

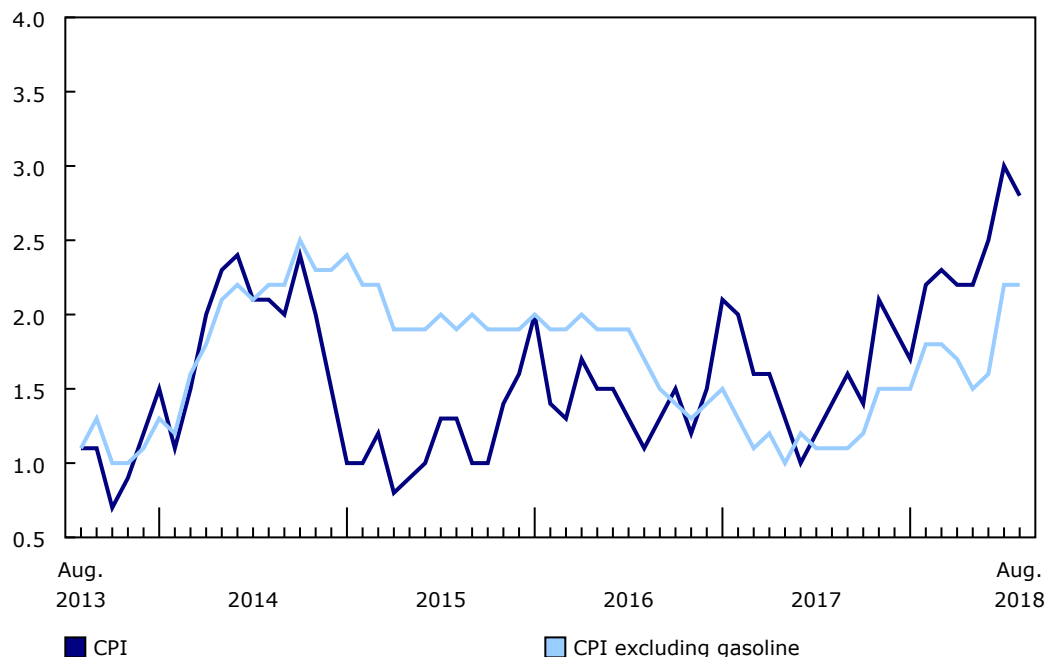
# Consumer Price Index, August 2018

Released at 8:30 a.m. Eastern time in *The Daily*, Friday, September 21, 2018

The Consumer Price Index (CPI) rose 2.8% on a year-over-year basis in August, following a 3.0% increase in July. Excluding gasoline, the CPI increased 2.2%, matching the gain in July.

**Chart 1**  
**The 12-month change in the Consumer Price Index (CPI) and the CPI excluding gasoline**

12-month % change



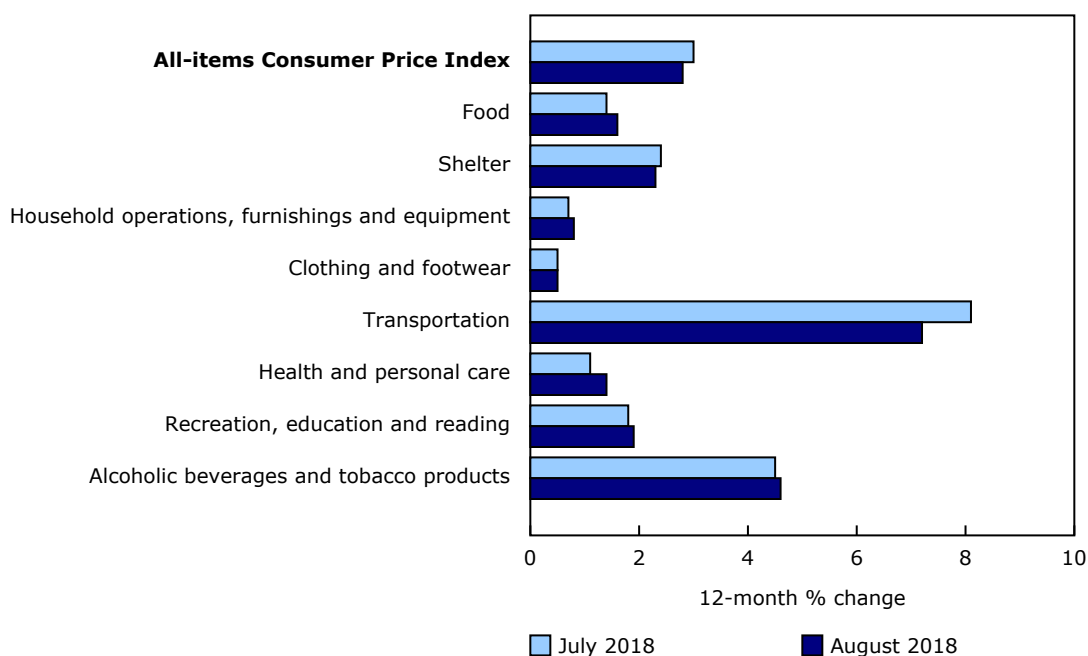
Source(s): Table 18-10-0004-01.

