

Consumer Price Index

Latest quarter: December quarter 2024

Release date: 29 January 2025

Next release date: 30 April 2025

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 1.5 per cent in the December quarter 2024, and was also 1.5 per cent higher than the price index in the corresponding quarter one year earlier (Table 1).

Nationally, the CPI was estimated to have increased by 0.2 per cent in the December quarter 2024, and was 2.4 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 annual 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 above the RBA's target range.

This is the 12th consecutive quarter where this average measure has been above the RBA's target band.

CPI components

In the December quarter 2024, the largest contributors to the increase in the Hobart CPI were in housing, and recreation and culture (Chart 2).

The increase in the housing component reflected an increase in electricity prices as the final part of the Tasmanian Government rebate was exhausted in the quarter, with the majority of the rebate impacting the previous quarter.

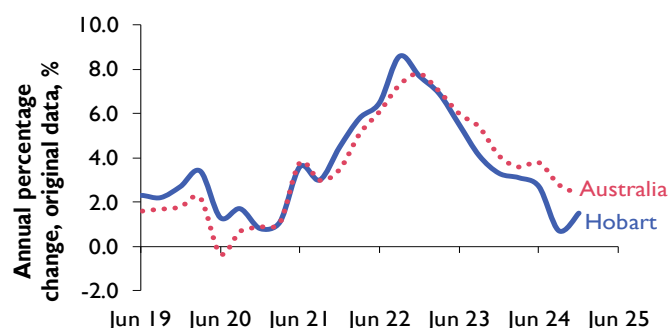
The increase in the recreation and culture component reflected a rise in prices for domestic holiday travel and accommodation.

Table 1: Percentage change of CPI by capital city, December quarter 2024, original data

| Original data | Qtrly % change | Annual % change | Year-average % change |
|------------------|----------------|-----------------|-----------------------|
| Sydney | -0.1 | 2.4 | 3.2 |
| Melbourne | 0.1 | 2.5 | 3.2 |
| Brisbane | 0.6 | 1.8 | 2.6 |
| Adelaide | -0.1 | 2.5 | 3.6 |
| Perth | 0.7 | 2.9 | 3.7 |
| Hobart | 1.5 | 1.5 | 2.0 |
| Darwin | -0.1 | 1.7 | 2.5 |
| Canberra | 0.1 | 2.2 | 2.8 |
| Australia | 0.2 | 2.4 | 3.2 |

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, December quarter 2024, Australia, original and seasonally adjusted data

| | Qtrly | Annual |
|---|-------|--------|
| Original | | |
| All groups | 0.2 | 2.4 |
| All groups excluding volatile items | 0.4 | 2.7 |
| Seasonally Adjusted | | |
| RBA weighted median | 0.5 | 3.4 |
| RBA trimmed mean | 0.5 | 3.2 |
| Average of weighted median and trimmed mean | 0.5 | 3.3 |

SOURCE: CONSUMER PRICE INDEX, ABS CAT NO 6401.0: TABLE 8, 9, 10

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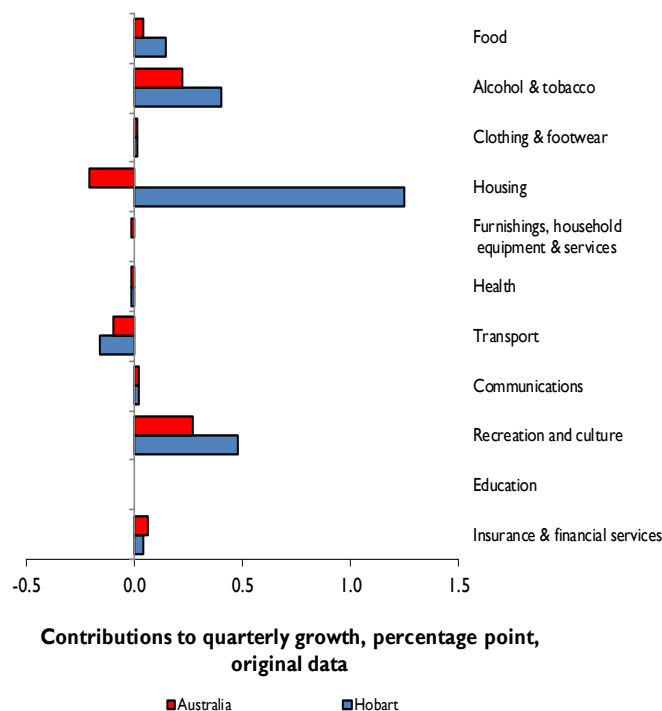
The alcohol and tobacco, food, insurance and financial services, communications, and clothing and footwear components, also contributed to the increase in the Hobart CPI, while the education, and furnishings, household equipment and services components were neutral.

