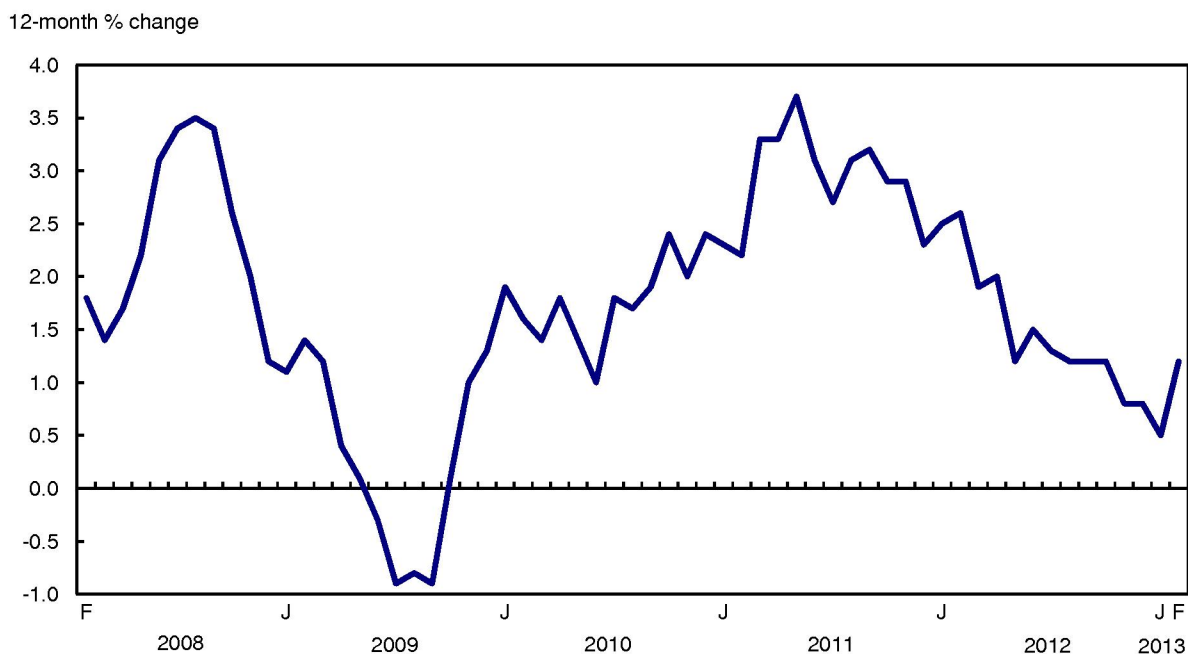


Consumer Price Index, February 2013

Released at 8:30 a.m. Eastern time in *The Daily*, Wednesday, March 27, 2013

The Consumer Price Index (CPI) rose 1.2% in the 12 months to February, following a 0.5% advance in January. This 0.7 percentage point increase in the 12-month change was led by transportation prices, which rose 2.0% on a year-over-year basis in February, after falling 0.5% in January.

