

Consumer Price Index, February 2020

Released at 8:30 a.m. Eastern time in *The Daily*, Wednesday, March 18, 2020

The Consumer Price Index (CPI) rose 2.2% on a year-over-year basis in February, down from a 2.4% gain in January. Excluding gasoline, the CPI rose 2.0%, matching the increase in December and in January.

On a [seasonally adjusted monthly basis](#), the CPI rose 0.1% in February, matching the increase in January.

COVID-19 and the Consumer Price Index

Statistics Canada is closely monitoring possible impacts of the novel coronavirus (also known as COVID-19) on Canada's Consumer Price Index (CPI).

In February, several flights were suspended indefinitely in an effort to contain COVID-19. Although February airfares were collected prior to the suspension of flights, these prices were excluded from the CPI because passengers were ultimately unable to take these flights.

Since the beginning of March, further flight suspensions and travel advisories have been announced and various public events have been cancelled or postponed, which may lead to lower prices for travel services.

Crude oil prices have declined amid lower demand due to a slowdown in global economic activity and travel. Additionally, tensions between oil-producing nations are expected to lead to an increase in supply. These factors contributed to a price decline in early March, and could result in lower consumer gasoline prices in the coming months.

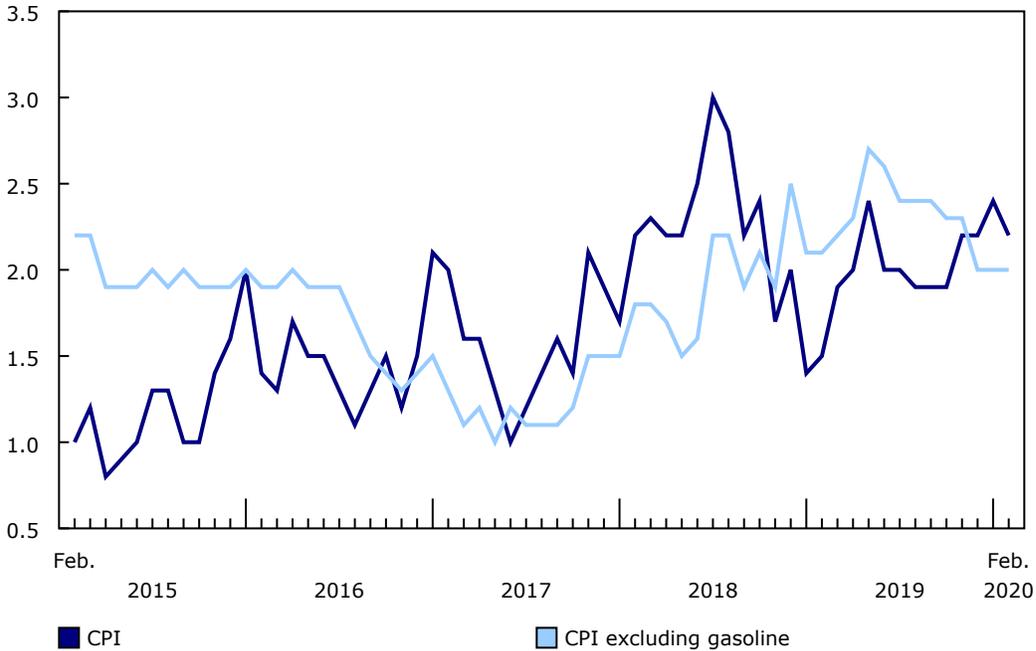
Because of these factors, as well as supply chain disruptions for consumer goods, temporary closures of some stores and service providers, the recent lowering of interest rates and the recent slowing of economic activity, the price effects of the outbreak could be more deeply felt in subsequent months.

Statistics Canada will continue to report the impacts of COVID-19 on consumer prices in Canada as information becomes available.



