

9/2015 - 16 January 2015

December 2014

Annual inflation down to -0.2% in the euro area

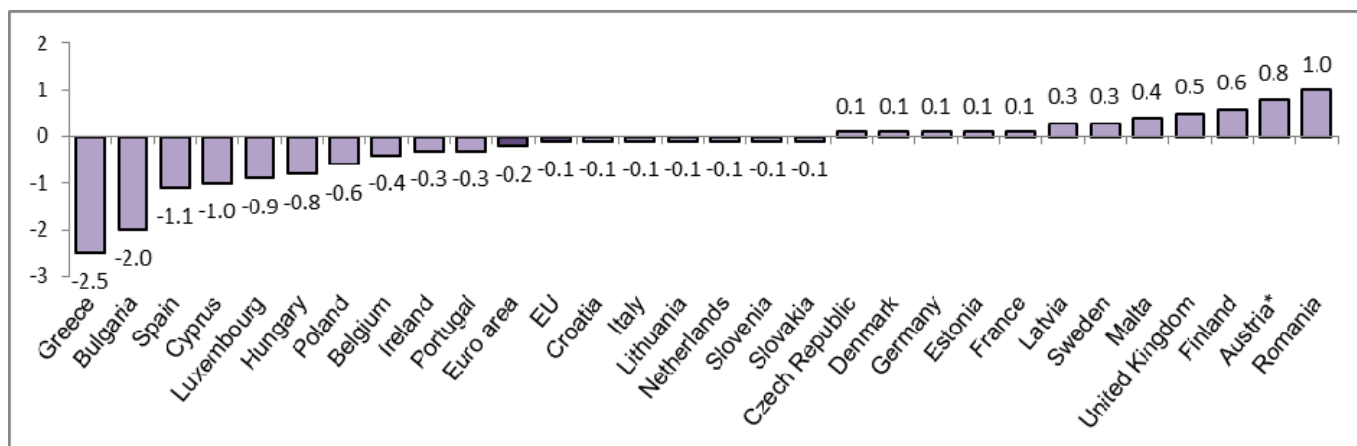
Down to -0.1% in the EU

Euro area¹ annual inflation was -0.2% in December 2014², down from 0.3% in November. This was the lowest rate recorded since September 2009. In December 2013 the rate was 0.8%. **European Union**¹ annual inflation was -0.1% in December 2014, down from 0.3% in November. A year earlier the rate was 1.0%. These figures come from **Eurostat, the statistical office of the European Union**.

In December 2014, negative annual rates were observed in sixteen Member States. The lowest annual rates were registered in **Greece** (-2.5%), **Bulgaria** (-2.0%), **Spain** (-1.1%) and **Cyprus** (-1.0%). The highest annual rates were recorded in **Romania** (1.0%), **Austria** (0.8%) and **Finland** (0.6%). Compared with November 2014, annual inflation fell in twenty-six Member States, remained stable in **Sweden** and rose in **Estonia**.

The biggest downward impacts on **euro area** annual inflation came from fuels for transport (-0.53 percentage points), heating oil (-0.17 pp) and telecommunications (-0.08 pp), while restaurants & cafés and rents (+0.11 pp each) and tobacco (+0.07 pp) had the largest upward impacts.

Annual inflation (%) in December 2014, in ascending order



* Data for Austria are provisional.

