

In annual terms, Darwin's CPI increased by 2.8% in the March quarter 2009, down from 3.7% in the December quarter 2008. Nationally, the annual inflation rate increased to 2.5%, down from 3.7% reported in the December quarter 2008 (see Chart 1).

Consumer Price Index (CPI)

	Darwin	8-Capital Cities
annual (%) change	↑ 2.8%	↑ 2.5%
quarterly (%) change	↑ 0.1%	↑ 0.1%

In the March quarter 2009, the CPI increased by 0.1% in Darwin and nationally. Decreases in automotive fuel, domestic holiday travel and accommodation and financial services offset increases in housing and food costs. Decreasing fuel costs, subtracted 0.42 percentage points, domestic holiday travel and accommodation subtracted 0.34 percentage points, while financial services subtracted 0.48 percentage points from Darwin's CPI.

Falling fuel prices are in line with the decline in crude oil and petrol prices over the quarter. The fall in domestic holiday travel and accommodation may reflect discounting by domestic airlines and the removal of the domestic fuel surcharge. The fall in financial services reflects the substantial decrease in interest rates since September 2008, which impacts on the price of services charged by financial institutions where prices are derived from interest-rate margins.

The main contributors to the annual increase in Darwin's consumer inflation (see Chart 2) were:

- 'housing': 1.7 percentage points;
- 'food': 1.0 percentage points;
- 'tobacco & alcohol': 0.5 percentage points;

Housing remains the largest single contributor to Darwin's annual inflation rate with the March quarter contribution the highest since March quarter 2007.

The main contributor to the increasing contribution of housing to Darwin's annual inflation rate was increasing rents and house purchases contributing 0.81 and 0.62 percentage points respectively.

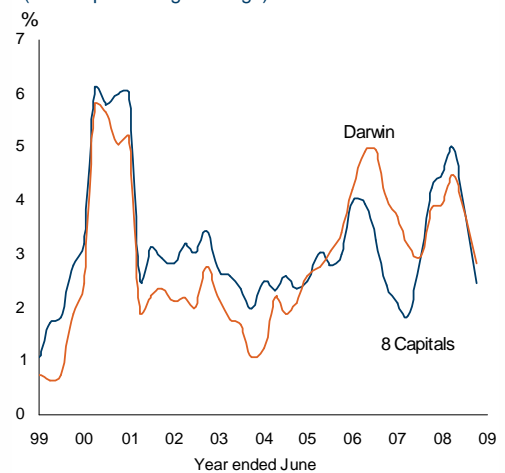
With an annual CPI increase of 2.8% Darwin has the second highest reported consumer inflation of the capital cities. Brisbane had the highest annual CPI increase at 3.1%, and Melbourne the lowest at 2.1% (see Chart 3).

In more stable year on year terms, the Darwin CPI increased by 3.7% in the year to March 2009, a 0.3 percentage point decrease from the year to December 2008. Nationally the CPI increased to 3.9% over the same period, down from 4.4% for the year to December 2008.

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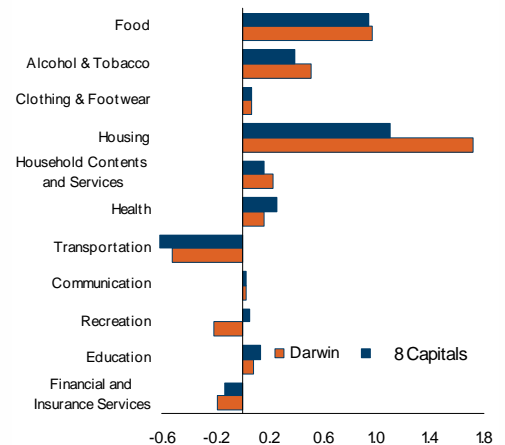
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Chart 1: Consumer Price Index
(annual percentage change)



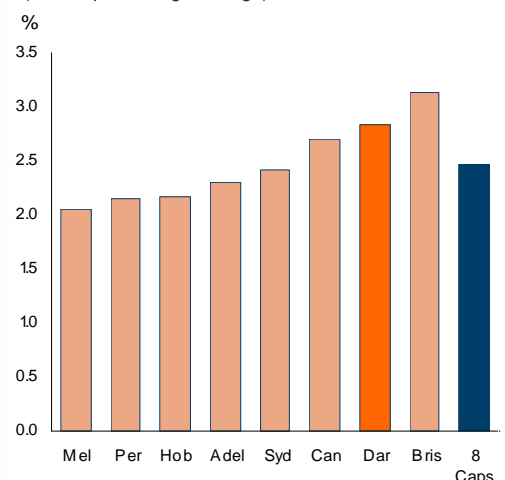
Source: ABS Cat. No. 64010

Chart 2: Annual Percentage Point Contribution to CPI Change



Source: ABS Cat. No. 64010

Chart 3: Consumer Price Index
(annual percentage change)



Source: ABS Cat. No. 64010

Consumer Price Index March Quarter 2009

Consumer Price Index (Table 1)

