

CSO statistical release, 09 November 2017, 11am

Consumer Price Index

October 2017

CPI and HICP

	CPI		HICP	
	% monthly change	% annual change	% monthly change	% annual change
Jun 2017	0.1	-0.4	0.1	-0.6
Jul 2017	0.0	-0.2	0.1	-0.2
Aug 2017	0.4	0.4	0.4	0.4
Sep 2017	-0.6	0.2	-0.6	0.2
Oct 2017	-0.1	0.6	-0.1	0.5

Prices rise by 0.6% in the year to October 2017

Figure 1: CPI/HICP - ALL ITEMS Annual Percentage Change



Source: CSO Ireland

Prices on average, as measured by the CPI, were 0.6% higher in October compared with October 2016.

The most notable changes in the year were increases in *Housing, Water, Electricity, Gas & Other Fuels* (+3.1%), *Restaurants & Hotels* (+2.7%), *Education* (+1.8%) and *Alcoholic Beverages & Tobacco* (+1.2%). There were decreases in *Clothing & Footwear* (-4.7%), *Furnishings, Household Equipment & Routine Household Maintenance* (-3.6%), *Food & Non-Alcoholic Beverages* (-1.2%) and *Recreation & Culture* (-1.2%).

Consumer Prices in October, as measured by the CPI, decreased by 0.1% in the month. During October of last year, prices fell by 0.5% in the month. The most significant monthly price changes were decreases in *Transport* (-1.2%) and *Clothing & Footwear* (-1.2%). There were increases in *Education* (+1.4%) and *Alcoholic Beverages & Tobacco* (+1.0%).

Contributions to the overall CPI – annual change

Table 17 shows the contribution of each 2-digit COICOP¹ division to the overall change in the CPI. A detailed breakdown of the individual components of each of the 12 COICOP divisions is presented in Tables 4 to 15.

The divisions which caused the largest upward contribution to the CPI in the year were *Restaurants & Hotels* (+0.47%), *Housing, Water, Electricity, Gas & Other Fuels* (+0.45%) and *Transport* (+0.08%).

The divisions which caused the largest downward contribution to the CPI in the year were *Clothing & Footwear* (-0.22%), *Furnishings, Household Equipment & Routine Household Maintenance* (-0.18%) and *Food & Non-Alcoholic Beverages* (-0.14%).

The main factors contributing to the annual change were as follows:

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- *Restaurants & Hotels* increased primarily due to higher prices for alcoholic drinks and food consumed in licensed premises, restaurants, cafes etc. and an increase in the cost of hotel accommodation.
- *Housing, Water, Electricity, Gas & Other Fuels* rose mainly due to higher rents and an increase in the price of electricity and home heating oil.
- *Transport* increased primarily due to higher petrol and diesel prices and an increase in air fares which was partially offset by a reduction in the price of motor cars.
- *Clothing & Footwear* decreased due to sales.
- *Furnishings, Household Equipment & Routine Household Maintenance* fell primarily due to the reduced cost of furniture & furnishings, non-durable household goods and glassware, tableware & household utensils.
- *Food & Non-Alcoholic Beverages* decreased due to lower prices across a range of products such as bread & cereals, chocolate & confectionery, fish and mineral waters, soft drinks, fruit & vegetable juices.

Contributions to the overall CPI – monthly change

The divisions which caused the largest downward contribution to the CPI in the month were *Transport* (-0.17%) and *Restaurants & Hotels* (-0.13%). The divisions which caused the largest upward contribution in the month were *Housing, Water, Electricity, Gas & Other Fuels* (+0.11%) and *Alcoholic Beverages & Tobacco* (+0.05%).

