

## Harmonised Index of Consumer Prices (HICP) July 2015

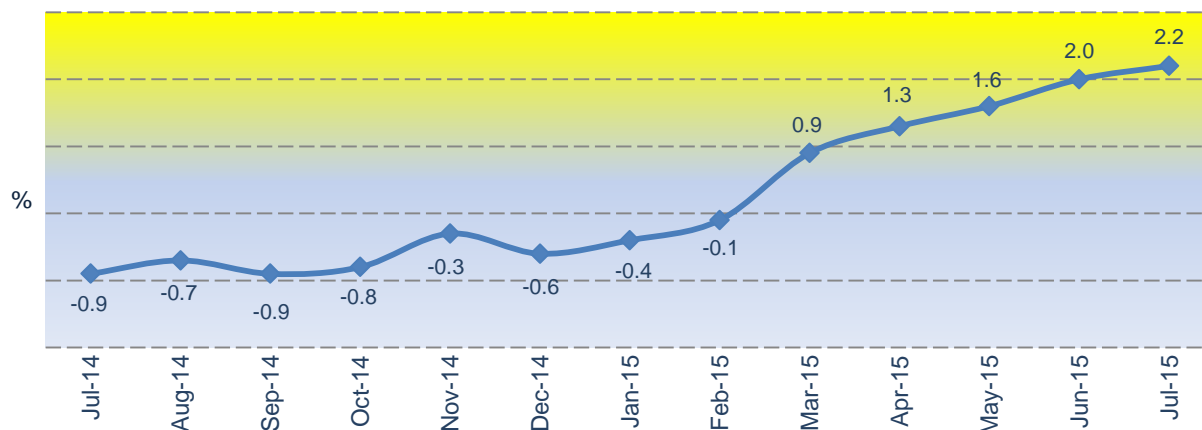
### Monthly inflation in July was 0.2%

Monthly inflation measured by Harmonised Index of Consumer Prices was 0.2% in July 2015, while the annual inflation was 2.2%, up from 2.0% in June. This was influenced mostly by increase in prices of: accommodation services; mineral waters, soft drinks, fruit and vegetable juices; oils and fats; other food products etc. Consumer prices measured by the HICP in period January-July 2015 compared to the same period of the previous year were higher for 1.1%.

Observing the main groups, monthly growth of prices was noticed in group: Restaurants and hotels (3.9%), while a monthly drop of prices was recorded in groups: Clothing and footwear (-1.5%); Food and non-alcoholic beverages (-0.9%); Transport (-0.6%); Housing, water, electricity, gas and other fuels (-0.2%); Miscellaneous goods and services (-0.1%).

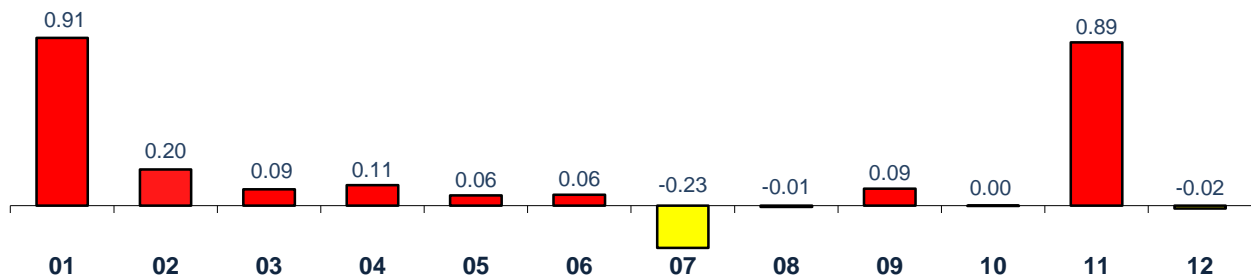
Positive annual inflation rates in July were observed in the following groups: Restaurants and Hotels (5.8%); Alcoholic beverages and tobacco (3.2%); Food and non-alcoholic beverages (2.9%); Health (2.5%); Recreation and culture (2.4%); Clothing and footwear (2.0%); Housing, water, electricity, gas and other fuels (1.8%); Furnishing, household equipment and routine household maintenance (0.7%), while negative annual inflation rates were observed in groups: Transport (-2.1%); Miscellaneous goods and services (-0.4%); Communications (-0.1%).

