

Consumer Price Indices for February 2024

The Census and Statistics Department (C&SD) released today (March 21) the Consumer Price Index (CPI) figures for February 2024. According to the Composite CPI, overall consumer prices rose by 2.1% in February 2024 over the same month a year earlier, larger than the corresponding increase (1.7%) in January 2024. Netting out the effects of all Government's one-off relief measures, the year-on-year rate of increase in the Composite CPI (i.e. the underlying inflation rate) in February 2024 was 1.2%, also larger than that in January 2024 (0.8%). The larger increase was mainly due to the increases in food prices attributed to the Lunar New Year.

It should be noted that consumer prices tend to show greater volatility in the first two months of a year due to the timing of the Lunar New Year. As the Lunar New Year fell in February this year but in January last year, the year-on-year comparison of the figures for January and February 2024 might have been affected by this factor to a certain extent. Taking the first two months of 2024 together to neutralise the effect of the Lunar New Year, the Composite CPI rose by 1.9% over a year earlier. Netting out the effect of all Government's one-off relief measures, the corresponding increase was 0.9%.

On a seasonally adjusted basis, the average monthly rate of change in the Composite CPI for the 3-month period ending February 2024 was 0.0%, the same as that for the 3-month period ending January 2024. Netting out the effects of all Government's one-off relief measures, the corresponding rates of change were both 0.0%.

Analysed by sub-index, the year-on-year rates of increase in the CPI(A), CPI(B) and CPI(C) were 2.3%, 2.0% and 2.0% respectively in February 2024, as compared to 2.0%, 1.6% and 1.5% respectively in January 2024. Netting out the effects of all Government's one-off relief measures, the year-on-year rates of increase in the CPI(A), CPI(B) and CPI(C) were 0.8%, 1.2% and 1.6% respectively in February 2024, as compared to 0.5%, 0.8% and 1.0% respectively in January 2024.

Taking the first two months of 2024 together, the year-on-year rates of increase in the CPI(A), CPI(B) and CPI(C) were 2.2%, 1.8% and 1.8% respectively. Netting out the effects of all Government's one-off relief measures, the corresponding increases were 0.6%, 1.0% and 1.3% respectively.

On a seasonally adjusted basis, for the 3-month period ending February 2024, the average monthly rates of change in the CPI(A), CPI(B) and CPI(C) were -0.1%, 0.0% and 0.1% respectively. The corresponding rates of change for the 3-month period ending January 2024 were -0.1%, 0.0% and 0.0% respectively. Netting out the effects of all Government's one-off relief measures, the average monthly rates of change in the seasonally adjusted CPI(A), CPI(B) and CPI(C) for the 3-month period ending February 2024 were

0.0%, 0.0% and 0.1% respectively, and the corresponding rates of change for the 3-month period ending January 2024 were -0.1%, 0.0% and 0.0% respectively.

Amongst the various components of the Composite CPI, year-on-year increases in prices were recorded in February 2024 for alcoholic drinks and tobacco (6.1%), meals out and takeaway food (3.6%), miscellaneous services (3.6%), housing (3.0%), transport (2.3%), clothing and footwear (1.3%), and miscellaneous goods (1.0%).

On the other hand, year-on-year decreases in the components of the Composite CPI were recorded in February 2024 for electricity, gas and water (-7.8%), durable goods (-1.4%), and basic food (-0.1%).

For the 3 months ending February 2024, the Composite CPI rose by 2.1% over a year earlier, while the CPI(A), CPI(B) and CPI(C) rose by 2.4%, 2.0% and 1.9% respectively. The corresponding increases after netting out the effects of all Government's one-off relief measures were 1.1%, 0.8%, 1.1% and 1.5% respectively.

For the 12 months ending February 2024, the Composite CPI was on average 2.1% higher than that in the preceding 12-month period. The respective increases in the CPI(A), CPI(B) and CPI(C) were 2.3%, 2.0% and 2.0% respectively. The corresponding increases after netting out the effects of all Government's one-off relief measures were 1.5%, 1.5%, 1.5% and 1.7% respectively.

Commentary

A Government spokesman said that the underlying consumer price inflation rate stayed moderate in the first two months of 2024. While prices of meals out and takeaway food continued to see relatively fast increases, prices of basic food declined from a year earlier. Prices of energy-related items fell further. Price pressures on other major components remained broadly in check.

Looking ahead, overall inflation should remain moderate in the near term. While domestic costs may face some upward pressures as the Hong Kong economy continues to grow, external price pressures should ease further. The Government will continue to monitor the situation.

Further information

The CPIs and year-on-year rates of change at section level for February 2024 are shown in Table 1. The time series on the year-on-year rates of change in the CPIs before and after netting out the effects of all Government's one-off relief measures are shown in Table 2. For discerning the latest trend in consumer prices, it is also useful to look at the changes in the seasonally adjusted CPIs. The time series on the average monthly rates of change during the latest 3 months for the seasonally adjusted CPIs are shown in Table 3. The rates of change in the original and the seasonally adjusted Composite CPI and the underlying inflation rate are presented graphically in Chart 1.

More detailed statistics are given in the "Monthly Report on the Consumer Price Index". Users can browse and download this publication at the website of the C&SD (www.censtatd.gov.hk/en/EIndexbySubject.html?pcode=B1060001&scode=270).

For enquiries about the CPIs, please contact the Consumer Price Index Section of the C&SD (Tel: 3903 7374 or email: cpi@censtatd.gov.hk).