



# PRESS RELEASE

## SINGAPORE CONSUMER PRICE INDEX FOR HOUSEHOLDS IN DIFFERENT INCOME GROUPS

### Consumer Price Index, January – June 2014

The Consumer Price Index (CPI) for general households rose by 1.7 per cent in the first half of 2014, compared with the same period a year ago. This was lower than the increase of 1.9 per cent registered in the second half of 2013. Excluding imputed rentals on Owner-Occupied Accommodation (OOA), the CPI went up by 1.7 per cent in the first half of 2014, slightly higher than the increase of 1.5 per cent in the second half of 2013.<sup>[1]</sup>

In terms of the different income groups, the CPI excluding imputed rentals on OOA for the lowest 20% rose by 2.0 per cent in the first half of 2014, while that for both the middle 60% and highest 20% increased by 1.7 per cent. Although all the income groups experienced increases in food and health care costs, the higher inflation rate of the lowest 20% income group was due to its larger expenditure shares on these items.

For the CPI-All Items, the increases experienced by the lowest 20%, middle 60% and highest 20% income groups were 2.1 per cent, 1.8 per cent and 1.5 per cent respectively. The lowest 20% and middle 60% income groups saw higher inflation rates than the highest 20% income group primarily because of larger increases in their imputed rentals on OOA, which do not involve actual cash expenditure for households who own their homes.<sup>[2]</sup>

Besides imputed rentals on OOA, other items responsible for the rise in CPI-All Items for all income groups were food, school & tuition fees, holiday travel cost and medical treatment fees. These price increases were partially offset by lower car prices, electricity tariffs and the government concessionary levy for foreign domestic helpers.

Singapore Department of Statistics  
23 July 2014

For enquiries, please contact:

Shen Peixuan T (+65) 6332 7700 E [shen\\_peixuan@singstat.gov.sg](mailto:shen_peixuan@singstat.gov.sg)

<sup>[1]</sup> The OOA cost in CPI comprises rentals that are imputed for owner-occupied homes. Given that imputed rentals on OOA have no impact on the cash expenditure of such households, an additional indicator of inflation, “CPI All Items less imputed rentals on owner-occupied accommodation” is compiled.

<sup>[2]</sup> As imputed rentals on OOA have a larger weight in the CPI basket for the lowest 20% and middle 60% income groups, any general increase in imputed rentals on OOA will also have a greater impact on the inflation rate for these income groups compared with the highest 20% income group. Also, note that actual rentals paid on rented homes are included separately in the CPI.

CONSUMER PRICE INDEX FOR HOUSEHOLDS IN DIFFERENT INCOME GROUPS  
(2009 = 100)

Income Group	All Items	Food	Clothing & Footwear	Housing	Transport	Communi- cation	Education & Stationery	Health Care	Recreation & Others	All Items Less Imputed Rentals on Owner-Occupied Accommodation
Weight Per 10,000										
General Households	<b>10,000</b>	2,205	341	2,548	1,553	475	735	586	1,557	8,441
Lowest 20%	<b>10,000</b>	2,689	225	3,605	719	518	439	739	1,066	7,576
Middle 60%	<b>10,000</b>	2,381	352	2,477	1,492	552	686	585	1,475	8,504
Highest 20%	<b>10,000</b>	1,843	348	2,428	1,823	354	865	559	1,780	8,531
Percent Change Over Corresponding Period Of Previous Year										
<u>2014 Jan - Jun</u>										
General Households	1.7	2.9	-0.6	1.0	0.5	-0.6	2.9	3.5	2.4	1.7
Lowest 20%	2.1	2.9	-0.5	1.6	1.3	-0.6	2.4	3.7	2.6	2.0
Middle 60%	1.8	2.9	-0.7	1.3	0.5	-0.6	2.8	3.5	2.4	1.7
Highest 20%	1.5	2.8	-0.6	0.3	0.6	-0.6	3.0	3.6	2.3	1.7
<u>2013 Jul - Dec</u>										
General Households	1.9	2.4	-0.1	1.9	0.5	-1.5	3.3	3.8	2.9	1.5
Lowest 20%	2.3	2.3	0.3	2.6	0.6	-1.2	3.5	3.9	2.6	1.1
Middle 60%	1.9	2.4	-0.2	2.4	0.4	-1.5	3.0	3.8	2.7	1.4
Highest 20%	1.9	2.4	-0.1	1.1	0.7	-1.6	3.7	4.0	3.2	1.8
<u>2013</u>										
General Households	2.4	2.1	0.3	2.6	2.3	-1.4	3.3	3.8	2.7	1.9
Lowest 20%	2.7	2.0	0.3	3.6	2.1	-1.0	3.5	3.9	2.4	1.2
Middle 60%	2.4	2.1	0.3	3.1	2.3	-1.4	3.0	3.8	2.5	1.7
Highest 20%	2.3	2.2	0.4	1.5	2.4	-1.4	3.6	4.0	3.0	2.2
<u>2012</u>										
General Households	4.6	2.3	1.4	7.8	7.1	-0.1	3.4	4.5	1.8	3.6
Lowest 20%	5.6	2.2	1.0	10.4	5.3	-	2.3	4.9	1.3	3.5
Middle 60%	4.7	2.3	1.4	8.6	7.0	-0.1	3.3	4.5	1.7	3.6
Highest 20%	4.2	2.5	1.6	5.5	7.3	-0.1	3.5	4.5	2.0	3.8