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Western European Indicators and Insights

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Germany: Easter effect pushes inflation higher?

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According to preliminary data, April CPI inflation increased by 0.3 percentage points to 2.4% Y/Y, still the highest since October 2008. This result was in line with most expectations and reflected a 0.2% M/M rise, the latter largely a result of higher energy and fuel costs alongside a rise in some service charges, including package holidays. Indeed, these latter factors were behind the rise in the Y/Y rate, a development that was probably due to the impact of the late Easter this year.

Meanwhile, the EU-harmonized rate also increased by 0.3 percentage points but to 2.6% Y/Y. The data very much imply a further jump in Eurozone April HICP data (flash figures are due on Friday).