

# YEAR-ON-YEAR CONSUMER PRICE INDEX ROSE AGAIN

## Consumer price indices – May 2015

**Consumer prices in May increased compared with April by 0.3%. This development was due to the growth of prices in 'transport', 'food and non-alcoholic beverages', 'alcoholic beverages and tobacco' in particular. The year-on-year increase in consumer prices went up by 0.7%, which was by 0.2 percentage point more than in April and the most since October 2014.**

The **month-on-month** increase in consumer prices in 'transport' came from the rise in fuel prices, which continued for the third month and amounted to 2.2% in May. In 'food and non-alcoholic beverages', prices of vegetables went primarily up by 3.5%, of which prices of potatoes by 6.1%. Prices of biscuits and waffles increased by 1.9%, poultry by 1.3%, eggs by 3.2%, yoghurts by 1.8%, oils and fats by 1.0%, non-alcoholic beverages by 1.4%. In 'alcoholic beverages and tobacco', prices of spirits and tobacco products rose (1.1% and 0.5%, respectively). In 'health', the growth of prices was influenced by seasonal increase in prices of therapeutic stays at spa by 7.8%. In 'hotels and restaurants', prices of both catering and accommodation services went up by 0.4%.

A contrary effect on the overall consumer price level in May owed especially to a price drop in 'clothing and footwear', where garment prices went down (-0.6%). In 'communication', prices of telephone and telefax services fell (-0.4%). In 'miscellaneous goods and services', prices of personal care were lower (-0.5%). In food, prices of bread decreased (-0.5%) as well as prices of rolls and baguettes (-5.1%), sausages and smoked meat (-0.7%) and milk (-2.0%).

Prices of goods in total rose by 0.3% and prices of services by 0.1%.

In terms of the **year-on-year** comparison, in May, the consumer price level rose by 0.7%, i.e. by 0.2 percentage point more than in April. A moderate acceleration in the y-o-y price growth occurred mainly in 'recreation and culture', where prices of package holidays were higher by 5.4% in May (4.8% in April). The acceleration in the overall consumer price level came also from a slowdown in the year-on-year drop in 'food and non-alcoholic beverages' (-0.3%) from -0.7% in April and in 'transport' (-3.1%) from -3.8% in April. This development was due particularly to prices of vegetables, which were higher by 6.6% in May (3.8% in April) and fruit prices, which turned to a growth by 3.4% in May from a decrease in April (-1.3%). Prices of oils and fats increased by 0.2% (-0.9% in April), prices of non-alcoholic beverages rose by 0.7% (-1.1% in April). In 'transport', the price drop slowed down especially due to fuel prices, which were lower by 9.6% in May (-11.1% in April).

The biggest influence on the growth of the price level in May came from prices in 'alcoholic beverages and tobacco' due to the increase in prices of cigarettes by 9.0%. The second in order of influence were prices in 'housing, water, electricity, gas and other fuels', where prices of natural gas rose by 4.5%, water supply by 3.4%, sewage collection by 2.8%, the net actual rentals by 1.7%, heat and hot water by 2.2%. Prices of electricity were lower (-0.3%), y-o-y. In 'miscellaneous goods and services', prices of insurance and financial services rose (1.6% and 7.5%, respectively). In 'clothing and footwear', prices of garments were higher by 1.6% and shoes and other footwear by 8.5%.

A reduction in the y-o-y price level came, as before, from the price drop in 'transport', 'health' (due to the abolition of regulatory fees) and 'communication'.

Prices of goods in total rose by 0.7% and prices of services by 0.8%. The overall consumer price index excluding imputed rentals was 100.7%, year-on-year.

Inflation rate, i.e. the increase in the average consumer price index in the twelve months to May 2015 compared with the average CPI in the previous twelve months, amounted to 0.4% in May.

According to preliminary data of Eurostat, the year-on-year change in the average **harmonized index of consumer prices (HICP)**<sup>1)</sup> in the **EU28 member states** was 0.0% in **April** i.e. 0.1 percentage point more than in March. Prices went up in twelve EU countries, of which the most in Malta by 1.4% and in Austria by 0.9%. On the other hand, the largest price decline occurred in Greece (-1.8%) and Cyprus (-1.7%). In Slovakia, prices dropped by 0.1% (-0.4% in March). In Germany, prices went up by 0.3% (0.2% in March). According to preliminary calculations, the HICP in the Czech Republic in **May** increased by 0.3%, **month-on-month**, and by 0.7% (0.5% in April), **year-on-year**. The MUICP (Monetary Union Index of Consumer Prices) flash estimate for the **Eurozone in May 2015** amounted to 0.3%, y-o-y, as Eurostat announced (more information on the Eurostat's web pages: [HICP](#)).

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<sup>1)</sup> So far, imputed rentals have been excluded from the HICP