

## **The online price monitoring database of the GVH and government measures are curbing food inflation**

**Food inflation has halved since the launch of the online price monitoring system of the Hungarian Competition Authority (Gazdasági Versenyhivatal - GVH) - according to data released today by the Hungarian Central Statistical Office (Központi Statisztikai Hivatal - KSH). In June, food prices were nearly 30% higher than a year before, but by September this metric had fallen to 15%. In addition to government measures, the online price monitoring system operated by the GVH has also contributed significantly to the 15 percentage point decrease since the 1st July.**

The Hungarian Central Statistical Office (KSH) announced on Tuesday that inflation has decreased from 16.4% in August to 12.2% in September year-on-year. Compared with data from the year prior, food prices rose by 15.2% in September, a significant drop from 19.5 % in August. On a monthly basis, food was 0.2% cheaper in September than in August.

The data published on Tuesday also highlights that year-on-year food inflation is falling month by month. Compared to a peak of 44.8% in December 2022, year-on-year food inflation was 29.3% in June 2023, 23.1% in July, 19.5% in August and 15.2% in September. The online price monitoring system operated by the GVH - which has been available since the 1st of July - also contributed significantly to the 4.3 percentage point decrease in September, taking into account the weights of the inflation basket used by the KSH. The effectiveness of the online price monitor is demonstrated by the fact that since its launch, prices have fallen by an average of 6.7% in 56 of the 62 product categories monitored.

Csaba Balázs Rigó, President of the GVH, highlighted on Tuesday at the Rural Conference 2023 organised by Századvég: "The online price monitor prevents multinational corporations from raising prices and profiteering, whilst helping families to save money and time." "The online price monitor contributes to consumer welfare and stimulates competition in the market by reducing prices and increasing consumer awareness. Thus, the online price monitor fulfils two important objectives of the Hungarian Competition Authority." - he added.

The development team of the online price monitor, available at <http://www.arfigyelo.gvh.hu/>, is continuously working to improve the system, also taking into account consumer feedbacks. Available since the 30th of August, the multi-functional, freely configurable, shareable shopping list is already used by many consumers. A loophole in the online price monitor has also recently been eliminated, so that retailers who have reduced the prices of certain foodstuffs in only one or two of their stores can no longer benefit unfairly.

Thanks to the latest addition, shoppers can now pre-set their favourite stores on the site, complete with a map-based store filter. This way, consumers can follow the daily product mix

of the shops in their immediate vicinity. This new feature could strengthen local micro-market competition, thus food inflation is expected to continue to fall, which will contribute to curbing inflation.

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