MONTENEGRO
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# Harmonised Index of Consumer Prices (HICP)
## *April 2018*

**Consumer prices in April 2018 remain on the same level of average prices from the previous month**

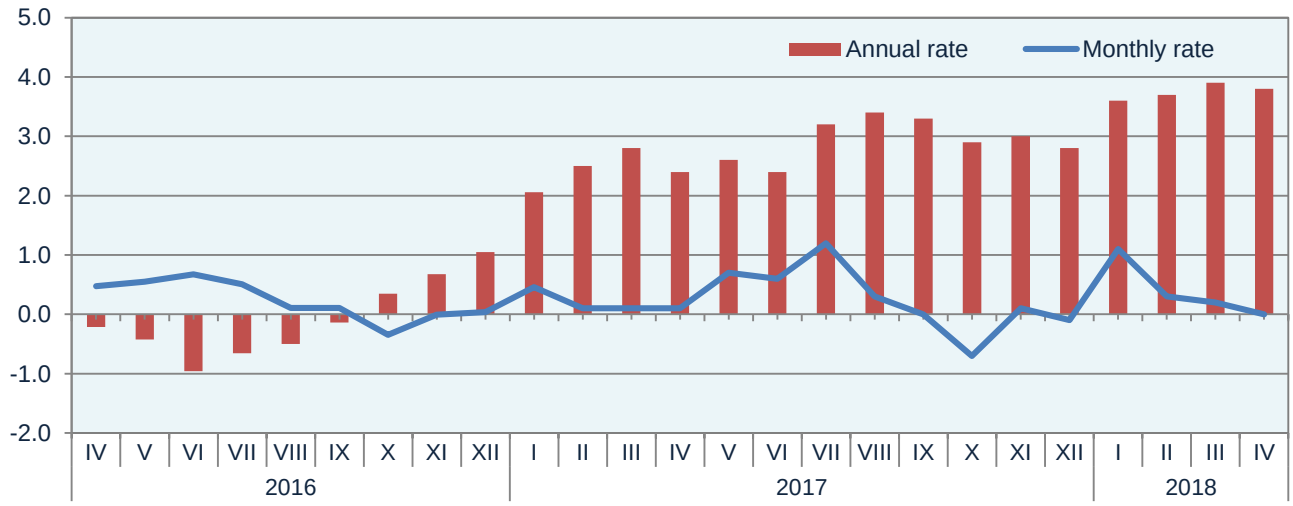
*Consumer prices in April 2018 in relation to March 2018 remain on the same level on average, while in relation to April 2017 increased 3.8%. Growth rate of consumer prices in period Januar-April 2018 compared to the same period of previous year was 3.7%.*

*Observing the main groups monthly growth of prices was noticed in the following groups: Clothing and footwear (0.8%); Food and non-alcoholic beverages (0.1%); Recreation and culture (0.1%), while a drop of prices was recorded in the following groups: Housing, water, electricity, gas and other fuels (-0.5%); Furnishing, household equipment and routine household maintenance (-0.2%); Miscellaneous goods and service (-0.2%).*

*Prices of other products and services mostly remained unchanged.*

*Positive annual inflation rates in April 2018 were observed in the following groups: Alcoholic beverages and tobacco (24.5%); Clothing and footwear (7.7%); Restaurants and hotels (6.2%); Transport (2.9%); Furnishing, household equipment and routine household maintenance (2.2%); Communications (1.8%); Miscellaneous goods and service (1.5%); Housing, water, electricity, gas and other fuels (1.2%); Recreation and culture (0.3%); Health (0.3%), while negative annual inflation rate was observed in group Food and non-alcoholic beverages (-0.1%).*

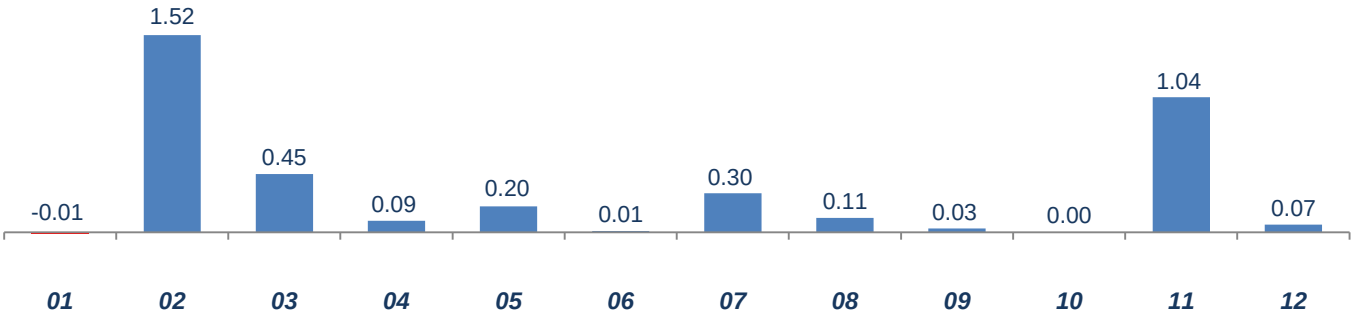
**Chart 1. Annual and monthly rates of inflation (HICP)**



