



# FLASH ANALYSIS ON INFLATION DEVELOPMENTS

**2026**  
JANUARY

*Article 3 (1) of the MNB Act (Act CXXXIX of 2013 on the Magyar Nemzeti Bank) defines achieving and maintaining price stability as the primary objective of the Magyar Nemzeti Bank. Assessments of inflation developments have key importance in monetary policy decision-making. The MNB attaches a high priority to informing the general public on a continuous basis and thereby to improving the transparency and predictability of its decisions. Consistent with this principle, the Magyar Nemzeti Bank produces publicly available analyses of its assessments of inflation developments and the extent of medium-term inflationary effects on a monthly basis.*

The publicly available analyses and the related statistical databases are accessible on the MNB's website at:

<https://www.mnb.hu/en/publications/studies-publications-statistics/flash-analysis-on-inflation-developments>

## ASSESSMENT OF INFLATION DATA FOR JANUARY 2026

Consumer prices rose by 2.1 percent year-on-year in January 2026. Relative to the 3.3 percent observed in December, the annual growth rate of prices fell by 1.2 percentage points. Core inflation decreased by 1.1 percentage points and stood at 2.7 percent. Core inflation excluding indirect tax effects fell to 2.6 percent (Chart 1 and Chart 2). Incoming inflation data was in line with the projection in the December Inflation Report.

Except for tradables, the disinflation of all main product groups contributed to the decline in the annual consumer price index. The decline in core inflation compared to December was primarily caused by market services and processed foods. Within the Bank's measures of underlying inflation developments capturing persistent inflationary trends, the inflation of sticky price products fell to 5.0 percent on a year-on-year basis. The core inflation excluding processed food decreased to 4.1 percent. The inflation of tradables and market services excluding the technical effects of price restriction measures fell to 4.9 percent (Chart 3).

On a monthly basis, the price of the total consumer basket as well as the core inflation basket increased by 0.3 percent. The last time a similarly restrained January repricing took place for the entire consumer basket was in 2019. In January, the monthly repricing was lower than the 2017-2020 average in the case of the representative consumer basket while being slightly above it for core inflation. Month-on-month core inflation excluding processed food prices, which better reflect underlying developments, rose by 0.4 percent (Chart 4). Our indicators calculated on an annualised 3-month-on-3-month comparison both fell for inflation and core inflation (Chart 5).

Below is a brief analysis of price changes across the main product categories.

The annual inflation of *tradables* remained unchanged at 2.5 percent (Chart 6). On a monthly basis, tradables prices rose by 0.2 percent, which is above the 2017-2020 average for January repricings (Chart 7). Month-on-month, durables prices were up by 1.0 percent, increasing at a higher rate than in January 2025. A rise in durables prices was primarily caused by price changes in second-hand passenger cars and furniture. Non-durable prices declined by 0.2 percent compared to December 2025.

The annual price index of *market services* declined to 5.7 percent (Chart 8). The decline in the annual price index was greatly supported by the base effects of the exceptionally high repricing of January 2025. Month-on-month, prices rose by 0.6 percent, falling close to the upper bound of the January repricings observed between 2017-2020 (-0.1–0.7 percent). However, over a 5-year horizon, it can be considered a restrained repricing (Chart 9). The last time we saw lower January repricing for market services was in 2019. The rise in the price of hospitality services and health services contributed the most to the January repricing for the product group.

According to the MNB's classification, *food* inflation was -3.0 percent. Within the product group, unprocessed food prices and processed food prices fell by 1.8 and 3.6 percent, respectively, in annual terms (Chart 10). According to the HCSO data release, food prices increased by 1.3 percent, which includes, among others, the 7.3 percent rise in restaurant meal prices. Annual food inflation is restrained by the price margin restrictions introduced in mid-March 2025 and extended to additional products on 1 December 2025. Food prices rose by 0.5 percent month-on-month (Chart 11). Compared to December, unprocessed food prices rose by 1.6 percent, which is primarily explained by the price developments for fresh vegetables. On a monthly basis, processed food prices fell by 0.1 percent.

