

PRICES OF FUELS INCREASED SIGNIFICANTLY

Consumer price indices – inflation – August 2023

Consumer prices increased by 0.2%, month-on-month. This development came mainly from higher prices in 'transport'. The year-on-year growth of consumer prices amounted to 8.5% in August, which was 0.3 percentage points down on July.

Month-on-month comparison

Consumer prices in August increased by 0.2%, month-on-month. Growth of consumer prices in 'transport' came mainly from higher prices of fuel and lubricants for personal transport equipment by 7.7%. In 'housing, water, electricity, gas and other fuels', prices of electricity and actual rentals were equally higher by 0.5%. Price development in 'alcoholic beverages, tobacco' was mainly influenced by price rise of tobacco products by 1.3% and wine by 1.1%. Month-on-month price decrease occurred especially in 'food and non-alcoholic beverages', where mainly prices of vegetables were lower by 6.7%, of which prices of potatoes decreased by 13.3%. Prices of eggs dropped by 6.6%, poultry by 2.3%, UHT semi-skimmed milk by 3.3%, cheese and curd by 1.1%.

Prices of goods in total increased by 0.2% and prices of services by 0.3%.

“Fuel prices had the most significant influence on the development of consumer prices in August. They have already grown for three consecutive months. In August, diesel was sold at petrol stations for around 37.40 CZK per litre on average, and petrol Natural 95 for 39.40 CZK per litre. In the case of diesel, it was the highest value since January of this year, and in the case of petrol Natural 95 even since November of the last year,” noted Pavla Sediva, head of Consumer Price Statistics Unit of CZSO.

Year-on-year comparison

Consumer prices increased by 8.5% in August, i.e. 0.3 percentage points down on July. **Slowdown**¹⁾ of year-on-year price growth occurred in most of consumer basket divisions. It was partially offset by slowdown of price decrease in 'transport'. In 'food and non-alcoholic beverages', prices of meat increased by 2.7% (increase by 3.2% in July), yoghurts by 5.7% (increase by 7.4% in July), cheese and curd by 2.4% (increase by 5.6% in July), eggs by 16.9% (increase by 28.2% in July), vegetables by 24.5% (increase by 28.9% in July). Prices of flour in August were lower by 14.0%, year-on-year (decrease by 9.2% in July), UHT semi-skimmed milk by 12.3% (decrease by 4.4% in July) and butter by 30.0% (decrease by 23.9% in July). On the other hand, slowdown of price drop occurred in 'transport', due to prices of fuels and lubricants for personal transport equipment, which were lower by 9.1% year-on-year (decrease by 23.9% in July), partially also due to their significant price drop in August of the last year.

The biggest influence on **the growth of the year-on-year price level** in August came from prices in 'housing, water, electricity, gas and other fuels', where prices of actual rentals²⁾ increased by 7.6%, water supply by 16.3%, sewage collection by 26.9%, electricity by 23.1%, natural gas by 34.5%, solid fuels by 22.3% and heat and hot water by 37.3%. Next in order of influence were prices in 'food and non-alcoholic beverages', where prices of potatoes increased by 63.5% and sugar by 48.7%. In 'recreation and culture', prices of package holidays increased by 14.1%. In 'restaurants and hotels', prices of catering services increased by 11.6% and prices of accommodation services by 13.1%. Year-on-year price level decrease in August came from prices in 'transport' (decrease by 1.7%)

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.

²⁾ Actual rentals includes both newly concluded contracts and existing ones

Owner occupied housing costs (imputed rentals) were higher by 0.4% (increase by 0.9% in July). The overall consumer price index excluding owner occupied housing costs was 109.6%, year-on-year. (More information: [Methodological note](#).)

Prices of goods in total and services went up (9.4% and 7.1%, respectively).

Inflation rate, i.e. the increase in the average consumer price index in the twelve months to August 2023 compared with the average CPI in the previous twelve months, amounted to 13.6% (14.3% in July).

Level of consumer price base index with base period the average of 2015 = 100, was 149.1% in August (148.8% in July).

Harmonized index of consumer prices (HICP)³⁾

According to preliminary calculations, the HICP in Czechia **in August** increased by 0.2% **month-on-month** and 10.1% (10.2% in July) **year-on-year**. According to flash estimates of Eurostat, the MUICP (Monetary Union Index of Consumer Prices) **in August 2023** amounted to 5.3% year-on-year (5.3% also in July), 6.4% in Germany. It was the highest in Slovakia in August (9.6%). 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 6.1% **in July** (0.3 percentage points down on June). In July, the rise in prices was the highest in Hungary (17.5%) and the lowest in Belgium (1.7%).

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

³⁾ Imputed rentals are excluded from the HICP.