

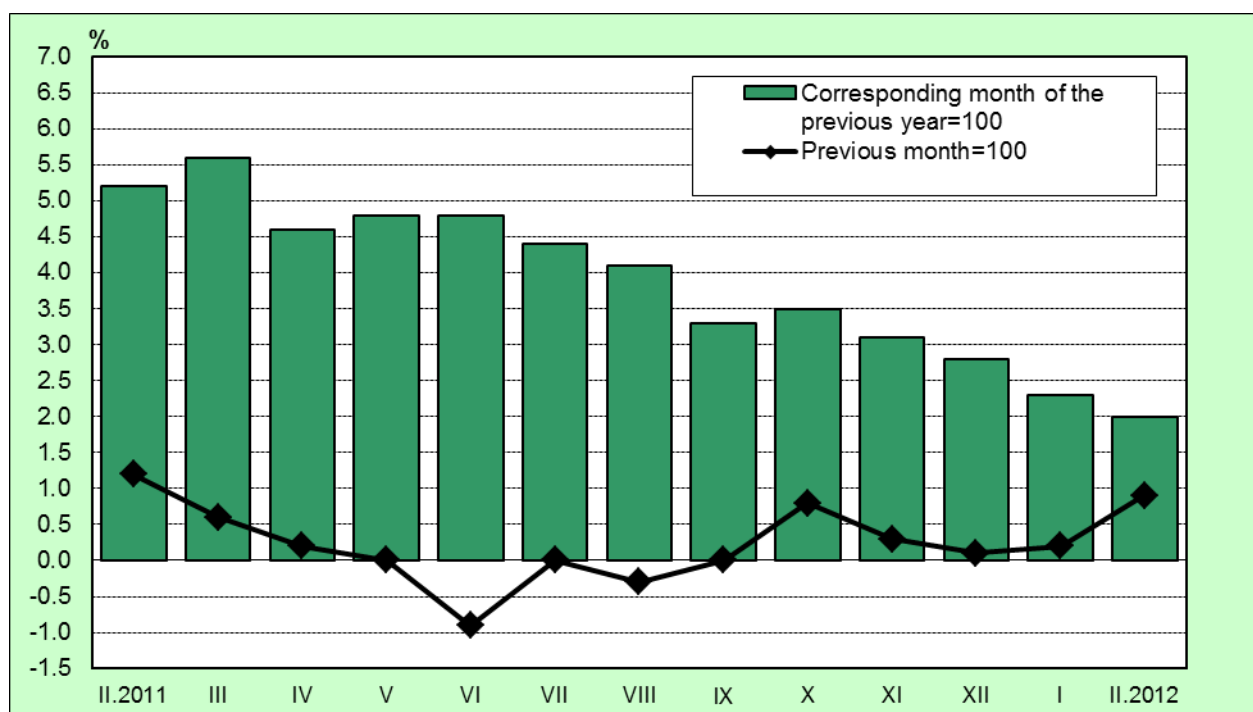


INFLATION AND CONSUMER PRICE INDICES IN FEBRUARY 2012

The **consumer price index** (CPI) in February 2012 compared to January 2012 was **100.9%**, i.e. the monthly inflation was **0.9%**. The inflation rate since the beginning of the year (February 2012 compared to December 2011) was **1.1%** and the annual inflation in February 2012 compared to February 2011 was **2.0%** (Table 1).

The annual average inflation, measured by CPI, in the last 12 months (March 2011 - February 2012) compared to the previous 12 months (March 2010 - February 2011) was **3.8%**.

Figure 1. Inflation measured by CPI by months



In February 2012 compared to the previous month the prices of goods and services in the main consumer groups have been changed as follows:

- Food and non-alcoholic beverages - an increase of **1.6%**;
- Alcoholic beverages and tobacco - the prices have remained at the level of the previous month;
- Clothing and footwear - a decrease of **2.5%**;
- Housing (rentals, maintenance and repair), water, electricity, gas and other fuels - an increase of **1.2%**;
- Furnishings, household equipment and routine maintenance of the house - a decrease of **0.6%**;
- Health - an increase of **0.1%**;
- Transport - an increase of **2.6%**;
- Communications - the prices have remained at the level of the previous month;
- Recreation and culture - the prices have remained at the level of the previous month;



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- Education - the prices have remained at the level of the previous month;
- Restaurants and hotels - an increase of **0.1%**;
- Miscellaneous goods and service - a decrease of **0.1%**.

According to the final data of the NSI, the consumer price index in January 2012 compared to December 2011 was **100.2%**, i.e. the monthly inflation was **0.2%** (Table 4).

The **harmonized index of consumer prices (HICP)** in February 2012 compared to January 2012 was **100.6%**, i.e. the monthly inflation was **0.6%**. The inflation rate since the beginning of the year (February 2012 compared to December 2011) was **0.9%** and the annual inflation in February 2012 compared to February 2011 was **2.0%** (Table 2).

The annual average inflation, measured by HICP, in the last 12 months (March 2011 - February 2012) compared to the previous 12 months (March 2010 - February 2011) was **3.0%**.

In terms of HICP in February 2012 compared to the previous month the prices of goods and services in the main consumer groups have been changed as follows:

- Food and non-alcoholic beverages - an increase of **1.2%**;
- Alcoholic beverages and tobacco - the prices have remained at the level of the previous month;
- Clothing and footwear - a decrease of **2.2%**;
- Housing (rentals, maintenance and repair), water, electricity, gas and other fuels - an increase of **0.4%**;
- Furnishings, household equipment and routine maintenance of the house - a decrease of **0.1%**;
- Health - an increase of **0.1%**;
- Transport - an increase of **1.9%**;
- Communications - the prices have remained at the level of the previous month;
- Recreation and culture - a decrease of **0.3%**;
- Education - the prices have remained at the level of the previous month;
- Restaurants and hotels - the prices have remained at the level of the previous month;
- Miscellaneous goods and service - an increase of **0.1%**.

