# 5. Prices

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| The price level grew at the slowest rate since 2019 last year. |  | The total price level (measured by the implicit GDP deflator) increased by 3.9% in 2024, the least since 2019. Price level of consumption was higher by 3.2%, of which prices of household consumption increased by 3.0% and general government by 3.6%. Prices of capital goods increased by 2.0% last year. The terms of trade of the international trade were positive last year (101.6%). Of these, they reached 101.3% for trade with goods and 102.9% for services. The year-on-year increases of the price level weakened during the year and the total price level rose by 3.7%, year on year, in Q4 alone. Prices of consumption were higher by 3.0%, year-on-year (in that 2.7% for households) and prices of gross fixed capital by 3.7%, year-on-year. The terms of trade reached 101.7%, year-on-year, in Q4 (goods 101.2% and services 104.1%). The price level went up by 0.3%, quarter-on-quarter, in Q4 and it also represented the smallest increase in the year. Price level of consumption went up by 0.6%, quarter on quarter, and prices of gross capital formation went down by 2.3%. The terms of trade reached 100.6%. |
| Consumer price growth was the lowest since 2018 in 2024. |  | Consumer price index increased by 2.4% for 2024 as a whole, the least since 2018. The significant drop of pace compared to year 2023 (10.7%) was caused by the moderation of housing and energy price growth, as well as a decline in food and non-alcoholic beverage prices. However, housing and energies remained the items that had the biggest effect on consumer price growth. Price developments were also characterised by persistently strong growth of services prices (5.1%) in 2024, while prices of goods in total increased by only 0.9%. The difference between the price development of goods and services is related to the different impact of inflation in years 2022 and 2023 on different income groups of the population. For services that are consumed more by higher-income households, the downward pressure on prices was not as great, since the demand for them did not fall as significantly as for goods. |
| Year-on-year consumer price growth in Q4 was the highest within 2024. |  | The year-on-year consumer price growth accelerated to 2.9% in Q4 2024. It presented the highest increase within the year (prices gradually increased by 2.1%, 2.5% and 2.3% in Q1, Q2 and Q3 respectively, year-on-year). The described strengthening of dynamics at the end of the year was influenced mainly by the prices of food and non-alcoholic beverages, which followed the previous three year-on-year declines with renewed growth in Q4. The year-on-year growth of prices of housing, water, energy and fuels also strengthened. In contrast, lower year-on-year consumer price growth was fostered by a decline for clothing and footwear and weakening growth of transport prices. In total, the divisions housing and energies, restaurants and hotels and alcoholic beverages and tobacco contributed the most to the year-on-year growth of consumer prices. The consumer prices increased by 0.1%, quarter-on-quarter, in Q4. The increases gradually weakened during the year. |
| Housing and energy prices maintained strong dynamics…  … mainly due to rentals and housing-related services. |  | Prices of housing and energy rose by 4.2%, year-on-year, and by 0.6%, quarter-on-quarter in Q4. The pick-up in annual growth of prices of housing was due mainly to prices of electricity, heat, gas and other fuels, which rose to 5.5%. The increase of imputed rentals was also slightly higher[[1]](#footnote-2) (1.6%). Other items in this section maintained a strong year-on-year dynamics – other services related to housing by 8.7%, actual rentals for housing by 6.2% and routine maintenance and minor repairs by 4.1%. Housing and energy prices increased by 3.5% for the whole year 2024. Prices of other housing-related services increased the most (8.4%), followed by rentals for housing (6.7%). Prices of routine maintenance and repairs (4.5%) and electricity, heat and gas, and other fuels (4.4%) were also significantly higher. |
|  |  | **Chart 10 Prices in the selected divisions of the consumer price index** (year-on-year in %) |
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|  |  | Source: CZSO |
| Total prices of food and non-alcoholic beverages fell last year, nevertheless the year-on-year growth resumed in Q4. |  | Food prices went up by 0.9%, year-on-year, and by 1.0%, quarter-on-quarter, in Q4. The period of their year-on-year decline thus lasted only three quarters. The change in the direction of food prices strongly supported the strengthening of the total consumer price growth. The development of prices of oils and fats (13.0%), fruit (4.7%) and milk, cheese and eggs (3.2%) mostly added to the year-on-year growth of food prices. Prices of bread and cereals (−2.4%) and meat (−1.9%) on the contrary continued to fall, year-on-year. Prices of food and non-alcoholic beverages fell by 2.3% for the whole year 2024. Prices of milk, cheese and eggs (−6.1%), meat (−3.9%) or bread and cereals (−3.7%) were lower. Prices of non-alcoholic beverages (3.8%), oils and fats (3.5%) and sugar, jam, honey, chocolate, confectionery and confectionery products (0.8%) went up. |
