



Consumer Price Index, December 2020

Key Facts

Capital Cities

Perth

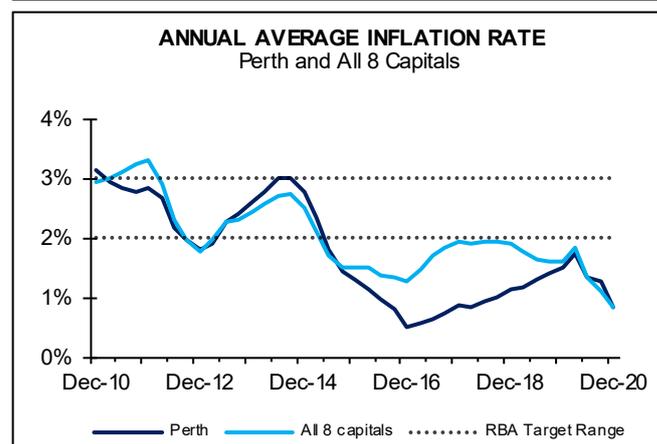
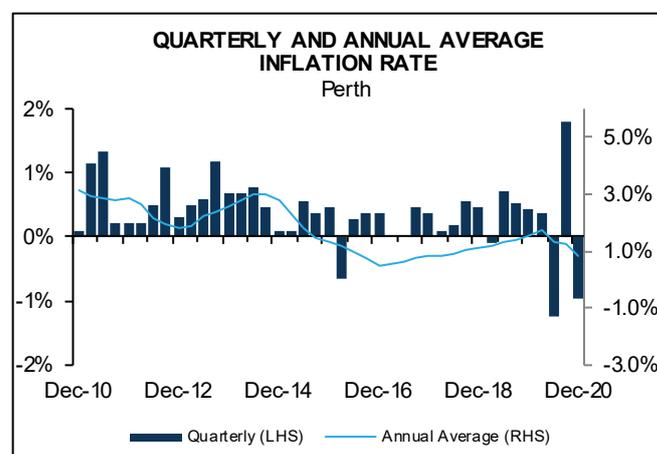
Perth's Consumer Price Index decreased by 1.0% over the quarter, and rose by 0.8% in annual average terms to December 2020. In year-ended terms¹, Perth's CPI decreased by 0.1%.

- The main contributors to quarterly growth in Perth's CPI were 'alcohol and tobacco', which contributed 0.39 percentage points, and 'recreation and culture' which contributed 0.13 percentage points.
- The main detractor from Perth's quarterly CPI was 'housing', which detracted 1.67 percentage points from growth.

Australia

Nationally, the Consumer Price Index rose by 0.9% over the quarter and increased by 0.8% in annual average terms to December 2020. In year-ended terms, the national CPI grew by 0.9%.

- The main contributors to the national quarterly growth were 'alcohol and tobacco', which contributed 0.37 percentage points and 'furnishings, household equipment and services', which contributed 0.29 percentage points.
- The main component that detracted from national growth was 'housing', which detracted 0.15 percentage points.
- In annual average terms to December, the largest increase in CPI by capital city was 1.8% in Hobart. The smallest increase was -0.2% in Darwin.



INFLATION RATES BY CITY December 2020

	% Change	
	Quarter	Annual Average
Sydney	1.0%	0.5%
Melbourne	1.5%	1.3%
Brisbane	1.1%	0.6%
Adelaide	0.7%	1.3%
Perth	-1.0%	0.8%
Hobart	0.8%	1.8%
Darwin	0.6%	-0.2%
Canberra	0.8%	0.9%
All 8 capitals	0.9%	0.8%

¹ Year-ended growth (which compares the latest quarter of data to the same quarter a year earlier) is also reported for comparison with figures quoted in the media and financial markets (which are often in year-ended terms).

INFLATION RATES BY CATEGORY

December 2020

	Perth		Contribution		Australia	
	% Change		PP Change		% Change	
	Quarter	Annual Average	Year	Quarter	Quarter	Annual Average
Food/non-alcoholic beverages	0.7%	3.4%	0.6pts	0.11pts	0.2%	3.2%
Alcohol/tobacco	4.8%	7.9%	0.6pts	0.39pts	4.2%	8.4%
Clothing/footwear	-0.3%	0.3%	0.0pts	-0.01pts	-1.0%	0.2%
Housing	-7.7%	-0.3%	-0.1pts	-1.67pts	-0.6%	-0.1%
Furnishings/household contents	0.7%	0.5%	0.0pts	0.06pts	3.4%	-1.0%
Health	-0.1%	1.3%	0.1pts	-0.01pts	1.3%	1.9%
Transport	0.2%	-3.9%	-0.4pts	0.02pts	0.9%	-3.4%
Communication	-0.4%	-3.3%	-0.1pts	-0.01pts	-0.4%	-3.2%
Recreation/culture	1.4%	0.7%	0.1pts	0.13pts	1.6%	0.1%
Education	0.1%	0.8%	0.0pts	0.00pts	1.2%	1.2%
Insurance/Finance	0.0%	1.1%	0.0pts	-0.01pts	0.1%	1.5%
All groups	-1.0%	0.8%	0.8pts	-1.0pts	0.9%	0.8%

Categories

Price Changes

- Between the September and December quarters, the largest increase in prices by category in Perth was 4.8% for 'alcohol and tobacco'. The largest decrease was 7.7% for 'housing'.
- In annual average terms to December 2020, the largest increase in prices in Perth was 7.9% for 'alcohol and tobacco'. The largest fall was 3.9% for transport.
- Across all eight capital cities, the largest quarterly rise in prices by category was 4.2% for 'alcohol and tobacco'. The largest decrease was 1.0% for 'clothing and footwear'.
- In annual average terms to December 2020, the largest rise in prices by category across all eight capital cities was 8.4% for 'alcohol and tobacco'. The largest decrease nationally was 3.4% for 'transport'.

Underlying Inflation

- Both the Australian Bureau of Statistics and the Reserve Bank of Australia produce estimates of underlying inflation that attempt to strip out items whose prices tend to be volatile, and the effects of abnormal price movements.
- The Australian Bureau of Statistics' index of prices 'excluding volatile items' increased by 1.3% in annual average terms and by 1.0% over the quarter to December 2020.
- The Reserve Bank of Australia's estimate of trimmed mean inflation was 0.4% over the quarter and 1.3% on an annual basis in the December quarter.
- The Bank's weighted median inflation estimate was 0.5% for the quarter and 1.4% annualised.

ANALYTICAL SERIES

December 2020

	% Change	
	Quarter	Annual Average
Excl. housing/insurance	1.5%	1.1%
Excl. volatile items	1.0%	1.3%
Market goods/services	0.9%	1.9%
Tradables	-0.4%	0.2%
Non-tradables	1.5%	1.1%
RBA trimmed mean	0.4%	1.3%
RBA weighted median	0.5%	1.4%