



September 10<sup>th</sup>, 2021  
CONSUMER PRICE INDEX  
August 2021

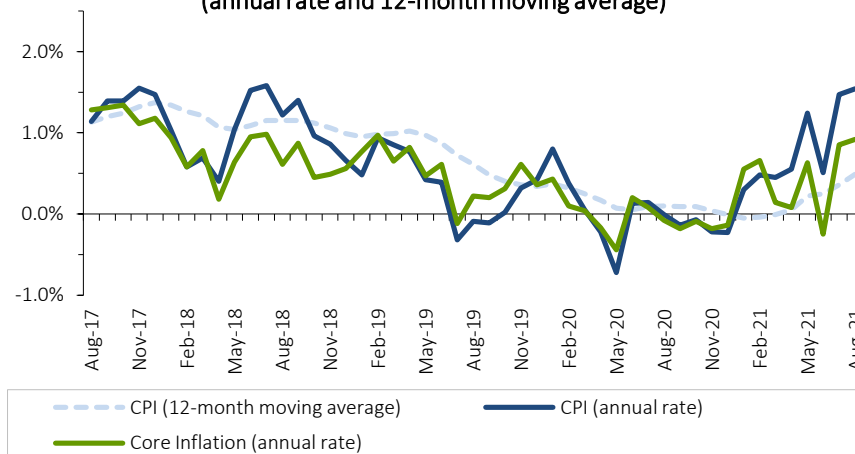
## CPI ANNUAL RATE OF CHANGE REMAINS AT 1.5%

The Consumer Price Index (CPI) annual rate was 1.5% in August 2021 (the same value as in July). The annual core inflation rate, which excludes energy and unprocessed food products, was 0.9% (0.8% in the previous month).

The CPI monthly rate was -0.2% (-0.3% in July and in August 2020), while the CPI 12-month average rate was 0.5% (0.4% in the previous month).

In August 2021, the Portuguese Harmonised Index of Consumer Prices (HICP) annual rate was 1.3% (1.1% in the previous month). This rate is 1.7 percentage points (p.p.) below the figure estimated by Eurostat for the Euro area (in July this difference was 1.1 p.p.).

Figure 1: Consumer price and core inflation indices  
(annual rate and 12-month moving average)



### Consumer Price Index (base 100 = 2012)

In August 2021, the annual inflation rate was 1.5% (the same value as in July) (see Fig. 1). When rounded to one decimal place, this figure coincides with the value provided in the flash estimate, which was released on August 31<sup>st</sup> (for further details on the differences between estimated and final CPI figures, see Table 2 on page 6 of this press release).

The annual core inflation rate, which excludes energy and unprocessed food products, was 0.9% (0.8% in July). The energy aggregate presented an annual rate of 9.3% (8.7% in the previous month), while unprocessed food recorded an annual rate of 0.2% in August (0.5% in July).



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The largest upward contributions to the overall annual rate of change came from changes in the prices of *Transports*. Conversely, the main downward contribution came from price decreases in *Restaurants and hotels*.

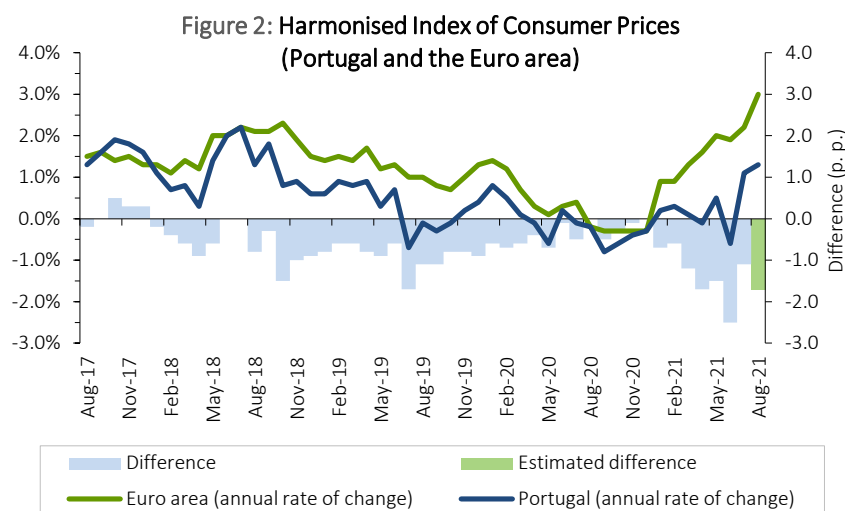
In August 2021, the CPI monthly rate was -0.2% (-0.3% in the previous month and in August 2020). The main upward contribution to the monthly rate of change came from price changes in *Housing, water, electricity, gas and other fuels*. Conversely, the major downward contribution was observed in *Clothing and footwear*.

