



NEWS RELEASE

“Inflation declined to 6.3% in June”

THE NATIONAL CONSUMER PRICE INDEX (BASE 2013=100): JUNE 2017

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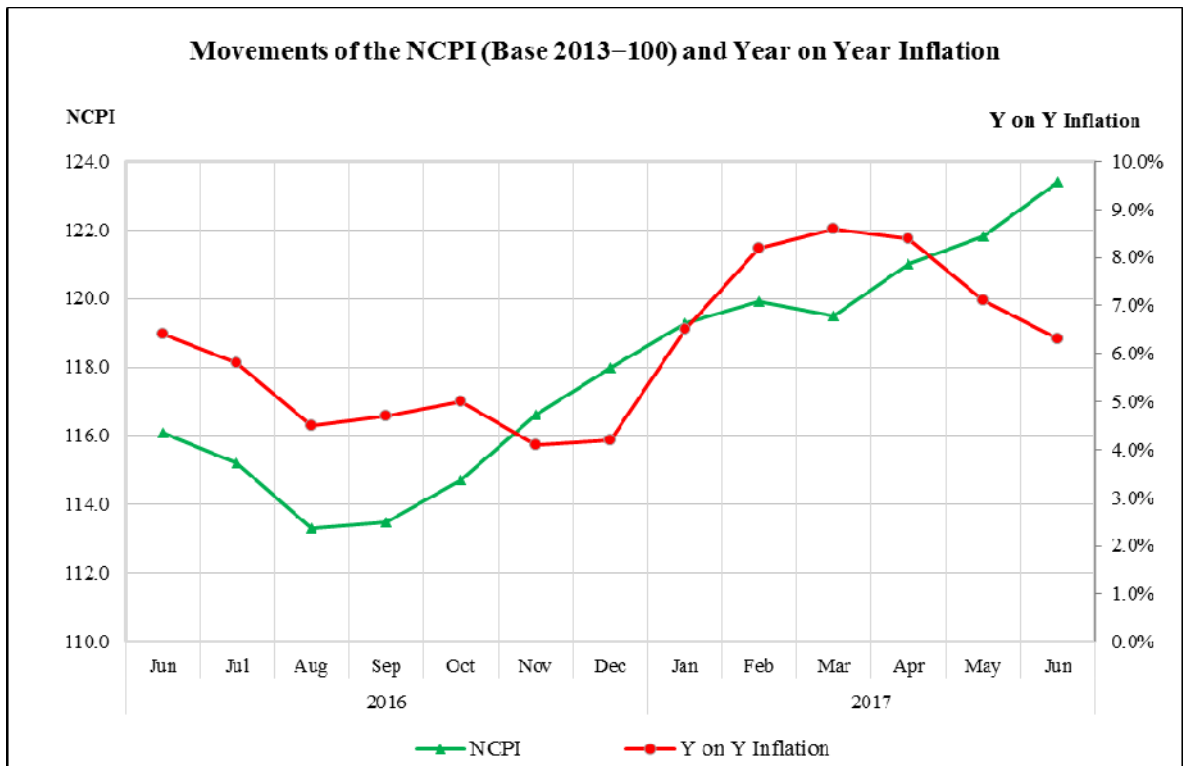
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In a communiqué issuing on National Consumer Price Index (NCPI), for the month of June 2017, Dr. Amara Satharasinghe, Director General of Census and Statistics said that the Year on Year inflation based on NCPI has decreased to 6.3% in June 2017 from 7.1% in May 2017. Contributions to the inflation from food group and non-food group in June 2017 are 3.9% and 2.4% respectively, whereas contributions of these two groups to the inflation in June 2016 were 3.4% and 3.1% respectively.

However, when compared to month on month changes, NCPI in June 2017 has increased to 123.4 from 121.8 reported for May 2017. This shows an increase of 1.6 index points or 1.3 percentage points in June 2017 compared to previous month: May 2017. This month on month change was due to the increases of expenditure value of food items by 1.30% and non-food items by 0.03% respectively.

The increase in expenditure value of food items was due to the price increases in rice, vegetables, fresh fish, dried fish, chicken, red onions, green chilies, tea, limes and garlic. However, decreases in expenditure value in index were reported for coconuts, coconut oil, eggs, big onions, banana, papaw, and tamarind.

The increase in expenditure value of non food items in June 2017 compared to the previous month was due to the expenditure value increases in groups of ‘Furnishing, Household equipment and Routine household maintenance’, ‘Miscellaneous Goods and Services’, ‘Alcoholic beverages, Tobacco and Narcotics’ and ‘Clothing and Footwear’. However, decrease in expenditure value was reported for non food commodity group of ‘Health’ compared to the previous month of May 2017. The expenditure value of ‘Housing, Water, Electricity, Gas and Other fuels’, ‘Transport’, ‘Communication’, ‘Recreation & Culture’, ‘Education’ and ‘Restaurant and Hotels’ groups 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 %
2016	June	116.1	2.1	6.4
	July	115.2	-0.8	5.8
	August	113.3	-1.6	4.5
	September	113.5	0.2	4.7
	October	114.7	1.1	5.0
	November	116.6	1.7	4.1
	December	118.0	1.2	4.2
2017	January	119.3	1.1	6.5
	February	119.9	0.5	8.2
	March	119.5	-0.3	8.6
	April	121.0	1.3	8.4
	May	121.8	0.7	7.1
	June	123.4	1.3	6.3