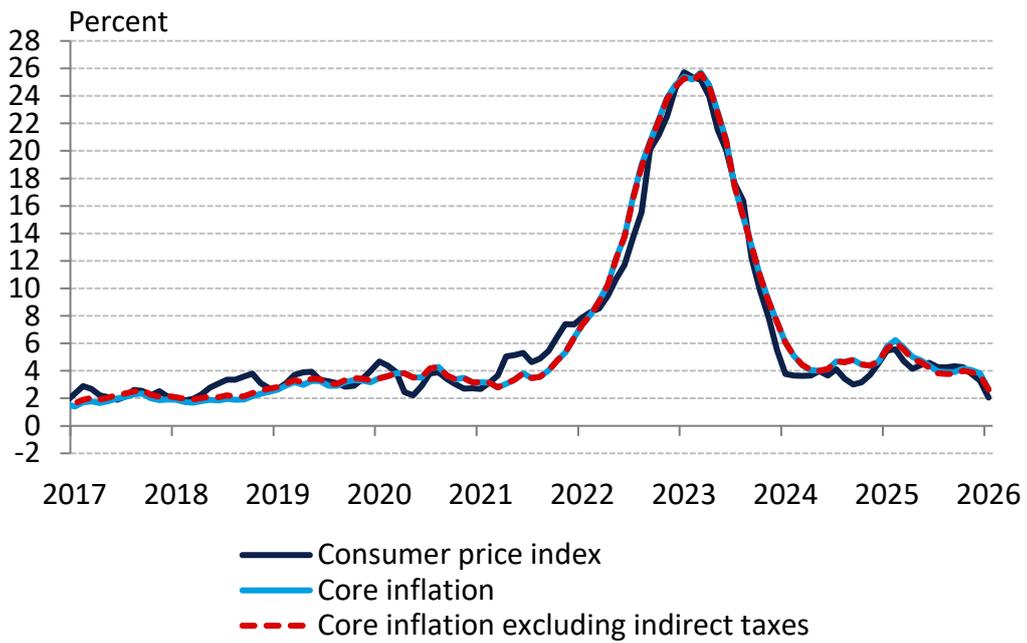
*Fuel prices* were down by 12.3 in annual terms. On a monthly basis, fuel prices decreased by 1.5 percent.

In annual terms, the prices of regulated products and services rose by 6.3 percent, with piped gas prices declining by 12.8 percent year-on-year. Compared to the previous month, the average price of regulated goods and services rose by 0.4 percent. Within this, the average consumer price of piped gas fell by 2.4 percent as a result of the warmer weather in November. The impact the cold weather in January and the utility price freeze measure implemented in response to it has on prices may appear in the March price index due to the HCSO's methodology.

*Households' inflation expectations* remain at higher levels than during the period between 2017-2020 when the inflation target was achieved. (Chart 12). *Companies' expectations for retail sales price changes and price expectations for services* remained broadly unchanged. Overall, price expectations for both sectors remained at subdued levels in January. (Chart 13).