The CPI 12-month average rate was 0.5% in August (0.4% in the previous month).

## Harmonised Index of Consumer Prices (base 100 = 2015)

In August 2021, the Portuguese HICP annual rate was 1.3% (1.1% in the previous month) and the monthly rate was -0.1% (-0.4% in the previous month and -0.3% in August 2020).

According to Eurostat's Flash Estimate, in August, the annual rate of change of the Portuguese HICP is estimated to be 1.7 p.p. lower than the Euro area rate (in July, this difference was 1.1 p.p.).



## Housing Rents

In August, the annual change rate of the housing rents for the whole country was 1.9% (the same value as in the previous month). The highest increase was observed in the Lisboa region (2.1%), with all regions displaying positive rates of change.

For the same period, the monthly rate of change of the average value of rents per square meter for the whole country was 0.2% (also the same value as in July). The main increase was observed in the Algarve region (0.3%) while all the other regions also presented positive rates of change.



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## METHODOLOGICAL NOTES

### CONSUMER PRICE INDEX

The Consumer Price Index (CPI) measures the change over time of the prices of a certain basket of goods and services bought by a “typical” consumer. The CPI has been designed to capture price changes and not to measure price levels.

The CPI is updated every year with the most recent information on prices and quantities. The 2020 CPI weighting structure and the sample of goods and services included in the basket are a result of the combination of three fundamental sources of information: results of the Portuguese National Accounts, complemented with the Household Budget Survey and the Census for more detailed levels of expenditure. Administrative data is also used.

The CPI is compiled through the aggregation of seven regional price indexes and the goods and services included in the index are grouped according to the Classification of individual consumption by purpose (COICOP).

### MONTHLY RATE

The monthly rate is the change in the index of a certain month compared with the index of the previous month expressed as a percentage. Although up to date, this measure can be affected by seasonal and other effects.

### ANNUAL RATE

The annual rate is the change in the index of a certain month compared with the index of the same month in the previous year expressed as a percentage. In the presence of a stable seasonal pattern, seasonal effects do not influence this measure.

### 12-MONTH AVERAGE RATE

The 12-month average rate is the change in the average index of one year compared with the average index of the previous year expressed as a percentage. This moving average is less sensitive to transient changes in prices.

### CORE INFLATION INDEX (ALL ITEMS CPI EXCLUDING UNPROCESSED FOOD AND ENERGY PRODUCTS)

The core inflation index is compiled by excluding the prices of unprocessed food and energy products from the All items CPI. The primary objective of this index is to capture the underlying inflation pressures in the economy.



## HARMONISED INDEX OF CONSUMER PRICES

The Harmonised Index of Consumer Prices (HICP) is compiled in each member state of the European Union for the purposes of inflation comparisons across EU countries, as required by the Treaty on European Union<sup>1</sup>. This index plays an important role as a guideline for the achievement of the European System of Central Banks primary objective: price stability. In 1998, the European Central Bank adopted the HICP as “the most appropriate price measure” for its definition of price stability in the Euro area<sup>2</sup>.

The HICP is produced in each Member State following a harmonized methodology developed by experts in the field of price statistics, under the "Price Statistics Working Group" and related Task Forces. From the methodological point of view, there are no major differences between the HICP and CPI. However, the different scope of coverage leads to differences in the weighting structure, mainly in Restaurants and hotels. This is mostly an effect of the inclusion of non-residents expenditure ("tourists") in the HICP and the corresponding exclusion from the CPI.

Additional information on the methodology of the HICP is available at <http://ec.europa.eu/eurostat/web/hicp>.

Table 1: CPI and HICP 2021 weighting structures

COICOP <sup>1</sup> divisions		IPC	IHPC
01	Food and non-alcoholic beverages	224.4	220.1
02	Alcoholic beverages and tobacco	42.4	41.7
03	Clothing and footwear	52.8	54.0
04	Housing, water, electricity, gas and other fuels	103.3	99.7
05	Furnishings, household equipment and routine household maintenance	71.3	70.0
06	Health	71.0	69.0
07	Transport	144.0	145.9
08	Communication	31.6	30.4
09	Recreation and culture	66.6	49.5
10	Education	21.2	20.5
11	Restaurants and hotels	60.9	92.2
12	Miscellaneous good and services	110.5	107.2
00	All items	1000	1000 <sup>2</sup>

### Notes:

<sup>1</sup> COICOP – Classification of Individual Consumption by Purpose.