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

| | Name | Weights ‰ | Apr 2018 Ø 2015 | Apr 2018 Mar 2018 | Apr 2018 Apr 2017 | Apr 2018 Dec 2017 |
|---|---|---|---|---|---|---|
| **00** | **HICP - total** | ***1000.0*** | **5.4** | **0.0** | **3.8** | **1.6** |
| 01 | Food and non-alcoholic beverages | *289.7* | 1.2 | 0.1 | -0.1 | 1.1 |
| 02 | Alcoholic beverages and tobacco | *61.9* | 32.3 | 0.0 | 24.5 | 13.7 |
| 03 | Clothing and footwear | *57.4* | 10.9 | 0.8 | 7.7 | 0.5 |
| 04 | Housing, water, electricity, gas and other fuels | *70.0* | 2.0 | -0.5 | 1.2 | 0.1 |
| 05 | Furnishing, household equipment and routine household maintenance | *83.7* | 0.1 | -0.2 | 2.2 | 1.9 |
| 06 | Health | *25.9* | 5.2 | 0.0 | 0.3 | 0.1 |
| 07 | Transport | *101.7* | 5.0 | 0.0 | 2.9 | 1.8 |
| 08 | Communications | *55.7* | 2.3 | 0.0 | 1.8 | 1.6 |
| 09 | Recreation and culture | *37.3* | 0.3 | 0.1 | 0.6 | 0.7 |
| 10 | Education | *12.0* | 0.0 | 0.0 | 0.0 | 0.0 |
| 11 | Restaurants and hotels | *164.4* | 8.5 | 0.0 | 6.2 | -0.6 |
| 12 | Miscellaneous goods and services | *40.3* | 1.8 | -0.2 | 1.5 | 0.5 |
| ***Special aggregates*** | | | | | | |
| Products | | *688.5* | 5.3 | 0.0 | 3.7 | 2.5 |
| Services | | *311.5* | 5.4 | 0.0 | 4.0 | 0.0 |
| HICP - excluding food, alcoholic beverages and tobacco | | *648.4* | 4.6 | 0.0 | 3.4 | 0.5 |
| Energy | | *94.2* | 4.8 | 0.1 | 2.8 | 1.4 |
| Administrative inflation[(1)] | | *53.7* | 2.4 | 0.0 | 1.8 | 1.8 |

## Chart 2. Divisions with largest impacts on the annual inflation rate (in %), April 2018




(1) *Inflation which measures trend of administratively established prices, and the following prices are covered under this: water supply, sewerage collection, refuse collection, electricity, maintenance charges in multi-occupied buildings, co-payments for medical services, MOT test, parking services (hire of parking spaces), costs of driving lessons, postal services, entrance fees for national parks, school textbooks, pre-primary education, public kindergarten, motor vehicle insurance and issuing of administrative documents such as birth certificates.*

## Table 2. Groups with most important impacts on monthly inflation rate, April 2018

| ECOICOP | Group | Weights ‰ | Monthly inflation % | Influence in percentage points |
|---|---|---|---|---|
| 0117 | Vegetables | *32.3* | 1.4 | 0.05 |
| 0312 | Garments | *31.6* | 1.4 | 0.04 |
| 0722 | Fuels and lubricants for personal transport equipment | *43.2* | 1.0 | 0.04 |
| 1111 | Restaurants, cafes and the like | *108.3* | 0.2 | 0.02 |
| 0116 | Fruit | *15.5* | 0.6 | 0.01 |
| 0960 | Package holidays | *4.8* | 1.6 | 0.01 |
| 0113 | Fish and seafood | *9.3* | 0.7 | 0.01 |
| 0520 | Household textiles | *4.7* | 1.4 | 0.01 |
| 0118 | Sugar, jam, honey, chocolate and confectionery | *13.8* | 0.4 | 0.01 |
| 1120 | Accommodation services | 56.1 | -0.3 | -0.02 |
| 0112 | Meat | 68.5 | -0.3 | -0.02 |
| 0561 | Non-durable household goods | 33.1 | -0.7 | -0.02 |
| 0454 | Solid fuels | 12.3 | -2.8 | -0.03 |
| 0711 | Motor cars | 20.9 | -2.5 | -0.05 |

