



NEWS RELEASE

THE NATIONAL CONSUMER PRICE INDEX (BASE 2013=100): AUGUST 2021



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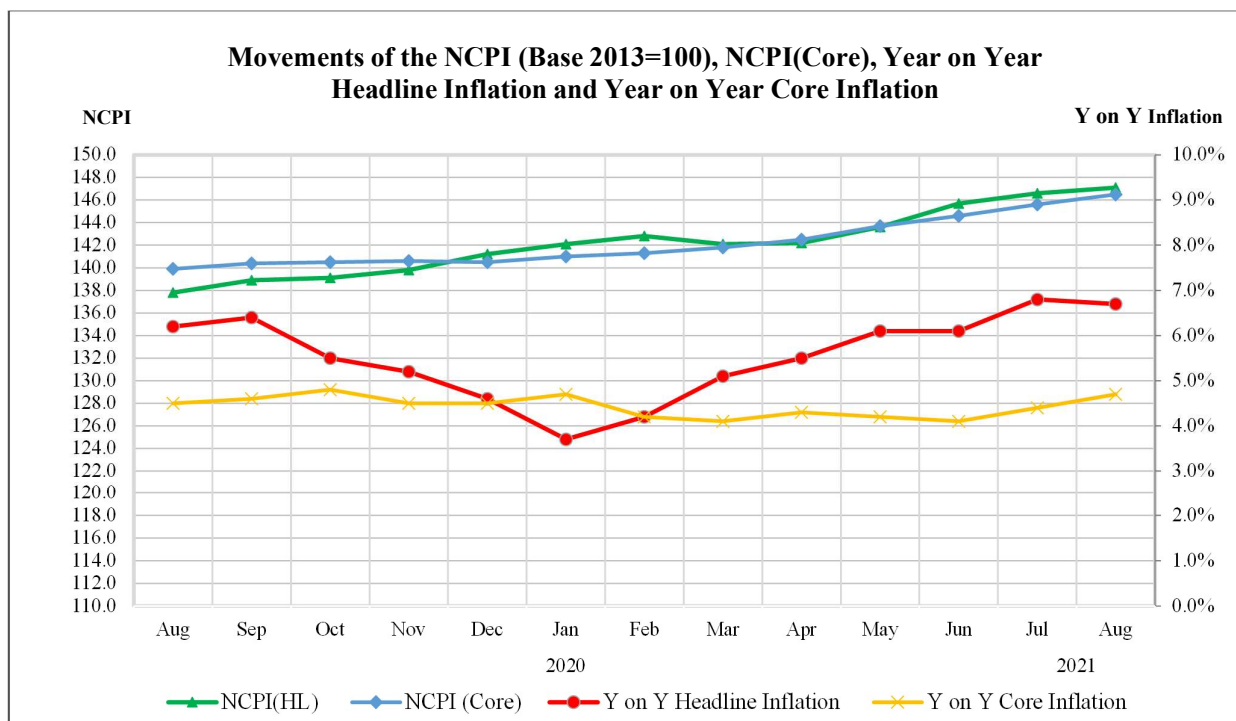
Issuing the National Consumer Price Index (NCPI), for the month of August 2021, the Director General of Census and Statistics said that headline inflation as measured by the Year-on-Year change (The percentage change in the current month NCPI over same month NCPI of last year) based on the NCPI has been compiled as 6.7%. The headline inflation reported for the month of July 2021 was 6.8%. Contributions to the inflation rate of August 2021 from food group and non-food group are 5.1% and 1.7% respectively. Whilst contributions of food and non-food groups to the inflation in August 2020 were 5.7% and 0.6% respectively, resulting in a headline inflation of 6.2%. With respect to August 2020, the reported increase in percentage of food group was mainly due to higher price levels prevailed in this month of August 2021, particularly prices of rice, vegetables, coconut oil, coconuts, mysore dhal and big onions.

Comparing the month-on-month changes, NCPI in August 2021 has increased to 147.1 from 146.6 reported in July 2021. This shows an increase of 0.5 index points or 0.3 percentage as compared to July 2021. The month-on-month change was contributed by increases of index values of food items by 0.25% and non-food items by 0.11% respectively.

Price increases of food items were reported for Sugar, Potatoes, Fresh fish, Mysore dhal, Chicken, Dried fish, Fresh fruits, Biscuits, Eggs, Canned fish, Turmeric powder, Wheat flour, Soya meat, Curry powder, and Chili powder. However, decreases in index values were reported for Rice, Coconut oil, Coconuts, Red onions and Green chilies.

The increases in index values of non-food groups in August 2021 compared to the previous month was mainly due to the price increases in groups of items 'Alcoholic Beverages, Tobacco and Narcotics' (*Areca nuts*), 'Clothing and Footwear', 'Furnishing, Household equipment and Routine household maintenance', 'Health' (*Payments to private hospitals/nursing homes room charges*) and 'Restaurants and Hotels'. Further, very slight price increases were reported in groups of 'Recreation and Culture' and 'Miscellaneous Goods and Services' as well. However, price decrease in group of items was reported in 'Housing, Water, Electricity, Gas and Other fuels' (*LP gas*) compared to the preceding month. Meanwhile, the price indices of, 'Transport', '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 August 2021 was increased to 4.7% from 4.4% reported in month of July 2021.



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	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
	February	142.8	141.3	0.5	0.2	4.2	4.1
	March	142.1	141.8	-0.5	0.4	5.1	4.3
	April	142.2	142.5	0.1	0.5	5.5	4.1
	May	143.6	143.7	1.0	0.8	6.1	4.2
	June	145.7	144.6	1.5	0.6	6.1	4.1
	July	146.6	145.6	0.6	0.7	6.8	4.4
	August	147.1	146.5	0.3	0.6	6.7	4.7