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*Qeveria - Vlada - Government*  
Zyra e Kryeministrit -Ured Premijera -Office of the Prime Minister  
*Agjencia e Statistikave të Kosovës - Agencija za Statistike Kosova - Kosovo Agency of Statistics*

## Series 3: Economic Statistics

# Harmonised Indices of Consumer Prices December 2019



## Foreword

Kosovo Agency of Statistics (KAS) started to publish Consumer Price Index (CPI) in September 2002 until December 2014, and since January 2015 the CPI has been harmonized by the international concept and is published as Harmonized Index of Consumer Prices (HICP). Consumer prices have started to be collected in May 2002 which is considered as a base month.

Since January 2016 the Harmonized Index of Consumer Prices (HICP), based on the Eurostat recommendations, is published with base year **2015=100**. Prices are collected from date 10 to 20 each month in 14 municipalities of Kosovo.

Since September 2002, KAS has continuously published CPI-HIPK on a monthly basis, as well as fifteen publications on an annual basis (2004 - 2018).

This publication contains the table with Harmonized Index of Consumer Prices in Kosovo on a monthly basis January 2010 – December 2019, annual average 2010-2019 (2015=100), with monthly and annual changes in percentage, graph, table for specific weights, index for December and year 2019, monthly changes of the harmonized index of consumer prices in percentage (December 2019 / November 2019) and annual changes in the harmonized index of consumer prices in percentage (December 2019 / December 2018) and (Year 2019 / Year 2018) for groups and subgroups according to COICOP, table with average prices for some more representative items and the calculation methodology of the harmonized indices of consumer prices.

### Explanation for data users

The time series of Consumer Price Index (CPI) in the country have been published with the base month May 2002 = 100 for the period May 2002 - December 2015. Whereas, as of January 2016 with the Eurostat recommendations, the Consumer Price Index (CPI), respectively the Harmonized Index of Consumer Prices (HICP) is calculated with the base year 2015 = 100, and are recalculated on this basis of all time series of the Consumer Price Index (CPI) in the country and are published with 01.06.2018 on the KAS website (in the annual publication of the Harmonized Consumer Price Index 2002-2018).

Proposals, suggestions and feedback can be send via e-mail: [economic@rks-gov.net](mailto:economic@rks-gov.net)

Consumer Price Index (CPI), namely the Harmonised Index of Consumer Prices (HICP), is a regular monthly publication.

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## **Symbols and abbreviations**

|        |   |
|--------|---|
| CPI    | Consumer Price Index                                |
| COICOP | Classification of Individual Consumption by Purpose |
| HBS    | Household Budget Survey                             |
| HICP   | Harmonized Index of Consumer Prices                 |
| KAS    | Kosovo Agency of Statistics                         |
|        |   |
| :      | Figure not available                                |
| 0      | Less than half of the unit used                     |
| -      | Not applicable                                      |
| %      | Percentage  |
| W      | Statistical weights (specific weight - CPI/HICP)    |
| ∅      | Average   |

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## **Harmonized Index of Consumer Prices in December 2019**

Monthly inflation measured by the harmonized index of consumer prices was 0.2% in December 2019. Annual inflation rate measured in December 2019 with December 2018 was 1.2%. Whereas, the average annual inflation rate in 2019 was 2.7%.

### **December 2019 / November 2019 0.2%**

The total harmonized index of consumer prices is higher by 0.2% in December 2019 compared to November 2019. This is mainly explained by the increase of the consumer prices in COICOP subgroups: meat (0.6%), vegetables (5.7%), with a common impact of these subgroups by 0.2 percent in the HICP.

### **December 2019 / December 2018 1.2%**

The total harmonized index of consumer prices is higher by 1.2% in December 2019 compared to December 2018. This is mainly explained by the increase in consumer prices in this period to COICOP subgroups: bread and cereals (4.7%), meat (2.8%), fruits (6.0%), sugar, jam, honey, chocolate and confectionery (2.0%), food products n.e.c.(2.5%), coffee, tea and cocoa (10.4%), mineral waters, soft drinks, fruit and vegetable juices (1.4%), tobacco (2.6%), household appliances (2.0%), glassware, tableware and household utensils (3.0%), goods and services for routine household maintenance (1.9%), medical products, appliances and equipment (1.4%), purchase of vehicles (3.9%), telephone and telefax services (0.7%), catering services (0.9%), accommodation services (6.0%), personal effects n.e.c.(3.0%), insurance (19.3%), with a common impact of these subgroups by 1.8 percent in the HICP.

The increase was counteracted mainly by the decrease of the consumer prices in COICOP subgroups: vegetables (-9.3%), electricity, gas and other fuels (-1.9%)-(decrease of firewood), use of personal transport means (-1.8%)-(decrease of oil and gasoline prices), transport services (-5.9%)-(decrease of air transport ticket prices), with a common impact of these subgroups by -0.6 percent in the HICP.

## **Harmonized Index of Consumer Prices in 2019**

### **The annual average inflation rate in 2019 2.7%**

Overall harmonized index of consumer prices in the country in 2019 was higher in an average of 2.7% in 2019 compared to 2018. An increase in the consumer price index during 2019 was observed in the COICOP subgroups: bread and cereals (11.1%), meat (3.8%), milk, cheese and eggs (2.8%), vegetables (11.1%), sugar and sweets (1.6%), coffee, tea and cocoa (6.2%), alcoholic beverages (1.9%), tobacco (3.2%), maintenance and repair of the dwelling (2.3%), goods and services for routine household maintenance (2.8%), purchase of vehicles (1.4%), use of personal transport means (1.5%), package holidays (3.2%), %, catering services (0.9%), accommodation services (5.7%), insurance (3.3%), with a common impact of these subgroups of 2.9 percent in the HICP.

Decrease of harmonized index of consumer prices during 2019 was observed in the COICOP subgroups: fruits (-4.6%), transport services (-3.7%)-(decrease of air transport ticket prices), with a common impact of these subgroups of 0.2 percent in the HICP.

More details about the HICP Annual Publication to be published in 29 May 2020.

