

Consumer Price Indices for November 2018

The Census and Statistics Department (C&SD) released today (December 20) the Consumer Price Index (CPI) figures for November 2018. According to the Composite CPI, overall consumer prices rose by 2.6% in November 2018 over the same month a year earlier, slightly smaller than the corresponding increase (2.7%) in October 2018. 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 November 2018 was 2.9%, slightly smaller than that in October 2018 (3.0%), mainly due to the decreases in the prices of women's outerclothing and the smaller increases in local transport fares in November 2018.

On a seasonally adjusted basis, the average monthly rate of increase in the Composite CPI for the 3-month period from September to November 2018 was 0.3%, and that for the 3-month period from August to October 2018 was 0.2%. Netting out the effects of all Government's one-off relief measures, the average monthly rate of increase in the Composite CPI for the 3-month period from September to November 2018 was 0.3%, and that for the 3-month period from August to October 2018 was 0.2%.

Analysed by sub-index, the year-on-year rates of increase in the CPI(A), CPI(B) and CPI(C) were 3.0%, 2.4% and 2.3% respectively in November 2018, as compared to 3.2%, 2.5% and 2.3% respectively in October 2018. 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 3.3%, 2.8% and 2.6% respectively in November 2018, as compared to 3.5%, 2.9% and 2.6% respectively in October 2018.

On a seasonally adjusted basis, for the 3-month period from September to November 2018, the average monthly rates of increase in the seasonally adjusted CPI(A), CPI(B) and CPI(C) were 0.3%, 0.2% and 0.3% respectively. The corresponding rates of increase for the 3-month period from August to October 2018 were 0.3%, 0.2% and 0.2% respectively. 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 3-month period from September to November 2018 were 0.3%, 0.2% and 0.3% respectively, and the corresponding rates of increase for the 3-month period from August to October 2018 were 0.3%, 0.2% and 0.2% respectively.

Amongst the various CPI components, year-on-year increases in prices were recorded in November 2018 for electricity, gas and water (4.0% in the Composite CPI and 4.4% in the CPI(A)); food (excluding meals bought away from home) (3.5% in the Composite CPI and 3.3% in the CPI(A)); miscellaneous services (3.1% in the Composite CPI and 2.2% in the CPI(A)); housing (3.0% in the Composite CPI and 4.3% in the CPI(A)); meals bought away from home (2.7% in both the Composite CPI and CPI(A)); alcoholic drinks and tobacco (1.9% in the Composite CPI and 2.1% in the CPI(A)); transport (1.6% in the Composite

CPI and 0.9% in the CPI(A)) and miscellaneous goods (1.4% in the Composite CPI and 1.7% in the CPI(A)).

On the other hand, year-on-year decreases in prices were recorded in November 2018 for durable goods (-1.8% in the Composite CPI and -1.6% in the CPI(A)) as well as clothing and footwear (-0.2% in the Composite CPI and -0.4% in the CPI(A)).

Taking the first 11 months of 2018 together, the Composite CPI rose by 2.4% over a year earlier. The corresponding increases in the CPI(A), CPI(B) and CPI(C) were 2.7%, 2.3% and 2.2% respectively. Netting out the effects of all Government's one-off relief measures, the Composite CPI, CPI(A), CPI(B) and CPI(C) rose by 2.6%, 2.9%, 2.6% and 2.4% respectively in the first 11 months of 2018 over a year earlier.

For the 3 months ended November 2018, the Composite CPI rose by 2.6% over a year earlier, while the CPI(A), CPI(B) and CPI(C) rose by 3.2%, 2.5% and 2.3% respectively. The corresponding increases after netting out the effects of all Government's one-off relief measures were 3.0%, 3.5%, 2.9% and 2.6% respectively.

For the 12 months ended November 2018, the Composite CPI was on average 2.3% higher than that in the preceding 12-month period. The respective increases in the CPI(A), CPI(B) and CPI(C) were 2.6%, 2.2% and 2.2% respectively. The corresponding increases after netting out the effects of all Government's one-off relief measures were 2.5%, 2.8%, 2.5% and 2.4% respectively.

Commentary

A Government spokesman said that consumer price inflation went down slightly in November. In the coming months, the underlying inflation rate will likely hover near the current level, as the earlier rises in fresh-letting residential rentals continue to feed through. The Government will monitor the 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 November 2018 are shown in Table 1. The time series on the year-on-year rates of change in the CPIs before and after removing 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 November 2018 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).