The remaining two components fell over the December quarter 2024. The largest decrease in prices was seen in the transport component. This was primarily driven by a fall in automotive fuel prices and the ongoing half-price public transport fares in Tasmania.

The other component that fell in Hobart in the December quarter 2024 was health, reflecting lower costs for some prescription medicines.

Over the past year, all but two components of the Hobart CPI have increased, with the largest percentage increase recorded in alcohol and tobacco (Table 3).

Chart 2: Quarterly component contribution to total CPI change, December quarter 2024, original data



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

Table 3: Consumer Price Index, Hobart and Australia, original data

| Original data | Hobart | | | | Australia | | | |
|---|--------|--------|--------|--------|-----------|--------|--------|--------|
| | Dec 23 | Jun 24 | Sep 24 | Dec 24 | Dec 23 | Jun 24 | Sep 24 | Dec 24 |
| All groups index | 136.8 | 138.3 | 136.8 | 138.9 | 136.1 | 138.8 | 139.1 | 139.4 |
| quarterly change (%) | 0.7 | 0.1 | -1.1 | 1.5 | 0.6 | 1.0 | 0.2 | 0.2 |
| annual change (%) | 3.3 | 2.7 | 0.7 | 1.5 | 4.1 | 3.8 | 2.8 | 2.4 |
| year-average change (%) | 4.9 | 3.3 | 2.5 | 2.0 | 5.6 | 4.2 | 3.6 | 3.2 |
| Annual Percentage Change in CPI Components | | | | | | | | |
| Food | 4.3 | 2.5 | 2.8 | 2.8 | 4.5 | 3.3 | 3.3 | 3.0 |
| Alcohol and tobacco | 6.6 | 8.0 | 8.4 | 7.3 | 6.6 | 6.8 | 6.7 | 6.2 |
| Clothing and footwear | -0.3 | 2.9 | 2.1 | 2.2 | -1.1 | 2.9 | 1.7 | 1.3 |
| Housing | 5.3 | 2.4 | -4.4 | -0.7 | 6.1 | 5.2 | 2.8 | 1.0 |
| Furnishings, household equip. and services | -0.9 | -1.9 | 1.0 | 1.5 | -0.2 | -1.1 | 0.7 | 1.5 |
| Health | 5.0 | 4.7 | 4.0 | 3.1 | 5.1 | 5.7 | 4.8 | 4.0 |
| Transport | 2.5 | 4.3 | -2.7 | -2.7 | 3.7 | 4.6 | -0.9 | -1.5 |
| Communications | 2.3 | 1.6 | -0.1 | 0.0 | 2.2 | 1.4 | -0.1 | 0.0 |
| Recreation and culture | -2.3 | -1.3 | -0.9 | 1.6 | 0.5 | 0.9 | 2.1 | 3.3 |
| Education | 7.2 | 6.1 | 6.1 | 6.1 | 4.7 | 5.6 | 6.4 | 6.5 |
| Insurance and financial services | 7.7 | 6.9 | 3.2 | 2.5 | 8.1 | 6.4 | 6.2 | 5.4 |

SOURCE: CONSUMER PRICE INDEX, ABS CAT NO 6401.0: TABLES 1, 2, 3, 4, 5

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