| Prices of restaurants and accommodation rose strongly last year, demonstrating generally strong dynamics of prices of services. |  | Prices of restaurants and hotels maintained strong year-on-year growth throughout last year (up by 7.6% in total) and thus contributed significantly to the total increase of consumer prices. Their year-on-year increases weakened slightly during the year and prices rose by 7.0%, year-on-year, in Q4 alone. In the quarter-on-quarter comparison, prices of restaurants and hotels went up by 0.9%. Prices of alcoholic beverages and tobacco also had a significant impact on the total consumer price growth, rising by 5.1% for 2024 as a whole. They were 4.8% higher, year-on-year, in Q4 and decreased by 0.1%, quarter-on-quarter. Prices of recreation and culture also had a significant impact on the overall index. They were higher by 3.8% for the whole last year, mainly due to recreational and cultural services (6.1%) and package holidays (4.3%). In Q4 alone, prices of recreation and culture increased by 3.5%, year-on-year, while they fell by 3.5%, quarter-on-quarter. |
| Prices increased the most in education. |  | Prices of education increased the most within the consumer basket last year (8.2%). The year-on-year dynamics strengthened during the year up to 11.3% in Q4. Quarter-on-quarter, the prices of education increased by 6.9% in Q4. Prices in the health area also maintained a significant increase and were by 4.2% higher in total last year. Health prices increased by 3.8%, year-on-year, in Q4 and decreased by 0.7%, quarter-on-quarter. Prices also rose above average in the division miscellaneous goods and services[[2]](#footnote-3) last year (by 3.4% in total) and they were higher by 3.6%, year-on-year, in Q4 itself, while they rose by 0.1%, quarter-on-quarter. The year-on-year growth of prices of postal activities and telecommunications gradually weakened during the year. Prices rose by 1.6% for the whole year, by 0.7%, year-on-year, in Q4 and by 0.1%, quarter-on-quarter. |
| Transport prices rose in total last year. |  | The year-on-year growth of transport prices gradually weakened during the year down to 0.1% in Q4. This was mainly due to fuels, whose prices fell by 7.3%, year-on-year, in Q4. The cost of motor vehicle, motorcycle and bicycle purchases fell by 1.1%. On the contrary, the year-on-year growth of prices of transport services strengthened (7.3%). Quarter-on-quarter, the transport prices went down by 1.1% in Q4. Transport prices were higher by 1.8% for the whole year. Prices of transport services rose significantly (5.8%) and prices of operation of personal transport equipment were higher (3.8%, in that prices of fuel fell by 0.4%, while the price increases were on the contrary influenced by motorway tolls, whose prices were raised at the beginning of the year). Prices of motor vehicle, motorcycle and bicycle purchases were lower by 1.6% last year. The division home furnishings, household equipment and repairs, where prices went up by 0.5% in total and by 1.0%, year-on-year, in Q4 and by 0.5%, quarter-on-quarter, presented the evidence of weakening growth of prices of goods last year. The weakening of year-on-year price dynamics was particularly noticeable in household appliances and equipment. Prices of clothing and footwear also did not grow as strongly as in previous years. Prices in this division went up by 2.5% for the whole year 2024 and fell by 0.6%, year-on-year, in Q4. Prices increased by 1.5%, quarter-on-quarter. |
| Consumer price growth turned more moderate in the EU last year. |  | Year-on-year consumer price growth in the EU (according to the Harmonised Index of Consumer Prices, HICP[[3]](#footnote-4)) moderated to 2.6% last year and was the lowest since 2020. The rise of prices was the highest in Romania (5.8%), Belgium (4.3%) and Croatia (4.0%). On the contrary, consumer prices rose the least in Lithuania (0.9%), Finland (1.0%) and Italy (1.1%). Price developments were characterised by a decline of energy prices and, conversely, by persisting higher growth of services prices in the EU last year. In countries where consumer prices rose the most last year, prices of items across the consumer basket, especially services, but also food, alcohol and tobacco, continued to rise strongly. According to the HICP, consumer prices rose by 2.7% in the Czech Republic last year. Year-on-year price growth first slowed in the EU last year (2.8%, 2.6% and 2.4% in Q1 to Q3), but strengthened again in Q4 to 2.5%. This was mainly due to a moderation of the fall of energy prices. Consumer prices increased by 0.3% in the EU, quarter-on-quarter. Romania (5.3%), Belgium (4.6%) and Estonia (4.1%) were the top countries with the most significant year-on-year price growth in Q4. Price growth dropped below 1% in Ireland (0.5%) and was also low in Lithuania (1.0%) or Luxembourg and Slovenia (both 1.2%). |
