

RELEASE 29/2023

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Consumer price indices

February 2023

Prices of goods and services for personal consumption, measured by consumer price index, in February 2023, as compared to January 2023, increased by 0.5% on average. Consumer prices in February 2023, as compared to February 2022, increased by 15.1% on average. This was influenced mostly by increase in prices of: vegetables; meat; garments; fuels and lubricants for personal transport equipment; bread and cereals; mineral waters, soft drinks, fruit and vegetable juices; fruit; shoes and other footwear. Consumer prices in period January-February 2023 compared to the same period of previous year, were higher for 15.7% in average.

Observing the main groups by purpose of consumption, in February 2023 as compared to January 2023, monthly increase of prices was noticed in the following groups: Clothing and footwear (1.3%); Food and non-alcoholic beverages (0.8%); Furnishing, household equipment and routine household maintenance (0.8%); Miscellaneous goods and services (0.8%); Alcoholic beverages and tobacco (0.5%); Transport (0.4%); Recreation and culture (0.3%); Housing, water, electricity, gas and other fuels (0.2%); Communication (0.2%); Health (0.1%), while decrease of prices was recorded in the group Restaurants and hotels (-1.2%).

Prices of other products and services mostly remained unchanged.

Graph 1. Annual and monthly rates of inflation (CPI), in %

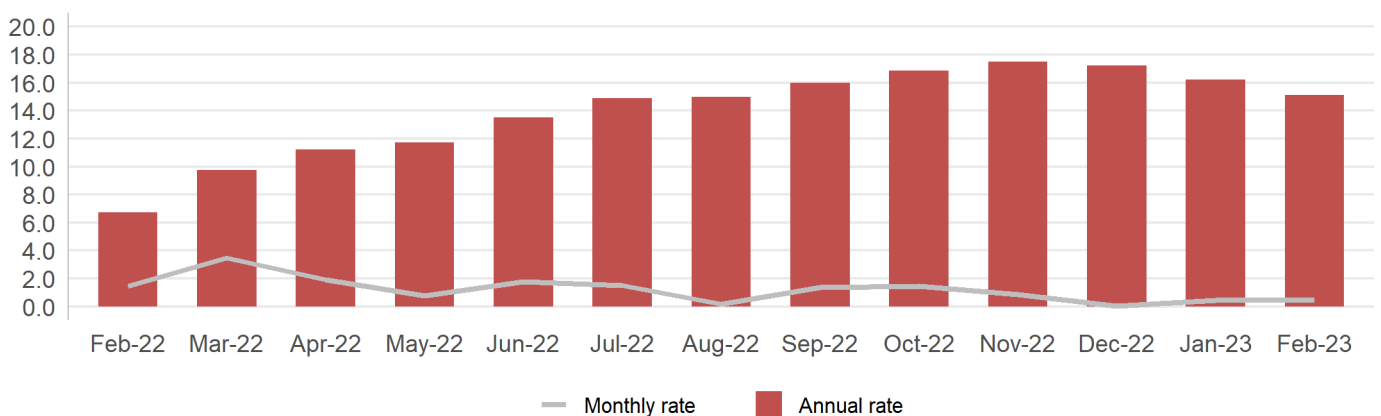
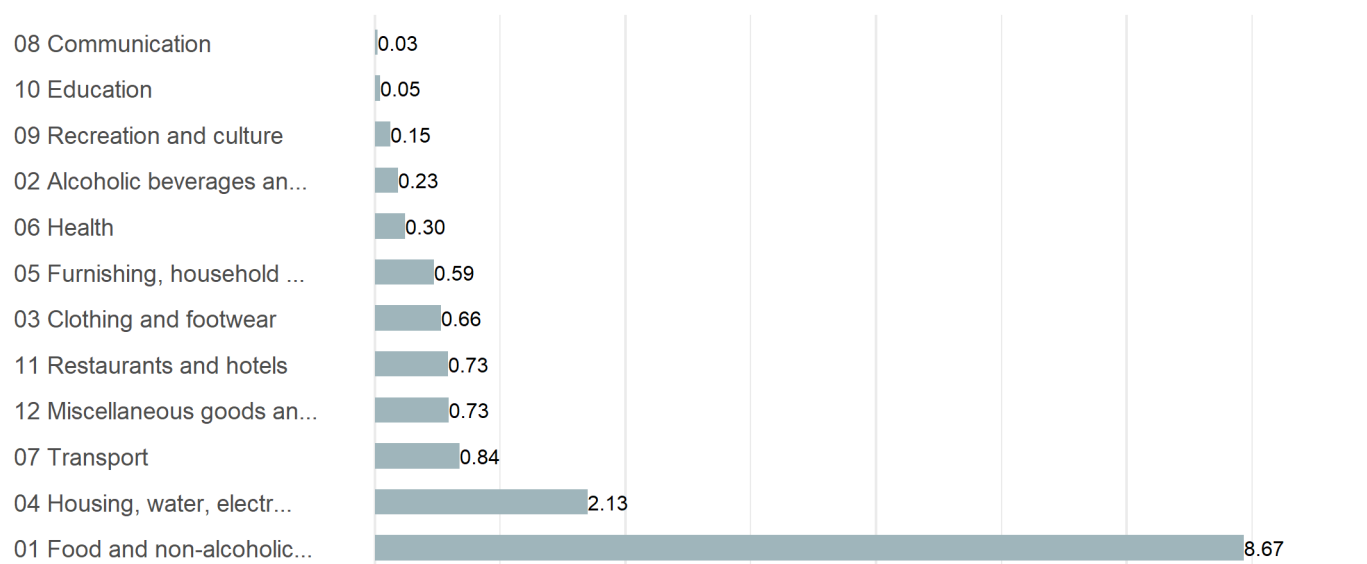