## Table 3. Groups with most important impacts on annual inflation rate, April 2018

| ECOICOP | Group | Weights ‰ | Annual inflation % | Influence in percentage points |
|---|---|---|---|---|
| 0220 | Tobacco | 37.9 | 36.8 | 1.40 |
| 1120 | Accommodation services | 56.1 | 10.0 | 0.57 |
| 1111 | Restaurants, cafes and the like | 108.3 | 4.2 | 0.47 |
| 0321 | Shoes and other footwear | 25.0 | 9.4 | 0.24 |
| 0561 | Non-durable household goods | 33.1 | 6.5 | 0.22 |
| 0312 | Garments | 31.6 | 6.6 | 0.21 |
| 0722 | Fuels and lubricants for personal transport equipment | 43.2 | 4.5 | 0.20 |
| 0451 | Electricity | 38.5 | 2.6 | 0.11 |
| 0830 | Telephone and telefax services | 50.6 | 1.7 | 0.09 |
| 0732 | Passenger transport by road | 13.9 | 4.4 | 0.06 |
| 0211 | Spirits | 6.0 | 10.2 | 0.06 |
| 0911 | Equipment for the reception, recording and reproduction of sound and pictures | 4.1 | -4.2 | -0.02 |
| 0115 | Oils and fats | 10.5 | -2.3 | -0.02 |
| 0531 | Major household appliances whether electric or not | 14.3 | -2.1 | -0.03 |
| 0454 | Solid fuels | 12.3 | -3.2 | -0.04 |
| 0112 | Meat | 68.5 | -0.8 | -0.04 |
| 0117 | Vegetables | 32.3 | -2.1 | -0.06 |

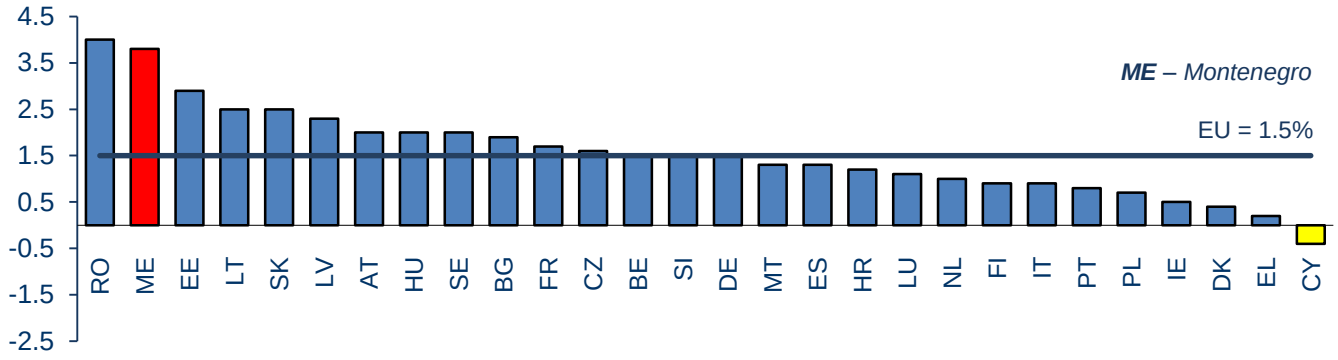
## Table 4. Inflation rates in the EU measured by HICP, in %

