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Average annual inflation rate of consumer prices at +1.4% in 2020 (HICP: 1.4%)

Vienna, 2021-01-20 – The average annual inflation rate of consumer prices (CPI 2015) amounted to +1.4% in 2020, as Statistics Austria reports. This was a little below the level of 2019 (+1.5%) and noticeably below 2018 (+2.0%) and 2017 (+2.1%). Prices for housing, water and energy (+2.3% compared to 2019) were the most important price driver, followed by prices for restaurants and hotels (+3.1%). Heavily discounted fuel prices had a strong price dampening impact on the 2020 inflation rate, while 2019 has seen a moderate decline in fuel prices. On the other hand, food price increases were twice as high as in 2019.

The average annual harmonised inflation rate of consumer prices (HICP 2015) in 2020 amounted to +1.4%, which is a little lower than in 2019 (+1.5%).

In December 2020, the **inflation rate** was 1.2% (November 2020: 1.3%). Housing, water and energy (+2.1% compared to December 2019) remained the most important price driver. The index level of the consumer price index 2015 (CPI 2015) was 109.4 in December 2020. Compared to the previous month, the average price level increased by 0.6%.

The index level of the **harmonised index of consumer prices (HICP 2015)** was 109.79 in December 2020, with a harmonised inflation rate at 1.0%.

The measures to contain COVID-19 (from April) had an impact on the **calculation** of the average annual inflation rate. "Lockdown light"-measures affected the sectors gastronomy, culture, tourism, entertainment, leisure and sport. "Lockdown hard"-measures affected in addition most of the other sectors and therefore the price surveys were changed from in-store collection to other methods like internet price collection (in particular the retail sector) and the use of scanner data (in particular supermarkets and drugstores). Where necessary, imputation methods like seasonal imputation, all items imputation or carry-forward were applied. In total, this affected about 8.1% of the weight of the basket of goods and services. For further in-depth explanation of the general principles and applied computation methods, please refer to the methodological information note on the compilation of the CPI in the context of COVID-19.

For more detailed information please refer to the German version.