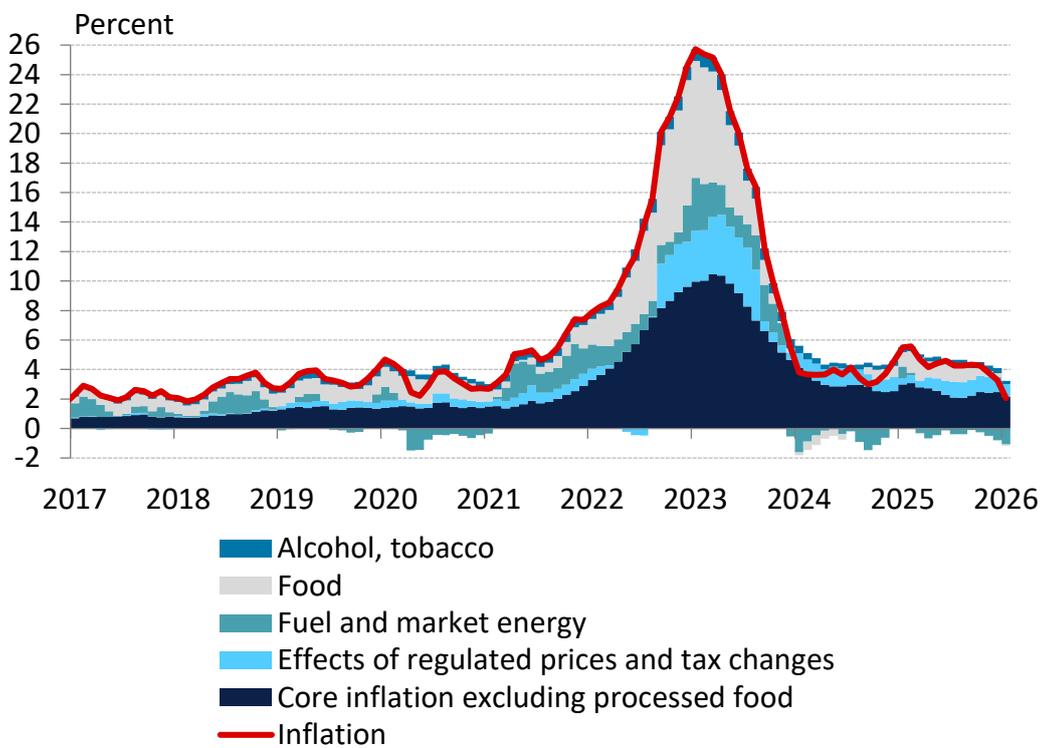
Budapest, 12 February 2026

**Chart 1 Consumer price index, core inflation and core inflation excluding indirect taxes**  
annual change

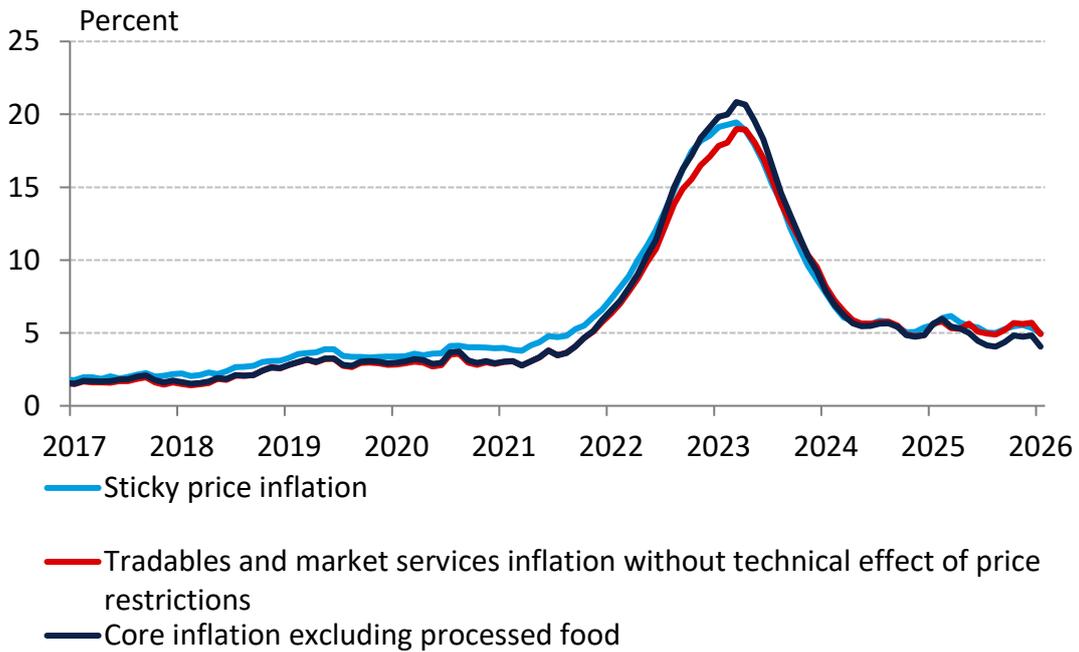


Note: Seasonally unadjusted core inflation.

