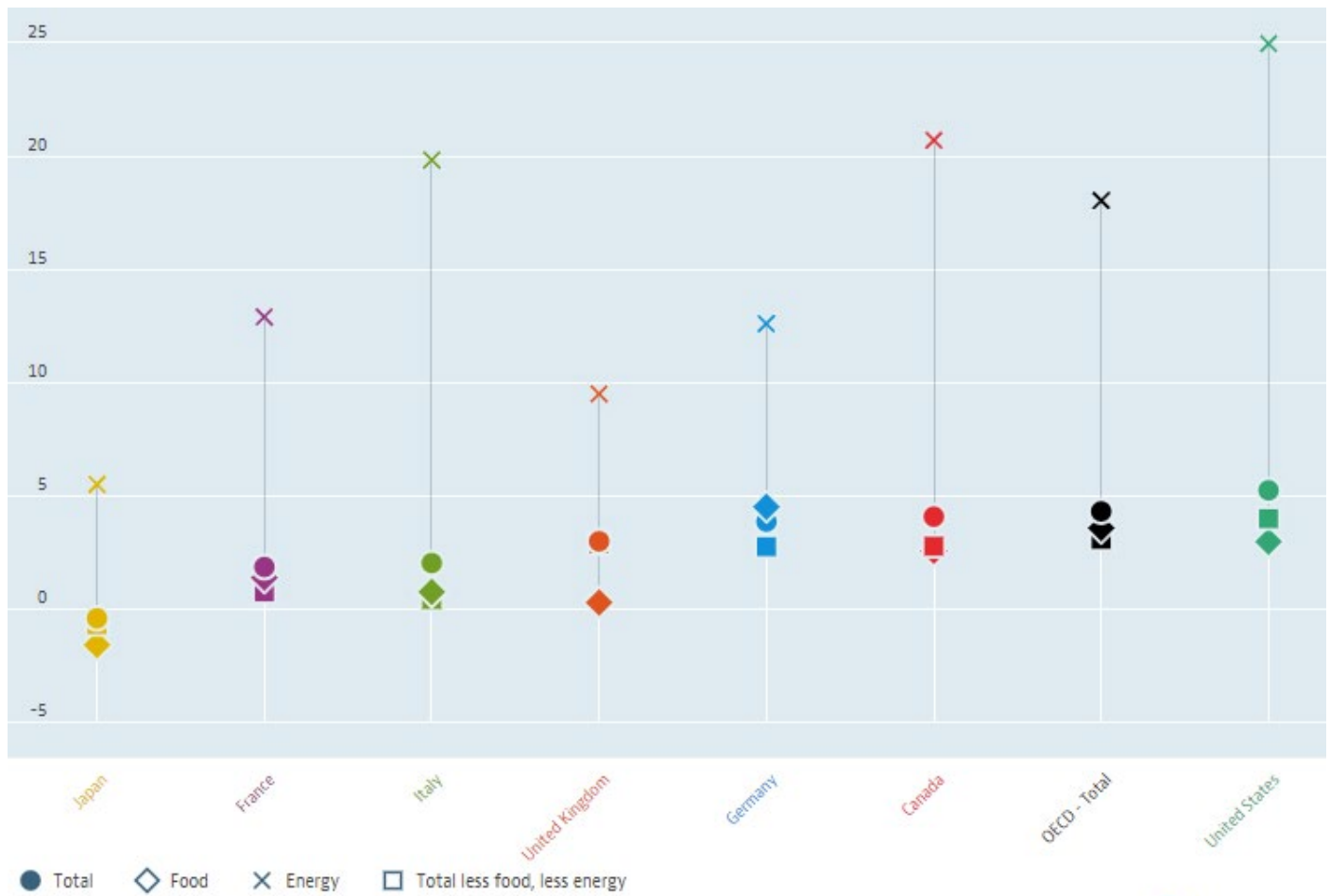


OECD annual inflation continues upward, reaching 4.3% in August 2021 driven by energy and food prices

Inflation in the **OECD area** rose to 4.3% in the 12 months to August 2021, compared with 4.2% in July, continuing the upward trend beginning in December 2020. In the euro area, annual inflation picked up strongly to 3.0% in August 2021, from 2.2% in July, but remained lower than in the OECD area as a whole, particularly compared with the United States, where annual inflation stood at 5.3% for the same period.