| The growth of prices of dwellings accelerated again last year. |  | After the growth of prices of dwellings temporarily halted in 2023, last year brought a new acceleration of dynamics and the catalogue prices of dwellings in Czechia increased by a total of 5.0%, year-on-year. At the same time, prices increased by 5.4%, year-on-year, in Prague alone and by 4.7% in the rest of the Czech Republic. During the year, the year-on-year increases of the catalogue prices of dwellings in the Czech Republic strengthened up to 10.7% in Q4. At the same time, there was an increase of 10.4% in Prague and 11.1% outside Prague. The catalogue prices of dwellings increased by 3.1% in the Czech Republic, quarter-on-quarter. Price growth was driven by a new recovery of demand and persistent mismatches with supply. This is also evidenced by the growth rate of realized prices of older dwellings, which was stronger than the dynamics of catalogue prices. Realized prices of older dwellings increased by 14.2% in the Czech Republic, year-on-year, in Q4 and were 3.6% higher, quarter-on-quarter. Realized prices of older dwellings increased by 12.1% in Prague, year-on-year, and by 3.5%, quarter-on-quarter. The index of realized prices of new dwellings in Prague climbed up by 7.6%, year-on-year, and by 3.9%, quarter-on-quarter, in Q4. |
|  |  | **Chart 11 Prices of real estate** (year-on-year change, in %) |
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|  |  | Source: CZSO |
| Industrial producer prices rose last year. |  | The year-on-year dynamics of industrial producer prices gradually strengthened last year. While there was a decrease of 0.9% in Q1, prices rose in the following quarters and Q4 brought a year-on-year increase of 1.8% and a quarter-on-quarter increase of 0.3%. Industrial producer prices rose by 0.8% for the whole year 2024. Prices of electricity, gas, steam and air conditioning were higher last year (4.0%), mainly due to transmission and distribution prices, while prices of electricity itself on the contrary fell last year. Prices of electricity, gas, steam and air conditioning rose by 6.7%, year-on-year, in Q4 and by 1.9%, quarter-on-quarter. Prices of water supply and related services also increased last year (9.2%, they also increased by the same value, year-on-year, in Q4). Prices of mining and quarrying fell last year, mainly under the effect of natural gas prices (−1.3%). These remained in a year-on-year decline throughout the year, falling by 1.8%, year-on-year, in Q4 and by 0.5%, quarter-on-quarter. |
| Raw material prices, which had risen strongly in previous years, fell in 2024. |  | Prices of manufacturing products and services also decreased slightly last year (−0.3%), nevertheless the development within the division varied. A decrease of prices was evident for a number of raw materials or products derived directly from them after the previous two years of strong growth (especially wood and wood products −6.8%, basic metals −5.6%, paper and paper products −4.3%). On the contrary, the prices of repair, maintenance and installation of machinery and equipment (5.0%), computers, electronic and optical appliances (4.2%), motor vehicles except for motorcycles (3.5%) or machinery and equipment (3.0%) went up. Prices rose by 0.4% in manufacturing, year-on-year, in Q4 itself and stagnated, quarter-on-quarter. Prices of repairs, maintenance and installation of machinery and equipment rose the most, year-on-year (4.6%) and prices of paper and paper products started to rise again (3.9%). In addition, prices of computer, electronic and optical appliances and equipment (3.6%), clothing or motor vehicles except for motorcycles (3.0%) increased more sharply. The increases were more moderate in other divisions. A year-on-year decrease was recorded for fabricated metal products (−1.6%), basic metals (−1.1%), printing and recording services (−0.8%), chemicals and chemical products (−0.7%), and other non-metal mineral products (−0.4%). |
|  |  | **Chart 12 Prices of main groups of industrial producers** (year-on-year change, in %, based on CPA classification) |
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|  |  | Source: CZSO |