**Chart 2 Inflation decomposition**  
annual change

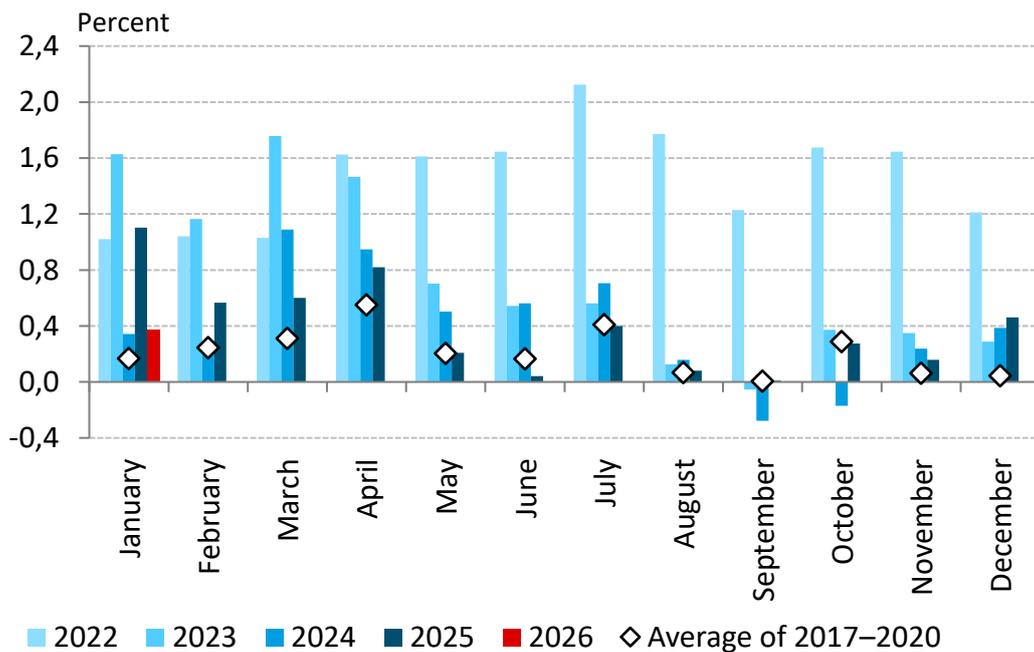


**Chart 3 Underlying inflation indicators**  
annual percentage changes excluding indirect taxes

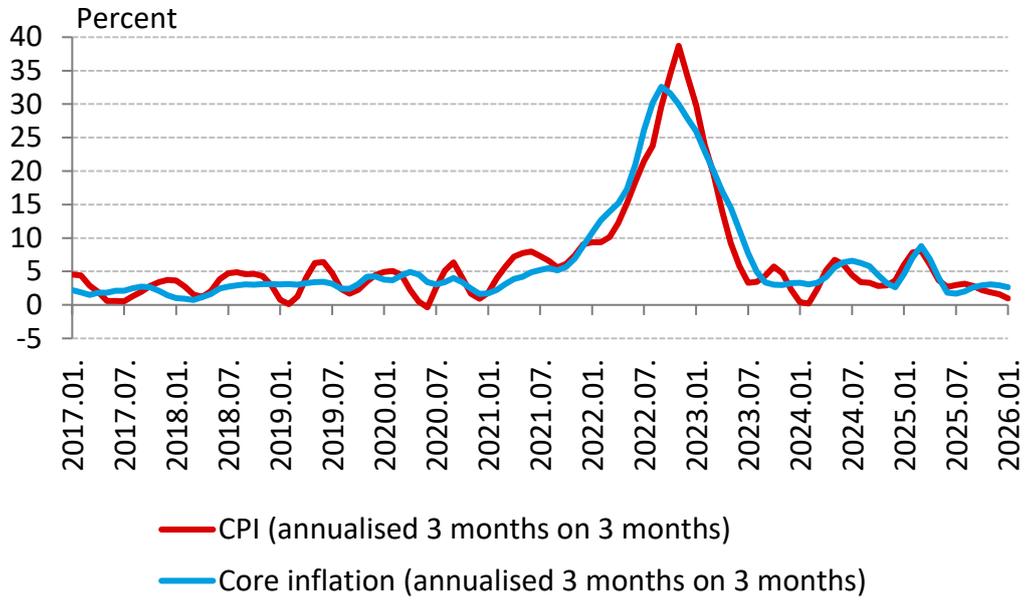


*Note: Inflation of sticky-price products is composed of items of the consumer price index where maximum 15 percent of elementary prices change monthly on average. MNB calculation based on data released by the HCSO. Core inflation excluding processed foods with unchanged content is equivalent with the earlier demand sensitive inflation. The new name is justified by the fact that the previous name might be ambiguous in a period of significant cost shocks with general effects. The technical impact of the price margin restrictions includes the price-reducing effect of the measure at the time of its introduction.*

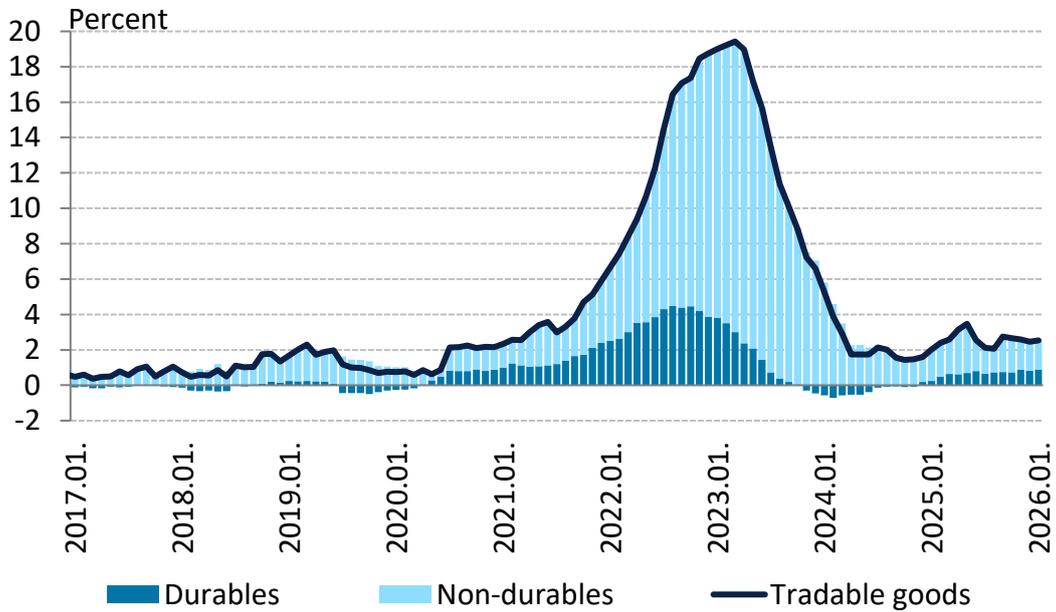
**Chart 4 Monthly change in core inflation excluding processed food**  
tax-adjusted, seasonally unadjusted monthly percentage changes



