

# YEAR-ON-YEAR PRICE GROWTH ACCELERATED

## Consumer price indices – inflation – June 2020

**Consumer prices in June increased by 0.6% compared with May. This development came primarily from a price increase in 'alcoholic beverages and tobacco'. The year-on-year growth of consumer prices amounted to 3.3% in June, which was 0.4 percentage points up on May.**

### Month-on-month comparison

Month-on-month rise of consumer prices in 'alcoholic beverages and tobacco' came from price increase of tobacco products by 4.7% and wine by 5.1%. In 'transport', mainly prices of automotive fuels and lubricants were higher by 3.1% and prices of motor cars by 1.4%. Price development in 'miscellaneous goods and services' was influenced by higher prices of goods and services for personal care by 0.7%. In food, mainly prices of fruit increased by 1.9%, potatoes by 7.3% (partly due to market offer, which switched from old to new potatoes), cheese and curd by 1.3%.

The decrease in the overall consumer price level in June came from price reduction in 'food and non-alcoholic beverages', where mainly prices of vegetables were lower by 4.1%, non-alcoholic beverages by 1.3%, meat by 0.4%, oils and fats by 1.5%, semi-skimmed UHT milk by 2.2%.

Prices of goods in total went up by 0.7% and prices of services by 0.4%.

### Year-on-year comparison

Consumer prices increased by 3.3% in June, i.e. 0.4 percentage points up on May. Acceleration in the year-on-year price growth occurred mainly in 'alcoholic beverages, tobacco'. Prices of tobacco products went up by 12.2% (7.1% in May), beer by 5.2% (3.5% in May) and wine by 5.4% (decrease by 1.2% in May). The overall consumer price index excluding 'alcoholic beverages and tobacco' would reach 102.7%. In 'clothing and footwear', price growth of garments accelerated from 3.4% in May to 4.6% in June. In 'transport', the year-on-year price drop of automotive fuels and lubricants slowed down to 19.2% (decrease by 21.7% in May).

The year-on-year price growth in 'food and non-alcoholic beverages' slowed down. Prices of meat were higher by 8.8% (10.8% in May), sausages and smoked meat by 11.6% (13.6% in May), non-alcoholic beverages by 0.5% (3.5% in May), prices of yoghurts turned from price rise by 0.4% in May to decline by 5.4% in June and prices of oils and fats deepened their decrease to 5.2% (decrease by 1.1% in May).

The biggest influence on the growth of the year-on-year price level in June came from prices in 'food and non-alcoholic beverages', where prices of flour went up by 12.9%, pork by 10.2%, sausages and smoked meat by 11.6%, fruit by 27.2% and sugar by 15.9%. Prices in 'alcoholic beverages and tobacco' increased by 9.6%. In 'housing, water, electricity, gas and other fuels', prices of actual rentals for housing were higher by 3.1%, water supply by 1.7%, sewage collection by 1.5%, electricity by 7.6% and natural gas by 0.4%. The impact on the price level increase came also from prices in 'restaurants and hotels', where prices of catering services increased by 5.5%. A reduction in the overall price level in June came from prices in 'transport' (decrease by 2.6%). In 'communication' prices of telephone and telefax services dropped by 4.0%.

Prices of goods in total and services went up (3.4% and 3.1%, respectively). The overall consumer price index excluding imputed rentals for housing was 103.4%, year-on-year.

Inflation rate, i.e. the increase in the average consumer price index in the twelve months to June 2020 compared with the average CPI in the previous twelve months, amounted to 3.1%.

According to preliminary data of Eurostat, the **year-on-year** change in the average **harmonized index of consumer prices** (HICP)<sup>1)</sup> in the **EU27 member states** amounted to 0.5% **in May** (0.1 percentage point down on April). The rise in prices was the highest in Poland (3.4%) and Czechia (3.1%). On the other hand, price reduction occurred in 14 EU countries, the deepest in Estonia (−1.8%) and in Luxembourg (−1.6%). In Slovakia, prices were higher by 2.1% year-on-year, both in May and April. In Germany, prices increased by 0.5% (0.8% in April). According to preliminary calculations, the change in the HICP in the Czech Republic **in June** amounted to 0.5% **month-on-month**, and 3.4% **year-on-year**. The MUICP (Monetary Union Index of Consumer Prices) flash estimate for the **Eurozone in June 2020** amounted to 0.3%, y-o-y, as Eurostat announced (more information on the Eurostat's web pages: [HICP](#).)

[Methodological note to consumer price index in June 2020 \(COVID-19\)](#)

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<sup>1)</sup> Imputed rentals are excluded from the HICP.