



PRESS RELEASE

SINGAPORE CONSUMER PRICE INDEX FOR HOUSEHOLDS IN DIFFERENT INCOME GROUPS

Consumer Price Index, January – June 2016

In the first half of 2016, the Consumer Price Index (CPI)-All Items for general households declined by 0.9 per cent on a year-on-year basis, larger than the 0.7 per cent decline in the second half of 2015. Excluding imputed rentals on owner-occupied accommodation (OOA)^[1], the CPI edged down by 0.2 per cent after remaining unchanged in the second half of 2015.

By income groups, the CPI-All Items for the lowest 20%, middle 60% and highest 20% income groups fell by 1.3 per cent, 0.7 per cent and 1.1 per cent respectively in the first half of 2016. Excluding imputed rentals on OOA, the CPI for the middle 60% income group rose by 0.1 per cent, while that for the lowest 20% and highest 20% income groups declined by 0.2 per cent and 0.6 per cent respectively.

In the first half of 2016, all three income groups experienced declines in accommodation costs, electricity tariffs and car prices, although these were partially offset by higher food prices. Among the three income groups, the lowest 20% income group saw the largest decline in CPI-All Items primarily due to lower accommodation costs, healthcare services^[2] costs and electricity tariffs, which had a more significant impact on its CPI as these items accounted for a higher share of its total expenditure. On the other hand, the CPI-All Items for the highest 20% income group fell by more than that for the middle 60% income group because it saw a steeper fall in car prices, and its expenditure share on cars was also higher.

^[1] 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.

^[2] This takes into account various Government subsidies for healthcare services (e.g. for lower- to middle-income Singaporeans and Pioneer Generation members), including support for Medishield Life premiums.

CONSUMER PRICE INDEX FOR HOUSEHOLDS IN DIFFERENT INCOME GROUPS
(2014 = 100)

| Income Group | All Items | Food | Clothing & Footwear | Housing & Utilities | Household Durables & Services | Healthcare | Transport | Communication | Recreation & Culture | Education | Miscellaneous Goods & Services | All Items Less Imputed Rentals on Owner-Occupied Accommodation |
|---|---------------|------|---------------------|---------------------|-------------------------------|------------|-----------|---------------|----------------------|-----------|--------------------------------|--|
| Weight Per 10,000 | | | | | | | | | | | | |
| General Households | 10,000 | 2167 | 273 | 2625 | 475 | 615 | 1579 | 385 | 788 | 615 | 478 | 8101 |
| Lowest 20% | 10,000 | 2435 | 157 | 4002 | 359 | 812 | 732 | 397 | 466 | 261 | 379 | 7076 |
| Middle 60% | 10,000 | 2360 | 283 | 2615 | 432 | 623 | 1404 | 453 | 737 | 602 | 491 | 8104 |
| Highest 20% | 10,000 | 1835 | 280 | 2396 | 555 | 562 | 1984 | 288 | 920 | 700 | 480 | 8263 |
| Percent Change Over Corresponding Period Of Previous Year | | | | | | | | | | | | |
| <u>2016 Jan -Jun</u> | | | | | | | | | | | | |
| General Households | -0.9 | 2.1 | 1.4 | -4.1 | 0.7 | 0.8 | -4.0 | -0.8 | 0.8 | 2.8 | 0.5 | -0.2 |
| Lowest 20% | -1.3 | 1.8 | 1.5 | -4.1 | 0.6 | -1.5 | -1.8 | -0.9 | 1.5 | 1.7 | 0.3 | -0.2 |
| Middle 60% | -0.7 | 2.0 | 1.3 | -4.3 | 0.7 | 0.8 | -2.9 | -0.9 | 0.8 | 2.8 | 0.4 | 0.1 |
| Highest 20% | -1.1 | 2.3 | 1.4 | -3.9 | 0.7 | 1.4 | -5.3 | -0.7 | 0.7 | 2.8 | 0.6 | -0.6 |
| <u>2015 Jul - Dec</u> | | | | | | | | | | | | |
| General Households | -0.7 | 1.8 | 1.0 | -3.9 | -1.7 | -0.1 | -1.3 | -0.6 | 0.7 | 3.6 | -0.3 | - |
| Lowest 20% | -1.4 | 1.2 | 1.8 | -3.8 | -1.9 | -3.4 | 0.8 | -0.7 | 0.9 | 1.3 | -0.3 | -0.7 |
| Middle 60% | -0.5 | 1.7 | 1.0 | -4.0 | -1.7 | -0.3 | 0.1 | -0.6 | 0.8 | 3.3 | -0.3 | 0.2 |
| Highest 20% | -0.8 | 2.1 | 0.8 | -3.8 | -1.8 | 1.4 | -2.9 | -0.4 | 0.5 | 3.8 | -0.5 | -0.3 |
| <u>2015</u> | | | | | | | | | | | | |
| General Households | -0.5 | 1.9 | 0.1 | -3.5 | -0.6 | -0.1 | -1.4 | 0.3 | 0.3 | 3.4 | - | 0.1 |
| Lowest 20% | -1.1 | 1.6 | 0.3 | -3.3 | -0.7 | -3.1 | 0.7 | 0.1 | 0.5 | 1.6 | 0.2 | -0.4 |
| Middle 60% | -0.3 | 1.9 | 0.2 | -3.5 | -0.6 | -0.3 | -0.3 | 0.3 | 0.4 | 3.2 | 0.1 | 0.3 |
| Highest 20% | -0.7 | 2.1 | -0.1 | -3.6 | -0.6 | 1.5 | -2.6 | 0.5 | 0.2 | 3.7 | -0.4 | -0.1 |
| <u>2014</u> | | | | | | | | | | | | |
| General Households | 1.0 | 2.9 | -0.8 | 0.1 | 1.8 | 2.8 | -1.2 | -0.2 | 1.8 | 3.4 | 1.2 | 1.2 |
| Lowest 20% | 1.5 | 3.0 | -1.1 | 0.6 | 1.3 | 2.9 | 0.7 | -0.3 | 1.9 | 2.7 | 2.6 | 1.8 |
| Middle 60% | 1.2 | 3.0 | -0.9 | 0.4 | 1.5 | 2.7 | -1.1 | -0.2 | 1.9 | 3.4 | 1.4 | 1.3 |
| Highest 20% | 0.7 | 2.8 | -0.7 | -0.5 | 2.1 | 2.7 | -1.5 | -0.1 | 1.5 | 3.5 | 0.6 | 1.0 |