



National Statistics Office of Georgia

INFLATION RATE IN GEORGIA  
**2020**  
DECEMBER



04.01.2021

[www.geostat.ge](http://www.geostat.ge)

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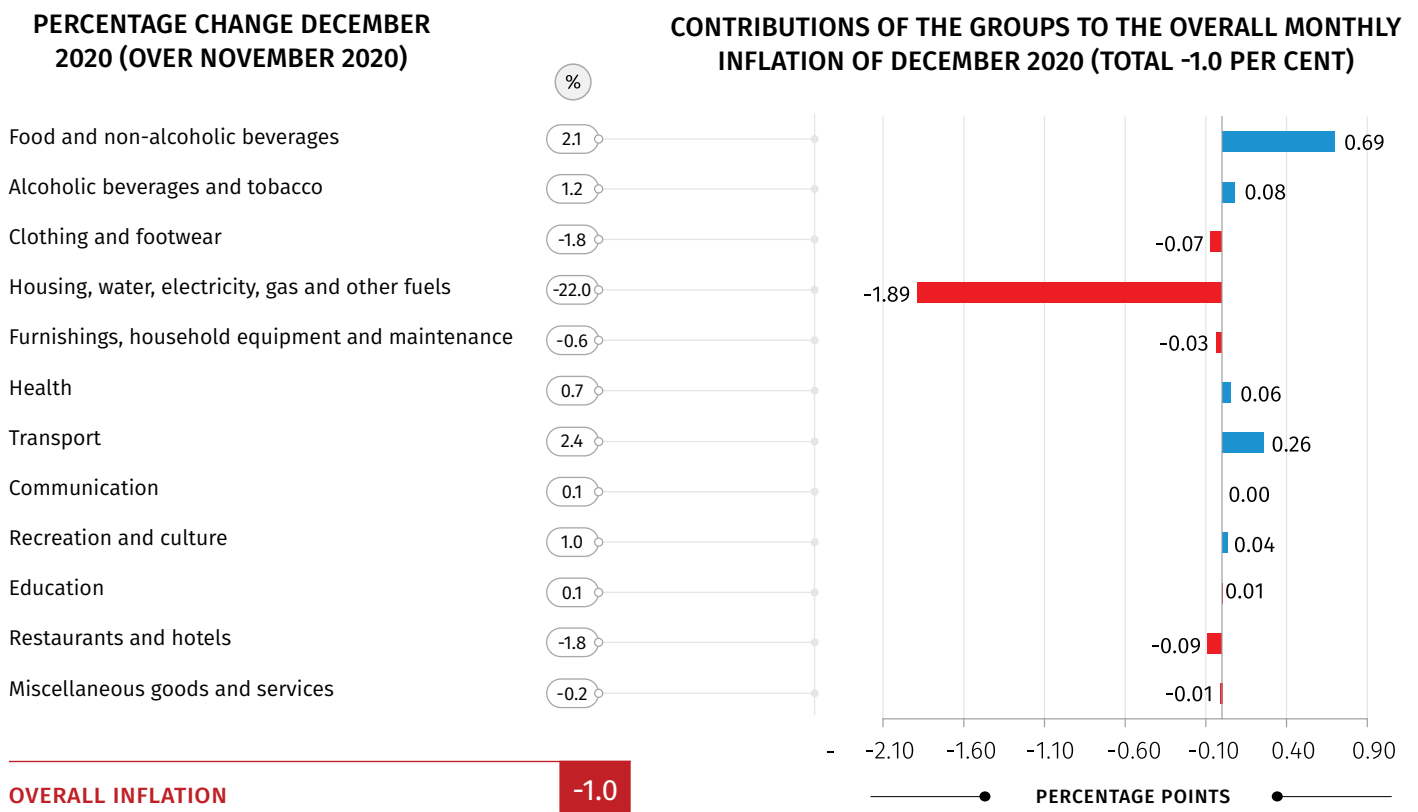
## INFLATION RATE IN GEORGIA

DECEMBER 2020

In December 2020 the Consumer Price Index decreased by 1.0 percent compared to the previous month, while the annual inflation rate amounted to 2.4 percent.

With regard to the annual core inflation<sup>1</sup>, the prices increased by 5.3 percent, while the annual core inflation without tobacco<sup>2</sup> amounted to 4.9 percent.

The following table shows percentage changes in prices for the commodity groups of the consumer basket as well as the relevant contributions to the overall monthly inflation rate.



The monthly inflation rate was mainly influenced by price changes for the following groups:

<sup>1</sup> Core inflation is calculated by excluding the following groups of goods and services from the consumer basket: food and non-alcoholic beverages, energy, regulated tariffs, transport (specific tariffs).

<sup>2</sup> Core Inflation without tobacco is calculated by excluding the following groups of goods and services from the consumer basket: food and non-alcoholic beverages, tobacco; energy, regulated tariffs, transport (specific tariffs).

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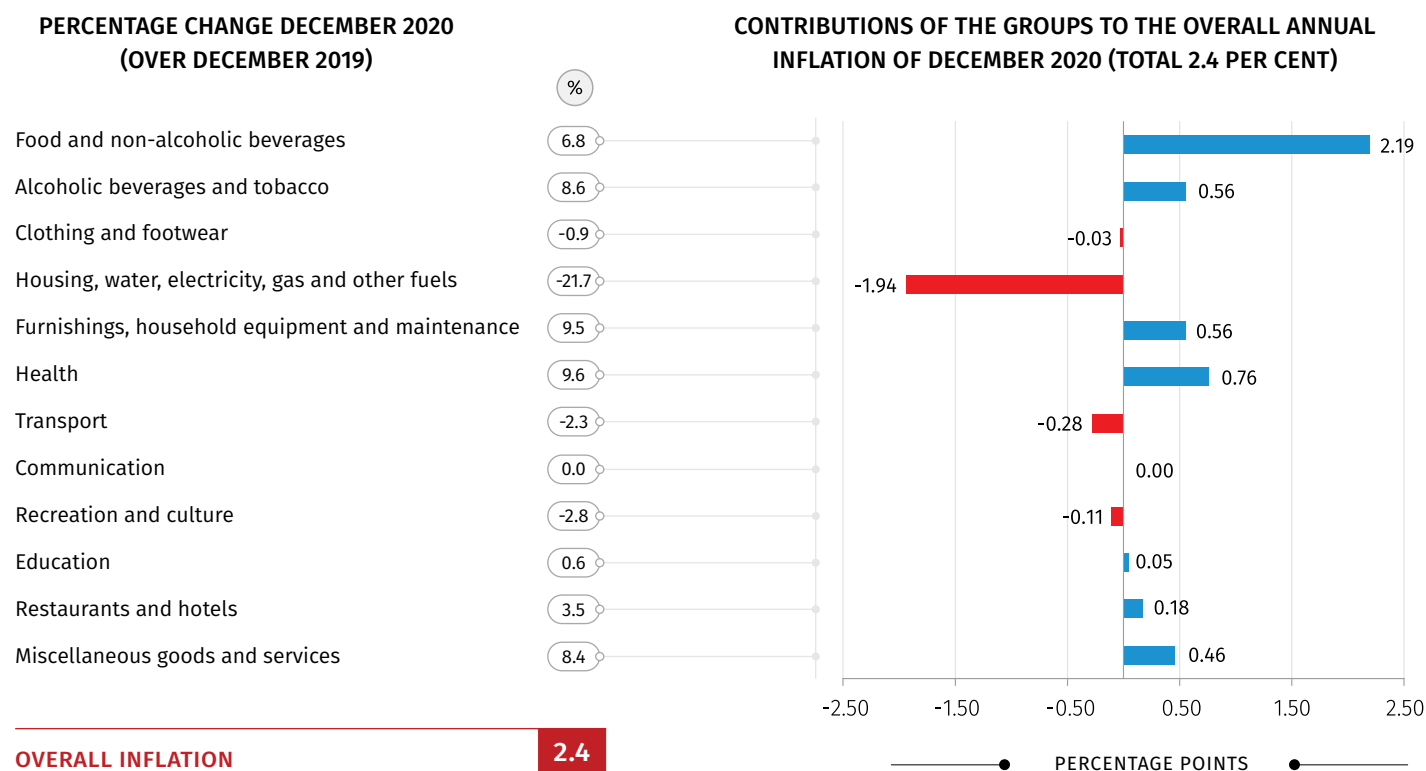
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**Housing, water, electricity, gas and other fuels:** the prices for the group posted a 22.0 percent decrease, which contributed -1.89 percentage points to the monthly inflation rate<sup>3</sup>. The prices were lower for the following subgroups: water supply and miscellaneous services relating to the dwelling (-36.5 percent) and electricity, gas and other fuels (-30.2 percent);

**Food and non-alcoholic beverages:** the prices in the group increased by 2.1 percent, contributing 0.69 percentage points to the overall monthly inflation rate. The prices were higher for the following subgroups: vegetables (6.5 percent), milk, cheese and eggs (4.2 percent), fruit and grapes (3.8 percent), oils and fats (3.5 percent), fish (1.9 percent);

**Transport:** the prices increased by 2.4 percent, contributing 0.26 percentage points to the overall monthly inflation rate. Within the group the prices increased for operation of personal transport equipment (4.1 percent). Along with this, the prices decreased for purchase of vehicles (-1.3 percent).

The following table shows percentage changes in prices for the commodity groups of the consumer basket, as well as the relevant contributions to the overall annual inflation rate in December 2020.



<sup>3</sup> This change is attributable to the "Ordinance of the Government of Georgia On Approval of the Rules and Conditions for Subsidizing Utility Taxes" coming in force. For more information please visit: <https://bit.ly/3aU1oAq>

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The annual inflation rate was mainly influenced by price changes for the following groups:

**Food and non-alcoholic beverages:** the prices in the group increased by 6.8 percent, contributing 2.19 percentage points to the overall annual inflation rate. Within the group the prices increased for the following subgroups: oils and fats (27.2 percent), coffee, tea and cocoa (13.4 percent), milk, cheese and eggs (11.3 percent), fish (8.8 percent), sugar, jam, honey, chocolate and confectionery (8.0 percent), bread and cereals (7.0 percent), mineral waters, soft drinks, fruit and vegetable juices (4.5 percent), vegetables (3.3 percent), meat (1.7 percent). Along with this, the prices decreased for fruit and grapes (-4.5 percent);

**Health:** the prices went up by 9.6 percent, contributing 0.76 percentage points to the overall annual inflation rate. The prices increased for medical products, appliances and equipment (13.6 percent) and out-patient services (11.9 percent);

**Furnishings, household equipment and maintenance:** the prices in the group increased by 9.5 percent, contributing 0.56 percentage points to the annual inflation. The prices were higher for the following subgroups: goods and services for routine household maintenance (11.2 percent), glassware, tableware and household utensils (11.2 percent), furniture and furnishings, carpets and other floor coverings (9.1 percent), tools and equipment for house and garden (8.2 percent), household textiles (6.7 percent), household appliances (5.9 percent);

**Alcoholic beverages and tobacco:** the prices increased by 8.6 percent, with a relevant contribution of 0.56 percentage points to the overall annual inflation rate. The prices increased for both tobacco (12.7 percent) and alcoholic beverages (5.4 percent);

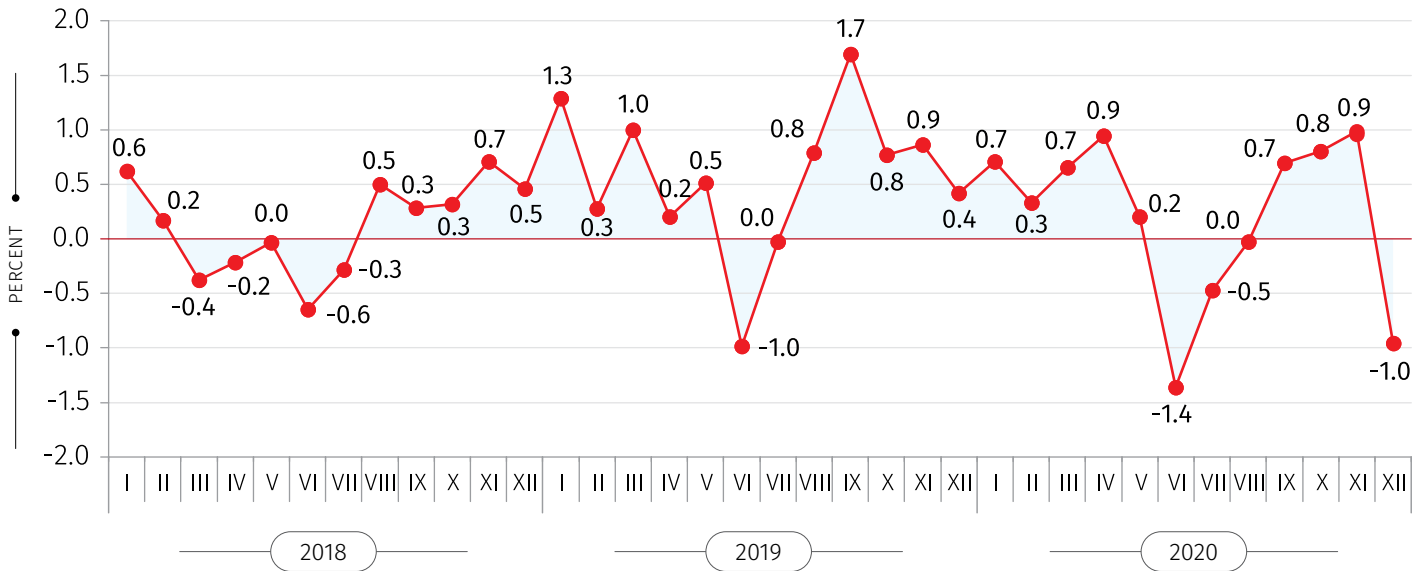
**Housing, water, electricity, gas and other fuels:** the prices for the group posted a 21.7 percent decrease, which contributed -1.94 percentage points to the annual inflation rate<sup>4</sup>. The prices were lower for the following subgroups: water supply and miscellaneous services relating to the dwelling (-36.5 percent) and electricity, gas and other fuels (-30.1 percent).

<sup>4</sup> This change is attributable to the "Ordinance of the Government of Georgia On Approval of the Rules and Conditions for Subsidizing Utility Taxes" coming in force. For more information please visit: <https://bit.ly/3o6AuJk>

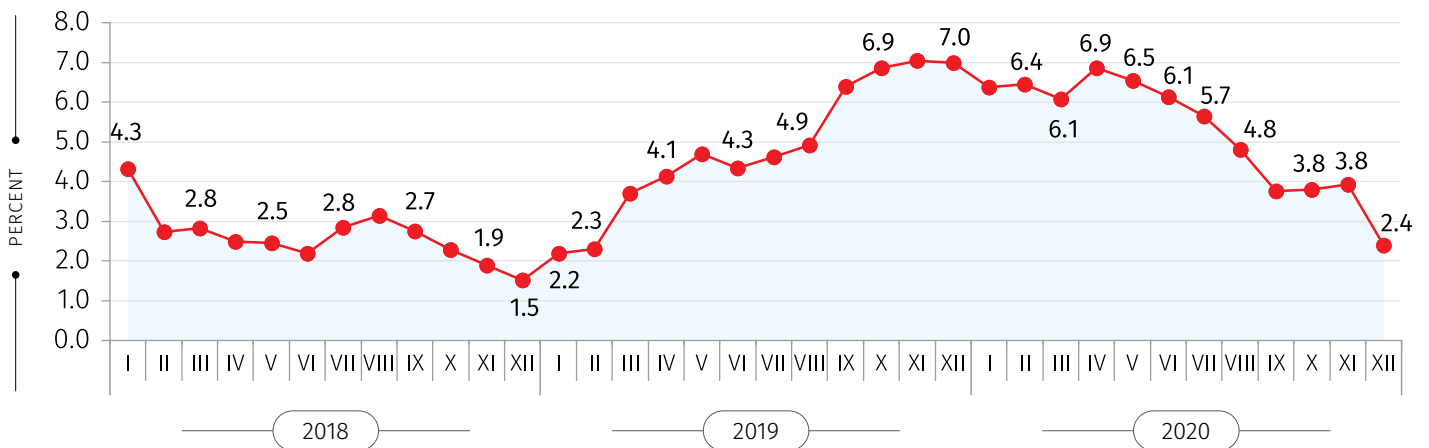
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### MONTHLY INFLATION



### ANNUAL INFLATION RATE IN GEORGIA (YEAR-ON-YEAR CHANGE)



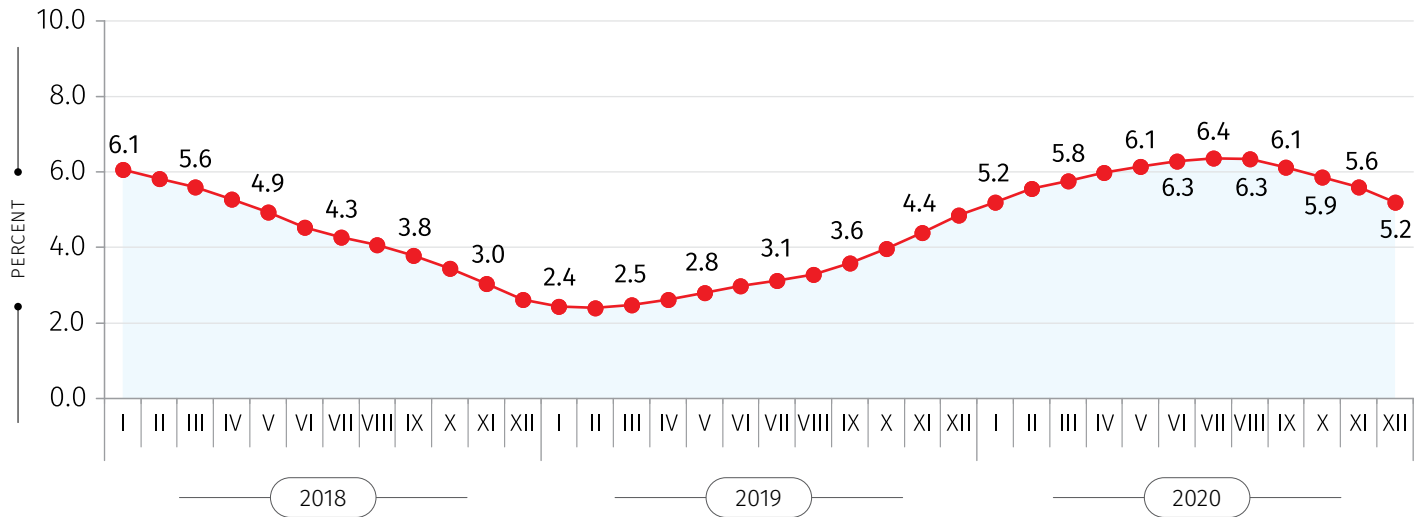


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### AVERAGE INFLATION RATE

(12 MONTH AVERAGE OVER THE PREVIOUS 12 MONTH AVERAGE, PERCENTAGE CHANGE)



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