

April 2011

Euro area annual inflation up to 2.8%

EU up to 3.2%

Euro area¹ annual inflation was 2.8% in April 2011², up from 2.7% in March. A year earlier the rate was 1.6%. Monthly inflation was 0.6% in April 2011.

EU³ annual inflation was 3.2% in April 2011, up from 3.1% in March. A year earlier the rate was 2.1%. Monthly inflation was 0.5% in April 2011.

These figures come from **Eurostat, the statistical office of the European Union**.

Inflation in the EU Member States

In April 2011, the lowest annual rates were observed in **Ireland** (1.5%), the **Czech Republic** (1.6%) and **Sweden** (1.8%), and the highest in **Romania** (8.4%), **Estonia** (5.4%), **Lithuania** and **Hungary** (both 4.4%). Compared with March 2011, annual inflation rose in sixteen Member States, remained stable in two and fell in eight.

The lowest 12-month averages⁴ up to April 2011 were registered in **Ireland** (-0.4%), **Latvia** (1.3%) and the **Netherlands** (1.4%), and the highest in **Romania** (7.2%), **Greece** (5.0%) and **Estonia** (4.3%).

Euro area

The main components with the highest annual rates in April 2011 were transport (5.9%), housing (5.0%) and alcohol & tobacco (3.4%), while the lowest annual rates were observed for communications (-0.9%), recreation & culture (0.9%) and household equipment (1.0%). Concerning the detailed sub-indices, fuels for transport (+0.56 percentage points), heating oil (+0.21) and electricity (+0.12) had the largest upward impacts on the headline rate, while telecommunications (-0.12), vegetables (-0.10) and rents (-0.09) had the biggest downward impacts.

The main components with the highest monthly rates were clothing (2.6%), transport (1.1%) and housing (0.6%), while the lowest were communications (-0.4%), education (0.0%) and recreation & culture (0.1%). In particular, garments (+0.11 percentage points), fuels for transport (+0.07) and air transport (+0.06) had the largest upward impacts, while vegetables, telecommunications and restaurants & cafés (-0.03 each) had the biggest downward impacts.

Annual inflation (%) in April 2011 in ascending order

Euro area																	
IE	SI	FR	NL	MT	DE	Euro area	IT	BE	FI	ES	CY	EL	AT	SK	LU	PT	EE
1.5	2.0	2.2	2.2p	2.4	2.7	2.8p	2.9	3.3	3.4	3.5	3.5	3.7	3.7p	3.9	4.0	4.0	5.4

EU Member States outside the euro area

CZ	SE	DK	EU	BG	UK ⁵	PL	LV	LT	HU	RO
1.6	1.8	2.8	3.2p	3.3	Mar 11 4.0	4.1	4.3	4.4	4.4	8.4

Inflation rates in %, measured by HICPs

	Annual rates					12 month average rates ⁴ Apr 11-10 Apr 10-09	Monthly rates Apr 11 Mar 11
	Apr 11	Mar 11	Feb 11	Jan 11	Apr 10		
	Apr 10	Mar 10	Feb 10	Jan 10	Apr 09		
Belgium (BE)	3.3	3.5	3.5	3.7	2.1	3.0	0.3
Germany (DE)	2.7	2.3	2.2	2.0	1.0	1.6	0.3
Estonia (EE)	5.4	5.1	5.5	5.1	2.5	4.3	0.8
Ireland (IE)	1.5	1.2	0.9	0.2	-2.5	-0.4	0.3
Greece (EL)	3.7	4.3	4.2	4.9	4.7	5.0	0.7
Spain (ES)	3.5	3.3	3.4	3.0	2.4	2.6	0.9
France (FR)	2.2	2.2	1.8	2.0	1.9	1.9	0.4
Italy (IT)	2.9	2.8	2.1	1.9	1.6	2.0	1.0
Cyprus (CY)	3.5	3.2	3.1	3.0	2.5	2.8	1.4
Luxembourg (LU)	4.0	4.0	3.9	3.4	3.1	3.1	0.4
Malta (MT)	2.4	2.8	2.7	3.3	0.8	2.7	2.1
Netherlands (NL)	2.2p	2.0	2.0	2.0	0.6	1.4p	0.6p
Austria (AT)	3.7p	3.3	3.1	2.5	1.8	2.3p	0.6p
Portugal (PT)	4.0	3.9	3.5	3.6	0.7	2.5	0.6
Slovenia (SI)	2.0	2.4	2.0	2.3	2.7	2.2	0.7
Slovakia (SK)	3.9	3.8	3.5	3.2	0.7	1.8	0.5
Finland (FI)	3.4	3.5	3.5	3.1	1.6	2.3	0.2
Euro area (MUICP)	2.8p	2.7	2.4	2.3	1.6	2.1p	0.6p
Bulgaria (BG)	3.3	4.6	4.6	4.3	3.0	3.7	-0.1
Czech Republic (CZ)	1.6	1.9	1.9	1.9	0.9	1.7	0.2
Denmark (DK)	2.8	2.5	2.6	2.6	2.4	2.4	0.4
Latvia (LV)	4.3	4.1	3.8	3.5	-2.8	1.3	1.1
Lithuania (LT)	4.4	3.7	3.0	2.8	0.2	2.5	1.0
Hungary (HU)	4.4	4.6	4.2	4.0	5.7	4.2	0.7
Poland (PL)	4.1	4.0	3.3	3.5	2.7	2.8	0.5
Romania (RO)	8.4	8.0	7.6	7.0	4.2	7.2	0.7
Sweden (SE)	1.8	1.4	1.2	1.4	2.1	1.6	0.3
United Kingdom (UK) ⁵	:	4.0	4.4	4.0	3.7	:	:
EU (EICP)	3.2p	3.1	2.9	2.8	2.1	2.5p	0.5p
Iceland (IS)	3.1	2.3	2.3	2.2	11.1	4.7	1.1
Norway (NO)	1.3	0.9	1.1	2.0	3.4	1.7	0.6
EEA (EEAICP)	3.2p	3.1	2.9	2.7	2.1	2.5p	0.5p
Switzerland (CH)	0.1	1.0	0.5	0.2	1.3	0.4p	0.0