## Component highlights

Prices were up in all eight major components in the 12 months to August. The transportation index rose at a slower pace in August (+7.2%) than in July (+8.1%), but remained the largest contributor to the year-over-year increase in consumer prices.



**Chart 2**  
**Consumer prices increase in all major components**



Source(s): Table 18-10-0004-01.

Year-over-year prices for non-durable goods (+3.8%) increased at a more moderate pace in August than in July (+4.4%). Gasoline prices rose 19.9% in the 12 months to August, following a 25.4% year-over-year increase in July. Prices for water, fuel and electricity, up 2.2% year over year, rose at a slower rate compared with July (+3.0%).

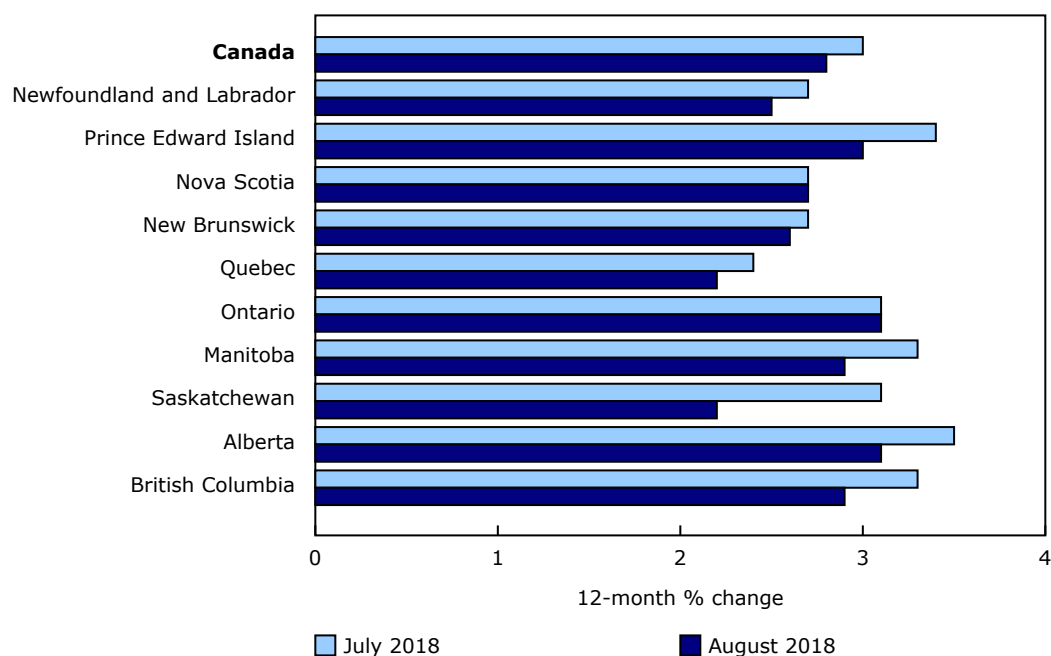
Prices for durable goods rose 1.1% year over year, following a 0.8% increase in July. The purchase of passenger vehicles index (+2.3%) rose more on a year-over-year basis in August than in the previous month (+2.0%). The gain was largely attributable to the greater availability of 2019 model-year vehicles compared with the same month last year.

The price of services (+3.1%) rose more slowly on a year-over-year basis in August after increasing 3.2% in July. Month-over-month decreases in the cost of travel tours and air transportation, which reflect the winding down of the summer travel season, were larger in August 2018 than in August 2017. This was attributable to smaller seasonal increases in July 2017 during celebrations related to Canada's 150th birthday.

### Regional highlights

Prices rose less on a year-over-year basis in eight provinces in August compared with the previous month. Year-over-year increases in Nova Scotia (+2.7%) and Ontario (+3.1%) were unchanged from July.

