 Regular maintenance and repair of the dwelling	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change May 2017	1 month % change May 2018	Contribution to CPIH annual rate change
04.3 Regular maintenance and repair of the dwelling	2	2	0.1	-0.1	-
04.3.1 Materials for maintenance and repair	1	1	0.2	-0.3	-
04.3.2 Services for maintenance and repair	1	1	-	0.1	-

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

04.4 Other services related to the dwelling	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change May 2017	1 month % change May 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 May 2017	1 month % change May 2018	Contribution to CPIH annual rate change
04.5 Electricity, gas and other fuels	27	27	1.9	0.1	-0.05
04.5.1 Electricity	13	13	4.0	0.1	-0.05
04.5.2 Gas	12	12	0.5	0.1	-0.01
04.5.3 Liquid fuels	1	1	-6.9	3.5	0.01
04.5.4 Solid fuels	1	1	-1.4	-2.8	-

- Large downward effect on the all items 12-month rate change.
- Due to **electricity** and, to a lesser extent, **gas**, where average charges rose this year by less than a year ago.
- Partially offset by **liquid fuels**, where average kerosene prices rose this year but fell a year ago.

4.9 Council tax and rates	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change May 2017	1 month % change May 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 May 2017	1 month % change May 2018	Contribution to CPIH annual rate change
05 Furniture, household equipment and maintenance	49	48	1.2	0.6	-0.03

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

05.1 Furniture, furnishings and carpets	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change May 2017	1 month % change May 2018	Contribution to CPIH annual rate change
05.1 Furniture, furnishings and carpets	18	18	1.9	-0.4	-0.04
05.1.1 Furniture and furnishings	15	14	1.8	-0.7	-0.04
05.1.2 Carpets and other floor coverings	3	4	2.2	0.6	-

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

05.2 Household textiles	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change May 2017	1 month % change May 2018	Contribution to CPIH annual rate change
05.2 Household textiles	6	5	2.6	0.1	-0.02

- Small downward effect on the all items 12-month rate change.
- Prices overall rose 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 May 2017	1 month % change May 2018	Contribution to CPIH annual rate change
05.3 Household appliances, fitting and repairs	7	7	-0.8	3.3	0.03
05.3.1/2 Major appliances and small electric goods	6	6	-0.9	3.8	0.03
05.3.3 Repair of household appliances	1	1	-0.1	-	-

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

05.4 Glassware, tableware and household utensils	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change May 2017	1 month % change May 2018	Contribution to CPIH annual rate change
05.4 Glassware, tableware and household utensils	4	4	1.9	-0.1	-0.01

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

05.5 Tools and equipment for house and garden	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change May 2017	1 month % change May 2018	Contribution to CPIH annual rate change
05.5 Tools and equipment for house and garden	4	4	0.5	-0.2	-

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

05.6 Goods and services for routine maintenance	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change May 2017	1 month % change May 2018	Contribution to CPIH annual rate change
05.6 Goods and services for routine maintenance	10	10	0.3	1.6	0.01
05.6.1 Non-durable household goods	4	4	0.7	4.0	0.01
05.6.2 Domestic services and household services	6	6	0.1	0.1	-

- Small upward effect on the all items 12-month rate change.
- Due to **non-durable household goods**, where prices overall rose this year by more than a year ago, particularly for household cleaner cream/liquid.

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

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

06.1 Medical products, appliances and equipment	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change May 2017	1 month % change May 2018	Contribution to CPIH annual rate change
06.1 Medical products, appliances and equipment	10	9	0.4	-0.3	-0.01
06.1.1 Pharmaceutical products	6	5	0.5	-0.6	-0.01
06.1.2/3 Other medical and therapeutic equipment	4	4	0.4	0.1	-

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

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

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

06.3 Hospital services	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2017	2018	% change	% change	
	Feb-Dec	Feb-Dec	May 2017	May 2018	
06.3 Hospital Services	6	5	0.3	0.4	-

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

07 TRANSPORT	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2017	2018	% change	% change	
	Feb-Dec	Feb-Dec	May 2017	May 2018	
07 Transport	126	124	-0.7	1.5	0.28

- Largest upward effect on the all items 12-month rate change.
- Due to **operation of personal transport equipment, transport services** and, to a lesser extent, **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	May 2017	May 2018	
07.1 Purchase of vehicles	37	38	-0.1	0.6	0.03
07.1.1A New cars	21	22	0.1	0.7	0.01
07.1.1B Second-hand cars	14	14	-0.6	0.6	0.02
07.1.2/3 Motorcycles and bicycles	2	2	1.5	-0.2	-

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

New cars

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

Second-hand cars

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

07.2 Operation of personal transport equipment	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2017 Feb-Dec	2018 Feb-Dec	% change May 2017	% change May 2018	
07.2 Operation of personal transport equipment	61	58	-0.3	1.9	0.13
07.2.1 Spare parts and accessories	4	4	0.2	0.1	-
07.2.2 Fuels and lubricants	26	25	-1.0	3.8	0.12
07.2.3 Maintenance and repairs	20	19	0.1	0.4	0.01
07.2.4 Other services	11	10	0.2	0.6	0.01

- Large upward effect on the all items 12-month rate change.
- Due to **fuels and lubricants** and, to a lesser extent, **maintenance and repairs**; and **other services**.

