

# Jersey Retail Prices Index June 2015

Statistics Unit: [www.gov.je/statistics](http://www.gov.je/statistics)

 @JsyStats



## Summary

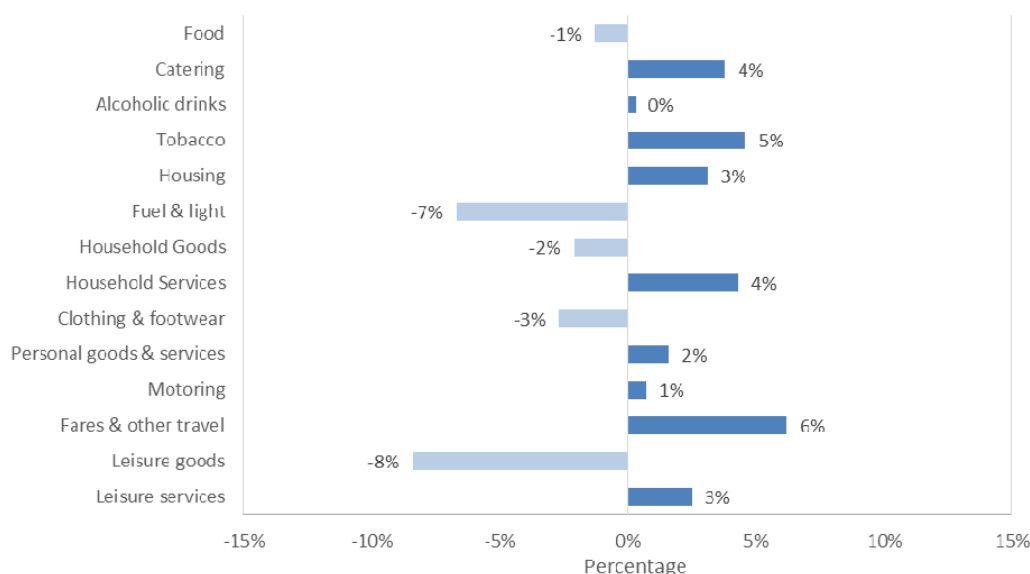
- During the twelve months to June 2015 the All Items Retail Prices Index (RPI) for Jersey **increased by 0.9%** to stand at 159.6 (June 2000 = 100);
- The increase in the RPI over the twelve months to March 2015 was 0.6%; hence, the **annual rate of inflation rose by 0.3 percentage points** in the latest quarter;
- The largest contributor to this rise in the annual rate of inflation was the cost of Motoring, which increased, on average, over the twelve months to June 2015, having decreased over the twelve months to March 2015;
- **RPI(X)<sup>1</sup> increased by 1.0%** over the twelve months to June 2015 and **underlying inflation, as measured by RPI(Y)<sup>2</sup>, increased by 1.0 %** over the same period;
- The annual rates of increase of **RPI Pensioners** and **RPI Low Income** over the twelve months to June 2015 were **0.4%** and **1.1%**, respectively;
- The annual rates of increase of all consumer price indices were greater over the twelve months to June 2015 than over the twelve months to March 2015.

## Annual change

The annual percentage changes for each group of the all items RPI are shown in Figure 1. Price increases were seen for nine of the fourteen groups over the twelve months to June 2015, whilst five groups saw prices decrease over the same period.

### Figure 1 - Annual percentage changes for each group, June 2015

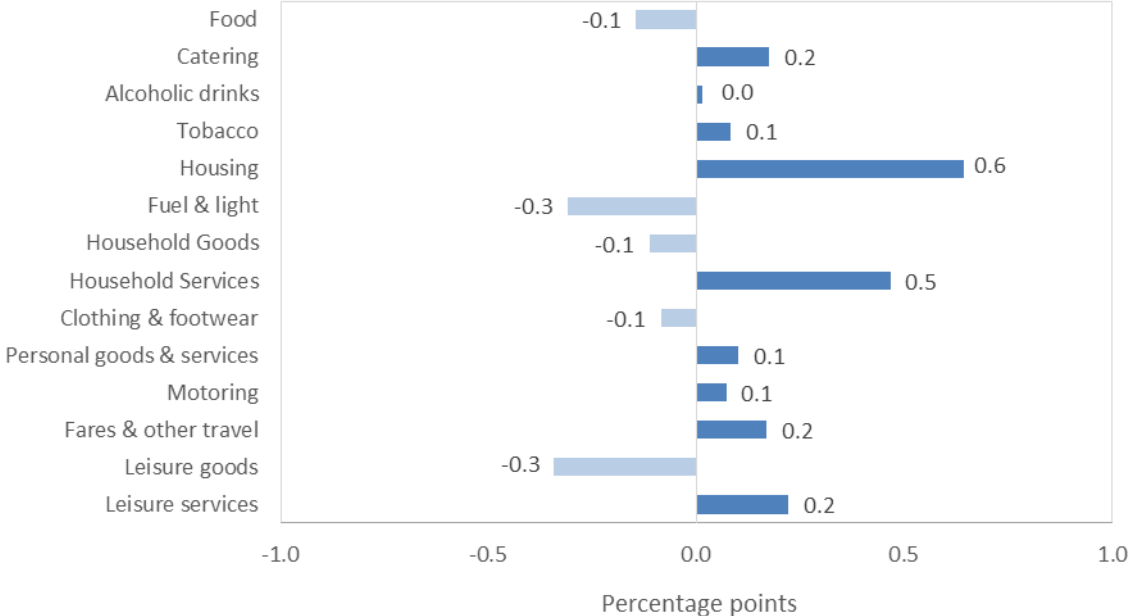
Figure 2 shows the contribution of each group of the all items RPI to the overall annual increase of 0.9%.



