# YEAR-ON-YEAR PRICE GROWTH SLOWED DOWN AGAIN

## Consumer price indices – inflation – November 2020

Consumer prices in November remained unchanged compared with October (monthly change 0.0%). This development came from two-way price movements in all divisions of consumer basket. The year-on-year growth of consumer prices amounted to 2.7% in November, which was 0.2 percentage points down on October.

**Month-on-month comparison**

Price growth in ‘alcoholic beverages, tobacco’ came from higher prices of wine by 4.2% and tobacco products by 0.7%. In food, especially prices of vegetables increased by 4.9%, eggs by 7.7% and sugar by 11.6%.

Month-on-month decrease in the overall consumer price level in November came from price drop in 'furnishings, household equipment and routine household maintenance’, where prices of household appliances were lower by 0.9%. In 'transport', prices of automotive fuels and lubricants decreased by 0.3%. Price drop in ‘communication’ came from lower prices of telephone and telefax services by 0.4%. In 'food and non-alcoholic beverages', mainly prices of fruit were lower by 2.7%, pork by 3.6%, poultry by 2.1%, margarine and other vegetable fats by 5.5%, non-alcoholic beverages by 0.8% and smoked meat and sausages by 0.7%.

Prices of goods in total went down by 0.1%, whereas prices of services went up by 0.1%.

**Year-on-year comparison**

Consumer prices increased by 2.7% in November, i.e. 0.2 percentage points down on October. Slowdown in the year-on-year price growth occurred mainly in 'food and non-alcoholic beverages'. Price growth of meat decelerated to 1.1% (4.7% in October), cheese and curd to 1.6% (2.8% in October), fruits to 7.3% (13.9% in October) and prices of potatoes were lower by 20.3% (–18.5% in October). In 'furnishings, household equipment and routine household maintenance’, prise rise of household appliances slowed down to 1.7% (2.6% in October) and goods and services for routine household maintenance to 1.9% (4.7% in October). Deceleration of year-on-year price rise occurred in 'communication', due to prices of telephone and telefax services, which were lower by 1.2% (–2.9% in October).

The biggest influence on the growth of the year-on-year price level in November came, as before, from prices in 'alcoholic beverages and tobacco', where prices of alcoholic beverages increased by 3.4% and tobacco products by 14.8%. Second 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% and electricity by 3.3%. Prices of natural gas were lower by 3.9%, year-on-year. In 'food and non-alcoholic beverages', prices of smoked meat and sausages went up by 3.7% and vegetables by 6.8%. In 'restaurants and hotels', prices of catering services increased by 4.9%.

Prices of goods in total and services went up (2.6% and 2.8%, respectively). The overall consumer price index excluding imputed rentals for housing was 102.9%, year-on-year.

Inflation rate, i.e. the increase in the average consumer price index in the twelve months to November 2020 compared with the average CPI in the previous twelve months, amounted to 3.2%.

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

According to preliminary calculations, the HICP in the Czech Republic **in November** went down by 0.1%, **month-on-month** and went up by 2.8%, **year-on-year**. According to flash estimates of Eurostat, the MUICP (Monetary Union Index of Consumer Prices) **in November 2020** amounted to –0.3% year-on-year (as in October). In Slovakia, prices were higher by 1.5% in November and on the contrary 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 October** (as in September). The rise in prices was the highest in Poland (3.8%) and the deepest price reduction occurred in Greece (–2.0%). In Slovakia, prices were higher by 1.6% and in Germany prices decreased by 0.5%.

(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 November 2020 (COVID-19)](https://www.czso.cz/csu/czso/methodological-note-to-the-consumer-price-index-for-november-2020-covid-19)

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