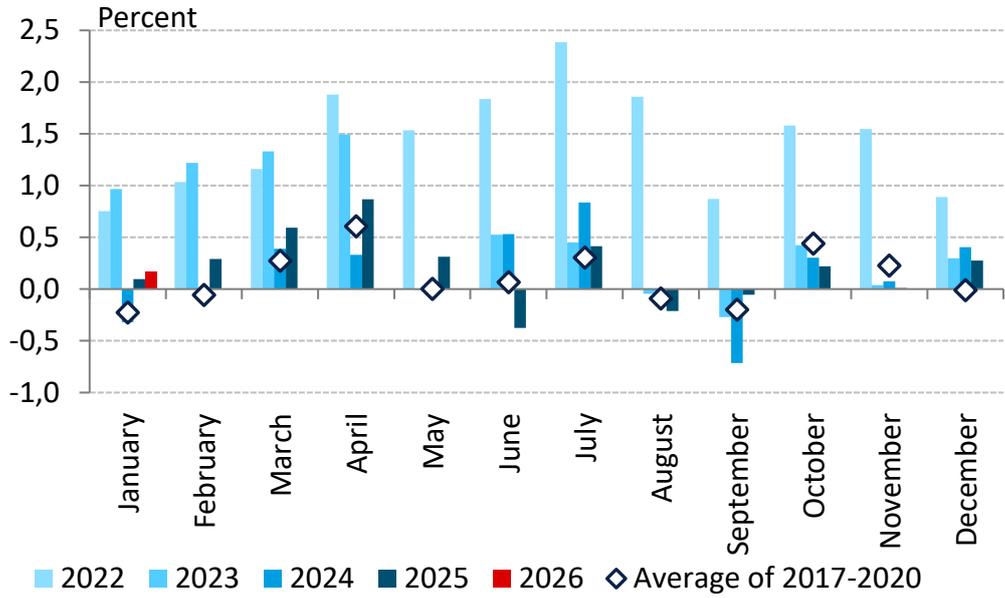
**Chart 5 Annualized 3-month change in inflation and core inflation**  
based on seasonally adjusted data



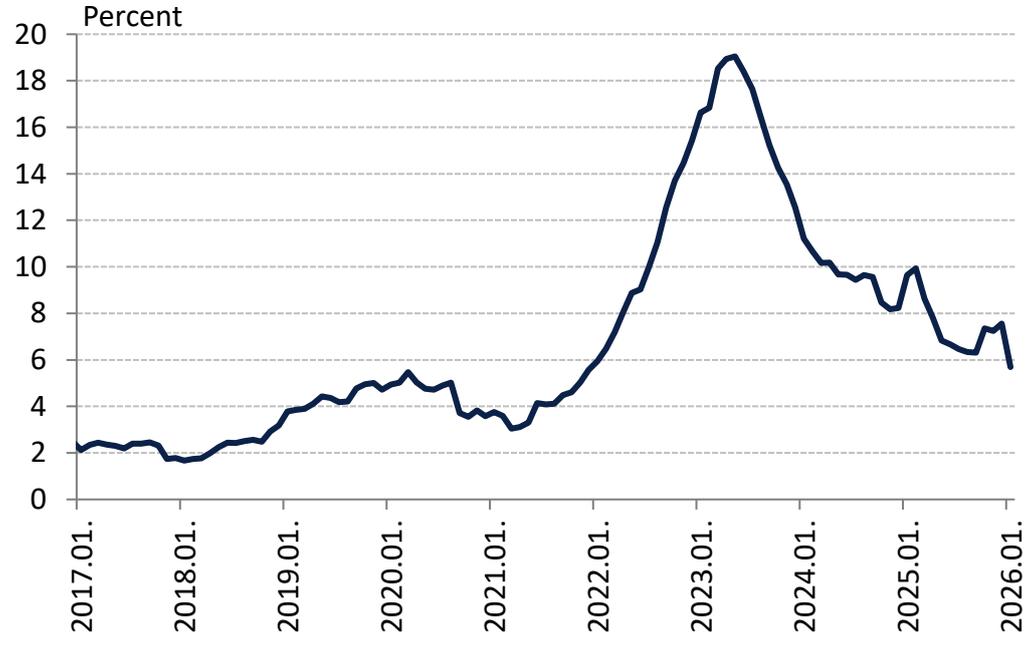
**Chart 6 Tradables inflation**  
seasonally unadjusted annual change