**Chart 3**  
**Consumer prices rise at a slower rate in eight provinces**



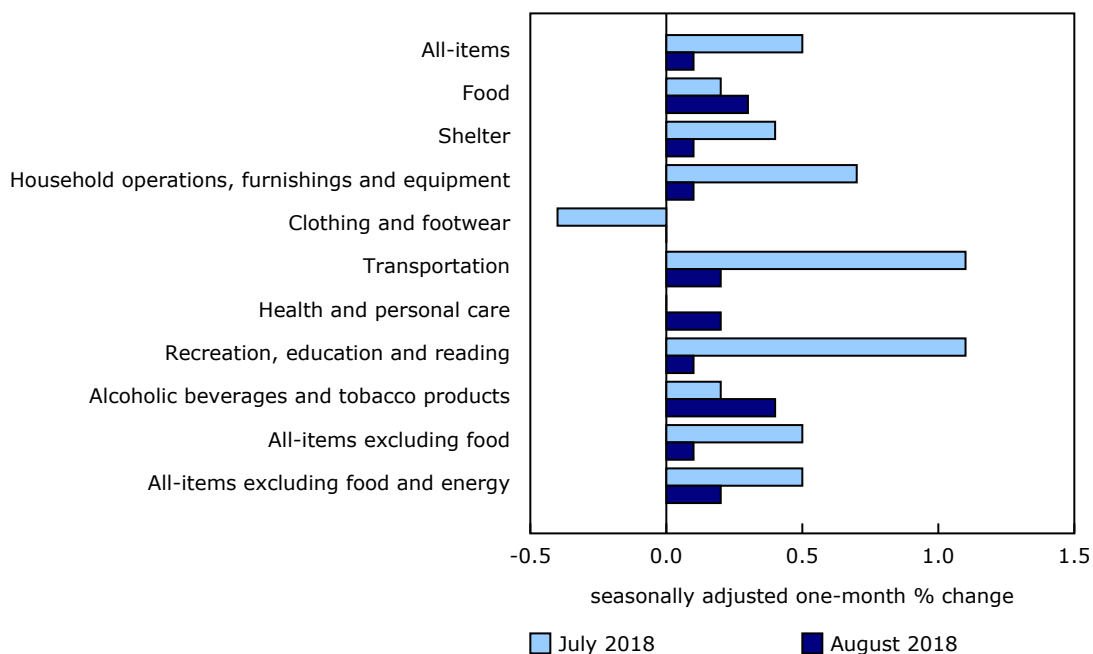
Source(s): Table 18-10-0004-01.

On a year-over-year basis, the CPI in Saskatchewan (+2.2%) increased at a slower rate compared with the other provinces. The telephone services index (-6.9%) declined at a faster pace in Saskatchewan than elsewhere in the country. Prices for passenger vehicle insurance premiums (+0.1%) and homeowners' home and mortgage insurance (+6.5%) increased less in August than in July. Changes to Saskatchewan's Provincial Sales Tax (PST), which increased the cost of insurance products in August 2017, no longer influenced the 12-month movement for these services.

### Seasonally adjusted monthly Consumer Price Index

On a [seasonally adjusted monthly basis](#), the CPI rose 0.1% in August, following a 0.5% increase in July. Seven of eight major components increased, while the clothing and footwear index was unchanged.

**Chart 4**  
**Seasonally adjusted consumer prices increase in seven of eight major components**



Source(s): Table 18-10-0006-01.

**Note to readers**

**Real-time data tables**

Real-time data table 18-10-0259-01 will be updated on October 9.

**Next release**

The Consumer Price Index for September will be released on October 19.