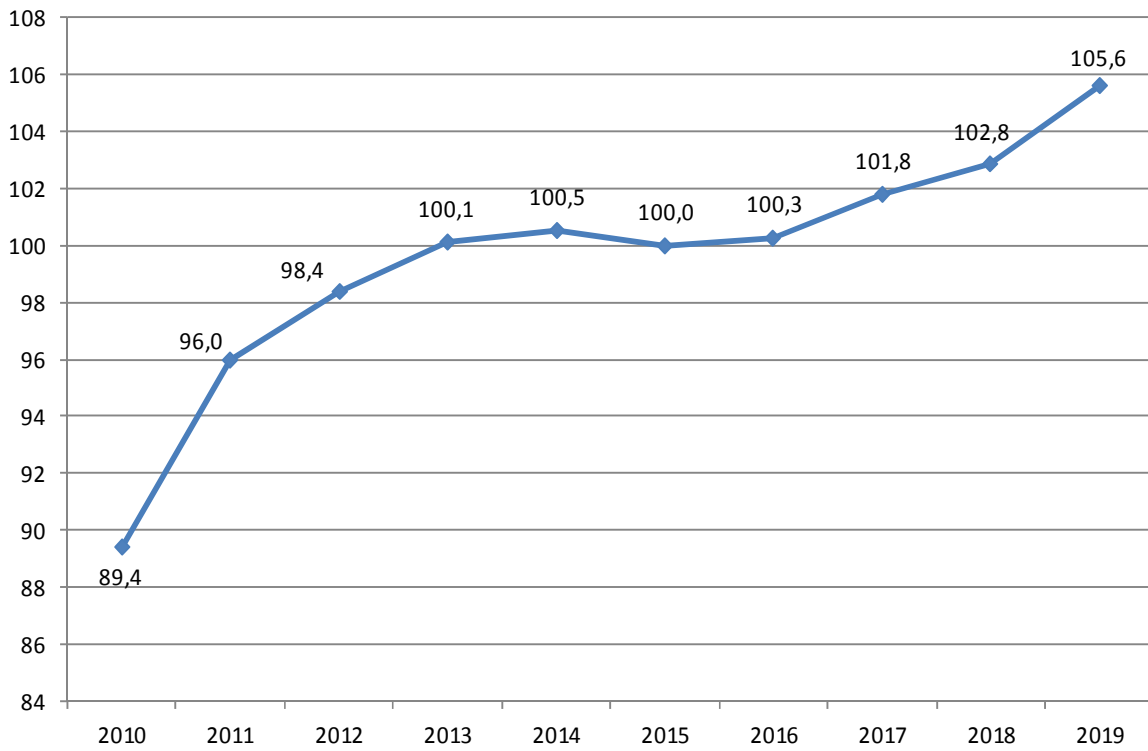
**Table 1: Harmonised indices of consumer prices (HICP) January 2010 – December 2019 (2015=100), monthly and annual changes of prices in percentage**

| Year | Month     | Index (2015 = 100)         | Monthly change in percentage | Annual change in percentage |
|------|-----------|----------------------------|------------------------------|-----------------------------|
| 2010 | January   | 88,0                       | 0,6                          | 0,7                         |
|      | February  | 88,2                       | 0,2                          | 1,1                         |
|      | March     | 88,1                       | -0,1                         | 0,8                         |
|      | April     | 87,2                       | -1,0                         | 1,6                         |
|      | May       | 87,5                       | 0,3                          | 2,2                         |
|      | June      | 87,6                       | 0,1                          | 2,2                         |
|      | July      | 87,9                       | 0,3                          | 2,7                         |
|      | August    | 90,5                       | 3,0                          | 6,0                         |
|      | September | 90,8                       | 0,3                          | 6,0                         |
|      | October   | 91,9                       | 1,2                          | 6,0                         |
|      | November  | 92,3                       | 0,4                          | 6,2                         |
|      | December  | 93,2                       | 1,0                          | 6,5                         |
|      |           | <b>Annual average 2010</b> | <b>89,4</b>                  | <b>:</b>                    |
| 2011 | January   | 94,5                       | 1,4                          | 7,4                         |
|      | February  | 96,5                       | 2,1                          | 9,4                         |
|      | March     | 97,6                       | 1,1                          | 10,8                        |
|      | April     | 96,5                       | -1,1                         | 10,7                        |
|      | May       | 96,5                       | 0,0                          | 10,3                        |
|      | June      | 95,7                       | -0,8                         | 9,2                         |
|      | July      | 95,2                       | -0,5                         | 8,3                         |
|      | August    | 95,3                       | 0,1                          | 5,3                         |
|      | September | 95,1                       | -0,2                         | 4,7                         |
|      | October   | 96,2                       | 1,2                          | 4,7                         |
|      | November  | 96,2                       | 0,0                          | 4,2                         |
|      | December  | 96,5                       | 0,3                          | 3,5                         |
|      |           | <b>Annual average 2011</b> | <b>96,0</b>                  | <b>:</b>                    |
| 2012 | January   | 97,3                       | 0,8                          | 3,0                         |
|      | February  | 98,2                       | 0,9                          | 1,8                         |
|      | March     | 98,3                       | 0,1                          | 0,7                         |
|      | April     | 97,6                       | -0,7                         | 1,1                         |
|      | May       | 97,6                       | 0,0                          | 1,1                         |
|      | June      | 97,3                       | -0,3                         | 1,7                         |
|      | July      | 97,3                       | 0,0                          | 2,2                         |
|      | August    | 98,3                       | 1,0                          | 3,1                         |
|      | September | 99,1                       | 0,8                          | 4,2                         |
|      | October   | 99,9                       | 0,8                          | 3,8                         |
|      | November  | 99,5                       | -0,4                         | 3,4                         |
|      | December  | 100,1                      | 0,6                          | 3,7                         |
|      |           | <b>Annual average 2012</b> | <b>98,4</b>                  | <b>:</b>                    |
| 2013 | January   | 100,7                      | 0,6                          | 3,5                         |
|      | February  | 100,8                      | 0,1                          | 2,6                         |
|      | March     | 100,8                      | 0,0                          | 2,5                         |
|      | April     | 100,0                      | -0,8                         | 2,5                         |
|      | May       | 99,7                       | -0,3                         | 2,2                         |
|      | June      | 99,9                       | 0,2                          | 2,7                         |
|      | July      | 99,6                       | -0,3                         | 2,4                         |
|      | August    | 99,5                       | -0,1                         | 1,2                         |
|      | September | 99,3                       | -0,2                         | 0,2                         |
|      | October   | 100,1                      | 0,8                          | 0,2                         |
|      | November  | 100,3                      | 0,2                          | 0,8                         |
|      | December  | 100,6                      | 0,3                          | 0,5                         |
|      |           | <b>Annual average 2013</b> | <b>100,1</b>                 | <b>:</b>                    |
| 2014 | January   | 100,9                      | 0,3                          | 0,2                         |
|      | February  | 100,9                      | 0,0                          | 0,1                         |
|      | March     | 101,1                      | 0,2                          | 0,3                         |
|      | April     | 100,3                      | -0,8                         | 0,3                         |
|      | May       | 100,2                      | -0,1                         | 0,5                         |
|      | June      | 100,3                      | 0,1                          | 0,4                         |
|      | July      | 100,4                      | 0,1                          | 0,8                         |
|      | August    | 100,4                      | 0,0                          | 0,9                         |
|      | September | 100,6                      | 0,2                          | 1,3                         |
|      | October   | 100,7                      | 0,1                          | 0,6                         |
|      | November  | 100,4                      | -0,3                         | 0,1                         |
|      | December  | 100,2                      | -0,2                         | -0,4                        |
|      |           | <b>Annual average 2014</b> | <b>100,5</b>                 | <b>:</b>                    |

