Issuing the National Consumer Price Index (NCPI), for the month of June 2020, the Director General of Census and Statistics said that headline inflation as measured by the Year-on-Year change (The percentage change in the current month NCPI over same month NCPI of last year) based on the NCPI has been compiled as 6.3%. The headline inflation reported for the month of May 2020 was 5.2%. Contributions to the inflation rate of June 2020 from food group and non-food group are 5.8% and 0.5% respectively. Whilst contributions of food and non-food groups to the inflation in June 2019 were -1.3% and 3.4% respectively, resulting in a headline inflation of 2.1%. With respect June 2019, the reported increase in percentage of food group was mainly due to higher price levels prevailed in this month of June 2020, particularly prices of coconuts, rice, coconut oil, fresh fish, sugar and turmeric powder.

Comparing the month-on-month changes, NCPI in June 2020 has increased to 137.3 from 135.4 reported in May 2020. This shows an increase of 1.9 index points or 1.4 percentage as compared to May 2020. The month-on-month change was contributed by increase of index values of food items by 1.38% and non-food items by 0.03% respectively.

Price increases of food items were reported for Vegetables, Sugar, Fresh fish, Eggs, Rice, Turmeric powder, Chicken, Potatoes, Coconut oil, Limes, Mysore dhal, Fresh fruits, Biscuits, Coconuts, Green Gram, Papadam, Cowpea and Canned fish. However, decreases in index values were reported for Garlic, Dried fish, Dried chilies, Bread fruit, Chili powder and Curry powder.

The increases in index values of non-food groups in June 2020 compared to the previous month was due to the price increases in groups of items ‘Clothing and Footwear’, ‘Health’, ‘Transport’ (Purchase of vehicles) and ‘Restaurants and Hotels’. However, price decreases in groups of items were reported for ‘Alcoholic Beverages, Tobacco & Narcotics’ (Betel leaves) and ‘Housing, Water, Electricity, Gas and Other fuels’ (Material for the maintenance). Further, very slight price increases were reported in group of ‘Furnishing, Household equipment Routine household maintenance’ and very slight price decreases were reported in groups of ‘Recreation and Culture’ and ‘Miscellaneous Goods and Services’ compared to the preceding month. Meanwhile, the price indices of ‘Communication’ and ‘Education’ groups remained unchanged during the month.
Core inflation, which reflects the underlying inflation by excluding volatile items of food, energy and transport groups in the economy as measured by the Year-on-Year change based on NCPI for the month of June 2020 has increased to 4.4% from 3.7% in May 2020.

### Movements of the NCPI (Base 2013=100), NCPI(Core), Year on Year Headline Inflation and Year on Year Core Inflation

<table>
<thead>
<tr>
<th>Year</th>
<th>Month</th>
<th>Index Number</th>
<th>Month to Month % change of Index Number</th>
<th>Year on Year Inflation %</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td>NCPI(HL)</td>
<td>NCPI(Core)</td>
<td>NCPI(HL)</td>
</tr>
<tr>
<td>2019</td>
<td>June</td>
<td>129.2</td>
<td>133.0</td>
<td>0.4</td>
</tr>
<tr>
<td></td>
<td>July</td>
<td>129.4</td>
<td>133.4</td>
<td>0.2</td>
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<tr>
<td></td>
<td>August</td>
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<td>133.7</td>
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<tr>
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<td>September</td>
<td>130.6</td>
<td>134.0</td>
<td>0.7</td>
</tr>
<tr>
<td></td>
<td>October</td>
<td>131.9</td>
<td>134.4</td>
<td>1.0</td>
</tr>
<tr>
<td></td>
<td>November</td>
<td>132.9</td>
<td>134.6</td>
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<tr>
<td></td>
<td>December</td>
<td>135.0</td>
<td>134.2</td>
<td>1.6</td>
</tr>
<tr>
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<td>135.3</td>
<td>1.5</td>
</tr>
<tr>
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</tr>
<tr>
<td></td>
<td>March</td>
<td>135.2</td>
<td>136.0</td>
<td>-1.3</td>
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<tr>
<td></td>
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<td>136.9</td>
<td>-0.3</td>
</tr>
<tr>
<td></td>
<td>May</td>
<td>135.4</td>
<td>137.9</td>
<td>0.4</td>
</tr>
<tr>
<td></td>
<td>June</td>
<td>137.3</td>
<td>138.9</td>
<td>1.4</td>
</tr>
</tbody>
</table>

Department of Census and Statistics