

Consumer Price Inflation

May 2014

Coverage: **UK**

Date: **17 June 2014**

Geographical Area: **UK**

Theme: **Economy**

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This note is produced as background briefing for the Consumer Price Inflation Statistical Bulletin. Users who require authoritative figures should use the Consumer Price Inflation Statistical Bulletin or Consumer Price Inflation Reference Tables.

SUMMARY

Consumer Prices Index (CPI)

The CPI is a measure of consumer price inflation produced to international standards and in line with European regulations. First published in 1997 as the Harmonised Index of Consumer Prices (HICP), the CPI is the inflation measure used in the Government's target for inflation.

The CPI is also used for purposes such as up-rating pensions, wages and benefits and can aid in the understanding of inflation on family budgets. For more information on the uses of the CPI see the article [Users and uses of consumer price inflation statistics](#).

- The all items CPI is 128.0, down from 128.1 in April.
- The all items CPI annual rate is 1.5%, down from 1.8% in April.
- The annual rate for CPI excluding indirect taxes, CPIY, is 1.5%, down from 1.9% last month.
- The annual rate for CPI at constant tax rates, CPI-CT, is 1.4%, down from 1.7% last month.
- The CPI all goods index is 122.0, unchanged from last month.
- The CPI all goods index annual rate is 0.9%, unchanged from last month.
- The CPI all services index is 135.6, down from 135.7 in April.
- The CPI all services index annual rate is 2.2%, down from 2.8% last month.

CPIH

CPIH is a measure of UK consumer price inflation that includes owner occupiers' housing costs (OOH). These are the costs of housing services associated with owning, maintaining and living in one's own home. OOH does not include costs such as utility bills, minor repairs and maintenance which are already included in the index. CPIH uses an approach called rental equivalence to measure OOH. Rental equivalence uses the rent paid for an equivalent house as a proxy for the costs faced by an owner occupier. In other words this answers the question "how much would I have to pay in rent to live in a home like mine?" for an owner occupier. OOH does not seek to capture increases in house prices. Although, this may be inconsistent with some users' expectations of measures of OOH, the inclusion of an asset price and therefore capital gains would make the index less suitable for a measure of consumption. OOH currently accounts for just over 15% of the expenditure weight of CPIH. This has increased notably from a weight of 10% in 2005.

Currently, the method of calculation, the population coverage and the basket of goods and services are the same as the Consumer Prices Index (CPI), with the exception of OOH.

The method of deriving the weights for CPIH and the data used for these are also the same as for CPI, with the exception of OOH. This can result in some differences from the CPI.

- The all items CPIH is 125.8, unchanged from last month.
- The all items CPIH annual rate is 1.4%, down from 1.6% in April.
- The annual rate for CPIH excluding indirect taxes, CPIHY, is 1.4%, down from 1.7% last month.
- The OOH component of CPIH is 108.3, up from 108.2 in April.
- The OOH component annual rate is 0.9%, unchanged from last month.
- The CPIH all goods index is 122.2, unchanged from last month.
- The CPIH all goods index annual rate is 0.9%, unchanged from last month.
- The CPIH all services index is 129.2, down from 129.3 in April.
- The CPIH all services index annual rate is 1.8%, down from 2.3% last month.

Retail Prices Index (RPI) and RPIJ

In accordance with the Statistics and Registration Service Act 2007, the Retail Prices Index and its derivatives have been assessed against the Code of Practice for Official Statistics and found not to meet the required standard for designation as National Statistics. The [full assessment report](#) can be found on the UK Statistics Authority website.

The RPI is a long-standing measure of UK inflation that has historically been used for a wide range of purposes such as the indexation of pensions, rents and index-linked gilts. For further information on current and historic uses of the RPI please see the article [Users and uses of consumer price inflation statistics](#).

RPIJ is an improved variant of the Retail Prices Index which is calculated using formulae that meet international standards. The rationale for creating RPIJ was to give users a better alternative to the RPI if their needs were for a measure of inflation based on the same population, classifications, weights etc as the RPI. Currently, RPIJ also acts as an analytical series, in that it allows users to see the impact of using the Jevons (which meets international standards) in place of the Carli formula (which does not meet international standards) in the RPI. The use of the different formulae at the elementary aggregate level is currently the only difference between the two indices. ONS does not produce detailed goods and services indices for RPIJ.

- The all items RPI is 255.9, up from 255.7 in April.
- The all items RPI annual rate is 2.4%, down from 2.5% last month.
- The all items RPIJ is 237.5, up from 237.4 in April.
- The all items RPIJ annual rate is 1.7%, down from 1.8% last month.
- The annual rate for RPIX, the all items RPI excluding mortgage interest payments (MIPs) index, is 2.5%, down from 2.6% last month.
- The all goods RPI is 200.8, up from 200.6 in April.
- The all goods RPI annual rate is 1.8%, unchanged from last month.
- The all services RPI is 342.6, down from 342.8 in April.
- The all services RPI annual rate is 2.7%, down from 3.0% last month.

- The annual rate for RPIY, the all items RPI excluding MIPs and indirect taxes index, is 2.6%, down from 2.8% last month.
- The Tax and Price Index (TPI) for May is 224.4, up from 224.2 in April.
- The TPI annual rate is 1.9%, down from 2.0% last month.

CPI SUMMARY

CONTRIBUTIONS TO CHANGE IN THE CPI ANNUAL RATE

CPI COICOP DIVISIONS	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
01: Food and non-alcoholic beverages	106	112	-	-1.1	-0.13
02: Alcoholic beverages and tobacco	44	45	0.5	1.5	0.05
03: Clothing and footwear	68	72	1.2	-0.1	-0.09
04: Housing, water, electricity, gas and other fuels	137	129	-0.2	-	0.03
05: Furniture, household equipment and maintenance	59	60	1.1	0.5	-0.03
06: Health	25	24	-0.1	0.1	-
07: Transport	148	152	0.4	-0.7	-0.17
08: Communication	31	32	0.3	-0.5	-0.03
09: Recreation and culture	141	144	-0.3	0.4	0.10
10: Education	21	22	-	-	-
11: Restaurants and hotels	117	120	0.3	0.4	-
12: Miscellaneous goods and services	103	88	-0.1	-0.1	-

Large downward effects came from:

- Transport**, where prices overall fell by 0.7% between April and May 2014, compared with a rise of 0.4% between the same two months a year earlier. The largest contribution to the fall came from air transport, with average fares falling by 3.2% on the month compared with a rise of 22.0% on the month a year ago. The timing of Easter is likely to be a factor in the different movements, with the Easter weekend falling within the April collection period for these services this year, but missing the April collection period a year ago. There was also a smaller downward effect from sea transport. Again, the position of Easter is a likely factor. Partially offsetting these movements was a large upward contribution from motor fuels with prices, overall, rising this year but falling a year ago. Petrol prices rose by 0.4 pence per litre between April and May this year (to stand at around £1.29 per litre) compared with a

fall of 3.1 pence per litre between the same two months a year ago. Diesel prices rose by 0.3 pence per litre this year compared with a fall of 3.2 pence per litre in 2013;

- **Food and non-alcoholic beverages**, where prices overall fell between April and May this year but were little changed between the same two months a year ago. The downward effect came from a variety of product categories, most notably bread & cereals, meat, vegetables and soft drinks; and
- **Clothing and footwear**, where prices overall fell by 0.1% between April and May this year but rose by 1.2% a year ago. The main downward effect came from garments, particularly women's outerwear where prices for some items fell this year but rose a year ago. This came amidst reports of May 2013 temperatures falling below seasonal norms.

