

YEAR-ON-YEAR PRICE GROWTH EXCEEDED 11%

Consumer price indices – inflation – February 2022

Consumer prices in February increased by 1.3%, month-on-month. This development came primarily from higher prices in 'housing, water, electricity, gas and other fuels'. The year-on-year growth of consumer prices amounted to 11.1% in February, which was 1.2 percentage points up on January.

Month-on-month comparison

Consumer prices in February increased by 1.3%, month-on-month. In 'housing, water, electricity, gas and other fuels', mainly prices of electricity were higher by 3.2%, natural gas by 5.6%, solid fuels by 2.2% and materials and services for maintenance and repair of the dwelling by 1.1%. In 'food and non-alcoholic beverages', mainly prices of vegetables increased by 5.9%, bread and cereals by 1.6%, non-alcoholic beverages by 2.1%, smoked meat and sausages by 2.2%, cheese and curd by 1.9% and poultry by 2.2%. Prices of pork decreased by 2.0% and eggs by 4.0%. Price development in 'recreation and culture' was mainly influenced by price growth of package holidays by 4.0%. In 'transport', prices of fuels and lubricants for personal transport equipment were higher by 4.0%.

Prices of goods in total went up by 1.4% and prices of services by 1.0%.

Year-on-year comparison

"Consumer prices increased by more than 11% in comparison with last February. Year-on-year price growth accelerates since last July, i.e. for 8 consecutive months. The most significant price increases were observed for items from housing, transport and food," noted Jiri Mrazek, director of Price Statistics Department of CZSO.

Consumer prices increased by 11.1% in February, i.e. 1.2 percentage points up on January. Year-on-year price growth **acceleration**¹⁾ occurred mainly in 'housing, water, electricity, gas and other fuels' and in 'food and non-alcoholic beverages'. In 'housing, water, electricity, gas and other fuels', mainly price growth of electricity accelerated to 22.6% (increase by 18.8% in January) and natural gas to 28.3% (increase by 21.5% in January). In 'food and non-alcoholic beverages', prices of bread and cereals went up by 11.3% (increase by 9.4% in January), prices of products in group milk, cheese and eggs by 8.8% (increase by 7.2% in January), vegetables by 8.0% (increase by 7.3% in January) and non-alcoholic beverages by 7.0% (increase by 3.9% in January). Prices of meat turned from a decrease by 0.9% in January into growth by 1.8% in February. In 'restaurants and hotels', price growth of catering services accelerated to 12.7% (increase by 11.2% in January).

The biggest influence on **the growth of the year-on-year price level** in February came again from prices in 'housing, water, electricity, gas and other fuels', where besides owner occupied housing costs, also prices of actual rentals increased by 4.3%, prices of water supply by 5.3%, sewage collection by 6.4%, solid fuels by 17.9% and heat and hot water by 12.4%. Next in order of influence were prices in 'transport', where prices of motor cars were higher by 10.5% and fuels and lubricants for personal transport equipment by 31.0%. In 'food and non-alcoholic beverages', prices of flour were higher by 25.3%, year-on-year, UHT semi-skimmed milk by 18.1%, butter by 30.0%, potatoes by 14.7% and sugar by 24.2%. Prices in restaurants, cafés and the likes were higher by 14.1%, year-on-year. Prices of garments were higher by 17.8% and prices of shoes and other footwear by 14.7%.

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.

Imputed rentals (owner occupied housing costs) were higher by 15.7% (increase by 15.2% in January) mainly due to the growth of prices of construction materials and prices of new flats for own housing, and to a lesser extent price growth of construction works. The overall consumer price index excluding imputed rentals for housing was 110.6%, year-on-year. (More information about index of imputed rentals: [Methodological note.](#))

Prices of goods in total and services went up (12.0% and 9.6%, respectively).

Inflation rate, i.e. the increase in the average consumer price index in the twelve months to February 2022 compared with the average CPI in the previous twelve months, amounted to 5.2% (4.5% in January).

Harmonized index of consumer prices (HICP) ²⁾

According to preliminary calculations, the HICP in Czechia **in February** went up by 1.3%, **month-on-month** and 10.0%, **year-on-year**. According to flash estimates of Eurostat, the MUICP (Monetary Union Index of Consumer Prices) **in February 2022** amounted to 5.8% year-on-year (5.1% in January), 8.2% in Slovakia and 5.5% in Germany. 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 5.6% **in January** (0.3 percentage points up on December). The rise in prices in January was the highest in Lithuania (12.3%) and the lowest in France (3.3%).

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

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Starting from January 2022, the consumer price indices are counted on updated weights, which are determined on the base of household expenditure average in 2019–2021. 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) are ensured.

²⁾ Imputed rentals are excluded from the HICP.