<sup>2</sup> Due to rounding, the sum of the parts may not add exactly to 1000.

## PRESENTATION OF DATA AND ROUNDING RULES

<sup>1</sup> Article 109j and protocol on the convergence criteria referred to in that article.

<sup>2</sup> “A stability oriented monetary policy strategy for the ESCB”. ECB press notice released on 13 October 1998.



Since the release of the January 2013 CPI indices are published with base 100 in the year 2012.

Due to rounding procedures, those indices may not reproduce exactly the published rates of change. However, it should be noted that the published rates prevail.

In this press release the descriptive analysis is based on rounded values to one decimal

## DIFFERENCES BETWEEN ESTIMATED AND FINAL VALUES

In Table 2 some descriptive statistics are presented for the differences between the estimated and final values of the annual rate for the last 24 months. The table also includes the differences for the last three months, in p.p..

Table 2: Differences between the estimated and final values of the annual rate

	Differences last 24 months (p.p.)			Differences last 3 months (p.p.)		
	Mean	Max	Min	Jun-21	Jul-21	Aug-21
Total	-0.02	0.03	-0.27	0.01	0.00	<b>-0.01</b>
All items excluding housing	-0.02	0.03	-0.27	0.00	-0.01	<b>-0.02</b>
All items excl. unproc. food and energy	-0.01	0.03	-0.07	0.00	0.00	<b>-0.01</b>
Unprocessed food	-0.09	0.02	-1.86	0.01	-0.02	<b>-0.01</b>
Energy	-0.01	0.25	-0.59	0.11	-0.01	<b>-0.05</b>

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**Next flash estimate** – September 30<sup>th</sup>, 2021

**Next press release** – October 13<sup>th</sup>, 2021

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## Annex 1: CPI rate of change (index division and all-items CPI)

Period	COICOP divisions												All-items CPI
	01	02	03	04	05	06	07	08	09	10	11	12	
Annual average rate (%)													
2018	0.74	2.26	-3.47	2.19	-0.41	1.07	3.06	0.43	-0.12	1.22	2.12	0.83	0.99
2019	0.32	2.01	-3.00	0.29	-0.28	0.82	1.14	-2.59	-0.02	0.93	0.97	1.56	0.34
2020	2.09	0.52	-3.40	0.07	-0.65	1.14	-2.08	-2.21	-1.92	-0.86	1.65	1.25	-0.01
Annual rate (%)													
2019 August	-0.04	1.66	-5.05	-0.06	-0.08	0.94	0.10	-4.03	0.37	1.38	0.58	1.52	-0.09
September	-0.11	1.88	-1.52	-0.10	-0.43	0.73	0.31	-3.93	-1.37	1.41	-0.58	1.62	-0.11
October	0.51	1.48	-1.83	-0.24	-0.45	0.73	-0.46	-3.92	-0.10	-0.42	0.63	1.55	0.02
November	0.30	2.09	-1.58	-0.26	-0.79	0.53	0.78	-3.87	0.58	-0.47	1.58	1.53	0.32
December	0.16	0.88	-2.03	0.01	-0.71	0.59	1.80	-4.18	0.73	-0.48	1.91	1.34	0.42
2020 January	0.79	1.95	-1.85	1.10	-0.16	0.49	3.00	-4.61	-1.30	-0.60	1.88	1.53	0.80
February	0.83	1.03	-2.88	1.06	-0.44	0.63	0.92	-4.26	-1.61	-0.57	2.31	1.37	0.38
March	1.22	1.18	-1.70	0.82	-0.71	0.66	-1.64	-4.31	-2.00	-0.58	2.11	1.53	0.05
April	3.82	0.51	-6.99	-0.66	-0.27	0.87	-3.29	-4.29	-2.40	-0.59	3.19	0.69	-0.22
May	2.25	-0.26	-7.28	-0.80	-1.14	0.61	-4.18	-1.32	-3.08	-0.62	3.32	0.76	-0.72
June	3.20	0.90	-5.39	-0.87	-1.05	0.67	-1.95	-0.78	-3.13	-0.64	3.80	1.14	0.13
July	2.65	-0.61	0.20	0.15	-1.03	0.92	-2.64	-0.63	-2.82	-0.68	1.25	1.42	0.14
August	2.27	-0.16	0.28	0.07	-0.81	0.93	-3.15	-1.00	-3.07	-0.75	1.71	1.23	-0.01
September	2.00	-0.05	-2.43	0.04	-0.45	1.29	-3.18	-1.08	0.19	-0.84	-0.65	1.45	-0.14
October	2.46	-0.17	-2.93	0.00	-0.66	1.42	-2.94	-1.29	-0.28	-1.46	-0.40	1.68	-0.07
November	2.06	0.54	-3.72	0.04	-0.51	2.33	-3.25	-1.50	-1.32	-1.49	0.46	1.20	-0.22
December	1.52	1.40	-4.37	-0.04	-0.53	2.87	-2.50	-1.12	-2.12	-1.49	0.85	1.00	-0.23
2021 January	1.00	1.00	-1.50	-0.11	-0.70	2.79	-1.86	-1.18	-0.49	-1.42	0.79	1.33	0.30
February	0.89	0.48	-2.44	-0.36	-0.65	2.75	-0.70	-0.50	0.15	-1.60	0.45	1.22	0.48
March	0.77	0.07	-3.35	-0.09	-0.39	2.68	2.48	-0.69	0.89	-1.72	-0.64	0.94	0.45
April	-0.79	1.29	2.87	1.34	-0.90	2.46	3.43	-0.70	-0.31	-1.70	-3.20	1.63	0.55
May	0.55	1.53	3.25	1.53	-0.43	2.57	5.56	0.28	0.76	-1.64	-4.12	1.64	1.24
June	-0.15	0.13	2.44	1.79	-0.86	2.37	3.84	0.21	0.90	-1.55	-6.21	1.60	0.51
July	0.61	1.51	-0.64	1.54	-0.29	2.12	5.27	0.92	1.28	-1.40	-1.15	1.62	1.47
August	0.61	1.63	-1.88	2.27	-0.13	2.22	5.78	1.10	0.44	-1.26	-1.41	1.38	1.54