Fuels and lubricants

- Large upward effect.
- Prices overall rose this year but fell a year ago.
- The average price of petrol across the month, as recorded for the CPIH, rose by 4.6 pence per litre between April and May 2018 to stand at 125.3 pence per litre.
- Last year, the average price of petrol fell by 1.0 pence per litre between April and May 2017 to stand at 116.4 pence per litre.
- The average price of diesel rose by 4.7 pence per litre between April and May 2018 to stand at 129.2 pence per litre, compared with a fall of 1.6 pence per litre a year earlier to stand at 118.7 pence per litre.

Maintenance and repairs

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

Other services

- Small upward effect.

- Average charges overall rose this year by more than a year ago.

07.3 Transport services	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2017	2018	% change	% change	
	Feb-Dec	Feb-Dec	May 2017	May 2018	
07.3 Transport services	28	28	-2.4	2.0	0.13
07.3.1 Passenger transport by railway	11	11	-0.1	0.7	0.01
07.3.2 Passenger transport by road	10	10	-	-0.8	-0.01
07.3.3 Passenger transport by air	4	4	-6.4	10.0	0.07
07.3.4 Passenger transport by sea and inland waterway	3	3	-10.8	5.4	0.06

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

Passenger transport by railway

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

Passenger transport by road

- Small downward effect.
- Average coach fares fell this year by more than a year ago.

Passenger transport by air

- Large upward effect.
- Average air fares rose this year but fell a year ago, with the main upward contribution coming from European flights.

Passenger transport by sea and inland waterway

- Large upward effect.
- Average sea fares rose this year but fell a year ago, with the main upward contribution coming from international routes.

08 COMMUNICATION	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change May 2017	1 month % change May 2018	Contribution to CPIH annual rate change
08 Communication	21	20	0.6	0.3	-0.01

- Small downward 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 May 2017	1 month % change May 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 May 2017	1 month % change May 2018	Contribution to CPIH annual rate change
08.2/3 Telephone equipment and services	20	19	0.6	0.3	-0.01

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

09 RECREATION AND CULTURE	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change May 2017	1 month % change May 2018	Contribution to CPIH annual rate change
09 Recreation and culture	121	120	0.9	0.1	-0.09

- Largest downward effect on the all items 12-month rate change.
- Due to **other recreational items, gardens and pets** and, to a lesser extent, **recreational and cultural services; audio-visual equipment and related products; and books, newspapers and stationery**.

09.1 Audio-visual equipment and related products	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change May 2017	1 month % change May 2018	Contribution to CPIH annual rate change
09.1 Audio-visual equipment and related products	15	14	2.1	1.5	-0.01
09.1.1 Equipment for the reception and reproduction of sound and pictures	3	4	2.4	-1.3	-0.01
09.1.2 Photographic, cinematographic and optical equipment	2	1	2.5	1.2	-
09.1.3 Data processing equipment	5	5	3.4	3.4	-
09.1.4 Recording media	4	3	0.5	2.5	0.01
09.1.5 Repair of audio-visual equipment and related products	1	1	-	0.1	-

- Small downward effect on the all items 12-month rate change.
- Due to **equipment for the reception and reproduction of sound and pictures**, where prices overall fell this year but rose a year ago, particularly for televisions.
- Partially offset by **recording media**, where prices overall rose this year by more than a year ago, with the main upward contribution coming from DVDs.

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

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

09.3 Other recreational items, gardens and pets	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change May 2017	1 month % change May 2018	Contribution to CPIH annual rate change
09.3 Other recreational items, gardens and pets	30	29	1.3	-0.7	-0.06
09.3.1 Games, toys and hobbies	16	17	2.7	-0.9	-0.06
09.3.2 Equipment for sport and open-air recreation	3	2	-1.4	-0.1	-
09.3.3 Gardens, plants and flowers	4	3	-	-1.5	-
09.3.4/5 Pets, related products and services	7	7	-	-	-

- Large downward effect on the all items 12-month rate change.
- Due to **games, toys and hobbies**, where prices overall fell this year but rose a year ago, with the main downward contributions coming from computer games and, to a lesser extent,

computer game consoles and board games. Partially offset by a small upward contribution coming from computer game downloads, where prices overall rose this year but fell a year ago.

