



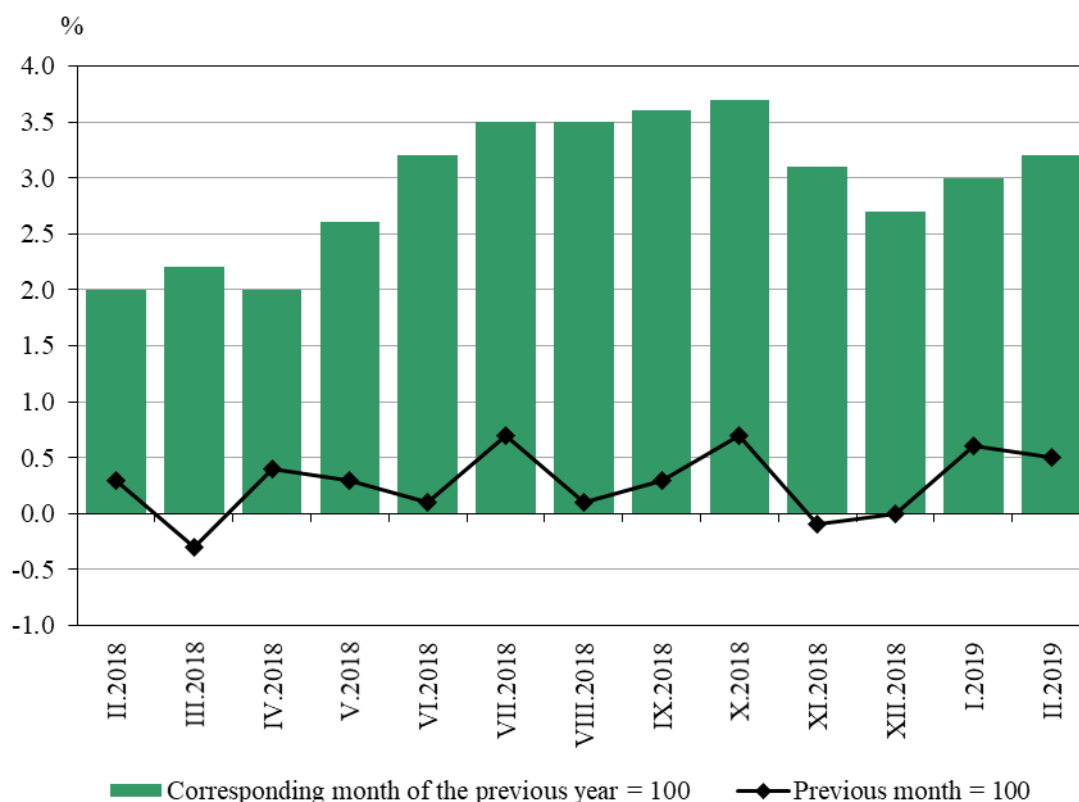
INFLATION AND CONSUMER PRICE INDICES IN FEBRUARY 2019

Consumer price index (CPI)

The **consumer price index** in February 2019 compared to January 2019 was 100.5%, i.e. the monthly inflation was 0.5%. The inflation rate since the beginning of the year (February 2019 compared to December 2018) has been 1.1% and the annual inflation in February 2019 compared to February 2018 was 3.2% (Figure 1 and Annex, Table 1).

The annual average inflation, measured by CPI, in the last 12 months (March 2018 - February 2019) compared to the previous 12 months (March 2017 - February 2018) was 3.0%.

Figure 1. Inflation measured by CPI by months



In February 2019 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 1.7%;
- Alcoholic beverages and tobacco - an increase of 0.2%;
- Clothing and footwear - a decrease of 2.1%;
- Housing, 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 - an increase of 0.1%;
- Health - an increase of 0.1%;
- Transport - an increase of 1.2%;
- Communications - a decrease of 0.9%;
- Recreation and culture - a decrease of 1.0%;
- Education - an increase of 0.4%;
- Restaurants and hotels - an increase of 0.5%;
- Miscellaneous goods and service - an increase of 0.3%.

According to the final data of the NSI, the consumer price index in January 2019 compared to December 2018 was 100.6%, i.e. the monthly inflation was 0.6% (Annex, Table 4).