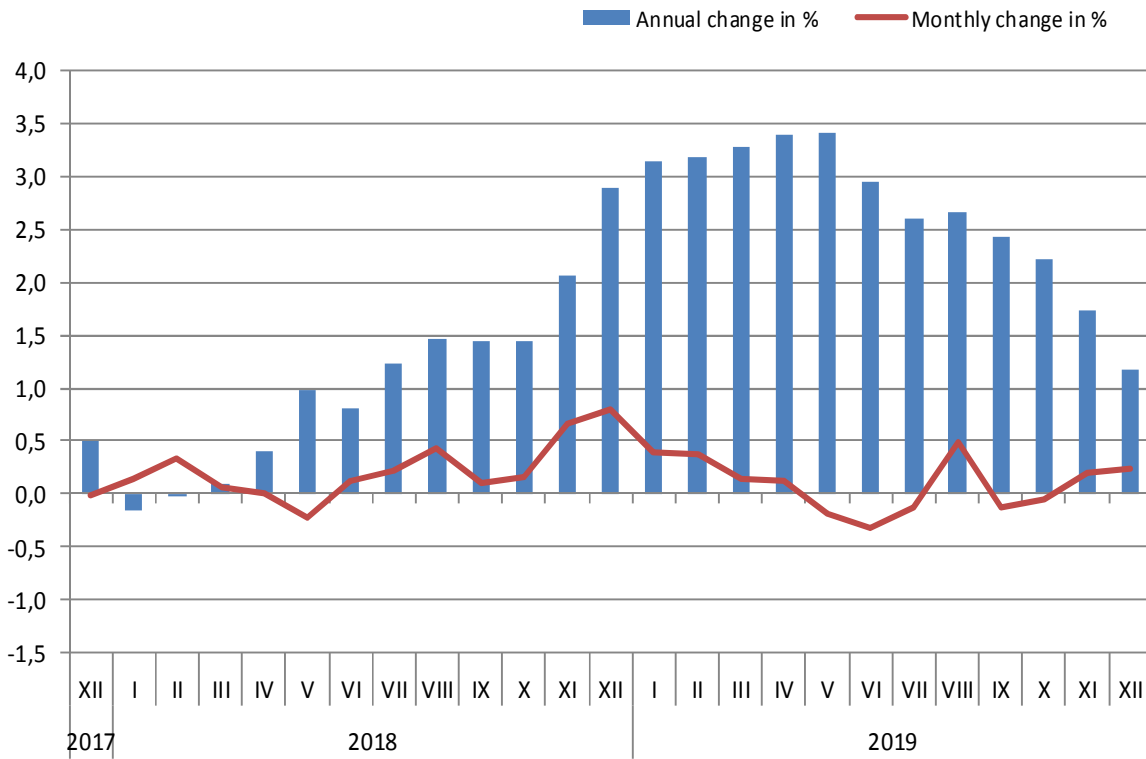
**Table 1: Harmonised indices of consumer prices (HICP) January 2010 – December 2019 (2015=100), monthly and annual changes of prices in percentage (continued)**

