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Melbourne Institute Survey of Consumer Inflationary Expectations

Inflationary expectations fell in July

The expected inflation rate (30-per-cent trimmed mean measure), reported in the Melbourne Institute Survey of Consumer Inflationary Expectations, fell again by 0.2 percentage points in July to 3.8 per cent from 4.0 per cent in June.

In July, 77.4 percent of respondents (excluding the 'don't knows') expected the inflation rate to fall within the 0-5 per cent range, up from 74.6 per cent in June (Table 3). While the distribution of responses within the 0-5 per cent range has been rising since April, it has also been shifting towards 2 and 3 per cent and away from 5 per cent (Table 2). The weighted mean of responses within the 0-5 per cent range rose slightly to 2.7 per cent from 2.6 per cent in June.

The August 2014 Survey of Consumer Inflationary Expectations will be released at 11am AEST, Thursday 14 August 2014.

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 by visiting: www.melbourneinstitute.com/miaesr/publications/indicators/cie.html

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