Small downward effects came from:

- **Furniture, household equipment and maintenance**, where prices overall rose by 0.5% between April and May 2014 compared with a larger rise of 1.1% between the same two months a year earlier; and
- **Communication**, where prices overall fell by 0.5% between April and May 2014 compared with a rise of 0.3% between the same two months a year ago.

Large upward effects came from:

- **Recreation and culture**, where prices overall rose by 0.4% between April and May 2014 compared with a fall of 0.3% between the same two months a year earlier. The upward contribution came principally from games, toys & hobbies, in particular from computer games. There was a smaller upward effect from recording media and a small, partially offsetting downward effect from books, newspapers & stationery; and
- **Alcohol and tobacco**, where prices overall rose by more than a year ago. The largest effect came from wine where New World wines recovered in price following sales across a number of major retailers in April this year.

A small upward effect came from:

- **Housing, water, electricity, gas and other fuels**, where average charges were little changed between April and May this year but fell between the same two months a year ago.

CPI NOTABLE MOVEMENTS

All items CPI	Annual rate +1.5%, down from +1.8% last month Also +1.5% in October 2009 Last lower in September 2009 (+1.1%)
All items CPI exc energy, food, alcohol and tobacco	Annual rate +1.6%, down from +2.0% last month Also +1.6% in March 2014, January 2014, June 2009 and May 2009 Last lower in April 2009 (+1.5%)
Food and non-alcoholic beverages	Annual rate -0.6%, down from +0.5% last month Also -0.6% in October 2004 Last lower in September 2004 (-0.7%)
Clothing and footwear	Annual rate -0.1%, down from +1.2% last month Lowest since April 2013 (-0.6%)
Communication	Annual rate +1.0%, down from +1.9% last month Lowest since June 2009 (+0.7%)
All goods	Annual rate +0.9%, unchanged from last month Last higher in March 2014 (+1.0%) Last lower in October 2009 (+0.8%)
All services	Annual rate +2.2%, down from +2.8% last month Never lower since official series began in January 1997

CPI DETAILED BRIEFING

- Weights are specified as parts per 1000 in the CPI.

01 FOOD & NON-ALCOHOLIC BEVERAGES	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
01 Food & non-alcoholic beverages	106	112	-	-1.1	-0.13

- Large downward effect on the all items 12-month rate change.
- Due to food and, to a lesser extent, non-alcoholic beverages.

01.1 Food	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
01.1 Food	93	99	-0.2	-1.2	-0.10
01.1.1 Bread and cereals	16	17	0.2	-1.6	-0.03
01.1.2 Meat	21	22	0.2	-1.0	-0.03
01.1.3 Fish	4	4	1.7	3.4	0.01
01.1.4 Milk, cheese and eggs	13	14	0.3	-0.1	-0.01
01.1.5 Oils and fats	2	2	-1.9	-0.5	-
01.1.6 Fruit	9	10	-0.9	-2.0	-0.01
01.1.7 Vegetables including potatoes	14	15	-0.6	-2.6	-0.03
01.1.8 Sugar, jam, syrups, chocolate and confectionery	11	12	-1.2	-1.6	-0.01
01.1.9 Food products not elsewhere covered	3	3	0.1	-0.4	-

- Large downward effect on the all items 12-month rate change.
- Due to bread and cereals; vegetables including potatoes; meat; fruit; sugar, jam, syrups, chocolate and confectionery; and milk, cheese and eggs.
- Partially offset by fish.

Bread and cereals

- Small downward effect.
- Prices overall fell this year but rose a year ago, with the main downward contribution coming from frozen pizzas.

Meat

- Small downward effect.
- Prices overall fell this year but rose a year ago, particularly for back bacon.
- Partially offset by a small upward contribution from topside of home killed beef, where prices rose this year but fell a year ago.

Fish

- Small upward effect.
- Prices overall rose this year by more than a year ago.

Milk, cheese and eggs

- Small downward effect.
- Prices overall fell this year but rose a year ago, with the main downward contribution coming from eggs.

Fruit

- Small downward effect.
- Due to peaches/nectarines and blueberries.
- Partially offset by strawberries.

Peaches/nectarines	<ul style="list-style-type: none"> • Small downward effect. • Prices overall fell this year by more than a year ago.
Blueberries	<ul style="list-style-type: none"> • Small downward effect. • Prices overall fell this year by more than a year ago.
Strawberries	<ul style="list-style-type: none"> • Small upward effect. • Prices overall rose this year but fell a year ago.

Vegetables including potatoes

- Small downward effect.
- Due to iceberg lettuces, multi-packs of potato crisps, old white potatoes, fresh tomatoes and baked beans.
- Partially offset by cauliflowers and premium potato crisps.

Iceberg lettuces	<ul style="list-style-type: none"> • Small downward effect. • Prices overall fell this year, due to good supplies from Spain (The Grocer 31 May 2014). Prices rose a year ago when cold weather delayed the British harvest (The Grocer 11 May 2013).
Multi-packs of potato crisps	<ul style="list-style-type: none"> • Small downward effect. • Prices overall fell this year but rose a year ago.
Old white potatoes	<ul style="list-style-type: none"> • Small downward effect. • Prices overall fell this year but rose a year ago. EU potato prices are down nearly 50% year on year due to an increase in supply. (The Grocer 31 May 2014)
Fresh tomatoes	<ul style="list-style-type: none"> • Small downward effect. • Prices overall fell this year but rose a year ago. Low prices this year are due to good weather in Spain and the Canary Islands, and tomatoes from the Netherlands coming into season. (The

	Grocer 31 May 2014)
Baked beans	<ul style="list-style-type: none"> • Small downward effect. • Prices overall fell this year but rose a year ago.
Cauliflowers	<ul style="list-style-type: none"> • Small upward effect. • Prices overall rose this year but fell a year ago, when prices eased following supply shortages caused by cold weather. (freshviewfoods.co.uk 26 April 2013)
Premium potato crisps	<ul style="list-style-type: none"> • Small upward effect. • Prices overall rose this year but fell a year ago.

