



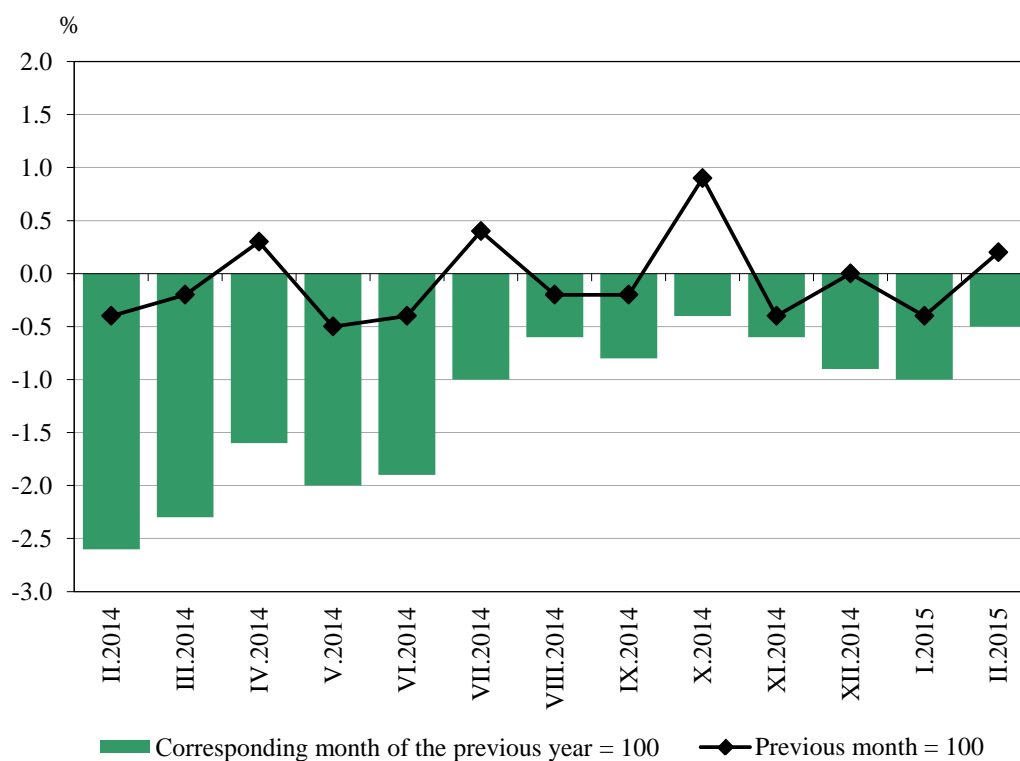
INFLATION AND CONSUMER PRICE INDICES IN FEBRUARY 2015

Consumer price index (CPI)

The **consumer price index** in February 2015 compared to January 2015 was 100.2%, i.e. the monthly inflation was 0.2%. The inflation rate since the beginning of the year (February 2015 compared to December 2014) has been -0.2% and the annual inflation in February 2015 compared to February 2014 was -0.5% (Figure 1 and Annex, Table 1).

The annual average inflation, measured by CPI, in the last 12 months (March 2014 - February 2015) compared to the previous 12 months (March 2013 - February 2014) was -1.1%.

Figure 1. Inflation measured by CPI by months



In February 2015 compared to the previous month the prices of goods and services in the main consumer groups changed as follows:

- Food and non-alcoholic beverages - an increase of 1.2%;
- Alcoholic beverages and tobacco - a decrease of 0.1%;
- Clothing and footwear - a decrease of 2.5%;
- Housing (rentals, maintenance and repair), water, electricity, gas and other fuels - the prices remained at the level of the previous month;
- Furnishings, household equipment and routine maintenance of the house - a decrease of 1.2%;



- Health - an increase of 0.1%;
- Transport - a decrease of 0.3%;
- Communications - an increase of 0.1%;
- Recreation and culture - a decrease of 0.1%;
- Education - an increase of 0.3%;
- Restaurants and hotels - the prices remained at the level of the previous month;;
- Miscellaneous goods and service - a decrease of 0.4%.

According to the final data of the NSI, the consumer price index in January 2015 compared to December 2014 was 99.6%, i.e. the monthly inflation was -0.4% (Annex, Table 4).

Harmonized index of consumer prices (HICP)

The **harmonized index of consumer prices** in February 2015 compared to January 2015 was 100.1%, i.e. the monthly inflation was 0.1%. The inflation rate since the beginning of the year (February 2015 compared to December 2014) has been -0.6% and the annual inflation in February 2015 compared to February 2014 was -1.7% (Annex, Table 2).

The annual average inflation, measured by HICP, in the last 12 months (March 2014 - February 2015) compared to the previous 12 months (March 2013 - February 2014) was -1.7%.

