

Consumer Price Indices for June 2018

The Census and Statistics Department (C&SD) released today (July 23) the Consumer Price Index (CPI) figures for June 2018. According to the Composite CPI, overall consumer prices rose by 2.4% in June 2018 over the same month a year earlier, larger than the corresponding increase (2.1%) in May 2018. 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 June 2018 was 2.7%. This increase was larger than that in May 2018 (2.4%), mainly due to the enlarged increases in private housing rentals, the prices of salt-water fish, as well as the charges for package tours.

On a seasonally adjusted basis, the average monthly rate of increase in the Composite CPI for the three-month period from April to June 2018 was 0.1%, the same as that for the three-month period from March to May 2018. Netting out the effects of all Government's one-off relief measures, the average monthly rate of increase in the Composite CPI for the three-month period from April to June 2018 was 0.2%, the same as that for the three-month period from March to May 2018.

Analysed by sub-index, the year-on-year rates of increase in the CPI(A), CPI(B) and CPI(C) were 2.6%, 2.3% and 2.2% respectively in June 2018, as compared to 2.3%, 2.0% and 1.9% respectively in May 2018. 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 2.9%, 2.7% and 2.5% respectively in June 2018, as compared to 2.6%, 2.4% and 2.2% respectively in May 2018.

On a seasonally adjusted basis, for the three-month period from April to June 2018, the average monthly rates of change in the seasonally adjusted CPI(A), CPI(B) and CPI(C) were 0.2%, 0.1% and 0.1% respectively. The corresponding rates of change for the three-month period from March to May 2018 were 0.1%, 0.1% and virtually nil. Netting out the effects of all Government's one-off relief measures, the average monthly rates of increase in the seasonally adjusted CPI(A), CPI(B) and CPI(C) for the three-month period from April to June 2018 were 0.3%, 0.2% and 0.2% respectively, and the corresponding rates of increase for the three-month period from March to May 2018 were 0.2%, 0.2% and 0.1% respectively.

Amongst the various CPI components, year-on-year increases in prices were recorded in June 2018 for food (excluding meals bought away from home) (5.2% in the Composite CPI and 5.0% in the CPI(A)); electricity, gas and water (3.8% in the Composite CPI and 4.2% in the CPI(A)); clothing and footwear (3.6% in both the Composite CPI and CPI(A)); meals bought away from home (3.0% in the Composite CPI and 3.1% in the CPI(A)); housing (2.1% in the Composite CPI and 2.3% in the CPI(A)); transport (2.0% in the Composite CPI and 1.7% in the CPI(A)); miscellaneous services (1.7% in the Composite CPI and 1.1% in the CPI(A)); miscellaneous goods (1.4% in the Composite CPI and 1.9% in the CPI(A)) as well as alcoholic drinks and tobacco (1.4% in the

Composite CPI and 1.3% in the CPI(A)).

On the other hand, year-on-year decrease in prices was recorded in June 2018 for durable goods (-2.1% in the Composite CPI and -1.9% in the CPI(A)).

For the first half of 2018 as a whole, the Composite CPI rose by 2.3% over a year earlier. The corresponding increases in the CPI(A), CPI(B) and CPI(C) were 2.5%, 2.2% and 2.2%. Netting out the effects of all Government's one-off relief measures, the Composite CPI, CPI(A), CPI(B) and CPI(C) rose by 2.4%, 2.6%, 2.4% and 2.3% respectively in the first half of 2018 as a whole over a year earlier.

In the second quarter of 2018, the Composite CPI rose by 2.1% over a year earlier, while the CPI(A), CPI(B) and CPI(C) rose by 2.4%, 2.1% and 2.0% respectively. The corresponding increases after netting out the effects of all Government's one-off relief measures were 2.4%, 2.7%, 2.4% and 2.3% respectively.

For the 12 months ended June 2018, the Composite CPI was on average 2.0% higher than that in the preceding 12-month period. The respective increases in the CPI(A), CPI(B) and CPI(C) were 2.2%, 1.9% and 1.9%. The corresponding increases after netting out the effects of all Government's one-off relief measures were 2.0%, 2.2%, 2.0% and 2.0% respectively.

Commentary

A Government spokesman said that consumer price inflation went up slightly in June, as economic conditions had stayed robust so far this year.

The spokesman commented further that, looking forward, inflationary pressure is expected to intensify slightly in the near term compared to the situation in the first half of the year, reflecting higher global inflation and continued feed-through of earlier rises in fresh-letting residential rentals. Nonetheless, inflation should stay within a moderate range for 2018 as a whole. The Government will continue to monitor the situation closely, particularly the impact on the lower-income people.