| Industrial producer prices fell in the EU last year. |  | Industrial producer prices fell by 4.0%[[4]](#footnote-5) in the EU last year. The slump was the second in a row and deepened. Prices of mining and quarrying (−2.8%), manufacturing products (−0.7%) as well as electricity, gas, steam and air conditioning (−13.1%) were lower last year. Industrial producer prices fell in most EU countries last year, the most in Slovakia (−19.7%), Luxembourg (−10.4%) and Latvia (−7.6%). A slight increase was recorded in four countries, the largest in the Czech Republic (0.8%, mainly due to electricity prices, which grew in the Czech Republic as one of the few EU countries), Malta (0.6%), Portugal (0.5%) and Sweden (0.1%). The year-on-year decrease of industrial producer prices in the EU gradually moderated during the year, due among other things to energy prices. Industrial producer prices in the EU were lower by 1.4% in Q4 alone. However, they increased by 1.4%, quarter-on-quarter. Prices of electricity, gas, steam and air conditioning decreased the most, year-on-year (−4.5%) in Q4, however at the same time recorded a 6.2% quarter-on-quarter increase. Prices of mining and quarrying fell by 1.2% year-on-year, and were higher by 0.5%, quarter-on-quarter. Prices stagnated in manufacturing, quarter-on-quarter, and they were also close to stagnation in the year-on-year perspective (−0.2%). Although the Czech Republic was among the minority of countries where industrial producer prices rose in Q4 (1.8%), the quarter-on-quarter price dynamics were below average (0.4%). The highest year-on-year increase of industrial producer prices was recorded in Ireland (5.4%), Denmark (2.7%) and Hungary (2.1%). Slovakia reported the deepest plunge of prices (−18.6%). This was followed by France (−4.8%) and Poland, Austria and Latvia similarly with −4.3%. |
| Prices of construction work grew at a steady pace, year-on-year. |  | Prices of construction work maintained a stable moderate year-on-year growth throughout 2024 and increased by 2.1% in total (5.9% in 2023 after revision). According to estimates, prices of construction work increased by 2.4%, year-on-year, in Q4 and were 0.7% higher, quarter-on-quarter. Prices of materials and products consumed in construction went down by 0.5% on average for the whole year 2024 (they increased by 3.8% in 2023). In Q4 alone, they increased by 0.7%, year-on-year, and by 0.1%, quarter-on-quarter. |
| Prices of market services were affected the most by the development of prices of real estate services. |  | Prices of market services rose by 3.8% in total last year, thus slowing down compared to the previous year. Prices of real estate services contributed the most to last year's growth (7.7%) and further the advertising and market research (10.0%) and programming, consultancy and related activities (3.7%). Prices of employment activities (10.3%), security and investigation activities (9.0%), services related to buildings and landscape activities (mainly consists of cleaning services, 5.8%), postal and courier services (5.4%) or legal and accounting services (5.1%) grew above average last year. Only prices of warehousing and support activities for transportation decreased (−0.4%) last year. Prices of market services increased by 3.7%, year-on-year, in Q4 itself, slightly strengthening compared to both Q2 and Q3. Prices of market services were higher by 1.5%, quarter-on-quarter. The acceleration of year-on-year price growth was influenced by a stronger growth of prices of employment activities (13.5%), activities of head office and management consultancy activities (2.9%) and information services (2.7%). Prices of real estate services (7.6%), advertising and market research activities (11.2%) and programming, consultancy and related activities (3.1%) contributed the most to the total year-on-year increase of prices of market services. Prices of land transport and transport via pipelines (−0.4%), warehousing and support activities for transportation (−0.3%), and administrative, office support and other business support activities (−0.1%) were lower, year-on-year. |
| Agricultural producer prices started to rise again, year-on-year, in Q4. However, they fell for the whole year. |  | Total agricultural producer prices decreased by 5.9% in 2024, which was nearly the same as in 2023 (-6.0%). Prices of crop products went down by 9.1%. Cereals dived deeply last year (−18.6%). Prices of industrial crops (−2.4%), vegetables and horticultural products (−1.3%) and potatoes (−5.8%) were also lower. Prices of fruit (28.7%) and forage plants (13.7%) went up in contrast. The decline of prices of animals and animal products was more moderate last year (−1.5%). It was mainly caused by the drop of prices of pigs (−3.6%), poultry (−6.3%) and eggs (−13.2%). On the contrary, the prices of cattle (6.6%), calves (7.9%) and milk (0.2%) went up. The decrease of agricultural producer prices moderated during the year and prices rose by 5.0%, year-on-year, in Q4, for the first time since Q1 2023. Prices rose by 6.8%, quarter-on-quarter. Prices of crop products were higher by 2.3%, year-on-year. Cereal prices continued to fall slightly (−0.2%) – prices of rye (−2.0%), barley (−5.3%) and oats (−0.4%) were lower, while wheat (1.2%) and maize (2.2%) turned to growth. Industrial crops continued to grow, year-on-year (9.7%), mainly oil seeds (16.4%) and protein crops (14.8%), while sugar beet prices rose to a lesser extent (3.8%). Prices of forage plants were higher by 7.5% and fruit by 31.4%, year-on-year, in Q4. Prices of vegetables and horticultural products (−3.8%) and potatoes (−10.8%) went down. Prices of animal production rose, year-on-year, already in Q3 and the increase strengthened to 10.1% in Q4. Prices of cattle went up by 13.6%, milk by 17.8% and eggs by 10.3%. By contrast, prices of pigs (−6.6%) and poultry (−0.7%) continued to decline. |