| Year | Month     | Index (2015 = 100)         | Monthly change in percentage | Annual change in percentage |
|------|-----------|----------------------------|------------------------------|-----------------------------|
| 2015 | January   | 100,3                      | 0,1                          | -0,6                        |
|      | February  | 100,6                      | 0,3                          | -0,3                        |
|      | March     | 100,7                      | 0,1                          | -0,4                        |
|      | April     | 99,9                       | -0,8                         | -0,4                        |
|      | May       | 99,7                       | -0,1                         | -0,5                        |
|      | June      | 99,9                       | 0,1                          | -0,4                        |
|      | July      | 99,6                       | -0,2                         | -0,8                        |
|      | August    | 99,7                       | 0,1                          | -0,7                        |
|      | September | 99,4                       | -0,3                         | -1,2                        |
|      | October   | 100,0                      | 0,6                          | -0,7                        |
|      | November  | 100,1                      | 0,1                          | -0,3                        |
|      | December  | 100,0                      | 0,0                          | -0,2                        |
|      |           | <b>Annual average 2015</b> | <b>100,0</b>                 | <b>:</b>                    |
| 2016 | January   | 100,5                      | 0,4                          | 0,1                         |
|      | February  | 100,7                      | 0,2                          | 0,0                         |
|      | March     | 100,8                      | 0,1                          | 0,1                         |
|      | April     | 99,8                       | -1,0                         | -0,1                        |
|      | May       | 99,6                       | -0,2                         | -0,1                        |
|      | June      | 99,6                       | -0,1                         | -0,3                        |
|      | July      | 99,6                       | 0,0                          | 0,0                         |
|      | August    | 99,8                       | 0,2                          | 0,0                         |
|      | September | 99,9                       | 0,2                          | 0,6                         |
|      | October   | 100,9                      | 0,9                          | 0,9                         |
|      | November  | 101,0                      | 0,1                          | 0,9                         |
|      | December  | 101,3                      | 0,4                          | 1,3                         |
|      |           | <b>Annual average 2016</b> | <b>100,3</b>                 | <b>:</b>                    |
| 2017 | January   | 102,2                      | 0,8                          | 1,7                         |
|      | February  | 102,3                      | 0,2                          | 1,7                         |
|      | March     | 102,3                      | -0,1                         | 1,5                         |
|      | April     | 102,0                      | -0,3                         | 2,2                         |
|      | May       | 101,2                      | -0,8                         | 1,5                         |
|      | June      | 101,5                      | 0,3                          | 1,9                         |
|      | July      | 101,3                      | -0,2                         | 1,7                         |
|      | August    | 101,5                      | 0,2                          | 1,7                         |
|      | September | 101,6                      | 0,1                          | 1,7                         |
|      | October   | 101,8                      | 0,2                          | 0,9                         |
|      | November  | 101,8                      | 0,1                          | 0,9                         |
|      | December  | 101,8                      | 0,0                          | 0,5                         |
|      |           | <b>Annual average 2017</b> | <b>101,8</b>                 | <b>:</b>                    |
| 2018 | January   | 102,0                      | 0,2                          | -0,2                        |
|      | February  | 102,3                      | 0,3                          | 0,0                         |
|      | March     | 102,4                      | 0,1                          | 0,1                         |
|      | April     | 102,4                      | 0,0                          | 0,4                         |
|      | May       | 102,2                      | -0,2                         | 1,0                         |
|      | June      | 102,3                      | 0,1                          | 0,8                         |
|      | July      | 102,5                      | 0,2                          | 1,2                         |
|      | August    | 103,0                      | 0,4                          | 1,5                         |
|      | September | 103,1                      | 0,1                          | 1,4                         |
|      | October   | 103,3                      | 0,2                          | 1,5                         |
|      | November  | 103,9                      | 0,7                          | 2,1                         |
|      | December  | 104,8                      | 0,8                          | 2,9                         |
|      |           | <b>Annual average 2018</b> | <b>102,8</b>                 | <b>:</b>                    |
| 2019 | January   | 105,2                      | 0,4                          | 3,1                         |
|      | February  | 105,6                      | 0,4                          | 3,2                         |
|      | March     | 105,7                      | 0,1                          | 3,3                         |
|      | April     | 105,9                      | 0,1                          | 3,4                         |
|      | May       | 105,7                      | -0,2                         | 3,4                         |
|      | June      | 105,3                      | -0,3                         | 3,0                         |
|      | July      | 105,2                      | -0,1                         | 2,6                         |
|      | August    | 105,7                      | 0,5                          | 2,7                         |
|      | September | 105,6                      | -0,1                         | 2,4                         |
|      | October   | 105,5                      | 0,0                          | 2,2                         |
|      | November  | 105,7                      | 0,2                          | 1,7                         |
|      | December  | 106,0                      | 0,2                          | 1,2                         |
|      |           | <b>Annual average 2019</b> | <b>105,6</b>                 | <b>:</b>                    |

**Graph 1: Yearly harmonized index of consumer prices, 2010 - 2019 (2015 = 100)**



**Graph 2: Annual and monthly changes in percentages of the HICP**





**Table 2: Weights, HICP for December 2019 and Year 2019 (2015=100), monthly and annual price change in percentage for groups and sub-groups according to COICOP**

