

# YEAR-ON-YEAR GROWTH SLOWED DOWN FOR THE SIXTH CONSECUTIVE MONTH

## Consumer price indices – inflation – January 2021

Consumer prices in January increased by 1.3% compared with December. This development came primarily from price rise in 'food and non-alcoholic beverages' and 'alcoholic beverages, tobacco'. The year-on-year growth of consumer prices amounted to 2.2% in January, which was 0.1 percentage points down on December.

### Month-on-month comparison

Price increase in 'food and non-alcoholic beverages' came mainly from higher prices of vegetables by 10.3%, of which prices of potatoes went up by 10.7%. Prices of non-alcoholic beverages were higher by 3.4%, poultry by 3.9%, oils and fats by 4.1%, eggs by 9.4%, pork by 3.1%, fruit by 1.6%, UHT semi-skimmed milk by 2.9% and yoghurts by 3.6%. In 'alcoholic beverages, tobacco', prices of spirits increased by 9.0%, beer by 6.0%, wine by 5.4% and tobacco products by 0.4%. Increase in the overall consumer price level in January came also from price rise in 'housing, water, electricity, gas and other fuels', where prices of water supply and sewage collection were both higher by 5.5% actual rentals by 0.6% and fees for refuse collection by 3.8%. Prices of electricity decreased by 0.8% month-on-month and prices of natural gas by 0.4%.

Prices of goods in total went up by 1.4% and prices of services by 1.2%.

### Year-on-year comparison

Consumer prices increased by 2.2% in January, i.e. 0.1 percentage points down on December. This slowdown in the year-on-year price growth came mainly from prices in 'housing, water, electricity, gas and other fuels'. Price rise of actual rentals decelerated to 1.3% (2.0% in December), fees for refuse collection to 3.8% (12.3% in December). Prices of electricity turned from rise by 2.5% in December, into decline by 1.4% in January and prices of natural gas were lower by 4.7% year-on-year (–3.9% in December). In 'alcoholic beverages, tobacco' price increase of spirits slowed down to 3.2% (5.4% in December) and tobacco products to 15.2% (16.4% in December). On the other hand, in 'food and non-alcoholic beverages', many kind of food either turned from their price decline in December into the growth in January or their price drop slowed down. Prices of non-alcoholic beverages increased by 2.8% in January (decrease by 1.3% in December). Prices of pork were lower by 5.6% (decrease by 6.8% in December), UHT semi-skimmed milk by 9.4% (decrease by 10.6% in December), vegetables by 3.1% (decrease by 7.2% in December), of which prices of potatoes were lower by 18.6% in January, year-on-year (decrease by 22.2% in December). In 'clothing and footwear', prices of garments were higher by 4.2% (2.4% in December) and shoes and other footwear by 3.8% (1.8% in December).

The biggest influence on the growth of the year-on-year price level in January came from prices in 'alcoholic beverages and tobacco' (increase by 9.3%). In 'furnishings, household equipment and routine household maintenance', prices of household appliances and goods and services for routine household maintenance went up (both by 3.0%). In 'miscellaneous goods and services', prices of goods and services for personal care were higher by 2.8%. The prices in 'housing, water, electricity, gas and other fuels', had also an impact on increase (despite its weakening). Prices of water supply went up by 1.9% and sewage collection by 2.3%. A reduction in the overall price level in January came from prices in 'communication' (decrease by 1.2%).

Prices of goods in total and services went up (1.9% and 2.6%, respectively). The overall consumer price index excluding imputed rentals for housing was 102.3%, year-on-year.

Inflation rate, i.e. the increase in the average consumer price index in the twelve months to January 2021 compared with the average CPI in the previous twelve months, amounted to 3.0%.

### Harmonized index of consumer prices (HICP) <sup>1)</sup>

According to preliminary calculations, the HICP in Czechia **in January** went up by 1.3%, **month-on-month** and 2.2%, **year-on-year**. According to flash estimates of Eurostat, the MUICP (Monetary Union Index of Consumer Prices) **in January 2021** amounted to 0.9% year-on-year (–0.3 in December). In Slovakia, prices were higher by 0.4% in January and in Germany by 1.6%, year-on-year. 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 0.2% **in December** (as in November). The rise in prices was the highest in Poland (3.4%) and the deepest price reduction occurred in Greece (–2.4%). In Slovakia, prices were higher by 1.6% and in Germany prices decreased by 0.7%.

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

[Methodological note to consumer price index in January 2021 \(COVID-19\)](#)

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