

A daily e-mail bulletin of Czech wit & wisdom. For your free subscription, write to subscribe@fsfinalword.com

European champions in inflation



Czechs have the highest consumer-price inflation in the entire European Union, which means that the Czech National Bank has not been doing a very good job of fulfilling its constitutional duty of maintaining price stability. At 3.6% in the first quarter and 3.3% in April, the Czech inflation rate is far above the CNB's 2% target and its additional [one-point tolerance band](#). In its latest [inflation report](#), the CNB brushed this infringement aside by forecasting that, "Inflation will fall rapidly below the upper boundary of the tolerance band around the target in the coming months, mainly due to the generally anti-inflationary impacts of the coronavirus pandemic amid a deep decline in domestic economic activity." So, the CNB will again start fulfilling its constitutional duty to maintain price stability, because the economy will go to hell? In boxing, a fighter is sometimes saved by the bell. The central bankers at the CNB are counting on being saved by the economy's death knell.

Read this later today in [Czech](#)



PUBLIC RELATIONS AND PUBLIC AFFAIRS
BASED ON KNOWLEDGE AND EXPERIENCE.