

YEAR-ON-YEAR GROWTH OF CONSUMER PRICES REMAINED UNCHANGED

Consumer price indices – March 2013

Consumer prices in March increased by 0.1% compared with February. This rise came primarily from price increases in 'food and non-alcoholic beverages' and 'transport'. The year-on-year growth of consumer prices amounted to 1.7% in March (the same as in February).

The **month-on-month** increase in consumer prices came primarily from the growth of prices in 'food and non-alcoholic beverages' due primarily to higher prices of vegetables by 6.6%, of which potato prices by 11.8%. Prices of bread rose by 2.5%, milk by 1.6%, yoghurts by 3.3%, non-alcoholic beverages by 3.4%. Automotive fuel prices increased, after a significant rise in February, by 0.7% in March.

A contrary effect on the price level owed mainly to a decrease in prices in 'recreation and culture', where prices of package holidays dropped (-4.1%). In 'alcoholic beverages, tobacco', prices of spirits went down (-3.2%). In 'communication', prices of telephone and telefax services were lower (-0.8%).

Prices of goods in total rose (0.2%), while prices of services decreased (-0.3%).

In terms of the **year-on-year** comparison, in March, the increase in consumer prices was 1.7% (the same as in February). The price development was for most divisions of the consumer basket the same or almost the same in both months. A slowdown in the price growth was shown in 'food and non-alcoholic beverages' due primarily to the year-on-year drop in prices of eggs by 29.3% from the rise by 17.1% in February. The reason was a significant month-on-month increase in prices of eggs in March 2012 (65.3%). A slowdown in the price growth occurred also in bread and cereals, meat, cocoa and coffee.

A decisive upward effect on the y-o-y consumer price level came from prices in 'housing, water, electricity, gas and other fuels' and prices in 'food and non-alcoholic beverages'. In 'housing, water, electricity, gas and other fuels', the net actual rentals went up by 2.5%, water supply by 6.7%, sewerage collection by 7.2%, prices of natural gas by 2.1%, electricity by 3.3%, heat and hot water by 5.0%. In food, prices of flour rose by 19.8%, pork by 8.5%, fish by 11.0%, fruit by 10.5%, potatoes by 51.6%. In 'alcoholic beverages, tobacco', prices of beer were higher by 7.4%.

The reduction of the y-o-y growth came from prices in 'communication' due to the decrease in prices of telephone and telefax services and prices of mobile phones (-4.4% and -13.7%, respectively) in particular. In 'clothing and footwear', prices of both clothing and footwear dropped (-3.7% and -3.6%, respectively). In 'transport', prices of automotive fuel and cars were lower (-0.9% and -3.4%, respectively).

Prices of goods in total and prices of services rose (1.6% both). The overall consumer price index excluding imputed rentals was 101.6%, year-on-year.

Inflation rate, i.e. the increase in the average consumer price index in the twelve months to March 2013 compared with the average CPI in the previous twelve months, stood at 2.8% in March.

According to preliminary data of Eurostat, the year-on-year increase in the average **harmonized index of consumer prices (HICP)**¹⁾ in the **EU27 member states** was 2.0% in **February**, i.e. 0.1 percentage point down on January. The highest annual rate was observed in Romania (4.8%) and the lowest in Greece (0.1%). In Germany, the price rise decelerated to 1.8% in February (1.9% in January). In Slovakia, the price increase slowed down and was 2.2% in February (2.5% in January). According to preliminary calculations, the HICP in the Czech Republic in **March 2013** amounted to 0.1%, **month-on-month**, and was 1.5% (1.8% in February), **year-on-year**. The MUICP (Monetary Union Index of Consumer Prices) flash estimate for the **Euro zone** in **March 2013** was 1.7%, y-o-y, as Eurostat announced (more information on the Eurostat's web pages: [HICP](#)).

¹⁾ So far, imputed rentals have been excluded from the HICP