

INFLATION REACHES RECORD HIGH IN EUROZONE

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Inflation in the Eurozone has reached the highest rate

since the euro debuted in 1999.

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Inflation has reached a record high in the Eurozone. Eurostat's November 30th [flash estimate](#) on inflation tracked the rise in prices to an annual rate of 4.9%. This is the highest inflation rate since the euro debuted in 1999, according to the European Union's statistical agency.

The main driver was energy prices, as natural gas prices continue to climb. Inflation in natural gas rose to 27.4% for the year, up from 23.7% in October.

Core inflation, which removes highly volatile factors such as energy, also rose more than expected to 2.6%. Europeans have noticed that higher energy and goods prices are now pushing up the price of a coffee or lunch at restaurants. Inflation in the service sector saw the second highest increase, moving to 2.7% from 2.1% the previous month.

Non-energy industrial goods were also up to 2.4%, compared with 2.0% in October. Food, alcohol, and tobacco rose to 2.2%, compared with 1.9% in October.