Source: Eurostat

p = provisional

: = Data not available

Euro area inflation rates in % for main components, measured by HICPs

Euro area (MUICP)	Weight used in 2011	Annual rates					12 month average rates ⁴ Apr 11-10 Apr 10-09	Monthly rates Apr 11 Mar 11
		Apr 11 Apr 10	Mar 11 Mar 10	Feb 11 Feb 10	Jan 11 Jan 10	Apr 10 Apr 09		
		00 All-items	1000.0	2.8p	2.7	2.4		
01 Food	153.5	2.0p	2.0	2.0	1.5	0.0	1.3p	0.2p
02 Alcohol and tobacco	39.5	3.4p	3.6	3.5	3.7	4.2	3.5p	0.2p
03 Clothing	67.1	1.3p	1.2	-2.6	-0.5	1.3	0.6p	2.6p
04 Housing	157.9	5.0p	5.1	4.9	4.5	1.7	3.5p	0.6p
05 Household equipment	68.1	1.0p	0.9	0.8	0.8	0.7	0.7p	0.3p
06 Health	41.9	1.6p	1.3	1.2	1.3	0.5	1.0p	0.2p
07 Transport	156.2	5.9p	5.6	5.7	5.1	5.9	4.8p	1.1p
08 Communications	31.8	-0.9p	-0.6	-0.4	-0.2	-0.6	-0.7p	-0.4p
09 Recreation and culture	95.2	0.9p	-0.3	0.0	0.1	-1.0	0.0p	0.1p
10 Education	11.5	1.8p	1.7	1.5	1.5	1.7	1.7p	0.0p
11 Hotels and restaurants	92.3	1.7p	1.8	1.7	1.6	1.0	1.4p	0.2p
12 Miscellaneous	85.1	2.8p	2.8	2.6	2.4	1.9	2.4p	0.3p
All-items								
-excl. energy	896.4	1.8p	1.5	1.3	1.3	0.9	1.2p	0.4p
-excl. energy, FoodAlcTob*	703.4	1.6p	1.3	1.0	1.1	0.9	1.1p	0.5p
-excl. energy, unproc. food	822.8	1.8p	1.5	1.1	1.2	0.8	1.2p	0.5p
-excl. energy, seas. food	858.5	1.8p	1.5	1.1	1.2	0.8	1.1p	0.5p
-excl. tobacco	975.2	2.8p	2.6	2.4	2.2	1.5	2.0p	0.6p
Energy	103.6	12.5p	13.0	13.1	12.0	9.1	9.7p	1.5p
FoodAlcTob*	193.0	2.2p	2.4	2.3	1.9	0.8	1.7p	0.2p

Source: Eurostat

* FoodAlcTob = Food, alcohol and tobacco

p = provisional

Euro area sub-indices with most important impacts

COICOP	April 11 / April 10	Weight (‰) 2011	Rate (%)	Impact (percentage points)
07.22	Fuels for transport	46.9	14.6p	0.56
04.53	Heating oil	9.5	26.7p	0.21
04.51	Electricity	24.5	7.6p	0.12
04.52	Gas	16.7	8.4p	0.09
12.31	Jewellery and watches	5.3	13.4p	0.06
09.60	Package holidays	15.1	6.8p	0.06
07.11	Cars	39.3	1.1p	-0.07
03.12	Garments	49.5	1.3p	-0.08
11.11	Restaurants and cafés	70.1	1.8p	-0.08
04.11/2	Rents	59.8	1.4p	-0.09
01.17	Vegetables	15.8	-3.3p	-0.10
08.2/3	Telecommunications	30.1	-1.0p	-0.12
April 11 / March 11				
03.12	Garments	49.5	2.7p	0.11
07.22	Fuels for transport	46.9	1.8p	0.07
07.33	Air transport	5.8	10.3p	0.06
03.21/2	Footwear	13.8	2.5p	0.03
04.52	Gas	16.7	1.9p	0.02
04.53	Heating oil	9.5	1.5p	0.01
07.11	Cars	39.3	0.3p	-0.01
04.11/2	Rents	59.8	0.3p	-0.02
09.33	Gardens, plants and flowers	6.6	-2.3p	-0.02
01.17	Vegetables	15.8	-1.0p	-0.03
08.2/3	Telecommunications	30.1	-0.4p	-0.03
11.11	Restaurants and cafés	70.1	0.1p	-0.03

