

11/2018 - 17 January 2018

December 2017

Annual inflation down to 1.4% in the euro area

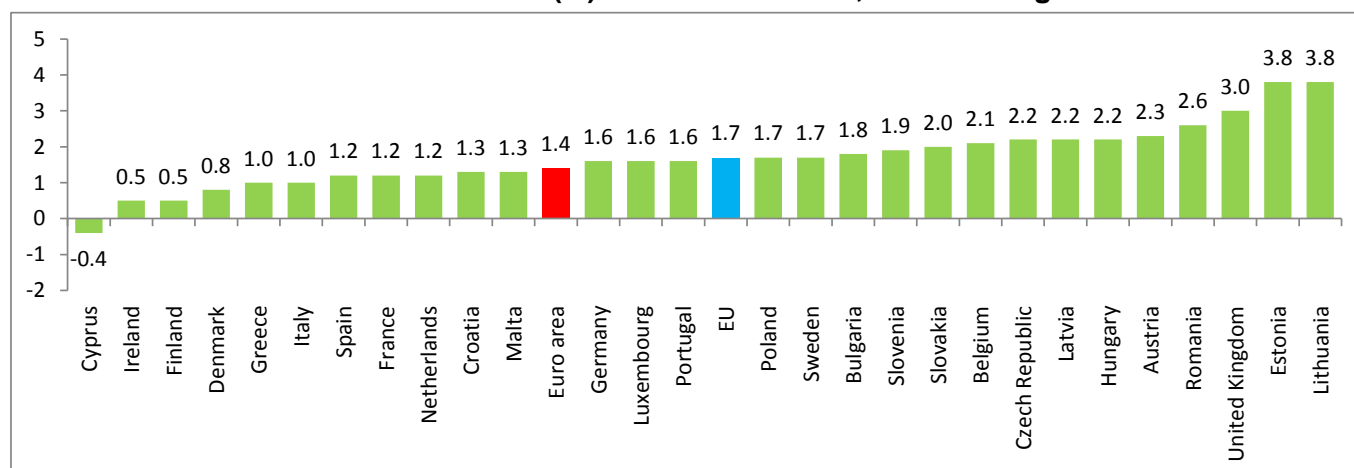
Down to 1.7% in the EU

Euro area annual inflation was 1.4% in December 2017, down from 1.5% in November. In December 2016, the rate was 1.1%. **European Union** annual inflation was 1.7% in December 2017, down from 1.8% in November. A year earlier the rate was 1.2%. These figures come from **Eurostat, the statistical office of the European Union**.

The lowest annual rates were registered in **Cyprus** (-0.4%), **Ireland** and **Finland** (both 0.5%) and **Denmark** (0.8%). The highest annual rates were recorded in **Lithuania** and **Estonia** (both 3.8%) and the **United Kingdom** (3.0%). Compared with November 2017, annual inflation fell in twenty-three Member States, remained stable in four and rose in one.

The largest upward impacts to the **euro area** annual inflation came from fuels for transport (+0.11 percentage points), tobacco (+0.06 pp) and milk, cheese & eggs (+0.05 pp), while telecommunication (-0.10 pp), garments and vegetables (-0.05 pp each) had the biggest downward impacts.