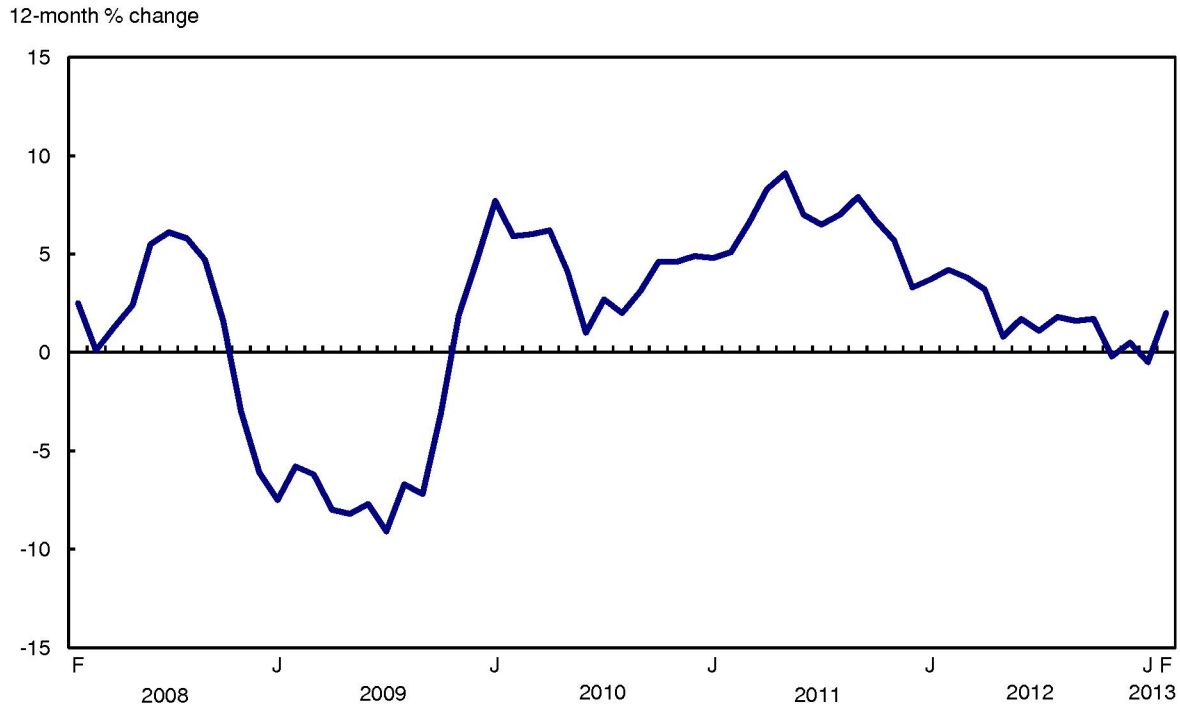
Chart 1
The 12-month change in the Consumer Price Index



The rise in the transportation index was attributable to higher prices for gasoline and for the purchase of passenger vehicles, both of which rose in the 12-months to February after declining in January.



Chart 2
The 12-month change in the transportation index



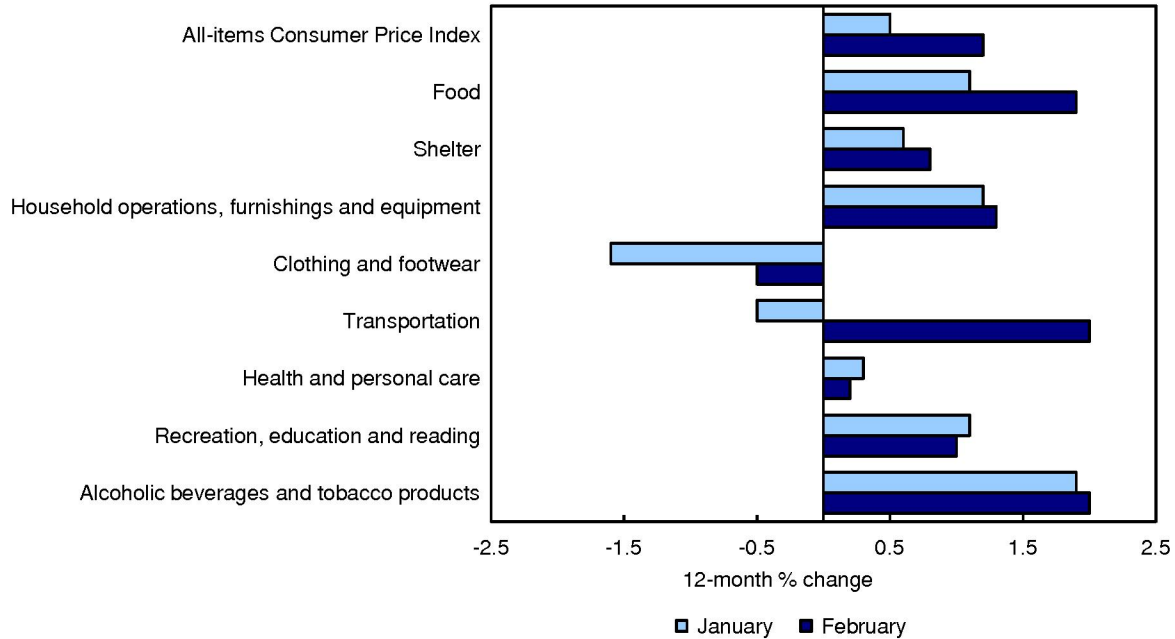
Gasoline prices advanced 3.9% year over year in February following a 1.8% decrease in January. On a monthly basis, gasoline prices rose 8.4% in February, the largest monthly increase since May 2008.