In terms of HICP, in February 2015 compared to the previous month the prices of goods and services in the main consumer groups changed as follows:

- Food and non-alcoholic beverages - an increase of 1.1%;
- Alcoholic beverages and tobacco - a decrease of 0.1%;
- Clothing and footwear - a decrease of 2.3%;
- Housing (rentals, maintenance and repair), water, electricity, gas and other fuels - the prices remained at the level of the previous month;
- Furnishings, household equipment and routine maintenance of the house - a decrease of 0.1%;
- Health - an increase of 0.1%;
- Transport - a decrease of 0.5%;
- Communications - the prices remained at the level of the previous month;
- Recreation and culture - a decrease of 0.3%;
- Education - an increase of 0.4%;
- Restaurants and hotels - a decrease of 0.1%;
- Miscellaneous goods and service - a decrease of 0.2%.

According to the final data of the NSI, the harmonized index of consumer prices in January 2015 compared to December 2014 was 99.3%, i.e. the monthly inflation was -0.7% (Annex, Table 5).

Price index of a small basket (PISB)

The **price index of a small basket** in February 2015 compared to January 2015 was 100.5% and the overall increase since the beginning of the year (February 2015 compared to December 2014) has been 100.8% (Annex, Table 3).



In February compared to the previous month the prices of goods and services in the small basket for the 20% households with the lowest income changed as follows:

- Food products - an increase of 1.3%;
- Non-food products - a decrease of 0.9%;
- Services - the prices remained at the level of the previous month.

According to the final data of the NSI, the price index of a small basket in January 2015 compared to December 2014 was 100.4% (Annex, Table 6).



Methodological notes

The **consumer price index (CPI)** is the official measure of inflation in the Republic of Bulgaria. It measures the total relative price change of goods and services used by households for private (non-production) consumption and is calculated by applying the structure of the final monetary consumption expenditures of Bulgarian households. The main source of information for the expenditures is the household budget survey in the country. CPI in year t is calculated with the expenditures structure of year $t-1$.

The **Harmonized Index of Consumer Prices (HICP)** is the comparable measure of inflation across EU Member states. It is one of the criteria of price stability and readiness of Bulgaria to join the euro-zone. HICP, as well as CPI, measure the total relative price change of goods and services. Both indices are calculated using the same basket of goods and services, but differ with respect to the weights used. HICP is calculated through the use of weights, which reflect the individual and the collective consumption of all households (incl. institutional and foreign households) on the economic territory of the country. The main source of information for HICP weights is the national accounts data. HICP in year t is calculated with the weights of year $t-2$.

The **Price Index of a Small Basket (PISB)** is a measurement of the relative average price changes of 100 socially useful and vital for living goods and services. The weights of this index reflect the expenditures of the 20% lowest household's incomes. The source of weights information is the Households Budget Survey in the country. This index in year t is calculated with the weights of year $t-1$.

The **chain** consumer price indices measure the price change in the current month compared to the previous month. The chain consumer price indices are used as a measure of **monthly inflation**.

The **12-month** consumer price indices measure the price changes occurring between the current month and the same month of the previous year. The 12-months consumer price indices are used as a measure of **annual inflation**.

Consumer price indices **over December of the previous year** measure the accumulated changes in prices of the current month with respect to December of the previous year. Consumer price indices over December of the previous year are used as measures of the **inflation since the beginning of the year**. In December of each year, the 12-months index is equal to the index over December of the previous year.

The **annual average** consumer price indices measure the average price change during the 12 months of the current year compared to the average price change during the 12 months of the previous year. The annual average consumer price indices are used as a measure of the **annual average inflation**.

January 2015 price indices were released as preliminary since they were calculated with the household budget data for the period October 2013 - September 2014. **The final January 2015 consumer price indices**, calculated with the annual 2014 household budget data for the weights, are released along with the February 2015 data.



Annex

Table 1

Consumer price indices in February 2015

(Per cent)

Commodity groups	2014 weights	February 2015		
		Previous month = 100	December 2014 = 100	Corresponding month of the previous year = 100
00 Total CPI	100.000	100.2	99.8	99.5
01 Food and non-alcoholic beverages	32.815	101.2	102.0	100.0
02 Alcoholic beverages, tobacco	4.988	99.9	100.1	100.7
03 Clothing and footwear	4.642	97.5	94.6	100.0
04 Housing, water, electricity, gas and other fuels	16.409	100.0	100.0	105.5
05 Furnishing, household equipment and routine maintenance of the house	4.509	98.8	98.8	98.6
06 Health	6.449	100.1	100.0	98.5
07 Transport	9.060	99.7	93.0	87.6
08 Communications	5.367	100.1	100.1	93.5
09 Recreation and culture	5.150	99.9	100.7	103.2
10 Education	0.562	100.3	100.4	102.7
11 Restaurants and hotels	5.282	100.0	100.6	100.7
12 Miscellaneous goods and services	4.768	99.6	99.7	99.1
Foods	34.149	101.1	101.9	100.0
Non-foods	33.552	99.4	97.4	95.8
Catering	4.919	100.0	100.2	100.9
Services	27.380	100.0	100.0	103.0



