

Consumer Price Indices for July 2023

The Census and Statistics Department (C&SD) released today (August 21) the Consumer Price Index (CPI) figures for July 2023. According to the Composite CPI, overall consumer prices rose by 1.8% in July 2023 over the same month a year earlier, slightly smaller than the corresponding increase (1.9%) in June 2023. 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 July 2023 was 1.6%, also slightly smaller than that in June 2023 (1.7%).

On a seasonally adjusted basis, the average monthly rate of increase in the Composite CPI for the 3-month period ending July 2023 was 0.1%, the same as that for the 3-month period ending June 2023. 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 1.9%, 1.8% and 1.8% respectively in July 2023, as compared to 2.1%, 1.9% and 1.8% respectively in June 2023. 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 1.6%, 1.5% and 1.6% respectively in July 2023, as compared to 1.8%, 1.6% and 1.6% respectively in June 2023.

On a seasonally adjusted basis, for the 3-month period ending July 2023, the average monthly rates of increase in the seasonally adjusted CPI(A), CPI(B) and CPI(C) were all 0.1%, the same as those for the 3-month period ending June 2023. 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 July 2023 were all 0.1%, also the same as those for the 3-month period ending June 2023.

Amongst the various components of the Composite CPI, year-on-year increases in prices were recorded in July 2023 for alcoholic drinks and tobacco (18.4%), electricity, gas and water (9.9%), clothing and footwear (6.6%), meals out and takeaway food (3.7%), miscellaneous services (2.4%), transport (2.1%), miscellaneous goods (2.0%), and housing (0.7%).

On the other hand, year-on-year decreases in the components of the Composite CPI were recorded in July 2023 for durable goods (-3.3%) and basic food (-0.5%).

Taking the first 7 months of 2023 together, the Composite CPI rose by 2.0% over a year earlier. The respective increases in the CPI(A), CPI(B) and CPI(C) were 2.1%, 1.9% and 2.0% respectively. The corresponding increases after netting out the effects of all Government's one-off relief measures were 1.8%, 1.9%, 1.7% and 1.8% respectively.

For the 3 months ending July 2023, the Composite CPI rose by 1.9% over a

year earlier, while the CPI(A), CPI(B) and CPI(C) rose by 2.1%, 1.9% and 1.9% respectively. The corresponding increases after netting out the effects of all Government's one-off relief measures were 1.6%, 1.8%, 1.6% and 1.6% respectively.

For the 12 months ending July 2023, the Composite CPI was on average 2.1% higher than that in the preceding 12-month period. The respective increases in the CPI(A), CPI(B) and CPI(C) were 2.5%, 1.9% and 1.9% respectively. The corresponding increases after netting out the effects of all Government's one-off relief measures were 1.8%, 1.9%, 1.7% and 1.8% respectively.

Commentary

A Government spokesman said that the underlying consumer price inflation remained moderate in July. Prices of electricity surged further year-on-year, but the pace had moderated notably from early this year. Prices of clothing and footwear as well as meals out and takeaway food continued to register visible increases. Price pressures on other major components remained broadly in check.

Looking ahead, overall inflation should stay moderate in the near term. External price pressures should recede further. While domestic business cost might face some upward pressures alongside the economic recovery, it should remain largely 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 July 2023 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 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 statistics are given in the "Monthly Report on the Consumer Price Index". Users can browse and download this publication at the website of the C&SD (www.censtatd.gov.hk/en/EIndexbySubject.html?pcode=B1060001&scode=270).

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).