**13 January 2021**

Average inflation rate stood at 3.2% in 2020

Consumer price indices – inflation – December 2020

Consumer prices in December decreased by 0.2% compared with November. This development came primarily from price decline in 'food and non-alcoholic beverages'. The year-on-year growth of consumer prices amounted to 2.3% in December, which was 0.4 percentage points down on November. It was the lowest year-on-year price growth since December 2018. The average inflation rate for 2020 as a whole was 3.2%.

# Month-on-month comparison

Price decrease in 'food and non-alcoholic beverages' came mainly from lower prices of vegetables by 9.4%. Prices of yoghurts went down by 5.8%, pork by 1.3%, eggs by 3.5%, cheese and curd by 0.8%. In 'clothing and footwear', prices of garments were lower by 1.8%.

Month-on-month increase in the overall consumer price level in December came from price rise in 'alcoholic beverages, tobacco’, where prices of tobacco products were higher by 1.5% and spirits by 0.9%. In 'transport', prices of automotive fuels and lubricants increased by 0.9%. In food, mainly prices of potatoes were higher by 5.0% and UHT semi-skimmed milk by 2.5%.

Prices of goods in total went down by 0.4%, whereas prices of services went up by 0.2%.

**Year-on-year comparison**

Consumer prices increased by 2.3% in December, i.e. 0.4 percentage points down on November. This slowdown in the year-on-year price growth came mainly from prices in 'food and non-alcoholic beverages'. Prices of vegetables turned from growth by 6.8% in November into decline by 7.2% in December, prices of pork were lower by 6.8% (decrease by 2.6% in November), eggs by 5.2% (decrease by 1.2% in November), sugar by 1.8% (decrease by 0.6% in November). In 'clothing and footwear’, prise rise of garments slowed down to 2.4% (4.3% in November). Deceleration of year-on-year price rise occurred in 'housing, water, electricity, gas and other fuels', due to prices of electricity, which were higher by 2.5% in December (3.3% in November). In 'alcoholic beverages and tobacco' price rise of spirits accelerated to 5.4% (3.3% in November) and tobacco products to 16.4% (14.8% in November).

The biggest influence on the growth of the year-on-year price level in December came, as before, from prices in 'alcoholic beverages and tobacco' (increase by 10.7%). Next in order of influence were prices in 'housing, water, electricity, gas and other fuels’, where prices of actual rentals were higher by 2.0%, water supply by 1.7%, sewage collection by 1.5%. Prices of natural gas were lower by 3.9%, year-on-year. In 'restaurants and hotels', prices of catering services increased by 4.7%. A reduction in the overall price level in December came from prices in 'food and non-alcoholic beverages' (decrease by 0.1%) and 'communications' (decrease by 1.2%).

Prices of goods in total and services went up (2.0% and 2.8%, respectively). The overall consumer price index excluding imputed rentals for housing was 102.4%, year-on-year.

The **average inflation rate** as measured by the increase in the average consumer price index in the twelve months 2020 compared with the average CPI in the twelve months 2019 was 3.2%, i.e. 0.4 percentage points up on 2019. It was the highest average inflation rate since 2012. Prices of goods in total and prices of services rose identically by 3.2%

(A summary of the development of the consumer price index in 2020 is a part of the Q4 analysis, which is released at the same time.)

**Harmonized index of consumer prices (HICP)** [[1]](#footnote-1))

According to preliminary calculations, the HICP in the Czech Republic **in December** went down by 0.2%, **month-on-month** and went up by 2.4%, **year-on-year**. According to flash estimates of Eurostat, the MUICP (Monetary Union Index of Consumer Prices) **in December 2020** amounted to −0.3% year-on-year (as in November). In Slovakia, prices were higher by 1.6% in December and on the other hand in Germany, prices were lower by 0.7%. 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 0.2% **in November** (as in October). The rise in prices was the highest in Poland (3.7%) and the deepest price reduction occurred in Greece (−2.1%). In Slovakia, prices were higher by 1.6% and in Germany prices decreased by 0.7%.

(More information on the Eurostat’s web pages: [**HICP**](http://ec.europa.eu/eurostat/web/hicp/data/main-tables).)

[Methodological note to consumer price index in December 2020 (COVID-19)](https://www.czso.cz/csu/czso/methodological-note-to-the-consumer-price-index-for-december-2020-covid-19)

Notes:

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Data source: Direct field survey of prices, centrally surveyed prices and reporting

End of data collection: 20th day of the reference month / End of data processing: 3rd day of the month that follows the reference month

Related publications: 012018-20 Consumer Price Indices – Basic Breakdown (periodicity: monthly), 012023-20 Consumer price Indices – Detailed Breakdown (periodicity: monthly) and 012019-20 Consumer Price Indices – Detailed Breakdown (periodicity: annually)

Internet: <https://www.czso.cz/csu/czso/inflation-consumer-prices>

Next News Release: 12 February 2021

*Text not edited for language*

Annexes:

Table 1 Consumer Price Index (indices, inflation rate)

Table 2 Consumer Price Index (breakdown of the growth – month-on-month, core inflation)

Table 3 Consumer Price Index (breakdown of the growth – month-on-month, year-on-year)

Table 4 Consumer Price Index (social groups of households – indices, inflation rate)

Table 5 Consumer Price Index (analytical table, specific indices)

Chart 1 Consumer Price Index (year-on-year changes, changes on base year)

Chart 2 Harmonized Index of Consumer Prices – International comparison

1. ) Imputed rentals are excluded from the HICP. [↑](#footnote-ref-1)