



Media Release Embargoed until 11:00am AEST, Thursday 13 September 2018

Melbourne Institute Survey of Consumer Inflationary Expectations

Inflationary expectations unchanged in September

The expected inflation rate (30-per-cent trimmed mean measure), reported in the Melbourne Institute Survey of Consumer Inflationary Expectations, was unchanged in September at 4.0 per cent.

In September, 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 0.3 percentage points to 63.7 per cent. The weighted mean of responses within this range fell by 0.1 percentage points to 2.4 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 September 2018 increased to 2.3 per cent (compared to 1.4 per cent over the 12 months to June 2018). In September, 46.3 per cent of respondents reported a rise in total pay while 6.8 per cent reported a fall. Pay expectations in the coming 12 months fell to 1.8 per cent, from 2.5 per cent in June. Overall, actual wage conditions improved substantially in the third quarter, although pay growth expectations remain conservative.

The October 2018 Survey of Consumer Inflationary Expectations will be released at 11am AEDT, Thursday, 11 October 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

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