Harmonized index of consumer prices (HICP)

The **harmonized index of consumer prices** in February 2019 compared to January 2019 was 100.3%, i.e. the monthly inflation was 0.3%. The inflation rate since the beginning of the year (February 2019 compared to December 2018) has been 0.5% and the annual inflation in February 2019 compared to February 2018 was 2.4% (Annex, Table 2).

The annual average inflation, measured by HICP, in the last 12 months (March 2018 - February 2019) compared to the previous 12 months (March 2017 - February 2018) was 2.8%.

In terms of HICP, in February 2019 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 1.4%;
- Alcoholic beverages and tobacco - an increase of 0.2%;
- Clothing and footwear - a decrease of 1.8%;
- Housing, 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 - an increase of 0.1%;
- Health - an increase of 0.1%;
- Transport - an increase of 0.1%;
- Communications - a decrease of 0.9%;
- Recreation and culture - a decrease of 0.5%;
- Education - an increase of 0.3%;
- Restaurants and hotels - an increase of 0.6%;
- Miscellaneous goods and service - an increase of 0.3%.

According to the final data of the NSI, the harmonized index of consumer prices in January 2019 compared to December 2018 was 100.2%, i.e. the monthly inflation was 0.2% (Annex, Table 5).



Price index of a small basket (PISB)

The **price index of a small basket** in February 2019 compared to January 2019 was 101.0% and the overall increase since the beginning of the year (February 2019 compared to December 2018) has been 102.2% (Annex, Table 3).

In February 2019 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 2.2%;
- Non-food products - a decrease of 0.2%;
- 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 2019 compared to December 2018 was 101.1% (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 $t-2$.

In compliance with Regulation (EC) No 2015/2010 since January 2016 the base year for HICP has been changed and the all indices have been calculated and published at 2015 as a base year. The time series have been recalculated according to the new base year and have been posted on the NSI website (www.nsi.bg).

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 2019 price indices were released as preliminary since they were calculated with the household budget data for the period October 2017 - September 2018. **The final January 2019 consumer price indices**, calculated with the annual 2018 household budget data for the weights, are released along with the February 2019 data.



Annex

Table 1

Consumer price indices in February 2019

(Per cent)

Commodity groups	2018 weights	February 2019		
		Previous month = 100	December 2018 = 100	Corresponding month of the previous year = 100
00 Total CPI	100.000	100.5	101.1	103.2
01 Food and non-alcoholic beverages	30.283	101.7	103.4	105.0
02 Alcoholic beverages and tobacco	4.957	100.2	100.0	102.0
03 Clothing and footwear	4.164	97.9	93.8	98.0
04 Housing, water, electricity, gas and other fuels	17.139	100.0	100.6	104.7
05 Furnishings, household equipment and routine household maintenance	4.890	100.1	100.1	100.9
06 Health	6.762	100.1	100.2	100.4
07 Transport	9.736	101.2	99.3	99.6
08 Communication	5.263	99.1	99.0	100.4
09 Recreation and culture	5.478	99.0	104.5	106.1
10 Education	0.441	100.4	100.5	102.3
11 Restaurants and hotels	6.013	100.5	100.8	104.6
12 Miscellaneous goods and service	4.875	100.3	100.5	103.4
Foods	31.550	101.6	103.2	104.9
Non-foods	35.206	100.2	99.5	101.0
Catering	5.363	100.5	100.8	104.4
Services	27.881	99.5	100.8	103.9



Table 2

Harmonized indices of consumer prices in February 2019

Commodity groups	2017 weights	February 2019			
		2015 = 100	Previous month = 100	December 2018 = 100	Corresponding month of the previous year = 100
	%	%			
00 Total HICP	1000.000	103.73	100.3	100.5	102.4
01 Food and non-alcoholic beverages	218.722	109.48	101.4	102.9	104.5
02 Alcoholic beverages and tobacco	63.672	107.41	100.2	100.0	102.0
03 Clothing and footwear	36.738	94.11	98.2	94.6	98.6
04 Housing, water, electricity, gas and other fuels	109.578	109.00	100.0	100.6	104.5
05 Furnishings, household equipment and routine household maintenance	59.339	100.02	100.1	100.1	100.8
06 Health	72.663	100.85	100.1	100.1	100.4
07 Transport	154.714	94.12	100.1	98.4	98.8
08 Communication	56.326	93.16	99.1	99.0	98.6
09 Recreation and culture	72.406	104.51	99.5	102.4	103.2
10 Education	13.638	111.74	100.3	100.4	102.5
11 Restaurants and hotels	84.977	112.35	100.6	101.0	105.2
12 Miscellaneous goods and service	57.227	108.03	100.3	100.5	105.5

