

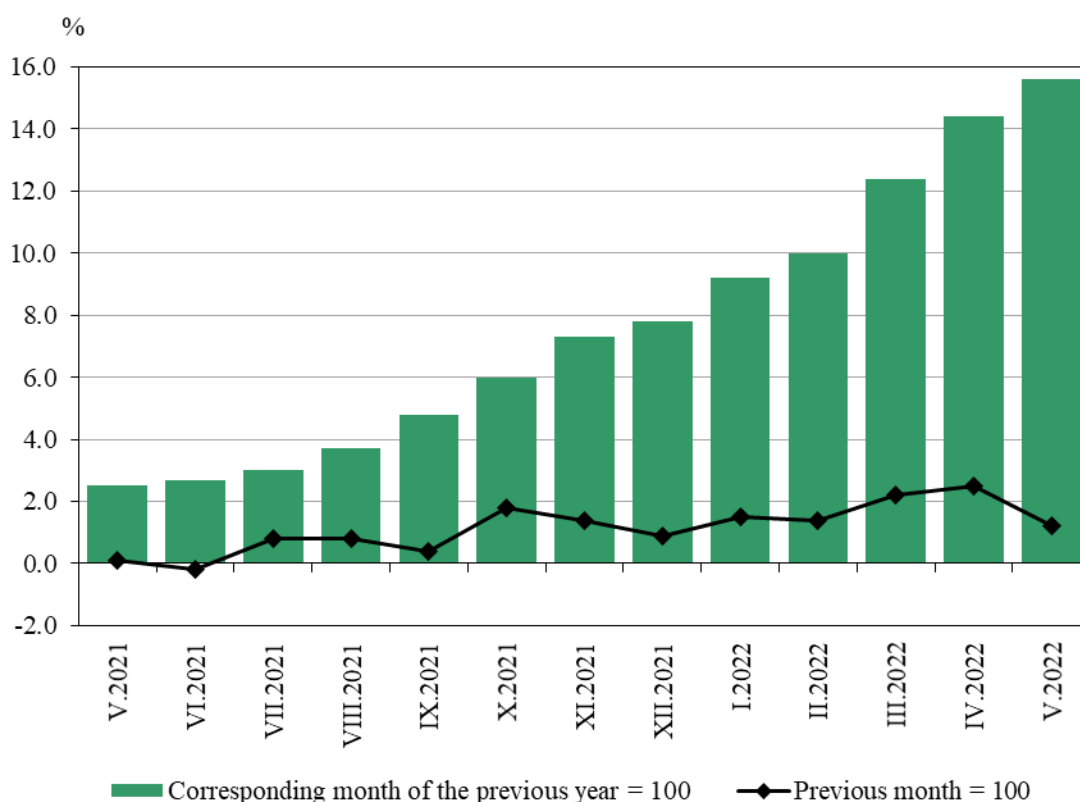
## INFLATION AND CONSUMER PRICE INDICES IN MAY 2022

### Consumer price index (CPI)

The **consumer price index** in May 2022 compared to April 2022 was 101.2%, i.e. the monthly inflation was 1.2%. The inflation rate since the beginning of the year (May 2022 compared to December 2021) has been 9.1%, and the annual inflation in May 2022 compared to May 2021 was 15.6% (Figure 1 and Annex, Table 1).

The annual average inflation, measured by CPI, in the last 12 months (June 2021 - May 2022) compared to the previous 12 months (June 2020 - May 2021) was 8.1%.

**Figure 1. Inflation, measured by CPI by months**



In May 2022, 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 1.8%;
- Alcoholic beverages and tobacco - an increase of 0.3%;
- Clothing and footwear - an increase of 1.1%;
- Housing, water, electricity, gas and other fuels - an increase of 1.5%;



- Furnishings, household equipment and routine maintenance of the house - an increase of 1.6%;
- Health - an increase of 0.1%;
- Transport - an increase of 3.2%;
- Communications - the prices remained at the level of the previous month;
- Recreation and culture - a decrease of 5.6%;
- Education - an increase of 0.7%;
- Restaurants and hotels - an increase of 2.0%;
- Miscellaneous goods and services - an increase of 1.3%.

### **Harmonized index of consumer prices (HICP)**

The **harmonized index of consumer prices** in May 2022 compared to April 2022 was 101.3%, i.e. the monthly inflation was 1.3%. The inflation rate since the beginning of the year (May 2022 compared to December 2021) has been 8.2%, and the annual inflation in May 2022 compared to May 2021 was 13.4% (Annex, Table 2).

The annual average inflation, measured by HICP, in the last 12 months (June 2021 - May 2022) compared to the previous 12 months (June 2020 - May 2021) was 6.8%.

In terms of HICP, in May 2022 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 2.0%;
- Alcoholic beverages and tobacco - an increase of 0.4%;
- Clothing and footwear - an increase of 0.9%;
- Housing, water, electricity, gas and other fuels - an increase of 1.6%;
- Furnishings, household equipment and routine maintenance of the house - an increase of 1.6%;
- Health - an increase of 0.1%;
- Transport - an increase of 2.8%;
- Communications - the prices remained at the level of the previous month;
- Recreation and culture - a decrease of 1.6%;
- Education - an increase of 0.9%;
- Restaurants and hotels - an increase of 2.3%;
- Miscellaneous goods and services - an increase of 1.1%.