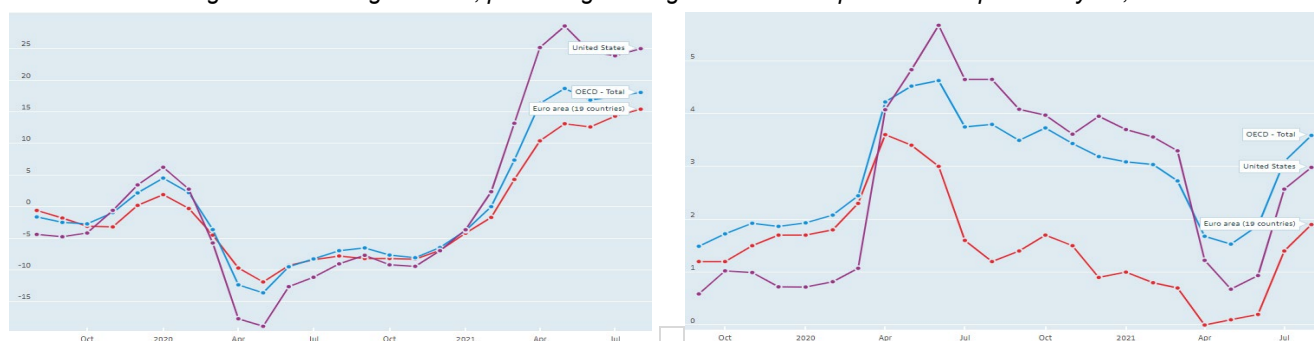
Energy prices in the OECD area rose at a faster pace in August (18.0%) than in July (17.4%) reaching the highest rate since September 2008. Food price inflation also increased sharply to 3.6%, compared with 3.1% in July. Excluding food and energy, OECD annual inflation remained stable at 3.1% for the third consecutive month.

Graph 1 - Consumer prices, selected areas
 August 2021, percentage change on the same period of the previous year, %



Visit the interactive [OECD Data Portal](#) to explore these data

Graph 2 – Energy (CPI) and Food (CPI), selected areas
August 2019 – August 2021, percentage change on the same period of the previous year, %