**Chart 1. Harmonised index of consumer prices (HICP),  
annual rates**



**Table 1. Inflation rates measured by Harmonised Index of Consumer Prices, in %**

|                           | Name  | Weights<br>‰  | Jul 2015<br>Ø 2010 | Jul 2015<br>Jun 2015 | Jul 2015<br>Jul 2014 | Jul 2015<br>Dec 2014 |
|---------------------------|---|---------------|--------------------|----------------------|----------------------|----------------------|
| <b>00</b>                 | <b>HICP - total</b>   | <b>1000.0</b> | <b>12.2</b>        | <b>0.2</b>           | <b>2.2</b>           | <b>3.5</b>           |
| 01                        | Food and non-alcoholic beverages                                  | 319.9         | 16.6               | -0.9                 | 2.9                  | 2.4                  |
| 02                        | Alcoholic beverages and tobacco                                   | 61.7          | 41.6               | 0.0                  | 3.2                  | 3.0                  |
| 03                        | Clothing and footwear   | 46.8          | 3.9                | -1.5                 | 2.0                  | -3.0                 |
| 04                        | Housing, water, electricity, gas and other fuels                  | 63.4          | 14.5               | -0.2                 | 1.8                  | 0.5                  |
| 05                        | Furnishing, household equipment and routine household maintenance | 90.3          | -2.6               | 0.0                  | 0.7                  | 1.0                  |
| 06                        | Health  | 24.4          | 20.4               | -0.1                 | 2.5                  | 0.7                  |
| 07                        | Transport   | 104.2         | 5.5                | -0.6                 | -2.1                 | 3.6                  |
| 08                        | Communications  | 49.9          | 1.2                | 0.0                  | -0.1                 | -0.2                 |
| 09                        | Recreation and culture  | 38.8          | -1.4               | 0.0                  | 2.4                  | 1.0                  |
| 10                        | Education   | 14.1          | -0.3               | 0.0                  | 0.0                  | 0.0                  |
| 11                        | Restaurants and hotels  | 154.6         | 21.4               | 3.9                  | 5.8                  | 14.1                 |
| 12                        | Miscellaneous goods and services                                  | 31.9          | 1.8                | -0.2                 | -0.4                 | 0.5                  |
| <b>Special aggregates</b> |   |               |                    |                      |                      |                      |
|                           | Products  | 712.1         | 11.0               | -0.6                 | 1.4                  | 1.8                  |
|                           | Services  | 287.9         | 14.0               | 2.2                  | 3.9                  | 8.0                  |
|                           | HICP - excluding food, alcoholic beverages and tobacco            | 646.3         | 8.4                | 0.8                  | 1.7                  | 4.1                  |
|                           | Energy  | 95.2          | 11.6               | -0.7                 | -2.8                 | 3.1                  |
|                           | Administrative inflation <sup>1</sup>                             | 63.4          | 20.5               | 0.0                  | 1.2                  | 0.6                  |

**Chart 2. Divisions with largest impacts on the annual inflation rate (in %), July 2015**

COICOP/HICP divisions

<sup>1</sup> Inflation which measures trend of administratively established prices, and the following prices are covered under this: bread, electricity, water supply, sewerage collection, refuse collection, public pre-primary institutions, obligatory insurance of vehicles, and issuing of administrative documents, such as birth certificate.

**Table 2. Subgroups with most important impacts on monthly inflation rate, July 2015**

| COICOP/<br>HICP | Subgroup  | Weights<br>‰ | Monthly<br>inflation<br>% | Influence in<br>percentage<br>points |
|-----------------|---|--------------|---------------------------|--------------------------------------|
| 1120            | Accommodation services                                  | 49.8         | 10.6                      | 0.54                                 |
| 0122            | Mineral waters, soft drinks, fruit and vegetable juices | 15.8         | 1.4                       | 0.02                                 |
| 0115            | Oils and fats   | 10.1         | 1.2                       | 0.01                                 |
| 0119            | Food products n.e.c.                                    | 7.5          | 0.6                       | 0.01                                 |
| <hr/>           |   |              |                           |                                      |
| 0454            | Solid fuels   | 10.2         | -1.4                      | -0.01                                |
| 0312            | Garments  | 25.5         | -0.8                      | -0.02                                |
| 0722            | Fuels and lubricants for personal transport equipment   | 48.2         | -1.1                      | -0.05                                |
| 0321/2          | Shoes and other footwear, repair and hire of footwear   | 20.8         | -2.4                      | -0.05                                |
| 0116            | Fruit   | 18.2         | -3.8                      | -0.07                                |
| 0117            | Vegetables  | 39.5         | -5.4                      | -0.21                                |

