



Consumer Price Index, December 2013

Key Facts

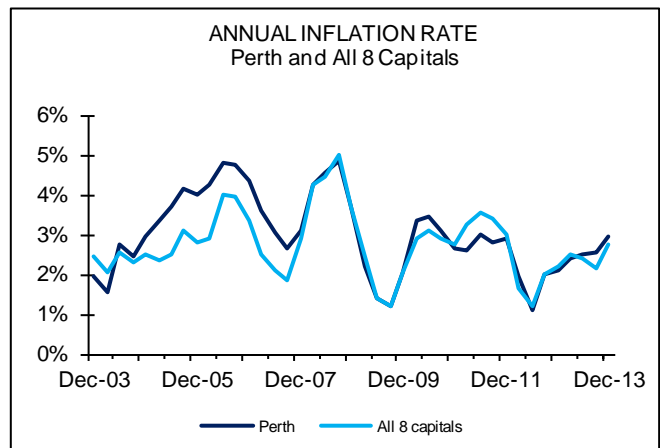
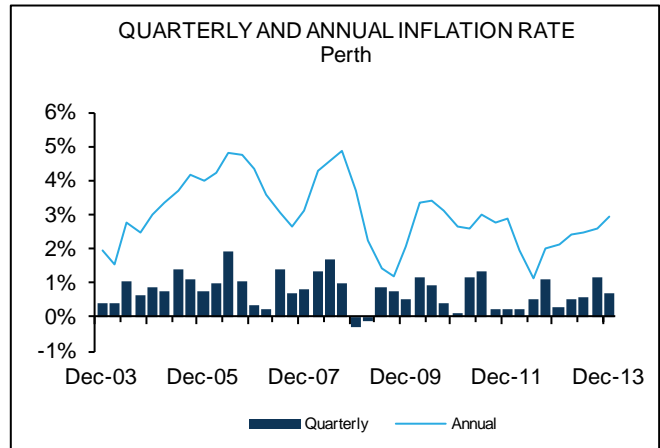
Capital Cities

Perth

- Perth's Consumer Price Index increased by 0.7% over the December quarter, and rose by 2.9% through the year to December 2013.
- The quarterly increase was driven by rises in 'recreation and culture' (mainly 'domestic holiday travel and accommodation') and 'food and non-alcoholic beverages' (mainly 'fruit and vegetables').
- 'Clothing and footwear', 'health' and 'transport' were the components to experience contraction.

Australia

- Nationally, the Consumer Price Index rose by 0.8% over the quarter and increased by 2.7% in the four quarters to December 2013.
- Similar to Perth, the main contributors at the national level were 'recreation and culture' and 'food and non-alcoholic beverages'.
- 'Clothing and footwear', 'health' and 'transport' were the main detractors.
- Over the year to December, the largest increase in Consumer Price Index by city was 4.4% in Darwin. The smallest increase was 2.3% in Adelaide.



INFLATION RATES BY CATEGORY December 2013

	All 8 Capitals		Perth	
	% Change Over:		% Change Over:	
	Year	Quarter	Year	Quarter
Food/non-alcoholic beverages	1.1%	1.6%	0.6%	1.2%
Alcohol/tobacco	5.4%	1.6%	5.6%	1.7%
Clothing/footwear	-1.3%	-1.1%	0.7%	-1.6%
Housing	4.3%	0.5%	5.5%	0.8%
Furnishings/household contents	1.1%	0.4%	1.8%	0.5%
Health	4.4%	-0.5%	4.3%	-0.5%
Transportation	1.9%	-0.1%	1.4%	-0.3%
Communication	1.7%	1.2%	1.6%	1.1%
Recreation/culture	2.4%	2.1%	2.3%	1.7%
Education	5.6%	0.0%	5.3%	0.0%
Finance/insurance	1.6%	0.2%	1.9%	0.3%
All groups	2.7%	0.8%	2.9%	0.7%

INFLATION RATES BY CITY December 2013

	% Change Over:	
	1 Year	Quarter
Sydney	2.6%	0.7%
Melbourne	2.7%	0.8%
Brisbane	2.6%	0.8%
Adelaide	2.3%	0.7%
Perth	2.9%	0.7%
Hobart	2.6%	1.0%
Darwin	4.4%	0.9%
Canberra	2.3%	1.0%
All 8 capitals	2.7%	0.8%

Categories

Price Changes

- Between the September and December quarters, the largest increase in prices by category in Perth was 1.7% for recreation and culture. The largest decrease was 1.6% for clothing and footwear.
- Through the year to December 2013, the largest increase in prices in Perth was 5.6% for alcohol and tobacco. The smallest rise was 0.6% for food and non-alcoholic beverages.
- Across all eight capital cities, the largest quarterly rise in prices by category was 2.1% for recreation and culture. The largest decrease was 1.1% for clothing and footwear.
- Over the four quarters to December 2013, the largest rise in prices by category was 5.6% for education. The largest decrease nationally was 1.3% for clothing and footwear.

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 2.6% through the year and by 0.6% over the quarter to December 2013.
- The Reserve Bank of Australia's estimate of trimmed mean inflation was 0.9% over the quarter and 2.6% on an annual basis in the December quarter.
- The Bank's weighted median inflation estimate was 0.9% for the quarter and 2.6% annualised.

ANALYTICAL SERIES

December 2013

	<u>% Change Over:</u>	
	<u>1 Year</u>	<u>Quarter</u>
Excl. housing/insurance	2.2%	0.9%
Excl. volatile items	2.6%	0.6%
Market goods/services	1.3%	0.5%
Tradables	1.0%	0.7%
Non-tradables	3.7%	0.8%
RBA trimmed mean	2.6%	0.9%
RBA weighted median	2.6%	0.9%