

Consumer Price Indices for June 2019

The Census and Statistics Department (C&SD) released today (July 22) the Consumer Price Index (CPI) figures for June 2019. According to the Composite CPI, overall consumer prices rose by 3.3% in June 2019 over the same month a year earlier, larger than the corresponding increase (2.8%) in May 2019. 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 June 2019 was 3.2%, larger than that in May 2019 (2.8%), mainly due to the enlarged increases in the prices of pork and the charges for package tours.

On a seasonally adjusted basis, the average monthly rate of increase in the Composite CPI for the three-month period ending June 2019 was 0.5%, and that for the three-month period ending May 2019 was 0.3%. Netting out the effects of all Government's one-off relief measures, the corresponding rates of increase were 0.4% and 0.2%.

Analysed by sub-index, the year-on-year rates of increase in the CPI(A), CPI(B) and CPI(C) were 3.9%, 3.0% and 2.9% respectively in June 2019, as compared to 3.1%, 2.6% and 2.7% respectively in May 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 4.0%, 2.9% and 2.8% respectively in June 2019, as compared to 3.2%, 2.5% and 2.6% respectively in May 2019.

On a seasonally adjusted basis, for the three-month period ending June 2019, the average monthly rates of increase in the seasonally adjusted CPI(A), CPI(B) and CPI(C) were 0.6%, 0.5% and 0.4% respectively. The corresponding rates of increase for the three-month period ending May 2019 were all 0.3%. Netting out the effects of all Government's one-off relief measures, the corresponding average monthly rates of increase in the seasonally adjusted CPI(A), CPI(B) and CPI(C) for the three-month period ending June 2019 were 0.6%, 0.4% and 0.3% respectively, and the corresponding rates of increase for the three-month period ending May 2019 were all 0.2%.

Amongst the various components of the Composite CPI, year-on-year increases in prices were recorded in June 2019 for food (excluding meals bought away from home) (12.1%), housing (4.1%), miscellaneous services (2.1%), miscellaneous goods (2.1%), meals bought away from home (2.1%), alcoholic drinks and tobacco (1.8%) as well as transport (1.7%).

On the other hand, year-on-year decreases in the components of the Composite CPI were recorded in June 2019 for electricity, gas and water (-5.1%); clothing and footwear (-3.1%) as well as durable goods (-1.5%).

For the first half of 2019 as a whole, the Composite CPI rose by 2.6% over a year earlier. The respective increases in the CPI(A), CPI(B) and CPI(C) were 3.0%, 2.4% and 2.4% respectively. The corresponding increases after netting out the effects of all Government's one-off relief measures

were 2.8%, 3.3%, 2.7% and 2.5% respectively.

In the second 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 3.3%, 2.8% and 2.8% respectively. The corresponding increases after netting out the effects of all Government's one-off relief measures were 2.9%, 3.4%, 2.7% and 2.7% respectively.

For the 12 months ending June 2019, the Composite CPI was on average 2.6% higher than that in the preceding 12-month period. The respective increases in the CPI(A), CPI(B) and CPI(C) were 3.0%, 2.4% and 2.3% respectively. The corresponding increases after netting out the effects of all Government's one-off relief measures were 2.8%, 3.3%, 2.7% and 2.5% respectively.

Commentary

A Government spokesman said that the underlying consumer price inflation rate went up to 3.2% in June, driven by the surge in pork prices amid the disruption to the supply of fresh pork. Price pressures on most major CPI components stayed tame.

Looking ahead, while overall price pressures should remain largely contained in view of the earlier easing in fresh-letting residential rentals and modest global inflation, the inflation rate in the near term may hinge on the supply situation and thus prices of fresh pork. 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 June 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 June 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).