# Year-on-year price growth was the lowest from the last April

## Consumer price indices – inflation – March 2023

Consumer prices increased by 0.1%, month-on-month. This development came mainly from higher prices in 'food and non-alcoholic beverages' and in 'restaurants and hotels'. The year-on-year growth of consumer prices amounted to 15.0% in March, which was 1.7 percentage points down on February.

**Month-on-month comparison**

Consumer prices in March increased by 0.1%, month-on-month. In 'food and non-alcoholic beverages', especially prices of vegetables increased by 5.0%, pork by 2.2%, non-alcoholic beverages by 1.2% and UHT semi-skimmed milk by 6.0%. In 'restaurants and hotels', prices of catering services were higher by 0.9% and accommodation services by 2.5%. Price growth in 'miscellaneous goods and services' came mainly from higher prices of social care by 3.1%. In 'clothing and footwear', prices of garments were higher by 1.4%.

Month-on-month overall consumer price level decrease in March came from price drop in 'housing, water, electricity, gas and other fuels', where prices of natural gas were lower by 1.4%. In 'recreation and culture', prices of package holidays were lower by 4.5% due to the ending winter season. Price decline in 'transport' came mainly from lower prices of fuels and lubricants for personal transport equipment by 1.8%. In food, prices of eggs were lower by 9.9%, butter by 6.3% and cheese and curd by 1.1%, in particular.

Prices of goods in total went up by 0.1% and prices of services by 0.3%.

**Year-on-year comparison**

“*Consumer prices moderated their year-on-year growth for second consecutive time. It amounted to 15% in March, which was the lowest value from the last April. However, most of this slowdown came from development of the last year higher comparative base. Prices in transport even fell year-on-year, mainly due to decreasing prices of fuels”* noted Pavla Sediva, head of Consumer Price Statistics Unit of CZSO.

Consumer prices increased by 15.0% in March, i.e. 1.7 percentage points down on February. This **slowdown**[[1]](#footnote-1)) of year-on-year price growth was mainly influenced by prices in 'transport' and in 'housing, water, electricity, gas and other fuels'. In 'transport', prices of fuels and lubricants for personal transport equipment turned from growth by 0.4% in February into decrease by 19.0% in March. In 'housing, water, electricity, gas and other fuels', prices of natural gas moderated their growth to 60.0% (increase by 74.3% in February). Both partly due to their month-on-month increase in March 2022.

The biggest influence on **the growth of the year-on-year price level** in March came again from prices in 'housing, water, electricity, gas and other fuels', where besides owner occupied housing costs, also prices of actual rentals[[2]](#footnote-2)) increased by 6.7%, materials and services for maintenance and repair of the dwelling by 16.4%, water supply by 16.3%, sewage collection by 30.3%, electricity by 29.6%, solid fuels by 53.7% and heat and hot water by 44.6%. Next in order of influence were prices in 'food and non-alcoholic beverages', where mainly prices of rice were higher by 32.9%, flour by 32.6%, pork by 34.0%, UHT semi-skimmed milk by 45.2%, eggs by 75.5%, margarine and other vegetable fats by 36.3%, vegetables by 29.9% and sugar by 97.6%. In 'restaurants and hotels', prices of catering services increased by 21.5% and accommodation services by 19.1%. In 'recreation and culture', prices of package holidays increased by 24.6%. Year-on-year price level decrease came from prices in 'transport' in March (drop by 0.6%).

Owner occupied housing costs (imputed rentals) were higher by 6.8% (increase by 7.7% in February) mainly due to the growth of prices of construction materials. The overall consumer price index excluding owner occupied housing costs was 116.1%, year-on-year. (More information: [Methodological note](https://www.czso.cz/csu/czso/methodological-notes-to-consumer-price-index-imputed-rentals).)

Prices of goods in total and services went up (17.0% and 11.7%, respectively).

Inflation rate, i.e. the increase in the average consumer price index in the twelve months to March 2023 compared with the average CPI in the previous twelve months, amounted to 16.4% (16.2% in February).

Level of consumer price base index with base period the average of 2015 = 100, increased to 147.5% in March (147.3% in February).

**Harmonized index of consumer prices (HICP)** [[3]](#footnote-3))

According to preliminary calculations, the HICP in Czechia **in March** went up by 0.3% **month-on-month** and 16.5% (18.4% in February), **year-on-year**. According to flash estimates of Eurostat, the MUICP (Monetary Union Index of Consumer Prices) **in March 2023** amounted to 6.9% year-on-year (8.5% in February), 14.8% in Slovakia and 7.8% in Germany. It was the highest in Latvia in March (17.3%). 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 9.9% **in February** (0.1 percentage points down on January). In February, the rise in prices was the highest in Hungary (25.8%) and the lowest in Luxembourg (4.8%).

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

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. [↑](#footnote-ref-1)
2. ) Actual rentals includes both newly concluded contracts and existing ones [↑](#footnote-ref-2)
3. ) Imputed rentals are excluded from the HICP. [↑](#footnote-ref-3)