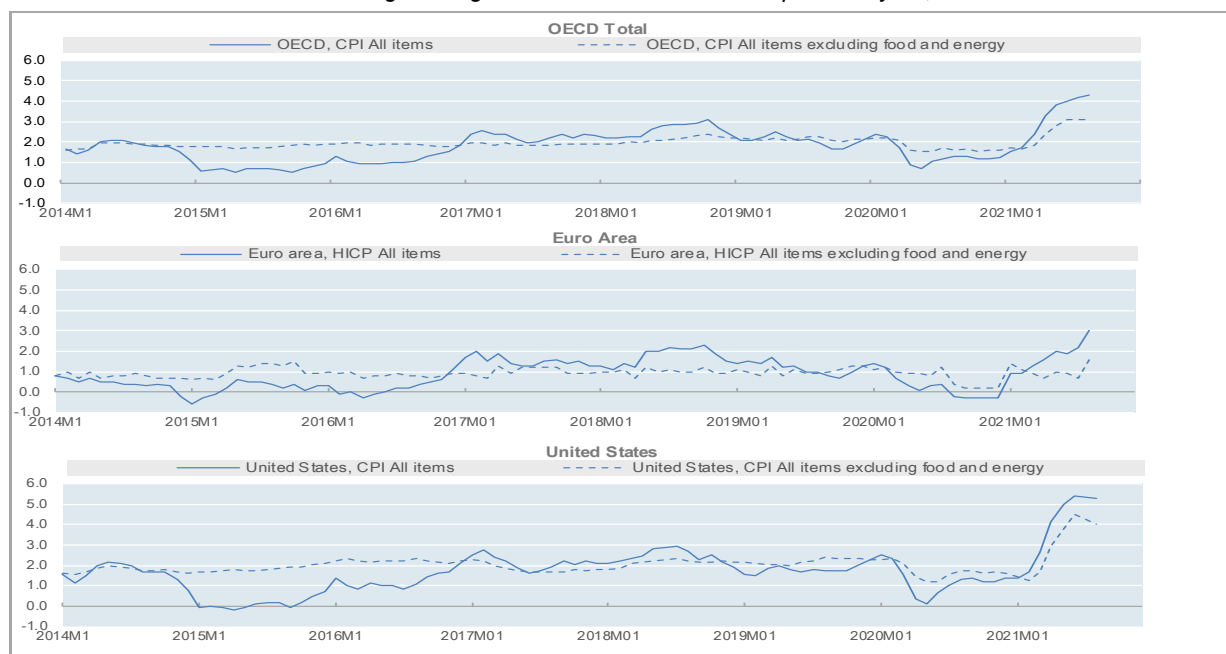
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In August, annual inflation increased sharply in the **United Kingdom** (to 3.0%, from 2.1% in July), **France** (to 1.9%, from 1.2%), and **Canada** (to 4.1%, from 3.7%) but only slightly in **Germany** (to 3.9%, from 3.8%) and **Italy** (to 2.0%, from 1.9%). Annual inflation eased slightly, but remained high in the **United States** (at 5.3%, after 5.4% in July). The new **Japanese** 2020-base CPI continued to show overall price deflation in August (minus 0.4%), with prices falling at a slightly faster pace than in July (minus 0.3%).¹

In the **euro area**, overall inflation (as measured by the HICP²) rose sharply to 3.0% in August 2021, compared with 2.2% in July, driven by developments in France, Germany and Italy – the latter two countries experienced, a much more pronounced acceleration in HICP than in CPI.³ Excluding food and energy, euro area inflation jumped to 1.6% compared with 0.7% in July, largely reflecting increases in the price of non-energy industrial goods, in particular the prices of clothing and footwear (to 3.6%, from (minus) 3.3%). Eurostat's [flash estimate](#) for the euro area in September points to both annual inflation and inflation excluding food and energy picking up to 3.4% and 1.9% respectively.

Graph 3 – Headline and all items excluding food & energy CPI and HICP
Percentage change on the same month of the previous year, %



¹ In August 2021, the Statistics Bureau of Japan released the 2020-base CPI with 2020 as the reference year from January 2020 onwards. The 2020-base CPI lowers the annual inflation rate by an average of 0.4 percentage points for the year 2021. This revision overturns the deflation exit that occurred in June 2021 as measured by the previous CPI. Indeed, the annual inflation rate in June 2021 as measured by the new CPI is minus 0.5%, versus 0.2% with the previous CPI. The revision largely reflects methodological changes that include the revision of CPI weights, the revision of price indices for a number of items (e.g. airplane fares, electricity and mobile phone charges), and the move to the [COICOP 2018 Classification](#). In order to take into account that part of the changes in expenditure patterns between 2015 and 2020 induced by the COVID-19 pandemic may be temporary, the new CPI weights reflect average expenditure patterns observed in 2019 and 2020. Note that part of the recent fall in Japanese prices reflect the cut in mobile phone charges after March 2021. Information on the Japanese 2020-base CPI release is available at the following address: <https://www.stat.go.jp/english/data/cpi/index.html>

² HICP (Harmonised Index of Consumer Prices) published by Eurostat.

³ In Germany, the updating of the HICP product weights explains a considerable part of the difference between annual inflation measured by the CPI (3.9%, compared with 3.8%) and the HICP (3.4% compared with 3.1%). In Italy, the more pronounced acceleration HICP (2.5%, from 1.0%) than in CPI (2.0%, from 1.9%) is mainly due to the summer sales, not considered in the CPI.

