

## INFLATION AND CONSUMER PRICE INDICES IN JANUARY 2024

According to the preliminary data of the NSI, the monthly inflation rate was 0.5%, while the annual inflation rate was 3.8%. The inflation rate is measured by the CPI, with monthly inflation referring to the month of January 2024 compared to the previous month, and annual inflation being for January 2024 compared to the same month of the previous year.

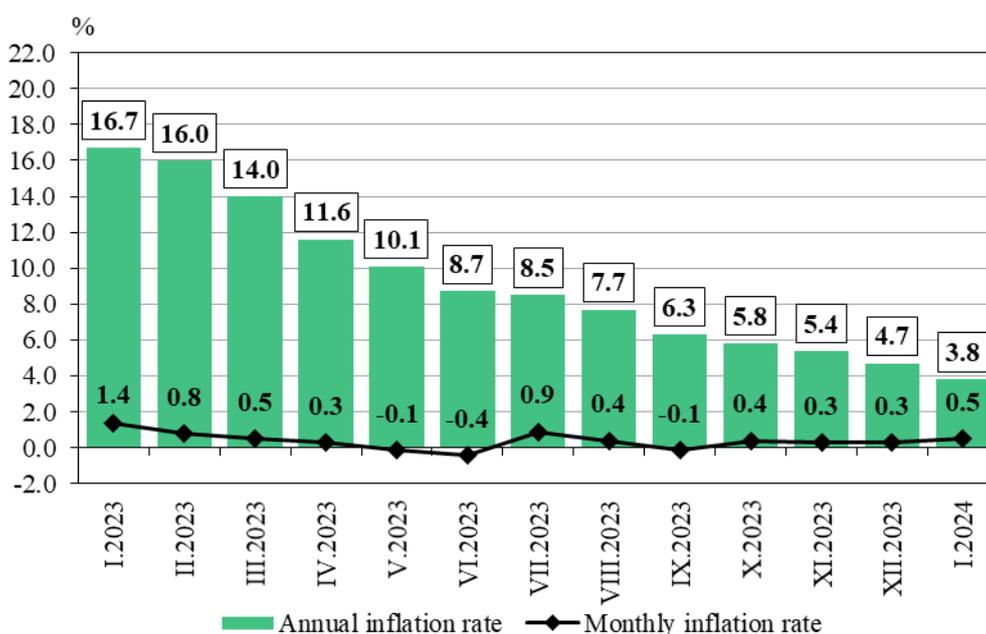
In January 2024, compared to the previous month, the highest increase was registered for Housing, water, electricity, gas and other fuels (+2.2%), Food and non-alcoholic beverages (+1.0%), Education (+0.8%) and Health (+0.6%). The decrease was recorded in the prices for Clothing and footwear (-3.5%) and Transport (-1.7%).

### Consumer Price Index (CPI)

According to the preliminary data of the NSI, in January 2024, the **monthly inflation** rate was 0.5% and the **annual inflation** rate in January 2024 compared to January 2023 was 3.8%<sup>1</sup>.

The annual average inflation rate for the period February 2023 - January 2024 compared to the period February 2022 - January 2023 was 8.4%.

Figure 1. Inflation, measured by CPI, by month



<sup>1</sup> According to the CPI methodology. For more information, see the Methodological notes on pages 4 and 5 and Annex, Table 1.

In January 2024, the prices of goods and services increased in the following consumer groups:

- Housing, water, electricity, gas and other fuels - an increase of 2.2%;
- Food and non-alcoholic beverages - an increase of 1.0%;
- Education - an increase of 0.8%;
- Health - an increase of 0.6%;
- Miscellaneous goods and services - an increase of 0.5%;
- Alcoholic beverages and tobacco - an increase of 0.5%;
- Restaurants and hotels - an increase of 0.4%;
- Furnishings, household equipment and routine maintenance of the house - an increase of 0.3%;
- Recreation and culture - an increase of 0.1%;
- Communications - an increase of 0.1%.

The prices of goods and services decreased in the following consumer groups:

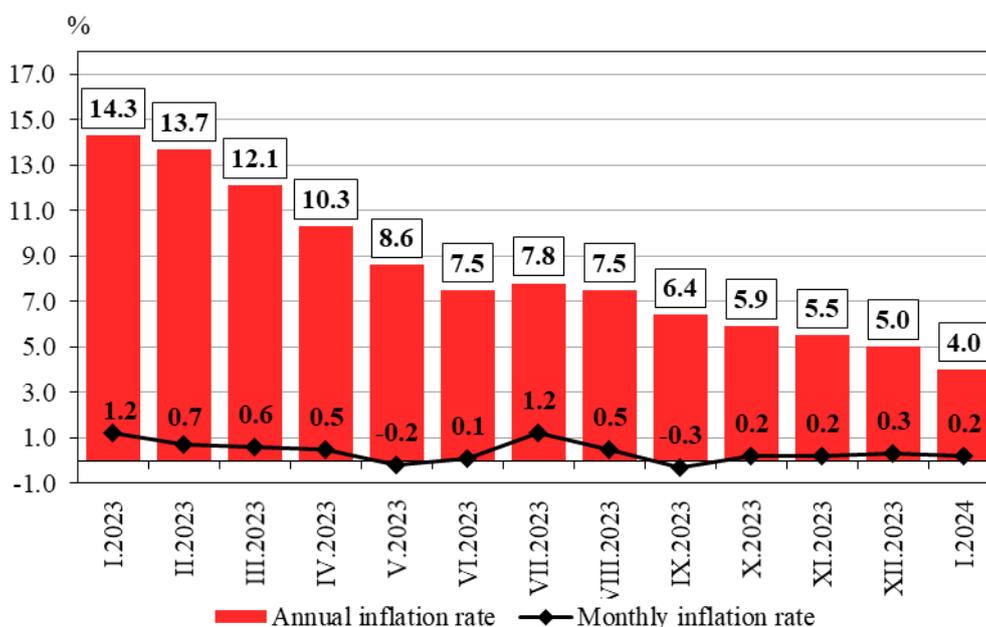
- Clothing and footwear - a decrease of 3.5%;
- Transport - a decrease of 1.7%.

### Harmonized Index of Consumer Prices (HICP)

According to the preliminary data of the NSI, in January 2024, the **monthly inflation** rate, measured by HICP, was 0.2% and the **annual inflation** rate in January 2024 compared to January 2023 was 4.0%<sup>1</sup>.

The annual average inflation rate for the period February 2023 - January 2024 compared to the period February 2022 - January 2023 was 7.8%.

**Figure 2. Inflation, measured by HICP, by month**



<sup>1</sup> According to the HICP methodology. For more information, see the Methodological notes on pages 4 and 5 and Annex, Table 2.



In terms of HICP, in January 2024, the prices of goods and services increased in the following consumer groups:

- Housing, water, electricity, gas and other fuels - an increase of 1.5%;
- Food and non-alcoholic beverages - an increase of 0.9%;
- Education - an increase of 0.8%;
- Alcoholic beverages and tobacco - an increase of 0.6%;
- Health - an increase of 0.6%;
- Miscellaneous goods and services - an increase of 0.5%;
- Recreation and culture - an increase of 0.4%;
- Restaurants and hotels - an increase of 0.3%;
- Furnishings, household equipment and routine maintenance of the house - an increase of 0.1%;
- Communications - an increase of 0.1%.

The prices of goods and services decreased in the following consumer groups:

- Clothing and footwear - a decrease of 3.4%;
- Transport - a decrease of 1.8%.

### **Price Index of a Small Basket (PISB)**

According to the preliminary data of the NSI, in January 2024, a price increase of 1.3%, measured by the **Price Index of a Small Basket**, was registered on a monthly basis<sup>1</sup>.

In January 2024, compared to the previous month, the prices of goods and services in the small basket for the 20% of households with the lowest income changed as follows:

- Services - an increase of 3.7%;
- Food products - an increase of 1.1%;
- Non-food products - an increase of 0.1%.

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<sup>1</sup> For more information, see the Methodological notes on pages 4 and 5 and Annex, Table 3.



## Methodological notes

The **Consumer Price Index (CPI)** is the official measure of inflation in the Republic of Bulgaria. It measures the total relative price change of goods and services used by households for private (non-production) consumption. It is calculated by applying the structure of Bulgarian households' final monetary consumption expenditures. The main source of information for the expenditures is the household budget survey in the country. The CPI in year  $t$  is calculated with the expenditures' structure of year  $t - 1$ .

The **Harmonized Index of Consumer Prices (HICP)** is the comparable measure of inflation across EU Member States. It is one of the criteria for price stability and the readiness of Bulgaria to join the Eurozone. HICP, as well as CPI, measures the total relative price change of goods and services. Both indices are calculated using the same basket of goods and services but differ with concern to the weights used. HICP is calculated using weights, which reflect the individual and collective consumption of all households (incl. institutional and foreign households) in the country's economic territory. The main source of information for HICP weights is the national accounts (NA) data. For calculating the HICP in 2024, NA data for households' final monetary consumption expenditures (HFMCE) - domestic concept in 2022 is used. NA 2022 data are reviewed and updated to make them representative of 2023, following Eurostat's methodological guidance on the compilation of HICP weights in case of large changes in consumer expenditures<sup>1</sup>.

In compliance with Regulation (EC) No. 2015/2010, **since January 2016, the base year for the HICP has changed**, and all indices have been calculated and published using **2015 as a base year**. The time series have been recalculated according to the new base year and have been posted on the NSI website ([www.nsi.bg](http://www.nsi.bg)).

The **Price Index of a Small Basket (PISB)** measures the relative average price changes of 100 socially useful and vital living goods and services. The weights of this index reflect the expenditures of the 20% lowest households' incomes. The source of the information on weights is the Households Budget Survey in the country. This index in year  $t$  is calculated with the weights of year  $t - 1$ .

The **chain** consumer price indices measure the price change in the current month compared to the previous month. The chain consumer price indices are used as a measure of **monthly inflation**.