**Table 3. Subgroups with most important impacts on annual inflation rate, July 2015**

| COICOP/<br>HICP | Subgroup  | Weights<br>‰ | Annual<br>inflation<br>% | Influence in<br>percentage<br>points |
|-----------------|---|--------------|--------------------------|--------------------------------------|
| 1120            | Accommodation services  | 49.8         | 12.1                     | 0.60                                 |
| 0116            | Fruit   | 18.2         | 23.4                     | 0.43                                 |
| 0117            | Vegetables  | 39.5         | 5.7                      | 0.22                                 |
| 1111            | Restaurants, cafés and the like   | 104.8        | 2.0                      | 0.21                                 |
| 0220            | Tobacco   | 35.1         | 3.6                      | 0.13                                 |
| 0312            | Garments  | 25.5         | 3.2                      | 0.08                                 |
| 0122            | Mineral waters, soft drinks, fruit and vegetable juices   | 15.8         | 4.9                      | 0.08                                 |
| 0115            | Oils and fats   | 10.1         | 6.9                      | 0.07                                 |
| 0213            | Beer  | 15.0         | 3.7                      | 0.06                                 |
| 0112            | Meat  | 76.8         | 0.7                      | 0.05                                 |
| 0118            | Sugar, jam, honey, chocolate and confectionery  | 14.4         | 3.7                      | 0.05                                 |
| 0951            | Books   | 4.0          | 10.2                     | 0.04                                 |
| 0732            | Passenger transport by road   | 13.8         | 2.8                      | 0.04                                 |
| 0451            | Electricity   | 36.6         | 1.0                      | 0.04                                 |
| <hr/>           |   |              |                          |                                      |
| 0114            | Milk, cheese and eggs   | 66.8         | -0.1                     | -0.01                                |
| 0111            | Bread and cereals   | 49.2         | -0.4                     | -0.02                                |
| 1212/3          | Electric appliances for personal care and other appliances, articles and products for personal care | 17.7         | -1.2                     | -0.02                                |
| 0520            | Household textiles  | 5.2          | -5.7                     | -0.03                                |
| 0722            | Fuels and lubricants for personal transport equipment   | 48.2         | -5.6                     | -0.27                                |

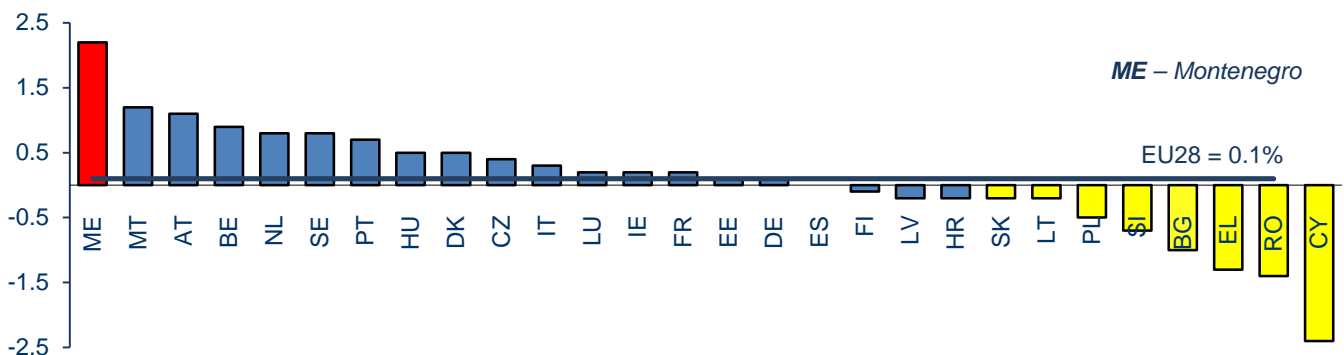
Table 4. Inflation rates in the EU measured by HICP, in %