Table 1. Inflation rate measured by Consumer price indices (CPI)

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|-------------------------------|------|------|-----|------|------|------|------|------|------|------|------|------|
| Annual inflation rate | | | | | | | | | | | | |
| 2022 | 5.7 | 6.7 | 9.7 | 11.2 | 11.7 | 13.5 | 14.9 | 15.0 | 16.0 | 16.8 | 17.5 | 17.2 |
| 2023 | 16.2 | 15.1 | | | | | | | | | | |
| Monthly inflation rate | | | | | | | | | | | | |
| 2022 | 1.3 | 1.5 | 3.4 | 1.9 | 0.8 | 1.8 | 1.5 | 0.2 | 1.4 | 1.4 | 0.9 | 0.1 |
| 2023 | 0.4 | 0.5 | | | | | | | | | | |

Table 2. Inflation rates measured by CPI, in %¹

| Name | Weights ‰ | Feb-23 Ø2022 | Feb-23 Jan-23 | Feb-23 Feb-22 | Feb-23 Dec-22 | Jan-Feb 2023 Jan-Feb 2022 |
|--|--------------|-----------------|------------------|------------------|------------------|------------------------------|
| 00 Total | 1 000.0 | 6.8 | 0.5 | 15.1 | 0.9 | 15.7 |
| 01 Food and non-alcoholic beverages | 360.2 | 11.1 | 0.8 | 23.8 | 2.4 | 24.8 |
| 02 Alcoholic beverages and tobacco | 37.3 | 3.9 | 0.5 | 5.8 | 2.5 | 5.8 |
| 03 Clothing and footwear | 80.8 | 2.8 | 1.3 | 8.2 | -4.2 | 7.6 |
| 04 Housing, water, electricity, gas and other fuels | 136.6 | 8.0 | 0.2 | 16.1 | 0.6 | 16.4 |
| 05 Furnishing, household equipment and routine household maintenance | 44.2 | 8.3 | 0.8 | 14.9 | 2.4 | 15.0 |
| 06 Health | 39.1 | 3.7 | 0.1 | 7.6 | 1.0 | 7.6 |
| 07 Transport | 118.3 | -0.6 | 0.4 | 7.0 | 0.1 | 8.6 |
| 08 Communication | 45.1 | 0.5 | 0.2 | 0.6 | 0.2 | 0.5 |
| 09 Recreation and culture | 31.4 | 2.8 | 0.3 | 4.9 | 0.3 | 4.7 |
| 10 Education | 18.4 | 2.3 | 0.0 | 3.1 | 0.0 | 3.1 |
| 11 Restaurants and hotels | 47.1 | 3.4 | -1.2 | 16.3 | -1.3 | 16.8 |
| 12 Miscellaneous goods and services | 41.5 | 12.2 | 0.8 | 17.9 | 3.0 | 18.3 |

Chart 2. Impacts of divisions on the annual inflation rate (in percentage points), February 2023

¹ More detailed CPI data are available at the following link: [Data](#)

Table 3. Groups with most important impacts on monthly inflation rate, February 2023

| ECOICOP | Group | Weights ‰ | Monthly inflation % | Influence in percentage points |
|---------|---|-----------|---------------------|--------------------------------|
| 0117 | Vegetables | 39.4 | 3.6 | 0.14 |
| 0112 | Meat | 85.3 | 0.9 | 0.08 |
| 0312 | Garments | 47.0 | 1.5 | 0.07 |
| 0722 | Fuels and lubricants for personal transport equipment | 65.9 | 0.7 | 0.05 |
| 0111 | Bread and cereals | 62.2 | 0.6 | 0.04 |
| 0122 | Mineral waters, soft drinks, fruit and vegetable juices | 9.2 | 3.9 | 0.04 |
| 0116 | Fruit | 18.5 | 1.7 | 0.03 |
| 0321 | Shoes and other footwear | 33.0 | 0.9 | 0.03 |
| 0118 | Sugar, jam, honey, chocolate and confectionery | 16.6 | -0.7 | -0.01 |
| 0115 | Oils and fats | 16.4 | -0.8 | -0.01 |
| 0114 | Milk, cheese and eggs | 89.4 | -0.3 | -0.02 |
| 1120 | Accommodation services | 19.9 | -2.9 | -0.06 |