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

12-month % change



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

Two ways of exploring the Consumer Price Index (CPI)

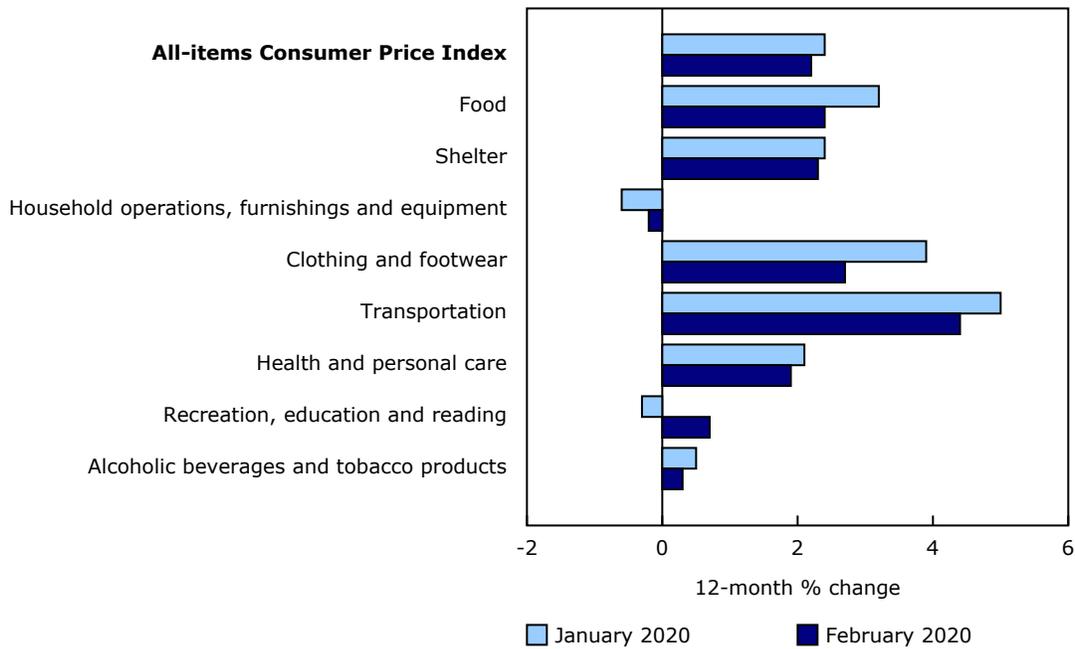
Visit the [Consumer Price Index Portal](#) to find all CPI data, publications, interactive tools, and announcements highlighting new products and upcoming changes to the CPI in one convenient location.

Check out the [Consumer Price Index Data Visualization Tool](#) to access current and historical CPI data in a customizable, visual format.

Highlights

Prices rose in seven of eight major components on a year-over-year basis, with transportation (+4.4%) and shelter (+2.3%) prices contributing the most to the all-items increase. Year over year, prices for household operations, furnishings and equipment declined for the fifth consecutive month, largely due to lower prices for telephone services and household durable goods.

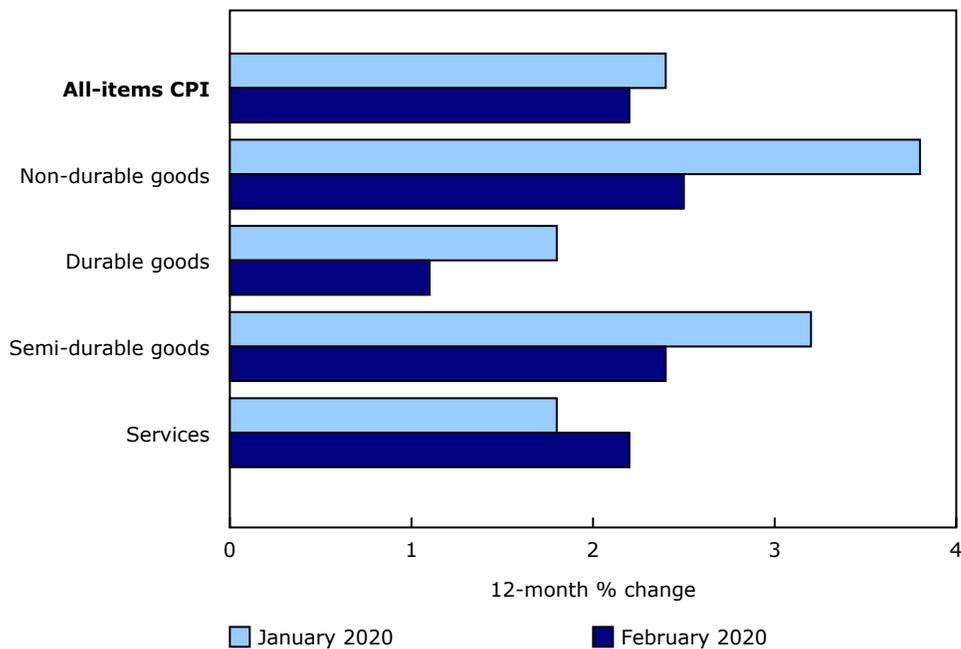
Chart 2
Prices rise in seven of eight major components



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

Year-over-year price growth for consumer goods slowed to 2.1% in February from 3.1% in January, while consumers paid more for services in February (+2.2%) than in January (+1.8%).

