

# YEAR-ON-YEAR FOOD PRICE GROWTH ACCELERATED AGAIN

## Consumer price indices – inflation – July 2022

Consumer prices increased by 1.3%, month-on-month. This development came primarily from higher prices in 'recreation and culture'. The year-on-year growth of consumer prices amounted to 17.5% in July, which was 0.3 percentage points up on June.

### Month-on-month comparison

Consumer prices in July increased by 1.3%, month-on-month. Growth of consumer prices in 'recreation and culture' came mainly from increase of seasonal prices of package holidays by 23.0%. In 'housing, water, electricity, gas and other fuels', prices of electricity were higher by 1.5%, natural gas by 1.3%, solid fuels by 5.7%, actual rentals by 0.8%, materials and services for maintenance and repair of the dwelling by 1.2% and heat and hot water by 0.9%. In 'food and non-alcoholic beverages', mainly prices of meat increased by 1.7%, oils and fats by 6.8%, non-alcoholic beverages by 2.3%, bread and cereals by 1.2%, cheese and curd by 2.6% and UHT semi-skimmed milk by 5.3%. Prices of vegetables declined by 2.2%, of which prices of potatoes were lower by 13.6%. Month-on-month price drop occurred in 'alcoholic beverages, tobacco' where prices of spirits were lower by 1.4% and beer by 1.8%.

Prices of goods in total went up by 1.0% and prices of services by 1.9%.

*“Consumer prices continued their year-on-year growth in July and reached value 17.5%. In comparison to the last month, prices increased by 1.3%, which was the lowest month-on-month increase from this February,”* noted Pavla Sediva, head of Consumer Price Statistics Unit of CZSO.

### Year-on-year comparison

Consumer prices increased by 17.5% in July, i.e. 0.3 percentage points up on June. Year-on-year price growth **acceleration**<sup>1)</sup> occurred mainly in 'food and non-alcoholic beverages' (increase to 19.3% from 18.0% in June). Price growth of meat accelerated to 21.7% (increase by 20.4% in June), cheese and curd to 20.5% (increase by 17.5% in June), oils and fats to 53.4% (increase by 42.0% in June). On the other hand, prices of potatoes decelerated their growth to 11.2% (increase by 24.3% in June). In 'housing, water, electricity, gas and other fuels', mainly prices of electricity were higher by 33.6% (increase by 31.6% in June), natural gas by 59.8% (increase by 57.8% in June) and solid fuels by 41.1% (increase by 34.0% in June). In 'transport', price growth of fuels and lubricants for personal transport equipment decelerated to 43.6% (increase by 47.5% in June).

The biggest influence on **the growth of the year-on-year price level** in July came from prices in 'housing, water, electricity, gas and other fuels', where besides owner occupied housing costs, also prices of actual rentals increased by 4.9%, prices of water supply by 5.3%, sewage collection by 6.4%, heat and hot water by 19.2%. Next in order of influence were prices in 'food and non-alcoholic beverages', where mainly prices of flour were higher by 64.1% year-on-year, bread by 29.9%, UHT semi-skimmed milk by 40.2%, butter by 60.9% and other edible oils by 66.2%. In 'transport', prices of motor cars were higher by 14.3%. In 'restaurants and hotels', prices of catering services increased by 24.0% and accommodation services by 20.1%.

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<sup>1)</sup> **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.

Owner occupied housing costs (imputed rentals) were higher by 19.3% (increase by 20.1% in June) mainly due to the growth of prices of construction materials and also prices of new flats for own housing and construction works. The overall consumer price index excluding owner occupied housing costs was 117.4%, year-on-year. (More information: [Methodological note](#).)

Prices of goods in total and services went up (20.0% and 14.0%, respectively).

Inflation rate, i.e. the increase in the average consumer price index in the twelve months to July 2022 compared with the average CPI in the previous twelve months, amounted to 10.6% (9.4% in June).

#### **Harmonized index of consumer prices (HICP) <sup>2)</sup>**

According to preliminary calculations, the HICP in Czechia **in July** went up by 1.3%, **month-on-month** and 17.3% (16.6% in June), **year-on-year**. According to flash estimates of Eurostat, the MUICP (Monetary Union Index of Consumer Prices) **in July 2022** amounted to 8.9% year-on-year (8.6% in June), 12.8% in Slovakia and 8.5% in Germany. It was the highest in Estonia (22.7% in July). 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 9.6% **in June** (0.8 percentage points up on May). The rise in prices in June was the highest in Estonia (22.0%) and the lowest in Malta (6.1%).

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

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Starting from April 2022, data classified by basic and detailed breakdown according to ECOICOP classification and consumer prices of selected goods and services are published in [Public database](#) at the same time as News release.

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<sup>2)</sup> Imputed rentals are excluded from the HICP.