



## PRESS RELEASE

### SINGAPORE CONSUMER PRICE INDEX BY HOUSEHOLD INCOME GROUPS

#### Consumer Price Index, January – June 2018

The Consumer Price Index (CPI)-All Items for general households rose by 0.3 per cent in the first half of 2018 as compared to the same period in 2017. This was lower than the 0.5 per cent increase in the second half of 2017. Excluding imputed rentals on owner-occupied accommodation (OOA)<sup>[1]</sup>, the CPI rose by 1.2 per cent in the first half of 2018, slower than the 1.6 per cent increase in the second half of 2017.

By household income groups, the CPI-All Items for the lowest 20% income group fell by 0.2 per cent in the first half of 2018, the seventh consecutive half-yearly decline. On the other hand, the CPI-All Items for the middle 60% and highest 20% income groups rose by 0.2 per cent and 0.4 per cent respectively. The lowest 20% income group saw a fall in its CPI-Items, unlike the other two income groups, because imputed rentals on OOA not only declined more sharply for the group but also constituted a higher share of its CPI basket. Excluding imputed rentals on OOA, the CPI for the lowest 20%, middle 60% and highest 20% income groups increased by 1.5 per cent, 1.2 per cent and 1.2 per cent respectively.

For all three income groups, the increase in their respective CPIs excluding OOA (i.e., CPI-ex OOA) in the first half of 2018 was due to a rise in the prices of food, petrol and water, as well as higher tuition & other fees, medical & dental treatment costs <sup>[2]</sup> and electricity tariffs. These price increases were partially offset by lower car prices and bus and train fares. Compared to the middle 60% and highest 20% income groups, the lowest 20% income group experienced a larger increase in its CPI-ex OOA. This primarily reflected the bigger impact that higher food and water prices, as well as medical & dental treatment

---

<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> This takes into account Government subsidies and support for MediShield Life premiums, including the progressive phasing down of the transitional subsidies provided over the first four years of MediShield Life.

costs and electricity tariffs had on the lowest 20% income group, given that these items accounted for a larger share of the group's total expenditure. Furthermore, the fall in car prices had a smaller dampening effect on the CPI of the lowest 20% income group as the expenditure share on cars was much lower for this group as compared to the middle 60% and highest 20% income groups.

CONSUMER PRICE INDEX BY HOUSEHOLD INCOME GROUPS  
(2014 = 100)

Income Group	All Items	Food	Clothing & Footwear	Housing & Utilities	Household Durables & Services	Health* Care	Transport	Communi- cation	Recreation & Culture	Education	Miscellaneous Goods& Services	All Items Less Imputed Rentals on Owner- Occupied Accommodation
Weight Per 10,000												
General Households	<b>10,000</b>	2167	273	2625	475	615	1579	385	788	615	478	8101
Lowest 20%	<b>10,000</b>	2435	157	4002	359	812	732	397	466	261	379	7076
Middle 60%	<b>10,000</b>	2360	283	2615	432	623	1404	453	737	602	491	8104
Highest 20%	<b>10,000</b>	1835	280	2396	555	562	1984	288	920	700	480	8263
Percent Change Over Corresponding Period Of Previous Year												
<u>2018 Jan – Jun</u>												
General Households	0.3	1.4	1.0	-2.3	0.8	2.3	0.1	-0.4	1.0	2.9	0.8	1.2
Lowest 20%	-0.2	1.4	0.9	-2.6	0.6	2.6	-0.1	-0.5	1.1	3.2	1.9	1.5
Middle 60%	0.2	1.4	0.8	-2.5	0.6	2.3	-0.2	-0.4	1.0	2.9	1.1	1.2
Highest 20%	0.4	1.4	0.9	-2.0	1.0	1.9	0.4	-0.3	1.1	2.8	0.2	1.2
<u>2017 Jul – Dec</u>												
General Households	0.5	1.4	1.0	-2.4	1.0	2.3	1.6	0.8	0.4	2.6	0.3	1.6
Lowest 20%	-0.1	1.5	1.1	-2.4	0.7	2.9	0.2	0.7	0.2	2.8	-0.2	1.8
Middle 60%	0.4	1.4	0.8	-2.5	0.7	2.5	1.3	0.8	0.4	2.7	0.1	1.5
Highest 20%	0.6	1.3	1.1	-2.3	1.3	2.0	2.0	0.8	0.5	2.6	0.8	1.5
<u>2017</u>												
General Households	0.6	1.4	0.6	-2.5	1.1	2.5	2.6	0.6	0.3	3.0	0.1	1.7
Lowest 20%	-0.1	1.5	0.8	-2.6	0.8	3.2	1.0	0.5	0.0	3.1	-0.1	1.8
Middle 60%	0.5	1.4	0.5	-2.6	0.8	2.6	2.3	0.6	0.2	3.0	-0.1	1.7
Highest 20%	0.8	1.3	0.7	-2.4	1.3	2.1	3.0	0.5	0.4	3.1	0.5	1.8
<u>2016</u>												
General Households	-0.5	2.1	0.2	-4.1	1.8	1.1	-2.4	-0.4	0.9	3.1	0.3	0.3
Lowest 20%	-1.1	2.0	0.3	-4.1	1.7	-0.7	-1.3	-0.5	1.5	2.4	0.2	0.2
Middle 60%	-0.5	2.0	0.2	-4.2	1.7	1.0	-2.0	-0.4	0.9	3.0	0.2	0.4
Highest 20%	-0.5	2.1	0.3	-3.8	1.9	1.5	-2.9	-0.3	0.9	3.1	0.4	0.1

\* This takes into account Government subsidies and support for MediShield Life premiums, including the progressive phasing down of Transitional Subsidies over the first four years of MediShield Life.