

MONTH-ON-MONTH PRICE LEVEL REMAINED UNCHANGED

Consumer price indices – inflation – August 2020

Consumer prices in August remained unchanged compared with July (monthly change 0.0%). The decrease of prices especially in 'food and non-alcoholic beverages' was offset by a price growth mainly in 'transport'. The year-on-year growth of consumer prices amounted to 3.3% in August, which was 0.1 percentage points down on July.

Month-on-month comparison

The decrease in the overall consumer price level in August came mainly from prices in 'food and non-alcoholic beverages'. Primarily prices of vegetables were lower by 3.4%, of which prices of potatoes dropped by 11.1%. Prices of fruit decreased by 1.1% and prices in group milk, cheese and eggs by 0.5%. In 'clothing and footwear', prices of garments were lower by 0.7% and shoes and other footwear by 0.5%.

Month-on-month rise of consumer prices in 'transport', came primarily from price increase of motor cars by 0.6% and automotive fuels and lubricants by 0.4%. In 'restaurants and hotels', prices of catering services went up by 0.2%. In 'recreation and culture', prices of package holidays were higher by 2.1%. In food, mainly prices of oils and fats increased by 2.1% and prices of sugar by 4.9%.

Prices of goods in total went down by 0.2%, whereas prices of services went up by 0.2%.

Year-on-year comparison

Consumer prices increased by 3.3% in August, i.e. 0.1 percentage points down on July. In 'food and non-alcoholic beverages', price growth of pork decelerated to 3.6% (5.0% in July), smoked meat and sausages to 8.3% (10.3% in July), eggs to 6.9% (9.4% in July) and non-alcoholic beverages to 3.3% (3.8% in July). In 'alcoholic beverages, tobacco', prices of spirits increased by 9.5% (10.6% in July), beer by 3.7% (4.7% in July) and prices of wine turned from rise by 2.2% in July into decline by 0.2% in August. In 'transport', the price drop of automotive fuels and lubricants slowed down to 13.7% (decrease by 14.4% in July).

The biggest influence on the growth of the year-on-year price level in August came, as before, from prices in 'alcoholic beverages and tobacco' (an increase by 9.9%). In 'food and non-alcoholic beverages', prices of meat went up by 6.0%, fruit by 22.4% and sugar by 12.0%. In 'housing, water, electricity, gas and other fuels', prices of actual rentals for housing were higher by 2.6%, water supply by 1.7%, sewage collection by 1.5%, electricity by 7.6% and natural gas by 0.4%. In 'restaurants and hotels', prices of catering services increased by 5.5%. A reduction in the overall price level in August came again from prices in 'transport' (a decrease by 0.1%) and in 'communication' (a decrease by 4.0%).

Prices of goods in total and services went up (3.6% and 2.7%, 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 August 2020 compared with the average CPI in the previous twelve months, amounted to 3.2%.

According to preliminary data of Eurostat, the **year-on-year** change in the average **harmonized index of consumer prices** (HICP)¹⁾ in the **EU27 member states** amounted to 0.8% **in July** (0.1 percentage point up on June). The rise in prices was the highest in Hungary (3.9%) and Poland (3.7%). On the other hand, price reduction occurred in 8 EU countries, the deepest in Greece (-2.1%) and in Cyprus (-2.0%). In Slovakia, prices were higher by 1.8% year-on-year, both in June and July. In Germany, year-on-year price change amounted to 0.0% in July (0.8% in June). According to preliminary calculations, the change in the HICP in

¹⁾ Imputed rentals are excluded from the HICP.

the Czech Republic in **August** amounted to 0.0% **month-on-month**, and 3.5% **year-on-year**. The MUICP (Monetary Union Index of Consumer Prices) flash estimate for the **Eurozone in August 2020** amounted to -0.2%, y-o-y, as Eurostat announced (more information on the Eurostat's web pages: [HICP](#).)

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