Source: INE - Portugal

### COICOP (Classification Of Individual Consumption by Purpose) divisions:

<b>01</b>	Food and non-alcoholic beverages	<b>07</b>	transport
<b>02</b>	Alcoholic beverages and tobacco	<b>08</b>	communication
<b>03</b>	Clothing and footwear	<b>09</b>	recreation and culture
<b>04</b>	Housing, water, electricity, gas and other fuels	<b>10</b>	education
<b>05</b>	Furnishings, household equipment and routine household maintenance	<b>11</b>	restaurants and hotels
<b>06</b>	Health	<b>12</b>	miscellaneous goods and services





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## Annex 2: HICP rate of change (international comparison)<sup>1</sup>

Period	EA <sup>2</sup>	EU <sup>3</sup>	BE	BG	CZ	DK	DE	EE	EL	ES	FR	HR	IE	IT	CY	LV	LT	LU	HU	MT	NL	AT	PL	PT	RO	SI	SK	FI	SE
Annual average rate (%)																													
2018	1.8	1.9	2.3	2.6	2.0	0.7	1.9	3.4	0.8	1.7	2.1	1.6	0.7	1.2	0.8	2.6	2.5	2.0	2.9	1.7	1.6	2.1	1.2	1.2	4.1	1.9	2.5	1.2	2.0
2019	1.2	1.5	1.2	2.5	2.6	0.7	1.4	2.3	0.5	0.8	1.3	0.8	0.9	0.6	0.5	2.7	2.2	1.6	3.4	1.5	2.7	1.5	2.1	0.3	3.9	1.7	2.8	1.1	1.7
2020	0.3	0.7	0.4	1.2	3.3	0.3	0.4	-0.6	-1.3	-0.3	0.5	0.0	-0.5	-0.1	-1.1	0.1	1.1	0.0	3.4	0.8	1.1	1.4	3.7	-0.1	2.3	-0.3	2.0	0.4	0.7
Annual rate (%)																													
2019 August	1.0	1.4	0.9	2.5	2.6	0.5	1.0	2.1	0.1	0.4	1.3	0.6	0.6	0.5	0.6	3.1	2.5	1.4	3.2	1.9	3.1	1.5	2.6	-0.1	4.1	2.4	3.0	1.2	1.3
September	0.8	1.2	0.6	1.6	2.6	0.4	0.9	2.2	0.2	0.2	1.1	0.6	0.6	0.2	-0.5	2.3	2.0	1.1	2.9	1.6	2.7	1.2	2.4	-0.3	3.5	1.7	3.0	1.0	1.3
October	0.7	1.1	0.2	1.6	2.6	0.6	0.9	1.4	-0.3	0.2	0.9	0.6	0.6	0.2	-0.5	2.2	1.5	0.8	3.0	1.4	2.8	1.0	2.3	-0.1	3.2	1.5	2.9	0.9	1.6
November	1.0	1.3	0.4	2.2	3.0	0.6	1.2	1.8	0.5	0.5	1.2	0.8	0.8	0.2	0.5	2.0	1.7	1.0	3.4	1.3	2.6	1.2	2.4	0.2	3.8	1.4	3.2	0.8	1.8
December	1.3	1.6	0.9	3.1	3.2	0.8	1.5	1.8	1.1	0.8	1.6	1.3	1.1	0.5	0.7	2.1	2.7	1.8	4.1	1.3	2.8	1.8	3.0	0.4	4.0	2.0	3.2	1.1	1.7
2020 January	1.4	1.7	1.4	3.4	3.8	0.8	1.6	1.6	1.1	1.1	1.7	1.8	1.1	0.4	0.7	2.2	3.0	2.5	4.7	1.4	1.7	2.2	3.8	0.8	3.9	2.3	3.2	1.2	1.5
February	1.2	1.6	1.0	3.1	3.7	0.7	1.7	2.0	0.4	0.9	1.6	1.2	0.9	0.2	1.0	2.3	2.8	1.8	4.4	1.1	1.3	2.2	4.1	0.5	2.9	2.0	3.1	1.1	1.3
March	0.7	1.2	0.4	2.4	3.6	0.3	1.3	1.0	0.2	0.1	0.8	0.5	0.5	0.1	0.1	1.4	1.7	0.3	3.9	1.2	1.1	1.6	3.9	0.1	2.7	0.7	2.4	0.9	0.8
