

Summary

Headline¹ CPI inflation change (quarterly):

Brisbane	1.4%
Australia ²	1.2%

Headline CPI inflation change (annual):

Brisbane	2.6%
Australia	2.1%

Market sector goods and services (core CPI) inflation change (Australia):

Quarter	0.7%
Annual	2.4%

¹ Headline CPI refers to All Groups.

² Australia refers to the weighted average of the eight capital cities.

Commentary

- Brisbane's headline consumer price index (CPI) increased 1.4% in June quarter 2007, remaining 2.6% higher over the year. This result was above market expectations. Brisbane, Perth and Darwin recorded the highest increase in headline consumer prices in June quarter 2007 (1.4%) (Table 1).
- Compared with the Australian average, Brisbane recorded stronger contributions to the CPI in all groups where prices rose except *Health* for the quarter. The main contributors to the increase in the Brisbane CPI were the *Housing*, *Food* and *Transportation* groups (Figure 1).
- In June quarter 2007, the *Transportation* group made the largest contribution to growth in the quarter (0.41 percentage point). Within this category, *Automotive fuel* increased by 9.0% in the quarter.
- In June quarter 2007, the *Recreation* group made the largest deduction from growth in the quarter (-0.03 percentage point). Within this category, *Domestic holiday travel and accommodation* decreased by 3.4% in the quarter.
- Australia's CPI for market sector goods and services, which excludes more volatile items, rose 0.7% in the June quarter, with annual growth of 2.4%.

Table 1: Percentage change in the CPI

Capital City	June quarter 2007		March quarter 2007	
	Quarterly	Yearly	Quarterly	Yearly
Sydney	1.2	1.7	-0.1	2.2
Melbourne	1.2	2.0	0.2	2.2
Brisbane	1.4	2.6	0.4	2.9
Adelaide	1.2	1.7	-0.3	1.8
Perth	1.4	3.1	0.2	3.5
Hobart	1.3	2.2	0.5	2.1
Darwin	1.4	3.7	0.0	4.0
Canberra	1.3	2.0	0.2	2.4
Australia	1.2	2.1	0.1	2.4

Figure 1: Quarterly CPI contributions, by group, June quarter 2007

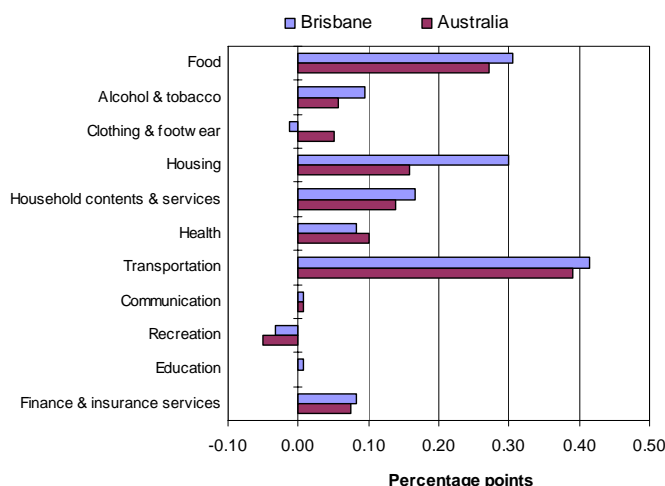


Figure 2: CPI annual change, quarterly, Australia

