

German inflation reaches two year low in March

BERLIN, April 2 (Xinhua) -- German annual inflation rate in March reached a two-year-low level of 1.4 percent, preliminary data showed on Tuesday. The Federal Statistical Office (Destatis) said in a statement that the provisionally calculated consumer prices index in March 2013 increased by 1.4 percent year on year, which was the lowest since December 2010. On a monthly basis, German consumer prices index rose by 0.5 percent in March. Calculated by a harmonized method for the purpose of comparing with other European Union countries, German consumer prices increase by 1.8 percent in March 2013 year on year, below European Central Bank's medium-term inflation maintenance target of 2.0 percent, and remained as the lowest since November 2010. Monthly harmonized inflation rate of Germany eased to 0.4 percent in March. According to the Wiesbaden-based Destatis, final results for March 2013 German inflation would be released next Thursday. Despite a shrink of 0.6 percent in the last quarter of 2012, German economy was expected to return to its growth track this year. German central bank Bundesbank had forecasted the annual inflation rate to be 1.5 percent in 2013 and 1.6 next year. The low inflation rate, as well as stable labor market, has offered reasons for German people to stay optimistic about the outlook of their financial situation.