April	0.3	0.7	0.0	1.3	3.3	-0.1	0.8	-0.9	-0.9	-0.7	0.4	-0.1	-0.3	0.1	-1.2	-0.1	0.9	-0.8	2.5	1.1	1.0	1.5	2.9	-0.1	2.3	-1.3	2.1	-0.3	-0.2
May	0.1	0.6	-0.2	1.0	3.1	-0.2	0.5	-1.8	-0.7	-0.9	0.4	-0.7	-0.8	-0.3	-1.4	-0.9	0.2	-1.6	2.2	0.9	1.1	0.6	3.4	-0.6	1.8	-1.4	2.1	-0.1	0.1
June	0.3	0.8	0.2	0.9	3.4	0.2	0.8	-1.6	-1.9	-0.3	0.2	-0.4	-0.6	-0.4	-2.2	-1.1	0.9	-0.4	2.9	1.0	1.7	1.1	3.8	0.2	2.2	-0.8	1.8	0.1	0.9
July	0.4	0.9	1.7	0.4	3.6	0.4	0.0	-1.3	-2.1	-0.7	0.9	-0.6	-0.6	0.8	-2.0	0.1	0.9	0.1	3.9	0.7	1.6	1.8	3.7	-0.1	2.5	-0.3	1.8	0.7	0.7
August	-0.2	0.4	-0.9	0.6	3.5	0.4	-0.1	-1.3	-2.3	-0.6	0.2	-0.4	-1.1	-0.5	-2.9	-0.5	1.2	-0.2	4.0	0.7	0.3	1.4	3.7	-0.2	2.5	-0.7	1.4	0.3	1.0
September	-0.3	0.3	0.5	0.6	3.3	0.5	-0.4	-1.3	-2.3	-0.6	0.0	-0.3	-1.2	-1.0	-1.9	-0.4	0.6	-0.3	3.4	0.5	1.0	1.2	3.8	-0.8	2.1	-0.7	1.4	0.3	0.6
October	-0.3	0.3	0.4	0.6	2.9	0.3	-0.5	-1.7	-2.0	-0.9	0.1	-0.2	-1.5	-0.6	-1.4	-0.7	0.5	-0.4	3.0	0.6	1.2	1.1	3.8	-0.6	1.8	-0.5	1.6	0.2	0.4
November	-0.3	0.2	0.2	0.3	2.8	0.4	-0.7	-1.2	-2.1	-0.8	0.2	0.0	-1.0	-0.3	-1.1	-0.7	0.4	-0.7	2.8	0.2	0.7	1.1	3.7	-0.4	1.7	-1.1	1.6	0.2	0.2
December	-0.3	0.3	0.4	0.0	2.4	0.4	-0.7	-0.9	-2.4	-0.6	0.0	-0.3	-1.0	-0.3	-0.8	-0.5	-0.1	-0.3	2.8	0.2	0.9	1.0	3.4	-0.3	1.8	-1.2	1.6	0.2	0.6
2021 January	0.9	1.2	0.6	-0.3	2.2	0.4	1.6	0.3	-2.4	0.4	0.8	0.0	-0.1	0.7	-0.8	-0.5	0.2	1.1	2.9	0.2	1.6	1.1	3.6	0.2	2.0	-0.9	0.7	1.0	1.9
February	0.9	1.3	0.3	0.2	2.1	0.5	1.6	0.5	-1.9	-0.1	0.8	0.7	-0.4	1.0	-0.9	-0.2	0.4	-0.5	3.3	0.1	1.9	1.4	3.6	0.3	2.5	-1.1	0.9	0.9	1.8
March	1.3	1.7	1.6	0.8	2.3	0.9	2.0	0.9	-2.0	1.2	1.4	1.6	0.1	0.6	0.3	0.3	1.6	2.5	3.9	0.1	1.9	2.0	4.4	0.1	2.5	0.1	1.5	1.4	2.1
April	1.6	2.0	2.1	2.0	3.1	1.5	2.1	1.6	-1.1	2.0	1.6	2.1	1.1	1.0	1.2	1.7	2.4	3.3	5.2	0.1	1.7	1.9	5.1	-0.1	2.7	2.2	1.7	2.2	2.8
May	2.0	2.3	2.5	2.3	2.7	1.9	2.4	3.2	-1.2	2.4	1.8	2.4	1.9	1.2	1.5	2.6	3.5	4.0	5.3	0.2	2.0	3.0	4.6	0.5	3.2	2.2	2.0	2.3	2.4
June	1.9	2.2	2.6	2.4	2.5	1.9	2.1	3.7	0.6	2.5	1.9	2.2	1.6	1.3	2.2	2.7	3.5	3.4	5.3	0.2	1.7	2.8	4.1	-0.6	3.5	1.7	2.5	1.9	1.8
July	2.2	2.5	1.4	2.2	2.7	1.7	3.1	4.9	0.7	2.9	1.5	2.7	2.2	1.0	2.7	2.8	4.3	3.3	4.7	0.3	1.4	2.8	4.7	1.1	3.8	2.0	2.9	1.8	1.8
August	3.0 f	x	4.7 f	x	x	x	3.4 f	5.0 f	1.2 f	3.3 f	2.4 f	x	3.1 f	2.6 f	3.3 f	3.6 f	4.9 f	3.5 f	x	0.3 f	2.7 f	3.1 f	x	1.3	x	2.1 f	3.3 f	1.8 f	x