<sup>1</sup> RPI(X): the RPI excluding mortgage interest payments.

<sup>2</sup> RPI(Y): the RPI excluding mortgage interest payments and indirect taxes (e.g. GST and impôts).

**Figure 2 - Contribution of each group to the annual change of the RPI**



*Individual contributions shown do not sum to the total annual change due to rounding*

The groups which saw prices increase, on average, over the twelve months to June 2015 gave upward contributions to the RPI; notably:

- **Housing:** costs rose by 3%, on average, over the year to June 2015, contributing +0.6 percentage points (pp) to the annual change of the RPI; the increase recorded by this group was driven by increased average rents paid in both the public and private sectors;
- **Household services:** costs rose by 4%, on average, over the year to June 2015, contributing +0.5 pp to the annual change of the RPI; price increases were seen across the group which includes school fees (increased in September 2014), telephone charges, postal charges (increased in April 2015) and domestic services;
- the **Leisure services** and **Catering** groups saw prices rise, on average, by 3% and 4%, respectively, over the twelve months to June 2015, such that each group contributed +0.2 pp to the annual change of the RPI. Price increases were seen across both groups: the Leisure services group includes entertainment and recreational activities and holidays; the Catering group comprises of restaurants, cafes and take-aways;
- **Fares & other travel:** costs increased by 6%, on average, and contributed +0.2 pp to the annual change of the RPI. Price increases were seen across the group, including the cost of parking (increased in February 2015) and bus fares (increased in March 2015).

In contrast, five groups saw prices decrease, on average, on an annual basis:

- **Leisure goods:** costs decreased by 8%, on average, over the twelve months to June 2015, contributing -0.3 pp to the annual change of the RPI. Lower average prices were seen across this group, which includes audio-visual equipment, toys, sports equipment and gardening products;
- **Fuel & light:** costs decreased by 7%, on average, contributing -0.3 pp to the annual change of the RPI. The key driver to the decrease recorded by this group was the cost of domestic heating oil, which was 13 p per litre lower in June 2015 than a year earlier. The cost of gas, overall, was relatively unchanged on an annual basis, having increased in September 2014 and decreased in March 2015. Electricity prices were unchanged on an annual basis;

- **Food:** prices in this group were 1.3% lower, on average, than twelve months earlier, contributing -0.1 pp to the annual change of the RPI. Lower prices were seen for fresh vegetables and potatoes and some dairy products, whilst the price of fresh fruit and fish increased, on average, over the same period.

Individual group indices are presented in Table 1, which also includes the most recent annual and quarterly percentage changes.

