



NEWS RELEASE
THE NATIONAL CONSUMER PRICE INDEX (BASE 2013=100): January 2021



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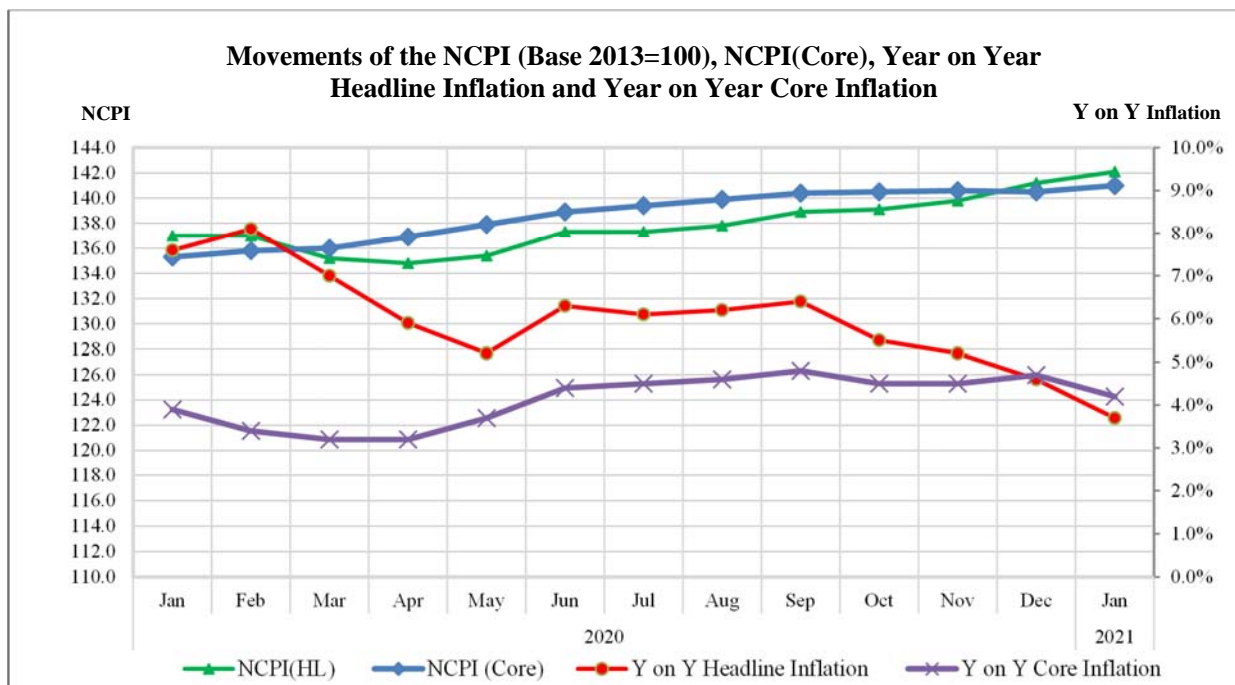
Issuing the National Consumer Price Index (NCPI), for the month of January 2021, the Director General (Actg.) of Census and Statistics said that headline inflation as measured by the Year-on-Year change (The percentage change in the current month NCPI over same month NCPI of last year) based on the NCPI has been compiled as 3.7%. The headline inflation reported for the month of December 2020 was 4.6%. Contributions to the inflation rate of January 2021 from food group and non-food group are 2.7% and 1.0% respectively. Whilst contributions of food and non-food groups to the inflation in January 2020 were 6.0% and 1.7% respectively, resulting in a headline inflation of 7.6%.

Comparing the month-on-month changes, NCPI in January 2021 has increased to 142.1 from 141.2 reported in December 2020. This shows an increase of 0.9 index points or 0.6 percentage as compared to December 2020. The month-on-month change was contributed by increases of index values of food items by 0.48% and non-food items by 0.14% respectively.

Price increases of food items were reported for rice, coconuts, green chilies, vegetables, red onions, fresh fish, fresh fruits, turmeric powder, coconut oil, tamarind and dried chilies. However, price decreases of food items were reported for big onions, potatoes, eggs, manioc and chicken.

The increases in index values of non-food groups in January 2021 compared to the previous month was mainly due to the price increases in groups of items 'Health' (*Fees to private medical practices, Payments to private hospitals room charges*), 'Furnishing, Household equipment and Routine household maintenance' (*Wages of servants*), 'Housing, Water, Electricity, Gas and Other fuels' (*Materials for the Maintenance*), 'Transport' (*Tyres, tubes and spare parts*), 'Clothing and Footwear', 'Miscellaneous Goods and Services' and 'Education'. However, price decrease in group of items was reported in 'Alcoholic Beverages, Tobacco and Narcotics' (*Arecanuts*) compared to the preceding month. Meanwhile, the price indices of 'Communication', 'Recreation and Culture' 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 January 2021 has declined to 4.2% from 4.7% in December 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)
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
2021	January	142.1	141.0	0.6	0.4	3.7	4.2