

## **Automotive fuel prices increased again**

### **Consumer price indices – March 2011**

**Consumer prices increased in March by 0.1 %, month-on-month. This development came from a price rise in 'transport' and 'clothing and footwear', which was partly compensated for a price drop in 'recreation and culture'. In March the increase in consumer prices amounted to 1.7 %, year-on-year, (1.8 % in February).**

\* \* \*

The **month-on-month** consumer price growth by 0.1 % owed particularly to prices of automotive fuel by 2.6 %. The average month-on-month price of petrol Natural 95 (34.22 CZK per litre) was the highest in its history and the price of diesel oil (33.80 CZK per litre) was higher in the short term only in June and July 2008. In connection with the change of season, prices of clothing increased by 1.2 % and footwear by 2.5 %. The growth of food prices was influenced by the rise in prices of milk by 3.6 %, yoghurts by 1.5 %, oils and fats by 1.1 %, potatoes by 3.5 %, coffee by 3.6 %.

A contrary effect on the price level came from a consumer price drop in package holidays by 2.8 % due to the end of winter season. Lower than in the previous month were also prices of fruit by 4.0 %, cheese by 0.9 % and butter by 1.0 %. Prices of spirits were lower by 1.8 %, beer by 1.3 %, photographic and cinematographic equipment by 2.6 %, information processing equipment by 1.6 %, books by 2.2 %, sports equipment and beauty products by 1.1 % both.

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

In terms of the **year-on-year** comparison, in March, the increase in consumer prices was 1.7 %, i.e. 0.1 percentage point down on February. A slowdown of the year-on-year price growth was primarily shown in 'food and non-alcoholic beverages', in which the rise in prices of fruit slowed down to 8.1 % (15.2 % in February) and vegetables to 1.1 % (10.0 % in February).

The highest upward effect on the consumer price level came, as before, from prices in 'food and non-alcoholic beverages' and 'housing, water, electricity, gas and other fuels'. Prices of rolls and baguettes were primarily higher year-on-year by 12.0 %, flour by 31.8 %, pasta by 10.3 %, milk by 14.7 %, butter by 17.4 %, edible oils by 23.1 %, potatoes by 62.1 %, cocoa by 15.9 % and coffee by 9.8 %. In 'housing, water, electricity, gas and other fuels', prices of electricity went up by 4.8 %, natural gas by 9.2 %, heat and hot water by 2.4 %, water supply by 5.9 % and sewerage collection by 6.0 %. The net actual rentals increased by 1.7 %, of which for dwellings with regulated rentals rose by 4.6 % and for dwellings with market rentals by 0.5 %. Prices of automotive fuel were higher by 10.7 %.

Prices of clothing and footwear were lower than in the previous year (-3.3 % and -2.5 %, respectively). In food, prices of rice decreased particularly by 6.5 %, eggs by 20.2 %, citrus fruit by 12.1 %. In 'furnishings, household equipment and routine maintenance of the house', prices of household appliances went down by 3.5 % and prices of goods and services for routine household maintenance by 1.7 %. The year-on-year drop in prices of audio-visual, photographic and information processing equipment and prices of mobile phones continued (-10.4 % and -12.6 %, respectively).

Prices of goods in total increased by 2.2 % and prices of services by 1.1 %. The overall consumer price index excluding imputed rentals was 101.9 %, year-on-year.

Average inflation rate, i.e. the increase in the average consumer price index in the twelve months to March 2011 compared with the average CPI in the previous twelve months, stood at 1.7 % in March, the same as in February.

According to preliminary data of Eurostat, the year-on-year increase in the average **harmonized index of consumer prices** (HICP) in the **EU 27 member states** was 2.8 % in **February 2011** (the same as in January). The highest annual rates were observed in Romania (7.6 %) and Estonia (5.5 %). In Germany, the y-o-y growth accelerated to 2.2 % (2.0 % in January). In Slovakia, the increase in the HICP accelerated to 3.5 % (3.2 % in January). According to preliminary calculations, the HICP in the **Czech Republic in March 2011** increased by 0.2 %, **month-on-month**, and by 1.9 % (the same as in the previous two months), **year-on-year**. The **MUICP** (Monetary Union Index of Consumer Prices) flash estimate for **the Eurozone in March 2011** was 2.6 %, y-o-y, as Eurostat announced (more information on the Eurostat's web pages: [HICP](#)).