Further information

The CPIs and year-on-year rates of change at section level for June 2018 are shown in Table 1. The time series on the year-on-year rates of change in the CPIs before and after removing 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 corresponding time series on the average monthly rates of change during the latest three 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 CPI data (including year-on-year comparison, month-to-month comparison, seasonally adjusted data series and the CPIs by the Classification of Individual Consumption According to Purpose (COICOP)) are

available in the monthly reports. Users can download the June 2018 issue of the "Monthly Report on the Consumer Price Index" (www.censtatd.gov.hk/hkstat/sub/sp270.jsp?productCode=B1060001), the time series of CPIs at detailed level (www.censtatd.gov.hk/hkstat/sub/sp270.jsp?productCode=D5600001), the time series of CPIs at COICOP division level (www.censtatd.gov.hk/hkstat/sub/sp270.jsp?productCode=D5600002) and the time series of CPIs after netting out the effects of all Government's one-off relief measures (www.censtatd.gov.hk/hkstat/sub/sp270.jsp?productCode=D5600003) free of charge at the website of the C&SD.

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).

June's monthly ovitrap index for *Aedes albopictus* rises

The Food and Environmental Hygiene Department (FEHD) today (July 23) announced that the monthly ovitrap index for *Aedes albopictus* for June rose to 11.3 per cent from 10.2 per cent in May, indicating that mosquito infestation was slightly more extensive in the areas surveyed. The FEHD reminded the public to stay vigilant and keep up effective measures against mosquitoes as the hot and rainy weather of summer is favourable for proliferation of mosquitoes.

"*Aedes albopictus* is a kind of mosquito that can transmit dengue fever (DF) and Zika virus. In view of the fact that Hong Kong recorded a confirmed local DF case, five local Japanese encephalitis (JE) cases and one imported case of Zika Virus Infection last year and DF is still highly prevalent in neighbouring areas, and that the rainy weather of summer is conducive to massive mosquito breeding, the community must work with the Government to continue to carry out effective mosquito prevention measures," an FEHD spokesman said.

Among the 52 areas surveyed last month, the Area Ovitrap Index (AOI) in 10 areas reached or exceeded the alert level of 20 per cent. They were Tseung Kwan O North (41 per cent), Pok Fu Lam (37.9 per cent), Fanling (31.6 per cent), Sai Wan (30.9 per cent), Lai King (25.5 per cent), Kowloon Bay (25 per cent), Wong Tai Sin Central (23.4 per cent), Tseung Kwan O South (22.6 per cent), Tsing Yi North (22.2 per cent) and Kai Tak North (20 per cent).

The spokesman said, "The FEHD is very concerned about mosquito infestation, and an inter-departmental anti-mosquito response mechanism has been activated in the above-mentioned areas for co-ordinating relevant departments and stakeholders to carry out effective mosquito prevention and

control measures. In addition to the routine anti-mosquito programme, the FEHD has also cleared potential mosquito breeding grounds in the public places in the areas and applied appropriate larvicides to stagnant water if and when necessary. It has also handled mosquito complaints promptly and taken out prosecutions under the relevant ordinance against mosquito breeding. The FEHD set up four Pest Control Inspection Teams in May last year to step up inspection of construction sites and enforcement action against mosquito breeding. This year (as at July 13), the FEHD had instituted 97 prosecutions for mosquito breeding found in relevant premises under the Public Health and Municipal Services Ordinance (Cap 132), comprising 93 cases involving construction sites and four cases involving other premises.

"The government departments concerned have also stepped up inspections and measures to enhance environmental hygiene in areas within their ambits to eliminate existing and potential mosquito breeding grounds. Relevant departments have individually notified the groups that had voluntarily subscribed to the ovitrap rapid alert system when the AOI reached the alert level of 20 per cent. Subscribers have been invited to post specially designed alert notices in the common parts of their premises to urge occupants and staff to carry out mosquito prevention and control measures promptly."

As for the port areas, the monthly ovitrap index for *Aedes albopictus* for June also slightly rose to 2.4 per cent from 2 per cent in May.

The spokesman added that the FEHD has increased the number of survey areas from 52 to 57 starting from July this year in order to strengthen dengue vector surveillance. The five additional areas are Central and Admiralty, Yau Tong, Wo Che, Tsuen Wan West and Tuen Mun West.

The FEHD and relevant government departments will also continue to intensify their mosquito prevention and control work covering areas under their purview, and strengthen publicity and education campaigns. The third phase of the territory-wide anti-mosquito campaign will commence on August 13 and last for 10 weeks. During the period, mosquito prevention and control work will be enhanced by the FEHD and relevant government departments. The district offices of the FEHD will target areas which have drawn particular concern, such as public markets, cooked food centres and hawker bazaars, single-block buildings, streets and back lanes, common parts of buildings, village houses, construction sites, vacant sites and road works sites, and intensify mosquito prevention and control work at those places. The FEHD will, immediately after each phase of the campaign, conduct special territory-wide thematic mosquito prevention and control operations so as to enhance the effectiveness of the campaign.

