

Media Release

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Increase of 0.4% in the Consumer Price Index, May 2017

- The Consumer Price Index increased 0.4% in May 2017 compared to April 2017. It was 100.7 points, compared to 100.3 points in the previous month (base: average 2016 = 100.0 points). The index excluding housing increased 0.6% and was 100.6 points. The index excluding vegetables and fruit and the index excluding energy increased 0.3% each and were 100.5 points each.
- Prices of the following items increased in particular: clothing and footwear 10.9% and vegetables and fruit 1.6%.
- Prices of the following items decreased in particular: communication 0.6% and housing 0.3%.
- Since the start of the year, the all items index increased 0.7%, the index excluding housing has also increased 0.7%, the index excluding energy increased 0.5% and the index excluding vegetables and fruit increased 0.4%.
- Over the past 12 months (May 2017 compared to May 2016), the all items index increased 0.8%, the index excluding vegetables and fruit and the index excluding energy increased 0.6% each and the index excluding housing increased 0.5%.
- Based on the trend data for the period February 2017 – May 2017, the annual pace of increase in the CPI was 1.2%; the annual pace of increase for the index excluding housing was 1.5% and the annual pace of increase for the index excluding vegetables, fruit and housing was 0.9%.

Please note: This Press Release is for Publication

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Diagram 1 – Monthly Percentage Change in CPI during the Past 12 Months

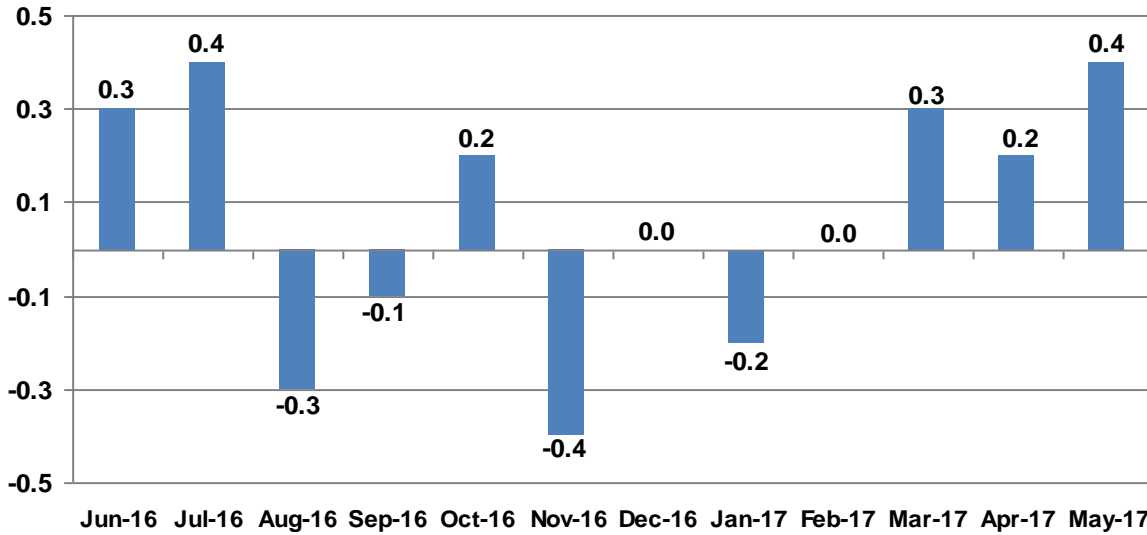


Diagram 2 – CPI 12-Month Inflation Rate for the Past 10 Years: May 2007 to May 2017



Product and Service Groups that Particularly Influenced the Index This Month:

<i>Product/Service Group</i>	<i>Percentage Change</i>	<i>Contribution to Index's Percentage Change</i>
clothing	12.0	0.2926
private vehicles and maintenance	0.5	0.0588
footwear	7.3	0.0502
fresh fruit	2.8	0.0303
phone products	-5.3	-0.0207
milk and dairy products	-2.0	-0.0367
Recreation and holidays domestic and abroad	-1.2	-0.0581
owned dwellings services	-0.4	-0.0718

Major Changes in Primary Consumption Items

Food (excluding vegetables and fruit)

The food price index decreased 0.3%.

The following decreased in particular: baking and cake decorating products (4.5%), cheese (3.9%), cream (3.7%), other special bread (3.4%), puffed cereals (2.6%), cocoa (2.3%), chicken and parts thereof (2.2%), instant coffee (1.6%), mutton (1.1%), canned meat, sausage and hot dogs (1.1%), biscuits, cakes, cookies, etc. (1.0%), flour (1.0%) and pastry products (1.0%).

The following increased in particular: tahini (3.7%), vinegar, mustard, sauces, and dressings (3.5%), raw rice (3.2%), tea (3.1%), sweets and chocolate (2.8%), soft drinks (2.6%), prepared vegetable salads (2.3%), canned and processed fish (2.2%), pork (2.1%), eggs (special, organic, etc.) (2.0%), alcoholic beverages (1.8%) soup mixes and prepared dishes (1.7%) mayonnaise (1.4%) and beef, frozen (1.0%).

Vegetables and Fruit

The vegetables and fruit index increased 1.6%.

The fresh fruit index increased 2.8% and the fresh vegetables index increased 0.8%. The frozen, pickled and canned vegetables index increased 1.8% and the dried and canned fruit index increased 1.0%.

Among the fresh fruit, the following increased in particular: table grapes (rose 79.6% compared to September 2016), avocados (21.9%), apricots (rose 19.8% compared to June 2016), watermelon (rose 19.1% compared to August 2016), bananas (14.5%), grapefruit (13.0%), kiwi (10.6%), oranges (8.6%), lemons (8.1%), peaches (rose 6.2% compared to September 2016), pears (3.7%) and apples (2.4%).