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

	Relative importance <sup>1,2</sup>	August 2017	July 2018	August 2018	July to August 2018	August 2017 to August 2018
	%	(2002=100)			% change	
<b>All-items</b>	<b>100.00</b>	<b>130.5</b>	<b>134.3</b>	<b>134.2</b>	<b>-0.1</b>	<b>2.8</b>
Food	16.23	143.6	146.1	145.9	-0.1	1.6
Shelter	27.15	138.0	141.0	141.2	0.1	2.3
Household operations, furnishings and equipment	12.97	121.9	123.1	122.9	-0.2	0.8
Clothing and footwear	5.44	93.2	93.0	93.7	0.8	0.5
Transportation	19.70	131.8	142.0	141.3	-0.5	7.2
Gasoline	3.37	158.7	193.3	190.3	-1.6	19.9
Health and personal care	5.00	125.0	126.1	126.7	0.5	1.4
Recreation, education and reading	10.89	115.3	117.9	117.5	-0.3	1.9
Alcoholic beverages and tobacco products	2.63	162.0	169.0	169.5	0.3	4.6
<b>Special aggregates</b>						
All-items (1992=100)	.	155.4	159.9	159.8	-0.1	2.8
All-items excluding food	83.77	128.0	132.0	131.9	-0.1	3.0
All-items excluding food and energy	76.71	125.6	128.5	128.5	0.0	2.3
All-items excluding alcoholic beverages, tobacco products and smokers' supplies	97.37	129.5	133.2	133.1	-0.1	2.8
All-items excluding energy	92.94	128.8	131.6	131.6	0.0	2.2
All-items excluding gasoline	96.63	129.3	132.2	132.2	0.0	2.2
All-items excluding shelter, insurance and financial services	68.92	125.9	130.0	129.8	-0.2	3.1
Energy <sup>3</sup>	7.06	150.4	168.8	167.2	-0.9	11.2
Goods	45.32	118.4	121.6	121.4	-0.2	2.5
Durable goods	13.41	88.8	89.7	89.8	0.1	1.1
Semi-durable goods	6.86	95.5	96.0	96.4	0.4	0.9
Non-durable goods	25.06	142.0	147.9	147.4	-0.3	3.8
Services	54.68	142.7	147.1	147.1	0.0	3.1

. not available for any reference period

1. 2015 Consumer Price Index (CPI) basket weights at December 2016 prices, Canada, effective with the January 2017 CPI.

2. Figures may not add up to 100% as a result of rounding.

3. The special aggregate "energy" comprises electricity, natural gas, fuel oil and other fuels, gasoline, and fuel, parts and accessories for recreational vehicles.

Source(s): Tables [18-10-0004-01](#) and [18-10-0007-01](#).

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

	Relative importance <sup>1,2</sup>	August 2017	July 2018	August 2018	July to August 2018	August 2017 to August 2018
	%	(2002=100)			% change	
<b>Canada</b>	<b>100.00</b>	<b>130.5</b>	<b>134.3</b>	<b>134.2</b>	<b>-0.1</b>	<b>2.8</b>
Newfoundland and Labrador	1.39	135.5	139.1	138.9	-0.1	2.5
Prince Edward Island	0.33	133.6	138.0	137.6	-0.3	3.0
Nova Scotia	2.38	132.6	136.0	136.2	0.1	2.7
New Brunswick	1.85	131.3	134.8	134.7	-0.1	2.6
Quebec	20.93	126.7	129.7	129.5	-0.2	2.2
Ontario	39.34	131.8	136.0	135.9	-0.1	3.1
Manitoba	3.04	130.4	134.4	134.2	-0.1	2.9
Saskatchewan	3.08	134.7	138.0	137.6	-0.3	2.2
Alberta	13.07	137.4	141.8	141.6	-0.1	3.1
British Columbia	14.40	125.9	129.7	129.6	-0.1	2.9
Whitehorse	0.08	126.6	131.9	131.6	-0.2	3.9
Yellowknife	0.07	132.5	137.3	136.9	-0.3	3.3
Iqaluit (Dec. 2002=100)	0.03	125.7	131.7	131.2	-0.4	4.4

1. 2015 Consumer Price Index (CPI) basket weights at December 2016 prices, effective with the January 2017 CPI.

2. Figures may not add up to 100% as a result of rounding.

Source(s): Tables [18-10-0004-01](#) and [18-10-0007-01](#).

**Table 3**  
**Consumer Price Index, major components and special aggregates – Seasonally adjusted<sup>1</sup>**

	June 2018	July 2018	August 2018	June to July 2018	July to August 2018
	(2002=100)			% change	
<b>All-items</b>	<b>133.1</b>	<b>133.7</b>	<b>133.9</b>	<b>0.5</b>	<b>0.1</b>
Food	145.0	145.3	145.7	0.2	0.3
Shelter	140.5	141.0	141.2	0.4	0.1
Household operations, furnishings and equipment	122.0	122.8	122.9	0.7	0.1
Clothing and footwear	94.9	94.5	94.5	-0.4	0.0
Transportation	138.9	140.4	140.7	1.1	0.2
Health and personal care	126.1	126.1	126.4	0.0	0.2
Recreation, education and reading	114.7	116.0	116.1	1.1	0.1
Alcoholic beverages and tobacco products	168.4	168.7	169.3	0.2	0.4
<b>Special aggregates</b>					
All-items excluding food	130.8	131.5	131.6	0.5	0.1
All-items excluding food and energy <sup>2</sup>	127.5	128.1	128.3	0.5	0.2

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 release of January data. 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](#).