| COICOP      | Groups and subgroups  | Weight<br>2019 in ‰ | XII - 2019<br>2015=100 | XII - 2019<br>XI- 2019 | XII - 2019<br>XII - 2018 | Annual average<br>index 2019<br>2015=100 | 2019<br>2018 |
|-------------|---|---------------------|------------------------|------------------------|--------------------------|--|--------------|
| <b>00</b>   | <b>Total HICP</b>   | <b>1000,0</b>       | <b>106,0</b>           | <b>0,2</b>             | <b>1,2</b>               | <b>105,6</b>                             | <b>2,7</b>   |
| <b>01</b>   | <b>Food and non-alcoholic beverages</b>                                     | <b>399,9</b>        | <b>108,2</b>           | <b>0,6</b>             | <b>2,0</b>               | <b>108,3</b>                             | <b>5,4</b>   |
| <b>01.1</b> | <b>Food</b>   | <b>347,0</b>        | <b>108,4</b>           | <b>0,7</b>             | <b>1,8</b>               | <b>108,8</b>                             | <b>6,0</b>   |
| 01.1.1      | Bread and cereals   | 101,7               | 112,9                  | 0,4                    | 4,7                      | 112,0                                    | 11,1         |
| 01.1.2      | Meat  | 104,3               | 110,1                  | 0,6                    | 2,8                      | 108,8                                    | 3,8          |
| 01.1.3      | Fish  | 2,0                 | 109,1                  | 0,8                    | 4,3                      | 107,4                                    | 3,8          |
| 01.1.4      | Milk, cheese and eggs   | 55,8                | 108,2                  | -0,2                   | 0,1                      | 106,2                                    | 2,8          |
| 01.1.5      | Oils and fats   | 7,9                 | 105,0                  | -0,6                   | -0,6                     | 105,2                                    | 0,9          |
| 01.1.6      | Fruits  | 20,1                | 90,8                   | -1,5                   | 6,0                      | 97,1                                     | -4,6         |
| 01.1.7      | Vegetables  | 32,9                | 98,8                   | 5,7                    | -9,3                     | 109,5                                    | 11,1         |
| 01.1.8      | Sugar, jam, honey, chocolate and confectionery                              | 14,2                | 108,5                  | 0,3                    | 2,0                      | 107,3                                    | 1,6          |
| 01.1.9      | Food products n.e.c.  | 8,0                 | 105,1                  | 0,4                    | 2,5                      | 104,1                                    | 1,9          |
| <b>01.2</b> | <b>Non-alcoholic beverages</b>  | <b>52,9</b>         | <b>108,0</b>           | <b>0,0</b>             | <b>3,3</b>               | <b>106,0</b>                             | <b>1,6</b>   |
| 01.2.1      | Coffee, tea and cocoa   | 11,3                | 126,1                  | -0,6                   | 10,4                     | 120,4                                    | 6,2          |
| 01.2.2      | Mineral waters, soft drinks, fruit and vegetable juices                     | 41,6                | 103,3                  | 0,2                    | 1,4                      | 102,2                                    | 0,3          |
| <b>02</b>   | <b>Alcoholic beverages, tobacco</b>   | <b>56,2</b>         | <b>117,6</b>           | <b>-0,3</b>            | <b>1,8</b>               | <b>117,2</b>                             | <b>2,6</b>   |
| 02.1        | Alcoholic beverages   | 24,8                | 111,2                  | -0,8                   | 0,8                      | 110,9                                    | 1,9          |
| 02.2        | Tobacco   | 31,4                | 122,9                  | 0,0                    | 2,6                      | 122,4                                    | 3,2          |
| <b>03</b>   | <b>Clothing and footwear</b>  | <b>38,5</b>         | <b>103,3</b>           | <b>0,2</b>             | <b>-0,4</b>              | <b>103,3</b>                             | <b>0,3</b>   |
| 03.1        | Clothing  | 29,4                | 102,9                  | 0,2                    | -0,1                     | 102,6                                    | 0,3          |
| 03.2        | Footwear  | 9,1                 | 104,7                  | 0,5                    | -1,3                     | 105,1                                    | 0,3          |
| <b>04</b>   | <b>Housing, water, electricity, gas and other fuels</b>                     | <b>77,1</b>         | <b>100,0</b>           | <b>0,1</b>             | <b>-1,1</b>              | <b>99,5</b>                              | <b>0,1</b>   |
| 04.1        | Actual rentals for housing  | 5,5                 | 97,5                   | 0,0                    | 0,0                      | 97,5                                     | 0,0          |
| 04.3        | Maintenance and repair of the dwelling                                      | 8,6                 | 103,8                  | -0,1                   | 1,5                      | 103,7                                    | 2,3          |
| 04.4        | Water supply and miscellaneous services relating to the dwelling            | 11,4                | 98,0                   | 0,0                    | 0,0                      | 98,0                                     | -0,1         |
| 04.5        | Electricity, gas and other fuels  | 51,6                | 98,4                   | 0,2                    | -1,9                     | 97,7                                     | 0,1          |
| <b>05</b>   | <b>Furnishing, household equipment and routine maintenance of the house</b> | <b>78,6</b>         | <b>103,2</b>           | <b>-0,1</b>            | <b>1,7</b>               | <b>102,4</b>                             | <b>1,2</b>   |
| 05.1        | Furniture and furnishings, carpets and other floor coverings                | 18,6                | 101,0                  | 0,0                    | 0,8                      | 100,3                                    | 0,1          |
| 05.2        | Household textiles  | 3,3                 | 101,1                  | -0,2                   | -0,7                     | 100,8                                    | -1,0         |
| 05.3        | Household appliances  | 16,2                | 100,6                  | 0,6                    | 2,0                      | 99,1                                     | 0,6          |
| 05.4        | Glassware, tableware and household utensils                                 | 12,9                | 106,9                  | -1,4                   | 3,0                      | 106,5                                    | 1,4          |
| 05.5        | Tools and equipment for house and garden                                    | 10,1                | 104,4                  | 0,6                    | 1,3                      | 103,5                                    | 1,7          |
| 05.6        | Goods and services for routine household maintenance                        | 17,4                | 104,6                  | -0,2                   | 1,9                      | 104,2                                    | 2,8          |

**Table 2: Weights, HICP for December 2019 and Year 2019 (2015=100), monthly and annual price change in percentage for groups and sub-groups according to COICOP (continued)**