**Table 1: Group indices (June 2000 = 100) and percentage changes**

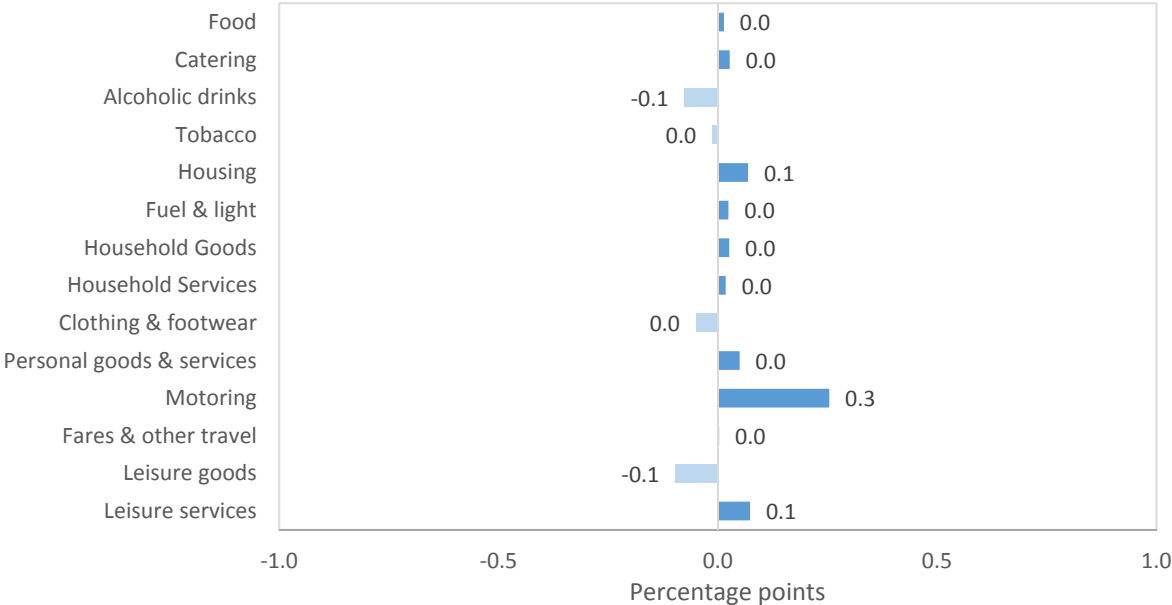
<b>GROUP</b>	<b>2014 Jun</b>	<b>2014 Sep</b>	<b>2014 Dec</b>	<b>2015 Mar</b>	<b>2015 Jun</b>	<b>Annual change (percent)</b>	<b>Quarterly change (percent)</b>
Food	166.5	166.9	164.8	167.8	164.3	-1.3	-2.1
Catering	159.3	161.8	162.1	163.2	165.4	3.8	1.3
Alcoholic drinks	181.8	182.3	178.7	182.6	182.3	0.3	-0.2
Tobacco	270.1	269.3	271.7	282.6	282.6	4.6	0.0
Housing	166.7	167.8	170.1	170.9	171.8	3.1	0.5
Fuel & light	240.6	240.8	229.1	224.3	224.4	-6.7	0.0
Household goods	104.8	104.3	103.5	102.8	102.6	-2.1	-0.2
Household services	176.1	180.5	180.7	180.2	183.7	4.3	1.9
Clothing & footwear	84.3	84.3	82.0	81.6	82.0	-2.7	0.5
Personal goods & services	152.4	153.9	153.1	153.6	154.8	1.6	0.8
Motoring	157.7	158.7	158.2	156.1	158.8	0.7	1.7
Fares & other travel	203.5	210.8	198.3	206.5	216.2	6.2	4.7
Leisure goods	84.7	84.0	82.2	80.7	77.6	-8.4	-3.8
Leisure services	173.3	175.6	176.4	176.1	177.7	2.5	0.9
<b>All items</b>	<b>158.1</b>	<b>159.3</b>	<b>158.5</b>	<b>158.9</b>	<b>159.6</b>	<b>0.9</b>	<b>0.4</b>

There was an increase of 0.3 pp in the annual rate of increase of Jersey’s RPI between March 2015 and June 2015, from 0.6% to 0.9%.

Most groups gave small upward contributions to the change in the annual rate of increase of the RPI (see Figure 3), notably:

- the **Motoring** group was the largest upward contributor to the change in the annual rate of increase of the RPI, contributing +0.3 pp. Prices in this group increased, on average, over the twelve months to June 2015 (up by 0.7%) but had decreased over the twelve months to March 2015 (down by 1.7%);
- the **Leisure services** and **Housing** groups both saw slightly greater rates of increase over the twelve months to June 2015 (up by 2.5% and 3.1%, respectively) than over the twelve months to March 2015 (up by 1.7% and 2.8%, respectively), resulting in each group giving an upward contribution of +0.1 pp to the change in annual rate of increase.

**Figure 3 - Contributions to change in annual rate of increase of RPI between Mar 2015 and Jun 2015 (+0.3 pp from 0.6% to 0.9%)**



In contrast, some groups gave small downward contributions to the change in the annual rate of increase of the RPI:

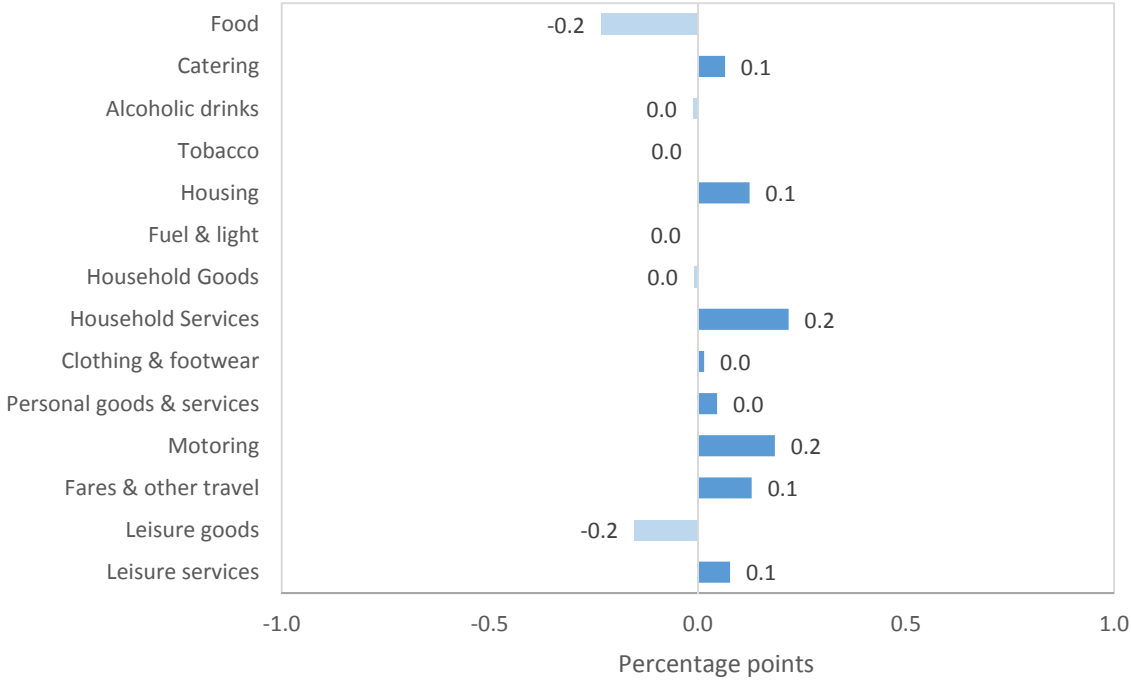
- prices in the **Leisure goods** group decreased, on average, by slightly more over the twelve months to June 2015 (down by 8.4%) than over the twelve months to March 2015 (down by 6.1%). This group includes audio-visual equipment, toys, sports equipment and gardening products;
- the price of **Alcoholic drinks** increased at a lower rate over the twelve months to June 2015 (up by 0.3%) than over the twelve months to March 2015 (up by 1.7%).

**Quarterly change**

On a quarterly basis, the RPI increased by 0.4% between March 2015 and June 2015. Figure 4 shows that several groups were small upward contributors to the RPI on a quarterly basis:

- **Household services:** prices rose by 2%, on average, over the latest quarter, contributing +0.2 pp to the overall quarterly change; price increases were seen across the group;
- prices in the **Motoring** group increased by 2%, on average, contributing +0.2 pp to the overall quarterly change. Price increases were seen across most of this group over the quarter, including petrol and diesel prices which increased by 5 p and 2 p per litre respectively, on average.

**Figure 4 - Contribution of each group to the quarterly change in the RPI**



The largest downward contributions on a quarterly basis were from:

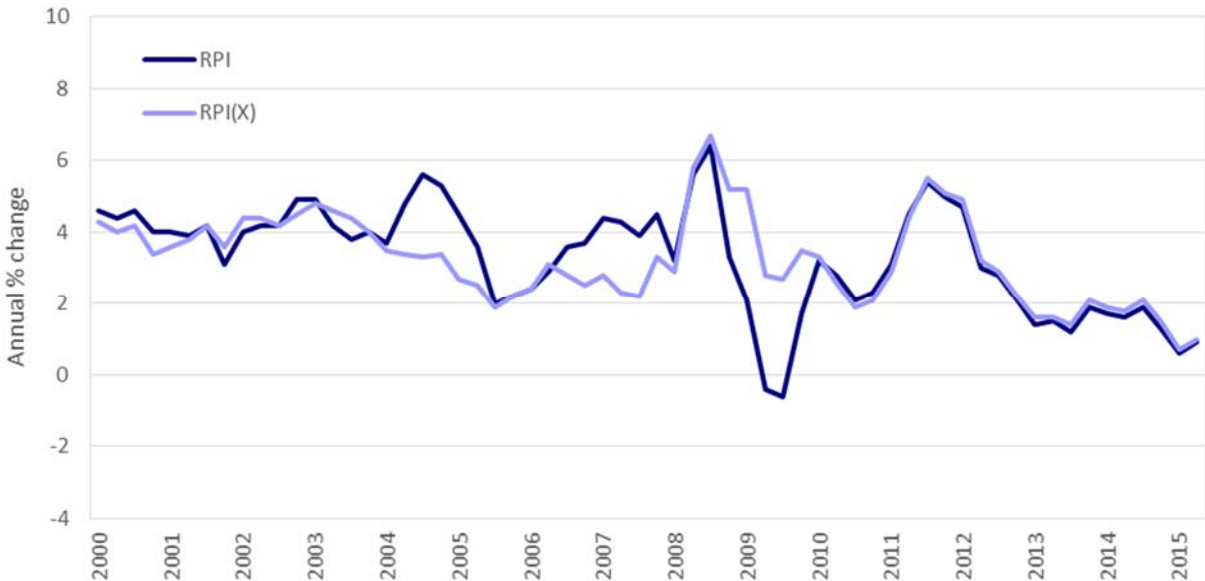
- the **Food group**: prices decreased by 2%, on average, contributing -0.2 pp to the overall quarterly change. Lower prices were seen for fresh fruit and vegetables, potatoes and cereals; in contrast, the average prices of lamb and bacon increased over the quarter;
- **Leisure goods** prices were 4% lower, contributing -0.2 pp to the overall quarterly change; lower prices were seen across most of the group.