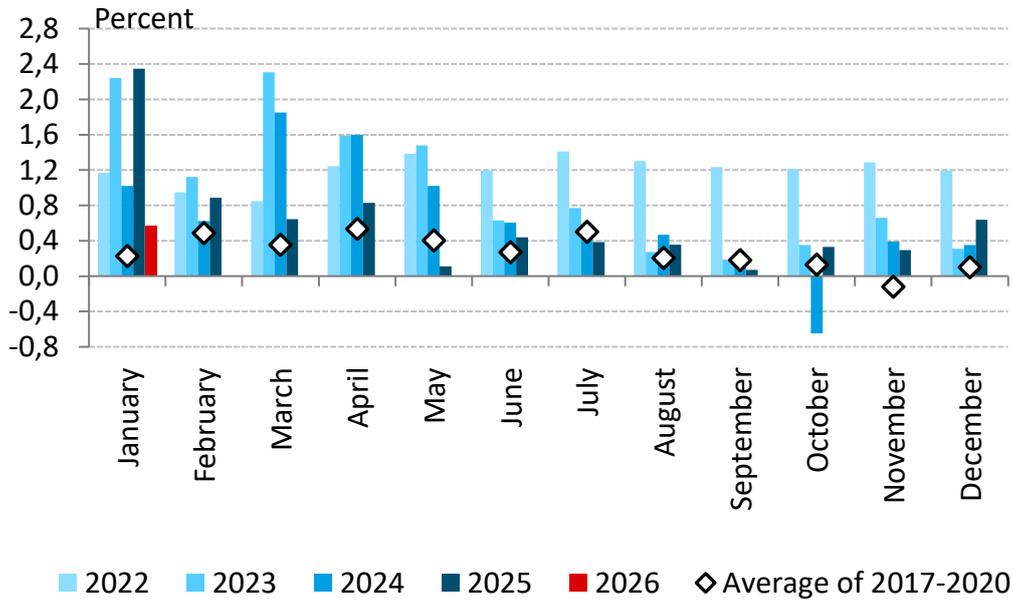
**Chart 7 Monthly changes in tradables prices**  
seasonally unadjusted monthly change



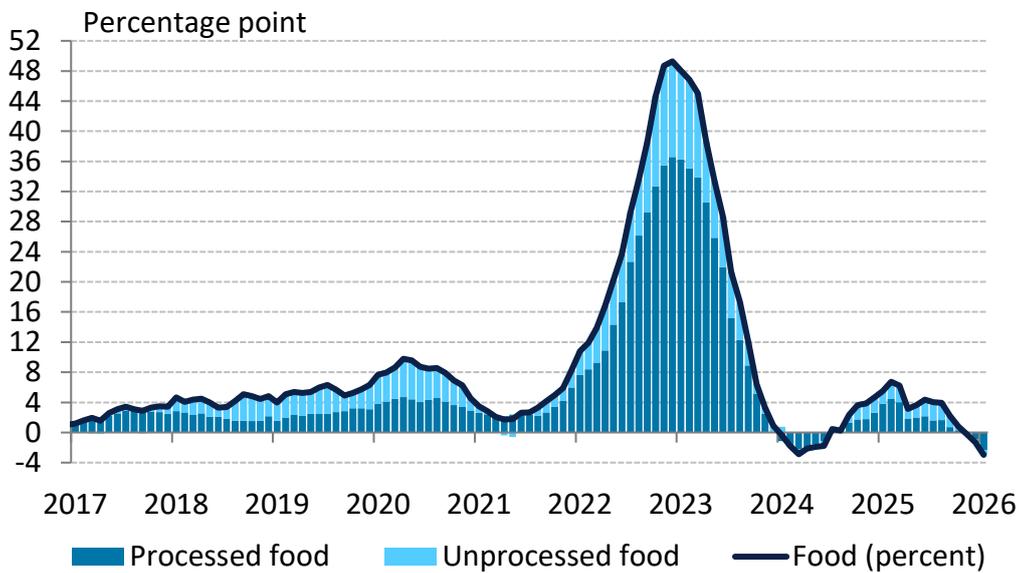
**Chart 8 Market services inflation**  
seasonally unadjusted annual change