Table 4. Groups with most important impacts on annual inflation rate, February 2023

| ECOICOP | Group | Weights ‰ | Annual inflation % | Influence in percentage points |
|---------|---|-----------|--------------------|--------------------------------|
| 0114 | Milk, cheese and eggs | 89.4 | 41.9 | 3.29 |
| 0112 | Meat | 85.3 | 18.2 | 1.65 |
| 0111 | Bread and cereals | 62.2 | 21.3 | 1.39 |
| 0454 | Solid fuels | 42.5 | 40.5 | 1.33 |
| 0117 | Vegetables | 39.4 | 21.1 | 0.81 |
| 0312 | Garments | 47.0 | 11.0 | 0.49 |
| 1120 | Accommodation services | 19.9 | 24.1 | 0.42 |
| 0561 | Non-durable household goods | 17.3 | 27.7 | 0.40 |
| 0411 | Actual rentals paid by tenants and other actual rentals | 14.4 | 31.0 | 0.39 |
| 0118 | Sugar, jam, honey, chocolate and confectionery | 16.6 | 21.8 | 0.36 |
| 1211 | Hairdressing salons and personal grooming establishments | 14.5 | 25.1 | 0.34 |
| 1213 | Other appliances, articles and products for personal care | 20.8 | 15.8 | 0.33 |
| 1111 | Restaurants, cafes and the like | 27.2 | 11.4 | 0.31 |
| 0116 | Fruit | 18.5 | 14.7 | 0.31 |
| 0512 | Carpets and other floor coverings | 1.0 | -0.4 | 0.00 |
| 0912 | Photographic and cinematographic equipment and optical instruments | 0.5 | -1.9 | 0.00 |
| 0914 | Recording media | 0.7 | -1.9 | 0.00 |
| 0913 | Information processing equipment | 2.5 | -1.6 | 0.00 |
| 0911 | Equipment for the reception, recording and reproduction of sound and pictures | 4.6 | -1.8 | -0.01 |

Table 5. Inflation rate measured by Harmonised Indices of Consumer Prices (HICP)²

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|-------------------------------|------|------|-----|------|------|------|------|------|------|------|------|------|
| Annual inflation rate | | | | | | | | | | | | |
| 2022 | 5.5 | 6.4 | 8.7 | 10.2 | 10.6 | 11.9 | 13.7 | 13.9 | 14.7 | 15.4 | 15.8 | 15.7 |
| 2023 | 14.8 | 13.9 | | | | | | | | | | |
| Monthly inflation rate | | | | | | | | | | | | |
| 2022 | 1.2 | 1.3 | 2.8 | 1.9 | 1.0 | 1.7 | 2.1 | 0.4 | 0.8 | 0.8 | 0.5 | 0.1 |
| 2023 | 0.3 | 0.5 | | | | | | | | | | |

² More detailed HICP data are available at the following link: [Data](#)

METHODOLOGICAL NOTES

Consumer price indices (CPI) are one of the most important macroeconomic indicators and the basis for taking decisions in the area of economy and finance. Since January 2009 they are used as official measure of inflation in Montenegro.

Consumer price index is used for harmonising wages and salaries in accordance with collective contracts, pensions, and social benefits. Also, it is used for deflating certain macroeconomic aggregates in national accounts statistics and for other purposes.

Consumer price index is defined as measure of average price change of fixed goods and services basket bought by household for the purposes of satisfying its needs.

Weights used for calculation of the consumer price index express a relative importance of selected products and services in total household consumption at the domestic territory.

The list of products and services is regularly updated in order to preserve its representative characteristics regarding structure of consumption and consumers' habits.

The influence of certain groups on inflation rate indicates how much that group has influenced on the total inflation rate. The influence depends on weights and inflation rate of given group. 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.

Monthly inflation rate represents price changes in the current month as compared to the previous month, in %.

Annual inflation rate represents price changes in the current month as compared to the same month of the previous year, in %.

While the consumer price index is mostly used as a general measure of inflation in the national context, the harmonised index of consumer prices represents a comparable measure of inflation in the European Union.

The basic differences between CPI and HICP are:

Purpose: CPI is used to measure the inflation in a country, while HICP is used to measure the inflation in EU.

Coverage: CPI covers final consumption of the resident population both in the country and abroad. HICP covers final consumption of the population, both resident and non-resident in a country.

Weights: In addition to differences in the coverage, there are differences in weights. The starting point is the final consumption of population but the concepts are different. The national concept is applied for the national CPI and the domestic concept for the HICP. The main data source for the calculation of the HICP weight structure at higher aggregation levels are the data obtained from the National Accounts, while the Household Budget Survey data are used at lower aggregation levels, which also represents the main data source for the calculation of the CPI weight structure.

Classification: ECOICOP (European Classification of Individual Consumption according to Purpose) is used for both indices.

List of products and services: The same list is used for products and services.

Calculation method: Laspeyre's type of index is used for the calculation of both indices.

Data are published according [Statistical Release Calendar](#).

When using the data, state:

"Data source: Statistical Office - MONSTAT"

More data, as well as detailed methodological notes can be found in the section: [Consumer Price Index](#)