Chart 3
Price growth for goods slows, while price growth for services accelerates



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

On a year-over-year basis, prices for gasoline rose less in February (+7.0%) than in January (+11.2%), reflecting lower crude oil prices amid lower global demand following the COVID-19 outbreak at the end of January. Likewise, consumers paid 1.3% less for fuel oil and other fuels, following an 8.1% increase in January.

Prices for fresh fruit and vegetables rose 1.6% in February, the smallest year-over-year increase since June 2018. Consumers paid less for oranges, reflecting lower farm prices for Florida oranges due to a decline in demand. Prices for apples continued to fall amid a North American oversupply due to foreign trade restrictions on American apples. Year-over-year growth in the fresh vegetables index (+3.3%) slowed in February, reflecting reports of a plentiful supply of cucumbers, lettuce and peppers.

Consumers paid 4.4% less for multipurpose digital devices, which includes smartphones and tablets, compared with February 2019. The decline reflects, in part, industry-wide promotional pricing prior to the introduction of new smartphone models.

Travel services lead the growth in service prices

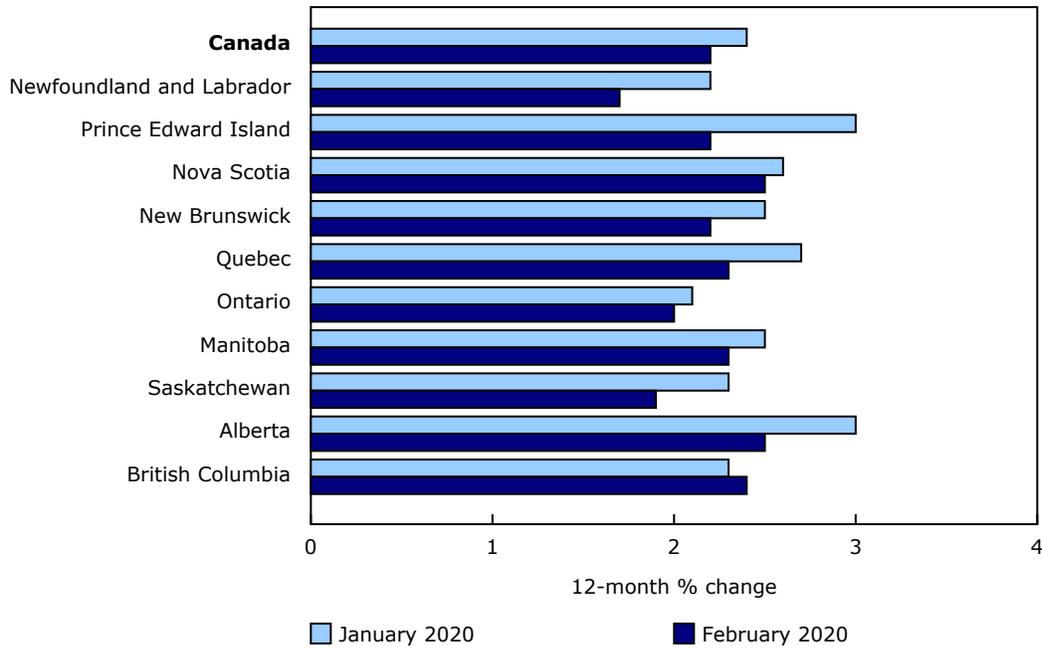
Year over year, prices for travel tours rose 6.4% in February, following a decline in January. Higher demand for seasonal travel surrounding reading week at various postsecondary institutions and a statutory holiday Monday observed in several provinces contributed to the higher prices, which were collected from two to eight months in advance of February departures.

In February, prices for Internet access services rose 4.2% on a year-over-year basis. The increase followed 12 consecutive year-over-year declines beginning in February 2019, when several Internet service providers lowered plan prices or offered faster download speeds to consumers at the same cost.

Regional highlights

On a year-over-year basis, prices rose less in February than in January in nine provinces. In every province except British Columbia and Prince Edward Island, lower gasoline prices contributed the most to the slowdown.