| Prices of goods exports rose last year. |  | The year-on-year development of international trade prices was significantly affected by shifts of the koruna foreign exchange last year, which weakened against both the euro and the dollar[[5]](#footnote-6). This had an inflationary effect. The export prices rose by 3.1% for the whole year 2024. Prices of manufacturing products (3.8%) and water supply and sewerage and waste management and remediation activities (7.9%) were higher. On the other hand, prices of exports in mining and quarrying (−11.5%), electricity, gas, steam and air conditioning (−5.4%) and also products of agriculture, forestry and fishing (−3.3%) plummeted. The year-on-year dynamics of export prices strengthened during the year. Their year-on-year growth reached 4.1% in Q4 itself, prices increased by 0.9%, quarter-on-quarter. The strengthening of the year-on-year growth was evident mainly on the prices of agriculture, forestry and fishing products (5.7% in Q4) and further electricity, gas, steam and air conditioning (a sharp growth acceleration to 26.8% in Q4) during the year. Only export prices in the mining and quarrying division plunged (−11.7%) in Q4. The year-on-year growth of prices of manufacturing products slowed slightly to 3.6% in Q4. Prices of furniture (7.7%), other transport equipment (7.6%), basic pharmaceutical products (5.2%), electrical equipment and rubber and plastic products (both by 4.8%) or machinery and equipment and motor vehicles (both by 4.6%) were higher. A decrease was recorded only in a minority of cases, specifically coke and refined petroleum products (−13.6%), leather (−7.8%) and other non-metallic mineral products (−1.3%). |
| The terms of trade of the international trade with goods were positive last year. |  | Import prices rose by 1.5% in total last year. Prices of manufacturing products were higher, but a drop was recorded for import prices of electricity, gas, steam and air conditioning (−15.8%), agricultural, forestry and fishing products (−9.7%) and mining and quarrying (−4.1%). The import prices increased by 2.2% in Q4 itself and were 0.9% higher, quarter-on-quarter. Import prices of manufacturing products rose, year-on-year, (2.6%) in Q4 and prices of electricity, gas, steam and air conditioning experienced substantial growth (11.0%). On the contrary, prices of agriculture, forestry and fishing (−5.3%) and mining and quarrying (−1.4%) products were lower. The terms of trade of the international trade with goods reached in total 101.5% last year. The terms of trade of electricity, gas, steam and air conditioning (112.4%) and products of agriculture, forestry and fishing (107.2%) were notably positive. The international trade with manufacturing (101.2%) also achieved positive terms of trade. On the other hand, the terms of trade in mining and quarrying were significantly negative (92.3%). The terms of trade remained positive throughout the year and reached 101.9% in Q4 alone. At the same time, the terms of trade with electricity, gas, steam and air conditioning (114.2%), agriculture, forestry and fishing products (111.6%) and trade with manufacturing goods (101.0%) were positive. The terms of trade for mining and quarrying were in contrast deeply negative (89.6%). |

1. Imputed rent expresses the cost of owner living. Apart from prices of housing themselves, it also contains the cost of construction and renovation and further fees. For more see: <https://csu.gov.cz/methodological-note-to-consumer-price-index-imputed-rentals>. [↑](#footnote-ref-2)
2. Contains services of personal care and personal needs and accessories, social care, insurance and further financial services etc. [↑](#footnote-ref-3)
3. Contrary to the consumer price index, which the CZSO compiles for the Czech economy, HICP does not contain imputed rent, which is the main reason for the difference between the HICP and Consumer price index. [↑](#footnote-ref-4)
4. Without prices of water distribution and services associated with wastewaters. [↑](#footnote-ref-5)
5. Based on the CNB data, the average koruna foreign exchange per euro reached 25.249 CZK/EUR in Q4 2024. It was 24.521 CZK/EUR in Q4 2023. The average was 25.1 CZK/EUR for the whole year 2024 and 24.007 CZK/EUR in year 2023. The average koruna foreign exchange per dollar was 23.640 CZK/USD in Q4 2024. It was 22.820 CZK/USD in the same period of year 2023. The average koruna foreign exchange per dollar reached 23.208 CZK/USD for the whole last year and it was then 22.210 CZK/USD in 2023. [↑](#footnote-ref-6)