09.4 Recreational and cultural services	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2017	2018	% change	% change	
	Feb-Dec	Feb-Dec	May 2017	May 2018	
09.4 Recreational and cultural services	26	23	0.5	-0.1	-0.02
09.4.1 Recreational and sporting services	8	7	0.1	0.1	-
09.4.2 Cultural services	18	16	0.7	-0.1	-0.02

- Small downward effect on the all items 12-month rate change.
- Due to **cultural services**, where average charges for live music and theatre admissions fell this year but rose a year ago.

09.5 Books, newspapers and stationery	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2017	2018	% change	% change	
	Feb-Dec	Feb-Dec	May 2017	May 2018	
09.5 Books, newspapers and stationery	9	9	0.8	-0.1	-0.01
09.5.1 Books	3	3	0.2	0.4	-
09.5.2 Newspapers and periodicals	3	3	2.2	-	-0.01
09.5.3/4 Misc. printed matter, stationery, drawing materials	3	3	-0.1	-0.6	-

- Small downward effect on the all items 12-month rate change.
- Due to **newspapers and periodicals**, where prices overall were unchanged this year but rose a year ago.

09.6 Package holidays	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2017	2018	% change	% change	
	Feb-Dec	Feb-Dec	May 2017	May 2018	
09.6 Package holidays	28	31	0.6	0.6	-

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

10 EDUCATION	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change May 2017	1 month % change May 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 May 2017	1 month % change May 2018	Contribution to CPIH annual rate change
11 Restaurants and hotels	101	97	0.5	0.4	-0.02

- 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 May 2017	1 month % change May 2018	Contribution to CPIH annual rate change
11.1 Catering services	77	75	0.3	0.3	-
11.1.1 Restaurants and cafes	70	69	0.3	0.3	-
11.1.2 Canteens	7	6	0.9	1.2	-

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

11.2 Accommodation services	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change May 2017	1 month % change May 2018	Contribution to CPIH annual rate change
11.2 Accommodation services	24	22	1.1	0.5	-0.02

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

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

- Negligible overall effect on the all items 12-month rate change.
- There is a small downward contribution coming from **insurance**.
- Offset by a small upward contribution coming from **personal care**.

12.1 Personal care	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change May 2017	1 month % change May 2018	Contribution to CPIH annual rate change
12.1 Personal care	25	25	-0.5	-0.2	0.01
12.1.1 Hairdressing and personal grooming establishments	6	6	0.3	0.1	-
12.1.2/3 Appliances and products for personal care	19	19	-0.8	-0.3	0.01

- Small upward effect on the all items 12-month rate change.
- Due to **appliances and products for personal care**, where prices overall fell this year by less than a year ago, with the main upward effects coming from deodorant/anti-perspirant and baby wipes. Partially offset by small downward contributions coming from electrical hair styling appliances and toilet rolls.

12.3 Personal effects not elsewhere covered	Weight 2017 Feb-Dec	Weight 2018 Feb-Dec	1 month % change May 2017	1 month % change May 2018	Contribution to CPIH annual rate change
12.3 Personal effects not elsewhere covered	11	12	1.2	1.1	-
12.3.1 Jewellery, clocks and watches	7	8	1.4	0.4	-0.01
12.3.2 Other personal effects	4	4	0.8	2.5	0.01

- Negligible overall effect on the all items 12-month rate change.
- There is a small upward contribution coming from **other personal effects**.
- Offset by a small downward contribution coming from **jewellery, clocks and watches**.

Jewellery, clocks and watches

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

Other personal effects

- Small upward effect.
- Prices overall rose this year by more than a year ago, with the main upward contribution coming from luggage trolley cases.

12.4 Social protection	Weight	Weight	1 month	1 month	Contribution to CPIH annual rate change
	2017	2018	% change	% change	
	Feb-Dec	Feb-Dec	May 2017	May 2018	
12.4 Social protection	13	14	0.5	0.3	-

- 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	May 2017	May 2018	
12.5 Insurance	7	7	0.4	-1.2	-0.01
12.5.2 House contents insurance	2	2	1.2	-1.2	-0.01
12.5.3 Health insurance	2	2	-	-	-
12.5.4 Transport insurance	3	3	0.1	-1.9	-0.01

- Small downward effect on the all items 12-month rate change.
- Due to **transport insurance** and **house contents insurance**.

House contents insurance

- Small downward effect.
- Average premiums fell this year but rose a year ago.

