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Melbourne Institute Survey of Consumer Inflationary Expectations

## Inflationary expectations fell slightly in March

The expected inflation rate (30-per-cent trimmed mean measure), reported in the Melbourne Institute Survey of Consumer Inflationary Expectations, fell by 0.1 percentage points to 4.0 per cent in March from 4.1 per cent in February.

In March, the weighted proportion of respondents (excluding the 'don't know' category) expecting the inflation rate to fall within the 0-5 per cent range fell by 2.0 percentage points to 68.1 per cent. The weighted mean of responses within this range was unchanged relative to last month at 2.5 per cent.

This month's survey also includes quarterly information on past and future pay growth in Australia. Total pay growth over the 12 months to March 2017 increased by 0.1 percentage points to 1.3 per cent (from 1.2 per cent over the 12 months to December 2016 and 2.3 per cent over the 12 months to September 2016). In March, 36.4 per cent of respondents reported a rise in total pay while 11.7 per cent reported a fall. Pay expectations in the coming 12 months also rose to 1.9 per cent in March from 1.5 per cent in the previous quarter. Overall, with the exception of the September 2016 quarter, actual wage growth has been relatively weak over the past year.

The April 2017 Survey of Consumer Inflationary Expectations will be released at 11am AEST, Thursday, 13 April 2017.

ENDS

*The Melbourne Institute Survey of Consumer Inflationary Expectations measures are designed to represent the average householder's expected rate of consumer price changes over the coming 12 months. Further information can be found in the attached report or by visiting: [www.melbourneinstitute.com/miaesr/publications/indicators/cie.html](http://www.melbourneinstitute.com/miaesr/publications/indicators/cie.html)*

For queries regarding this report please contact:

Dr Sam Tsiaplias

Tel: 03 9035 3353

Email: [stsiaplias@unimelb.edu.au](mailto:stsiaplias@unimelb.edu.au)

Media Enquiries:

Email: [Macro-Melb-Inst@unimelb.edu.au](mailto:Macro-Melb-Inst@unimelb.edu.au)

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