**Excluding house purchase costs: RPI(X)**

RPI(X) is the RPI excluding the cost of mortgage interest payments. During the twelve months to March 2015, RPI(X) increased by 1.0% to 159.2.

The annual rates of change of both RPI and RPI(X) since 2000 are shown in Figure 5.

**Figure 5 - Annual percentage changes in RPI and RPI(X)**



The annual rate of increase of RPI(X) rose by 0.3 pp between March 2015 and June 2015, from 0.7% to 1.0 %. In March 2015, RPI(X) had recorded its lowest annual rate of increase since this measure was first published for Jersey in 2000.

On a quarterly basis, RPI(X) increased by 0.5% between March 2015 and June 2015.

### Other inflation measures

In December 2007, a further three consumer price indices were introduced for Jersey: **RPI Pensioners**, for pensioner households; **RPI Low Income**, for households in the lowest income quintile; and **RPI(Y)**, which provides a measure of underlying inflation. The annual rates of change of these indices, and also of RPI(X), are shown in Table 2.

**Table 2: Annual % increases in RPI(X), RPI(Y), RPI Pensioners and RPI Low Income**

Date	RPI(X)	RPI(Y)	RPI Pensioners	RPI Low Income
Mar-10	3.3	3.4	3.6	3.1
Jun-10	2.6	2.7	2.7	2.6
Sep-10	1.9	2.0	2.0	2.1
Dec-10	2.1	2.2	2.1	2.2
Mar-11	2.9	3.1	3.2	3.2
Jun-11	4.4	3.0	4.5	4.4
Sep-11	5.5	3.9	5.4	5.3
Dec-11	5.1	3.7	5.0	5.0
Mar-12	4.9	3.5	4.4	4.9
Jun-12	3.2	3.1	2.9	3.2
Sep-12	2.9	3.1	2.6	3.0
Dec-12	2.2	2.1	2.1	2.4
Mar-13	1.6	1.3	1.4	1.9
Jun-13	1.6	1.4	1.6	2.1
Sep-13	1.4	1.2	1.2	1.8
Dec-13	2.1	2.0	1.9	2.3
Mar-14	1.9	1.8	1.8	2.0
Jun-14	1.8	1.6	1.5	1.7
Sep-14	2.1	1.8	2.0	2.1
Dec-14	1.5	1.3	0.9	1.4
Mar-15	0.7	0.6	-0.1	0.6
Jun-15	1.0	1.0	0.4	1.1

As Table 2 indicates, the increases in RPI(Y), RPI Pensioners and RPI Low Income over the twelve months to June 2015 were greater than over the twelve months to March 2015, by 0.4 pp for RPI(Y) and by 0.5 pp for both RPI Pensioners and RPI Low Income.

The lower annual rate of increase of RPI Pensioners in June 2015 compared with the other consumer price indices was primarily due to:

- the greater weight given in RPI Pensioners to food and domestic energy costs, both of which, on average, decreased in price on an annual basis;
- the lower weight given in RPI Pensioners to rent paid, which increased on an annual basis.

**Comparison with other jurisdictions**

The annual rates of increase of the RPI, RPI(X) and RPI(Y) in Jersey, Guernsey and the UK are shown in Table 3; for the UK the annual rate of increase of RPIJ<sup>3</sup> is also shown. For methodological reasons (see Note 4), the appropriate comparison with the UK is that of the Jersey RPI and the UK RPIJ.

Over the twelve months to June 2015 the annual increase of the RPI in Jersey (0.9%) was greater than that of RPIJ in the UK (0.4%).

**Table 3: Annual % increases in RPI, RPI(X) and RPI(Y) for Mar 2015 and Jun 2015**

		RPI		RPI(X)		RPI(Y)	
		Mar-15	Jun-15	Mar-15	Jun-15	Mar-15	Jun-15
<b>Jersey</b>		0.6	0.9	0.7	1.0	0.6	1.0
<b>UK</b>	<b>RPI</b>	0.9	1.0	0.9	1.1	0.8	1.0
	<b>RPIJ</b>	0.3	0.4				
<b>Guernsey</b>		1.3	1.9	0.8	1.5	0.6	1.3