**Symbols:** f estimated Po provisional Rc revised x not available

**Notes:** <sup>1</sup> Rates of change calculated based on indexes rounded up to two decimal places.

<sup>2</sup> Member States belonging to the Euro area: EA-13 until Dec-2007, EA-15 until Dec-2008, EA-16 until Dec-2010, EA-17 until Dec-2013, EA-18 until Dec-2014, EA-19 onwards.

<sup>3</sup> European Index of Consumer Prices: EU-15 until Apr-2004, EU-25 until Dec-2006, EU-27 until Jun-2013, EU-28 until Jan-2020 and EU-27 onwards.

<b>Member State codes:</b>	<b>BE</b> Belgium	<b>DK</b> Denmark	<b>EL</b> Greece	<b>IE</b> Ireland	<b>LV</b> Latvia	<b>HR</b> Croatia	<b>NL</b> Netherlands	<b>PT</b> Portugal	<b>SK</b> Slovakia
	<b>BG</b> Bulgaria	<b>DE</b> Germany	<b>ES</b> Spain	<b>IT</b> Italy	<b>LT</b> Lithuania	<b>HU</b> Hungary	<b>AT</b> Austria	<b>RO</b> Romania	<b>FI</b> Finland
<b>Source:</b> INE and Eurostat	<b>CZ</b> Czechia	<b>EE</b> Estonia	<b>FR</b> France	<b>CY</b> Cyprus	<b>LU</b> Luxembourg	<b>MT</b> Malta	<b>PL</b> Poland	<b>SI</b> Slovenia	<b>SE</b> Sweden

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