

**NEWS RELEASE****THE NATIONAL CONSUMER PRICE INDEX (BASE 2013=100): MAY 2020****Department of Census and Statistics****State Ministry of Economic and Policy Development****TEL: 011-2147414****FAX: 011-2877945****E-mail: prices@statistics.gov.lk**

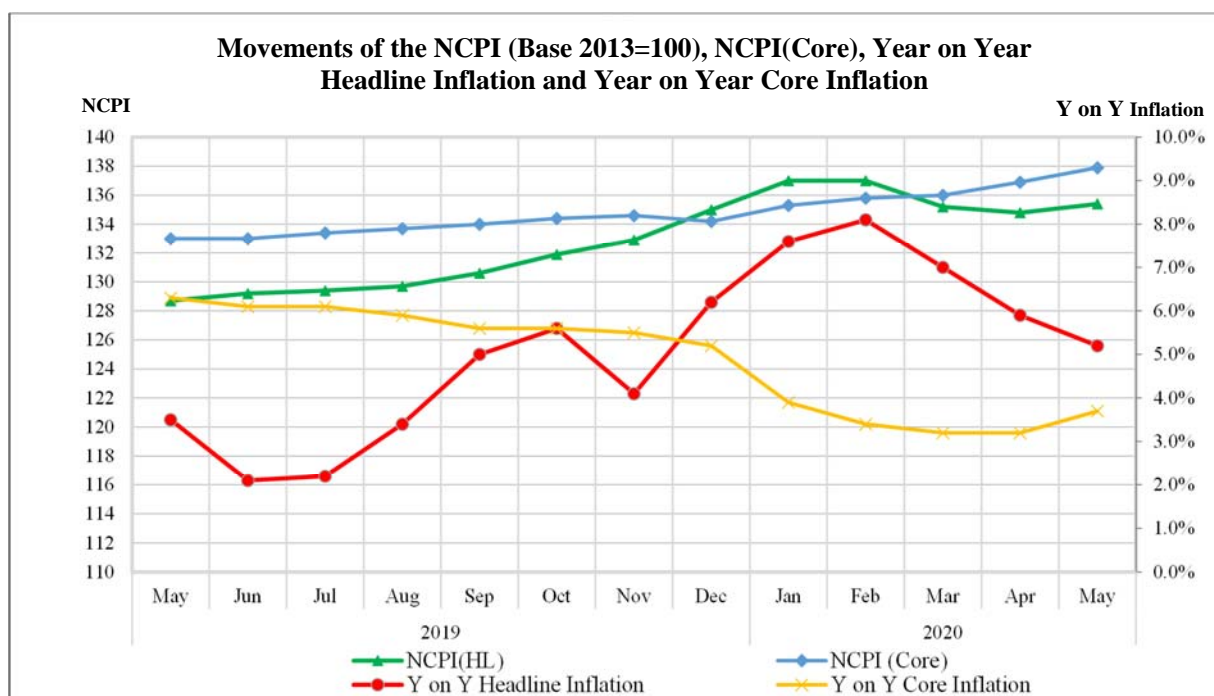
Issuing the National Consumer Price Index (NCPI), for the month of May 2020, the Director General of Census and Statistics said that headline inflation as measured by the Year-on-Year change (The percentage change in the current month NCPI over same month NCPI of last year) based on the NCPI has been compiled as 5.2%. The headline inflation reported for the month of April 2020 was 5.9%. Contributions to the inflation rate of May 2020 from food group and non-food group are 4.8% and 0.5% respectively. Whilst contributions of food and non-food groups to the inflation in May 2019 were -0.2% and 3.7% respectively, resulting in a headline inflation of 3.5%. With respect to May 2019, the reported increase in percentage of food group was mainly due to higher price levels prevailed in this month of May 2020, particularly prices of coconuts, rice, coconut oil, fresh fish, chili powder and red onions.

Comparing the month-on-month changes, NCPI in May 2020 has increased to 135.4 from 134.8 reported in April 2020. This shows an increase of 0.6 index points or 0.4 percentage as compared to April 2020. The month-on-month change was contributed by increase of index values of food items by 0.49% and decrease of index values of non-food items by 0.02%.

Price increases of food items were reported for vegetables, fresh fish, mysore dhal, coconut oil, turmeric powder, limes, sugar, milk powder, dried fish, green chilies, chicken, red onions, canned fish, rice, curry powder and eggs. However, price decreases of food items were reported for big onions, coconuts, fresh fruits, potatoes, garlic, dried chilies, pepper and gram.

The decreases in index values of non-food groups in May 2020 compared to the previous month was due to the price decreases in groups of items 'Alcoholic Beverages, Tobacco & Narcotics' (*Betel leaves*) and 'Recreation and Culture' (*News papers*). However, price increases in groups of items were reported for 'Miscellaneous Goods and Services' (*Car Insurance*) and 'Transport' (*Purchase of vehicles*). Further, very slight price increases were reported in groups of 'Furnishing, Household equipment Routine household maintenance' and 'Clothing and Footwear' compared to the preceding month. Meanwhile, the price indices of 'Housing, Water, Electricity, Gas and Other fuels', 'Health', 'Communication', 'Education' and 'Restaurants and Hotels' 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 May 2020 has increased to 3.7% from 3.2% in April 2020.



Movements of the NCPI (Base : 2013 = 100)

Year	Month	Index Number		Month to Month % change of Index Number		Year on Year Inflation %	
		NCPI(HL)	NCPI (Core)	NCPI(HL)	NCPI (Core)	NCPI(HL)	NCPI (Core)
2019	May	128.7	133.0	1.1	0.3	3.5	6.3
	June	129.2	133.0	0.4	0.0	2.1	6.1
	July	129.4	133.4	0.2	0.3	2.2	6.1
	August	129.7	133.7	0.2	0.2	3.4	5.9
	September	130.6	134.0	0.7	0.2	5.0	5.6
	October	131.9	134.4	1.0	0.3	5.6	5.6
	November	132.9	134.6	0.8	0.1	4.1	5.5
	December	135.0	134.2	1.6	-0.3	6.2	5.2
2020	January	137.0	135.3	1.5	0.8	7.6	3.9
	February	137.0	135.8	0.0	0.4	8.1	3.4
	March	135.2	136.0	-1.3	0.1	7.0	3.2
	April	134.8	136.9	-0.3	0.7	5.9	3.2
	May	135.4	137.9	0.4	0.7	5.2	3.7