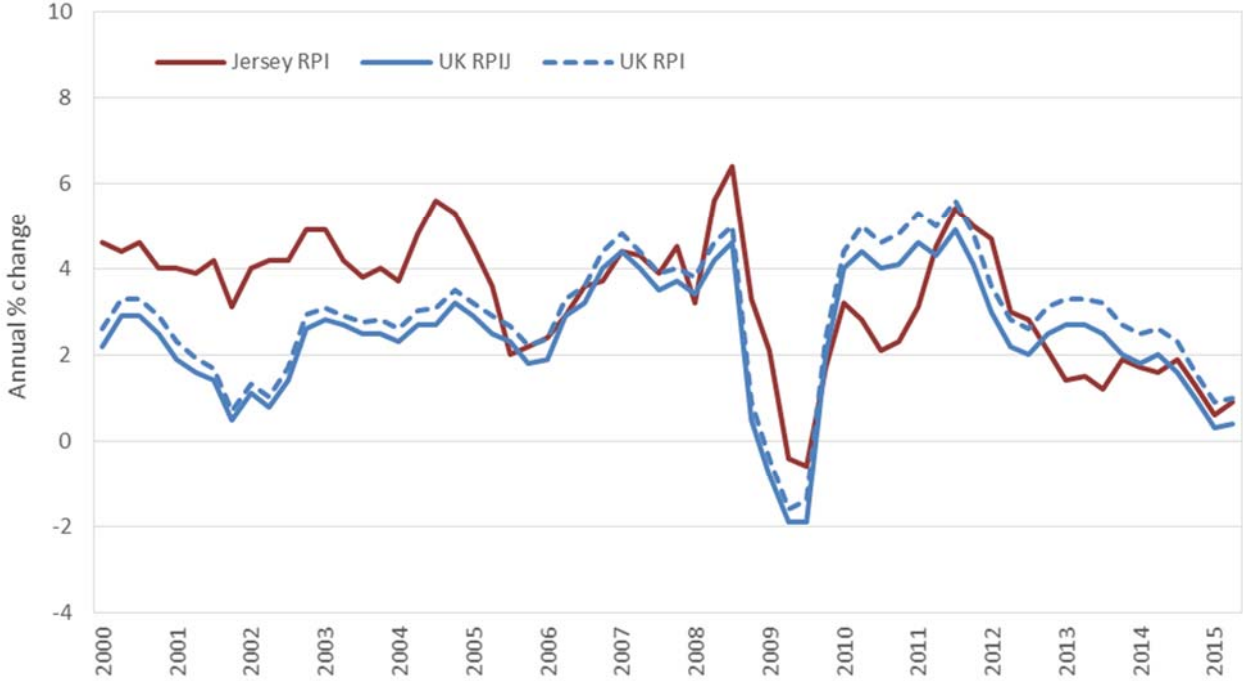
Despite the fact that global factors influence all three jurisdictions considered in Table 3, local trends and issues in each location dictate the full effect of such factors. In particular, for Jersey and the UK<sup>4</sup>:

- **Motoring** costs, overall, recorded a decrease over the twelve months to June 2015 in the UK (down by 3.3%) whilst in Jersey prices increased by 0.7%, on average. This difference was largely due to two factors: the cost of purchasing motor vehicles decreased in the UK but increased in Jersey; and the fall in petrol and diesel prices is given greater weight in the UK indices than in Jersey. Furthermore, petrol and diesel saw slightly greater reductions in average price in the UK than in Jersey: down by 14 and 15 p per litre, respectively, in the UK on an annual basis; whilst in Jersey, over the same period, petrol and diesel prices decreased by 12 and 14 p per litre, respectively;
- in contrast, **Clothing & footwear** saw lower prices in Jersey on an annual basis but increased in price in the UK over the same period; whilst **Leisure goods** saw a greater fall in prices on an annual basis in Jersey than in the UK.

<sup>3</sup> RPIJ was first published by the UK Office for National Statistics in March 2013.  
<sup>4</sup> Group level contributions are not published for the UK RPIJ. Acknowledging the upward bias of annual changes in the UK RPI compared with RPIJ (see Note 4), informative comparison can be made at the RPI group level, for which UK information is published.

The annual percentage changes since 2000 of the Jersey RPI, the UK RPI and the UK RPIJ are shown in Figure 6.

**Figure 6 – Annual percentage changes of the RPI in Jersey and the UK and of the UK RPIJ**



**Statistics Unit**  
**17<sup>th</sup> July 2015**



## NOTES

1. The Retail Prices Index (RPI) is the main measure of inflation in Jersey. It measures the change from quarter to quarter in the price of the goods and services purchased by an “average household” in Jersey. The spending pattern on which the index is based is revised at intervals, using information from the Jersey Household Spending Survey (HSS). An HSS was conducted in 2009-10, the results of which were published in July 2011; these results have been used to conduct a commodity review and the introduction of new weights for all consumer prices indices in September 2013.
2. The RPI is compiled using a large and representative selection of over 500 separate goods and services. The price movements for each of these are measured at a representative range of outlets. About 2,500 separate price quotations are used each quarter in compiling the index. Prices are measured on or around the 15<sup>th</sup> day of March, June, September and December.
3. Full details of the Jersey Retail Prices Index and its movements for the past twelve years, together with the comparable UK and Guernsey indices, are set out in the Annex, along with details of the Jersey, UK and Guernsey figures for RPI(X) from 2003 to date.
4. In 2012 a consultation exercise on the UK RPI was conducted by the UK National Statistician. The principal outcomes of this consultation were that: the UK RPI does not meet current international standards; and that a new index (RPIJ) should be published; from March 2013 the UK have published RPIJ. The annual percentage change in the UK RPI is systematically greater (by an average of approximately 0.5 pp) than RPIJ; this upward bias is predominantly due to the “formula effect”. The Jersey RPI is not susceptible to such an upward bias.

