

Price indices	2003		2004		
	Dec 2003/ Dec 2002	Φ (Jan-Dec 03)/ Φ (Jan-Dec 02)	Feb 04/ Jan 04	Feb 04/ Feb 03	Φ (Mar 03-Feb 04)/ Φ (Mar 02-Feb 03)
Consumer prices	104.6	105.6	100.1	103.6	105.1
Goods	103.9	105.0	99.9	102.5	104.6
Fuels and energy	103.6	103.5	100.6	101.7	102.5
Other	104.0	105.3	99.8	102.7	104.9
Services	106.5	106.9	100.6	106.3	106.7
Administered prices¹	104.0	104.4	100.6	104.2	104.6
Energy	103.5	103.5	100.6	101.7	102.2
Other	104.8	106.1	100.5	109.6	109.4
Core inflation					
Trimmean	104.2	105.9	100.2	103.9	105.4
Excluding food and energy	103.7	104.9	100.1	103.3	104.5
Producer prices	102.1	102.5	101.0	103.5	102.5
Intermediate goods	102.5	102.0	101.8	104.7	102.3
Investment goods	98.9	99.6	100.1	100.8	99.3
Consumer goods	102.4	104.1	100.3	102.9	103.7
Inflation in the EU-12					
Consumer prices	102.0	102.1	100.2	101.6	102.0
Excluding food, energy, tobacco, alcohol	101.6	101.8	100.4	101.9	101.7
Producer prices	101.0	101.5	100.2 ²	100.3 ²	101.4 ²

Sources of data: HICP, IPI: SORS, administered prices: calculated by the IMAD, core inflation: calculated by the IMAD, HICP in the EU: Eurostat (preliminary data) and calculated by the IMAD. Notes: numbers do not always round off: ¹figures between years are not fully comparable because of changes introduced to the consumer price index in 2004, ²a figure for the previous month.

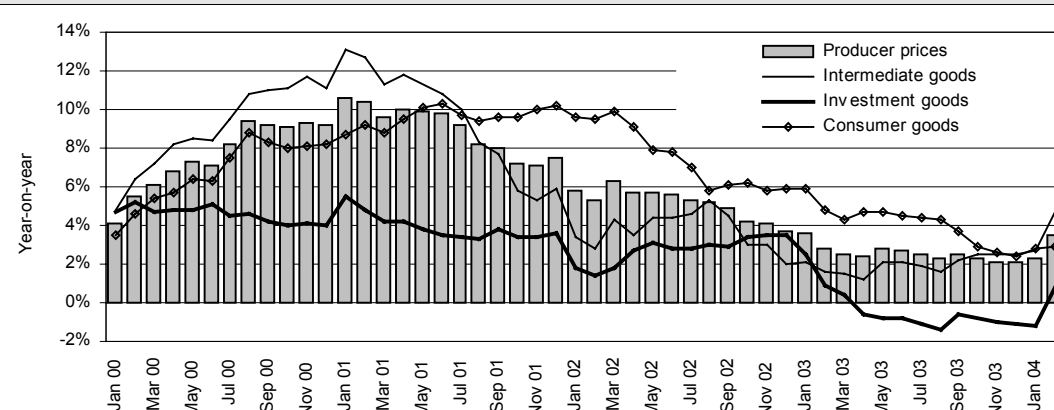
Consumer prices rose by 0.1% in February, meaning that modest price increases were sustained from the previous few months. Annual inflation dropped to 3.6% (4.6% in December last year) and the average inflation rate also continued to decline and came in at 5.1% in February (5.6% in December last year).

February's low price increase was mainly due to seasonal falls in the prices of food and non-alcoholic beverages and clothing and footwear, reducing inflation by 0.2 of a percentage point, while **prices were mainly pushed up by rises** in the prices of passenger cars, electricity for households, and car insurance. The groups of transport, housing and miscellaneous services each added 0.1 of a percentage point to inflation.

Administered prices again rose faster than freely-floating prices in February after they had climbed less in the second half of 2003. In line with the Plan of Raising Administered Prices adopted in December last year, the price of electricity for households rose in February (its year-on-year rise was 8.1%), while the prices of local utility services continued to climb relatively fast (their year-on-year rise was 8.6%). Each added about 0.2 of a percentage point to inflation in the last twelve months; unlike electricity prices, the prices of local utility services are expected to rise further in the upcoming months. Another 0.2 of a percentage point came from non-profit rent, which climbed by 31% in the last twelve months following the introduction of a new methodology for adjusting rent levels, according to which non-profit rent should be applied across the board.

In the last three months, monthly rises in industrial producer prices were again stronger than in the second half of 2003. February's 1.0% rise was mainly due to the seasonal increase in the electricity price for industrial consumers. On the other hand, the year-on-year rise began to accelerate in all groups of the index in the last few months. The prices of intermediate goods started rising first; February's year-on-year rise was 3.5 percentage points higher than the lowest year-on-year rise seen in 2003.

Graph: Industrial producer prices



Source of data: SORS, calculations by the IMAD.