	March Quarter		change		
	quarter	year average	quarterly ¹	annual ²	year on year ³
Darwin	163.0	162.6	0.1%	2.8%	3.7%
<i>food</i>	183.8	178.8	2.0%	6.1%	5.0%
<i>tobacco & alcohol</i>	255.6	251.8	0.9%	5.6%	5.7%
<i>clothing & footwear</i>	105.7	105.4	-0.8%	2.2%	0.9%
<i>housing</i>	180.7	175.6	1.8%	7.4%	6.5%
<i>h/hold contents</i>	119.7	118.1	1.5%	2.6%	0.9%
<i>health</i>	228.8	222.8	4.7%	4.5%	3.6%
<i>transportation</i>	152.0	160.0	-3.2%	-4.3%	2.9%
<i>communication</i>	103.9	103.4	0.4%	1.1%	0.5%
<i>recreation</i>	108.3	111.9	-2.9%	-1.7%	-0.5%
<i>education</i>	204.4	195.6	6.1%	6.2%	4.7%
<i>financial services</i>	104.6	110.1	-6.4%	-2.6%	5.1%
8 Capitals	166.2	165.8	0.1%	2.5%	3.9%
<i>food</i>	189.9	184.3	2.2%	5.7%	4.7%
<i>tobacco & alcohol</i>	265.1	260.6	1.0%	5.7%	5.5%
<i>clothing & footwear</i>	109.5	109.9	-0.5%	2.1%	0.8%
<i>housing</i>	149.7	147.2	0.9%	5.5%	6.2%
<i>h/hold contents</i>	125.0	124.3	0.8%	1.9%	0.6%
<i>health</i>	248.5	242.3	4.4%	5.3%	5.0%
<i>transportation</i>	158.8	166.3	-1.5%	-4.6%	2.4%
<i>communication</i>	112.2	111.7	0.4%	1.0%	0.4%
<i>recreation</i>	136.5	136.8	-1.1%	0.5%	1.3%
<i>education</i>	296.7	285.5	5.4%	5.0%	4.7%
<i>financial services</i>	108.3	113.5	-6.3%	-1.4%	6.2%
RBA Underlying Measures of Inflation					
<i>Weighted Median</i>			1.2%	4.4%	
<i>Trimmed Mean</i>			1.0%	3.9%	

Consumer Price Index Contribution to Change (Table 2)

	March Quarter		change	
	quarter	year average	quarterly ¹	annual ²
Darwin	163.0	162.6	0.1 ppt	2.8 ppt
<i>food</i>	183.8	178.8	0.3 ppt	1.0 ppt
<i>tobacco & alcohol</i>	255.6	251.8	0.1 ppt	0.5 ppt
<i>clothing & footwear</i>	105.7	105.4	0.0 ppt	0.1 ppt
<i>housing</i>	180.7	175.6	0.4 ppt	1.7 ppt
<i>h/hold contents</i>	119.7	118.1	0.1 ppt	0.2 ppt
<i>health</i>	228.8	222.8	0.2 ppt	0.2 ppt
<i>transportation</i>	152.0	160.0	-0.4 ppt	-0.5 ppt
<i>communication</i>	103.9	103.4	0.0 ppt	0.0 ppt
<i>recreation</i>	108.3	111.9	-0.3 ppt	-0.2 ppt
<i>education</i>	204.4	195.6	0.1 ppt	0.1 ppt
<i>financial services</i>	104.6	110.1	-0.4 ppt	-0.2 ppt
8 Capitals	166.2	165.8	0.1 ppt	2.4 ppt
<i>food</i>	189.9	184.3	0.4 ppt	0.9 ppt
<i>tobacco & alcohol</i>	265.1	260.6	0.1 ppt	0.4 ppt
<i>clothing & footwear</i>	109.5	109.9	0.0 ppt	0.1 ppt
<i>housing</i>	149.7	147.2	0.2 ppt	1.1 ppt
<i>h/hold contents</i>	125.0	124.3	0.1 ppt	0.2 ppt
<i>health</i>	248.5	242.3	0.2 ppt	0.3 ppt
<i>transportation</i>	158.8	166.3	-0.2 ppt	-0.6 ppt
<i>communication</i>	112.2	111.7	0.0 ppt	0.0 ppt
<i>recreation</i>	136.5	136.8	-0.1 ppt	0.1 ppt
<i>education</i>	296.7	285.5	0.2 ppt	0.1 ppt
<i>financial services</i>	108.3	113.5	-0.6 ppt	-0.1 ppt

¹ compares the latest quarter with the previous quarter in the quarter

² compares the latest quarter with the same quarter last year

³ compares the 4 quarters up to and including the latest quarter with the previous 4 quarters

Caution is advised when using monthly data for the Territory, which is often derived from small samples and highly volatile.

Source: ABS Cat. No. 6401.0

Although all due care has been exercised in the preparation of this material, no responsibility is accepted for any errors or omission.

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