Annual inflation rates (%) in December 2017, in ascending order

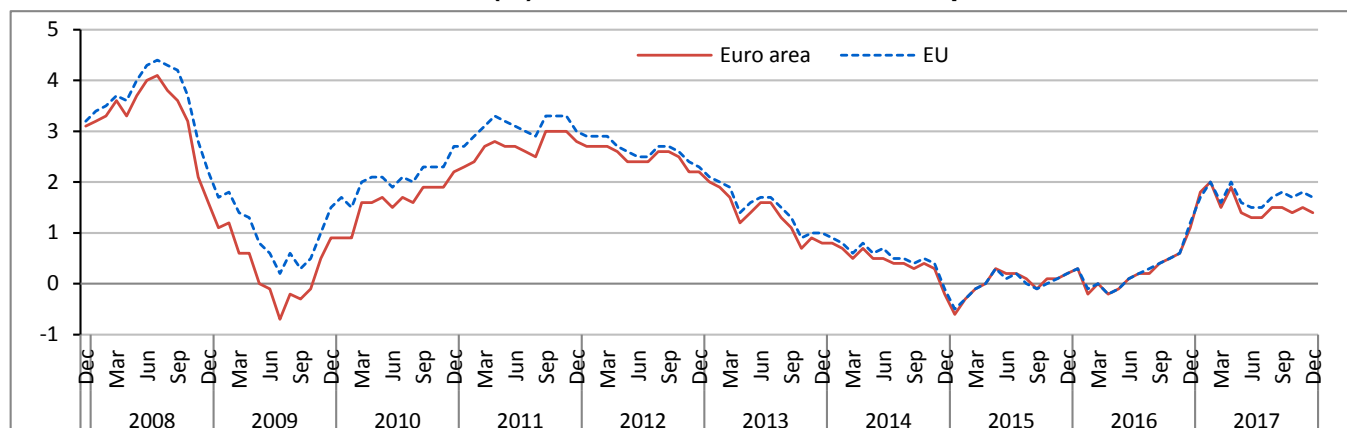


Inflation rates (%) measured by the HICP

| | Annual rate | | | | | | | Monthly rate Dec 17 |
|-----------------------|-------------|--------|--------|--------|--------|--------|--------|------------------------|
| | Dec 16 | Jul 17 | Aug 17 | Sep 17 | Oct 17 | Nov 17 | Dec 17 | |
| Euro area | 1.1 | 1.3 | 1.5 | 1.5 | 1.4 | 1.5 | 1.4 | 0.4 |
| EU | 1.2 | 1.5 | 1.7 | 1.8 | 1.7 | 1.8 | 1.7 | 0.3 |
| Belgium | 2.2 | 1.8 | 2.0 | 2.0 | 1.8 | 2.1 | 2.1 | 0.4 |
| Bulgaria | -0.5 | 0.6 | 0.7 | 1.3 | 1.5 | 1.9 | 1.8 | 0.7 |
| Czech Republic | 2.1 | 2.4 | 2.4 | 2.5 | 2.8 | 2.5 | 2.2 | 0.0 |
| Denmark | 0.3 | 1.5 | 1.5 | 1.6 | 1.4 | 1.3 | 0.8 | -0.4 |
| Germany | 1.7 | 1.5 | 1.8 | 1.8 | 1.5 | 1.8 | 1.6 | 0.8 |
| Estonia | 2.4 | 3.9 | 4.2 | 3.9 | 4.0 | 4.5 | 3.8 | -0.4 |
| Ireland | -0.2 | -0.2 | 0.4 | 0.2 | 0.5 | 0.5 | 0.5 | -0.1 |
| Greece | 0.3 | 0.9 | 0.6 | 1.0 | 0.5 | 1.1 | 1.0 | 0.3 |
| Spain | 1.4 | 1.7 | 2.0 | 1.8 | 1.7 | 1.8 | 1.2 | 0.0 |
| France | 0.8 | 0.8 | 1.0 | 1.1 | 1.2 | 1.2 | 1.2 | 0.4 |
| Croatia | 0.7 | 1.2 | 1.5 | 1.6 | 1.6 | 1.6 | 1.3 | -0.3 |
| Italy | 0.5 | 1.2 | 1.4 | 1.3 | 1.1 | 1.1 | 1.0 | 0.3 |
| Cyprus | 0.1 | -0.1 | 0.5 | 0.1 | 0.4 | 0.2 | -0.4 | -0.3 |
| Latvia | 2.1 | 2.6 | 3.2 | 3.0 | 2.7 | 2.7 | 2.2 | 0.0 |
| Lithuania | 2.0 | 4.1 | 4.6 | 4.6 | 4.2 | 4.2 | 3.8 | 0.1 |
| Luxembourg | 1.6 | 1.8 | 2.3 | 2.0 | 2.0 | 2.0 | 1.6 | 0.0 |
| Hungary | 1.8 | 2.2 | 2.7 | 2.5 | 2.2 | 2.6 | 2.2 | 0.0 |
| Malta | 1.0 | 1.2 | 1.2 | 1.2 | 1.5 | 1.5 | 1.3 | -0.1 |
| Netherlands | 0.7 | 1.5 | 1.5 | 1.4 | 1.3 | 1.5 | 1.2 | -0.1 |
| Austria | 1.6 | 2.0 | 2.1 | 2.5 | 2.4 | 2.4 | 2.3 | 0.6 |
| Poland | 0.9 | 1.4 | 1.4 | 1.6 | 1.6 | 2.0 | 1.7 | 0.2 |
| Portugal | 0.9 | 1.0 | 1.3 | 1.6 | 1.9 | 1.8 | 1.6 | -0.2 |
| Romania | -0.1 | 0.9 | 0.6 | 1.3 | 2.0 | 2.6 | 2.6 | 0.3 |
| Slovenia | 0.6 | 1.2 | 1.4 | 1.4 | 1.3 | 1.4 | 1.9 | 0.1 |
| Slovakia | 0.2 | 1.5 | 1.6 | 1.8 | 1.8 | 2.1 | 2.0 | 0.0 |
| Finland | 1.1 | 0.6 | 0.8 | 0.8 | 0.5 | 0.9 | 0.5 | -0.1 |
| Sweden | 1.7 | 2.3 | 2.2 | 2.2 | 1.7 | 1.9 | 1.7 | 0.4 |
| United Kingdom | 1.6 | 2.6 | 2.9 | 3.0 | 3.0 | 3.1 | 3.0 | 0.4 |
| Iceland | -0.1 | -1.9 | -2.6 | -2.7 | -1.2 | -2.2 | -1.0 | 1.4 |
| Norway | 3.8 | 1.4 | 1.3 | 1.6 | 1.0 | 1.0 | 1.5 | -0.1 |
| Switzerland | -0.2 | 0.6 | 0.5 | 0.8 | 0.8 | 0.8 | 1.1 | 0.2 |

The source dataset is available [here](#).

