

SUMMARY

During the September quarter 2020:

- The Consumer Price Index (CPI) rose 1.6% nationally and rose 1.0% in Adelaide; and
- Annual CPI inflation to the September quarter 2020 was 0.7% nationally and 1.0% in Adelaide.

The average of the Reserve Bank of Australia's two measures of underlying inflation was 1.3% for the year to the September quarter 2020.

FURTHER ANALYSIS

The annual increase in the national CPI of 0.7% was up from negative 0.3% in the previous quarter.

For Adelaide the annual increase of 1.0% was up from 0.8% recorded in the previous quarter—see Chart 1. Adelaide's annual increase was the equal third highest (with Canberra) of the eight capital cities.

The largest annual CPI increase was recorded for Hobart (up 1.7%), followed by Perth (up 1.3%) and Adelaide and Canberra (both up 1.0%). Equal or lower national average increases were recorded for Melbourne (up 0.7%), Brisbane (up 0.6%), Sydney (up 0.3%) and Darwin (down 0.4%)—see Table 1.

**CHART 1:
CPI % CHANGE THROUGH THE YEAR**

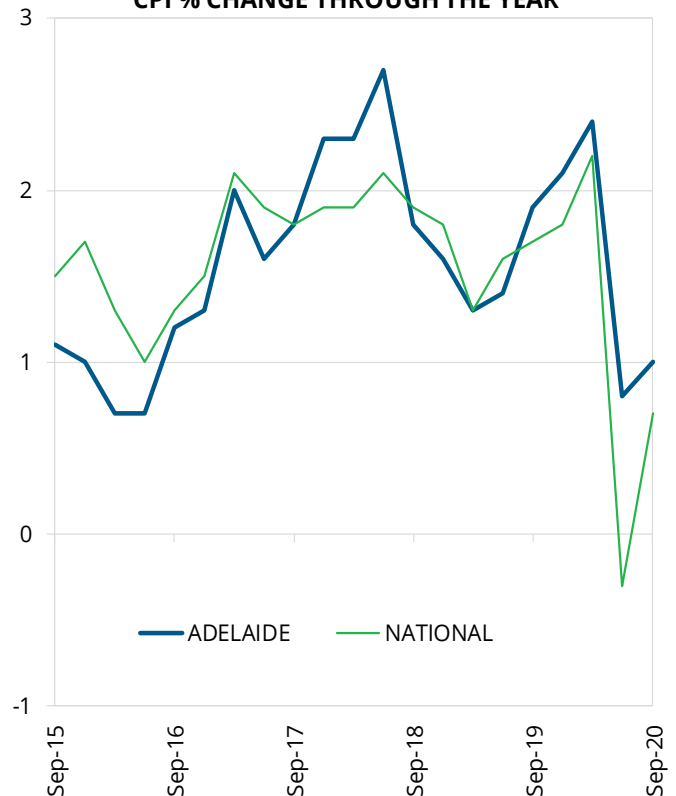


TABLE 1: CPI movement by Capital City

	Sep Qtr 20 vs Jun Qtr 20 (%)	Sep Qtr 20 vs Sep Qtr 19 (%)
Sydney	1.8	0.3
Melbourne	0.9	0.7
Brisbane	2.3	0.6
Adelaide	1.0	1.0
Perth	1.8	1.3
Hobart	1.0	1.7
Darwin	1.7	-0.4
Canberra	2.3	1.0
National - headline	1.6	0.7
National - underlying*	0.4	1.3

* Average of RBA trimmed mean and weighted median measures

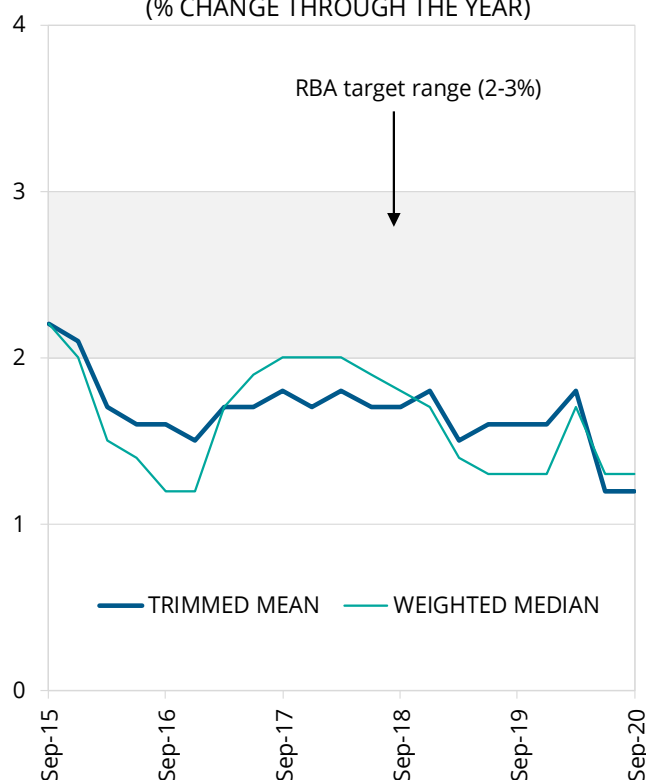
Nationally, the rise in the CPI during the September quarter reflects the impact of rising prices for child care (up 1382%)*, automotive fuel (up 9.4%), tobacco (up 3.2%), preschool and primary education (up 11%), furniture (up 6.4%) and motor vehicles (up 2.5%). The most significant offsetting price fall was for other non-durable household products (down 4.1%) followed by water and sewerage (down 2.7%).

In Adelaide, the rise in the CPI during the September quarter reflects the impact of rising prices for child care (up 1651%)*, automotive fuel (up 8.2%), tobacco (up 3.0%), furniture (up 6.6%), other services in respect of motor vehicles (up 6.8%) and preschool and primary education (up 7.4%). These rises were partially offset by price falls for electricity (down 5.0%) and water and sewerage (down 17%).

The Reserve Bank of Australia's measures of 'underlying' inflation show annual growth of 1.3% for the weighted median and 1.2% for the trimmed mean. The RBA monitors these two series as part of the process of determining official interest rates.

* In the September quarter, child care fees returned to their pre-COVID rate, having been free during the June quarter.

CHART 2:
"UNDERLYING" INFLATION MEASURES
(% CHANGE THROUGH THE YEAR)



Next release of [this ABS data](#) (formerly cat. no. 6401.0) is 27 January 2021

TABLE 2: Per cent changes in CPI by component group, September quarter 2020

	National % change In quarter	Adelaide % change In quarter	National % change In year	Adelaide % change In year
Food and non-alcoholic beverages	-0.4	-0.3	3.4	4.1
Alcohol and tobacco	1.6	1.9	8.1	9.3
Clothing & Footwear	0.4	-0.4	-0.5	-0.5
Housing	0.0	-1.8	-0.2	-1.4
Furnishings, household equipment & services	12.0	8.7	-0.1	3.0
Health	-0.1	0.1	1.0	1.1
Transport	3.4	4.3	-4.0	-5.3
Communication	-0.8	-0.8	-3.3	-3.3
Recreation and culture	1.1	1.1	-0.7	0.6
Education	2.1	1.7	1.0	1.7
Insurance & financial services	0.1	-0.6	1.6	1.4
All Groups	1.6	1.0	0.7	1.0