# Year-on-year price growth slowed down

## Consumer price indices – inflation – January 2025

Consumer prices increased by 1.3%, month-on-month. This development came mainly from higher prices in 'food and non-alcoholic beverages' and in 'alcoholic beverages, tobacco'. The year-on-year growth of consumer prices amounted to 2.8% in January, which was 0.2 percentage points down on December.

**Month-on-month comparison**

Consumer prices in January increased by 1.3%, month-on-month. In 'food and non-alcoholic beverages', especially prices of vegetables increased by 7.1%, fruit by 6.5%, non-alcoholic beverages by 4.1%, cheese and curd by 4.1%, poultry by 5.7%, pork by 3.0%, smoked meat and sausages by 1.7% and UHT semi-skimmed milk by 1.7%. In 'alcoholic beverages, tobacco', prices of spirits were higher by 10.8%, wine by 13.0%, beer by 3.5% and tobacco products by 0.4%. Price development in 'recreation and culture' was influenced mainly by higher prices of package holidays by 5.7%. On the other hand, month-on-month overall price level decrease in January came mainly from prices in 'clothing and footwear', where prices of garments were lower by 1.9% and prices of shoes and other footwear by 2,7%, month-on-month. In food, prices of eggs were lower by 6.6%.

Prices of goods in total increased by 1.5% and prices of services by 1.0%.

**Year-on-year comparison**

“*Year-on-year price development in January was significantly influenced by prices of food and housing. Prices of food continued in their year-on-year increase and were higher by almost 5% in comparison with the last January. On the other hand, prices of housing slowed down their growth and were higher by 1.3% year-on-year”* noted Pavla Sediva, head of Consumer Price Statistics Unit of CZSO.

Consumer prices increased by 2.8% in January, which was 0.2 percentage points down on December, year-on-year. This **slowdown**[[1]](#footnote-1)) of the year-on-year price growth occurred mainly in 'housing, water, electricity, gas and other fuels' (partially due to higher month-on-month increase in the last year January). Prices of water supply increased by 4.2% in January (increase by 10.9% in December), sewage collection by 3.7% (increase by 13.4% in December), heat and hot water by 4.7% (increase by 8.5% in December). Prices of electricity turned from increase by 8.0% in December into decline by 4.7% in January. Prices of natural gas decreased by 7.7% (decrease by 5.5% in December). On the other hand, in 'food and non-alcoholic beverages' most of surveyed items accelerated their year-on-year price increase or moderated year-on-year decrease. Prices in group milk, cheese and eggs increased by 8.0% (increase by 5.4% in December), fruit by 7.4% (increase by 5.9% in December). In January, prices of vegetables decreased by 0.7%, year-on-year (decrease by 5.1% in December), sugar by 21.6% (decrease by 30.4% in December), flour by 5.8% (decrease by 10.3% in December). Prices of meat were higher by 3.5% in January (decrease by 1.1% in December).

The biggest influence on **the growth of the year-on-year price level** in January came from prices in 'food and non-alcoholic beverages', where (except already mentioned above) prices of eggs increased by 24.7%, butter by 40.5% and chocolate and chocolate products by 27.8%. Second in order of influence were prices in 'alcoholic beverages, tobacco', where prices of spirits increased by 3.6%, wine by 0.4%, beer by 1.8% and tobacco products by 7.4%. In 'restaurants and hotels', prices of catering services were higher by 5.2% and accommodation services by 8.7%. In 'housing, water, electricity, gas and other fuels' (except already mentioned), prices of actual rentals[[2]](#footnote-2)) increased by 6.6% and prices of materials and services for maintenance and repair of the dwelling by 3.4%. Price development in ‘recreation and culture’ came mainly from higher prices of package holidays by 3.6%. Year-on-year overall price level decrease in January came again from prices in 'clothing and footwear', where prices of garments were lower by 1.2% and shoes and other footwear by 4.3%.

Owner occupied housing costs (imputed rentals) increased by 2.9%, year-on-year (increase by 1.7% in December), mainly due to growth of prices of new real estates. The overall consumer price index excluding owner occupied housing costs was 102.8%, year-on-year. (More information: [Methodological note](https://csu.gov.cz/methodological-notes-to-consumer-price-index-imputed-rentals).)

Prices of goods in total and services went up (1.7% and 4.7%, respectively).

Level of consumer price base index with base period the average of 2015 = 100, was 154.0% in January (152.0% in December).

Inflation rate, i.e. the increase in the average consumer price index in the twelve months to January 2025 compared with the average CPI in the previous twelve months, amounted to 2.5% (2.4% in December).

**Harmonized index of consumer prices (HICP)** [[3]](#footnote-3))

According to preliminary calculations, the HICP in Czechia **in January** increased by 1.4% **month-on-month** and by 2.9% (3.3% in December), **year-on-year**. According to flash estimates of Eurostat, **the MUICP** (Monetary Union Index of Consumer Prices) **in January 2025** amounted to 2.5%, year-on-year (2.4% in December), 2.8% in Germany and 4.1% in Slovakia. It was the highest in Croatia in January (5.0%) and the lowest in Ireland (1.5%). 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 2.7% **in December** (0.2 percentage points up on November). In December, the rise in prices was the highest in Romania (5.5%) and the lowest in Ireland (1.0%).

(More information on the Eurostat’s web pages: [**HICP**](https://ec.europa.eu/eurostat/web/hicp/database).)

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Since January 2025 Flash estimate of consumer price index is calculated and published.

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. [↑](#footnote-ref-1)
2. ) Actual rentals includes both newly concluded contracts and existing ones. [↑](#footnote-ref-2)
3. ) Imputed rentals are excluded from the HICP. [↑](#footnote-ref-3)