Sugar, jam, syrups, chocolate and confectionery

- Small downward effect.
- Prices overall fell this year by more than a year ago, with downward contributions coming from a variety of products.
- Partially offset by a small upward contribution from ice cream, where prices overall rose this year but fell a year ago.

01.2 Non-alcoholic beverages	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
01.2 Non-alcoholic beverages	13	13	1.5	-0.8	-0.03
01.2.1 Coffee, tea and cocoa	3	3	-0.4	1.1	-
01.2.2 Mineral waters, soft drinks and juices	10	10	2.0	-1.3	-0.03

- Small downward effect on the all items 12-month rate change.
- Due to mineral waters, soft drinks and juices, where prices overall fell this year but rose a year ago, particularly for fruit squash and packs of fruit drink bottles.

02 ALCOHOLIC BEVERAGES AND TOBACCO	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
02 Alcoholic beverages and tobacco	44	45	0.5	1.5	0.05

- Large upward effect on the all items 12-month rate change.
- Due to alcoholic beverages and, to a lesser extent, tobacco.

02.1 Alcoholic Beverages	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
02.1 Alcoholic beverages	20	20	0.7	2.6	0.04
02.1.1 Spirits	6	6	0.5	0.5	-
02.1.2 Wine	9	9	1.2	4.0	0.03
02.1.3 Beer	5	5	0.2	2.8	0.01

- Large upward effect on the all items 12-month rate change.
- Due to wine and beer.
- Overall prices rose this year by more than a year ago, with the main upward effects coming from New World wine and bottles of lager.

02.2 Tobacco	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
02.2 Tobacco	24	25	0.2	0.6	0.01

- Small upward effect on the all items 12-month rate change.
- Prices overall rose this year by more than a year ago.

03 CLOTHING AND FOOTWEAR	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
03 Clothing and footwear	68	72	1.2	-0.1	-0.09

- Large downward effect on the all items 12-month rate change.
- Due to clothing and, to a lesser extent, footwear including repairs.

03.1 Clothing	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
03.1 Clothing	59	62	1.2	-0.1	-0.08
03.1.2 Garments	54	55	1.2	-0.1	-0.07
03.1.3 Other clothing and clothing accessories	4	6	2.1	-0.2	-0.01
03.1.4 Cleaning, repair and hire of clothing	1	1	0.2	0.1	-

- Large downward effect on the all items 12-month rate change.
- Due to garments and, to a lesser extent, other clothing and clothing accessories.

Garments

- Large downward effect.
- Prices overall fell this year but rose a year ago, with the main downward contribution coming from women's outerwear; in particular, showerproof and casual jackets; casual and formal trousers; plain T-shirts; casual and formal dresses; and blouses and shirts.
- Partially offset by a small upward contribution from men's branded sports sweatshirts, where prices overall rose this year but fell a year ago.

Other clothing and clothing accessories

- Small downward effect.
- Prices overall fell this year but rose a year ago, particularly for ladies' scarves.

03.2 Footwear including repairs	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
03.2 Footwear including repairs	9	10	1.0	0.2	-0.01

- Small downward effect on the all items 12-month rate change.
- Prices overall rose this year by less than a year ago.

04 HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
04 Housing, water, electricity, gas and other fuels	137	129	-0.2	-	0.03

- Small upward effect on the all items 12-month rate change.
- Due to actual rentals for housing; regular maintenance and repair of the dwelling; and, electricity, gas and other fuels.

04.1 Actual rentals for housing	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
04.1 Actual rentals for housing	62	70	-	0.1	0.01

- Small upward effect on the all items 12-month rate change.
- Average charges rose this year but were little changed a year ago, with the main upward contribution coming from UK self catering holidays.

04.3 Regular maintenance and repair of the dwelling	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
04.3 Regular maintenance and repair of the dwelling	16	2	-0.6	0.6	0.01
04.3.1 Materials for maintenance and repair	9	1	-1.1	1.3	0.01
04.3.2 Services for maintenance and repair	7	1	-	-	-

- Small upward effect on the all items 12-month rate change.
- Due to materials for maintenance and repair, where prices overall rose this year but fell a year ago, with the main upward contribution coming from softwood.

04.4 Other services related to the dwelling	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
04.4 Other services related to the dwelling	11	12	-	-	-
04.4.1 Water supply	6	6	-	-	-
04.4.3 Sewerage collection	5	6	-	-	-

- Negligible overall effect on the all items 12-month rate change.

04.5 Electricity, gas and other fuels	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
04.5 Electricity, gas and other fuels	48	45	-0.3	-0.1	0.01
04.5.1 Electricity	19	21	-	-	-
04.5.2 Gas	26	21	-	-	-
04.5.3 Liquid fuels	2	2	-6.6	-1.1	0.01
04.5.4 Solid fuels	1	1	0.2	-0.8	-

- Small upward effect on the all items 12-month rate change.
- Due to liquid fuels, where kerosene prices fell this year by less than a year ago.

05 FURNITURE, HOUSEHOLD EQUIPMENT AND MAINTENANCE	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
05 Furniture, household equipment and maintenance	59	60	1.1	0.5	-0.03

- Small downward effect on the all items 12-month rate change.
- Due to furniture, furnishings and carpets; and household textiles.

05.1 Furniture, furnishings and carpets	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
05.1 Furniture, furnishings and carpets	20	21	1.7	0.9	-0.01
05.1.1 Furniture and furnishings	16	16	1.7	0.8	-0.01
05.1.2 Carpets and other floor coverings	4	5	1.8	1.2	-

- Small downward effect on the all items 12-month rate change.
- Due to furniture and furnishings, where prices overall rose this year by less than a year ago, particularly for leather settees.

05.2 Household textiles	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
05.2 Household textiles	8	7	2.2	0.5	-0.01

- Small downward effect on the all items 12-month rate change.
- Prices overall rose this year by less than a year ago, particularly for curtains.

05.3 Household appliances, fitting and repairs	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
05.3 Household appliances, fitting and repairs	9	9	0.1	0.1	-
05.3.1/2 Major appliances and small electric goods	8	8	0.1	0.1	-
05.3.3 Repair of household appliances	1	1	0.1	-	-

- Negligible overall effect on the all items 12-month rate change.

05.4 Glassware, tableware and household utensils	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
05.4 Glassware, tableware and household utensils	5	6	-0.6	-0.4	-

- Negligible overall effect on the all items 12-month rate change.

05.5 Tools and equipment for house and garden	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
05.5 Tools and equipment for house and garden	4	4	0.6	0.4	-

- Negligible overall effect on the all items 12-month rate change.

05.6 Goods and services for routine maintenance	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
05.6 Goods and services for routine maintenance	13	13	0.7	0.4	-
05.6.1 Non-durable household goods	5	5	1.7	0.8	-
05.6.2 Domestic services and household services	8	8	0.1	0.1	-

- Negligible overall effect on the all items 12-month rate change.

