

# Consumer Price Indices for June 2020

The Census and Statistics Department (C&SD) released today (July 21) the Consumer Price Index (CPI) figures for June 2020. According to the Composite CPI, overall consumer prices rose by 0.7% in June 2020 over the same month a year earlier, smaller than the corresponding increase (1.5%) in May 2020. 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 2020 was 1.2%, smaller than that in May 2020 (1.9%). The smaller increase in June was mainly due to the substantial moderation of the year-on-year increase in prices of pork when compared with May. The prices of pork started to surge in end May last year, hence its year-on-year increase in June this year would become narrower due to a high base of comparison.

On a seasonally adjusted basis, the average monthly rate of change in the Composite CPI for the 3-month period ending June 2020 was 0.0%, the same as that for the 3-month period ending May 2020. Netting out the effects of all Government's one-off relief measures, the corresponding rates of change were both 0.0%.

Analysed by sub-index, the year-on-year rates of increase in the CPI(A), CPI(B) and CPI(C) were 0.6%, 0.8% and 0.7% respectively in June 2020, as compared to 1.7%, 1.5% and 1.2% respectively in May 2020. 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 1.4%, 1.2% and 1.0% respectively in June 2020, as compared to 2.5%, 1.9% and 1.4% respectively in May 2020.

On a seasonally adjusted basis, for the 3-month period ending June 2020, the average monthly rates of change in the seasonally adjusted CPI(A), CPI(B) and CPI(C) were 0.0%, 0.0% and -0.1% respectively. The corresponding rates of change for the 3-month period ending May 2020 were -0.1%, 0.0% and 0.0% 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 June 2020 were 0.0%, 0.0% and -0.1% respectively, and the corresponding rates of change for the 3-month period ending May 2020 were -0.1%, 0.0% and 0.0% respectively.

Amongst the various components of the Composite CPI, year-on-year increases in prices were recorded in June 2020 for food (excluding meals bought away from home) (4.9%), miscellaneous goods (2.7%), meals bought away from home (1.4%), housing (1.4%), miscellaneous services (0.8%) as well as alcoholic drinks and tobacco (0.1%).

On the other hand, year-on-year decreases in the components of the Composite CPI were recorded in June 2020 for electricity, gas and water (-18.6%); clothing and footwear (-5.3%) as well as durable goods (-3.5%).

As for transport, the Composite CPI remained unchanged over a year

earlier.

For the first half of 2020 as a whole, the Composite CPI rose by 1.6% over a year earlier. The respective increases in the CPI(A), CPI(B) and CPI(C) were 1.3%, 1.9% and 1.8% respectively. The corresponding increases after netting out the effects of all Government's one-off relief measures were 2.4%, 2.9%, 2.3% and 1.9% respectively.

In the second quarter of 2020, the Composite CPI rose by 1.3% over a year earlier, while the CPI(A), CPI(B) and CPI(C) rose by 1.6%, 1.4% and 1.1% respectively. The corresponding increases after netting out the effects of all Government's one-off relief measures were 1.8%, 2.3%, 1.8% and 1.4% respectively.

For the 12 months ending June 2020, the Composite CPI was on average 2.4% higher than that in the preceding 12-month period. The respective increases in the CPI(A), CPI(B) and CPI(C) were 2.5%, 2.5% and 2.3% respectively. The corresponding increases after netting out the effects of all Government's one-off relief measures were 2.7%, 3.3%, 2.6% and 2.3% respectively.

#### Commentary

A Government spokesman said that the underlying consumer price inflation rate eased visibly to 1.2% in June, as prices of basic foodstuffs showed a much narrower year-on-year increase against a high base of comparison caused by the surge in pork prices which started in May last year. Meanwhile, price pressures on other major CPI components remained mild.

Looking ahead, overall inflationary pressures will likely recede further in the near term amid austere global and local economic conditions. 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 2020 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 June 2020 issue of the "Monthly Report on the Consumer Price Index"

([www.censtatd.gov.hk/hkstat/sub/sp270.jsp?productCode=B1060001](http://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](http://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](http://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](http://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](mailto:cpi@censtatd.gov.hk)).