

Consumer Price Indices for April 2021

The Census and Statistics Department (C&SD) released today (May 21) the Consumer Price Index (CPI) figures for April 2021. According to the Composite CPI, overall consumer prices rose by 0.7% in April 2021 over the same month a year earlier, larger than the corresponding increase (0.5%) in March 2021. Netting out the effects of all Government's one-off relief measures, the year-on-year rate of increase in the Composite CPI (i.e. the underlying inflation rate) in April 2021 was 0.3%, marginally larger than that in March 2021 (0.2%). The larger increase was mainly due to the increases in local transport fares and the enlarged increases in the prices of motor fuel.

On a seasonally adjusted basis, the average monthly rate of increase in the Composite CPI for the 3-month period ending April 2021 was 0.1%, and that for the 3-month period ending March 2021 was 0.4%. Netting out the effects of all Government's one-off relief measures, the corresponding rates of increase were 0.1% and 0.2%.

Analysed by sub-index, the year-on-year rates of increase in the CPI(A), CPI(B) and CPI(C) were 1.5%, 0.3% and 0.4% respectively in April 2021, as compared to 1.3%, 0.2% and 0.2% respectively in March 2021. Netting out the effects of all Government's one-off relief measures, the year-on-year rates of change in the CPI(A), CPI(B) and CPI(C) were 0.8%, 0.0% and 0.2% respectively in April 2021, as compared to 0.7%, -0.2% and 0.0% respectively in March 2021.

On a seasonally adjusted basis, for the 3-month period ending April 2021, the average monthly rates of change in the seasonally adjusted CPI(A), CPI(B) and CPI(C) were 0.2%, 0.1% and 0.0% respectively. The corresponding rates of change for the 3-month period ending March 2021 were 0.5%, 0.3% and 0.2% respectively. Netting out the effects of all Government's one-off relief measures, the average monthly rates of change in the seasonally adjusted CPI(A), CPI(B) and CPI(C) for the 3-month period ending April 2021 were 0.2%, 0.1% and 0.0% respectively, and the corresponding rates of change for the 3-month period ending March 2021 were 0.2%, 0.2% and 0.1% respectively.

Amongst the various components of the Composite CPI, year-on-year increases in prices were recorded in April 2021 for electricity, gas and water (23.5%); food (excluding meals bought away from home) (1.6%); transport (1.5%); meals bought away from home (0.8%); clothing and footwear (0.7%) as well as miscellaneous services (0.3%).

On the other hand, year-on-year decreases in the components of the Composite CPI were recorded in April 2021 for housing (-0.6%), alcoholic drinks and tobacco (-0.3%) as well as miscellaneous goods (-0.3%).

As for durable goods, the Composite CPI remained unchanged over a year earlier.

Taking the first four months of 2021 together, the Composite CPI rose by

0.9% over a year earlier. The respective rates of change in the CPI(A), CPI(B) and CPI(C) were 2.4%, 0.2% and 0.1% respectively. The corresponding rates of change after netting out the effects of all Government's one-off relief measures were 0.0%, 0.4%, -0.3% and -0.2% respectively.

For the 3 months ending April 2021, the Composite CPI rose by 0.5% over a year earlier. The respective rates of change in the CPI(A), CPI(B) and CPI(C) were 1.2%, 0.2% and 0.2% respectively. The corresponding rates of change after netting out the effects of all Government's one-off relief measures were 0.1%, 0.6%, -0.1% and 0.0%.

For the 12 months ending April 2021, the Composite CPI remained unchanged over a year earlier. The respective rates of change in the CPI(A), CPI(B) and CPI(C) were -0.1%, 0.0% and 0.1% respectively. The corresponding rates of change after netting out the effects of all Government's one-off relief measures were 0.4%, 0.8%, 0.2% and 0.2% respectively.

Commentary

A Government spokesman said that the underlying consumer price inflation rate edged up to 0.3% in April, mainly reflecting higher local transportation prices amid the smaller MTR fare rebate and the bus fare increase. Meanwhile, price pressures on other major CPI components remained very mild.

Looking ahead, overall price pressures should stay mild in the near term as the local economy is still operating below its capacity. The Government will continue to monitor the situation closely.

Further information

The CPIs and year-on-year rates of change at section level for April 2021 are shown in Table 1. The time series on the year-on-year rates of change in the CPIs before and after netting out the effects of all Government's one-off relief measures are shown in Table 2. For discerning the latest trend in consumer prices, it is also useful to look at the changes in the seasonally adjusted CPIs. The corresponding time series on the average monthly rates of change during the latest 3 months for the seasonally adjusted CPIs are shown in Table 3. The rates of change in the original and the seasonally adjusted Composite CPI and the underlying inflation rate are presented graphically in Chart 1.

More detailed CPI data (including year-on-year comparison, month-to-month comparison, seasonally adjusted data series and the CPIs by the Classification of Individual Consumption According to Purpose (COICOP)) are available in the monthly reports. Users can download the April 2021 issue of the "Monthly Report on the Consumer Price Index" (www.censtatd.gov.hk/en/EIndexbySubject.html?pcode=B1060001&scode=270), the time series of CPIs at detailed level (www.censtatd.gov.hk/en/EIndexbySubject.html?pcode=D5600001&scode=270), the time series of CPIs at COICOP division level (www.censtatd.gov.hk/en/EIndexbySubject.html?pcode=D5600002&scode=270) and the time series of CPIs after netting out the effects of all Government's

one-off relief measures

(www.censtatd.gov.hk/en/EIndexbySubject.html?PCODE=D5600003&SCODE=270) at the website of the C&SD.

The current CPI series are compiled based on the expenditure patterns obtained from the 2014/15 Household Expenditure Survey (HES). The 2019/20 HES has been conducted to collect information for updating the expenditure weights of the CPI series and the new 2019/20-based CPI series will be available in end May 2021. As a result of the rebasing exercise, the year-on-year changes of the new 2019/20-based CPI series will be compiled from October 2020 onwards. The year-on-year changes compiled from the new 2019/20-based CPI series may be different from those compiled from the current 2014/15-based CPI series. The 2014/15-based CPI series will continue to be compiled and published until the reference month of December 2021.

For enquiries about the CPIs, please contact the Consumer Price Index Section of the C&SD (Tel: 3903 7374 or email: cpi@censtatd.gov.hk).