Annual inflation in the **G20⁴ area** decreased slightly to 4.5% in August 2021, compared with 4.6% in July. Among non-OECD G20 economies, annual inflation increased in **Brazil** (to 9.7%, from 9.0%), **South Africa** (to 5.1%, from 4.7%), the **Russian Federation** (to 6.7%, from 6.5%), and **Indonesia** (to 1.6%, from 1.5%). On the other hand, annual inflation was broadly stable in **Argentina** (at 51.4% after nine consecutive months of increases), and decreased in **India** (to 4.8%, from 5.3%), **China** (to 0.8%, from 1.0%), and **Saudi Arabia** (to 0.3%, from 0.4%).

Table 1 - Consumer prices, All items, selected countries
Percentage change on the same period of the previous year

	2019		2020					2021							
	Average	Average	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
OECD-Total	2.1	1.4	1.3	1.3	1.2	1.2	1.2	1.5	1.7	2.4	3.3	3.8	4.0	4.2	4.3
G7	1.5	0.9	0.8	0.8	0.7	0.6	0.7	1.0	1.2	1.9	2.8	3.5	3.7	3.8	3.9
Euro area (HICP)	1.2	0.3	-0.2	-0.3	-0.3	-0.3	-0.3	0.9	0.9	1.3	1.6	2.0	1.9	2.2	3.0
European Union (HICP)	1.4	0.7	0.4	0.2	0.2	0.2	0.2	1.2	1.3	1.7	2.0	2.3	2.2	2.5	3.2
<i>Major seven countries</i>															
Canada	1.9	0.7	0.1	0.5	0.7	1.0	0.7	1.0	1.1	2.2	3.4	3.6	3.1	3.7	4.1
France	1.1	0.5	0.2	0.0	0.0	0.2	0.0	0.6	0.6	1.1	1.2	1.4	1.5	1.2	1.9
Germany	1.4	0.5	0.0	-0.2	-0.2	-0.3	-0.3	1.0	1.3	1.7	2.0	2.5	2.3	3.8	3.9
Italy	0.6	-0.1	-0.5	-0.6	-0.3	-0.2	-0.2	0.4	0.6	0.8	1.1	1.3	1.3	1.9	2.0
Japan	0.5	0.0	0.2	0.0	-0.4	-0.9	-1.2	-0.7	-0.5	-0.4	-1.1	-0.8	-0.5	-0.3	-0.4
United Kingdom	1.7	1.0	0.5	0.7	0.9	0.6	0.8	0.9	0.7	1.0	1.6	2.1	2.4	2.1	3.0
United States	1.8	1.2	1.3	1.4	1.2	1.2	1.4	1.4	1.7	2.6	4.2	5.0	5.4	5.4	5.3
<i>G20 and other non OECD G20 economies</i>															
G20	3.5	2.6	2.6	2.4	2.2	2.0	2.0	2.2	2.4	3.1	3.8	4.3	4.4	4.6	4.5
Argentina	53.5	42.0	40.7	36.6	37.2	35.8	36.1	38.5	40.7	42.6	46.3	48.8	50.2	51.8	51.4
Brazil	3.7	3.2	2.4	3.1	3.9	4.3	4.5	4.6	5.2	6.1	6.8	8.1	8.3	9.0	9.7
China	2.9	0.0	2.4	1.7	0.5	-0.5	0.2	-0.3	-0.2	0.4	0.9	1.3	1.1	1.0	0.8
India	7.7	5.6	5.6	5.6	5.9	5.3	3.7	3.2	4.5	5.7	5.1	5.3	5.6	5.3	4.8
Indonesia	3.0	1.9	1.1	1.3	1.3	1.5	1.6	1.6	1.4	1.4	1.4	1.7	1.3	1.5	1.6
Russian Federation	4.5	3.4	3.6	3.7	4.0	4.4	4.9	5.2	5.7	5.8	5.5	6.0	6.5	6.5	6.7
Saudi Arabia	-2.1	3.4	6.2	5.7	5.8	5.8	5.3	5.7	5.2	4.9	5.3	5.7	6.2	0.4	0.3
South Africa	4.1	3.2	3.0	2.9	3.3	3.2	3.1	3.2	2.9	3.2	4.5	5.2	5.1	4.7	5.1