The purchase of passenger vehicles index rose 2.5% in the 12 months to February, after declining 0.8% in January. The acceleration in this index was mostly attributable to a notable monthly increase in February. Fewer manufacturers' rebates were available in February compared with January.

12-month change in the major components

Consumer prices rose in seven of the eight major components in the 12 months to February. The exception was clothing and footwear.

Chart 3
Prices increase in seven of eight major components



Food prices increased 1.9% on a year-over-year basis in February following a 1.1% rise in January. Consumers paid more for food purchased from stores, particularly meat (+3.1%) and fresh fruit (+6.7%). In contrast, prices for non-alcoholic beverages declined 4.2%.

Consumers also paid 2.2% more for food purchased from restaurants.

Shelter costs rose 0.8% in the 12 months to February, after increasing 0.6% in January. Rent and homeowners' replacement cost advanced on a year-over-year basis, while mortgage interest cost decreased 4.2%.

Energy prices

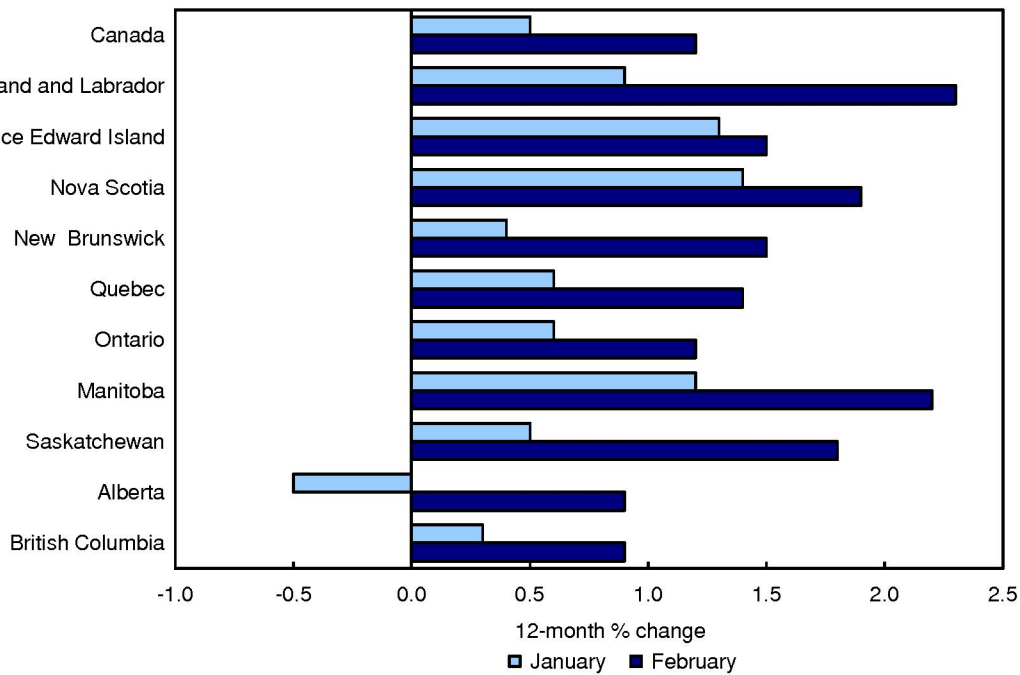
Energy prices advanced 2.0% year over year in February, after falling 1.7% in the previous month. In addition to gasoline, prices for fuel oil rose 4.1% on a year-over-year basis in February, following a 0.8% decline in January. Natural gas prices were up 0.6% in the 12-months to February; the first increase since December 2010.

12-month change in the provinces

In all provinces, consumer prices rose at a faster year-over-year rate in February compared with January, led primarily by higher prices for gasoline and for the purchase of passenger vehicles.

The largest increase in consumer prices was in Newfoundland and Labrador, while the smallest occurred in Alberta and British Columbia.

Chart 4
Prices rise the most in Newfoundland and Labrador and the least in Alberta and British Columbia



In Newfoundland and Labrador, consumer prices rose 2.3% on a year-over-year basis in February, following a 0.9% advance in January. The province posted year-over-year price increases for electricity, clothing, and passenger vehicle insurance premiums, while at the national level these indexes declined.

