



June 14th, 2024

CONSUMER PRICE INDEX

May 2024

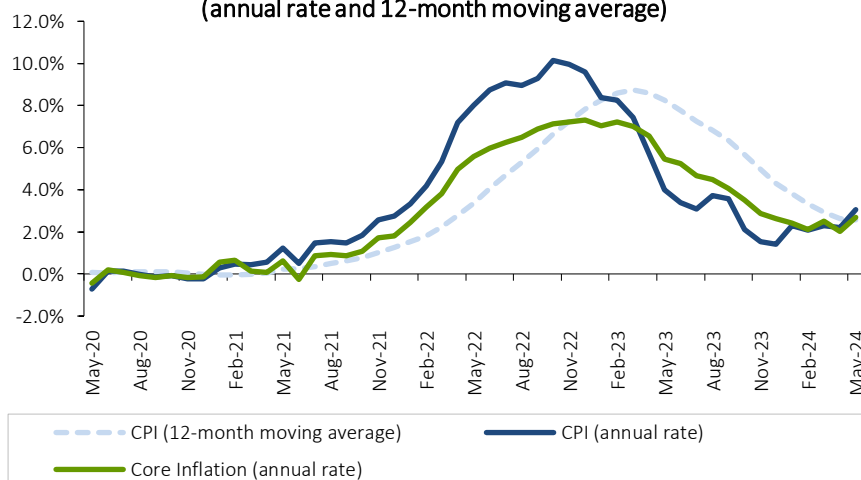
CPI ANNUAL RATE OF CHANGE INCREASED TO 3.1%

The **Consumer Price Index (CPI)** annual rate was 3.1% in May 2024 (2.2% in April). This acceleration mainly reflects the base effect related to the monthly decrease registered in May 2023 (-0.7%), as a consequence of the VAT exemption for several essential food items, and, to a lesser extent, the acceleration in the prices of hotels. The annual core inflation rate, which excludes energy and unprocessed food products was 2.7% (2.0% in the previous month). The annual rate of change for energy products was 7.8% (7.9% in April) and the annual rate for unprocessed food increased to 2.5% (nil in the previous month).

The CPI monthly rate was 0.2% (0.5% in the previous month and -0.7% in May 2023), while the CPI 12-month average rate was 2.6% (the same value as in April).

In May 2024, the **Portuguese Harmonised Index of Consumer Prices (HICP)**¹ annual rate was 3.8% (2.3% in the previous month). This rate is 1.2 percentage points (p.p.) above the rate estimated by Eurostat for the Euro area (in April, the Portuguese rate was 0.1 p.p. below the figure for the Euro area). Excluding energy and unprocessed food products, the Portuguese HICP was 3.6% in May (2.1% in April), above the corresponding rate for the Euro area (estimated at 2.9%).

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



¹ Index calculated by INE and used for comparison between the different countries of European Union.



Consumer Price Index (base 100 = 2012)

In May 2024, the annual inflation rate was 3.1% (2.2% in April 2024) (see figure 1). When rounded to one decimal place, this figure coincides with the value provided in the flash estimate, which was released on May 31st (for further details on the differences between estimated and final CPI figures, see Tables 2 and 3 on page 6 of this press release).

The annual core inflation rate, which excludes energy and unprocessed food products was 2.7% (2.0% in April). The rate of change of the energy aggregate was 7.8% (7.9% in the previous month) and unprocessed food recorded an annual rate of 2.5% in May (nil in April).

The largest upward contributions to the overall annual rate of change came from changes in the prices of *Food and non-alcoholic beverages, Restaurants and hotels, Housing, water, electricity, gas and other fuels* and *Transports*. Conversely, the main upward contributions came from changes in prices of *Furnishings, household equipment and routine household maintenance*.

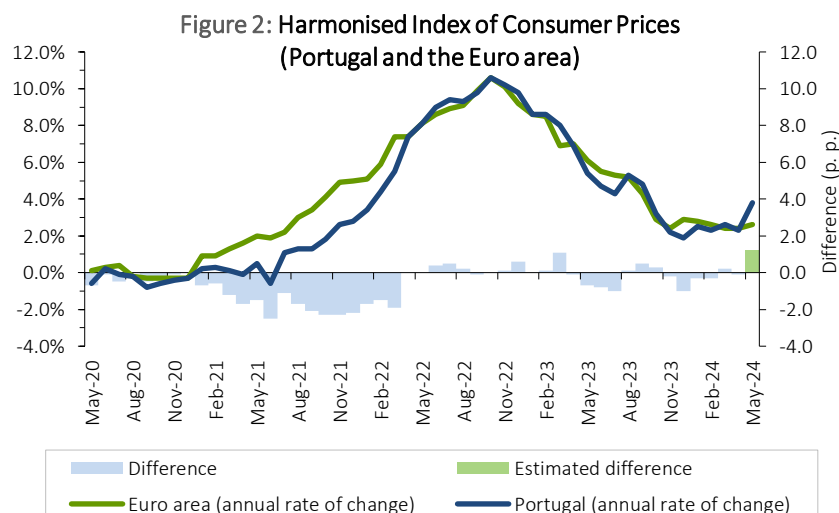
In May 2024, the CPI monthly rate was 0.2% (0.5% in the previous month and -0.7% in May 2023). The main upward contribution to the monthly rate of change came from *Restaurants and hotels*, mainly due to an increase in the demand of accommodation services in Lisbon, resulting from a major cultural event. Conversely, the largest downward contribution was observed in *Transports*.

The CPI 12-month average rate was 2.6% in May (the same value as in the previous month).

Harmonised Index of Consumer Prices (base 100 = 2015)

In May 2024, the Portuguese HICP annual rate was 3.8% (2.3% in the previous month) and the monthly rate was 1.0% (1.1% in the previous month and -0.4% in May 2023).

According to Eurostat's Flash Estimate, in May 2024, the annual rate of change of the Portuguese HICP is estimated to be 1.2 p.p. above the rate for the Euro area (in April, the Portuguese rate was 0.1 p.p. below the figure for the Euro area). Excluding energy and unprocessed food products, the Portuguese HICP increased to 3.6% in May (2.1% in April), above the corresponding rate for the Euro area (estimated at 2.9%).

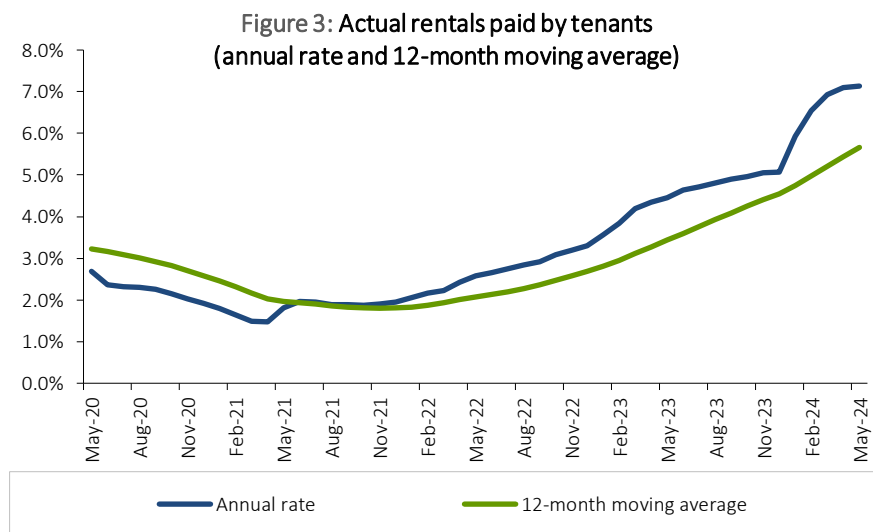




Housing Rents

In May, the annual change rate of the housing rents for the whole country was 7.1% (then same value as in the previous month). The highest increase was observed in the Lisboa region (7.4%), 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 0.4% (0.6% in the previous month). All regions presented positive rates, the same value as the national result (0.4%).





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 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 Union². 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 area³.

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 2024 weighting structures

COICOP ¹ divisions	CPI	HICP
01 Food and non-alcoholic beverages	221.2	206.1
02 Alcoholic beverages and tobacco	35.7	33.5
03 Clothing and footwear	64.1	63.0
04 Housing, water, electricity, gas and other fuels	87.4	78.4
05 Furnishings, household equipment and routine household maintenance	65.8	61.6
06 Health	68.3	62.2
07 Transport	148.1	146.1
08 Communication	28.7	25.7
09 Recreation and culture	60.5	44.4
10 Education	18.9	16.9
11 Restaurants and hotels	103.6	173.4
12 Miscellaneous good and services	97.8	88.8
00 All items	1 000²	1 000²

Notes:

¹ COICOP – Classification of Individual Consumption by Purpose.

² Due to rounding, the sum of the parts may not add exactly to 1000.

² Article 109j and protocol on the convergence criteria referred to in that article.

³ “A stability oriented monetary policy strategy for the ESCB”. ECB press notice released on 13 October 1998.



PRESENTATION OF DATA AND ROUNDING RULES

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

Table 2 presents the estimated and final values for the current month, while in Table 3 some descriptive statistics are presented for the differences between the estimated and final values of the annual rate for the last 24 months, as well as the differences for the last three months, in p.p..

Table 2: Estimated and final values (May 2024)

Special Aggregates	Monthly rate (%) ¹		Annual rate (%) ¹		12-month average rate (%) ¹	
	Estimated Value	Final Value	Estimated Value	Final Value	Estimated Value	Final Value
CPI						
Total	0.47	0.48	2.19	2.21	2.63	2.63
All items excluding housing	0.47	0.48	2.00	2.01	2.51	2.51
All items excl. unproc. food and energy	0.57	0.59	2.01	2.03	3.48	3.48
Energy	-0.28	-0.31	7.91	7.88	-7.03	-7.04
Unprocessed food	0.20	0.18	0.01	-0.01	4.02	4.02
Processed food	0.51	0.58	1.32	1.39	4.09	4.10
HICP						
Total	1.0	1.1	2.3	2.3	3.5	3.5

¹Rounded values to two and one decimals. For more information see the final notes.

Table 3: 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	Mar-24	Apr-24	May-24
Total	-0.01	0.05	-0.04	-0.03	0.02	-0.04
All items excluding housing	-0.01	0.05	-0.05	-0.03	0.01	-0.03
All items excl. unproc. food and energy	-0.01	0.07	-0.05	-0.03	0.02	-0.03
Energy	0.00	0.30	-0.08	-0.01	-0.03	0.00
Unprocessed food	-0.01	0.02	-0.10	0.01	-0.02	-0.07
Processed food	0.00	0.08	-0.05	-0.01	0.07	-0.01

Next flash estimate – June 28th, 2024

Next press release – July 10th, 2024



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 (%)													
2021	0.74	0.93	-0.18	1.64	-0.05	2.12	4.40	0.30	0.96	-0.84	-0.83	1.26	1.27
2022	12.99	2.58	0.77	12.84	9.19	-1.36	10.00	1.88	3.92	1.62	11.67	2.33	7.83
2023	10.04	4.00	0.78	-1.02	5.64	2.42	0.27	3.79	3.97	3.05	9.44	1.89	4.31
Annual rate (%)													
2022 May	12.33	2.78	-0.05	13.42	8.74	1.43	10.80	2.18	5.68	1.42	10.86	2.13	8.00
June	13.20	2.89	-0.47	13.50	10.18	-3.57	14.27	2.05	5.46	1.34	14.19	2.21	8.73
July	13.89	2.83	0.05	16.62	10.51	-3.57	12.85	1.80	4.32	1.25	14.80	2.46	9.06
August	15.34	2.80	-1.57	14.92	10.57	-3.49	10.43	2.05	3.95	1.17	16.33	2.71	8.94
September	16.42	3.31	1.73	14.60	11.95	-3.55	9.15	1.84	3.15	1.26	17.74	3.02	9.28
October	18.58	2.97	1.95	18.49	12.21	-3.21	9.94	1.44	3.39	2.51	16.29	2.59	10.14
November	19.96	3.76	1.36	18.46	12.08	-2.34	7.94	1.92	3.33	2.60	12.83	2.85	9.94
December	19.91	3.96	1.60	18.42	12.88	-2.29	5.87	0.28	3.78	2.59	11.24	3.17	9.59
2023 January	20.56	3.85	1.79	8.08	11.15	-1.69	4.75	-1.02	2.67	2.68	11.62	3.50	8.36
February	21.47	4.28	1.46	6.90	10.31	-0.88	2.58	3.60	4.09	2.67	11.28	3.11	8.25
March	19.57	4.12	1.59	6.67	9.72	-0.33	-0.90	5.42	4.17	2.72	11.79	2.73	7.43
April	15.41	6.47	1.89	-0.02	8.48	-0.61	-1.58	3.94	4.61	2.75	11.77	2.18	5.71
May	9.42	4.26	1.38	-3.08	6.79	-0.40	-1.65	3.96	5.00	2.73	12.10	2.23	3.98
June	8.57	4.19	1.19	-3.61	5.55	4.89	-3.83	3.73	5.05	2.73	9.75	2.12	3.39
July	7.32	4.29	0.13	-2.82	4.85	4.96	-2.55	3.80	4.82	2.74	8.81	1.78	3.07
August	6.85	4.09	-0.09	-1.77	4.61	4.94	1.92	3.62	4.49	2.74	9.21	1.98	3.72
September	6.44	3.81	0.56	-1.37	2.87	5.02	2.78	3.69	4.46	2.74	6.90	1.47	3.58
October	4.35	3.52	0.32	-5.93	2.33	4.82	0.51	4.14	3.50	4.02	7.12	0.64	2.12
November	3.04	2.39	0.05	-6.08	1.23	4.54	0.07	4.85	2.53	4.01	6.97	0.67	1.54
December	1.74	2.87	-0.86	-6.14	1.10	4.49	1.82	5.83	2.28	4.01	6.90	0.40	1.42
2024 January	2.70	1.85	-3.02	4.28	-0.10	4.10	1.71	5.43	2.46	3.96	6.47	0.46	2.30
February	0.80	2.32	-3.71	5.72	-1.00	3.87	3.18	6.70	1.57	3.89	6.12	0.56	2.07
March	0.02	2.37	-1.04	5.78	-1.18	3.46	3.97	5.72	2.41	3.82	6.12	0.79	2.29
April	0.33	3.33	-0.33	7.30	-1.94	3.54	2.75	5.58	0.51	3.79	4.26	1.33	2.21
May	3.41	3.12	-0.67	7.18	-2.36	3.37	3.45	5.83	-0.21	3.85	5.94	1.13	3.06

Source: INE - Portugal

COICOP (Classification Of Individual Consumption by Purpose) divisions:

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



Annex 2: HICP rate of change (international comparison)¹

Period	EA ²	EU ³	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 (%)																													
2021	2.6	2.9	3.2	2.8	3.3	1.9	3.2	4.5	0.6	3.0	2.1	2.7	2.4	1.9	2.3	3.2	4.6	3.5	5.2	0.7	2.8	2.8	5.2	0.9	4.1	2.0	2.8	2.1	2.7
2022	8.4	9.2	10.3	13.0	14.8	8.5	8.7	19.4	9.3	8.3	5.9	10.7	8.1	8.7	8.1	17.2	18.9	8.2	15.3	6.1	11.6	8.6	13.2	8.1	12.0	9.3	12.1	7.2	8.1
2023	5.4	6.4	2.3	8.6	12.0	3.4	6.0	9.1	4.2	3.4	5.7	8.4	5.2	5.9	3.9	9.1	8.7	2.9	17.0	5.6	4.1	7.7	10.9	5.3	9.7	7.2	11.0	4.3	5.9
Annual rate (%)																													
2022 May	8.1	8.8	9.9	13.4	15.2	8.2	8.7	20.1	10.5	8.5	5.8	10.7	8.3	7.3	8.8	16.8	18.5	9.1	10.8	5.8	10.2	7.7	12.8	8.1	12.4	8.7	11.8	7.1	7.5
June	8.6	9.6	10.5	14.8	16.6	9.1	8.2	22.0	11.6	10.0	6.5	12.1	9.6	8.5	9.0	19.2	20.5	10.3	12.6	6.1	9.9	8.7	14.2	9.0	13.0	10.8	12.6	8.1	8.9
July	8.9	9.8	10.4	14.9	17.3	9.6	8.5	23.2	11.3	10.7	6.8	12.7	9.6	8.4	10.6	21.3	20.9	9.3	14.7	6.8	11.6	9.4	14.2	9.4	13.0	11.7	12.8	8.0	8.3
August	9.1	10.1	10.5	15.0	17.1	9.9	8.8	25.2	11.2	10.5	6.6	12.6	9.0	9.1	9.6	21.4	21.1	8.6	18.6	7.0	13.7	9.3	14.8	9.3	13.3	11.5	13.4	7.9	9.5
September	9.9	10.9	12.1	15.6	17.8	11.1	10.9	24.1	12.1	9.0	6.2	12.6	8.6	9.4	9.0	22.0	22.5	8.8	20.7	7.4	17.1	11.0	15.7	9.8	13.4	10.6	13.6	8.4	10.3
October	10.6	11.5	13.1	14.8	15.5	11.4	11.6	22.5	9.5	7.3	7.1	12.7	9.4	12.6	8.6	21.7	22.1	8.8	21.9	7.4	16.8	11.6	16.4	10.6	13.5	10.3	14.5	8.4	9.8
November	10.1	11.1	10.5	14.3	17.2	9.7	11.3	21.4	8.8	6.7	7.1	13.0	9.0	12.6	8.1	21.7	21.4	7.3	23.1	7.2	11.3	11.2	16.1	10.2	14.6	10.8	15.1	9.1	10.1
December	9.2	10.4	10.2	14.3	16.8	9.6	9.6	17.5	7.6	5.5	6.7	12.7	8.2	12.3	7.6	20.7	20.0	6.2	25.0	7.3	11.0	10.5	15.3	9.8	14.1	10.8	15.0	8.8	10.8
2023 January	8.6	10.0	7.4	14.3	19.1	8.4	9.2	18.6	7.3	5.9	7.0	12.5	7.5	10.7	6.8	21.4	18.5	5.8	26.2	6.8	8.4	11.6	15.9	8.6	13.4	9.9	15.1	7.9	9.6
February	8.5	9.9	5.4	13.7	18.4	8.3	9.3	17.8	6.5	6.0	7.3	11.7	8.1	9.8	6.7	20.1	17.2	4.8	25.8	7.0	8.9	11.0	17.2	8.6	13.4	9.4	15.4	8.0	9.7
March	6.9	8.3	4.9	12.1	16.5	7.3	7.8	15.6	5.4	3.1	6.7	10.5	7.0	8.1	6.1	17.2	15.2	2.9	25.6	7.1	4.5	9.2	15.2	8.0	12.2	10.4	14.8	6.7	8.1
April	7.0	8.1	3.3	10.3	14.3	5.6	7.6	13.2	4.5	3.8	6.9	8.9	6.3	8.6	3.9	15.0	13.3	2.7	24.4	6.4	5.8	9.4	14.0	6.9	10.4	9.2	14.0	6.3	7.7
May	6.1	7.1	2.7	8.6	12.5	2.9	6.3	11.2	4.1	2.9	6.0	8.3	5.4	8.0	3.6	12.3	10.7	2.0	21.9	6.3	6.8	8.7	12.5	5.4	9.6	8.1	12.3	5.0	6.7
June	5.5	6.4	1.6	7.5	11.2	2.4	6.8	9.0	2.8	1.6	5.3	8.3	4.8	6.7	2.8	8.1	8.2	1.0	19.9	6.2	6.4	7.8	11.0	4.7	9.3	6.6	11.3	4.1	6.3
July	5.3	6.1	1.7	7.8	10.2	3.2	6.5	6.2	3.5	2.1	5.1	8.0	4.6	6.3	2.4	6.6	7.2	2.0	17.5	5.6	5.3	7.0	10.3	4.3	8.9	5.7	10.3	4.2	6.3
August	5.2	5.9	2.4	7.5	10.1	2.3	6.4	4.3	3.5	2.4	5.7	8.4	4.9	5.5	3.1	5.6	6.4	3.5	14.2	5.0	3.4	7.5	9.5	5.3	9.3	6.1	9.6	3.1	4.5
September	4.3	4.9	0.7	6.4	8.3	0.6	4.3	3.9	2.4	3.3	5.7	7.4	5.0	5.6	4.3	3.6	4.1	3.4	12.2	4.9	-0.3	5.8	7.7	4.8	9.2	7.1	9.0	3.0	3.7
October	2.9	3.6	-1.7	5.9	9.5	-0.4	3.0	5.0	3.8	3.5	4.5	6.7	3.6	1.8	3.6	2.3	3.1	2.1	9.6	4.2	-1.0	4.9	6.3	3.2	8.3	6.6	7.8	2.4	4.0
November	2.4	3.1	-0.8	5.5	8.0	0.3	2.3	4.1	2.9	3.3	3.9	5.5	2.5	0.6	2.4	1.1	2.3	2.1	7.7	3.9	1.4	4.9	6.3	2.2	6.9	4.5	6.9	0.7	3.3
December	2.9	3.4	0.5	5.0	7.6	0.4	3.8	4.3	3.7	3.3	4.1	5.4	3.2	0.5	1.9	0.9	1.6	3.2	5.5	3.7	1.0	5.7	6.2	1.9	7.0	3.8	6.6	1.3	1.9
2024 January	2.8	3.1	1.5	3.9	2.7	0.9	3.1	5.0	3.2	3.5	3.4	4.8	2.7	0.9	2.1	1.1	1.1	3.0	3.7	3.1	4.3	4.5	2.5	7.3	3.4	4.4	1.1	3.4	
February	2.6	2.8	3.6	3.5	2.2	0.6	2.7	4.4	3.1	2.9	3.2	4.8	2.3	0.8	2.1	0.6	1.1	3.2	3.6	3.0	2.7	4.0	3.7	2.3	7.1	3.4	3.8	1.1	2.6
March	2.4	2.6	3.8	3.1	2.2	0.8	2.3	4.1	3.4	3.3	2.4	4.9	1.7	1.2	1.6	1.0	0.4	3.2	3.6	2.7	3.1	4.1	2.7	2.6	6.7	3.4	2.7	0.6	2.3
April	2.4	2.6	4.9	2.5	3.1	0.5	2.4	3.1	3.2	3.4	2.4	4.7	1.6	0.9	2.1	1.1	0.4	3.0	3.6	2.4	2.6	3.4	3.0	2.3	6.2	3.0	2.4	0.6	2.4
May	2.6 f	x	4.9 f	x	x	x	2.8 f	3.1 f	2.3 f	3.8 f	2.7 f	4.3 f	1.9 f	0.8 f	3.0 f	0.2 f	0.8 f	3.2 f	x	2.3 f	2.7 f	3.3 f	x	3.8	x	2.5 f	2.7 f	0.5 f	x

Symbols: f estimated Po provisional Rc revised x not available

Notes: ¹ Rates of change calculated based on indexes rounded up to two decimal places.

² 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 until Dec-2022, EA-20 onwards.

³ 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.

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