Table 2 - Consumer prices, All items excluding food and energy, selected countries
Percentage change on the same period of the previous year

	2019		2020					2021							
	Average	Average	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
OECD-Total	2.2	1.8	1.6	1.6	1.6	1.6	1.6	1.7	1.7	1.8	2.4	2.8	3.1	3.1	3.1
G7	1.7	1.3	1.2	1.2	1.1	1.2	1.1	1.2	1.1	1.3	1.9	2.5	2.9	2.9	2.9
Euro area (HICP)	1.0	0.7	0.4	0.2	0.2	0.2	0.2	1.4	1.1	0.9	0.7	1.0	0.9	0.7	1.6
European Union (HICP)	1.2	1.1	0.9	0.7	0.7	0.7	0.7	1.7	1.5	1.3	1.2	1.3	1.2	1.0	1.8
<i>Major seven countries</i>															
Canada	2.3	1.3	0.6	1.0	1.1	1.5	1.2	1.5	0.9	0.9	1.6	2.1	2.0	2.7	2.8
France	0.7	1.0	1.0	0.9	0.7	0.8	0.6	1.2	0.7	0.7	0.7	0.7	0.8	0.0	0.8
Germany	1.5	1.0	0.7	0.6	0.5	0.5	0.4	1.4	1.4	1.3	1.3	1.8	1.6	2.8	2.8
Italy	0.6	0.5	0.3	0.1	0.3	0.4	0.5	0.8	0.9	0.9	0.4	0.3	0.2	0.6	0.4
Japan	0.5	0.1	-0.2	0.0	-0.3	-0.4	-0.4	0.0	0.1	0.1	-1.1	-1.0	-1.0	-0.7	-0.7
United Kingdom	1.7	1.5	1.0	1.4	1.5	1.2	1.5	1.5	1.1	1.3	1.5	2.0	2.3	1.9	2.9
United States	2.2	1.7	1.7	1.7	1.6	1.6	1.6	1.4	1.3	1.6	3.0	3.8	4.5	4.3	4.0

⁴ On 11 July 2017, the Argentinian Authorities started to publish a new national CPI (December 2016 = 100) covering the whole country. This officially reported CPI-series starts in December 2016, and has now been included in the G20 aggregate, from January 2018 onwards. The inclusion of the Argentinian CPI in the G-20 aggregate entailed a clear break in the series.