06 HEALTH	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
06 Health	25	24	-0.1	0.1	-

- Negligible overall effect on the all items 12-month rate change.

06.1 Medical products, appliances and equipment	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
06.1 Medical products, appliances and equipment	10	10	-0.3	-	-
06.1.1 Pharmaceutical products	6	6	-0.5	0.1	-
06.1.2/3 Other medical and therapeutic equipment	4	4	-	-	-

- Negligible overall effect on the all items 12-month rate change.

06.2 Out-patient services	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
06.2 Out-patient services	6	6	0.1	0.1	-
06.2.1/3 Medical and paramedical services	3	3	0.2	0.2	-
06.2.2 Dental services	3	3	0.1	-	-

- Negligible overall effect on the all items 12-month rate change.

06.3 Hospital services	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
06.3 Hospital Services	9	8	0.1	0.1	-

- Negligible overall effect on the all items 12-month rate change.

07 TRANSPORT	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
07 Transport	148	152	0.4	-0.7	-0.17

- Largest downward effect on the all items 12-month rate change.
- Due to transport services and, to a lesser extent, purchase of vehicles.
- Partially offset by operation of personal transport equipment.

07.1 Purchase of vehicles	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
07.1 Purchase of vehicles	38	44	0.3	-0.2	-0.02
07.1.1A New cars	21	23	0.3	0.3	-
07.1.1B Second-hand cars	14	18	0.2	-0.5	-0.01
07.1.2/3 Motorcycles and bicycles	3	3	0.7	-2.1	-0.01

- Small downward effect on the all items 12-month rate change.
- Due to second-hand cars; and motorcycles and bicycles.

Second-hand cars

- Small downward effect.
- Prices overall fell this year but rose a year ago.

Motorcycles and bicycles

- Small downward effect.
- Prices overall fell this year but rose a year ago, with the main downward contribution coming from adult bicycles.

07.2 Operation of personal transport equipment	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
07.2 Operation of personal transport equipment	81	76	-1.1	0.2	0.11
07.2.1 Spare parts and accessories	5	5	0.4	-	-
07.2.2 Fuels and lubricants	40	35	-2.2	0.3	0.10
07.2.3 Maintenance and repairs	22	23	-	0.1	-
07.2.4 Other services	14	13	-0.2	0.1	-

- Large upward effect on the all items 12-month rate change.
- Due to fuels and lubricants.
- The average price of petrol across the month, as recorded for the CPI, rose by 0.4 pence per litre between April and May 2014 to stand at 129.4 pence per litre.
- Last year, the average price of petrol fell by 3.1 pence per litre between April and May 2013 to stand at 133.3 pence per litre.
- The average price of diesel rose by 0.3 pence per litre between April and May 2014 to stand at 136.3 pence per litre, compared with a fall of 3.2 pence a year earlier to stand at 138.5 pence per litre.

07.3 Transport services	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
07.3 Transport services	29	32	4.9	-3.2	-0.26
07.3.1 Passenger transport by railway	9	11	0.1	-0.8	-0.01
07.3.2 Passenger transport by road	13	11	-0.1	-2.6	-0.03
07.3.3 Passenger transport by air	6	6	22.0	-3.2	-0.17
07.3.4 Passenger transport by sea and inland waterway	1	4	2.7	-9.9	-0.05

- Large downward effect on the all items 12-month rate change.
- Due to passenger transport by air; passenger transport by sea and inland waterway; and, to a lesser extent, passenger transport by road; and passenger transport by railway.

Passenger transport by railway

- Small downward effect.
- Prices overall fell this year but rose a year ago, particularly for international rail journeys.

Passenger transport by road

- Small downward effect.
- Prices overall fell this year by more than a year ago, particularly for coach fares.

Passenger transport by air

- Large downward effect.
- Average air fares fell this year but rose a year ago, with the main downward contributions coming from European flights and, to a lesser extent, domestic routes.
- The timing of Easter was likely to be a factor in the different movements, with the Easter weekend falling within the April collection period for these services this year, but missing the April collection period a year ago.

Passenger transport by sea and inland waterway

- Large downward effect.
- Prices overall fell this year but rose a year ago, with the main downward contribution coming from international routes.
- The timing of Easter was likely to be a factor in the different movements, with the Easter weekend falling within the April collection period for these services this year, but missing the April collection period a year ago.

08 COMMUNICATION	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
08 Communication	31	32	0.3	-0.5	-0.03

- Small downward effect on the all items 12-month rate change.
- Due to telephone equipment and services.

08.1 Postal services	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
08.1 Postal services	2	2	-	-	-

- Negligible overall effect on the all items 12-month rate change.

08.2/3 Telephone equipment and services	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
08.2/3 Telephone equipment and services	29	30	0.4	-0.5	-0.03

- Small downward effect on the all items 12-month rate change.
- Prices overall fell this year but rose a year ago, with the main downward contributions coming from mobile telephone charges and bundled telecommunication services.

09 RECREATION AND CULTURE	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
09 Recreation and culture	141	144	-0.3	0.4	0.10

- Largest upward effect on the all items 12-month rate change.
- Due to other recreational items, gardens and pets; and, to a lesser extent, audio-visual equipment and related products.
- Partially offset by books, newspapers and stationery; and recreational and cultural services.

09.1 Audio-visual equipment and related products	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
09.1 Audio-visual equipment and related products	23	22	-0.7	0.5	0.03
09.1.1 Equipment for the reception and reproduction of sound and pictures	6	5	-0.8	0.3	0.01
09.1.2 Photographic, cinematographic and optical equipment	3	3	-0.8	0.2	-
09.1.3 Data processing equipment	7	8	0.4	-	-
09.1.4 Recording media	6	5	-2.0	2.0	0.02
09.1.5 Repair of audio-visual equipment and related products	1	1	0.1	-	-

- Small upward effect on the all items 12-month rate change.
- Due to recording media; and equipment for the reception and reproduction of sound and pictures.

Equipment for the reception and reproduction of sound and pictures

- Small upward effect.
- Prices overall rose this year but fell a year ago.

Recording media

- Small upward effect.
- Prices overall rose this year but fell a year ago, with the main upward contributions coming from DVDs and CDs.

09.2 Other major durables for recreation and culture	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
09.2.1/2 Major durables for in/outdoor recreation	9	9	0.2	0.1	-

- Negligible overall effect on the all items 12-month rate change.

09.3 Other recreational items, gardens and pets	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
09.3 Other recreational items, gardens and pets	32	36	-0.9	2.0	0.10
09.3.1 Games, toys and hobbies	19	21	-2.1	3.3	0.11
09.3.2 Equipment for sport and open-air recreation	3	3	1.1	0.7	-
09.3.3 Gardens, plants and flowers	4	4	0.2	-0.2	-
09.3.4/5 Pets, related products and services	6	8	0.8	0.5	-

- Large upward effect on the all items 12-month rate change.
- Due to games, toys and hobbies where prices overall rose this year but fell a year ago, with the main upward contributions coming from computer games and, to a lesser extent, board games and children's preschool activity toys.