|                       | <u>Jul-14</u><br>Jul-13 | <u>Feb-15</u><br>Feb-14 | <u>Mar-15</u><br>Mar-14 | <u>Apr-15</u><br>Apr-14 | <u>May-15</u><br>May-14 | <u>Jun-15</u><br>Jun-14 | <u>Jul-15</u><br>Jul-14 | <u>Jul-15</u><br>Jun-15 |
|-----------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| <b>Euro area</b>      | <b>0.4</b>              | <b>-0.3</b>             | <b>-0.1</b>             | <b>0.0</b>              | <b>0.3</b>              | <b>0.2</b>              | <b>0.2p</b>             | <b>-0.6p</b>            |
| <b>European union</b> | <b>0.5</b>              | <b>-0.3</b>             | <b>-0.1</b>             | <b>0.0</b>              | <b>0.3</b>              | <b>0.1</b>              | <b>0.1p</b>             | <b>-0.5p</b>            |
| Belgium (BE)          | 0.6                     | -0.4                    | -0.1                    | 0.4                     | 0.8                     | 0.9                     | 0.9                     | -1.3                    |
| Bulgaria (BG)         | -1.1                    | -1.7                    | -1.1                    | -0.9                    | -0.3                    | -0.6                    | -1.0                    | 0.2                     |
| Czech Republic (CZ)   | 0.6                     | -0.1                    | 0.1                     | 0.5                     | 0.7                     | 0.9                     | 0.4                     | -0.2                    |
| Denmark (DK)          | 0.5                     | 0.0                     | 0.3                     | 0.4                     | 0.4                     | 0.4                     | 0.5                     | -0.1                    |
| Germany (DE)          | 0.8                     | 0.0                     | 0.2                     | 0.3                     | 0.7                     | 0.1                     | 0.1                     | 0.3                     |
| Estonia (EE)          | 0.0                     | -0.2                    | 0.0                     | 0.4                     | 0.5                     | 0.3                     | 0.1                     | -0.3                    |
| Ireland (IE)          | 0.5                     | -0.4                    | -0.3                    | -0.4                    | 0.2                     | 0.4                     | 0.2                     | -0.3                    |
| Greece (EL)           | -0.8                    | -1.9                    | -1.9                    | -1.8                    | -1.4                    | -1.1                    | -1.3                    | -1.2                    |
| Spain (ES)            | -0.4                    | -1.2                    | -0.8                    | -0.7                    | -0.3                    | 0.0                     | 0.0                     | -1.5                    |
| France (FR)           | 0.6                     | -0.3                    | 0.0                     | 0.1                     | 0.3                     | 0.3                     | 0.2                     | -0.5                    |
| Croatia (HR)          | 0.5                     | -0.4                    | 0.0                     | -0.1                    | 0.0                     | 0.1                     | -0.2                    | -0.2                    |
| Italy (IT)            | 0.0                     | 0.1                     | 0.0                     | -0.1                    | 0.2                     | 0.2                     | 0.3                     | -2.0                    |
| Cyprus (CY)           | 0.9                     | -0.8                    | -1.4                    | -1.7                    | -1.7                    | -2.1                    | -2.4                    | -0.6                    |
| Latvia (LV)           | 0.6                     | 0.0                     | 0.5                     | 0.6                     | 1.2                     | 0.7                     | -0.2                    | -1.1                    |
| Lithuania (LT)        | 0.5                     | -1.5                    | -1.1                    | -0.6                    | -0.1                    | -0.2                    | -0.2                    | -0.5                    |
| Luxembourg (LU)       | 1.2                     | -0.3                    | 0.1                     | 0.0                     | 0.4                     | 0.5                     | 0.2                     | -1.3                    |
| Hungary (HU)          | 0.5                     | -1.0                    | -0.5                    | 0.0                     | 0.6                     | 0.7                     | 0.5                     | 0.0                     |
| Malta (MT)            | 0.6                     | 0.6                     | 0.5                     | 1.4                     | 1.3                     | 1.1                     | 1.2                     | 0.0                     |
| Netherlands (NL)      | 0.3                     | -0.5                    | -0.3                    | 0.0                     | 0.7                     | 0.5                     | 0.8                     | 0.7                     |
| Austria (AT)          | 1.7                     | 0.5                     | 0.9                     | 0.9                     | 1.0                     | 1.0                     | 1.1p                    | -0.5p                   |
| Poland (PL)           | 0.0                     | -1.3                    | -1.2                    | -0.9                    | -0.6                    | -0.6                    | -0.5                    | -0.1                    |
| Portugal (PT)         | -0.7                    | -0.1                    | 0.4                     | 0.5                     | 1.0                     | 0.8                     | 0.7                     | -0.7                    |
| Romania (RO)          | 1.5                     | 0.4                     | 0.8                     | 0.6                     | 1.3                     | -0.9                    | -1.4                    | -0.5                    |
| Slovenia (SI)         | 0.3                     | -0.5                    | -0.4                    | -0.7                    | -0.8                    | -0.9                    | -0.7                    | -0.7                    |
| Slovakia (SK)         | -0.2                    | -0.6                    | -0.4                    | -0.1                    | -0.1                    | -0.1                    | -0.2                    | -0.3                    |
| Finland (FI)          | 1.0                     | -0.1                    | 0.0                     | -0.1                    | 0.1                     | 0.1                     | -0.1                    | -0.3                    |
| Sweden (SE)           | 0.4                     | 0.7                     | 0.7                     | 0.5                     | 0.9                     | 0.4                     | 0.8                     | 0.1                     |
| United Kingdom (UK)   | 1.6                     | 0.0                     | 0.0                     | -0.1                    | 0.1                     | 0.0                     | ...                     | ...                     |

