



January 2016

New HICP reference year 2015 = 100

Starting with the release of January 2016 data **on 25 February 2016**, the reference year of the Harmonised Index of Consumer Prices (HICP) series will change to 2015. The current series with reference 2005 = 100 will be discontinued, with the exception of the all-items indices (that will continue to be available under dataset *prc_hicp_midx05*). The reference year of the HICP at constant tax rates will also change to 2015.

The reason for the change of the reference year is the addition of a new, more detailed, level to the classification of consumption used in the HICP (level 5 of the Classification of Individual Consumption according to Purpose — [COICOP](#)), which most Member States will implement in their index calculation starting with January 2016 index. As in most countries the level 5 COICOP index series start only after 2005 their integration into the HICP requires a new, recent, reference year. Eurostat plans to start publishing level 5 data later in 2016.

[Commission Regulation 2015/2010](#) provides the legal basis for updating the HICP reference year from 2005 = 100 to 2015 = 100.

Revisions to the HICP

The change of reference year causes revisions to a number of previously published inflation rates because of rounding effects. Thus, inflation rates for European and country aggregates calculated from the 2015 = 100 series can differ from the rates calculated from the 2005 = 100 series.

The indices for individual countries are published rounded to either one or two decimal places, in line with national practices. The index levels of European aggregates are released rounded to two decimals. The monthly and annual inflation rates are calculated from these index levels and subsequently rounded to one decimal place for publication. This practice is followed because Eurostat wishes to have the published inflation rates match the corresponding released index levels.

Comparing the euro area annual inflation rates calculated from the 2015 = 100 series with those calculated from the 2005 = 100 series, it is expected that some 4-5% of the published rates across all COICOP levels will be revised by plus or minus 0.1 percentage points for the data after January 2007.

At the same time, Eurostat will remove the rounding that, since the beginning of the HICP, has been applied to the HICP calculation of European and special aggregates for

the indices from January 1996 to December 2005 and recalculate the indices without rounding. That way the calculation of the HICP aggregates is now done using unrounded indices throughout. As a result, there will be additional revisions to the HICP rates for the data before 2007.

Moreover, some countries, when introducing the fifth level of COICOP, reviewed their product classification or the back data and, if the need was seen, re-classified some products in order to be fully in line with the COICOP. In such cases, there will be minor revisions of the corresponding data.

Together with the release of January 2016 data in reference year 2015 = 100, Eurostat will publish summary information on the revisions on the HICP on Eurostat's website.

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