| COICOP    | Groups and subgroups  | Weight<br>2019 in % | XII - 2019<br>2015=100 | XII - 2019<br>XI - 2019 | XII - 2019<br>XII - 2018 | Annual average<br>index 2019<br>2015=100 | 2019<br>2018 |
|-----------|---|---------------------|------------------------|-------------------------|--------------------------|--|--------------|
| <b>06</b> | <b>Health</b>   | <b>24,8</b>         | <b>104,5</b>           | <b>0,1</b>              | <b>1,7</b>               | <b>103,4</b>                             | <b>0,7</b>   |
| 06.1      | Medical products, appliances and equipment                      | 13,6                | 104,2                  | 0,2                     | 1,4                      | 103,1                                    | 0,5          |
| 06.2      | Out-patient services  | 10,0                | 105,6                  | 0,0                     | 2,4                      | 104,3                                    | 1,1          |
| 06.3      | Hospital services   | 1,2                 | 100,0                  | 0,0                     | 0,0                      | 100,0                                    | 0,0          |
| <b>07</b> | <b>Transport</b>  | <b>154,4</b>        | <b>106,5</b>           | <b>0,0</b>              | <b>-0,3</b>              | <b>105,7</b>                             | <b>0,8</b>   |
| 07.1      | Purchase of vehicles  | 55,4                | 102,4                  | 0,3                     | 3,9                      | 100,4                                    | 1,4          |
| 07.2      | Operation of personal transport equipment                       | 76,0                | 109,6                  | -0,3                    | -1,8                     | 109,2                                    | 1,5          |
| 07.3      | Transport services  | 23,1                | 105,3                  | 0,6                     | -5,9                     | 106,2                                    | -3,7         |
| <b>08</b> | <b>Communication</b>  | <b>36,9</b>         | <b>98,9</b>            | <b>0,2</b>              | <b>1,0</b>               | <b>98,1</b>                              | <b>0,2</b>   |
| 08.1      | Postal services   | 2,5                 | 104,6                  | 0,0                     | 0,0                      | 104,6                                    | 0,0          |
| 08.2      | Telephone and telefax equipment                                 | 4,1                 | 88,2                   | 1,5                     | 3,9                      | 85,7                                     | -0,9         |
| 08.3      | Telephone and telefax services                                  | 30,4                | 100,6                  | 0,0                     | 0,7                      | 100,1                                    | 0,4          |
| <b>09</b> | <b>Recreation and culture</b>                                   | <b>43,8</b>         | <b>97,0</b>            | <b>-0,2</b>             | <b>0,0</b>               | <b>97,5</b>                              | <b>0,4</b>   |
| 09.1      | Audio-visual, photographic and information processing equipment | 10,7                | 84,6                   | -0,4                    | -3,8                     | 86,0                                     | -2,6         |
| 09.2      | Other major durables for recreation and culture                 | 2,4                 | 101,2                  | 0,0                     | -0,9                     | 101,4                                    | -0,5         |
| 09.3      | Other recreational items and equipment, gardens and pets        | 8,0                 | 102,6                  | 0,0                     | 0,6                      | 102,6                                    | 0,6          |
| 09.4      | Recreational and cultural services                              | 5,6                 | 102,6                  | 0,0                     | 1,8                      | 102,0                                    | 1,3          |
| 09.5      | Newspapers, books and stationery                                | 11,4                | 100,2                  | -0,1                    | 1,7                      | 99,5                                     | 1,1          |
| 09.6      | Package Holidays  | 5,7                 | 101,0                  | -0,3                    | 1,6                      | 103,6                                    | 3,2          |
| <b>10</b> | <b>Education</b>  | <b>10,2</b>         | <b>99,6</b>            | <b>0,0</b>              | <b>-0,1</b>              | <b>99,6</b>                              | <b>-0,7</b>  |
| <b>11</b> | <b>Restaurants and hotels</b>                                   | <b>31,2</b>         | <b>105,9</b>           | <b>0,2</b>              | <b>1,5</b>               | <b>105,1</b>                             | <b>1,4</b>   |
| 11.1      | Catering services   | 27,9                | 105,9                  | 0,2                     | 0,9                      | 105,2                                    | 0,9          |
| 11.2      | Accommodation services  | 3,3                 | 108,9                  | 0,0                     | 6,0                      | 107,4                                    | 5,7          |
| <b>12</b> | <b>Miscellaneous goods and services</b>                         | <b>48,6</b>         | <b>106,3</b>           | <b>0,1</b>              | <b>3,3</b>               | <b>103,5</b>                             | <b>1,6</b>   |
| 12.1      | Personal care   | 16,5                | 102,7                  | 0,2                     | -0,1                     | 102,6                                    | 0,9          |
| 12.3      | Personal effects n.e.c.   | 10,6                | 107,0                  | 0,2                     | 3,0                      | 105,0                                    | 3,4          |
| 12.4      | Social protection   | 0,9                 | 108,5                  | 0,0                     | 0,7                      | 108,2                                    | 1,4          |
| 12.5      | Insurance   | 6,8                 | 122,3                  | 0,0                     | 19,3                     | 105,8                                    | 3,3          |
| 12.6      | Financial services n.e.c.                                       | 10,4                | 101,0                  | 0,0                     | 0,0                      | 101,0                                    | 0,0          |
| 12.7      | Other services n.e.c.   | 3,4                 | 99,2                   | 0,0                     | -0,8                     | 99,5                                     | -0,4         |

**Table 3: Average prices in Euros for some selected goods and services**

| <b>Code</b> | <b>Item</b>                 | <b>Unit<br/>Mesaure</b> | <b>XII<br/>2018</b> | <b>XI<br/>2019</b> | <b>XII<br/>2019</b> |
|-------------|-----------------------------|-------------------------|---------------------|--------------------|---------------------|
| 101         | Rice                        | 1 kg                    | 1,33                | 1,33               | 1,34                |
| 102         | Wheat flour                 | 1 kg                    | 0,46                | 0,48               | 0,48                |
| 103         | White bread                 | 500g                    | 0,33                | 0,35               | 0,35                |
| 111         | Beef meat                   | 1 kg                    | 7,08                | 7,10               | 7,02                |
| 112         | Veal meat                   | 1 kg                    | 7,71                | 7,99               | 7,95                |
| 114         | Chicken                     | 1 kg                    | 2,67                | 2,79               | 2,81                |
| 131         | Milk (tetrapak)             | 1 lit                   | 0,88                | 0,93               | 0,93                |
| 133         | Yoghurt                     | 1 lit                   | 0,88                | 0,88               | 0,85                |
| 137         | Eggs                        | 30 pcs                  | 2,87                | 2,55               | 2,57                |
| 141         | Edible oils                 | 1 lit                   | 1,05                | 1,03               | 1,03                |
| 151         | Apple                       | 1 kg                    | 0,53                | 0,68               | 0,61                |
| 152         | Pears                       | 1 kg                    | 1,46                | 1,60               | 1,62                |
| 153         | Bananas                     | 1 kg                    | 0,98                | 1,17               | 1,19                |
| 155         | Limon                       | 1 kg                    | 1,13                | 1,37               | 1,37                |
| 161         | Potatoes                    | 1 kg                    | 0,64                | 0,40               | 0,39                |
| 162         | Tomatoes                    | 1 kg                    | 1,05                | 0,79               | 0,88                |
| 163         | Beans                       | 1 kg                    | 2,34                | 2,43               | 2,45                |
| 167         | Pepper                      | 1 kg                    | 1,48                | 0,97               | 1,20                |
| 175         | Sugar                       | 1 kg                    | 0,67                | 0,69               | 0,69                |
| 192         | Ground coffee               | 1 kg                    | 8,08                | 9,59               | 9,59                |
| 193         | Tea                         | 1 kg                    | 8,00                | 7,88               | 7,70                |
| 195/1       | Natural water               | 1.5 lit                 | 0,30                | 0,31               | 0,31                |
| 204         | Beer                        | 0.5 l                   | 0,65                | 0,66               | 0,65                |
| 216         | Cigarettes - Ronson         | 1 pack                  | 1,60                | 1,68               | 1,68                |
| 217         | Cigarettes - Marlboro       | 1 pack                  | 2,60                | 2,70               | 2,70                |
| 416         | Electricity (no fixed cost) | 1 kwh                   | 0,06                | 0,06               | 0,06                |
| 418         | Firewood                    | 1 m <sup>3</sup>        | 40,53               | 38,44              | 38,68               |
| 701         | Petrol                      | 1 lit                   | 1,18                | 1,15               | 1,15                |
| 702         | Diesel                      | 1 lit                   | 1,17                | 1,14               | 1,14                |