The main factors contributing to the monthly change were as follows:

- *Transport* decreased primarily due to a fall in air fares and a decrease in the cost of hiring personal transport equipment.
- *Restaurants & Hotels* fell mainly due to lower prices for hotel accommodation.
- *Housing, Water, Electricity, Gas & Other Fuels* rose mainly due to an increase in the price of electricity, higher rents and a rise in the cost of home heating oil.
- *Alcoholic Beverages & Tobacco* increased mainly due to higher prices for tobacco products.

CPI sub-indices

The sub index for Services rose by 2.4% in the year to October, while Goods decreased by 1.9%. Services, excluding mortgage interest repayments, increased by 2.6% in the year since October 2016.

The CPI excluding tobacco decreased by 0.2% in the month of October and rose by 0.4% in the year. The CPI excluding mortgage interest decreased by 0.1% in the month and rose by 0.6% in the year.

Harmonised Index of Consumer Prices

Prices on average, as measured by the EU Harmonised Index of Consumer Prices (HICP), increased by 0.5% compared with October 2016.

The most notable changes in the year were increases in *Housing, Water, Electricity, Gas & Other Fuels* (+3.9%), *Restaurants & Hotels* (+2.6%) and *Education* (+1.7%). There were decreases in *Clothing & Footwear* (-4.7%), *Furnishings, Household Equipment & Routine Household Maintenance* (-3.6%) and *Miscellaneous Goods & Services* (-1.9%).

The HICP decreased by 0.1% in the month. This compares to a decrease of 0.4% recorded in October of last year.

The most significant monthly price changes were decreases in *Clothing & Footwear* (-1.2%) and *Transport* (-1.1%). There were increases in *Education* (+1.3%) and *Alcoholic Beverages & Tobacco* (+1.0%).

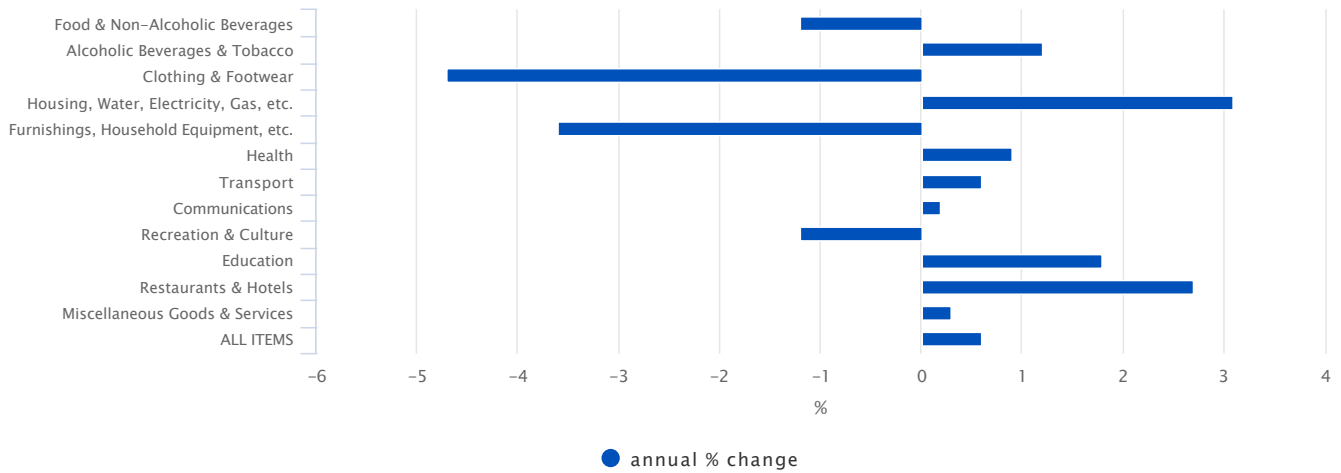
¹ *Classification of Individual Consumption by Purpose Adapted to the Needs of Harmonised Indices of Consumer Prices (2000).*

² *See background notes for more detail.*

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Figure 2: Comparison of CPI COICOP Divisions to the overall CPI annual percentage change – October 2017



Source: CSO Ireland

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