Transport insurance

- Small downward effect.
- Average premiums for car insurance fell this year but rose 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	May 2017	May 2018	
12.6 Financial services not elsewhere covered	11	9	-0.1	0.1	-

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

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

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

RPI SUMMARY

CONTRIBUTIONS TO CHANGE IN THE RPI ANNUAL RATE

GROUPS	Weight 2017	Weight 2018	1 month % change May 2017	1 month % change May 2018	Contribution to RPI annual rate change
FOOD	102	102	0.2	-0.2	-0.04
CATERING	48	50	0.3	0.2	-
ALCOHOLIC DRINKS	57	56	0.8	0.4	-0.02
TOBACCO	24	23	0.2	1.3	0.02
HOUSING	266	257	0.4	-	-0.11
FUEL AND LIGHT	38	37	2.0	0.1	-0.07
HOUSEHOLD GOODS	65	68	1.3	0.4	-0.06
HOUSEHOLD SERVICES	64	58	0.5	0.1	-0.02
CLOTHING AND FOOTWEAR	41	43	0.7	0.4	-0.02
PERSONAL GOODS AND SERVICES	38	42	0.1	0.3	0.01
MOTORING EXPENDITURE	123	124	-0.4	0.9	0.17
FARES AND OTHER TRAVEL COSTS	26	25	-2.9	4.0	0.19
LEISURE GOODS	29	30	1.8	-	-0.05
LEISURE SERVICES	79	85	0.6	0.4	-0.01

RPI NOTABLE MOVEMENTS

All items RPI	<p>Annual rate +3.3%, down from +3.4% last month</p> <p>Also +3.3% in March 2018</p> <p>Last lower in March 2017 (+3.1%)</p>
All items RPI exc MIPS (RPIX)	<p>Annual rate +3.4%, unchanged from last month</p> <p>Also +3.4% in March 2018 and March 2017</p> <p>Last higher in February 2018 (+3.6%)</p> <p>Last lower in January 2017 (+2.9%)</p>
Alcoholic drinks	<p>Annual rate +2.1%, down from +2.4% last month</p> <p>Also +2.1% in March 2018</p> <p>Last lower in February 2017 (+1.8%)</p>
Fuel and light	<p>Annual rate +4.0%, down from +6.0% last month</p> <p>Lowest since April 2017 (+3.3%)</p>
Household goods	<p>Annual rate +2.6%, down from +3.5% last month</p> <p>Lowest since January 2017 (+2.2%)</p>
Clothing and footwear	<p>Annual rate +7.4%, down from +7.8% last month</p> <p>Lowest since February 2017 (+6.7%)</p>
Leisure goods	<p>Annual rate +2.2%, down from +4.0% last month</p> <p>Also +2.2% in January 2017</p> <p>Last lower in December 2016 (+1.4%)</p>
All goods	<p>Annual rate +3.6%, unchanged from last month</p> <p>Last higher in February 2018 (+3.7%)</p> <p>Last lower in March 2018 (+3.2%)</p>
All services	<p>Annual rate +3.0%, up from +2.9% last month</p> <p>Highest since March 2018 (+3.5%)</p>
Petrol and oil	<p>Annual rate +8.0%, up from +3.2% last month</p> <p>Highest since April 2017 (+11.7%)</p>

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 May 2017	1 month % change May 2018	Contribution to RPI annual rate change
FOOD	102	102	0.2	-0.2	-0.04

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

Seasonal Food	Weight 2017	Weight 2018	1 month % change May 2017	1 month % change May 2018	Contribution to RPI annual rate change
SEASONAL FOOD	18	18	-0.5	-0.3	-
Home killed lamb	1	1	0.2	3.5	-
Fresh fish	2	2	1.7	0.3	-
Eggs	1	1	-0.8	-0.1	-
Unprocessed potatoes	1	1	2.0	-1.4	-
Other fresh vegetables	6	6	-1.6	-0.5	0.01
Fresh fruit	7	7	-0.3	-0.8	-

- Negligible overall effect on the all items 12-month rate change.
- There is a small upward contribution coming from **other fresh vegetables**, where prices overall fell this year by less than a year ago, with the main upward contributions coming from lettuces and tomatoes. Partially offset by a small downward contribution coming from cauliflowers, where prices overall fell this year but rose a year ago.

Non-Seasonal Food	Weight 2017	Weight 2018	1 month % change May 2017	1 month % change May 2018	Contribution to RPI annual rate change
NON-SEASONAL FOOD	84	84	0.4	-0.1	-0.04
Bread	4	4	1.0	-0.2	-
Cereals	3	3	1.0	-1.4	-0.01
Biscuits and cakes	6	6	-2.2	2.4	0.03
Beef	4	3	1.5	-1.9	-0.01
Imported lamb	1	1	0.6	0.7	-
Pork	1	1	2.4	-3.7	-0.01
Bacon	1	1	-1.9	-0.5	-
Poultry	3	4	-2.1	-	0.01
Other meat	6	6	-0.5	-0.3	-
Processed fish	2	2	3.3	4.4	-
Butter	1	1	-0.8	3.4	-
Oils and fats	1	1	4.9	-6.9	-0.01
Cheese	3	3	1.8	-2.1	-0.01
Milk, fresh	3	3	0.7	-0.3	-
Milk products	4	4	0.2	1.5	0.01
Tea	1	1	0.6	-1.5	-
Soft drinks	8	8	0.5	-0.5	-0.01
Sugar and preserves	1	1	-2.6	-1.3	-
Sweets and chocolates	11	11	2.3	0.5	-0.02
Potato products	3	3	-2.8	4.0	0.02
Processed vegetables	2	2	2.3	0.4	-
Processed fruit	2	2	-0.2	-1.2	-
Other foods	11	11	0.1	-2.0	-0.02
Coffee and other hot drinks	2	2	-1.9	-0.1	-

- Large downward effect on the all items 12-month rate change.
- Due to:
 - **Other foods, cereals, beef, pork, oils and fats, cheese** and **soft drinks**, where prices overall fell this year but rose a year ago, particularly for fresh/chilled orange juice, margarine/low fat spread, chilled pizzas, beef products, cook-in sauces, ice cream, cheese spread, pork loin chops and breakfast cereals. Partially offset by small upward contributions coming from dried potted snacks and bottles of cola flavoured drinks; and
 - **Sweets and chocolates**, where prices overall rose this year by less than a year ago, with the main downward contributions coming from cartons/boxes of chocolates and chocolate bars. Partially offset by a small upward contribution coming from bags of non-chocolate sweets.
- Partially offset by:
 - **Biscuits and cakes** and **potato products**, where prices overall rose this year but fell a year ago, particularly for chocolate biscuits, premium potato crisps and packs of individual cakes. Partially offset by a small downward contribution coming from sponge

cakes, where prices overall fell this year but rose a year ago;

- **Milk products**, where prices overall rose this year by more than a year ago, with the main upward contribution coming from yoghurt/fromage frais; and
- **Poultry**, where prices overall were little changed this year but fell a year ago.

CATERING	Weight 2017	Weight 2018	1 month % change May 2017	1 month % change May 2018	Contribution to RPI annual rate change
CATERING	48	50	0.3	0.2	-
Restaurant meals	29	30	0.3	0.2	-
Canteen meals	3	3	0.4	0.9	-
Take-away meals and snacks	16	17	0.2	0.2	-

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

ALCOHOLIC DRINKS	Weight 2017	Weight 2018	1 month % change May 2017	1 month % change May 2018	Contribution to RPI annual rate change
ALCOHOLIC DRINKS	57	56	0.8	0.4	-0.02
Beer on sales	19	18	0.2	0.2	-
Beer off sales	5	5	1.5	0.4	-0.01
Wines and spirits on sales	19	19	0.5	0.5	-
Wines and spirits off sales	14	14	1.7	0.3	-0.02

- Small downward effect on the all items 12-month rate change.
- Due to **wines and spirits off sales** and **beer off sales**, where prices overall rose this year by less than a year ago, with the main downward contributions coming from vodka and lager.

TOBACCO	Weight 2017	Weight 2018	1 month % change May 2017	1 month % change May 2018	Contribution to RPI annual rate change
TOBACCO	24	23	0.2	1.3	0.02
Cigarettes	20	19	0.1	1.1	0.02
Other tobacco products	4	4	0.8	2.1	0.01

- Small upward effect on the all items 12-month rate change.
- Due to **cigarettes** and **other tobacco products**, where average prices for cigarettes and hand rolling tobacco rose this year by more than a year ago.

HOUSING	Weight 2017	Weight 2018	1 month % change May 2017	1 month % change May 2018	Contribution to RPI annual rate change
HOUSING	266	257	0.4	-	-0.11
Rent	84	76	0.1	0.1	-
Mortgage interest payments	25	24	0.4	-0.3	-0.02
Council tax and rates	39	38	-	-	-
Water and other charges	13	12	-	-	-
Repairs and maintenance charges	9	9	-	0.1	-
DIY materials	6	8	0.3	-0.6	-0.01
Dwelling insurance and ground rent	6	7	1.2	0.2	-0.01
House depreciation	84	83	1.0	0.1	-0.08

- Largest downward effect on the all items 12-month rate change.
- Due to:
 - **House depreciation**, with the smoothed house price index used to calculate this component rising this year by less than a year ago; and, to a lesser extent
 - **Mortgage interest payments** and **DIY materials**, where average charges fell this year but rose a year ago; and
 - **Dwelling insurance and ground rent**, where average charges rose this year by less than a year ago.

FUEL AND LIGHT	Weight 2017	Weight 2018	1 month % change May 2017	1 month % change May 2018	Contribution to RPI annual rate change
FUEL AND LIGHT	38	37	2.0	0.1	-0.07
Coal and solid fuels	1	1	-1.4	-2.8	-
Electricity	19	20	4.0	0.1	-0.08
Gas	16	15	0.5	0.1	-0.01
Oil and other fuels	2	1	-5.4	2.9	0.01

- Large downward effect on the all items 12-month rate change.
- Due to **electricity**, and, to a lesser extent, **gas**, where average charges rose this year by less than a year ago.
- Partially offset by **oil and other fuels**, where average kerosene prices rose this year but fell a year ago.

HOUSEHOLD GOODS	Weight 2017	Weight 2018	1 month % change May 2017	1 month % change May 2018	Contribution to RPI annual rate change
HOUSEHOLD GOODS	65	68	1.3	0.4	-0.06
Furniture	26	28	1.9	-0.6	-0.07
Furnishings	10	9	2.5	0.5	-0.02
Electrical appliances	6	7	-	3.2	0.02
Other household equipment	4	4	2.2	-0.5	-0.01
Household consumables	11	11	0.3	1.7	0.01
Pet care	8	9	-0.1	0.1	-

- Large downward effect on the all items 12-month rate change.
- Due to:
 - **Furniture** and, to a lesser extent, **other household equipment**, where prices overall fell this year but rose a year ago, with the main downward contributions coming from lounge, kitchen and bedroom furniture; and
 - **Furnishings**, where prices overall rose this year by less than a year ago.
- Partially offset by:
 - **Electrical appliances**, where prices overall rose this year but were little changed a year ago, with the main upward contributions coming from vacuum cleaners and washing machines; and
 - **Household consumables**, where prices overall rose this year by more than a year ago, with the main upward contributions coming from household cleaner cream/liquid and kitchen rolls.

HOUSEHOLD SERVICES	Weight 2017	Weight 2018	1 month % change May 2017	1 month % change May 2018	Contribution to RPI annual rate change
HOUSEHOLD SERVICES	64	58	0.5	0.1	-0.02
Domestic services	15	13	0.3	0.2	-
Fees and subscriptions	22	19	0.5	-0.2	-0.01
Postage	1	1	-	-	-
Telephone charges	26	25	0.7	0.3	-0.01

- Small downward effect on the all items 12-month rate change.
- Due to:
 - **Fees and subscriptions**, where average premiums for house contents insurance fell this year but rose a year ago; and
 - **Telephone charges**, where prices overall rose this year by less than a year ago, with the main downward contribution coming from mobile phone charges.

CLOTHING AND FOOTWEAR	Weight 2017	Weight 2018	1 month % change May 2017	1 month % change May 2018	Contribution to RPI annual rate change
CLOTHING AND FOOTWEAR	41	43	0.7	0.4	-0.02
Men's outerwear	8	9	-0.2	0.4	-
Women's outerwear	15	16	1.2	0.4	-0.01
Children's outerwear	5	5	2.2	0.2	-0.01
Other clothing	5	5	0.2	-	-
Footwear	8	8	-0.2	0.5	0.01

- Small downward effect on the all items 12-month rate change.
- Due to **women's outerwear** and **children's outerwear**, where prices overall rose this year by less than a year ago, with the main downward contributions coming from girls' fashion tops and women's long sleeve tops and skirts.
- Partially offset by **footwear**, where prices overall rose this year but fell a year ago.

PERSONAL GOODS AND SERVICES	Weight 2017	Weight 2018	1 month % change May 2017	1 month % change May 2018	Contribution to RPI annual rate change
PERSONAL GOODS AND SERVICES	38	42	0.1	0.3	0.01
Personal articles	9	11	1.0	1.2	-
Chemists' goods	15	15	-0.7	-0.2	0.01
Personal services	14	16	0.2	0.1	-

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

MOTORING EXPENDITURE	Weight 2017	Weight 2018	1 month % change May 2017	1 month % change May 2018	Contribution to RPI annual rate change
MOTORING EXPENDITURE	123	124	-0.4	0.9	0.17
Purchase of motor vehicles	46	50	-0.3	0.6	0.04
Maintenance of motor vehicles	16	16	0.3	0.4	-
Petrol and oil	37	34	-1.4	3.1	0.16
Vehicle tax and insurance	24	24	0.4	-1.1	-0.04

- Large upward effect on the all items 12-month rate change.
- Due to:
 - **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 3.7 pence per litre between April and May 2018, to stand at 124.3 pence per litre, compared with a fall of 1.4 pence per litre last

year to stand at 115.6 pence per litre. Diesel prices rose by 4.0 pence per litre, to stand at 128.3 pence per litre in May 2018, compared with a fall of 2.4 pence per litre last year to stand at 117.6 pence per litre; and, to a lesser extent

- **Purchase of motor vehicles**, where prices overall rose this year but fell a year ago, with the main upward contribution coming from second-hand and new cars.
- Partially offset by **vehicle tax and insurance**, where average car insurance premiums fell this year but rose a year ago.