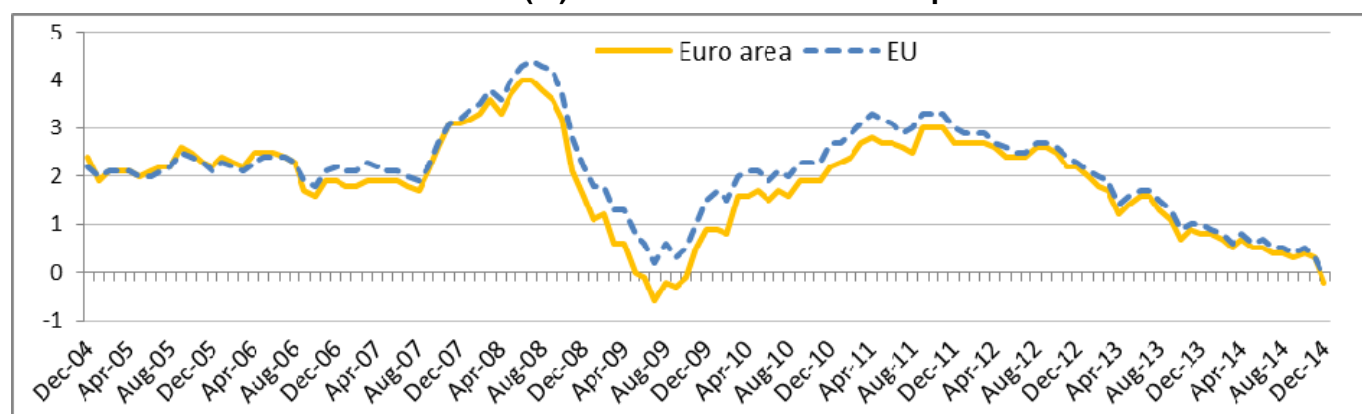
Inflation rates³ (%), measured by HICP

	Annual rate							Monthly rate
	Dec 13	Jul 14	Aug 14	Sep 14	Oct 14	Nov 14	Dec 14	Dec 14
Euro area	0.8	0.4	0.4	0.3	0.4	0.3	-0.2p	-0.1p
EU	1.0	0.5	0.5	0.4	0.5	0.3r	-0.1p	-0.1p
Belgium	1.2	0.6	0.4	0.2	0.3	0.1	-0.4	0.0
Bulgaria	-0.9	-1.1	-1.0	-1.4	-1.5	-1.9	-2.0	0.3
Czech Republic	1.5	0.6	0.7	0.8	0.7	0.6	0.1	0.0
Denmark	0.4	0.5	0.3	0.3	0.3	0.2	0.1	-0.3
Germany	1.2	0.8	0.8	0.8	0.7	0.5	0.1	0.1
Estonia	2.0	0.0	-0.2	0.2	0.5	0.0	0.1	0.0
Ireland	0.4	0.5	0.6	0.5	0.4	0.2	-0.3	-0.4
Greece	-1.8	-0.8	-0.2	-1.1	-1.8	-1.2	-2.5	-0.5
Spain	0.3	-0.4	-0.5	-0.3	-0.2	-0.5	-1.1	-0.7
France	0.8	0.6	0.5	0.4	0.5	0.4	0.1	0.1
Croatia	0.5	0.5	0.3	0.2	0.5	0.3	-0.1	-0.7
Italy	0.7	0.0	-0.2	-0.1	0.2	0.3	-0.1	0.0
Cyprus	-1.3	0.9	0.8	0.0	0.3	0.0	-1.0	-1.5
Latvia	-0.4	0.6	0.8	1.2	0.7	0.9	0.3	-0.7
Lithuania	0.4	0.5	0.3	0.0	0.3	0.4	-0.1	-0.6
Luxembourg	1.5	1.2	0.7	0.3	0.4	0.2	-0.9	-0.9
Hungary	0.6	0.5	0.3	-0.5	-0.3	0.1	-0.8	-0.7
Malta	1.0	0.6	0.8	0.6	0.7	0.6	0.4	-0.1
Netherlands	1.4	0.3	0.4	0.2	0.4	0.3	-0.1	-0.2
Austria	2.0	1.7	1.5	1.4	1.4	1.5	0.8p	0.0p
Poland	0.6	0.0	-0.1	-0.2	-0.3	-0.3	-0.6	-0.2
Portugal	0.2	-0.7	-0.1	0.0	0.1	0.1	-0.3	0.0
Romania	1.3	1.5	1.3	1.8	1.8	1.5	1.0	-0.1
Slovenia	0.9	0.3	0.0	-0.1	0.1	0.1	-0.1	-0.7
Slovakia	0.4	-0.2	-0.2	-0.1	0.0	0.0	-0.1	-0.3
Finland	1.9	1.0	1.2	1.5	1.2	1.1	0.6	-0.1
Sweden	0.4	0.4	0.2	0.0	0.3	0.3	0.3	0.3
United Kingdom	2.0	1.6	1.5	1.2	1.3	1.0	0.5	0.0
Iceland	3.7	2.3	2.3	0.4	1.0	-0.6	-0.4	0.6
Norway	1.8	2.2	1.9	2.1	1.9	2.0	2.0	-0.1
Switzerland	0.3	-0.1	0.1	0.0	0.1	0.1	-0.1	0.0

p = provisional

r=revised

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



Euro area annual inflation rates (%), selected aggregates

	Weight (%)	Annual rate							Monthly rate
	2014	Dec 13	Jul 14	Aug 14	Sep 14	Oct 14	Nov 14	Dec 14	Dec 14
All-items HICP	1000.0	0.8	0.4	0.4	0.3	0.4	0.3	-0.2p	-0.1p
All-items excluding:									
> energy	891.9	1.0	0.5	0.7	0.7	0.7	0.6	0.6p	0.3p
> energy, unprocessed food	817.1	0.9	0.8	0.9	0.8	0.7	0.7	0.7p	0.3p
> energy, food, alcohol & tobacco	694.4	0.7	0.8	0.9	0.8	0.7	0.7	0.7p	0.4p
> energy, seasonal food	853.5	0.9	0.8	0.9	0.8	0.7	0.6	0.7p	0.3p
> tobacco	976.1	0.8	0.3	0.3	0.3	0.3	0.2	-0.2p	-0.1p
Food, alcohol & tobacco	197.6	1.8	-0.3	-0.3	0.3	0.5	0.5	0.0p	0.0p
> processed food, alcohol & tobacco	122.7	2.0	1.1	1.0	1.0	0.8	0.6	0.5p	0.0p
> unprocessed food	74.8	1.5	-2.6	-2.4	-0.9	0.0	0.2	-1.0p	0.1p
Energy	108.1	0.0	-1.0	-2.0	-2.3	-2.0	-2.6	-6.3p	-3.3p
Non-energy industrial goods	266.6	0.3	0.0	0.3	0.2	-0.1	-0.1	0.0p	-0.2p
Services	427.8	1.0	1.3	1.3	1.1	1.2	1.2	1.2p	0.7p

p = provisional

Sub-indices with largest impacts⁴ on euro area annual inflation

		Weight (%)	Annual rate (%)	Impact (pp)
		2014	Dec 14	Dec 14
11.11	Restaurants and cafés	68.6	1.4p	0.11
04.11/2	Rents	62.3	1.4p	0.11
02.20	Tobacco	23.9	2.6p	0.07
08.2/3	Telecommunications	29.0	-2.9p	-0.08
04.53	Heating oil	8.6	-20.4p	-0.17
07.22	Fuels for transport	47.5	-10.8p	-0.53

p = provisional

1. 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. Lithuania is a member of the euro area from 1 January 2015, and will be included in the calculation of euro area inflation for January 2015.
2. The euro area flash estimate for December 2014, published on 7 January 2015, was -0.2%.
3. The *annual rate* measures the change of the Harmonised Indices 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.
4. 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.

More information can be found in the [HICP dedicated section on Eurostat's website](#) and in the Statistics Explained article on the [inflation in the euro area](#).

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