09.4 Recreational and cultural services	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
09.4 Recreational and cultural services	29	31	0.3	-0.1	-0.01
09.4.1 Recreational and sporting services	9	9	-	-	-
09.4.2 Cultural services	20	22	0.4	-0.2	-0.01

- Small downward effect on the all items 12-month rate change.
- Due to cultural services, where average admission charges to live music events fell this year but rose a year ago. Partially offset by theatre admission charges, which rose this year by more than a year ago.

09.5 Books, newspapers and stationery	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
09.5 Books, newspapers and stationery	14	14	-0.4	-1.8	-0.02
09.5.1 Books	4	4	-1.1	-3.8	-0.01
09.5.2 Newspapers and periodicals	5	5	-	-1.7	-0.01
09.5.3/4 Misc. printed matter, stationery, drawing materials	5	5	-0.1	-0.1	-

- Small downward effect on the all items 12-month rate change.
- Due to books; and newspapers and periodicals.

• **Books**

- Small downward effect.
- Prices overall fell this year by more than a year ago, particularly for eBooks.

• **Newspapers and periodicals**

- Small downward effect.
- Prices overall fell this year but were little changed a year ago, with the main downward contribution coming from periodicals.

09.6 Package holidays	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
09.6 Package holidays	34	32	0.1	-	-

- Negligible overall effect on the all items 12-month rate change.

10 EDUCATION	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
10 Education	21	22	-	-	-

- Negligible overall effect on the all items 12-month rate change.

11 RESTAURANTS AND HOTELS	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
11 Restaurants and hotels	117	120	0.3	0.4	-

- Negligible overall effect on the all items 12-month rate change.
- There is a small downward contribution coming from catering services.
- Offset by a small upward contribution coming from accommodation services.

11.1 Catering services	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
11.1 Catering services	98	100	0.3	0.2	-0.01
11.1.1 Restaurants and cafes	88	91	0.3	0.2	-0.01
11.1.2 Canteens	10	9	0.3	0.3	-

- Small downward effect on the all items 12-month rate change.
- Due to restaurants and cafes, where prices overall rose this year by less than a year ago.

11.2 Accommodation services	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
11.2 Accommodation services	19	20	0.8	1.3	0.01

- Small upward effect on the all items 12-month rate change.
- Prices overall rose this year by more than a year ago.

12 MISCELLANEOUS GOODS AND SERVICES	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
12 Misc. goods and services	103	88	-0.1	-0.1	-

- Negligible overall effect on the all items 12-month rate change.
- There is a small upward contribution coming from personal care.

12.1 Personal care	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
12.1 Personal care	28	29	-0.3	-0.7	-0.01
12.1.1 Hairdressing and personal grooming establishments	7	7	0.1	0.2	-
12.1.2/3 Appliances and products for personal care	21	22	-0.4	-0.9	-0.01

- Small downward effect on the all items 12-month rate change.
- Due to appliances and products for personal care, where prices overall fell this year by more than a year ago, with the main downward contributions coming from baby wipes, sunscreen and toothpaste. Partially offset by small upward contributions from toilet rolls and liquid soap,

where prices overall rose this year but fell a year ago.

12.3 Personal effects not elsewhere covered	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
12.3 Personal effects not elsewhere covered	13	13	-0.2	-	-
12.3.1 Jewellery, clocks and watches	8	8	-0.2	0.3	-
12.3.2 Other personal effects	5	5	-0.2	-0.3	-

- Negligible overall effect on the all items 12-month rate change.

12.4 Social protection	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
12.4 Social protection	14	12	0.1	0.2	-

- Negligible overall effect on the all items 12-month rate change.

12.5 Insurance	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
12.5 Insurance	8	7	-0.2	0.1	-
12.5.2 House contents insurance	2	2	-0.8	0.7	-
12.5.3 Health insurance	2	2	-	-	-
12.5.4 Transport insurance	4	3	0.1	-0.3	-

- Negligible overall effect on the all items 12-month rate change.

12.6 Financial services not elsewhere covered	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
12.6 Financial services not elsewhere covered	30	17	-	0.1	-

- Negligible overall effect on the all items 12-month rate change.

12.7 Other services not elsewhere covered	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to CPI annual rate change
12.7 Other services not elsewhere covered	10	10	-0.1	0.2	-

- Negligible overall effect on the all items 12-month rate change.

RPI SUMMARY

CONTRIBUTIONS TO CHANGE IN THE RPI ANNUAL RATE

GROUPS	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to RPI annual rate change
FOOD	116	114	0.1	-1.0	-0.12
CATERING	47	47	0.3	0.2	-
ALCOHOLIC DRINKS	61	58	0.4	1.1	0.04
TOBACCO	30	29	0.2	0.6	0.01
HOUSING	254	253	0.1	0.3	0.05
FUEL AND LIGHT	43	48	-0.4	-0.1	0.01
HOUSEHOLD GOODS	60	61	1.5	0.6	-0.05
HOUSEHOLD SERVICES	62	62	0.2	-	-0.01
CLOTHING AND FOOTWEAR	43	45	1.3	0.2	-0.05
PERSONAL GOODS AND SERVICES	40	40	-	-0.1	-
MOTORING EXPENDITURE	122	120	-0.9	-	0.12
FARES AND OTHER TRAVEL COSTS	18	22	3.9	-2.2	-0.12
LEISURE GOODS	30	30	-0.5	0.2	0.02
LEISURE SERVICES	74	71	0.2	0.2	-

RPI NOTABLE MOVEMENTS

All items RPI	Annual rate +2.4%, down from +2.5% last month Also +2.4% in December 2009 Last lower in November 2009 (+0.3%)
All items RPI exc MIPS (RPIX)	Annual rate +2.5%, down from +2.6% last month Also +2.5% in March 2014 Last lower in October 2009 (+1.9%)
All items RPI exc MIPS and indirect taxes (RPIY)	Annual rate +2.6%, down from +2.8% last month Also +2.6% in September 2012 Last lower in September 2009 (+2.0%)
Food	Annual rate -0.3%, down from +0.8% last month Lowest since March 2006 (-0.5%)
Non seasonal food	Annual rate +0.6%, down from +1.5% last month Also +0.6% in March 2006 Last lower in April 2005 (+0.4%)
Seasonal food	Annual rate -4.5%, down from -2.8% last month Lowest since March 2006 (-5.5%)
Housing	Annual rate +2.8%, up from +2.6% last month Also +2.8% in December 2010 Last higher in November 2010 (+3.1%)
Household services	Annual rate +3.2%, down from +3.5% last month Also +3.2% in October 2013 Last lower in September 2012 (+2.8%)
Clothing and footwear	Annual rate +7.4%, down from +8.5% last month Lowest since April 2013 (+6.5%)
Leisure goods	Annual rate +3.4%, up from +2.7% last month Highest since March 1992 (+4.4%)
All goods	Annual rate +1.8%, unchanged from last month Last higher in March 2014 (+1.9%) Last lower in September 2009 (+1.7%)
All services	Annual rate +2.7%, down from +3.0% last month Lowest since November 2009 (+2.1%)

RPI DETAILED BRIEFING

In accordance with the Statistics and Registration Service Act 2007, the Retail Prices Index and its derivatives have been assessed against the Code of Practice for Official Statistics and found not to meet the required standard for designation as National Statistics. ONS consulted in March 2013 on whether to maintain this detailed RPI briefing and, based on views received, decided to continue with its publication.

