

PRICES OF FUELS INCREASED SIGNIFICANTLY

Consumer price indices – inflation – March 2022

Consumer prices in March increased by 1.7%, month-on-month. This development came primarily from higher prices in 'transport' and in 'housing, water, electricity, gas and other fuels'. The year-on-year growth of consumer prices amounted to 12.7% in March, which was 1.6 percentage points up on February.

Month-on-month comparison

Consumer prices in March increased by 1.7%, month-on-month. In 'transport', mainly prices of fuels and lubricants for personal transport equipment were higher by 21.7%. In 'housing, water, electricity, gas and other fuels', mainly prices of natural gas were higher by 7.4%, electricity by 1.7%, materials and services for maintenance and repair of the dwelling by 2.1% and heat and hot water by 1.3%. In 'food and non-alcoholic beverages', mainly prices of meat increased by 0.8%, fruit by 2.1%, bread and cereals by 1.0%, oil and fats by 2.8% (of which prices of butter were higher by 4.1%) and cheese and curd by 1.3%. Prices of vegetables decreased by 1.4%, month-on-month. Price development in 'restaurants and hotels' was influenced by higher prices of catering services by 2.2% and accommodation services by 3.4%. In 'alcoholic beverages, tobacco', prices of wine increased by 2.2% and tobacco products by 2.3%.

Prices of goods in total went up by 2.5% and prices of services by 0.4%.

Year-on-year comparison

“Consumer prices increased by 12.7% in comparison with last March. The most significant acceleration of the price growth was observed for fuels, which were half as expensive in March than a year ago. E.g. petrol Natural 95 was sold in average for about CZK 44.50 per litre at petrol stations and diesel for CZK 47 per litre” noted Pavla Sediva, head of Consumer Price Statistics Unit of CZSO.

Consumer prices increased by 12.7% in March, i.e. 1.6 percentage points up on February. Year-on-year price growth **acceleration**¹⁾ occurred mainly in 'transport' and in 'housing, water, electricity, gas and other fuels'. In 'transport', mainly price growth of fuels and lubricants for personal transport equipment accelerated to 50.6% (increase by 31.0% in February). In 'housing, water, electricity, gas and other fuels', prices of electricity were higher by 24.7% (increase by 22.6% in February), natural gas by 37.7% (increase by 28.3% in February), materials and services for routine household maintenance by 16.4% (increase by 14.5% in February) and heat and hot water by 13.9% (increase by 12.4% in February).

The biggest influence on **the growth of the year-on-year price level** in March came again from prices in 'housing, water, electricity, gas and other fuels', where besides owner occupied housing costs, also prices of actual rentals increased by 4.4%, prices of water supply by 5.3%, sewage collection by 6.4%, solid fuels by 19.9%. Next in order of influence were prices in 'transport' (increase by 21.6%). In 'food and non-alcoholic beverages', prices of flour were higher by 30.3%, year-on-year, UHT semi-skimmed milk by 20.1%, butter by 31.9% and potatoes by 21.4%. Prices of garments increased by 19.9% and shoes and other footwear by 15.4%.

Imputed rentals (owner occupied housing costs) were higher by 16.3% (increase by 15.7% in February) mainly due to the growth of prices of construction materials and prices of new flats for own housing, and to a lesser

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.

extent price growth of construction works. The overall consumer price index excluding imputed rentals for housing was 112.4%, year-on-year. (More information about index of imputed rentals: [Methodological note](#).)

Prices of goods in total and services went up (14.3% and 10.4%, respectively).

Inflation rate, i.e. the increase in the average consumer price index in the twelve months to March 2022 compared with the average CPI in the previous twelve months, amounted to 6.1% (5.2% in February).

Harmonized index of consumer prices (HICP) ²⁾

According to preliminary calculations, the HICP in Czechia **in March** went up by 1.9%, **month-on-month** and 11.9%, **year-on-year**. According to flash estimates of Eurostat, the MUICP (Monetary Union Index of Consumer Prices) **in March 2022** amounted to 7.5% year-on-year (5.9% in February), 9.5% in Slovakia and 7.6% in Germany. 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 6.2% **in February** (0.6 percentage points up on January). The rise in prices in February was the highest in Lithuania (14.0%) and the lowest in France and in Malta (equally 4.2%).

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

In March, in comparison with the previous month, the overall consumer price level in **households of pensioners** went up by 1.5%. The biggest influence on this development had the increase of prices in 'housing, water, electricity, gas and other fuels' by 2.3%. The increase in prices in 'transport' by 6.7% was mainly due to an increase in prices of fuels and lubricants for personal transport equipment. In 'food and non-alcoholic beverages', prices increased by 0.7%. In this division, prices of meat, fruit, bread and cereals and prices of oils and fats were higher. The opposite effect on the change in the price level was due to the decrease of prices in 'recreation and culture' by 1.4%, where prices of package holidays were lower as a result of the ending winter season.

In the capital city of Prague, consumer prices in total increased by 1.4%, month-on-month (1.7% in Czechia). The increase of prices in 'transport' by 6.4% (7.1% in Czechia) was mainly due to an increase in prices of fuels and lubricants for personal transport equipment. Prices in 'restaurants and hotels' were higher by 2.9% (2.3% in Czechia). In this division, there was an increase in prices of catering services. In 'housing, water, electricity, gas and other fuels', prices increased by 0.6%³⁾ (1.5% in Czechia). On the other hand, in Prague there was a decrease in consumer prices in 'restaurants and hotels' by 0.7% (0.9% in Czechia) due to lower prices of package holidays as a result of the ending winter season.

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Starting from January 2022, the consumer price indices are counted on updated weights, which are determined on the base of household expenditure average in 2019–2021. These indices are chained at all levels of the consumer basket with the base period average of 2015 = 100. Thereby, a continuation of the existing index time series, from which indices to other bases are derived (previous month = 100, corresponding period of the previous year = 100 and annual rolling average, i.e. the average of index numbers over the last 12 months to the average for the previous 12 months) are ensured.

²⁾ Imputed rentals are excluded from the HICP.

³⁾ Revised on 10th May 2022.