

# YEAR-ON-YEAR CONSUMER PRICE INDEX ROSE

## Consumer price indices – April 2015

**Consumer prices in April rose compared with March by 0.3%. This development was due to the growth of prices in 'clothing and footwear', 'transport' and 'food and non-alcoholic beverages' in particular. The year-on-year increase in consumer prices in April went up by 0.5%, which was by 0.3 percentage point more than in March.**

The **month-on-month** increase in consumer prices in 'clothing and footwear' came from the seasonal rise in prices of garments and shoes and other footwear (3.2% and 7.4%, respectively). In 'transport', the growth of fuel prices continued for the second month, which amounted to 1.6% in April. The increase in prices in 'food and non-alcoholic beverages' caused primarily the rise in prices of vegetables and fruit (7.9% and 3.2%, respectively). Prices of rolls and baguettes went up by 1.5%, rice by 2.5%, edible oils by 4.3%, honey by 2.8%, salt and spice by 3.8%. For most other kinds of food prices rather decreased. In 'health', prices of pharmaceutical products increased by 1.0%. In 'miscellaneous goods and services', prices of personal care rose by 0.6%.

A contrary effect on the overall consumer price level in April owed especially to a price drop in 'recreation and culture' due to the reduction of package holiday prices (-0.4%) and information processing equipment (-0.7%). In food, prices of bread went down (-1.2%) as well as prices of pasta (-3.9%), poultry (-3.1%), eggs (-3.7%), milk (-1.1%), butter (-1.9%), sugar (-1.9%), chocolate and chocolate-based products (-3.0%), non-alcoholic beverages (-1.3%).

Prices of goods in total rose by 0.6% and prices of services by 0.1%.

In terms of the **year-on-year** comparison, in April, the consumer price level rose by 0.5%, i.e. by 0.3 percentage point more than in March. An acceleration in the y-o-y price growth occurred mainly in 'alcoholic beverages and tobacco', where prices of alcoholic beverages were higher by 2.5% (a drop -0.1% in March). In 'furnishings, household equipment and routine household maintenance', prices moved from a decline (-0.2%) in March to a growth by 0.3% in April primarily due to prices of furnishings and household equipment, which were higher by 0.6% in April (a drop -0.2% in March). A slowdown in the y-o-y price drop was recorded for the three divisions of the consumer basket. It mitigated its reducing impact on the price level. This was due to prices in 'food and non-alcoholic beverages', which fell by 0.7% in April (-1.9% in March). Prices of fruit were lower by 1.3% (-5.2% in March), prices of sugar by 15.6% (-17.3% in March). Vegetable prices turned to a growth of 3.8% in April from a drop (-6.7%) in March. In 'transport', a slowdown in the price decrease was shown due to a deceleration in the decline in fuel prices (-11.1%) in April from -12.7% in March. In 'health', the price drop slowed down in April due to the increase in prices of stays at spas by 8.6% from 7.1% in March.

The biggest influence on the growth of the price level in April came from prices in 'alcoholic beverages and tobacco' due to the increase in prices of cigarettes by 8.5%. 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 1.4%, heat and hot water by 1.8%. 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 7.1%, respectively). In 'clothing and footwear', prices of garments and shoes and other footwear were higher (2.0% and 8.9%, respectively). In 'recreation and culture', prices of package holidays went up by 4.8%.

A reduction in the y-o-y price level came, as before (although less intensely), from the price drop in 'transport', 'food and non-alcoholic beverages', 'health' and 'communication'.

Prices of goods in total rose by 0.5% and prices of services by 0.7%. The overall consumer price index excluding imputed rentals was 100.6%, year-on-year.

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

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 **-0.1% in March** i.e. 0.2 percentage point more than in February. Prices went up in ten EU countries, of which the most in Austria by 0.9% and in Romania by 0.8%. On the other hand, the largest price decline occurred in Greece (-1.9%). In Slovakia, prices dropped by 0.4% (-0.6% in February). In Germany, prices went up by 0.1% (a drop -0.1% in February). According to preliminary calculations, the HICP in the Czech Republic in **April** increased by 0.4%, **month-on-month**, and by 0.5% (0.1% in March), **year-on-year**. The MUICP (Monetary Union Index of Consumer Prices) flash estimate for the **Eurozone in April 2015** amounted to 0.0%, 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

In April, in comparison to March, consumer prices rose in households of pensioners by 0.2%. In 'clothing and footwear', the consumer price index went up by 4.0%. The growth was affected by higher prices of shoes and other footwear in particular. In 'health', the increase in prices occurred by 1.0%. Prices of hospital services went mainly up. A growth of the overall consumer price index was also influenced by the price increase in 'transport', which amounted to 0.5%. It was shown the rise in prices of fuel in particular. On the other hand, the decrease in prices (-0.2%) occurred in 'recreation and culture'. The drop was caused mainly by prices of package holidays. In 'communication', the price index went down (-0.1%). It was due to lower prices of mobile phones.

In the capital city of Prague, the overall consumer price index (cost of living) rose by 0.4%, month-on-month (a growth by 0.3% in the whole Czech Republic). In 'clothing and footwear', the consumer price index increased by 5.7% (4.1% in the Czech Republic) due to prices of garments and shoes and other footwear in particular. In 'food and non-alcoholic beverages', Prague registered a higher price index by 0.7% (0.3% in the Czech Republic). There were primarily higher prices of vegetables. On the other hand, in 'alcoholic beverages and tobacco', the consumer price index declined by 1.1% (a rise by 0.2% in the Czech Republic). It was mainly a result of lower prices of spirits and beer. In 'communication', consumer prices went down by 0.1% (0.0% in the Czech Republic). It was caused by lower prices of mobile phones.