Chart 4
The Consumer Price Index rises at a slower pace in nine provinces

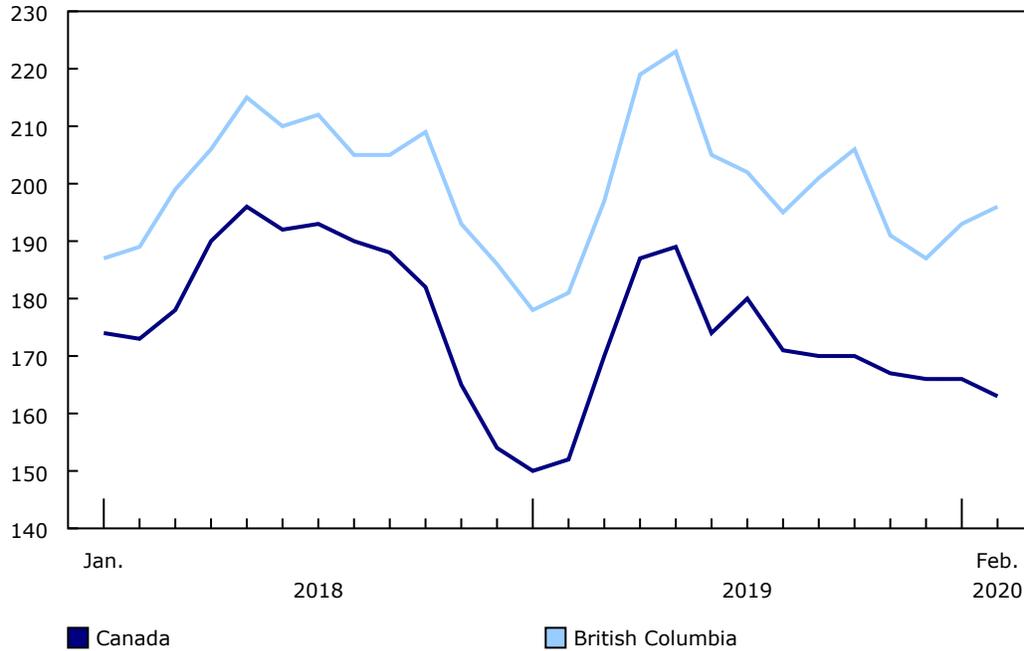


Source(s): Table 18-10-0004-01.

Gasoline prices rose 1.7% month over month in British Columbia, where gas prices often trend differently than at the national level. Local reports suggest that this is largely due to the regional oil dynamics associated with the Pacific Northwest market.

Chart 5
Gasoline prices rise in British Columbia

index (2002=100)



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

Among the provinces, year-over-year price growth slowed the most in Prince Edward Island (+2.2%) and Newfoundland and Labrador (+1.7%). As crude oil prices declined, prices for fuel oil and other fuels fell the most in these provinces, where furnace oil is commonly used for home heating.

Note to readers

Cellular services index

The cellular services price index is now available upon request. For more information, contact us (toll-free 1-800-263-1136; 514-283-8300; STATCAN.infostats-infostats.STATCAN@canada.ca).

Real-time data tables

Real-time data table 18-10-0259-01 will be updated on March 30.

Next release

The Consumer Price Index for March will be released on April 22.

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

	Relative importance ^{1,2}	February 2019	January 2020	February 2020	January to February 2020	February 2019 to February 2020
	%	(2002=100)			% change	
All-items	100.00	134.5	136.8	137.4	0.4	2.2
Food	16.48	149.3	153.5	152.9	-0.4	2.4
Shelter	27.36	143.4	146.4	146.7	0.2	2.3
Household operations, furnishings and equipment	12.80	123.6	122.6	123.3	0.6	-0.2
Clothing and footwear	5.17	94.8	95.8	97.4	1.7	2.7
Transportation	19.95	137.9	143.4	144.0	0.4	4.4
Gasoline	3.13	152.4	166.4	163.1	-2.0	7.0
Health and personal care	4.79	126.4	128.6	128.8	0.2	1.9
Recreation, education and reading	10.24	115.2	113.0	116.0	2.7	0.7
Alcoholic beverages, tobacco products and recreational cannabis	3.21	170.9	171.4	171.4	0.0	0.3
Special aggregates						
All-items excluding food	83.52	131.7	133.6	134.5	0.7	2.1
All-items excluding food and energy	77.01	129.6	131.0	132.1	0.8	1.9
All-items excluding alcoholic beverages, tobacco products and smokers' supplies and recreational cannabis	96.79	133.4	135.7	136.3	0.4	2.2
All-items excluding energy	93.50	133.0	134.9	135.7	0.6	2.0
All-items excluding gasoline	96.87	133.6	135.5	136.3	0.6	2.0
Energy ³	6.50	150.1	158.6	156.6	-1.3	4.3
Goods	44.29	121.4	123.7	123.9	0.2	2.1
Durable goods	12.94	91.8	92.1	92.8	0.8	1.1
Semi-durable goods	6.63	97.3	98.2	99.6	1.4	2.4
Non-durable goods	24.72	145.1	149.6	148.8	-0.5	2.5
Services	55.71	147.6	149.7	150.8	0.7	2.2