FARES AND OTHER TRAVEL COSTS	Weight 2017	Weight 2018	1 month % change May 2017	1 month % change May 2018	Contribution to RPI annual rate change
FARES AND OTHER TRAVEL COSTS	26	25	-2.9	4.0	0.19
Rail fares	6	6	-0.1	0.6	-
Bus and coach fares	3	3	-0.2	-2.2	-0.01
Other travel costs	17	16	-4.3	6.4	0.19

- Largest upward effect on the all items 12-month rate change.
- Due to **other travel costs**, where average air fares and, to a lesser extent, average sea fares rose this year but fell a year ago.
- Partially offset by **bus and coach fares**, where average coach fares fell this year by more than a year ago.

LEISURE GOODS	Weight 2017	Weight 2018	1 month % change May 2017	1 month % change May 2018	Contribution to RPI annual rate change
LEISURE GOODS	29	30	1.8	-	-0.05
Audio-visual equipment	6	6	2.8	-	-0.02
CDs and tapes	2	2	2.3	2.6	-
Toys, photographic and sports goods	9	10	1.3	-	-0.01
Books and newspapers	6	6	2.7	0.1	-0.02
Gardening products	6	6	0.8	-0.8	-0.01

- Large downward effect on the all items 12-month rate change.
- Due to:
 - **Audio-visual equipment** and **toys, photographic and sports goods**, where prices overall were little changed this year but rose a year ago, with the main downward contributions coming from computer games, televisions and tablet computers. Partially offset by a small upward contribution coming from PC peripherals, where prices overall rose this year by more than a year ago;
 - **Books and newspapers**, where prices overall rose this year by less than a year ago,

with the main downward contributions coming from e-books and periodicals; and

- **Gardening products**, where prices overall fell this year but rose a year ago, particularly for potted shrubs.

LEISURE SERVICES	Weight 2017	Weight 2018	1 month % change May 2017	1 month % change May 2018	Contribution to RPI annual rate change
LEISURE SERVICES	79	85	0.6	0.4	-0.01
TV licence and rentals	12	11	-	-	-
Entertainment and other recreation	16	16	0.5	-0.1	-0.01
Foreign holidays	40	47	0.7	0.7	-
UK holidays	11	11	0.8	0.6	-

- Small downward effect on the all items 12-month rate change.
- Due to **entertainment and other recreation**, where average charges for live music events fell this year but rose a year ago.

RECONCILIATION OF CPI AND RPI

(Table 5 of the Consumer Price Inflation Dataset)

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

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

The difference between the CPI and RPI unrounded annual rates in May 2018 was -0.91 percentage points, narrowing from -0.96 percentage points in April 2018.

The main factors contributing to the narrowing were:

- **Other housing components excluded from the CPI**, which decreased the RPI 12-month rate relative to the CPI 12-month rate by 0.09 percentage points between April and May 2018. The effect came mainly from house depreciation.
- **The formula effect**, which decreased the RPI 12-month rate relative to the CPI 12-month rate by 0.04 percentage points between April and May 2018. The effect came mainly from clothing and footwear; and recreation and culture.
- **Mortgage interest payments**, which decreased the RPI 12-month rate by 0.02 percentage points between April and May 2018 but are excluded from the CPI.

The main offsetting factor was:

- **Other differences including weights**, which increased the RPI 12-month rate relative to the CPI 12-month rate by 0.10 percentage points between April and May 2018. The effect came mainly from air fares; games, toys and hobbies and equipment for sport and open air recreation; and clothing and footwear. This was partially offset by sea fares; insurance; and furniture and furnishings, carpets and household textiles.

RPI MISCELLANEOUS DATA

Selected Average Prices

Description		March 2018	April 2018	May 2018
Petrol per litre	Diesel	£1.23	£1.24	£1.28
	Petrol	£1.19	£1.21	£1.24
Alcohol pub prices	Draught bitter (pint)	£3.03	£3.05	£3.06
	Draught lager (pint)	£3.61	£3.63	£3.64
	Whisky (per nip)	£2.84	£2.86	£2.86
Cigarettes	Per 20 king size	£9.97	£10.12	£10.23

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
May 2017	+0.4	Negligible	-
June 2017	+0.2	Down -0.02% points	-0.02% points
July 2017	+0.2	Down -0.01% points	-0.01% points
August 2017	+0.7	Down -0.01% points	-0.01% points
September 2017	+0.1	Down -0.01% points	-0.01% points
October 2017	+0.1	Down -0.02% points	-0.02% points
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

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 June of recent years, but are typically dependent on weather conditions both in the UK and around the world.

Monthly % change for CPIH seasonal food index			
Year	April	May	June
2012	-1.2	0.6	0.6
2013	0.6	-0.4	-1.5
2014	-1.7	-1.6	-0.5
2015	-0.7	0.1	-
2016	-0.8	-0.7	-0.8
2017	-0.2	-0.5	-0.3
2018	-0.8	0.5	

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

CLOTHING AND FOOTWEAR

- With the exception of 2014, prices for clothing and footwear tend to fall in June as a result of the summer sales.