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 2019

(Per cent)

Commodity groups	2018 weights	February 2019
		Previous month = 100
Total PISB	100.000	101.0
Food and non-alcoholic beverages	48.694	102.2
Clothing and footwear	3.751	98.4
Housing, water, electricity, gas and other fuels	28.306	100.0
Furnishings, household equipment and routine household maintenance	2.292	98.2
Health	10.456	100.2
Transport	1.408	100.0
Communication	0.287	100.0
Recreation and culture	0.607	100.1
Miscellaneous goods and service	4.199	100.4
Foods	48.694	102.2
Non-foods	29.427	99.8
Services	21.879	100.0



Table 4

Consumer price indices in January 2019 (final data)

(Per cent)

Commodity groups	2018 weights	January 2019		
		Previous month = 100	December 2018 = 100	Corresponding month of the previous year = 100
00 Total CPI	100.000	100.6	100.6	103.0
01 Food and non-alcoholic beverages	30.283	101.7	101.7	103.6
02 Alcoholic beverages and tobacco	4.957	99.8	99.8	103.0
03 Clothing and footwear	4.164	95.8	95.8	97.5
04 Housing, water, electricity, gas and other fuels	17.139	100.6	100.6	104.9
05 Furnishings, household equipment and routine household maintenance	4.890	100.1	100.1	100.9
06 Health	6.762	100.1	100.1	100.5
07 Transport	9.736	98.2	98.2	98.4
08 Communication	5.263	99.9	99.9	103.8
09 Recreation and culture	5.478	105.5	105.5	108.3
10 Education	0.441	100.0	100.0	101.8
11 Restaurants and hotels	6.013	100.3	100.3	104.4
12 Miscellaneous goods and service	4.875	100.2	100.2	103.5
Foods	31.550	101.6	101.6	103.5
Non-foods	35.206	99.3	99.3	100.8
Catering	5.363	100.3	100.3	104.2
Services	27.881	101.3	101.3	105.2



Table 5

Harmonized indices of consumer prices in January 2019 (final data)

Commodity groups	2017 weights	January 2019			
		2015 = 100	Previous month = 100	December 2018 = 100	Corresponding month of the previous year = 100
	%	%			
00 Total HICP	1000.000	103.43	100.2	100.2	102.3
01 Food and non-alcoholic beverages	218.722	107.96	101.5	101.5	103.3
02 Alcoholic beverages and tobacco	63.672	107.24	99.9	99.9	102.9
03 Clothing and footwear	36.738	95.82	96.3	96.3	98.1
04 Housing, water, electricity, gas and other fuels	109.578	108.98	100.5	100.5	104.7
05 Furnishings, household equipment and routine household maintenance	59.339	99.95	100.0	100.0	100.6
06 Health	72.663	100.78	100.1	100.1	100.5
07 Transport	154.714	93.99	98.3	98.3	98.4
08 Communication	56.326	94.01	99.9	99.9	101.2
09 Recreation and culture	72.406	105.00	102.8	102.8	104.4
10 Education	13.638	111.38	100.0	100.0	102.1
11 Restaurants and hotels	84.977	111.63	100.4	100.4	104.8
12 Miscellaneous goods and service	57.227	107.71	100.2	100.2	106.2

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 2019 (final data)

(Per cent)

Commodity groups	2018 weights	January 2019
		Previous month = 100
Total PISB	100.000	101.1
Food and non-alcoholic beverages	48.694	102.1
Clothing and footwear	3.751	96.3
Housing, water, electricity, gas and other fuels	28.306	100.7
Furnishings, household equipment and routine household maintenance	2.292	102.4
Health	10.456	100.0
Transport	1.408	98.6
Communication	0.287	100.0
Recreation and culture	0.607	102.1
Miscellaneous goods and service	4.199	100.0
Foods	48.694	102.1
Non-foods	29.427	99.9
Services	21.879	100.6