

Consumer Price Indices for December 2019

The Census and Statistics Department (C&SD) released today (January 21) the Consumer Price Index (CPI) figures for December 2019. According to the Composite CPI, overall consumer prices rose by 2.9% in December 2019 over the same month a year earlier, slightly smaller than the corresponding increase (3.0%) in November 2019. The smaller increase in December was mainly due to the smaller increases in local transport fares as well as the costs for meals bought away from home. 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 December 2019 was also 2.9%, remaining virtually unchanged as compared to November 2019.

On a seasonally adjusted basis, the average monthly rate of increase in the Composite CPI for the three-month period ending December 2019 was 0.1%, the same as that for the three-month period ending November 2019. Netting out the effects of all Government's one-off relief measures, the corresponding rates of increase were both 0.1%.

Analysed by sub-index, the year-on-year rates of increase in the CPI(A), CPI(B) and CPI(C) were 3.4%, 2.9% and 2.5% respectively in December 2019, as compared to 3.5%, 2.9% and 2.5% respectively in November 2019. Netting out the effects of all Government's one-off relief measures, the year-on-year rates of increase in the CPI(A), CPI(B) and CPI(C) were 3.5%, 2.7% and 2.4% respectively in December 2019, as compared to 3.6%, 2.8% and 2.4% respectively in November 2019.

On a seasonally adjusted basis, for the three-month period ending December 2019, the average monthly rates of increase in the seasonally adjusted CPI(A), CPI(B) and CPI(C) were all 0.1%. The corresponding rates of increase for the three-month period ending November 2019 were 0.1%, 0.1% and 0.2% respectively. Netting out the effects of all Government's one-off relief measures, the average monthly rates of increase in the seasonally adjusted CPI(A), CPI(B) and CPI(C) for the three-month period ending December 2019 were all 0.1%, and the corresponding rates of increase for the three-month period ending November 2019 were 0.1%, 0.1% and 0.2% respectively.

Amongst the various components of the Composite CPI, year-on-year increases in prices were recorded in December 2019 for food (excluding meals bought away from home) (13.8%), miscellaneous goods (3.4%), housing (3.0%), meals bought away from home (2.0%), miscellaneous services (1.6%) and transport (1.6%).

On the other hand, year-on-year decreases in the components of the Composite CPI were recorded in December 2019 for electricity, gas and water (-6.6%); clothing and footwear (-3.1%); durable goods (-2.2%) as well as alcoholic drinks and tobacco (-1.3%).

In the fourth quarter of 2019, the Composite CPI rose by 3.0% over a year earlier, while the CPI(A), CPI(B) and CPI(C) rose by 3.4%, 2.9% and 2.6% respectively. The corresponding increases after netting out the effects of all Government's one-off relief measures were 3.0%, 3.6%, 2.9% and 2.5% respectively.

For 2019 as a whole, the Composite CPI was on average 2.9% higher than that in the preceding 12-month period. The respective increases in the CPI(A), CPI(B) and CPI(C) were 3.3%, 2.7% and 2.6% respectively. The corresponding increases after netting out the effects of all Government's one-off relief measures were 3.0%, 3.5%, 2.8% and 2.6% respectively.

Commentary

A Government spokesman said that the underlying consumer price inflation rate held stable at 2.9% in December 2019. While price pressures on most major CPI components stayed modest or moderate, food inflation remained notable amid elevated fresh pork prices. For 2019 as a whole, the underlying consumer price inflation rate averaged 3.0%.

Looking ahead, mild imported inflation and subdued local economic conditions should help contain overall inflationary pressures in the near term. The Government will continue to monitor the inflation situation closely, particularly the impact on the lower-income people.

Further information

The CPIs and year-on-year rates of change at section level for December 2019 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 three 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 December 2019 issue of the "Monthly Report on the Consumer Price Index" (www.censtatd.gov.hk/hkstat/sub/sp270.jsp?productCode=B1060001), the time series of CPIs at detailed level (www.censtatd.gov.hk/hkstat/sub/sp270.jsp?productCode=D5600001), the time series of CPIs at COICOP division level (www.censtatd.gov.hk/hkstat/sub/sp270.jsp?productCode=D5600002) and the time series of CPIs after netting out the effects of all Government's one-off relief measures (www.censtatd.gov.hk/hkstat/sub/sp270.jsp?productCode=D5600003) free of

charge at the website of the C&SD.

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).