



Consumer Price Index, December 2017

Key Facts

Capital Cities

Perth

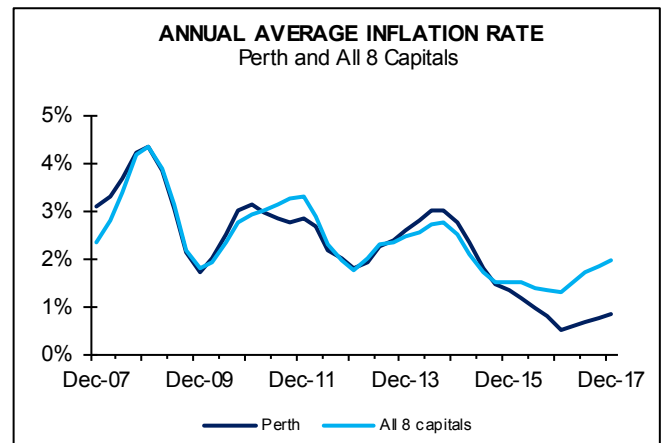
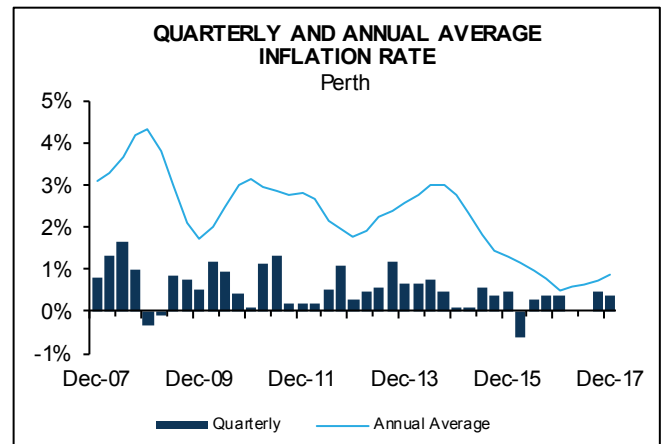
Perth's Consumer Price Index increased by 0.4% over the quarter, and rose by 0.9% in annual average terms in 2017. In year-ended terms¹, Perth's CPI growth was unchanged at 0.8%.

- The main contributors to quarterly growth in Perth's CPI was 'transport', which contributed 0.22 percentage points (pp), and 'alcohol and tobacco' which contributed 0.21 pp.
- The main detractors from Perth's quarterly CPI was 'housing' (-0.09 pp) and 'furnishings, household equipment and services' (-0.09 pp).

Australia

Nationally, the Consumer Price Index rose by 0.6% over the quarter and increased by 1.9% in annual average in 2017. In year-ended terms, the national CPI grew by 1.9%.

- The main contributors to national quarterly growth were 'transport', which contributed 0.25 pp and 'alcohol and tobacco', which contributed 0.23 pp.
- The component that detracted the most from national growth was 'furnishings, household equipment and services' (-0.07 pp).
- In annual average terms to December, the largest increase in CPI by capital city was 2.3% in Melbourne. The smallest increase was 0.6% in Darwin.



INFLATION RATES BY CITY December 2017

	% Change	
	Quarter	Annual Average
Sydney	0.7%	2.2%
Melbourne	0.7%	2.3%
Brisbane	0.8%	1.8%
Adelaide	0.7%	1.9%
Perth	0.4%	0.9%
Hobart	1.0%	2.2%
Darwin	0.3%	0.6%
Canberra	0.6%	2.2%
All 8 capitals	0.6%	1.9%

¹ Year-ended growth (which compares the latest quarter of data to the same quarter a year earlier) is also reported for comparison with figures quoted in the media and financial markets (which are often in year-ended terms).

**INFLATION RATES BY CATEGORY
December 2017**

	Perth		All 8 Capitals	
	% Change		% Change	
	Quarter	Annual Average	Quarter	Annual Average
Food/non-alcoholic beverages	1.1%	-0.3%	1.0%	0.7%
Alcohol/tobacco	3.4%	5.7%	3.2%	6.6%
Clothing/footwear	0.6%	-2.2%	-0.3%	-1.9%
Housing	-0.4%	-1.1%	0.3%	2.9%
Furnishings/household contents	-1.0%	-0.8%	-0.8%	-0.4%
Health	-0.6%	3.5%	-0.5%	3.9%
Transport	2.3%	3.3%	2.4%	3.0%
Communication	-1.3%	-3.8%	-1.3%	-3.8%
Recreation/culture	1.0%	0.3%	0.6%	0.2%
Education	0.0%	2.8%	0.1%	3.2%
Insurance/Finance	-0.8%	3.3%	0.2%	2.0%
All groups	0.4%	0.9%	0.6%	1.9%

Categories

Price Changes

- Between the September and December quarters, the largest increase in prices by category in Perth was 3.4% for 'alcohol and tobacco'. The largest decrease was 1.3% for 'communication'.
- In annual average terms to December 2017, the largest increase in prices in Perth was 5.7% for 'alcohol and tobacco'. The largest fall was 3.8% for communication.
- Across all eight capital cities, the largest quarterly rise in prices by category was 3.2% for 'alcohol and tobacco'. The largest decrease was 1.3% for 'communication'.
- In annual average terms to December 2017, the largest rise in prices by category across all eight capital cities was 6.6% for 'alcohol and tobacco'. The largest decrease nationally was 3.8% for 'communication'.

Underlying Inflation

- Both the Australian Bureau of Statistics and the Reserve Bank of Australia produce estimates of underlying inflation that attempt to strip out items whose prices tend to be volatile, and the effects of abnormal price movements.
- The Australian Bureau of Statistics' index of prices 'excluding volatile items' increased by 1.7% in annual average terms and by 0.3% over the quarter to December 2017.
- The Reserve Bank of Australia's estimate of trimmed mean inflation was 0.4% over the quarter and 1.8%^(a) on an annual basis in the December quarter.
- The Bank's weighted median inflation estimate was 0.4% for the quarter and 2%^(a) annualised.

**ANALYTICAL SERIES
December 2017**

	% Change	
	Quarter	Annual Average
Excl. housing/insurance	0.8%	1.6%
Excl. volatile items	0.3%	1.7%
Market goods/services	0.4%	1.1%
Tradables	0.5%	0.1%
Non-tradables	0.8%	2.9%
RBA trimmed mean	0.4%	1.8% ^(a)
RBA weighted median	0.4%	2.0% ^(a)

^(a) Year-ended terms