



**Media Release** Embargoed until 11:00am AEST, Thursday 14 June 2018

Melbourne Institute Survey of Consumer Inflationary Expectations

## Inflationary expectations increased in June

The expected inflation rate (30-per-cent trimmed mean measure), reported in the Melbourne Institute Survey of Consumer Inflationary Expectations, increased by 0.5 percentage points in June to 4.2 per cent (from 3.7 per cent in May).

In June, the weighted proportion of respondents (excluding the 'don't know' category) expecting the inflation rate to fall within the 0-5 per cent range decreased by 1.6 percentage points to 67.0 per cent. The weighted mean of responses within this range rose by 0.1 percentage points to 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 June 2018 decreased to 1.4 per cent (compared to 2.0 per cent for the March quarter). In June, 40.5 per cent of respondents reported a rise in total pay while 10.5 per cent reported a fall. Pay growth expectations in the coming 12 months rose to 2.5 per cent, from 1.8 per cent in the previous quarter. Overall, the proportion of respondents reporting a pay rise was relatively low, although respondents expect stronger wage growth going forward.

The July 2018 Survey of Consumer Inflationary Expectations will be released at 11am AEST, Thursday, 12 July 2018.

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)

Read: [benews.unimelb.edu.au](http://benews.unimelb.edu.au) for the latest news from the Faculty of Business and Economics at the University of Melbourne