**Chart 9 Monthly changes in the price of market services**  
seasonally unadjusted monthly change

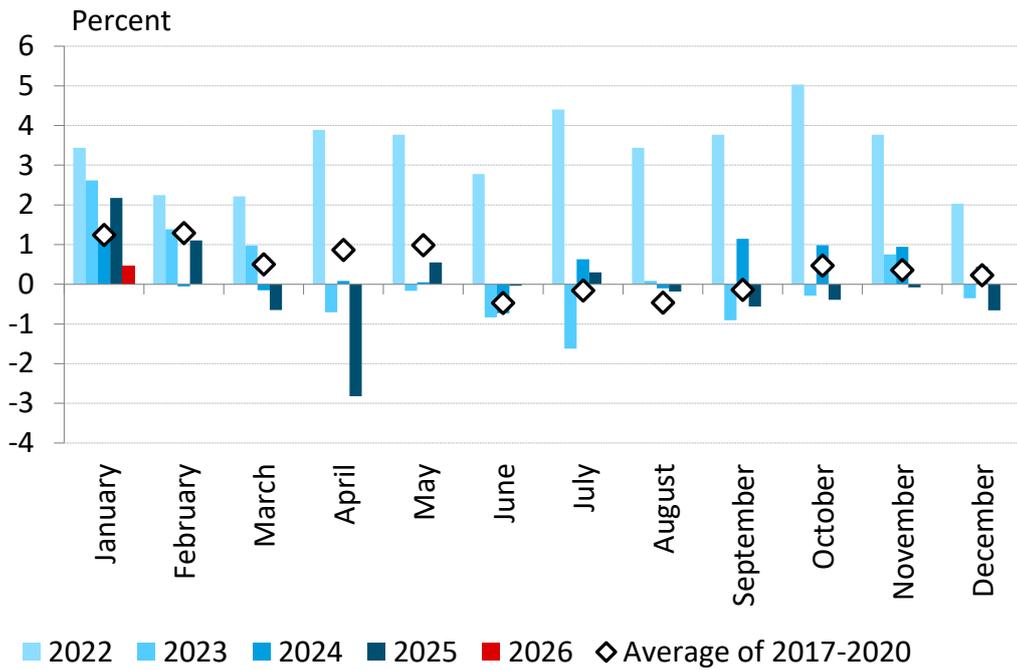


**Chart 10 Food inflation**  
seasonally unadjusted annual data



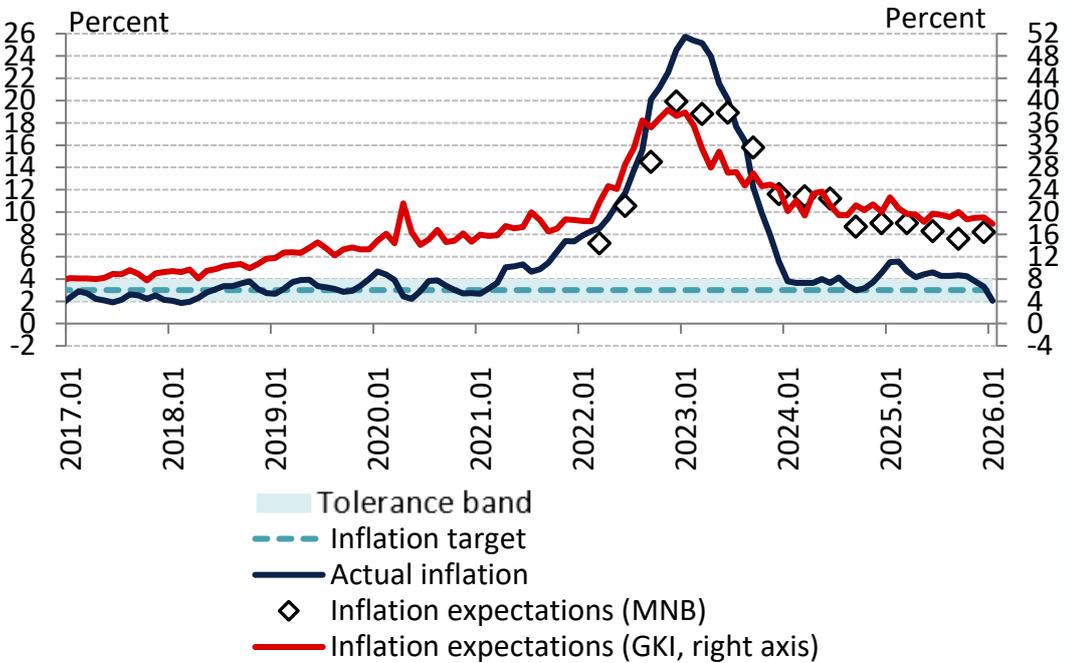
Note: The difference in food price inflation calculated by the HCSO and the MNB is explained by methodological differences. The MNB classifies food-related services as market services (restaurant meals, workplace meals, canteen goods) and the prices of regulated goods and services (school meals, nursery and kindergarten meals), and some beverages as non-durable industrial goods (coffee, tea, soft drinks).