As *Aedes albopictus* breeds in small water bodies, the spokesman reminded members of the public to inspect their homes and surroundings to remove potential breeding grounds, scrub vases and pot plant saucers at least once a week, properly dispose of containers such as soft drink cans and lunch boxes, and drill large holes in unused tyres. He also advised the public and estate management bodies to keep drains free of blockage and fill up all depressions to prevent puddles from forming. They should also scrub all drains and

surface sewers with an alkaline detergent compound at least once a week to remove any mosquito eggs.

In addition, rural areas and the vicinity of shrubby areas are the natural habitats for mosquitoes, other insects and animals. Members of the public living in rural areas may install mosquito screens on windows and doors if necessary. Those staying in the natural environment should follow appropriate personal protective measures against mosquitoes, such as avoiding staying in the vicinity of shrubby areas for a long time, wearing light-coloured long-sleeved clothes and trousers and applying DEET-containing insect repellent. Members of the public are reminded to make reports to the government departments via 1823 if mosquito problems are detected.

The spokesman reiterated that effective mosquito control requires the sustained effort of all parties concerned. The community must work together with the Government to carry out effective mosquito control measures.

The spokesman also reminded travellers to take the following precautionary measures when visiting areas where mosquito-borne diseases are prevalent during the summer holidays:

- * Wear light-coloured, long-sleeved clothes and trousers;
- * Use insect repellents over exposed parts of the body when outdoors; and
- * Use mosquito screens or nets when a room is not air-conditioned.

Travellers returning from these places should seek medical advice if they have symptoms such as fever, severe headache or muscle and joint pain. They should also inform their doctor of their travel history.

The ovitrap index is divided into four levels, reflecting the infestation level of *Aedes albopictus*. Level 1 (< 5 per cent) indicates that infestation of the mosquito is not extensive in the area surveyed. Level 2 (5 per cent – < 20 per cent) indicates that infestation of the mosquito is slightly more extensive in the area surveyed. Level 3 (20 per cent – < 40 per cent) indicates that infestation of the mosquito exceeds one-fifth of the area surveyed. Level 4 (\geq 40 per cent) indicates that almost half of the surveyed area is infested with the mosquito. The Government will step up the scale of anti-mosquito operations according to the level of infestation as well as reports from front-line staff and the public.

As *Aedes albopictus* can transmit DF and Zika virus, oviposition traps are set in 57 areas in Hong Kong for monitoring the breeding of *Aedes albopictus*, which is only one of the mosquito species commonly found in Hong Kong and is active only in the daytime. The index does not capture the activity of *Aedes albopictus* outside the 57 areas and it also does not measure the prevalence of other kinds of mosquitoes.

The ovitrap indices for *Aedes albopictus* in different areas and information on mosquito prevention and control measures are available on the department website at www.fehd.gov.hk.

MD announcement

Attention duty announcers, radio and TV stations:

Please broadcast the following message as soon as possible and repeat it at suitable intervals:

As Tropical Cyclone Warning Signal No. 1 has been issued, the Marine Department reminds vessel owners, masters and persons-in-charge of vessels that they should take precautionary measures immediately and properly secure their vessels at safe locations.

In case of an accident, a report should be made immediately to the Vessel Traffic Centre at 2233 7801.

Red flags hoisted at Clear Water Bay First Beach and Clear Water Bay Second Beach

Attention TV/radio announcers:

Please broadcast the following as soon as possible:

Here is an item of interest to swimmers.

The Leisure and Cultural Services Department announced today (July 23) that due to inclement weather, red flags have been hoisted at Clear Water Bay First Beach and Clear Water Bay Second Beach in Sai Kung District. Beach-goers are advised not to swim at these beaches.

Temporary traffic arrangements for trial run of tram track renewal works

in Western district from next Wednesday

The Transport Department (TD) today (July 23) reminded the public that to facilitate the trial run of tram track renewal works at Des Voeux Road West, parts of the traffic lanes of Des Voeux Road West and Connaught Road West will be temporarily closed during the period from about 9am next Wednesday (August 1) to 6pm next Friday (August 3).

Appropriate traffic signs and road markings will be erected on-site to guide motorists.

The TD anticipates that the traffic in the vicinity of the above road sections will be relatively busy. Motorists should exercise tolerance and patience in case of traffic congestion. Members of the public are advised to follow the latest traffic news or the department's website (www.td.gov.hk).