

INFLATION AND CONSUMER PRICE INDICES IN FEBRUARY 2023

According to the preliminary data of the NSI, the monthly inflation rate was 0.8%, while the annual inflation rate was 16.0%. The inflation rate is measured by the CPI, with monthly inflation referring to the month of February 2023 compared to the previous month, and annual inflation being for February 2023 compared to the same month of the previous year.

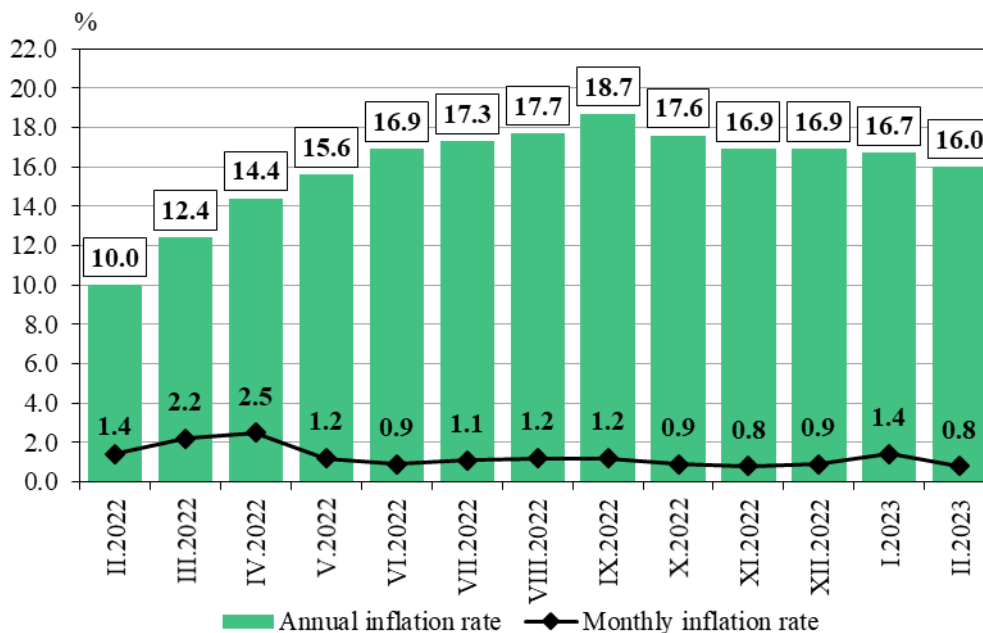
In February 2023, compared to the previous month, the highest price increase was registered for Food and non-alcoholic beverages (+2.4%), Communications (+1.9%), Restaurants and hotels (+1.1%), Recreation and culture (1.1%) and Health (+1.0%). The largest decrease was recorded in the prices for Housing, water, electricity, gas and other fuels (-1.2%), Clothing and footwear (-1.2%) and Transport (-0.4%).

Consumer price index (CPI)

In February 2023, the **monthly inflation** rate was 0.8% compared to the previous month, and the **annual inflation** rate in February 2023 compared to February 2022 was 16.0%.¹

The inflation rate since the beginning of the year (February 2023 compared to December 2022) was 2.1%, and the annual average inflation rate for the period March 2022 - February 2023 compared to the period March 2021 - February 2022 was 16.4%.

Figure 1. Inflation, measured by CPI, by month



In February 2023, compared to the previous month, the prices of goods and services increased in the following consumer groups:

- Food and non-alcoholic beverages - an increase of 2.4%;
- Communications - an increase of 1.9%;

¹ According to the CPI methodology. For more information, see the Methodological notes on pages 4 and 5 and Annex, Table 1.

- Restaurants and hotels - an increase of 1.1%;
- Recreation and culture - an increase of 1.1%;
- Health - an increase of 1.0%;
- Alcoholic beverages and tobacco - an increase of 0.6%;
- Miscellaneous goods and services - an increase of 0.4%;
- Education - an increase of 0.2%.