**Chart 11 Monthly changes in food prices**  
seasonally unadjusted monthly change



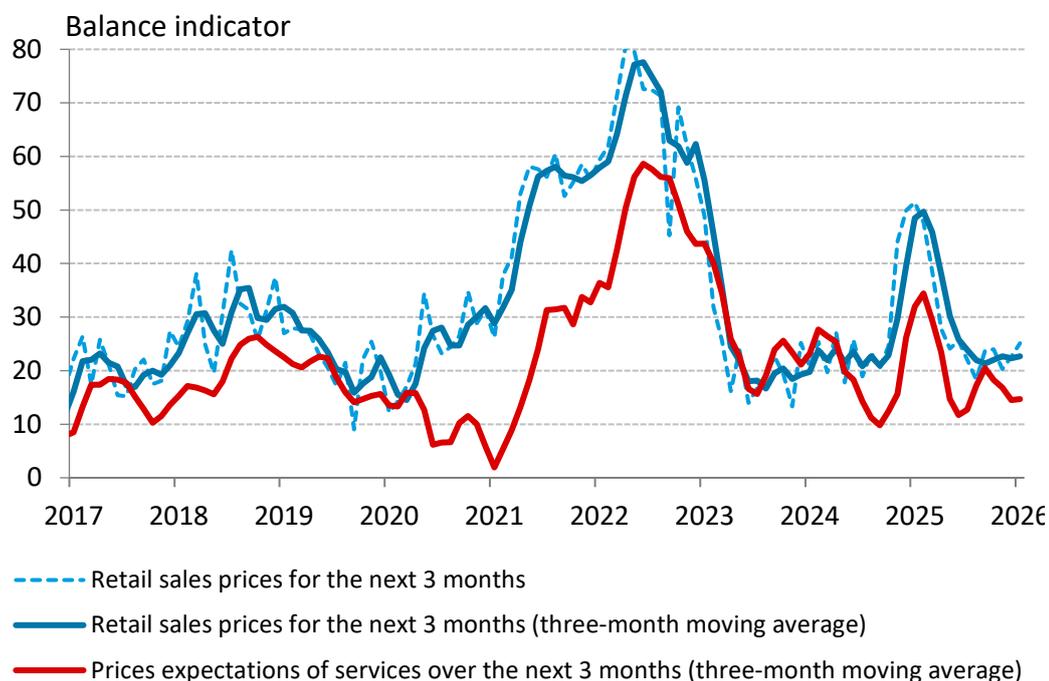
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**Chart 12 Households' inflation expectations**



Source: HCSO, European Commission, GKI, MNB

Chart 13 Developments in expectations for retail sales price changes and services price changes



Source: MNB calculation based on data released by the European Commission

Table 1 Annual change in the consumer price index and contribution of the measures of underlying inflation

Consumer price index, January 2026 (HCSO)					
2.1% (annual change)					
MNB underlying inflation indicators (MNB calculation)					
Contribution of sticky price inflation (percentage points), weight 40.8%	2.1	Contribution of core inflation excluding processed foods (percentage points), weight 52.9%	2.2	Contribution of core inflation excluding taxes (percentage points), weight 65.3%	1.8
Contribution of other items (percentage points), weight 59.2%	-0.1	Contribution of other items (percentage points), weight 47.1%	-0.2	Contribution of other items (percentage points), weight 34.7%	0.3

Source: HCSO and the MNB's own calculations.

The sum of contributions may differ from the official figures due to rounding.