2. The special aggregate "energy" comprises electricity, natural gas, fuel oil and other fuels, gasoline, and fuel, parts and accessories for recreational vehicles.  
**Source(s):** Table [18-10-0006-01](#).

**Table 4**  
**Consumer Price Index statistics, preferred measures of core inflation – Bank of Canada definitions, year-over-year percent change, Canada<sup>1,2</sup>**

	May 2018	June 2018	July 2018	August 2018
	% change			
CPI-common <sup>3,5</sup>	1.9	1.9	1.9	2.0
CPI-median <sup>4,6</sup>	2.0	2.0	2.0	2.1
CPI-trim <sup>4,7</sup>	1.9	2.0	2.1	2.2

- For more information on these measures of core inflation, please consult the [methodology](#) and [general information](#) documents found in our Definitions, data sources and methods - record number [2301](#).
- The Bank of Canada's preferred measures of core inflation, CPI-common, CPI-median and CPI-trim, are subject to revision. In the case of CPI-median and CPI-trim, this results from the fact that these measures are based on seasonally adjusted price index series. In the case of CPI-common, revisions are due to the statistical technique used, as the factor model is estimated over all available historical data. The table 18-10-0259-01 contains the historical release data for these three measures and will be updated every month.
- This measure is based on the Consumer Price Index (CPI) series adjusted to remove the effect of changes in indirect taxes.
- This measure is based on CPI series that have been treated to remove the effect of changes in indirect taxes, and that have been seasonally adjusted.
- CPI-common is a measure of core inflation that tracks common price changes across categories in the CPI basket.
- CPI-median is a measure of core inflation corresponding to the price change located at the 50th percentile (in terms of CPI basket weights) of the distribution of price changes in a given month.
- CPI-trim is a measure of core inflation that excludes CPI components whose rates of change in a given month are located in the tails of the distribution of price changes.

**Source(s):** Table [18-10-0256-01](#).

**Table 5**  
**Main contributors to the 12-month and 1-month change in the Consumer Price Index**

August 2017 to August 2018

	% change
<b>Main contributors to the 12-month change</b>	
<b>Main upward contributors</b>	
Gasoline	19.9
Air transportation	26.4
Food purchased from restaurants	4.5
Mortgage interest cost	5.8
Purchase of passenger vehicles	2.3
<b>Main downward contributors</b>	
Telephone services	-4.3
Natural gas	-7.4
Traveller accommodation	-2.7
Furniture	-1.8
Prescribed medicines	-2.7
July to August 2018	
	% change
<b>Main contributors to the 1-month change, not seasonally adjusted</b>	
<b>Main upward contributors</b>	
Women's clothing	1.5
Mortgage interest cost	0.6
Homeowners' home and mortgage insurance	1.1
Traveller accommodation	1.1
Meat	0.6
<b>Main downward contributors</b>	
Gasoline	-1.6
Travel tours	-3.5
Telephone services	-2.0
Air transportation	-2.2
Fresh vegetables	-3.2

Source(s): Table [18-10-0004-01](#).

**Available tables:** [18-10-0001-01](#), [18-10-0002-01](#), [18-10-0004-01](#), [18-10-0006-01](#) and [18-10-0256-01](#).

**Definitions, data sources and methods:** survey number [2301](#).

More information about the concepts and use of the Consumer Price Index (CPI) is available in *The Canadian Consumer Price Index Reference Paper* ([62-553-X](#)).

For information on the history of the CPI in Canada, consult the publication *Exploring the First Century of Canada's Consumer Price Index* ([62-604-X](#)).

Two videos, "[An Overview of Canada's Consumer Price Index \(CPI\)](#)" and "[The Consumer Price Index and Your Experience of Price Change](#)," are available on Statistics Canada's YouTube channel.

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; [STATCAN.infostats-infostats.STATCAN@canada.ca](mailto:STATCAN.infostats-infostats.STATCAN@canada.ca)) or Media Relations (613-951-4636; [STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca](mailto:STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca)).