

YEAR-ON-YEAR PRICE GROWTH SLOWED DOWN TO 6.9%

Consumer price indices – inflation – September 2023

Consumer prices decreased by 0.7%, month-on-month. This development came mainly from price drop in 'recreation and culture', 'food and non-alcoholic beverages' and in 'housing, water, electricity, gas and other fuels'. The year-on-year growth of consumer prices amounted to 6.9% in September, which was 1.6 percentage points down on August.

Month-on-month comparison

Consumer prices in September decreased by 0.7%, month-on-month. In 'recreation and culture', prices of package holidays went down by 21.9% due to the end of summer season. In 'food and non-alcoholic beverages', prices of most of surveyed items were lower. Prices of fruit decreased by 3.8%, vegetables by 2.9%, of which prices of potatoes were lower by 2.7%. Prices of eggs dropped by 9.2%, UHT semi-skimmed milk by 8.3%, pork meat by 1.8%, oils and fats by 2.2%, smoked meat and sausages by 1.1% and cheese and curd by 1.0%. Month-on-month price decrease in 'housing, water, electricity, gas and other fuels' came mainly from lower prices of natural gas by 3.6%, electricity by 2.0% and solid fuels by 1.3%. On the other hand, consumer price increase occurred in 'transport', mainly due to higher prices of fuels and lubricants for personal transport equipment by 2.8%. In 'clothing and footwear', prices of garments went up by 1.1% and shoes and other footwear by 1.7%. As the new school year started, prices in 'education' increased by 5.8%. Fees in kindergartens increased by 4.5%, tuition fees at private secondary schools by 9.6%, fees for foreign language learning by 3.8%, fees in schools of art (base level) by 3.5% and fees in after school care centres by 3.8%.

Prices of goods in total increased by 0.7% and prices of services by 0.8%.

Year-on-year comparison

"In September, consumer prices moderated their year-on-year growth for the eighth time and fell below 7%. It was the lowest value since December 2021," noted Pavla Sediva, head of Consumer Price Statistics Unit of CZSO.

Consumer prices increased by 6.9% in September, i.e. 1.6 percentage points down on August. This **slowdown**¹⁾ of year-on-year price growth 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', prices of electricity slowed down their year-on-year growth to 16.5% (increase by 23.1% in August), natural gas prices to 12.5% (increase by 34.5% in August), and prices of solid fuels to 12.9% (increase by 22.3% in August), partially also due to their increase in the last year September.

In 'food and non-alcoholic beverages', prices of eggs were higher by 7.5% (increase by 16.9% in August), fruit by 7.3% (increase by 9.4% in August), vegetables by 20.4% (increase by 24.5% in August). Prices of UHT semi-skimmed milk in September were lower by 21.1% (decrease by 12.3% in August), oils and fats by 13.0% (decrease by 9.9% in August).

The biggest influence on **the growth of the year-on-year price level** in September came again from prices in 'housing, water, electricity, gas and other fuels', where prices of actual rentals²⁾ increased by 7.9%, water supply by 16.3%, sewage collection by 26.9% and heat and hot water by 36.2%. Next in order of influence were prices in 'food and non-alcoholic beverages', where prices of potatoes increased by 63.4% and sugar

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

by 44.6%. Price development in 'recreation and culture' was influenced mainly by higher prices of package holidays by 12.1%. In 'alcoholic beverages, tobacco', prices of spirits increased by 3.1%, wine by 6.7%, beer by 9.9% and tobacco products by 7.4%. In 'restaurants and hotels', prices of catering services increased by 10.1% and prices of accommodation services by 12.2%.

Owner occupied housing costs (imputed rentals) were higher by 0.1% (increase by 0.4% in August). The overall consumer price index excluding owner occupied housing costs was 107.7%, year-on-year. (More information: [Methodological note](#).)

Prices of goods in total and services went up (7.0% and 6.7%, respectively).

Inflation rate, i.e. the increase in the average consumer price index in the twelve months to September 2023 compared with the average CPI in the previous twelve months, amounted to 12.7% (13.6% in August).

Level of consumer price base index with base period the average of 2015 = 100, was 148.0% in September (149.1% in August).

Harmonized index of consumer prices (HICP) ³⁾

According to preliminary calculations, the HICP in Czechia **in September** decreased by 0.8% **month-on-month** and increased by 8.3% (10.1% in August), **year-on-year**. According to flash estimates of Eurostat, the MUICP (Monetary Union Index of Consumer Prices) **in September 2023** amounted to 4.3% year-on-year (5.2% in August), 4.3% also in Germany. It was the highest in Slovakia in September (8.9%) and the lowest in the Netherlands (decrease by 0.3%). 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 5.9% **in August** (0.2 percentage points down on July). In August, the rise in prices was the highest in Hungary (14.2%) and the lowest in Denmark (2.3%).

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

³⁾ Imputed rentals are excluded from the HICP.