1. 2017 Consumer Price Index (CPI) basket weights at December 2018 prices, Canada, effective with the January 2019 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 ^{1,2}	February 2019	January 2020	February 2020	January to February 2020	February 2019 to February 2020
	%	(2002=100)		% change		
Canada	100.00	134.5	136.8	137.4	0.4	2.2
Newfoundland and Labrador	1.31	138.0	140.0	140.3	0.2	1.7
Prince Edward Island	0.33	135.9	139.0	138.9	-0.1	2.2
Nova Scotia	2.31	135.7	138.5	139.1	0.4	2.5
New Brunswick	1.76	134.7	137.3	137.6	0.2	2.2
Quebec	20.72	130.2	132.6	133.2	0.5	2.3
Ontario	39.83	136.0	138.0	138.7	0.5	2.0
Manitoba	3.16	135.2	137.5	138.3	0.6	2.3
Saskatchewan	2.98	138.5	140.6	141.2	0.4	1.9
Alberta	12.15	142.0	144.7	145.5	0.6	2.5
British Columbia	15.27	129.8	132.1	132.9	0.6	2.4
Whitehorse	0.08	131.1	135.8	135.9	0.1	3.7
Yellowknife	0.07	138.0	141.0	141.2	0.1	2.3
Iqaluit (Dec. 2002=100)	0.03	129.9	131.8	132.4	0.5	1.9

1. 2017 Consumer Price Index (CPI) basket weights at December 2018 prices, effective with the January 2019 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 adjusted¹

	December 2019	January 2020	February 2020	December 2019 to January 2020	January to February 2020
	(2002=100)		% change		
All-items	137.3	137.4	137.6	0.1	0.1
Food	152.3	152.8	152.2	0.3	-0.4
Shelter	146.3	146.4	146.7	0.1	0.2
Household operations, furnishings and equipment	123.4	123.1	123.1	-0.2	0.0
Clothing and footwear	97.3	98.2	98.3	0.9	0.1
Transportation	143.4	144.6	144.9	0.8	0.2
Health and personal care	128.5	128.9	128.9	0.3	0.0
Recreation, education and reading	116.4	116.4	116.9	0.0	0.4
Alcoholic beverages, tobacco products and recreational cannabis	170.9	171.9	171.7	0.6	-0.1
Special aggregates					
All-items excluding food	134.4	134.6	134.8	0.1	0.1
All-items excluding food and energy ²	131.4	131.6	131.9	0.2	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^{1,2}

	November 2019	December 2019	January 2020	February 2020
	% change			
CPI-common ^{3,5}	1.9	2.0	1.8	1.8
CPI-median ^{4,6}	2.2	2.2	2.1	2.1
CPI-trim ^{4,7}	2.2	2.1	2.1	2.0

- 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

	February 2019 to February 2020
	% change
Main contributors to the 12-month change	
Main upward contributors	
Passenger vehicle insurance premiums	8.1
Gasoline	7.0
Rent	2.7
Mortgage interest cost	4.7
Purchase of passenger vehicles	2.2
Main downward contributors	
Telephone services	-7.5
Tuition fees	-3.6
Traveller accommodation	-3.1
Household appliances	-2.8
Digital computing equipment and devices	-3.3
	January to February 2020
	% change
Main contributors to the 1-month change, not seasonally adjusted	
Main upward contributors	
Travel tours	24.4
Purchase of passenger vehicles	1.3
Rent	0.7
Women's clothing	1.9
Men's clothing	1.8
Main downward contributors	
Gasoline	-2.0
Fresh fruit	-5.1
Digital computing equipment and devices	-3.8
Fuel oil and other fuels	-7.0
Meat	-0.9

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](#).

The [Consumer Price Index Data Visualization Tool](#) is available on the Statistics Canada website.

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) or Media Relations (613-951-4636; STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca).