

Austrian inflation remains stable despite the recent oil price drop

While the price increase in fuel prices was weaker than in October, resulting in significantly cheaper airline tickets, package holidays saw a significant price jump. Add to that rising costs for housing, water and energy and the inflation rate remains stable at 2.2% year-over-year in November



Source: Shutterstock

Once again, daily life became more expensive. The micro basket, or out-of-the-pocket inflation measure, which represents typical daily shopping purchases such as food, newspapers or coffee in a café, increased by 0.2% year-over-year in November. The mini basket, containing not only weekly purchases but also fuels, rose by 4.5% year-over-year in November compared to 4.9% in October.

According to the harmonised European definition, headline inflation came in at 2.3% YoY, a slight drop compared to 2.4% YoY in October.

All in all, Austrian consumers probably have to deal with a harmonised inflation rate of 2.1% for the year. With Christmas around the corner, spending for leisure, culture, and restaurants will not

abate. Yet, with the family bonus kicking in in January, a robust job market, and an ongoing favourable environment, private consumption expenditure remains on a stable basis, contributing to GDP growth also in the new year.

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