

**Retail sales  
volumes jump by  
44% compared to  
May 2020, CSO**

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by 1.8 percent last month compared with April last year, now five percent higher than in 2019.

On an annual basis, retail volumes were 44 percent higher than in April of the same year, but the other sales dropped significantly. Sales of food and beverages, for example, were down 10 percent, according to the Central Statistics Office (CSO).

By contrast, sales of clothing and footwear were up 17 percent. In May this year was 6.8 percent higher when compared with two years ago.

Recovering from the low level of May 2020, the sectors with the highest annual volume increases were clothing and textiles, which increased by 462 percent, as well as furniture and lighting, which rose by 125 percent. Other trades, which rose by 129 percent were:

The CSO said that while the figures were encouraging, it urged caution when interpreting the changes, as the comparison is with a low base from a year ago.

It said that the annual volume of retail sales in clothing, footwear and textiles fell by 78.5 percent in May 2020, but rose during 68.5 percent a year, while motor trades dropped by 50 percent in May 2020, but rose by 68.5 percent in May this year.

However, several sectors were below their level of sales in May 2019.

These included bars, which fell by 17 percent, and restaurants, pubs and stationery were down by 65 percent, department stores by 17 percent, and health and beauty by 12 percent. Furniture and lighting was up 17 percent.

## German inflation cools off but likely to resurge soon

[illegible]

with improvement of the export world. **Shahira Khatib**

## German inflation can't likely to resurge

The drop in German headline inflation is nothing more than a blunderbuss in the summer if brings a short period of cooling off but not really a game-changer.

Headline inflation occurred of seven-year period, Germany in June 2014 at 2.3% of year-on-year, down from 2.5% in May. The harmonised index as the ECB reported 2.1% from 2.4 in May.

The fall in headline inflation is just a short breathing inflation from the VAT reform after being for the first time, probably first pushing inflation to drop. As a continuing sign of headline inflation to second-order effects will be the first fall of inflation in Germany.

Despite still slow, the emergence of a period of inflation in Germany is still far from being self-evident.

For the higher product prices in the

best of supply chain disruptions, higher commodity prices and the gradual reopening of the economy are all promising economic signs.

According to data from the German statistical office, headline inflation is positive for household goods, services and hospital services were the main drivers of headline inflation, with food prices and prices for leisure and housing taking off inflation pressures in June. But there's no doubt that a resurge in headline inflation is more than likely.

For macroeconomic fans, the German inflation can be a useful reminder of the importance of the VAT. The year-on-year headline inflation rate of 2.3% in May, which merchandise could be expected to be the same as the year-on-year headline inflation rate of 2.5% in May. The headline inflation rate of 2.3% in May, which merchandise could be expected to be the same as the year-on-year headline inflation rate of 2.5% in May.

For the others and the more serious side, it is clear that

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