Source: EUROSTAT

p = provisional; ... = data not available

Chart 3. Annual inflation rate measured by HICP, July 2015



**Euro area** annual inflation was 0.2% in July 2015, stable compared to June. **European Union** annual inflation was 0.1% in July 2015, also stable compared to June.

**Harmonised Index of Consumer Prices (HICP)** is the basis for comparative measurement of inflation in the European Union, and it estimates a monetary value in the Eurozone. As a difference to Consumer Index Index Price (CPI), it uses different methodological concept which is used by all EU members.

Jul 2015 month of the current year  
Ø 2010 average of base year

This rate indicates a change in average prices in current month when compared with average prices in the base year.

Jul 2015 month of the current year  
Jun 2015 previous month of the current year

**Monthly inflation rate** (current month compared with previous month) measures a change of average prices of current months compared with average prices of previous month. Monthly inflation rate can be under the influence of seasonal effects.

Jul 2015 month of the current year  
Jul 2014 the same month of previous year

**Annual inflation rate** (month of the current year compared with the same month of previous year) measures a change in average prices in current month compared with average prices in the same month of previous year. In the presence of a stable seasonal pattern, seasonal effects do not influence this measure.

Jul 2015 month of the current year  
Dec 2014 December of the previous year

This rate indicates a change in average prices in current month compared with average prices in December of the previous year. In December this rate equal the annual inflation rate.

**The influence of certain subgroups on inflation rate** indicates how much that subgroup has influenced on the total inflation rate. The influence depends on weights and inflation rate of given subgroup. The weights represents a relative share of household consumption of certain groups or subgroup of products in the total consumption. Consequently, weights have an important role in the calculation of inflation rate. They represent "importance" of certain product group in the total household consumption in certain reference period. For example, if during certain month prices of bread increases for 10%, this will influence for approx. 0.5 percentage points ( $10 \times 5\% = 0.5$  percentage points - since the share of bread in the total expenses is 5%). But, if the prices of medicaments increase 12%, this will increase the inflation for 0.06 percentage points ( $12 \times 0.5\% = 0.06$  percentage points - since the share of medicaments in the total expenses 0.5%). This simple example indicates how much large influence have weights on the final number presenting the inflation. Summing up the influence in percentage points of all subgroups the final result should equal the all-items index rate of change in percentage.

**Monthly HICP releases published by Eurostat can be found at the following website:**

[http://epp.eurostat.ec.europa.eu/portal/page/portal/hicp/publications/news\\_releases](http://epp.eurostat.ec.europa.eu/portal/page/portal/hicp/publications/news_releases)

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