In February 2023, compared to the previous month, the prices of goods and services decreased in the following consumer groups:

- Housing, water, electricity, gas and other fuels - a decrease of 1.2%;
- Clothing and footwear - a decrease of 1.2%;
- Transport - a decrease of 0.4%;
- Furnishings, household equipment and routine maintenance of the house - a decrease of 0.2%.

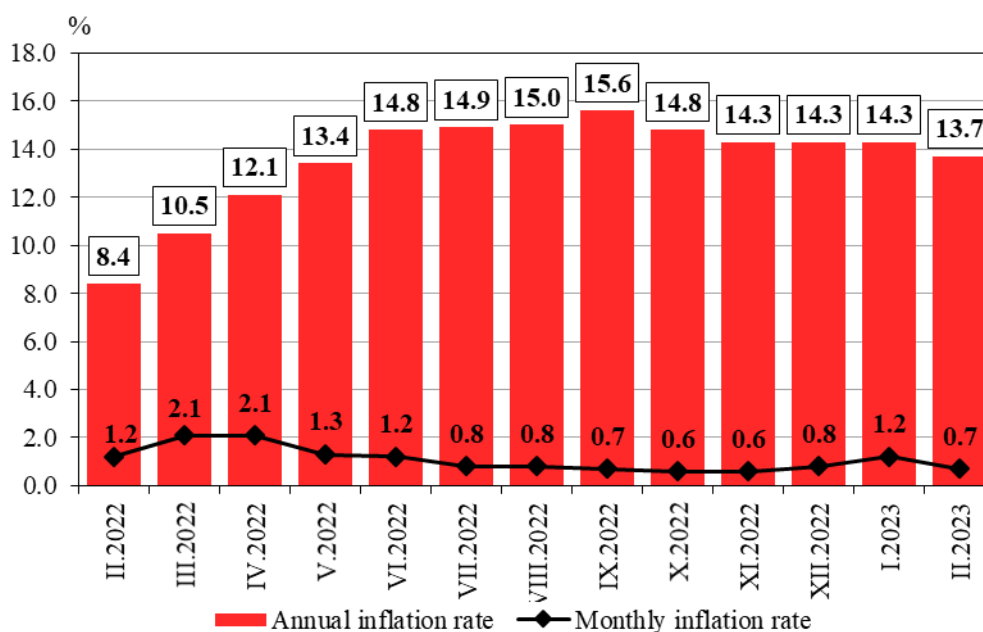
According to the final data of the NSI, in January 2023, the monthly inflation rate was 1.4% compared to the previous month, and the annual inflation rate in January 2023 compared to January 2022 was 16.7%.

Harmonized index of consumer prices (HICP)

In February 2023, the **monthly inflation** rate, measured by HICP, was 0.7% compared to the previous month, and the **annual inflation** rate in February 2023 compared to February 2022 was 13.7%.¹

The inflation rate since the beginning of the year (February 2023 compared to December 2022) was 1.9%, and the annual average inflation rate for the period March 2022 - February 2023 compared to the period March 2021 - February 2022 was 14.0%.

Figure 2. Inflation, measured by HICP, by month



¹ According to the HICP methodology. For more information, see the Methodological notes on pages 4 and 5 and Annex, Table 2.

In terms of HICP, in February 2023, compared to the previous month, the prices of goods and services increased in the following consumer groups:

- Food and non-alcoholic beverages - an increase of 2.4%;
- Communications - an increase of 1.9%;
- Restaurants and hotels - an increase of 1.3%;
- Health - an increase of 1.0%;
- Alcoholic beverages and tobacco - an increase of 0.8%;
- Recreation and culture - an increase of 0.7%;
- Education - an increase of 0.2%.

In February 2023, compared to the previous month, the prices of goods and services decreased in the following consumer groups:

- Clothing and footwear - a decrease of 1.1%;
- Housing, water, electricity, gas and other fuels - a decrease of 0.9%;
- Transport - a decrease of 0.6%;
- Furnishings, household equipment and routine maintenance of the house - a decrease of 0.2%;
- Miscellaneous goods and services - a decrease of 0.2%.

According to the final data of the NSI, in January 2023, the monthly inflation rate was 1.2% compared to the previous month, and the annual inflation rate in January 2023 compared to January 2022 was 14.3%.