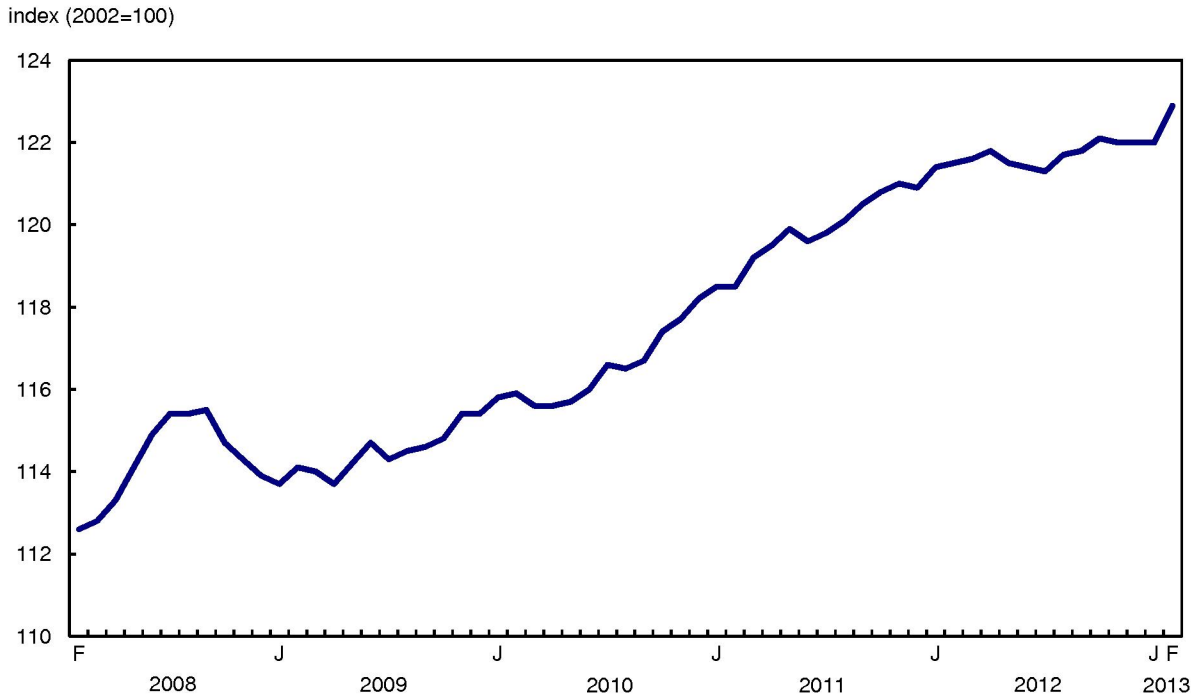
Consumer prices in Alberta rose 0.9% in the 12 months to February following a 0.5% decline in the previous month. Natural gas prices increased 20.8% year over year in February. In addition, gasoline prices advanced 3.8% in the 12 months to February, after declining 7.3% in January, a larger acceleration than at the national level.

In British Columbia, consumer prices rose 0.9% on a year-over-year basis in February, after increasing 0.3% in January. The smaller increase in British Columbia's CPI relative to Canada's was partly a result of homeowners' replacement cost, which declined 2.7% in the province.

Seasonally adjusted monthly CPI increases

On a [seasonally adjusted](#) monthly basis, the CPI increased 0.7% in February after posting no change in January. The February increase was the largest since June 2008.

Chart 5
Seasonally adjusted monthly Consumer Price Index



In February, seven of the eight major components increased. The exception was health and personal care, which registered no change. The seasonally adjusted index for transportation increased 2.4% in February following a 0.1% decline in January. The clothing and footwear index and the food index both rose 0.9% in February.

Bank of Canada's core index

The [Bank of Canada's core index](#) rose 1.4% in the 12 months to February, following a 1.0% advance in January.

On a monthly basis, the seasonally adjusted core index rose 0.4% in February, after increasing 0.1% in January.

Note to readers

As announced in [The Daily](#) on January 25, 2013, Statistics Canada has [updated](#) the weights in the basket of goods and services used in the calculation of the Consumer Price Index (CPI). This marks the first time in the Canadian CPI's history that weights were updated two years after the previous update, instead of the four-year interval which was the past practice. In addition, the implementation of the new basket weights has been shortened by three months. As a result, the Canadian CPI has more current and representative weights.

