

YEAR-ON-YEAR GROWTH OF PRICES SLOWED DOWN

Consumer price indices – inflation – April 2019

Consumer prices in April increased by 0.1% compared with March. This development came primarily from a price rise in 'transport' and 'clothing and footwear'. The year-on-year growth of consumer prices decelerated to 2.8% in April, which was 0.2 percentage points down on March.

The **month-on-month** rise in consumer prices in 'transport' came primarily from prices of fuels and lubricants for personal transport equipment, which went up by 3.9%. It was their biggest month-on-month growth since May 2018. In 'clothing and footwear', prices of garments rose by 2.8% and prices of shoes and other footwear by 3.3%. In 'miscellaneous goods and services', prices of personal care rose by 0.8% and prices of financial services by 1.3%. In food, especially prices of vegetables went up by 2.4% and prices of meat by 0.5%.

In April, the price fall in 'alcoholic beverages and tobacco', where prices of spirits went down by 4.9%, beer by 3.6%, and wine by 2.1% had an opposite influence, i.e. on the reduction of the overall consumer price level. In 'food and non-alcoholic beverages', mainly prices of fruits were lower by 4.2%, non-alcoholic beverages by 1.5%, oils and fats by 2.4%, cheese and curd by 1.3%, bread and cereals by 0.5%, sugar by 6.0%, and UHT semi skimmed milk by 2.3%.

Prices of goods in total went down by 0.1% while prices of services rose by 0.2%.

In terms of the **year-on-year** comparison, in April, the consumer prices rose by 2.8%, i.e. 0.2 percentage points down on March. This deceleration in the year-on-year price rise came primarily from prices in 'alcoholic beverages and tobacco', where prices of alcoholic beverages turned from the rise by 4.5% in March to the fall by 0.2% in April (partly due to their month-on-month increase in April 2018). Prices of spirits fell by 0.5% (a growth by 5.4% in March) and prices of beer by 1.1% (a growth by 4.2% in March). Prices of wine slowed down their price rise to 1.5% (3.3% in March). The mitigation in the year-on-year price rise was influenced also by the development of prices in 'food and non-alcoholic beverages'. The year-on-year price rise slowed down especially in cheese and curd to 2.8% (3.3% in March) and butter to 4.1% (8.6% in March). Prices of UHT semi skimmed milk turned from the price rise by 2.0% in March to the fall by 5.0% in April. Prices of eggs were lower by 10.5% (–8.1% in March), y-o-y, and prices of sugar by 30.8% (–28.3% in March). In 'transport', prices of fuels and lubricants for personal transport equipment accelerated their price rise to 4.7% (2.1% in March).

The biggest influence on the growth of the y-o-y price level in April came from prices in 'housing, water, electricity, gas and other fuels', where prices of actual rentals for housing rose by 3.3%, water supply and sewage collection identically by 2.6%, electricity by 11.9%, natural gas by 3.6%. The price rise continued in 'food and non-alcoholic beverages', where especially prices of vegetables were higher by 30.7%, of which prices of potatoes by 70.2%. The impact on the price level increase had also prices in 'miscellaneous goods and services', where prices of personal care rose by 4.2%, prices of insurance by 4.6% and prices of financial services by 6.2%. In 'restaurants and hotels', prices of catering services went up by 4.1% and prices of accommodation services by 2.8%. In 'transport', prices were higher by 1.7%.

A reduction in the price level in April came, as before, from prices in 'clothing and footwear' due to prices of garments, which were lower by 3.3%. In 'communication', prices dropped by 1.3%.

Prices of goods in total and services went up (2.2% and 3.6%, respectively). The overall consumer price index excluding imputed rentals for housing was 102.4%, year-on-year.

Inflation rate, i.e. the increase in the average consumer price index in the twelve months to April 2019 compared with the average CPI in the previous twelve months, amounted to 2.4% in April.

According to preliminary data of Eurostat, the **year-on-year** change in the average **harmonized index of consumer prices** (HICP)¹⁾ in the **EU28 member states** amounted to 1.6% **in March** (the same as in February). The rise in prices was the highest in Romania (4.2%) and the lowest price increase was in Portugal (0.8%). In Slovakia, the price rise accelerated to 2.7% in March from 2.3% in February. In Germany, prices were higher by 1.4% (1.7% in February). According to preliminary calculations, the **month-on-month** change in the HICP in the Czech Republic **in April** amounted to 0.1% and the **year-on-year** growth was 2.4%. The MUICP (Monetary Union Index of Consumer Prices) flash estimate for the **Eurozone in April 2019** amounted to 1.7%, y-o-y, as Eurostat announced (more information on the Eurostat's web pages: [HICP](#).)

¹⁾ Imputed rentals are excluded from the HICP.