Annual inflation (%) in the euro area and the European Union



Euro area inflation rates (%), selected aggregates

| | Weight (‰) | Annual rate | | | | | | | Monthly rate Dec 17 |
|-------------------------------------|---------------|-------------|--------|--------|--------|--------|--------|--------|---------------------------|
| | | 2017 | Dec 16 | Jul 17 | Aug 17 | Sep 17 | Oct 17 | Nov 17 | |
| All-items HICP | 1000.0 | 1.1 | 1.3 | 1.5 | 1.5 | 1.4 | 1.5 | 1.4 | 0.4 |
| All-items excluding: > energy | 904.7 | 1.0 | 1.2 | 1.2 | 1.3 | 1.2 | 1.2 | 1.2 | 0.4 |
| > energy, unprocessed food | 829.5 | 0.9 | 1.3 | 1.3 | 1.3 | 1.1 | 1.1 | 1.1 | 0.4 |
| > energy, food, alcohol & tobacco | 708.8 | 0.9 | 1.2 | 1.2 | 1.1 | 0.9 | 0.9 | 0.9 | 0.5 |
| > energy, seasonal food | 864.3 | 0.9 | 1.3 | 1.3 | 1.3 | 1.1 | 1.1 | 1.2 | 0.4 |
| > tobacco | 976.3 | 1.1 | 1.3 | 1.5 | 1.5 | 1.3 | 1.5 | 1.3 | 0.4 |
| Food, alcohol & tobacco | 195.9 | 1.2 | 1.4 | 1.4 | 1.9 | 2.3 | 2.2 | 2.1 | 0.2 |
| > processed food, alcohol & tobacco | 120.8 | 0.7 | 1.9 | 2.0 | 2.0 | 2.1 | 2.1 | 2.2 | 0.1 |
| > unprocessed food | 75.1 | 2.1 | 0.6 | 0.6 | 1.5 | 2.8 | 2.4 | 1.9 | 0.4 |
| Energy | 95.3 | 2.6 | 2.2 | 4.0 | 3.9 | 3.0 | 4.7 | 2.9 | 0.1 |
| Non-energy industrial goods | 263.1 | 0.3 | 0.5 | 0.5 | 0.5 | 0.4 | 0.4 | 0.5 | -0.2 |
| Services | 445.7 | 1.3 | 1.6 | 1.6 | 1.5 | 1.2 | 1.2 | 1.2 | 0.9 |

Sub-indices with largest impacts on euro area annual inflation

| | | Weight (‰) | Annual rate (%) | Impact (pp) |
|--------|---------------------|------------|-----------------|-------------|
| | | 2017 | Dec 17 | Dec 17 |
| 07.22 | Fuels for transport | 41.0 | 3.9 | 0.11 |
| 02.2 | Tobacco | 23.7 | 4.0 | 0.06 |
| 01.14 | Milk, cheese & eggs | 20.8 | 3.9 | 0.05 |
| 01.17 | Vegetables | 17.4 | -1.2 | -0.05 |
| 03.12 | Garments | 43.6 | 0.3 | -0.05 |
| 08.2/3 | Telecommunication | 30.6 | -1.9 | -0.10 |

Geographical coverage

The **euro area** consists of Belgium, Germany, Estonia, Ireland, Greece, Spain, France, Italy, Cyprus, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Austria, Portugal, Slovenia, Slovakia and Finland.

The **European Union** includes Belgium, Bulgaria, the Czech Republic, Denmark, Germany, Estonia, Ireland, Greece, Spain, France, Croatia, Italy, Cyprus, Latvia, Lithuania, Luxembourg, Hungary, Malta, the Netherlands, Austria, Poland, Portugal, Romania, Slovenia, Slovakia, Finland, Sweden and the United Kingdom.

The euro area and European Union data refer to the respective country compositions at a specific point in time. New Member States are integrated into the aggregates using a chain index formula.

Methods and definitions

The **annual rate** measures the change of the Harmonised Index of Consumer Prices (HICP) between a month and the same month of the previous year, and the **monthly rate** compares the indices between the two latest months.

An **impact** is a measure showing the change in the inflation due to the inclusion of a sub-index. The impact takes account of both the weight and whether the inflation for that sub-index is higher or lower than the all-items inflation rate.

Revisions and timetable

A flash estimate of euro area inflation is issued at the end of each reference month. The euro area flash estimate for December 2017, published on 5 January 2018, was 1.4%.

The next flash estimate of euro area inflation with data for January 2018 is scheduled for 31 January 2018.

Beginning with the HICP news release of 23 February 2018, the impact measure will be replaced by contributions to the euro area annual inflation rate (see [here](#) for more details).

For more information

Eurostat [website section](#) on inflation

Eurostat [database section](#) on inflation

Eurostat [Statistics Explained article](#) on inflation in the euro area

Eurostat [metadata](#) on inflation


Eurostat €-indicators [release calendar](#)

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