It should also be acknowledged that the annual change of the UK indices RPI(X) and RPI(Y) are also susceptible, in principle, to an upward bias due to the formula effect. However, the upward biases of the UK RPI(X) and RPI(Y) are not quantified by the UK Office for National Statistics.

5. RPI(Y) excludes mortgage interest payments and indirect taxes. For Jersey, the indirect taxes excluded are Parish rates and all taxes and duties that directly affect retail prices, namely impôts (on tobacco, alcohol and motor fuels), the Goods and Services Tax (GST), Air Passenger Duty and Vehicle Emissions Duty.
6. Group and section weights for RPI Pensioners and RPI Low Income are derived from information on expenditure collected by the 2009/10 Household Spending Survey (HSS). Section and item weights therefore differ from those in the Jersey RPI due to the different expenditure patterns for these households compared to all households.
7. The Jersey RPI for September 2015 will be published on Friday 23<sup>rd</sup> October 2015.
8. The Jersey Retail Prices Index is compiled by the Statistics Unit, The Parade, St. Helier, Jersey, JE4 8QT; (enquiries to Statistics Unit: 01534-440465 e-mail: [statistics@gov.je](mailto:statistics@gov.je)).

ALL ITEMS RETAIL PRICES INDEX: 2003 - 2015								
Jersey RPI (June 2000=100)			Annual Movements %			Quarterly Movements %		
			Jersey	UK	Guernsey	Jersey	UK	Guernsey
<b>2003</b>	Mar	112.4	4.9	3.1	4.7	2.4	0.8	1.9
	Jun	112.9	4.2	2.9	4.3	0.4	0.8	0.6
	Sep	113.9	3.8	2.8	3.3	0.9	0.7	0.4
	Dec	114.2	4.0	2.8	3.9	0.3	0.5	1.0
<b>2004</b>	Mar	116.6	3.7	2.6	4.2	2.1	0.6	2.2
	Jun	118.3	4.8	3.0	4.5	1.5	1.2	0.9
	Sep	120.3	5.6	3.1	5.2	1.7	0.7	1.1
	Dec	120.3	5.3	3.5	4.9	0.0	1.0	0.7
<b>2005</b>	Mar	121.9	4.5	3.2	4.6	1.3	0.3	1.9
	Jun	122.6	3.6	2.9	4.6	0.6	0.9	0.9
	Sep	122.7	2.0	2.7	3.8	0.1	0.5	0.3
	Dec	123.0	2.2	2.2	3.3	0.2	0.5	0.2
<b>2006</b>	Mar	124.8	2.4	2.4	3.1	1.5	0.5	1.7
	Jun	126.2	2.9	3.3	3.4	1.1	1.8	1.2
	Sep	127.1	3.6	3.6	3.5	0.7	0.8	0.4
	Dec	127.5	3.7	4.4	4.4	0.3	1.3	1.1
<b>2007</b>	Mar	130.3	4.4	4.8	4.8	2.2	0.8	2.1
	Jun	131.6	4.3	4.4	4.7	1.0	1.4	1.1
	Sep	132.1	3.9	3.9	4.9	0.4	0.3	0.6
	Dec	133.3	4.5	4.0	4.9	0.9	1.4	1.1
<b>2008</b>	Mar	134.5	3.2	3.8	4.8	0.9	0.6	2.0
	Jun	139.0	5.6	4.6	5.5	3.3	2.2	1.7
	Sep	140.5	6.4	5.0	5.8	1.1	0.7	0.9
	Dec	137.7	3.3	0.9	1.2	-2.0	-2.5	-3.4
<b>2009</b>	Mar	137.3	2.1	-0.4	-1.2	-0.3	-0.8	-0.4
	Jun	138.5	-0.4	-1.6	-1.3	0.9	1.0	1.6
	Sep	139.6	-0.6	-1.4	-1.2	0.8	0.9	1.1
	Dec	140.0	1.7	2.4	2.2	0.3	1.3	0.0
<b>2010</b>	Mar	141.7	3.2	4.4	3.4	1.2	1.2	0.7
	Jun	142.4	2.8	5.0	2.3	0.5	1.5	0.5
	Sep	142.6	2.1	4.6	1.6	0.1	0.5	0.4
	Dec	143.2	2.3	4.8	2.3	0.4	1.4	0.6
<b>2011</b>	Mar	146.1	3.1	5.3	2.9	2.0	1.8	1.4
	Jun	148.8	4.5	5.0	3.0	1.8	1.2	0.6
	Sep	150.3	5.4	5.6	3.5	1.0	1.1	0.9
	Dec	150.4	5.0	4.8	3.2	0.1	0.6	0.3
<b>2012</b>	Mar	153.0	4.7	3.6	3.5	1.7	0.6	1.7
	Jun	153.3	3.0	2.8	3.2	0.2	0.4	0.3
	Sep	154.5	2.8	2.6	3.0	0.8	1.0	0.7
	Dec	153.5	2.1	3.1	3.2	-0.6	1.1	0.4
<b>2013</b>	Mar	155.2	1.4	3.3	2.6	1.1	0.8	1.1
	Jun	155.6	1.5	3.3	2.7	0.3	0.4	0.4
	Sep	156.4	1.2	3.2	2.7	0.5	0.9	0.7
	Dec	156.4	1.9	2.7	2.7	0.0	0.6	0.5
<b>2014</b>	Mar	157.9	1.7	2.5	2.8	1.0	0.6	1.2
	Jun	158.1	1.6	2.6	2.6	0.1	0.6	0.2
	Sep	159.3	1.9	2.3	2.5	0.8	0.5	0.6
	Dec	158.5	1.3	1.6	1.2	-0.5	0.0	-0.8
<b>2015</b>	Mar	158.9	0.6	0.9	1.3	0.3	-0.2	1.3
	Jun	159.6	0.9	1.0	1.9	0.4	0.7	0.8