Table 2

Harmonized indices of consumer prices in February 2015

Commodity groups	2013 weights	February 2015			
		2005 = 100	Previous month = 100	December 2014 = 100	Corresponding month of the previous year = 100
				%	
00 Total HICP	1000.000	141.10	100.1	99.4	98.3
01 Food and non-alcoholic beverages	227.698	155.00	101.1	101.9	100.0
02 Alcoholic beverages, tobacco	71.800	272.30	99.9	100.1	100.6
03 Clothing and footwear	36.155	124.84	97.7	95.3	99.9
04 Housing, water, electricity, gas and other fuels	95.056	146.08	100.0	100.0	105.9
05 Furnishing, household equipment and routine maintenance of the house	67.313	113.81	99.9	100.0	99.5
06 Health	58.404	132.91	100.1	100.0	98.9
07 Transport	177.189	126.56	99.5	94.1	90.0
08 Communications	60.397	85.22	100.0	100.0	94.1
09 Recreation and culture	66.021	103.06	99.7	100.3	100.7
10 Education	10.035	184.98	100.4	100.6	102.9
11 Restaurants and hotels	79.804	169.02	99.9	101.6	100.5
12 Miscellaneous goods and services	50.127	165.75	99.8	99.9	99.1

Table 3

Price indices of 100 socially useful and vital for the living goods and services in the small basket for the 20% lowest income households in February 2015

Commodity groups	2014 weights	(Per cent)
		February 2015 Previous month = 100
Total PISB	100.000	100.5
Food and non-alcoholic beverages	53.554	101.3
Clothing and footwear	4.103	98.2
Housing, water, electricity, gas and other fuels	25.203	100.0
Furnishing, household equipment and routine maintenance of the house	2.378	95.6
Health	7.963	100.1
Transport	1.748	100.0
Communications	0.638	100.0
Recreation and culture	0.620	100.1
Miscellaneous goods and services	3.794	98.4
Foods	53.554	101.3
Non-foods	25.459	99.1
Services	20.987	100.0



Table 4

Consumer price indices in January 2015 (Final data)

(Per cent)

Commodity groups	2014 weights	January 2015		
		Previous month = 100	December 2014 = 100	Corresponding month of the previous year = 100
00 Total CPI	100.000	99.6	99.6	99.0
01 Food and non-alcoholic beverages	32.815	100.8	100.8	99.0
02 Alcoholic beverages, tobacco	4.988	100.2	100.2	100.8
03 Clothing and footwear	4.642	97.1	97.1	99.5
04 Housing, water, electricity, gas and other fuels	16.409	100.0	100.0	105.4
05 Furnishing, household equipment and routine maintenance of the house	4.509	99.9	99.9	98.9
06 Health	6.449	99.9	99.9	98.2
07 Transport	9.060	93.3	93.3	85.8
08 Communications	5.367	100.0	100.0	93.3
09 Recreation and culture	5.150	100.8	100.8	103.1
10 Education	0.562	100.1	100.1	102.6
11 Restaurants and hotels	5.282	100.6	100.6	100.7
12 Miscellaneous goods and services	4.768	100.1	100.1	99.1
Foods	34.149	100.8	100.8	99.0
Non-foods	33.552	98.0	98.0	95.4
Catering	4.919	100.2	100.2	100.9
Services	27.380	100.1	100.1	102.7



Table 5

Harmonized indices of consumer prices in January 2015 (Final data)

Commodity groups	2013 weights	January 2015			
		2005 = 100	Previous month = 100	December 2014 = 100	Corresponding month of the previous year = 100
	%	%			
00 Total HICP	1000.000	141.02	99.3	99.3	97.6
01 Food and non-alcoholic beverages	227.698	153.28	100.8	100.8	99.0
02 Alcoholic beverages, tobacco	71.800	272.64	100.2	100.2	100.7
03 Clothing and footwear	36.155	127.72	97.5	97.5	99.6
04 Housing, water, electricity, gas and other fuels	95.056	146.13	100.0	100.0	105.8
05 Furnishing, household equipment and routine maintenance of the house	67.313	113.87	100.1	100.1	99.0
06 Health	58.404	132.83	100.0	100.0	98.4
07 Transport	177.189	127.16	94.5	94.5	88.3
08 Communications	60.397	85.21	100.0	100.0	93.9
09 Recreation and culture	66.021	103.33	100.5	100.5	100.7
10 Education	10.035	184.29	100.2	100.2	102.7
11 Restaurants and hotels	79.804	169.15	101.7	101.7	100.4
12 Miscellaneous goods and services	50.127	166.03	100.1	100.1	99.1

Table 6

**Price indices of 100 socially useful and vital for the living goods and services in the small basket for the 20% lowest income households in January 2015
(Final data)**

(Per cent)

Commodity groups	2014 weights	January 2015
		Previous month = 100
Total PISB	100.000	100.4
Food and non-alcoholic beverages	53.554	100.9
Clothing and footwear	4.103	98.3
Housing, water, electricity, gas and other fuels	25.203	100.0
Furnishing, household equipment and routine maintenance of the house	2.378	99.8
Health	7.963	99.9
Transport	1.748	100.0
Communications	0.638	100.2
Recreation and culture	0.620	100.2
Miscellaneous goods and services	3.794	99.8
Foods	53.554	100.9
Non-foods	25.459	99.6
Services	20.987	100.0