



NEWS RELEASE
THE NATIONAL CONSUMER PRICE INDEX (BASE 2013=100): December 2020



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Issuing the National Consumer Price Index (NCPI), for the month of December 2020, the Director General (Actg.) 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 4.6%. The headline inflation reported for the month of November 2020 was 5.2%. Contributions to the inflation rate of December 2020 from food group and non-food group are 3.4% and 1.2% respectively. Whilst contributions of food and non-food groups to the inflation in December 2019 were 3.8% and 2.4% respectively, resulting in a headline inflation of 6.2%. With respect to December 2019, the reported increase in percentage of food group was mainly due to higher price levels prevailed in this month of December 2020, particularly prices of coconuts, turmeric powder, coconut oil, mysour dhal, big onions, chili powder and potatoes.

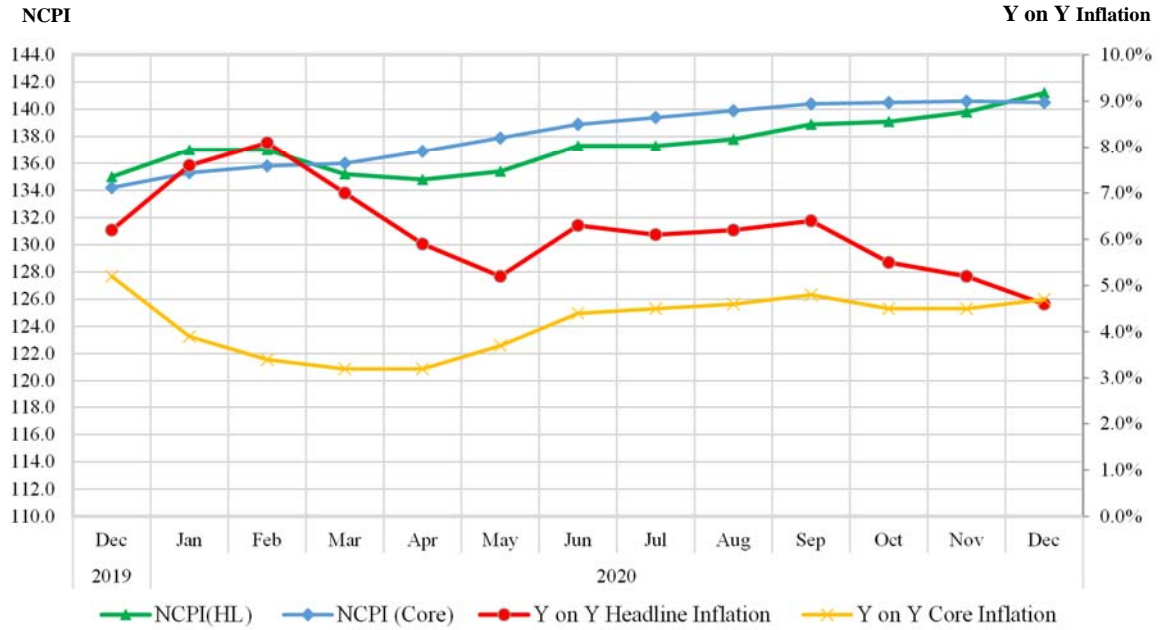
Comparing the month-on-month changes, NCPI in December 2020 has increased to 141.2 from 139.8 reported in November 2020. This shows an increase of 1.4 index points or 1.0 percentage as compared to November 2020. The month-on-month change was contributed by increases of index values of food items by 1.02% and non-food items by 0.01% respectively.

Price increases of food items were reported for coconuts, vegetables, potatoes, rice, red onions, green chilies, eggs, limes, mysour dhal, fresh fish, big onions, dried fish, tamarind, chili powder, green gram, coconut oil, dried chilies and canned fish. However, price decreases of food items were reported for sugar and fresh fruits.

The increases in index values of non-food groups in December 2020 compared to the previous month was mainly due to the price increases in groups of items 'Transport' (*Bus fare*) and 'Health'. Further, very slight price increases were reported in groups of 'Clothing and Footwear' and 'Miscellaneous Goods and Services'. However, price decrease in group of items was reported in 'Alcoholic Beverages, Tobacco & Narcotics' (*Arecanuts*) compared to the preceding month and very slight price decrease was reported in group of 'Furnishing, Household equipment and Routine household maintenance' as well. Meanwhile, the price indices of 'Housing, Water, Electricity, Gas and Other fuels', 'Communication', 'Recreation and Culture', '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 December 2020 has increased to 4.7% from 4.5% in November 2020.

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



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	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
	June	137.3	138.9	1.4	0.7	6.3	4.4
	July	137.3	139.4	0.0	0.4	6.1	4.5
	August	137.8	139.9	0.4	0.4	6.2	4.6
	September	138.9	140.4	0.8	0.4	6.4	4.8
	October	139.1	140.5	0.1	0.1	5.5	4.5
	November	139.8	140.6	0.5	0.1	5.2	4.5
	December	141.2	140.5	1.0	-0.1	4.6	4.7