Price index of a small basket (PISB)

In February 2023, a price increase of 1.2%, measured by the **price index of a small basket**, was registered on a monthly basis, and a price increase of 2.7% since the beginning of the year (February 2023 compared to December 2022).¹

In February 2023, 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 2.4%;
- Services - an increase of 0.2%;
- Non-food products - the prices remained at the level of the previous month.

According to the final data of the NSI, in January 2023, a price increase of 1.5%, measured by the **price index of a small basket**, was registered on a monthly basis.

¹ For more information, see the Methodological notes on pages 4 and 5 and Annex, Table 3.



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. It is calculated by applying the structure of Bulgarian households' final monetary consumption expenditures. 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 concern to the weights used. HICP is calculated using weights, which reflect the individual and collective consumption of all households (incl. institutional and foreign households) in the country's economic territory. The main source of information for HICP weights is the national accounts (NA) data. For calculating 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 2021, following Eurostat's methodological guidance on the compilation of HICP weights in case of large changes in consumer expenditures¹.

In compliance with Regulation (EC) No. 2015/2010, **since January 2016, the base year for the HICP has 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).

The **Price Index of a Small Basket (PISB)** measures 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 of the information on weights 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**.

¹ 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>.



Consumer price indices **over December of the previous year** measure the accumulated changes in prices of the current month concerning 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**.

January 2023 price indices are released as preliminary since they are calculated with the household budget data for the period October 2021 - September 2022. **The final January 2023 consumer price indices**, calculated with the annual 2022 household budget data for the weights, are released along with the February 2023 data.

Statistical area: Inflation and Consumer Price Indices:

[Inflation and Consumer Price Indices | National statistical institute \(nsi.bg\)](#)

IS Infostat: Consumer prices:

https://infostat.nsi.bg/infostat/pages/module.jsf?x_2=68

Metadata and Methodology:

[Consumer Price Indices \(CPI\) | National statistical institute \(nsi.bg\)](#)

Inflation Rate Calculator:

[Inflation Rate Calculator | National statistical institute \(nsi.bg\)](#)

Annex

Table 1

Consumer price indices in February 2023

(Per cent)

Commodity groups	Weights	February 2023		
		January 2023 = 100	December 2022 = 100	February 2022 = 100
00 Total CPI	100.000	100.8	102.1	116.0
01 Food and non-alcoholic beverages	31.198	102.4	103.9	123.8
02 Alcoholic beverages and tobacco	4.615	100.6	101.1	104.3
03 Clothing and footwear	3.996	98.8	97.2	107.7
04 Housing, water, electricity, gas and other fuels	17.219	98.8	99.7	118.0
05 Furnishings, household equipment and routine household maintenance	5.381	99.8	101.5	112.7
06 Health	8.120	101.0	102.6	110.8
07 Transport	9.544	99.6	101.9	107.8
08 Communication	5.107	101.9	102.4	107.2
09 Recreation and culture	5.069	101.1	104.4	115.6
10 Education	0.330	100.2	101.4	111.3
11 Restaurants and hotels	4.764	101.1	102.1	118.5
12 Miscellaneous goods and services	4.656	100.4	102.1	110.3
Foods	32.435	102.3	103.9	123.5
Non-foods	36.889	99.9	101.1	113.0
Catering	4.284	100.9	102.0	120.5
Services	26.393	100.0	101.4	110.2



Table 2

Harmonized indices of consumer prices in February 2023

Commodity groups	Weights	February 2023			
		2015 = 100	January 2023 = 100	December 2022 = 100	February 2022 = 100
	%	%			
00 Total HICP	1000.000	132.12	100.7	101.9	113.7
01 Food and non-alcoholic beverages	238.994	164.37	102.4	104.0	124.2
02 Alcoholic beverages and tobacco	51.169	119.04	100.8	101.3	105.2
03 Clothing and footwear	35.637	104.23	98.9	97.3	108.0
04 Housing, water, electricity, gas and other fuels	115.668	145.77	99.1	100.1	115.9
05 Furnishings, household equipment and routine household maintenance	61.905	122.02	99.8	101.3	111.5
06 Health	83.555	117.76	101.0	102.6	110.7
07 Transport	134.623	117.64	99.4	100.5	108.1
08 Communication	50.200	93.68	101.9	102.4	107.2
09 Recreation and culture	79.503	122.76	100.7	102.9	110.3
10 Education	17.724	140.96	100.2	101.1	111.3
11 Restaurants and hotels	71.010	149.09	101.3	102.2	115.0
12 Miscellaneous goods and services	60.012	130.92	99.8	100.8	109.5

