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# Media release

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## CPI HAS STEADY START TO NEW YEAR

The December 2012 quarter Consumer Price Index (CPI) figures show that the Reserve Bank of Australia's (RBA) consumer price measures of inflation are within their target zone and stable.

Real Estate Institute of Australia (REIA) President, Mr Peter Bushby, says the Reserve Bank should continue to deliver the much-needed cuts to interest rates that the economy needs.

"The latest figures are within the RBA's target zone of 2-3 per cent and should provide a clear message to the Board to further reduce official interest rates," Mr Bushby said.

The analytical series of trimmed mean and weighted median increased by 0.6 per cent and 0.5 per cent respectively for the December quarter 2012, compared to increases of 0.7 per cent and 0.8 per cent, respectively, in the previous quarter.

"The annual change for the trimmed mean and for the weighted median was 2.3 per cent, compared to 2.3 per cent and 2.4 per cent respectively for the twelve months to September 2012," Mr Bushby said.

The housing group increased by 0.2 per cent for the December 2012 quarter compared to 3.2 per cent in the September quarter - the annual rate increase was 4.4 per cent.

The main increases in the December quarter for the housing group were rents and maintenance and repairs which increased by 0.8 per cent and 0.5 per cent respectively. For the year to December 2012, the biggest increases in the housing group were for electricity (17.7 per cent) and gas and other household fuels (17.3 per cent). Rents increased by 3.7 per cent for the year.

"With inflation under control and a subdued economy, it's appropriate we see a further cut in interest rates when the RBA Board meets for its first time on February 5," Mr Bushby concluded.

**The Real Estate Institute of Australia (REIA) is the national professional association for real estate agents in Australia. For further information or interview opportunities, please contact:**

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