The following decreased in particular: sugar melons (29.0%).

Among the fresh vegetables, the following increased in particular: fennel (12.5%), cauliflower (10.6%), peppers (9.5%), eggplant (8.4%), tomatoes (3.5%), fresh beans (2.1%), fresh mushrooms (2.1%), lettuce (1.5%) and sprouts (1.2%).

The following decreased in particular: pumpkin and butternut squash (17.2%), squash (10.8%), onion (4.8%), cucumbers (2.8%), artichoke (1.8%), radishes (1.7%), corn on the cob (rose 1.6% compared to January 2017), culinary herbs (1.4%) and carrots (1.3%).

Among the processed vegetables and fruit, the following increased in particular: frozen vegetables (6.1%), dried fruit (3.4%), canned tomatoes and tomato puree (3.3%), preserved fruit (2.6%) and pickled cucumbers (1.1%).

The following decreased in particular: canned legumes and vegetables (1.9%).

Housing

The housing price index decreased 0.3%.

The owned dwellings services index decreased 0.4%; in contrast the rent index increased 0.2%.

Owned Dwellings Services

The owned dwellings services index showed a decrease in May 2017 compared to April 2017. This decrease reflects the changes in rental prices set in contracts signed in April 2017 – May 2017, compared to contracts signed in March 2017 – April 2017.

Additional Housing Market Indicators Not Included in the Consumer Price Index¹

Prices of Dwellings (Table 6.1 in *Price Statistics Monthly*, Consumer Price Index, Housing Section)

A comparison of transactions carried out during March 2017 – April 2017, compared to transactions carried out during February 2017 – March 2017, showed that dwelling prices increased 0.5%. This decrease reflects price changes with the deduction of changes in quality of the dwellings in the mix and in the dwelling type. The datum is not final because additional transactions were carried out during this period but not yet reported. A comparison of transactions carried out during March 2017 – April 2017, compared to transactions carried out during March 2016 – April 2016, showed a price increase of 4.4%. A comparison of the February 2017 – March 2017 transactions, compared to February 2016 – March 2016, showed a 5.2% increase.

Dwelling Maintenance

The dwelling maintenance index increased 0.2%.

The following increased in particular: painting and whitewashing services (3.0%), laundry detergent, cleaning materials and pesticides (1.9%) and kerosene and diesel oil for heating (1.0%).

¹ For explanations, see Appendix 1.3 to the CBS's *Price Statistics Monthly*, "Methodology for Calculating the Index of Prices of Dwellings, and Quarterly and Annual Averages".

Furniture and Household Equipment

The furniture and household equipment index increased 0.2%.

The following increased in particular: tablecloths and napkins (6.2%), plates (6.0%), dressers (4.4%), vase (3.6%), fan (3.3%), mirrors, clocks, and frames (2.8%), dining room tables and chairs (2.6%), outdoor furniture (2.3%), cutlery (2.0%), deep freezer (1.4%), cooking and baking utensils (1.4%), kitchen accessories (1.3%) and mugs, cups, and glasses (1.1%).

The following decreased in particular: candles and air fresheners (6.1%), bedding and towels (4.6%), miscellaneous cleaning and maintenance utensils (2.5%), lampshades, chandeliers and table lamps (1.8%), disposable plates, cups, and cutlery (1.6%), flowers and plants (1.4%) and refrigerator (1.2%).

Clothing and Footwear

The clothing and footwear index increased 10.9%; the seasonally adjusted index increased 6.7%.

Note that in May, the price indexes of summer clothing and footwear are obtained by comparing May 2017 prices to June 2016 prices. In addition, price indexes of year-round clothing are obtained by comparing May 2017 prices to December 2016 prices. Nonetheless, the percentages of change of all groups and items are in comparison to April 2017.

The clothing index increased 12.0% and the footwear index increased 7.3%.

Among clothing items, the following increased in particular: outerwear (13.7%), miscellaneous clothing such as hats, ties, and swimsuits (10.0%), sports and exercise clothes (8.0%), underwear (5.3%) and socks (4.8%).

Among footwear items, the following increased in particular: women's footwear (10.0%), children's footwear (9.2%) and men's footwear (2.8%).

Health

The health index increased 0.1%.

The following increased in particular: oral hygiene products (4.4%).

The following decreased in particular: fashion sunglasses (2.0%).

Education, Culture and Entertainment

The education, culture and entertainment index decreased 0.1%.

The education services index increased 0.1%; in contrast the culture and entertainment index decreased 0.2%.

The following decreased in particular: fiction and nonfiction books (5.2%), tickets or subscription to sporting event (2.0%), magazines and journals (1.6%) and recreation, holidays and trips (1.6%).

The following increased in particular: museum entrance tickets (5.0%) and camping equipment and accessories (3.4%).

Transport and Communication

The transport and communication index remained unchanged.

The transport index increased 0.1%; in contrast the communication index decreased 0.6%.

The following increased in particular: internet services (1.2%) and vehicle fuel and lubricants (1.1%).

The following decreased in particular: phone products (5.3%), driving lessons, car rentals etc. (2.2%), expenditures for travel abroad and domestic flights (1.1%) and motor scooters and motorcycles (1.0%).

Miscellaneous

The miscellaneous index increased 0.1%.

The following increased in particular: toilet paper, tissues and wipes (2.3%), shaving accessories, shaving creams, and hair removal (1.7%), bags, satchels, school bags, etc. (1.2%) and watch repair (1.0%).

The following decreased in particular: creams, perfume, and facial products (1.1%).