- Weights are specified as parts per 1000 in the RPI.

FOOD	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to RPI annual rate change
FOOD	116	114	0.1	-1.0	-0.12

- Large downward effect on the all items 12-month rate change.
- Due to **non-seasonal food** and, to a lesser extent, **seasonal food**.

Seasonal Food	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to RPI annual rate change
SEASONAL FOOD	20	19	0.3	-1.5	-0.03
Home killed lamb	1	1	6.3	-2.2	-0.01
Fresh fish	2	2	4.6	7.3	0.01
Eggs	1	1	-0.3	-4.8	-
Unprocessed potatoes	2	2	3.4	-4.2	-0.01
Other fresh vegetables	7	7	-1.1	-1.9	-
Fresh fruit	7	6	-1.0	-2.3	-0.01

- Small downward effect on the all items 12-month rate change.
- Due to:
 - Home killed lamb** and **unprocessed potatoes**, where prices overall fell this year but rose a year ago, with the main downward contribution coming from old white potatoes; and
 - Fresh fruit**, where prices overall fell this year by more than a year ago, with the main downward contributions coming from blueberries and peaches/nectarines. Partially offset by a small upward contribution from strawberries, where prices overall rose this year but fell a year ago.
- Partially offset by **fresh fish**, where prices rose this year by more than a year ago.

Non-Seasonal Food	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to RPI annual rate change
NON-SEASONAL FOOD	96	95	-	-0.9	-0.09
Bread	5	5	-0.2	-1.3	-0.01
Cereals	4	4	1.2	-0.1	-0.01
Biscuits and cakes	7	7	-0.4	-1.1	-
Beef	4	4	-0.3	0.8	-
Imported lamb	1	1	-3.5	4.0	0.01
Pork	1	1	-0.4	-1.9	-
Bacon	2	2	1.1	-2.7	-0.01
Poultry	4	4	-1.0	-0.3	-
Other meat	7	7	0.2	-0.7	-0.01
Processed fish	2	2	2.0	-	-
Butter	1	1	-1.9	-1.0	-
Oils and fats	2	2	-1.4	-0.8	-
Cheese	3	4	-0.8	-0.7	-
Milk, fresh	4	4	-0.2	-	-
Milk products	4	4	1.7	1.8	-
Tea	1	1	-0.7	1.0	-
Soft drinks	12	11	1.8	-1.0	-0.03
Sugar and preserves	1	1	0.6	-6.1	-0.01
Sweets and chocolates	13	11	-0.7	-1.5	-0.01
Potato products	3	3	-1.1	-1.9	-
Processed vegetables	2	2	0.8	-3.6	-0.01
Processed fruit	1	1	0.2	-0.4	-
Other foods	11	11	-0.7	-1.9	-0.01
Coffee and other hot drinks	1	2	0.7	1.2	-

- Large downward effect on the all items 12-month rate change.
- Due to:
 - **Soft drinks, cereals, bacon, other meat, sugar and preserves and processed vegetables**, where prices overall fell this year but rose a year ago, particularly for fruit squash, packs of fruit drink bottles, back bacon, granulated sugar and baked beans; and
 - **Bread, sweets and chocolates and other foods**, where prices overall fell this year by more than a year ago, with downward contributions coming from boxes/cartons of chocolates, cook-in sauces and frozen pizzas. Partially offset by small upward contributions from mayonnaise and ice cream, where prices rose this year but fell a year ago.
- Partially offset by **imported lamb**, where prices overall rose this year but fell a year ago, particularly for frozen legs of imported lamb.

CATERING	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to RPI annual rate change
CATERING	47	47	0.3	0.2	-
Restaurant meals	27	28	0.3	0.2	-
Canteen meals	4	3	0.3	0.3	-
Take-away meals and snacks	16	16	0.3	0.2	-

- Negligible overall effect on the all items 12-month rate change.

ALCOHOLIC DRINKS	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to RPI annual rate change
ALCOHOLIC DRINKS	61	58	0.4	1.1	0.04
Beer on sales	21	20	0.1	0.2	-
Beer off sales	5	5	-0.1	2.2	0.01
Wines and spirits on sales	20	18	0.4	0.2	-
Wines and spirits off sales	15	15	1.0	3.1	0.03

- Large upward effect on the all items 12-month rate change.
- Due to:
 - **Wines and spirits off sales**, where prices overall rose this year by more than a year ago, with the main upward contributions coming from New World wines and vodka. Partially offset by small downward contributions from whisky and European white wine; and
 - **Beer off sales**, where prices overall rose this year but fell a year ago.

TOBACCO	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to RPI annual rate change
TOBACCO	30	29	0.2	0.6	0.01
Cigarettes	26	25	0.2	0.7	0.01
Other tobacco products	4	4	0.1	-0.1	-

- Small upward effect on the all items 12-month rate change.
- Due to **cigarettes**, where prices overall rose this year by more than a year ago.

HOUSING	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to RPI annual rate change
HOUSING	254	253	0.1	0.3	0.05
Rent	86	87	0.1	0.1	-
Mortgage interest payments	29	30	0.3	-0.2	-0.01
Council tax and rates	43	42	-	-	-
Water and other charges	14	14	-	-	-
Repairs and maintenance charges	10	10	-	-	-
DIY materials	7	6	-0.3	1.0	0.01
Dwelling insurance and ground rent	7	6	-0.2	0.1	-
House depreciation	58	58	0.3	1.2	0.05

- Large upward effect on the all items 12-month rate change.
- Due to:
 - **House depreciation**, with the smoothed house price index used to calculate this component rising this year by more than a year ago; and
 - **DIY materials**, where prices overall rose this year but fell a year ago.
- Partially offset by a small downward contribution from **mortgage interest payments**, where average charges fell this year but rose a year ago.