## HICP Methodology

HICP Kosovo, produced by Kosovo Agency of Statistics (KAS), is produced by methods of the Harmonized Index of Consumer Prices (HICP). Eurostat has defined the HICP as the European standard of consumer price indices. Index calculated and their results are presented by Classification of Individual Consumption by Purpose (COICOP), the international classification which classifies consumption in divisions, groups and classes of items. By COICOP, KAS has allocated 91 classes of defined consumption (at 4-digit level) further to 415 products (elementary aggregate). KAS has defined aggregation weight for each element and each month collects prices for each elementary aggregate.

Each month the HICP is calculated in two steps:

1. Elementary indices (elementary aggregate indicator) calculated from the collected prices by using the formula of unweighted geometric average (Jevon).
2. The indices of the highest level, including the HICP itself, are calculated by averaging the elementary indices by formula of weighted arithmetic average (Laspeyres).

Aggregate elementary weights are based on estimates of annual consumption expenditures. KAS, for 91 classes of consumption, estimates annual consumption expenditures from the Household Budget Survey (HBS) and National Accounts (NA); the weights within consumer classes come from KAS's internal resources. The specific weights, as of January 2013, were based on estimates of Household Budget Surveys (HBS) and National Accounts (NA) data referring to 2012, and since January 2015 specific refreshed weights are based on data from National Accounts (NA) and the Household Budget Survey (HBS) of 2013. From January 2016 the specific weights for items and services harmonized according to E-coicop (recommendations from Eurostat) are based on National Accounts data (NA) and the 2014 Household Budget Survey (HBS). As of January 2017, specific items and services weights are based on the National Accounts (NA) data for 2015. As of January 2018, specific items and services weights are based on the National Accounts (NA) data of 2016. As of January 2019, specific items and services weights are based on the National Accounts (NA) data of 2017. Annually updated weighing ensures that the HICP reflects current consumer trends.

Total annual consumption expenditure is defined as all domestic (within-country) monetary purchases of the household sector. This matches the NA category called *Household Final Monetary Consumption (HFMC)* and means the weights must exclude the value of consumption of own production and costs for owner-occupied housing. Until December 2014 the weights included expenditure of only domestic consumers, while from January 2015 are also include expenditure of non resident consumers.

To estimate monthly price change, KAS staff collect prices for a set of specific items (often called a *market basket*) chosen to represent the elementary aggregates. The goal is to collect all prices of exactly the same items every month; whenever a price cannot be collected, carefully developed procedures must be applied to avoid a biased result.

KAS data collectors, who are based in seven regional centers, collect approximately 6800 prices during the period of 10<sup>th</sup> - 20<sup>th</sup> of each month. They obtain prices in stores, markets, service enterprises and other retail outlets in fourteen municipalities of Kosovo:

- Gjakovë
- Gjilan
- Istog
- Mitrovicë
- Pejë
- Kamenicë
- Rahovec
- Podujevë
- Prishtinë
- Prizren
- Suharekë
- Ferizaj
- Vushtrri
- Kaçanik

The KAS central office staff in Prishtina collects prices for items such as electricity, water, postal and telecom services, and rail transport.

### **Elementary Indexes**

Elementary index for a month is equal to its index in the previous month multiplied by the price change measured on a monthly basis, calculated from collected prices. KAS uses the geometric mean formula (Jevon) to calculate monthly changes: geometric average rate of the current month in geometric average price collected for the previous month.

Index for elementary aggregate  $e$  for month  $m$

$$I_e^m = I_e^{m-1} \times \left[ \frac{\left( \prod_{i=1}^{n_e} p_i^m \right)^{1/n_e}}{\left( \prod_{i=1}^{n_e} p_i^{m-1} \right)^{1/n_e}} \right] \quad I_e^0 \equiv 100$$

$I_e^m$  = Price index for elementary aggregate  $e$  for month  $m$

$I_e^{m-1}$  = Price index for elementary aggregate  $e$  in month  $m-1$

$p_i^m$  = Price for item  $i$  in month  $m$

$p_i^{m-1}$  = Price for item  $i$  in month  $m-1$

$n_e$  = Number of collected prices for elementary aggregate  $e$

### **Higher-level indexes**

In Kosovo's HICP indexes are calculated first for groups (of elementary aggregates) and these are combined to obtain the total HICP.

Higher-level indexes are weighted by arithmetic averages of elementary indexes. In the current CPI, which uses the *Young* formula until December 2013, the weights are shares of the unadjusted weight-period expenditures. Since January 2014 the index will use the *Lowe* formula, with weights that are shares of weight-period expenditures that have been updated for price change. (The *Lowe* formula is closer to the actual *Laspeyres* formula).

Both the *Young* and *Lowe* formulas are weighted by arithmetic averages with weights that are shares of consumption expenditure and so both are *Laspeyres-type* index formulas. Currently HICP uses the *Young* index formula whose weights are shares of expenditures during the weight period (year 2010). New weights from NA data and from the 2012 HBS and are applied since January 2014. CPI has passed in calculating indexes by *Lowe's* formula; (the weights were part of the 2012 expenditures calculated with the price changes of December of 2013. From January 2015, are applied specific weights from NA and HBS data for 2013 calculated with the price changes of December 2014. From January 2016, the specific weights are based on National Accounts data (NA) and the 2014 Household Budget Survey (HBS) calculated with the price changes of December 2015. From January 2017, specific items and services weights are based on the National Accounts (NA) data for 2015 calculated with the price changes of December 2016. From January 2018, the specific items and services weights are based on the National Accounts (NA) data of 2016 calculated with the price changes of December 2017. From January 2019, the specific items and services weights are based on the National Accounts (NA) data of 2017 calculated with the price changes of December 2018.

