

UK inflation tumbles, real incomes rise

On the government's preferred measure of inflation, CPI(H), March brought the figure down to 2.3%. On the CPI measure excluding housing it fell to 2.5%. This means real wages and incomes are rising faster than many commentators realised.

It is a reminder how competitive conditions are in retail, with continuing downward pressure on prices from excess conventional shop capacity and fierce discounter and internet competition.