### **Price index of a small basket (PISB)**

The **price index of a small basket** in May 2022 compared to April 2022 was 101.4%, and the overall increase since the beginning of the year (May 2022 compared to December 2021) has been 110.6% (Annex, Table 3).

In May 2022, compared to the previous month, the prices of goods and services in the small basket for the 20% of households with the lowest income changed as follows:

- Food products - an increase of 1.9%;
- Non-food products - an increase of 1.3%;
- Services - an increase of 0.1%.



## 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. The 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 the readiness of Bulgaria to join the eurozone. 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 weights used. HICP is calculated using weights, which reflect the individual and the collective consumption of all households (incl. institutional and foreign households) in the economic territory of the country. The main source of information for HICP weights is the national accounts (NA) data. For the calculation of the HICP in 2022, NA data for households' final monetary consumption expenditures (HFMCE) - domestic concept in 2020 is used. NA 2020 data are reviewed and updated to make them representative of the year 2021 following Eurostat's methodological guidance on the compilation of HICP weights in case of large changes in consumer expenditures<sup>1</sup>.

In compliance with Regulation (EC) No. 2015/2010 since **January 2016, the base year for HICP has been changed** and all indices have been calculated and published using **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](http://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 living goods and services. The weights of this index reflect the expenditures of the 20% lowest households' incomes. The source for 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-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 the previous year. Consumer price indices over December of the previous year are used as measures of **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**.

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<sup>1</sup> Guidance on the compilation of HICP weights in case of large changes in consumer expenditures, Eurostat, Directorate C, Macro-economic statistics, 3.02.2020:  
<https://ec.europa.eu/eurostat/documents/10186/10693286/Guidance-on-the-compilation-of-HICP-weights-in-case-of-large-changes-in-consumer-expenditures.pdf>.

Annex

Table 1

Consumer price indices in May 2022

(Per cent)

Commodity groups	Weights	May 2022		
		Previous month = 100	December 2021 = 100	Corresponding month of the previous year = 100
<b>00 Total CPI</b>	<b>100.000</b>	<b>101.2</b>	<b>109.1</b>	<b>115.6</b>
01 Food and non-alcoholic beverages	31.625	101.8	116.3	122.7
02 Alcoholic beverages and tobacco	4.934	100.3	101.1	102.1
03 Clothing and footwear	4.296	101.1	103.9	105.8
04 Housing, water, electricity, gas and other fuels	17.193	101.5	105.7	117.5
05 Furnishings, household equipment and routine household maintenance	5.576	101.6	106.7	111.4
06 Health	8.090	100.1	101.2	101.8
07 Transport	9.127	103.2	117.9	132.6
08 Communication	5.402	100.0	102.2	99.7
09 Recreation and culture	4.608	94.4	97.3	108.5
10 Education	0.624	100.7	102.0	106.2
11 Restaurants and hotels	3.689	102.0	112.0	117.9
12 Miscellaneous goods and services	4.837	101.3	102.3	103.7
Foods	32.997	101.8	115.8	122.1
Non-foods	36.016	101.6	108.0	115.4
Catering	3.215	101.9	112.5	118.4
Services	27.773	99.8	102.2	107.7



Table 2

Harmonized indices of consumer prices in May 2022

Commodity groups	Weights	May 2022			
		2015 = 100	Previous month = 100	December 2021 = 100	Corresponding month of the previous year = 100
	%	%			
<b>00 Total HICP</b>	<b>1000.000</b>	<b>122.74</b>	<b>101.3</b>	<b>108.2</b>	<b>113.4</b>
01 Food and non-alcoholic beverages	227.300	145.09	102.0	115.7	122.1
02 Alcoholic beverages and tobacco	57.880	114.13	100.4	101.6	102.7
03 Clothing and footwear	38.676	102.86	100.9	103.8	105.7
04 Housing, water, electricity, gas and other fuels	119.880	131.80	101.6	106.6	116.9
05 Furnishings, household equipment and routine household maintenance	62.879	113.79	101.6	106.7	111.3
06 Health	86.139	106.92	100.1	101.2	101.8
07 Transport	137.521	123.10	102.8	114.5	125.9
08 Communication	56.268	88.29	100.0	102.2	99.7
09 Recreation and culture	78.210	110.22	98.4	101.1	104.8
10 Education	15.152	129.17	100.9	102.5	106.8
11 Restaurants and hotels	62.278	138.46	102.3	110.9	116.8
12 Miscellaneous goods and services	57.818	120.16	101.1	102.5	103.9

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 May 2022**

Commodity groups	Weights	(Per cent)
		May 2022 Previous month = 100
<b>Total PISB</b>	<b>100.000</b>	<b>101.4</b>
Food and non-alcoholic beverages	49.460	101.9
Clothing and footwear	4.357	100.9
Housing, water, electricity, gas and other fuels	26.006	100.9
Furnishings, household equipment and routine household maintenance	2.598	99.2
Health	11.029	100.2
Transport	1.109	101.5
Communication	0.111	100.0
Recreation and culture	0.605	101.7
Miscellaneous goods and services	4.726	102.0
Foods	49.460	101.9
Non-foods	28.486	101.3
Services	22.054	100.1