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 2023

(Per cent)

Commodity groups	Weights	February 2023
		January 2023 = 100
Total PISB	100.000	101.2
Food and non-alcoholic beverages	49.304	102.4
Clothing and footwear	4.182	99.0
Housing, water, electricity, gas and other fuels	26.367	99.5
Furnishings, household equipment and routine household maintenance	2.488	96.9
Health	11.196	101.8
Transport	1.158	99.3
Communication	0.089	115.0
Recreation and culture	0.551	100.9
Miscellaneous goods and services	4.665	101.7
Foods	49.304	102.4
Non-foods	30.412	100.0
Services	20.284	100.2

Table 4

Consumer price indices in January 2023 (final data)

(Per cent)

Commodity groups	Weights	January 2023	
		December 2022 = 100	January 2022 = 100
00 Total CPI	100.000	101.4	116.7
01 Food and non-alcoholic beverages	31.198	101.6	125.0
02 Alcoholic beverages and tobacco	4.615	100.4	103.9
03 Clothing and footwear	3.996	98.3	107.8
04 Housing, water, electricity, gas and other fuels	17.219	100.9	119.0
05 Furnishings, household equipment and routine household maintenance	5.381	101.7	114.4
06 Health	8.120	101.6	110.1
07 Transport	9.544	102.3	110.1
08 Communication	5.107	100.5	106.3
09 Recreation and culture	5.069	103.3	113.3
10 Education	0.330	101.2	111.3
11 Restaurants and hotels	4.764	101.0	119.5
12 Miscellaneous goods and services	4.656	101.8	111.1
Foods	32.435	101.6	124.6
Non-foods	36.889	101.2	114.0
Catering	4.284	101.0	121.9
Services	26.393	101.4	110.0

Table 5

Harmonized indices of consumer prices in January 2023 (final data)

Commodity groups	Weights	January 2023		
		2015 = 100	December 2022 = 100	January 2022 = 100
	%	%		
00 Total HICP	1000.000	131.20	101.2	114.3
01 Food and non-alcoholic beverages	238.994	160.51	101.6	125.2
02 Alcoholic beverages and tobacco	51.169	118.14	100.5	104.9
03 Clothing and footwear	35.637	105.40	98.4	108.2
04 Housing, water, electricity, gas and other fuels	115.668	147.11	101.0	116.7
05 Furnishings, household equipment and routine household maintenance	61.905	122.27	101.5	113.2
06 Health	83.555	116.63	101.6	110.0
07 Transport	134.623	118.30	101.0	109.9
08 Communication	50.200	91.95	100.5	106.3
09 Recreation and culture	79.503	121.88	102.2	109.5
10 Education	17.724	140.72	101.0	111.3
11 Restaurants and hotels	71.010	147.15	100.9	115.3
12 Miscellaneous goods and services	60.012	131.13	101.0	110.6

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 2023 (final data)

(Per cent)

Commodity groups	Weights	January 2023
		December 2022 = 100
Total PISB	100.000	101.5
Food and non-alcoholic beverages	49.304	101.8
Clothing and footwear	4.182	98.4
Housing, water, electricity, gas and other fuels	26.367	100.3
Furnishings, household equipment and routine household maintenance	2.488	105.8
Health	11.196	102.2
Transport	1.158	100.1
Communication	0.089	100.0
Recreation and culture	0.551	102.3
Miscellaneous goods and services	4.665	103.2
		100.0
Foods	49.304	101.8
Non-foods	30.412	101.2
Services	20.284	100.9