| | Mar-17 / Mar-16 | Oct-17 / Oct-16 | Nov-17 / Nov-16 | Dec-17 / Dec-16 | Jan-18 / Jan-17 | Feb-18 / Feb-17 | Mar-18 / Mar-17 | Mar-18 / Feb-18 |
|---|---|---|---|---|---|---|---|---|
| **Euro area** | **1.5** | **1.4** | **1.5** | **1.4** | **1.3** | **1.1** | **1.3** | **1.0** |
| **European union** | **1.6** | **1.7** | **1.8** | **1.7** | **1.6** | **1.4*** | **1.5** | **0.7** |
| Belgium (BE) | 2.5 | 1.8 | 2.1 | 2.1 | 1.8 | 1.5 | 1.5 | 0.0 |
| Bulgaria (BG) | 1.0 | 1.5 | 1.9 | 1.8 | 1.3 | 1.5 | 1.9 | -0.2 |
| Czech Republic (CZ) | 2.6 | 2.8 | 2.5 | 2.2 | 2.1 | 1.6 | 1.6 | 0.0 |
| Denmark (DK) | 0.9 | 1.4 | 1.3 | 0.8 | 0.6 | 0.5 | 0.4 | 0.0 |
| Germany (DE) | 1.5 | 1.5 | 1.8 | 1.6 | 1.4 | 1.2 | 1.5 | 0.4 |
| Estonia (EE) | 3.0 | 4.0 | 4.5 | 3.8 | 3.6 | 3.2 | 2.9 | 0.1 |
| Ireland (IE) | 0.6 | 0.5 | 0.5 | 0.5 | 0.3 | 0.7 | 0.5 | 0.4 |
| Greece (EL) | 1.7 | 0.5 | 1.1 | 1.0 | 0.2 | 0.4 | 0.2 | 1.2 |
| Spain (ES) | 2.1 | 1.7 | 1.8 | 1.2 | 0.7 | 1.2 | 1.3 | 1.2 |
| France (FR) | 1.4 | 1.2 | 1.2 | 1.2 | 1.5 | 1.3 | 1.7 | 1.1 |
| Croatia (HR) | 1.1 | 1.6 | 1.6 | 1.3 | 1.2 | 0.9 | 1.2 | 0.5 |
| Italy (IT) | 1.4 | 1.1 | 1.1 | 1.0 | 1.2 | 0.5 | 0.9 | 2.3 |
| Cyprus (CY) | 1.5 | 0.4 | 0.2 | -0.4 | -1.5 | -0.4 | -0.4 | 0.9 |
| Latvia (LV) | 3.3 | 2.7 | 2.7 | 2.2 | 2.0 | 1.8 | 2.3 | 1.3 |
| Lithuania (LT) | 3.2 | 4.2 | 4.2 | 3.8 | 3.6 | 3.2 | 2.5 | 0.4 |
| Luxembourg (LU) | 2.5 | 2.0 | 2.0 | 1.6 | 1.3 | 1.1 | 1.1 | 0.0 |
| Hungary (HU) | 2.7 | 2.2 | 2.6 | 2.2 | 2.1 | 1.9 | 2.0 | 0.1 |
| Malta (MT) | 1.2 | 1.5 | 1.5 | 1.3 | 1.2 | 1.3 | 1.3 | 0.9 |
| Netherlands (NL) | 0.6 | 1.3 | 1.5 | 1.2 | 1.5 | 1.3 | 1.0 | 0.2 |
| Austria (AT) | 2.1 | 2.4 | 2.4 | 2.3 | 1.9 | 1.9 | 2.0* | 0.9 |
| Poland (PL) | 1.8 | 1.6 | 2.0 | 1.7 | 1.6 | 0.7 | 0.7 | 0.0 |
| Portugal (PT) | 1.4 | 1.9 | 1.8 | 1.6 | 1.1 | 0.7 | 0.8 | 2.2 |
| Romania (RO) | 0.4 | 2.0 | 2.6 | 2.6 | 3.4 | 3.8 | 4.0 | 0.3 |
| Slovenia (SI) | 2.0 | 1.3 | 1.4 | 1.9 | 1.7 | 1.4 | 1.5 | 0.4 |
| Slovakia (SK) | 1.0 | 1.8 | 2.1 | 2.0 | 2.6 | 2.2 | 2.5 | 0.2 |
| Finland (FI) | 0.9 | 0.5 | 0.9 | 0.5 | 0.8 | 0.6 | 0.9 | 0.2 |
| Sweden (SE) | 1.4 | 1.7 | 1.9 | 1.7 | 1.6 | 1.6 | 2.0 | 0.3 |
| United Kingdom (UK) | 2.3 | 3.0 | 3.1 | 3.0 | 3.0 | 2.7 | ... | ... |

*Source: EUROSTAT*

***** = revised data; **...** = not available*

## Chart 3. Annual inflation rate measured by HICP, March 2018




**Euro area** annual inflation rate was 1.3% in March 2018, up from 1.1% in February. **European Union** annual inflation was 1.5% in March 2018, up from 1.4% in February.

## METODOLOGICAL NOTES

**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.

**Apr 2018 month of the current year**
**Ø 2015 average of base year**

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

**Apr 2018 month of the current year**
**Mar 2018 previous month**

**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.

**Apr 2018 month of the current year**
**Apr 2017 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.

**Apr 2018 month of the current year**
**Dec 2017 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 is equal the annual inflation rate.

**The influence of certain groups on inflation rate** indicates how much that certain 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. For example, if during certain month prices of bread increases for 10%, this will influence for approx. 0.5 percenatge points (10*5%=0.5 percentage pionts - 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*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.

According to the Revision policy of the Statistical Office, the **final** data shall be published with the date defined by the Statistical Release Calendar.

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