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*Inquiries: Mr Timo Koskimäki +358 9 1734 3479, Mr Juhani Pekkarinen +358 9 1734 3476,
Ms Mari Ylä-Jarkko +358 9 1734 3310
Director in charge: Mr Kari Molnar*

Cut in alcohol tax brought inflation down to -0,5 per cent in March

Consumer prices were 0.5 per cent lower this March than in March last year. The fall was caused by lowered taxation on alcohol. Inflation was last preceded by a minus sign in October 1955.

Cheaper alcoholic beverages brought consumer prices down by 0.8 percentage points and cuts in interest rates by 0.5 percentage points. Fallen prices of liquid fuels from the previous year curbed inflation by 0.3 percentage points and lower cost of air travel by 0.2 percentage points. Consumer prices were put up by most year-on-year by risen charges for cultural and leisure services, as well as by higher prices of dwellings and rent increases.

From February to March, consumer prices went down by 0.3 per cent, almost entirely because of lower prices of alcoholic beverages.

Inflation indicators in Finland, March 2004

	Point figure	Change on one year	Change on one month
Consumer Price Index (2000=100)	105.0	-0.5%	-0.3%
Cost of Living Index (1951:10=100)	1,576		
Harmonised Index of Consumer Prices (1996=100)	113.4	-0.4%	-0.4%

Each mid-month, Statistics Finland interviewers collect around 50,000 prices on 492 commodities from approximately 3,500 outlets for the Consumer Price Index. In addition, some 1,000 items of price data are gathered by centralised collection.

According to preliminary data, inflation in EMU countries 1.6 per cent in March

According to preliminary data on the Harmonised Index of Consumer Prices, the rate of inflation in the member states of the EMU was in March the same as in February, i.e. 1.6 per cent. The corresponding figure for Finland in March was -0.4 per cent.

Eurostat's estimate on inflation in the EMU area is based on preliminary data published by certain member states and on the price development of energy. Eurostat will publish detailed data on the Harmonised Indices of Consumer Prices for March on 16 April.

Source: Consumer Price Index 2004, March. Statistics Finland