

YEAR-ON-YEAR PRICE GROWTH SLOWED DOWN TO 2.0%

Consumer price indices – inflation – February 2024

Consumer prices increased by 0.3%, month-on-month. This development came mainly from higher prices in 'transport' and in 'recreation and culture'. The year-on-year growth of consumer prices amounted to 2.0% in February, which was 0.3 percentage points down on January.

Month-on-month comparison

Consumer prices in February increased by 0.3%, month-on-month. Price development in 'transport' came mainly from price increase of fuels and lubricants for personal transport equipment by 4.3%. In 'recreation and culture', prices of package holidays increased by 6.0% and prices of recreational and cultural services by 0.6%. In food, mainly prices of potatoes were higher by 10.8%, eggs by 7.1% and cheese and curd by 1.5%. Month-on-month overall price level decrease in February came mainly from prices in 'alcoholic beverages, tobacco', where prices of wine dropped by 3.7% and spirits by 2.8%. In 'food and non-alcoholic beverages', prices of poultry decreased by 3.1%, butter by 6.1% and UHT semi-skimmed milk by 4.1%.

Prices of goods in total remained at the level of January and prices of services increased by 0.7%.

“Development of consumer prices in February was significantly influenced by prices of fuels. They returned to growth after several months of decline. On average, diesel was sold at gas stations for around CZK 38.10 per litre in February and petrol Natural 95 for almost CZK 37.80 per litre,” noted Pavla Sediva, head of Consumer Price Statistics Unit of CZSO.

Year-on-year comparison

Consumer prices increased by 2.0% in February, i.e. 0.3 percentage points down on January. The **slowdown**¹⁾ of the year-on-year price growth came mainly from prices in 'food and non-alcoholic beverages' and in 'alcoholic beverages, tobacco'. In 'food and non-alcoholic beverages', the price decline deepened, mainly due to prices of vegetables. They turned from growth by 13.3% in January into decline by 0.1% in February. In 'alcoholic beverages, tobacco', prices of spirits slowed down their increase to 2.4% (increase by 3.4% in January), wine to 1.5% (increase by 5.0% in January), beer to 2.8% (increase by 4.0% in January) and tobacco products to 5.5% (increase by 6.9% in January).

The biggest influence on **the growth of the year-on-year price level** in February came from prices in 'housing, water, electricity, gas and other fuels', where prices of actual rentals²⁾ increased by 6.8%, prices of materials and services for maintenance and repair of the dwelling by 4.8%, water supply by 10.9%, sewage collection by 10.5%. electricity by 13.1% and heat and hot water by 3.5%. Prices of natural gas dropped by 5.5%, year-on-year and solid fuels by 3.7%. Next in order of influence were prices in 'restaurants and hotels', where prices of catering services were higher by 8.7% and accommodation services by 9.7%. In 'recreation and culture', mainly prices of recreational and cultural services were higher by 6.7% and prices of package holidays by 3.7%. In 'alcoholic beverages, tobacco', prices increased by 4.0%. Year-on-year price level decrease in February came mainly from prices in 'food and non-alcoholic beverages', where especially prices of flour decreased by 22.8%, poultry by 16.4%, UHT semi-skimmed milk by 23.4%, eggs by 30.7% and sugar by 21.1%.

¹⁾ **Acceleration/slowdown** of the year-on-year price index growth is difference between current and previous year-on-year index. It therefore depends on the change of current month-on-month index and also on the change of base – month-on-month index (growth/decrease) in the same month of the last year.

²⁾ Actual rentals includes both newly concluded contracts and existing ones.

Owner occupied housing costs (imputed rentals) increased by 1.0%, year-on-year (increase by 0.4% in January). The overall consumer price index excluding owner occupied housing costs was 102.1%, year-on-year. (More information: [Methodological note](#).)

Prices of goods in total and services went up (0.2% and 5.2%, respectively).

Level of consumer price base index with base period the average of 2015 = 100, was 150.2% in February (149.8% in January).

Inflation rate, i.e. the increase in the average consumer price index in the twelve months to February 2024 compared with the average CPI in the previous twelve months, amounted to 8.2% (9.4% in January).

Harmonized index of consumer prices (HICP)³⁾

According to preliminary calculations, the HICP in Czechia **in February** increased by 0.3% **month-on-month** and 2.2% (2.7% in January), **year-on-year**. According to flash estimates of Eurostat, the MUICP (Monetary Union Index of Consumer Prices) **in February 2024** amounted to 2.6% year-on-year (2.8% in January), 2.7% in Germany and 3.7% in Slovakia. It was the highest in Croatia in February (4.8%) and the lowest in Latvia (0.7%). According to preliminary data of Eurostat, the **year-on-year** change in the average **harmonized index of consumer prices (HICP)** in the **EU27 member states** amounted to 3.1% **in January** (0.3 percentage points down on December). In January, the rise in prices was the highest in Romania (7.3%) and the lowest in Denmark and in Italy (equally 0.9%).

(More information on the Eurostat's web pages: [HICP](#).)

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Starting from January 2024, the consumer price indices are calculated on updated weights, which are determined primarily on the base of household expenditure in 2022 and are modified by the estimate of household expenditure in 2023. These indices are chained at all levels of the consumer basket with the base period average of 2015 = 100. Thereby, a continuation of the existing index time series, from which indices to other bases are derived (previous month = 100, corresponding period of the previous year = 100 and annual rolling average, i.e. the average of index numbers over the last 12 months to the average for the previous 12 months) is ensured.

³⁾ Imputed rentals are excluded from the HICP.