<b>RETAIL PRICES INDEX EXCLUDING HOUSE PURCHASE COSTS: 2003 - 2015</b>						
<b>Jersey RPI(X) (June 2000=100)</b>			<b>Annual Movements %</b>			<b>Quarterly Movements %</b>
			<b>Jersey</b>	<b>UK</b>	<b>Guernsey</b>	<b>Jersey</b>
<b>2003</b>	Mar	112.5	4.8	3.0	4.3	2.5
	Jun	113.4	4.6	2.8	3.8	0.8
	Sep	114.5	4.4	2.8	3.1	1.0
	Dec	114.2	4.0	2.6	3.4	-0.3
<b>2004</b>	Mar	116.4	3.5	2.1	3.2	1.9
	Jun	117.3	3.4	2.3	3.1	0.8
	Sep	118.3	3.3	1.9	2.9	0.9
	Dec	118.1	3.4	2.5	2.9	-0.2
<b>2005</b>	Mar	119.6	2.7	2.4	3.2	1.3
	Jun	120.2	2.5	2.2	3.3	0.5
	Sep	120.6	1.9	2.5	3.6	0.3
	Dec	120.7	2.2	2.0	3.0	0.1
<b>2006</b>	Mar	122.5	2.4	2.1	2.8	1.5
	Jun	123.9	3.1	3.1	3.1	1.1
	Sep	124.0	2.8	3.2	2.5	0.1
	Dec	123.7	2.5	3.8	2.8	-0.2
<b>2007</b>	Mar	125.9	2.8	3.9	3.1	1.8
	Jun	126.7	2.3	3.3	3.1	0.6
	Sep	126.7	2.2	2.8	2.9	0.0
	Dec	127.7	3.2	3.1	3.9	0.8
<b>2008</b>	Mar	129.5	2.9	3.5	4.3	1.4
	Jun	134.0	5.8	4.8	5.4	3.5
	Sep	135.2	6.7	5.5	6.2	0.9
	Dec	134.3	5.2	2.8	4.6	-0.7
<b>2009</b>	Mar	136.2	5.2	2.2	3.3	1.4
	Jun	137.8	2.8	1.0	2.7	1.2
	Sep	138.8	2.7	1.3	2.4	0.7
	Dec	139.0	3.5	3.8	2.9	0.1
<b>2010</b>	Mar	140.7	3.3	4.8	3.1	1.2
	Jun	141.4	2.6	5.0	2.4	0.5
	Sep	141.4	1.9	4.6	2.3	0.0
	Dec	141.9	2.1	4.7	2.7	0.4
<b>2011</b>	Mar	144.8	2.9	5.4	2.9	2.0
	Jun	147.6	4.4	5.0	2.6	1.9
	Sep	149.2	5.5	5.7	3.0	1.1
	Dec	149.2	5.1	5.0	2.8	0.0
<b>2012</b>	Mar	151.9	4.9	3.7	3.2	1.8
	Jun	152.3	3.2	2.8	3.1	0.3
	Sep	153.5	2.9	2.6	3.0	0.8
	Dec	152.5	2.2	3.0	3.0	-0.7
<b>2013</b>	Mar	154.3	1.6	3.2	2.3	1.2
	Jun	154.8	1.6	3.3	2.1	0.3
	Sep	155.6	1.4	3.2	2.0	0.5
	Dec	155.7	2.1	2.8	2.1	0.1
<b>2014</b>	Mar	157.3	1.9	2.5	2.2	1.0
	Jun	157.6	1.8	2.7	2.1	0.2
	Sep	158.9	2.1	2.3	1.8	0.8
	Dec	158.0	1.5	1.7	0.6	-0.6
<b>2015</b>	Mar	158.4	0.7	0.9	0.8	0.3
	Jun	159.2	1.0	1.1	1.5	0.5