

YEAR-ON-YEAR PRICE GROWTH SLOWED DOWN TO 9.7%

Consumer price indices – inflation – June 2023

Consumer prices increased by 0.3%, month-on-month. This development came mainly from higher prices in 'recreation and culture'. The year-on-year growth of consumer prices amounted to 9.7% in June, which was 1.4 percentage points down on May.

Month-on-month comparison

Consumer prices in June increased by 0.3%, month-on-month. In 'recreation and culture', mainly seasonal prices of package holidays increased by 8.7%. In 'housing, water, electricity, gas and other fuels', prices of electricity rose by 0.5% in particular. Price rise in 'alcoholic beverages, tobacco' came from increasing prices of wine by 2.6% and beer by 1.5%. In 'restaurants and hotels', prices of catering services were higher by 0.6% and accommodation services by 2.2%. Overall consumer price level decrease in June came especially from prices in 'furnishings, household equipment and routine household maintenance', where prices of goods and services for routine household maintenance dropped by 1.4%, month-on-month. Prices of 'food and non-alcoholic beverages' as a whole did not change in comparison with May, but some kinds of food recorded significant price movements. It concerned mainly vegetable prices, which grew by 5.1% of which prices of potatoes were higher by 22.1% (partly due to market offer, which switched from old to new potatoes). On the other hand, prices of pork in comparison with May were lower by 3.9%, cheese and curd by 1.6%, fruit by 1.4%, eggs by 3.7%, flour by 9.0% and poultry by 1.1%.

Prices of goods in total went up by 0.1% and prices of services by 0.8%.

Year-on-year comparison

"Consumer prices in June grew up by 9.7%, year-on-year and they have moderated their growth already for the fifth time. Lower price growth had been recorded for the last time in December 2021, that was 6.6%. The slowdown of price increase came mainly from development in 'food and non-alcoholic beverages' and in 'housing, water, electricity, gas and other fuels'," noted Jaroslav Sixta, Vice President of the Czech Statistical Office.

Consumer prices increased by 9.7% in June, i.e. 1.4 percentage points down on May. This **slowdown**¹⁾ of year-on-year price growth was mainly influenced by prices in 'food and non-alcoholic beverages' and in 'housing, water, electricity, gas and other fuels'. In 'food and non-alcoholic beverages', mainly prices of meat moderated their growth to 4.7% (increase by 8.7% in May) and prices of cheese and curd to 10.0% (increase by 16.1% in May). Prices of oils and fats turn from increase by 2.0% in May into decrease by 4.3% in June. In 'housing, water, electricity, gas and other fuels', prices of materials and services for maintenance and repair of the dwelling slowed down their year-on-year growth to 10.0% (increase by 12.4% in May), natural gas to 39.8% (increase by 47.6% in May) and solid fuels to 35.2% (increase by 39.4% in May).

The biggest influence on **the growth of the year-on-year price level** in June came again from prices in 'housing, water, electricity, gas and other fuels', where prices of actual rentals²⁾ increased by 6.9%, water supply by 16.3%, sewage collection by 26.9%, electricity by 24.6% and heat and hot water by 40.7%. Next in order of influence were prices in 'food and non-alcoholic beverages', where prices of eggs increased by 28.8%, margarine and other vegetable fats by 17.1%, fruit by 15.2%, vegetables by 28.2% (of which prices of potatoes were higher by 37.0%) and sugar by 50.3%. In 'recreation and culture', prices of package

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.

holidays increased by 14.4%. In 'restaurants and hotels', prices of catering services increased by 13.8% and prices of accommodation services by 13.5%. Year-on-year price level decrease in June came, for the fourth consecutive month, from prices in 'transport' mainly due to prices of fuels, which were lower by 25.0%, year-on-year.

Owner occupied housing costs (imputed rentals) were higher by 1.5% (increase by 3.1% in May). The overall consumer price index excluding owner occupied housing costs was 110.8%, year-on-year. (More information: [Methodological note](#).)

Prices of goods in total and services went up (10.7% and 7.9%, respectively).

Inflation rate, i.e. the increase in the average consumer price index in the twelve months to June 2023 compared with the average CPI in the previous twelve months, amounted to 15.1% (15.8% in May).

Level of consumer price base index with base period the average of 2015 = 100, was 148.1% in June (147.6% in May).

Harmonized index of consumer prices (HICP) ³⁾

According to preliminary calculations, the HICP in Czechia **in June** increased by 0.3% **month-on-month** and 11.2% (12.5% in May), **year-on-year**. According to flash estimates of Eurostat, the MUICP (Monetary Union Index of Consumer Prices) **in June 2023** amounted to 5.5% year-on-year (6.1% in May), 6.8% in Germany. It was the highest in Slovakia in June (11.3%). 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 7.1% **in May** (1.0 percentage points down on April). In May, the rise in prices was the highest in Hungary (21.9%) and the lowest in Luxembourg (2.0%).

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

³⁾ Imputed rentals are excluded from the HICP.