Table 3 - Consumer prices, OECD countries, selected items
August 2021

	All items		Food	Energy	All items excluding food & energy	Food	Energy	All items excluding food & energy
	CPI	HICP	CPI			Contributions to annual CPI inflation		
	<i>percentage change on the same period of the previous year</i>					<i>percentage points</i>		
OECD-Total	4.3		3.6	18.0	3.1			
G7	3.9		2.2	19.4	2.9			
European Union (HICP)		3.2	2.0	14.9	1.8			
Euro area (HICP)		3.0	1.9	15.4	1.6			
Australia ¹	3.8		10.6	9.3	2.6	..	..	..
Austria	3.2	3.2	0.5	15.2	2.5	0.1	1.1	2.0
Belgium	2.7	4.7	-0.3	17.2	1.9	-0.1	1.4	1.4
Canada	4.1		2.6	20.7	2.8	0.3	1.4	2.3
Chile	4.8		4.9	14.7	3.8	..	..	..
Colombia	4.4		11.5	8.3	2.7	2.4	0.5	1.9
Costa Rica	1.7		1.2	12.8	0.6	..	..	..
Czech Republic	4.1	3.1	1.6	2.8	5.0	0.3	0.3	3.5
Denmark	1.8	1.8	0.6	12.9	1.0	0.1	0.9	0.8
Estonia	5.0	5	2.2	17.7	3.5	0.6	2.3	2.2
Finland	2.2	1.8	0.5	9.7	1.7	0.1	0.8	1.3
France	1.9	2.4	1.4	12.9	0.8	0.2	1.0	0.6
Germany	3.9	3.4	4.5	12.6	2.8	0.4	1.2	2.2
Greece	1.9	1.2	3.0	12.7	-0.3	0.7	1.4	-0.2
Hungary	4.9	4.9	3.0	11.6	4.0	0.7	1.4	2.6
Iceland	4.3	3.7	1.5	8.6	4.4	0.2	0.6	3.5
Ireland	2.8	3.0	0.1	16.0	2.4	0.0	1.2	1.9
Israel	2.2		1.5	7.5	1.9	0.2	0.5	1.5
Italy	2.0	2.5	0.8	19.8	0.4	0.1	1.6	0.3
Japan	-0.4		-1.6	5.5	-0.7	..	..	..
Korea	2.6		5.6	12.3	1.3	0.8	0.8	1.0
Latvia	3.7	3.6	2.2	13.5	2.0	0.6	1.9	1.2
Lithuania	5.3	5.0	2.7	20.7	3.4	0.6	2.4	2.3
Luxembourg	2.5	3.5	1.2	20.4	1.3	0.2	1.2	1.1
Mexico	5.6		7.9	10.1	3.9	2.1	0.9	2.5
Netherlands	2.4	2.7	0.1	15.9	1.6	0.0	1.0	1.3
New Zealand ¹	3.3		0.6	8.3	3.2	0.1	0.8	2.5
Norway	3.4	3.8	-2.9	60.9	0.6	-0.4	3.0	0.5
Poland	5.5	5.0	3.9	13.7	3.9	1.1	..	..
Portugal	1.5	1.3	0.6	9.3	0.9	0.2	0.7	0.7
Slovak Republic	3.8	3.3	3.6	1.0	4.4	0.8	0.1	2.9
Slovenia	2.1	2.1	-1.4	11.6	1.6	-0.2	1.2	1.1
Spain	3.3	3.3	1.9	23.5	0.5	0.4	2.5	0.4
Sweden	2.1	2.5	0.3	16.7	1.2	0.1	1.2	0.9
Switzerland	0.9	0.8	-1.2	10.7	0.5	-0.1	0.6	0.4
Turkey	19.3	19.2	..	..	..	..	..	..
United Kingdom	3.0	3.2	0.3	9.5	2.9	0.1	0.5	2.6
United States	5.3		3.0	25.0	4.0	0.2	1.5	3.4

¹ Percentage change Q2 2020 to Q2 2021

... not available

Due to measures put in place by governments to reduce the spread of the Coronavirus (Covid-19), many statistical agencies are facing unprecedented collection, compilation and methodological challenges to develop indicators across a number of domains. To address these challenges, the statistical community is developing conceptual and practical guidelines to help ensure the continued delivery of timely and reliable statistics. However, in some cases, there will inevitably be an impact on quality and, as such, the statistics included in this press release may be subject to larger than normal uncertainty.

>> Methodological information:

 OECD Consumer price index – [Methodological Notes for OECD CPI News Release](#)

 OECD Contributions to annual inflation – [OECD calculation of contributions to overall annual inflation](#)
>> Access Data:

 OECD Database: [OECD CPI News release underlying data](#); [CPI series and Contributions](#); [G20 dataset](#)
>> Graphs:
[OECD countries - Contributions to annual CPI inflation by COICOP Division, current month](#), [OECD countries - Contributions to annual CPI inflation, selected components, historical series](#) and [G7 & non-OECD countries, zone aggregates, inflations rates, historical series graphs](#)
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Next release: [4 November 2021](#)