

**NEWS RELEASE****THE NATIONAL CONSUMER PRICE INDEX (BASE 2013=100): DECEMBER 2017****Department of Census and Statistics****Ministry of National Policies and Economic Affairs****TEL: 011-2147414****FAX: 011-2877945****E-mail: prices@statistics.gov.lk**

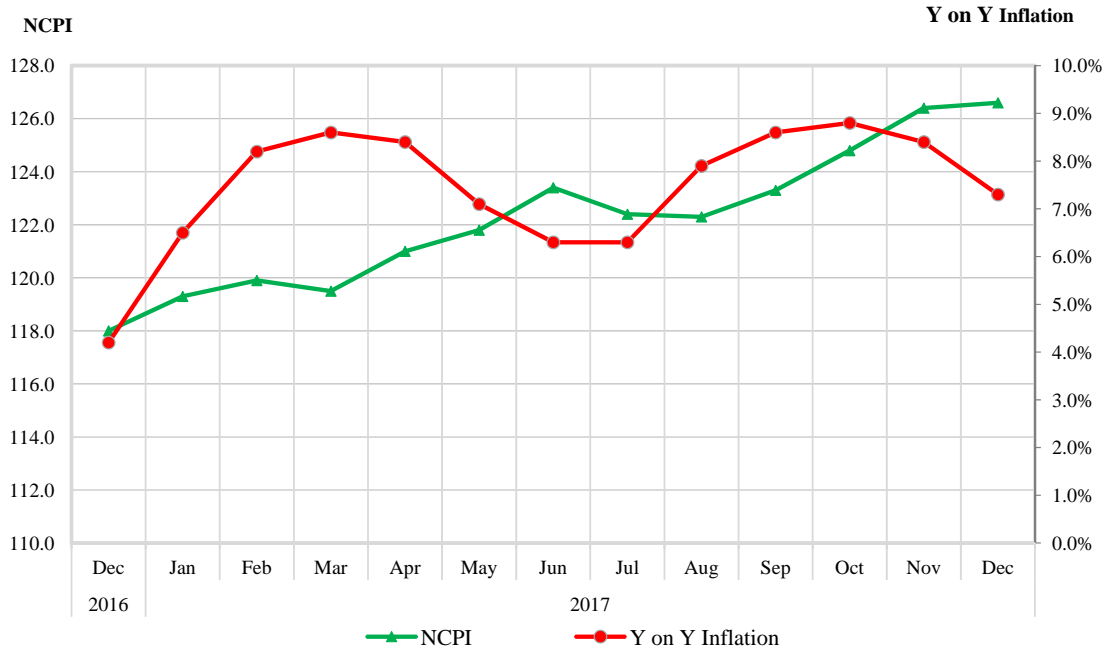
Issuing National Consumer Price Index (NCPI), for the month of December 2017, Dr. Amara Satharasinghe, Director General of Census and Statistics said that the Year on Year inflation based on NCPI has declined to 7.3% from 8.4% in November 2017. Before inflation decreased to 7.3% in December 2017, over 8.0% inflation was reported for three months (November, October, September of 2017) consecutively. Contributions to the inflation in December 2017 from food group and non-food group are 5.7% and 1.6% respectively, whilst contributions of these two groups to the inflation in December 2016 were 1.0% and 3.2% respectively, resulting headline inflation of 4.2% which reflect prevailed comparatively lower food prices particularly, prices of coconuts and vegetables in December 2016.

However, when compared to month on month changes, NCPI in December 2017 has increased to 126.6 from 126.4 reported in November 2017. This shows an increase of 0.2 index points or 0.2 percentage points in December 2017 as compared to November 2017. This month on month change was due to the increases of expenditure value of food items by 0.12% and non-food items by 0.03% respectively.

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

The increase in expenditure value of non food items in December 2017 compared to the previous month was due to the expenditure value increases in groups of 'Transport' and 'Clothing and Footwear'. Further, the groups of 'Furnishing, Household equipment and Routine household maintenance', 'Restaurant and Hotels' and 'Miscellaneous Goods and Services' recorded very slight expenditure value increases compared to the preceding month. However, decrease in expenditure value in index reported for group of 'Alcoholic beverages, Tobacco and Narcotics'. The expenditure value of 'Housing, Water, Electricity, Gas and Other fuels', 'Health', 'Communication', 'Recreation and Culture' and 'Education' groups remained unchanged during the month.

Movements of the NCPI (Base 2013=100) and Year on Year Inflation



Movements of the NCPI (Base : 2013 = 100)

Year	Month	Index Number	Month to Month % change of Index Number	Year on Year Inflation %
2016	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
	July	122.4	-0.8	6.3
	August	122.3	-0.1	7.9
	September	123.3	0.8	8.6
	October	124.8	1.2	8.8
	November	126.4	1.3	8.4
	December	126.6	0.2	7.3