



NEWS RELEASE

THE NATIONAL CONSUMER PRICE INDEX (BASE 2013=100): AUGUST 2016

Department of Census and Statistics

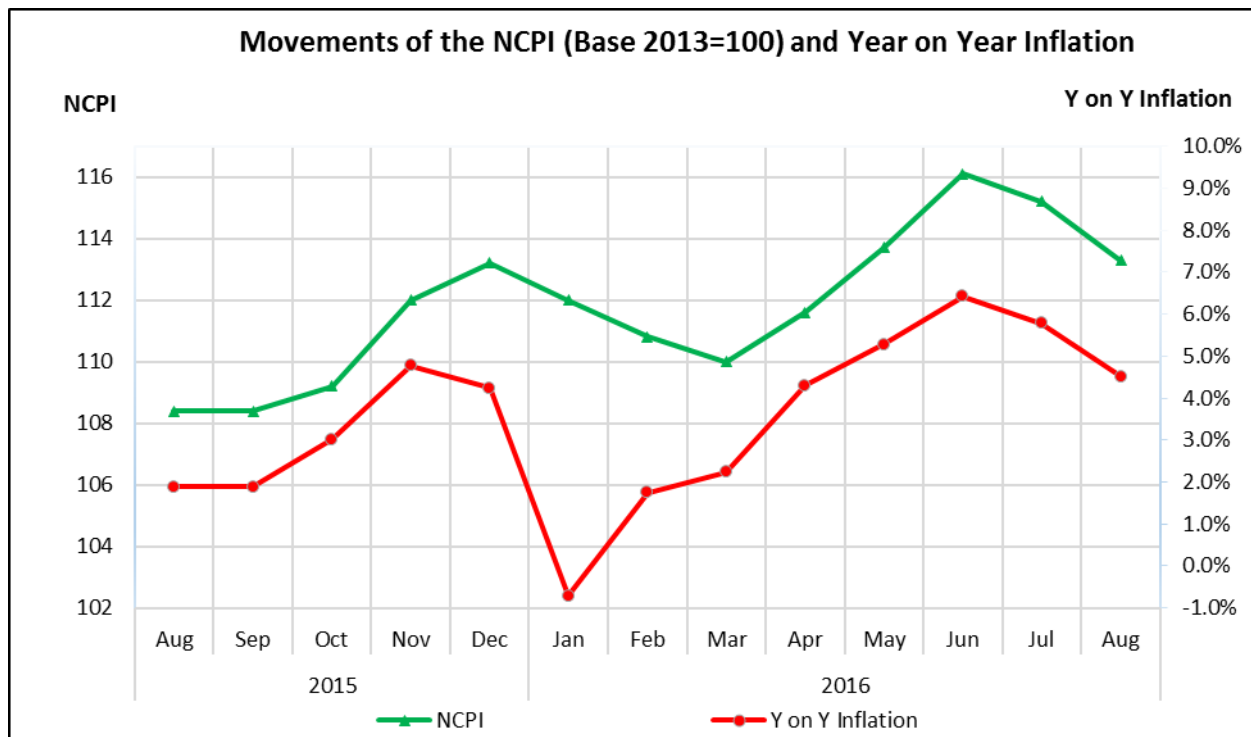
Ministry of National Policies and Economic Affairs

In a communiqué issued on National Consumer Price Index, Dr. Amara Satharasinghe, Director General of Census and Statistics said that the Year on Year inflation based on NCPI has declined to 4.5% in August 2016 from 5.8% in July 2016. In August 2016 contribution to the inflation from food group and non-food group are 1.84% and 2.61% respectively.

The Department of Census and Statistics has released the National Consumer Price Index (NCPI) for the month of August 2016. NCPI has been calculated as 113.3 for August 2016. This shows a decrease of 1.9 index points or a percentage of 1.6 compared to the previous month's (July) index of 115.2. This monthly change is due to the decrease of expenditure value of food items by 1.8% and increase of expenditure value of non-food items by 0.1%.

The expenditure value of food commodity group has decreased by 1.8 percent in August 2016 compared to July 2016. The decrease in expenditure value of food commodity in August 2016 compared to July 2016 was due to the price decreases in vegetables, green chilies, sugar, coconut, sprats (dry), rice, dhal-masoor, red onions, potatoes, limes, big onions and wheat flour compared to the previous month (July). However, price increases were reported for banana, eggs, papaw, fresh fish, mangoes and chicken during this period.

The expenditure value of non food commodity group has increased by 0.1 percent in August 2016 compared to July 2016. This was due to the expenditure value increases in non food commodity groups of 'Transport', 'Alcoholic Beverages Tobacco & Narcotics', 'Miscellaneous Goods and Services', 'Furnishing, Household Equipment & Routine Household Maintenance', 'Clothing and Footwear' and 'Restaurant and Hotels' compared to the previous month. The expenditure value increase in 'Transport' group was mainly due to increase in bus fare with effect from 01st of August 2016. However, decreases in expenditure value were reported for non food commodity groups of 'Communication', 'Health' and 'Housing, Water, Electricity, Gas and Other Fuels' compared to the previous month (July). The expenditure value decreases in 'Communication', 'Health' and 'Housing, Water, Electricity, Gas and Other Fuels' groups was due to removal of recently introduced increased VAT rates. Further, very small decrease in expenditure value was reported for group of 'Recreation and Culture' compared to the previous month. The expenditure value of 'Education' group remained unchanged during the month.



MOVEMENTS OF THE NCPI (Base : 2013 = 100)

Year	Month	Index Number	Month to Month % Change of Index Number	Year on Year Inflation %
2015	August	108.4	-0.5	1.9
	September	108.4	0.0	1.9
	October	109.2	0.7	3.0
	November	112.0	2.6	4.8
	December	113.2	1.1	4.2
2016	January	112.0	-1.1	-0.7
	February	110.8	-1.1	1.7
	March	110.0	-0.7	2.2
	April	111.6	1.5	4.3
	May	113.7	1.9	5.3
	June	116.1	2.1	6.4
	July	115.2	-0.8	5.8
	August	113.3	-1.6	4.5