The [new weighting pattern](#) is based on 2011 consumer expenditures and replaces the 2009 weighting pattern. The CPI's time base remains 2002=100.

For more information, refer to [Weights for the Consumer Price Index, Methodology Revisions and Basket updates](#) and [Survey 2301 – Consumer Price Index](#).

Under the CPI Enhancement Initiative, an improved methodology for the passenger vehicle parts, maintenance and repairs index will be implemented with the release of the April CPI on May 17, 2013. For more information, refer to [Revision of the Passenger Vehicle Parts, Maintenance and Repairs Index](#).

The special aggregate "Energy" includes: electricity; natural gas; fuel oil and other fuels; gasoline; and fuel, parts and supplies for recreational vehicles.

A seasonally adjusted series is one from which seasonal movements have been eliminated. Users employing CPI data for indexation purposes are advised to use the unadjusted indexes. For more information on seasonal adjustment, see [Seasonal adjustment and identifying economic trends](#).

The Bank of Canada's core index excludes eight of the CPI's most volatile components (fruit, fruit preparations and nuts; vegetables and vegetable preparations; mortgage interest cost; natural gas; fuel oil and other fuels; gasoline; inter-city transportation; and tobacco products and smokers' supplies) as well as the effects of changes in indirect taxes on the remaining components.

**Table 1
Consumer Price Index and major components, Canada – Not seasonally adjusted**

	Relative importance ¹	February 2012	January 2013	February 2013	January to February 2013	February 2012 to February 2013
	%	(2002=100)		% change		
All-items Consumer Price Index (CPI)	100.00²	121.2	121.3	122.7	1.2	1.2
Food	16.60	130.4	131.6	132.9	1.0	1.9
Shelter	26.26	126.9	127.8	127.9	0.1	0.8
Household operations, furnishings and equipment	12.66	112.8	113.5	114.3	0.7	1.3
Clothing and footwear	5.82	91.9	87.9	91.4	4.0	-0.5
Transportation	19.98	127.8	126.7	130.3	2.8	2.0
Health and personal care	4.93	118.4	118.5	118.6	0.1	0.2
Recreation, education and reading	10.96	103.7	103.7	104.7	1.0	1.0
Alcoholic beverages and tobacco products	2.79	136.6	138.9	139.4	0.4	2.0
Special aggregates						
Core CPI ³	84.91	118.9	119.6	120.6	0.8	1.4
All-items CPI excluding energy	91.44	118.3	118.7	119.7	0.8	1.2
Energy ⁴	8.56	156.9	152.8	160.1	4.8	2.0
Gasoline	4.62	179.2	171.6	186.1	8.4	3.9
All-items CPI excluding food and energy	74.85	115.6	115.9	116.9	0.9	1.1
Goods	48.18	114.1	112.9	115.2	2.0	1.0
Services	51.82	128.2	129.6	130.1	0.4	1.5

1. 2011 CPI basket weights at January 2013 prices, Canada, effective February 2013. Detailed weights are available under the Documentation section of survey 2301 (www.statcan.gc.ca/imdb-bmdi/2301-eng.htm).
2. Figures may not add to 100% as a result of rounding.
3. The Bank of Canada's core index excludes eight of the Consumer Price Index's most volatile components (fruit, fruit preparations and nuts; vegetables and vegetable preparations; mortgage interest cost; natural gas; fuel oil and other fuels; gasoline; inter-city transportation; and tobacco products and smokers' supplies) as well as the effects of changes in indirect taxes on the remaining components. For additional information on the core CPI, please consult the Bank of Canada website (www.bankofcanada.ca/rates/indicators/key-variables/inflation-control-target/).
4. The special aggregate "Energy" includes: electricity; natural gas; fuel oil and other fuels; gasoline; and fuel, parts and supplies for recreational vehicles.

