

Consumer Price Index (ABS Cat No 6401.0)

Latest quarter: June quarter 2018

Release date: 25 July 2018

Next release date: 31 October 2018

Australian estimates of the CPI refer to the weighted average of Australia's eight capital cities.

Quarterly and annual movements

The Hobart CPI was estimated to have increased by 0.4 per cent in the June quarter 2018 and was 2.4 per cent higher than the price index in the corresponding quarter one year earlier. Nationally, the CPI was also estimated to have increased by 0.4 per cent in the June quarter 2018 and was 2.1 per cent higher than the same quarter in the previous year.

CPI analytical measures

The CPI is a key indicator considered by the RBA when determining the official cash rate, given the RBA's target of maintaining national inflation within a band of two to three per cent over the economic cycle.

The RBA analytical measures of CPI growth at the national level (Table 2) show that the average of the two published measures of core inflation is just below the bottom end of the RBA's target range.

From the December quarter 2007 to the March quarter 2010, this average measure, for each quarter, was above the RBA's target band, but decreased to be within the target band for most quarters between the June quarter 2010 and the December quarter 2015.

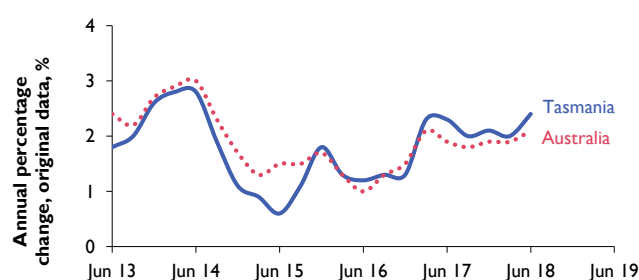
The average of the analytical measures was estimated to be 2.0 per cent in annual terms in each of the first three quarters of 2017-18, but was 1.9 per cent in the June quarter 2018.

Table 1: Percentage change of CPI by capital city, June quarter 2018, original data

Original data	Qtrly % change	Annual % change	Year average % change
Sydney	0.4	2.1	2.0
Melbourne	0.4	2.5	2.3
Brisbane	0.4	1.7	1.7
Adelaide	0.4	2.7	2.3
Perth	0.2	1.1	0.9
Hobart	0.4	2.4	2.1
Darwin	0.4	1.2	1.0
Canberra	0.4	2.8	2.4
Australia	0.4	2.1	1.9

SOURCE: CONSUMER PRICE INDEX, ABS CAT NO 6401.0: TABLE 1, 2

Chart 1: Annual percentage change of CPI, Hobart and Australia, original data



SOURCE: CONSUMER PRICE INDEX, ABS CAT NO 6401.0: TABLE 1, 2

Table 2: Percentage change of CPI analytical measures, June quarter 2018, Australia, original and seasonally adjusted data

	Qtrly	Annual
Original		
All groups	0.4	2.1
All groups excluding volatile items	0.2	1.8
Seasonally Adjusted		
RBA weighted median	0.5	1.9
RBA trimmed mean	0.5	1.9
Average of weighted median and trimmed mean	0.5	1.9

SOURCE: CONSUMER PRICE INDEX, ABS CAT NO 6401.0: TABLE 9, 10

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CPI components

Over the past year, declines were recorded in the communications, furnishings, food and clothing and footwear components of Hobart CPI, while all other components of Hobart CPI increased, with alcohol and tobacco recording the strongest increase, followed by the transport and health components.

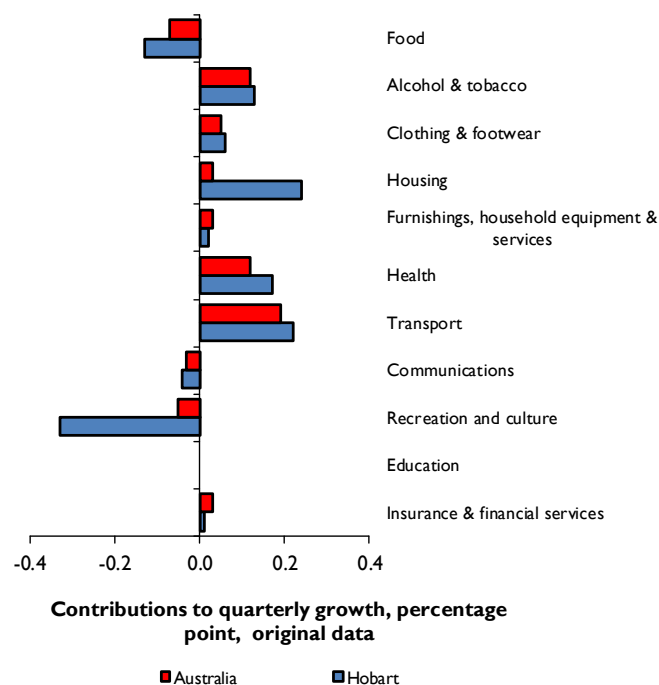
The large increases and decreases in components of Hobart CPI were largely consistent with changes in the national CPI through the year to the June quarter 2018, but a more significant decline was recorded nationally for the furnishings component and the food component increased slightly nationally rather than decreasing.

Table 3: Annual percentage change in CPI components, Hobart and Australia, June quarter 2018, original data

Original data	Hobart	Australia
Food	-0.5	0.3
Alcohol and tobacco	8.7	7.8
Clothing and footwear	-0.2	-2.0
Housing	3.3	3.1
Furnishings, household equip. and services	-0.7	-0.5
Health	4.2	3.4
Transport	4.5	5.2
Communications	-4.7	-4.2
Recreation and culture	2.1	0.8
Education	2.2	2.7
Insurance and financial services	0.9	1.5
All groups	2.4	2.1

SOURCE: CONSUMER PRICE INDEX, ABS CAT NO 6401.0: TABLES 3, 4, 5

Chart 2: Quarterly component contribution to total CPI change, June quarter 2018, original data



SOURCE: CONSUMER PRICE INDEX, ABS CAT NO 6401.0: TABLE 6

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