According to the final data of the NSI, the harmonized index of consumer prices in January 2012 compared to December 2011 was **100.4%**, i.e. the monthly inflation was **0.4%** (Table 5).

The **price index of a small basket (PISB)** in February 2012 compared to January 2012 was **101.2%** and the overall increase since the beginning of the year (February 2012 compared to December 2011) was **101.3%** (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, have changed as follows:

- Food products - an increase of **1.8%**;
- Non-food products - an increase of **0.4%**;
- Services - an increase of **0.2%**.

According to the final data of the NSI, the price index of a small basket in January 2012 compared to December 2011 was **100.2%** (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 it is calculated by applying the structure of the final monetary consumption expenditures of the 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 for readiness of Bulgaria to join the euro-zone. HICP, as well as CPI, measures 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 used weights. 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 the living goods and services. The weights of this index reflect the expenditures of the 20% lowest income households. 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 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 having occurred between the current month and the same month of the previous year. The 12-month 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 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-month 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 2012 price indices are released as preliminary since they are calculated with the household budget data for the period October 2010 – September 2011. **The final January 2012 consumer price indices**, calculated with the annual 2011 household budget data for the weights, are released along with the February 2012 data.



Annexes

Table 1

CONSUMER PRICE INDICES: FEBRUARY 2012

(Per cent)

Commodity groups	2011 weights - %	February 2012		
		Previous month = 100	December 2011 = 100	Corresponding month of the previous year = 100
00 Total CPI	100.000	100.9	101.1	102.0
01 Food and non-alcoholic beverages	37.201	101.6	101.9	101.7
02 Alcoholic beverages, tobacco	5.331	100.0	100.1	99.8
03 Clothing and footwear	3.627	97.5	95.6	101.0
04 Housing, water, electricity, gas and other fuels	17.142	101.2	101.2	103.9
05 Furnishing, household equipment and routine maintenance of the house	3.350	99.4	99.3	99.1
06 Health	6.885	100.1	100.3	102.2
07 Transport	7.493	102.6	105.4	106.7
08 Communications	5.646	100.0	99.9	99.3
09 Recreation and culture	3.677	100.0	98.9	96.3
10 Education	0.519	100.0	102.1	106.6
11 Restaurants and hotels	4.939	100.1	100.3	103.2
12 Miscellaneous goods and services	4.190	99.9	100.0	101.8
Foods	38.505	101.6	101.8	101.6
Non-foods	29.929	100.9	101.3	102.6
Catering	4.583	100.1	100.1	103.4
Services	26.983	100.1	100.2	101.7



Table 2

HARMONISED INDICES OF CONSUMER PRICES: FEBRUARY 2012

(Per cent)

Commodity groups	2010 - weights - ‰	February 2012			Corresponding month of the previous year = 100
		2005 = 100	Previous month = 100	December 2011 = 100	
00 Total HICP	1000.000	143.50	100.6	100.9	102.0
01 Food and non-alcoholic beverages	225.264	149.98	101.2	101.4	102.7
02 Alcoholic beverages, tobacco	79.498	264.04	100.0	100.1	99.9
03 Clothing and footwear	32.902	127.63	97.8	96.2	101.2
04 Housing, water, electricity, gas and other fuels	83.817	137.41	100.4	100.4	102.8
05 Furnishing, household equipment and routine maintenance of the house	66.344	115.20	99.9	99.9	99.8
06 Health	61.449	140.34	100.1	100.4	106.8
07 Transport	193.023	144.67	101.9	103.6	104.9
08 Communications	66.771	92.01	100.0	99.9	98.7
09 Recreation and culture	62.115	109.11	99.7	98.7	94.3
10 Education	8.375	171.24	100.0	101.9	106.5
11 Restaurants and hotels	69.092	159.04	100.0	100.7	102.0
12 Miscellaneous goods and services	51.350	165.72	100.1	100.2	102.4

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: FEBRUARY 2012**

Commodity groups	2011 weights - %	(Per cent)
		February 2012 Previous month = 100
Total PISB	100.000	101.2
Food and non-alcoholic beverages	59.316	101.8
Clothing and footwear	2.302	99.4
Housing, water, electricity, gas and other fuels	21.521	101.0
Furnishing, household equipment and routine maintenance of the house	2.570	97.9
Health	6.675	100.0
Transport	1.626	100.9
Communications	1.558	100.0
Recreation and culture	0.574	99.9
Miscellaneous goods and services	3.857	99.2
Foods	59.316	101.8
Non-foods	19.308	100.4
Services	21.376	100.2

Annexes

Table 4

CONSUMER PRICE INDICES: JANUARY 2012 (FINAL DATA)

(Per cent)

Commodity groups	2011 weights - %	January 2012		
		Previous month = 100	December 2011 = 100	Corresponding month of the previous year = 100
00 Total CPI	100.000	100.2	100.2	102.3
01 Food and non-alcoholic beverages	37.201	100.3	100.3	103.1
02 Alcoholic beverages, tobacco	5.331	100.0	100.0	99.9
03 Clothing and footwear	3.627	98.1	98.1	102.4
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Table 5

HARMONISED INDICES OF CONSUMER PRICES: JANUARY 2012 (FINAL DATA)

(Per cent)

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(FINAL DATA)**

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