## Index weights

### Young Formula Weights for Elementary Aggregates within Groups

$$w_{e,g}^b = \frac{x_e^b}{\sum_{e=1}^{k_g} x_e^b} \quad \sum_{e=1}^{k_g} w_{e,g}^b = 1$$

$w_{e,g}^b$  = Weight for elementary aggregate  $e$  within group  $g$  in weight-period  $b$

$x_e^b$  = expenditure for elementary aggregate  $e$  in weight-period  $b$  (Currently  $b = 2012$ )

$k_g$  = Number of elementary aggregates in group  $g$

### Young Formula Weights for Groups within the Overall CPI

$$w_g^b = \frac{\sum_{e=1}^{k_g} x_e^b}{\sum_{g=1}^h \sum_{e=1}^{k_g} x_e^b} \quad \sum_{g=1}^h w_{e,g}^b = 1$$

$w_g^b$  = Weight for group  $g$  in weight period  $b$

$h$  = Number of groups in CPI

### Lowe Formula Weights for Elementary Aggregates within Groups

$$w_{e,g}^b = \frac{x_e^b \times a_e^{b \rightarrow v}}{\sum_{e=1}^{k_g} (x_e^b \times a_e^{b \rightarrow v})} \quad \sum_{e=1}^{k_g} w_{e,g}^b = 1$$

$w_{e,g}^b$  = Weight for elementary aggregate  $e$  within group  $g$  in weight-period  $b$   
(Effective January 2014,  $b = 2012$ )

$a_e^{b \rightarrow v}$  = weight adjustment factor for elementary aggregate  $e$

$$a_e^{b \rightarrow v} = I_e^v / \frac{1}{12} \left( \sum_{m=Jan}^{Dec} I_e^{m/b} \right)$$

$I_e^v$  = Price index for elementary aggregate  $e$  for month  $v$

(Effective January 2014,  $v =$  December 2013)

$I_e^{m/b}$  = Price index for elementary aggregate  $e$  in month  $m$  in year  $b$

### Lowe Formula Weights for Group within Overall-CPI

$$w_g^b = \frac{\sum_{e=1}^{k_g} (x_e^b \times a_e^{b \rightarrow v})}{\sum_{g=1}^h \sum_{e=1}^{k_g} (x_e^b \times a_e^{b \rightarrow v})} \quad \sum_{g=1}^h w_{e,g}^b = 1$$

### ***Indexes for higher-level groups***

$$I_g^m = \sum_{e=1}^{k_g} w_{e,g}^b * I_e^m \quad I_e^0 = 100$$

period **0** is May 2002 for most items,  
but later for items that entered at a later date

### ***Total HICP***

Total HICP is a weighted arithmetic average of the indexes of groups. CPI used in the formula of Young, but since January 2014 has passed in using Lowe formula.

Because the groups have different bases indexed (most have a base May 2002 = 100, but the groups added later have otherwise, since January 2016 the indices are calculated with base year 2015 = 100), indices of groups should be re-based on a common period, which is the month  $v$  (previous month before new weights being put into use).

$$HICP^m = HICP^v \times \sum_{\xi=1}^k w_{\xi}^b \times \frac{I_{\xi}^m}{I_{\xi}^v} \quad HICP^0 = 100$$

$HICP^m$  = Harmonized index of consumer prices for the month  $m$

$v$  = previous month before new weights being put into use. (Currently  $v$  = December 2017)

# Kosovo Agency of Statistics

## *short description*

**Kosovo Agency of Statistics** is a professional institution which deals with collection, processing and publication of official statistical data. As such acts since 1948 and has passed through several historical stages, structured according to state regulation of those times.

On 2 August 1999, the Agency has resumed his professional work (after nine years of interruption of all statistical series detrimental to the interest of Kosovo), as an independent institution under the Ministry of Public Administration. Since 12.12.2011 the Agency operates in the frames of the Prime Minister's Office. Office is funded by the Kosovo Consolidated Budget, but also by donors for specific projects and for technical professional support.

**Kosovo Agency of Statistics** acts according to the Law No. 04/L-036 which entered into force on 12.12.2011. Programme of Official Statistics 2013/2017 is in implementation for the development of statistical system in correlation with the European Union statistics (EUROSTAT).

**Kosovo Agency of Statistics** has this organizational structure: production departments; Department of Economic statistics, Department of National Accounts, Department of Agriculture and Environment statistics and Department of Social statistics. **Support Departments**; Department of Methodology and Information Technology, Department of Policy Planning, Coordination and Communication, Department of Census and survey and Department of Administration. **Within the Agency are also established Regional Offices**; Gjakove, Gjilan, Mitrovica, Peja, Prizren, Pristina and Ferizaj

In KAS are employed in total 159 workers, of whom 100 (68,0 %) at the headquarters of the Agency, while in the Regional Offices, 47 (32,0%). Agency's educational qualifying structure is as follows: 75,5% with university education, 12,3% with non-tertiary education, and 12,3% with secondary education.

We have professional and technical cooperation with all Ministries of the Government of Kosovo, especially with the Ministry of Economy and Finance, Central Bank of Kosovo, with international institutions, EUROSTAT, International Monetary Fund, World Bank, Sweden's SIDA, DFID, UNFPA, UNDP, UNICEF, and with the statistical institutions of the countries in the region.

**Kosovo Agency of Statistics** almost completely covers the territory of Kosovo, based on the statistical structure of the enumeration areas as the basic unit and sole in the country from which it gets first hand information. All surveys conducted in the field use the extension of the samples in these enumeration areas but also a statistical methodology according to international recommendations. During the collection of statistical data and reports from reporting entities are involved professionals, technicians, administrators, servants of the country offices, field enumerators from regional offices, etc.

In 2011, the project of Population Census , Households and Dwellings was successfully implemented, and in 2014 was successfully carried out the Agriculture Census. The result obtained from these censuses will have an important role in the development policies.

**The mission of the Agency**; to meet the needs of users with qualitative statistical data, objective, in time and space so that users have reliable base to conduct regular analysis in the interest of planning and project development at the municipal and country level. To support government institutions, scientific institutes, research academies, businesses in order to provide proper information for decision-makers and other users in Kosovo.

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