**Table 2
Consumer Price Index by province, and for Whitehorse, Yellowknife and Iqaluit – Not seasonally adjusted**

	Relative importance ¹	February 2012	January 2013	February 2013	January to February 2013	February 2012 to February 2013
	%	(2002=100)		% change		
Canada	100.00²	121.2	121.3	122.7	1.2	1.2
Newfoundland and Labrador	1.36	123.0	123.6	125.8	1.8	2.3
Prince Edward Island	0.36	124.8	125.2	126.7	1.2	1.5
Nova Scotia	2.59	124.3	125.4	126.7	1.0	1.9
New Brunswick	1.96	121.3	121.5	123.1	1.3	1.5
Quebec	22.04	120.4	120.4	122.1	1.4	1.4
Ontario	39.05	121.4	121.3	122.8	1.2	1.2
Manitoba	3.16	119.0	120.3	121.6	1.1	2.2
Saskatchewan	2.94	122.7	123.5	124.9	1.1	1.8
Alberta	12.32	126.6	126.5	127.7	0.9	0.9
British Columbia	14.05	117.2	117.1	118.3	1.0	0.9
Whitehorse	0.08	119.0	120.8	121.2	0.3	1.8
Yellowknife	0.07	123.1	125.1	125.4	0.2	1.9
Iqaluit (Dec. 2002=100)	0.02	114.4	115.5	115.8	0.3	1.2

1. 2011 Consumer Price Index basket weights at January 2013 prices, effective February 2013. Detailed weights are available under the Documentation section of survey 2301 (www.statcan.gc.ca/imdb-bmdi/2301-eng.htm).
2. Figures may not add to 100% as a result of rounding.

Table 3
Consumer Price Index and major components – Seasonally adjusted¹

	December 2012	January 2013	February 2013	December 2012 to January 2013	January to February 2013
	(2002=100)			% change	
All-items Consumer Price Index (CPI)	122.0	122.0	122.9	0.0	0.7
Food	131.6	131.5	132.7	-0.1	0.9
Shelter	127.5	127.8	127.9	0.2	0.1
Household operations, furnishings and equipment	113.6	113.7	114.0	0.1	0.3
Clothing and footwear	91.7	91.1	91.9	-0.7	0.9
Transportation	127.4	127.3	130.4	-0.1	2.4
Health and personal care	118.8	118.8	118.8	0.0	0.0
Recreation, education and reading	106.3	106.2	106.3	-0.1	0.1
Alcoholic beverages and tobacco products	138.3	138.9	139.4	0.4	0.4
Special aggregates					
Core CPI ²	120.0	120.1	120.6	0.1	0.4
All-items CPI excluding food and energy ³	116.4	116.5	116.9	0.1	0.3

1. A seasonally adjusted series is one from which seasonal movements have been eliminated. Each month, the previous month's seasonally adjusted index is subject to revision. On an annual basis, the seasonally adjusted values for the last three years are revised with the January data release. Users employing Consumer Price Index (CPI) data for indexation purposes are advised to use the unadjusted indexes. For more information on the availability and uses of seasonally adjusted CPI data, please see the Definitions, data sources and methods section of survey 2301 (www.statcan.gc.ca/imdb-bmdi/2301-eng.htm).

2. The Bank of Canada's core index excludes eight of the Consumer Price Index's most volatile components (fruit, fruit preparations and nuts; vegetables and vegetable preparations; mortgage interest cost; natural gas; fuel oil and other fuels; gasoline; inter-city transportation; and tobacco products and smokers' supplies) as well as the effects of changes in indirect taxes on the remaining components. For additional information on the core CPI, please consult the Bank of Canada website (www.bankofcanada.ca/rates/indicators/key-variables/inflation-control-target/).

3. The special aggregate "Energy" includes: electricity; natural gas; fuel oil and other fuels; gasoline; and fuel, parts and supplies for recreational vehicles.

Available in CANSIM: tables 326-0009, 326-0012, 326-0015 and 326-0020 to 326-0022.

Definitions, data sources and methods: survey number 2301.

For a more detailed analysis, consult the publication *The Consumer Price Index*. The February 2013 issue of *The Consumer Price Index*, Vol. 92, no. 2 (62-001-X), is now available from the *Browse by key resource* module of our website under *Publications*.

More information about the concepts and use of the Consumer Price Index are also available online in *Your Guide to the Consumer Price Index* (62-557-X) from the *Browse by key resource module* of our website under *Publications*.

The Consumer Price Index for March will be released on April 19.

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; infostats@statcan.gc.ca) or Media Relations (613-951-4636; mediahotline@statcan.gc.ca).