Monthly % change for CPIH clothing and footwear index			
Year	April	May	June
2012	0.2	-0.1	-4.2
2013	-	1.2	-1.9
2014	1.0	-0.1	0.6
2015	0.7	0.5	-0.4
2016	-0.3	-0.2	-0.7
2017	1.1	0.5	-1.0
2018	0.4	0.2	

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

HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS

Electricity, Gas and Other Fuels

- British Gas has announced an increase in their default standard variable tariff (SVT) from 29 May 2018. The price for a typical dual fuel customer on this tariff will go up on average by £60 to £1,161 - £30 for gas and £30 for electricity. (britishgas.co.uk 10 April 2018)
- EDF Energy has announced a change to its standard variable electricity tariff, effective from

7 June 2018. EDF Energy’s standard variable dual fuel Direct Debit tariff will increase by 1.4% to £1,158 a year following an increase in the standing charge for electricity to 23.28p a day, an increase of 2.7% on a typical electricity bill. There will be no change to gas prices for Direct Debit customers. There will also be an increase in the charges for customers choosing to pay by cash or cheque by £6 per fuel per year, applying to standard variable tariffs and future fixed tariffs. A dual fuel standard variable customer choosing to pay by cash or cheque will see a combined increase of £28 a year (+2.3%) to £1,248 a year. (edfenergy.com 12 April 2018)

- ScottishPower has announced its standard variable domestic gas and electricity prices will increase from 1 June 2018. The majority of customers affected, who pay by Monthly Direct Debit, will see an average increase of 5.5%, or £63 on a typical annual dual fuel bill. (scottishpower.com 20 April 2018)
- Npower has announced a change to its Standard Variable and Juice tariffs. From 17 June the cost of a typical dual fuel energy bill will be going up by 5.3%, or £64 a year on average. Gas prices will go up by an average of 4.4%. Electricity prices will go up by an average of 6.2%. (npower.com 11 May 2018)
- SSE has announced an increase to standard electricity and gas prices in a change that will increase a typical dual fuel bill by an average of 6.7%, effective from 11 July 2018. This rise equates to an increase of 5.7% for gas and 7.7% for electricity, meaning a typical dual fuel customer will see a rise of around £1.50 each week. Customers who are on fixed-price tariffs, have a prepayment meter, or are on the vulnerable customer safeguard tariff will not be affected. SSE Energy Services will also be removing its £6 per fuel per year paperless billing discount from 11 July 2018. (sse.com 30 May 2018)

FURNITURE, HOUSEHOLD EQUIPMENT AND MAINTENANCE

- Prices have shown a mixed pattern of rises and falls in June of recent years.

Monthly % change for CPIH furniture, household equipment and maintenance index			
Year	April	May	June
2012	-1.2	0.7	-
2013	-1.3	1.0	-0.4
2014	-0.9	0.5	0.2
2015	-1.2	0.6	0.4
2016	-1.5	0.4	-0.3
2017	-1.0	1.2	0.5
2018	-0.8	0.6	

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

TRANSPORT

Fuels and Lubricants

- Oil prices have fallen slightly, due to rising Russian production and the highest U.S. drilling activity in more than three years, but are supported by concerns over future Iranian and Venezuelan output. Benchmark Brent crude was down 15 cents at \$76.31 a barrel. U.S. light crude was 10 cents lower at \$65.64. (uk.reuters.com 11 June 2018)
- When considering the price of petrol between May and June 2018, it may be useful to note that the average price of petrol fell by 1.1 pence per litre between May and June 2017, to stand at 115.3 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

- With the exception of 2013, air fares have tended to rise in June.

Monthly % change for CPIH air fares index			
Year	April	May	June
2012	7.4	1.4	7.4
2013	-6.4	22.0	-2.8
2014	17.9	-3.2	7.0
2015	4.5	10.4	0.3
2016	-14.2	3.8	10.9
2017	18.6	-6.4	14.5
2018	-0.2	10.0	

- 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 0.5% on Thursday 10 May 2018. The next announcement and minutes from the Bank of England's Monetary Policy Committee are scheduled to be published on 21 June 2018.
- The change in average mortgage interest rates recorded in the RPI was -0.02 percentage points between May and June 2017. The Bank of England Bank Rate remained unchanged at 0.25% in May 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:

18 July 2018

Media contact:

Tel: Briony Craber +44 (0) 20 7411 756

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

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

Statistical contact:

Tel: Philip Gooding +44 (0) 1633 455896

Email: cpi@ons.gsi.gov.uk

Website: www.ons.gov.uk

Consumer Price Inflation Enquiries:

Tel: +44 (0) 1633 456900