FUEL AND LIGHT	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to RPI annual rate change
FUEL AND LIGHT	43	48	-0.4	-0.1	0.01
Coal and solid fuels	1	1	0.2	-0.8	-
Electricity	20	22	-	-	-
Gas	19	21	-	-	-
Oil and other fuels	3	4	-5.5	-1.0	0.01

- Small upward effect on the all items 12-month rate change.
- Due to **oil and other fuels**, where prices for kerosene fell this year by less than a year ago.

HOUSEHOLD GOODS	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to RPI annual rate change
HOUSEHOLD GOODS	60	61	1.5	0.6	-0.05
Furniture	21	21	2.4	1.2	-0.02
Furnishings	9	9	3.1	1.1	-0.02
Electrical appliances	6	6	-	-1.6	-0.01
Other household equipment	4	4	-0.5	0.2	-
Household consumables	12	12	0.6	0.7	-
Pet care	8	9	0.8	0.5	-

- Large downward effect on the all items 12-month rate change.
- Due to:
 - **Furniture and furnishings**, where prices overall rose this year by less than a year ago, with the main downward contributions coming from tufted carpets, leather settees and upholstered armchairs. Partially offset by a small upward contribution from bookcases/freestanding shelving units, where prices overall rose this year by more than a year ago; and
 - **Electrical appliances**, where prices overall fell this year but were little changed a year ago, with the main downward contribution coming from electric cooling fans.

HOUSEHOLD SERVICES	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to RPI annual rate change
HOUSEHOLD SERVICES	62	62	0.2	-	-0.01
Domestic services	13	13	0.1	0.1	-
Fees and subscriptions	24	24	-0.1	0.4	0.01
Postage	1	1	-	-	-
Telephone charges	24	24	0.5	-0.5	-0.02

- Small downward effect on the all items 12-month rate change.
- Due to **telephone charges**, where average charges fell this year but rose a year ago, with the main downward contributions coming from mobile phone charges and bundled telecommunication services.
- Partially offset by a small upward contribution from **fees and subscriptions**, where average charges rose this year but fell a year ago, particularly for house contents insurance.

CLOTHING AND FOOTWEAR	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to RPI annual rate change
CLOTHING AND FOOTWEAR	43	45	1.3	0.2	-0.05
Men's outerwear	9	10	0.5	1.5	0.01
Women's outerwear	16	16	2.6	-0.4	-0.05
Children's outerwear	5	5	-0.2	-0.3	-
Other clothing	5	5	0.2	0.1	-
Footwear	8	9	1.0	0.2	-0.01

- Large downward effect on the all items 12-month rate change.
- Due to:
 - **Women's outerwear**, where prices overall fell this year but rose a year ago, with the main downward contributions coming from showerproof and casual jackets; formal trousers; plain T-shirts; casual and formal dresses; and blouses and shirts; and, to a lesser extent,
 - **Footwear**, where prices overall rose this year by less than a year ago.
- Partially offset by **men's outerwear**, where prices overall rose this year by more than a year ago, with the main upward contribution coming from men's branded sports sweatshirts.

PERSONAL GOODS & SERVICES	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to RPI annual rate change
PERSONAL GOODS & SERVICES	40	40	-	-0.1	-
Personal articles	10	10	-0.1	0.4	0.01
Chemists' goods	15	16	-0.1	-0.8	-0.01
Personal services	15	14	-	0.1	-

- Negligible overall effect on the all items 12-month rate change.
- There is a small downward contribution coming from **chemists' goods**, where prices overall fell this year by more than a year ago, with the main downward contribution coming from baby wipes.
- Offset by a small upward contribution coming from **personal articles**, where prices overall rose this year but fell a year ago, particularly for wall hanging mirrors.

MOTORING EXPENDITURE	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to RPI annual rate change
MOTORING EXPENDITURE	122	120	-0.9	-	0.12
Purchase of motor vehicles	34	36	0.3	-0.2	-0.02
Maintenance of motor vehicles	19	17	0.2	0.2	-
Petrol and oil	45	43	-2.7	0.4	0.14
Vehicle tax and insurance	24	24	0.2	-0.2	-0.01

- Largest upward effect on the all items 12-month rate change.
- Due to **petrol and oil**, where prices rose this year but fell a year ago. The price of petrol, as recorded for the RPI, rose by 0.6 pence per litre between April and May 2014, to stand at 129.5 pence per litre, compared with a fall of 3.9 pence per litre last year to stand at 133.2 pence per litre. Diesel prices rose by 0.3 pence per litre, to stand at 136.4 pence per litre in May 2014, compared with a fall of 3.4 pence per litre last year to stand at 138.3 pence per litre.
- Partially offset by:
 - **Purchase of motor vehicles**, where prices overall fell this year but rose a year ago, particularly for second-hand cars; and
 - **Vehicle tax and insurance**, where average premiums for car insurance fell this year but rose a year ago.

FARES AND OTHER TRAVEL COSTS	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to RPI annual rate change
FARES AND OTHER TRAVEL COSTS	18	22	3.9	-2.2	-0.12
Rail fares	6	7	0.1	-0.8	-0.01
Bus and coach fares	4	4	-0.2	-4.2	-0.02
Other travel costs	8	11	8.8	-2.2	-0.10

- Largest downward effect on the all items 12-month rate change.
- Due to:
 - **Other travel costs**, with the main downward contributions coming from airfares and, to a lesser extent, sea fares, where average charges fell this year but rose a year ago, particularly for European flights, and, to a lesser extent, domestic flights and international sea journeys. The timing of Easter was likely to be a factor, with the Easter weekend falling within the April collection period for these services this year, but missing the April collection period a year ago; and, to a lesser extent,
 - **Bus and coach fares**, where average coach fares fell this year by more than a year ago; and

- **Rail fares**, where prices overall fell this year but rose a year ago, particularly for international rail journeys.

LEISURE GOODS	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to RPI annual rate change
LEISURE GOODS	30	30	-0.5	0.2	0.02
Audio-visual equipment	6	7	-	-	-
CDs and tapes	3	2	-2.0	2.3	0.01
Toys, photographic and sports goods	9	9	-0.7	2.3	0.03
Books and newspapers	7	7	-0.2	-2.4	-0.02
Gardening products	5	5	0.2	0.2	-

- Small upward effect on the all items 12-month rate change.
- Due to **toys, photographic and sports goods** and **CDs and tapes**, where prices overall rose this year but fell a year ago, with the main upward contributions coming from computer games and DVDs.
- Partially offset by a small downward contribution from **books and newspapers**, where prices overall fell this year by more than a year ago, particularly for periodicals and eBooks.

LEISURE SERVICES	Weight 2013	Weight 2014	1 month % change May 2013	1 month % change May 2014	Contribution to RPI annual rate change
LEISURE SERVICES	74	71	0.2	0.2	-
TV licence and rentals	13	12	-	-	-
Entertainment and other recreation	15	15	0.4	-	-0.01
Foreign holidays	35	34	0.2	0.1	-
UK holidays	11	10	0.2	0.9	0.01

- Negligible overall effect on the all items 12-month rate change.
- There is a small downward contribution from **entertainment and other recreation**, where charges were little changed this year but rose a year ago, with the main downward contribution coming from admission charges for live music events. Partially offset by a small upward contribution from theatre admission charges, where prices overall rose this year by more than a year ago.
- Offset by a small upward contribution from **UK holidays**, where average charges rose this year by more than a year ago, with the main upward contribution coming from self catering holidays.

RECONCILIATION OF CPI AND RPI

(Table 5 of the Consumer Price Inflation Reference Tables)

This table identifies the main factors contributing to the differences between the unrounded inflation rates for the CPI and the RPI. These differences are broken down into: mortgage interest payments, other housing components excluded from the CPI, other differences in the coverage of goods and services, and the formula effect. The final column titled 'other differences including weights' is derived as a residual.

The difference between the CPI and RPI unrounded annual rates in May 2014 was -0.87 percentage points, widening from -0.71 percentage points in April 2014.

The main factors contributing to the widening were:

- **Other differences including weights**, which increased the RPI 12-month rate relative to the CPI 12-month rate by 0.11 percentage points between April and May 2014. The effect came mainly from air fares, sea fares, fuels and lubricants, and clothing and footwear, partially offset by games, toys and hobbies and equipment for sport, camping and open air recreation.
- **Other housing components**, which increased the RPI 12-month rate by 0.06 percentage points between April and May 2014 but are excluded from the CPI. The effect came from house depreciation.

RPI MISCELLANEOUS DATA

Selected Average Prices

Description		March 2014	April 2014	May 2014
Petrol per litre	Diesel	£1.36	£1.36	£1.36
	Petrol	£1.29	£1.29	£1.30
Alcohol pub prices	Draught bitter (pint)	£2.92	£2.92	£2.93
	Draught lager (pint)	£3.35	£3.36	£3.37
	Whisky (per nip)	£2.52	£2.53	£2.54
Cigarettes	Per 20 king size	£8.08	£8.29	£8.36

Average prices are as recorded for the RPI

Changes in Mortgage Interest Rates

This table gives an estimate of the contribution that changes in the average mortgage interest rate (MI) make to the 1-month percentage change in the RPI.

Month	1-Month % change in the RPI	Approx. change in average MI rate	Approx. contribution to the 1-month % change in the RPI
May 2013	+0.2	Negligible	-
June 2013	-0.1	Down -0.02% points	-0.02% points
July 2013	+0.0	Negligible	-
August 2013	+0.5	Negligible	-
September 2013	+0.4	Negligible	-
October 2013	+0.0	Down -0.02% points	-0.02% points
November 2013	+0.1	Down -0.02% points	-0.02% points
December 2013	+0.5	Negligible	-
January 2014	-0.3	Down -0.02% points	-0.02% points
February 2014	+0.6	Down -0.01% points	-0.01% points
March 2014	+0.2	Down -0.02% points	-0.02% points
April 2014	+0.4	Down -0.01% points	-0.01% points
May 2014	+0.1	Down -0.02% points	-0.02% points

NB: A one percentage point change in the average mortgage interest rate contributes approx. 0.9 percentage points to the 1-month percentage change in the RPI.

OUTLOOK

The outlook is a summary of seasonal trends, selected news cuttings and other sources of information. It gives some indication of expected changes to the annual rate of the CPI and RPI in the next few months.

FOOD

Seasonal Food

- Seasonal food prices have tended to increase in June of recent years and are typically dependent on weather conditions both in the UK and around the world.

Monthly % change for CPI seasonal food index			
Year	April	May	June
2008	2.9	1.8	2.1
2009	-0.6	2.0	-0.5
2010	0.6	-0.6	0.9
2011	-1.1	2.9	0.5
2012	-1.3	0.5	0.7
2013	0.5	-0.3	-1.5
2014	-1.7	-1.6	

- Seasonal food prices in the RPI tend to show a similar movement.

CLOTHING AND FOOTWEAR

- Prices tend to fall in June as a result of the summer sales.

Monthly % change for CPI clothing and footwear index			
Year	April	May	June
2008	-0.1	-	-1.4
2009	0.2	0.4	-1.5
2010	2.2	0.3	-2.1
2011	1.3	0.4	-1.9
2012	0.2	-0.1	-4.2
2013	-	1.2	-1.9
2014	1.0	-0.1	

- The clothing and footwear group in the RPI exhibits a similar seasonal pattern.

FURNITURE, HOUSEHOLD EQUIPMENT AND MAINTENANCE

- With the exception of the last two years, prices for furniture, household equipment and maintenance have tended to rise in June.

Monthly % change for CPI furniture, household equipment and maintenance index			
Year	April	May	June
2008	-1.3	1.4	2.3
2009	-1.0	1.0	1.0
2010	-1.6	1.2	0.7
2011	-0.8	0.4	0.4
2012	-1.2	0.6	-
2013	-1.3	1.1	-0.5
2014	-0.9	0.5	

- The household goods group in the RPI exhibits a similar seasonal pattern.

TRANSPORT

Fuels and Lubricants

- Brent crude rose towards \$113 a barrel. The eruption of violence in Iraq led to a spike in prices, with both Brent and U.S. crude gaining more than 4 percent – the most since July and December, respectively. (www.uk.reuters.com 16 June 2014)
- When considering the price of petrol between May and June 2014, it may be useful to note that the average price of petrol rose by 1.0 pence per litre between May and June 2013, to stand at 134.3 pence per litre as measured in the CPI.
- A 1 pence change on average in the cost of a litre of motor fuel contributes approximately 0.03 percentage points to the 1-month change in the CPI.

Passenger Transport by Air

- With the exception of last year, air fares have tended to rise in June.

Monthly % change for CPI air fares index			
Year	April	May	June
2008	-4.7	9.4	5.9
2009	-1.2	6.9	3.0
2010	-1.0	6.0	10.0
2011	29.0	-11.1	8.5
2012	7.4	1.4	7.4
2013	-6.4	22.0	-2.8
2014	17.9	-3.2	

- The air fares index used in the RPI is the same as that used in the CPI, and is included in the **other travel costs** section.

HOUSING (RPI)

Mortgage interest payments (MIPs)

- The Bank of England Bank Rate remained unchanged at 0.5% on Thursday 5 June 2014.
- The change in average mortgage interest rates recorded in the RPI was -0.02 percentage points between May and June 2013. The Bank of England Bank Rate remained unchanged at 0.5% in May 2013.
- A one percentage point change in the average mortgage interest rate contributes approximately 0.9 percentage points to the 1-month percentage change in the RPI.

Next publication:

15 July 2014

Issued by:

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