Source: Eurostat

p = provisional

Measures of inflation

An *annual rate* measures the price change between the current month and the same month of the previous year. This measure is responsive to recent changes in price levels but can be influenced by one-off effects in either month.

A *12-month average rate* overcomes this volatility by comparing average Harmonised Indices of Consumer Prices (HICPs) in the latest 12 months to the average of the previous 12 months. This measure is less sensitive to transient changes in prices.

A *monthly rate* compares price levels between the two latest months. Although up-to-date, it can be affected by seasonal and other effects.

An *impact* of a particular component measures the change in the headline inflation due to the inclusion of that component in the HICP. The impact takes account of both the weight and whether the inflation for that component is higher or lower than the all-items inflation rate. For example, the impact of 'tobacco' is equal to the difference between the all-items inflation rate and the rate for 'all-items excluding tobacco'. Impacts are not strictly additive.

HICPs designed for international comparison

Harmonised Indices of Consumer Prices (HICPs) are harmonised inflation figures required under the Treaty on the Functioning of the European Union. They are designed for international comparison of consumer price inflation.

Price changes as measured by the HICPs, the Monetary Union Index of Consumer Prices (MUICP), the European Index of Consumer Prices (EICP) and the European Economic Area Index of Consumer Prices (EEAICP) are used as measures of inflation in the Member States in the European Union, in the euro area, and in the European Economic Area.

The MUICP is used by, among others, the European Central Bank (ECB) as a main indicator for monetary policy management for the euro area (see [ECB press release](#), 8 May 2003).

The Member States' HICPs are supplied by the National Statistical Institutes; the MUICP, EICP and EEAICP are compiled by Eurostat. HICPs are computed as annual chain indices allowing weights to be changed each year. HICP aggregates are calculated as weighted averages of the HICPs using the weights of the countries and sub-indices concerned. The weight of a country is its share of the household final monetary consumption expenditure in the total of the country group. For the MUICP this is expressed in euro, for the EICP and the EEAICP it is expressed in Purchasing Power Standards. The MUICP is treated as a single entity within the EICP and EEAICP starting from 1999.

Additional information

More information on HICPs can be obtained from the monthly publication *Data in focus, Economy and Finance on "Harmonized indices of consumer prices"*. About 100 MUICP, EICP, EEAICP and HICP sub-indices with corresponding weights are available in Eurostat's database. Further details can be found on the HICP section of the Eurostat website:

<http://epp.eurostat.ec.europa.eu/portal/page/portal/hicp/introduction>.

Starting with the index of January 2011 a new regulation that defines how seasonal products are to be treated in the HICP has come into force, and may have an effect on the continuity of the affected HICP series. At the level of the all-items index for the euro area, the EU and most Member States, the impact of the implementation of this new regulation is not significant. For further information on the change in the method and its impact please see:

http://epp.eurostat.ec.europa.eu/portal/page/portal/hicp/documents_pub/HICP_SP_info_note_annex_2011.pdf

Future release dates

Scheduled publication dates for the coming months are:

Index for	MUICP flash estimates	HICP News Releases
May 2011	31 May 2011	16 June 2011
June 2011	30 June 2011	14 July 2011
July 2011	29 July 2011	17 August 2011

1. Euro area inflation is measured by the MUICP ('Monetary Union Index of Consumer Prices' as defined in Council Regulation (EC) No 2494/95 of 23 October 1995) which is the official euro area aggregate. The euro area initially included Belgium, Germany, Ireland, Spain, France, Italy, Luxembourg, the Netherlands, Austria, Portugal and Finland. Greece was included from 1 January 2001, Slovenia from 1 January 2007, Cyprus and Malta from 1 January 2008, Slovakia from 1 January 2009 and Estonia from 1 January 2011. New Member States are integrated into the MUICP using a chain index formula.
2. The MUICP flash estimate for April 2011, published on 29 April 2011, was 2.8%.
3. EU inflation is measured by the EICP ('European Index of Consumer Prices' as defined in Council Regulation (EC) No 2494/95 of 23 October 1995) which is the official EU aggregate. The EU included 15 Member States until April 2004, 25 Member States from May 2004 until December 2006 and 27 Member States from January 2007. New Member States are integrated into the EICP using a chain index formula.
4. Measure used to determine price stability in Convergence reports by the Commission to the Council.
5. Data for the United Kingdom for April 2011 were not available in time for publication. Due to this fact, EU and EEA totals were calculated using Eurostat estimates.

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