The **12-month** consumer price indices measure the price changes occurring between the current month and the same month of the previous year. The 12-month consumer price indices are used as a measure of **annual inflation**.

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<sup>1</sup> Guidance on the compilation of HICP weights in case of large changes in consumer expenditures, Eurostat, Directorate C, Macro-economic statistics, 3.02.2020:  
<https://ec.europa.eu/eurostat/documents/10186/10693286/Guidance-on-the-compilation-of-HICP-weights-in-case-of-large-changes-in-consumer-expenditures.pdf>.



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Consumer price indices **over December of the previous year** measure the accumulated changes in prices of the current month concerning December of the previous year. Consumer price indices over December of the previous year are used as measures of **inflation since the beginning of the year**. In December of each year, the 12-month index is equal to the index over December of the previous year.

The **annual average** consumer price indices measure the average price change during the 12 months of the current year compared to the average price change during the 12 months of the previous year. The annual average consumer price indices are used as a measure of the **annual average inflation**.

**January 2024 price indices are released as preliminary** since they are calculated with the household budget data for the period October 2022 - September 2023. **The final January 2024 consumer price indices**, calculated with the annual 2023 household budget data for the weights, will be released along with the February 2024 data.

**Statistical area: Inflation and Consumer Price Indices:**

[Inflation and Consumer Price Indices | National statistical institute \(nsi.bg\)](#)

**IS Infostat: Consumer prices:**

[https://infostat.nsi.bg/infostat/pages/module.jsf?x\\_2=68](https://infostat.nsi.bg/infostat/pages/module.jsf?x_2=68)

**Metadata and Methodology:**

[Consumer Price Indices \(CPI\) | National statistical institute \(nsi.bg\)](#)

**Inflation Rate Calculator:**

[Inflation Rate Calculator | National statistical institute \(nsi.bg\)](#)

Annex

Table 1

**Consumer price indices in January 2024 (preliminary data)**

(Per cent)

Commodity groups	Weights	January 2024	
		December 2023 = 100	January 2023 = 100
<b>00 Total CPI</b>	<b>100.000</b>	<b>100.5</b>	<b>103.8</b>
01 Food and non-alcoholic beverages	31.378	101.0	105.0
02 Alcoholic beverages and tobacco	4.641	100.5	106.4
03 Clothing and footwear	4.027	96.5	101.2
04 Housing, water, electricity, gas and other fuels	15.483	102.2	101.8
05 Furnishings, household equipment and routine household maintenance	5.690	100.3	103.6
06 Health	7.742	100.6	107.0
07 Transport	9.273	98.3	99.3
08 Communication	4.997	100.1	102.3
09 Recreation and culture	6.224	100.1	100.2
10 Education	0.407	100.8	107.7
11 Restaurants and hotels	5.387	100.4	108.9
12 Miscellaneous goods and services	4.750	100.5	107.5
Foods	32.652	100.9	105.0
Non-foods	35.138	99.4	101.3
Catering	4.538	100.5	108.7
Services	27.672	101.4	104.9



Table 2

**Harmonized indices of consumer prices in January 2024 (preliminary data)**

Commodity groups	Weights	January 2024		
		2015 = 100	December 2023 = 100	January 2023 = 100
	‰	%		
<b>00 Total HICP</b>	<b>1000.000</b>	<b>136.39</b>	<b>100.2</b>	<b>104.0</b>
01 Food and non-alcoholic beverages	232.796	168.75	100.9	105.1
02 Alcoholic beverages and tobacco	54.134	125.72	100.6	106.4
03 Clothing and footwear	39.632	106.60	96.6	101.1
04 Housing, water, electricity, gas and other fuels	118.983	150.36	101.5	102.2
05 Furnishings, household equipment and routine household maintenance	68.381	126.00	100.1	103.1
06 Health	77.628	124.74	100.6	107.0
07 Transport	137.934	118.35	98.2	100.0
08 Communication	49.813	94.09	100.1	102.3
09 Recreation and culture	63.923	123.01	100.4	100.9
10 Education	16.144	151.09	100.8	107.4
11 Restaurants and hotels	83.836	160.56	100.3	109.1
12 Miscellaneous goods and services	56.797	139.73	100.5	106.6

Table 3

**Price indices of 100 socially useful and vital for the living goods and services in the small basket for the 20% lowest income households in January 2024 (preliminary data)**

Commodity groups	Weights	(Per cent)	
		January 2024	December 2023 = 100
<b>Total PISB</b>	<b>100.000</b>	<b>101.3</b>	
Food and non-alcoholic beverages	50.534	101.1	
Clothing and footwear	3.991	97.3	
Housing, water, electricity, gas and other fuels	24.712	103.0	
Furnishings, household equipment and routine household maintenance	2.593	100.8	
Health	11.588	101.0	
Transport	0.881	100.1	
Communication	0.098	100.0	
Recreation and culture	0.595	100.1	
Miscellaneous goods and services	5.008	100.2	
Foods	50.534	101.1	
Non-foods	29.047	100.1	
Services	20.420	103.7	