

Consumer Price Indices for January 2022

The Census and Statistics Department (C&SD) released today (February 22) the Consumer Price Index (CPI) figures for January 2022. According to the Composite CPI, overall consumer prices rose by 1.2% in January 2022 over the same month a year earlier, smaller than the corresponding increase (2.4%) in December 2021, mainly because of the higher base of comparison in January 2021 when the effect of electricity charge subsidies made by the Government in 2020 had largely dissipated. 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 January 2022 was also 1.2%, smaller than that in December 2021 (1.4%), mainly due to the smaller increases in electricity charges as well as the decreases in the prices of fresh vegetables.

On a seasonally adjusted basis, the average monthly rate of increase in the Composite CPI for the 3-month period ending January 2022 was 0.2%, and that for the 3-month period ending December 2021 was 1.0%. Netting out the effects of all Government's one-off relief measures, the corresponding rates of increase were 0.2% and 0.1%.

Analysed by sub-index, the year-on-year rates of increase in the CPI(A), CPI(B) and CPI(C) were 1.1%, 1.2% and 1.4% respectively in January 2022, as compared to 3.0%, 2.2% and 2.0% respectively in December 2021. 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 1.2%, 1.2% and 1.4% respectively in January 2022, as compared to 1.5%, 1.3% and 1.4% respectively in December 2021.

On a seasonally adjusted basis, for the 3-month period ending January 2022, the average monthly rates of increase in the seasonally adjusted CPI(A), CPI(B) and CPI(C) were all 0.2%. The corresponding rates of increase for the 3-month period ending December 2021 were 2.5%, 0.4% and 0.1% 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 3-month period ending January 2022 were 0.1%, 0.2% and 0.2% respectively, and the corresponding rates of increase for the 3-month period ending December 2021 were 0.1%, 0.1% and 0.0% respectively.

Amongst the various components of the Composite CPI, year-on-year increases in prices were recorded in January 2022 for transport (6.4%); clothing and footwear (6.1%); meals out and takeaway food (3.6%); durable goods (2.0%); basic food (1.6%) and miscellaneous services (1.0%).

On the other hand, year-on-year decreases in the components of the Composite CPI were recorded in January 2022 for electricity, gas and water (-2.4%), miscellaneous goods (-1.1%), housing (-0.4%) and alcoholic drinks

and tobacco (-0.2%).

For the 3 months ending January 2022, the Composite CPI rose by 1.8% over a year earlier, while the CPI(A), CPI(B) and CPI(C) rose by 2.1%, 1.7% and 1.6% respectively. The corresponding increases after netting out the effects of all Government's one-off relief measures were 1.3%, 1.2%, 1.2% and 1.3% respectively.

For the 12 months ending January 2022, the Composite CPI was on average 1.4% higher than that in the preceding 12-month period. The respective increases in the CPI(A), CPI(B) and CPI(C) were 2.3%, 1.0% and 1.0% respectively. The corresponding increases after netting out the effects of all Government's one-off relief measures were 0.7%, 0.9%, 0.5% and 0.7% respectively.

Commentary

A Government spokesman said that the underlying consumer price inflation rate edged down to 1.2% in January 2022. While price pressures on many major CPI components were broadly in check, the year-on-year price increases of energy-related items and certain components such as transport and clothing and footwear remained more visible. Considering that the earlier arrival of the Lunar New Year, which fell in early February this year but mid-February last year, may distort January's inflation figures, it would be more meaningful to examine the figures for January and February combined, when available, to assess the underlying inflation situation.

Looking ahead, the elevated global inflation along with temporary logistic disruptions caused by the pandemic may exert further upward pressures on import prices. However, as the fifth wave of local epidemic has taken a heavy toll on economic activities and will likely constrain domestic price pressures, the underlying inflation should stay moderate in the near term. The Government will continue to monitor the situation.

Further information

The CPIs and year-on-year rates of change at section level for January 2022 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 January 2022 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.

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).