

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

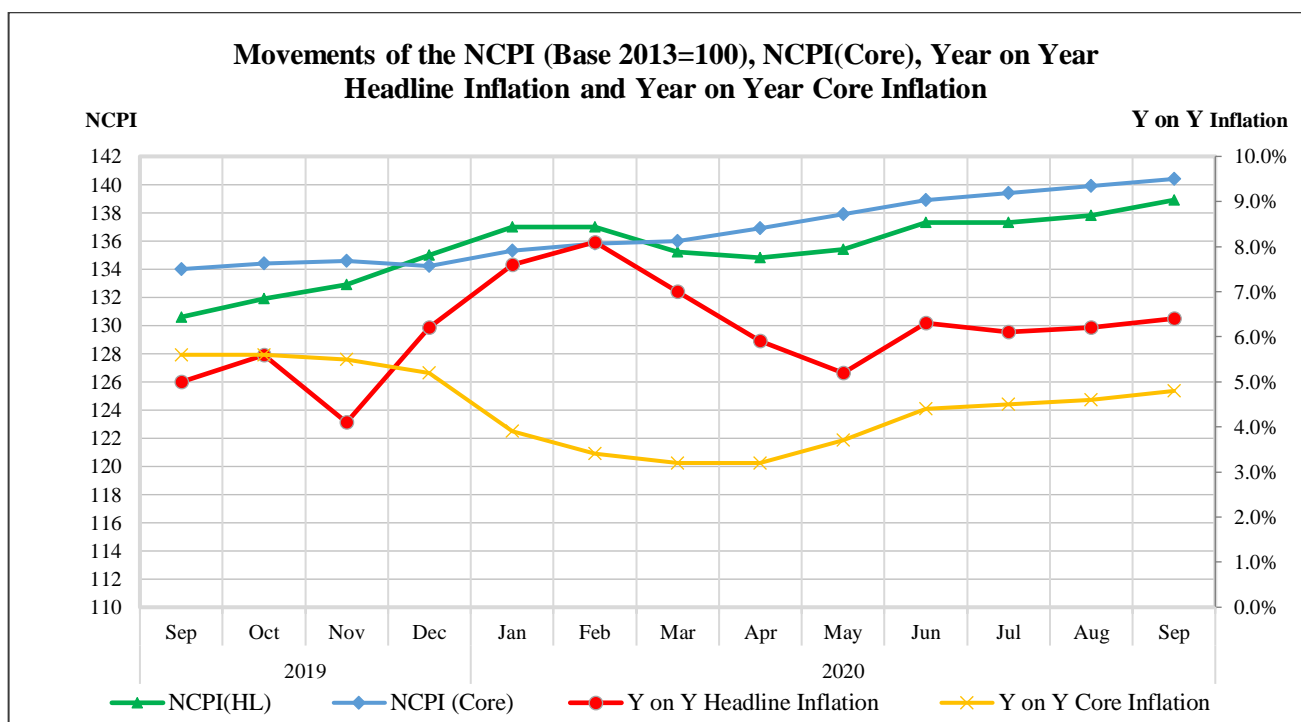
Issuing the National Consumer Price Index (NCPI), for the month of September 2020, the Director General of Census and Statistics said that headline inflation as measured by the Year-on-Year change (The percentage change in the current month NCPI over same month NCPI of last year) based on the NCPI has been compiled as 6.4%. The headline inflation reported for the month of August 2020 was 6.2%. Contributions to the inflation rate of September 2020 from food group and non-food group are 5.5% and 0.8% respectively. Whilst contributions of food and non-food groups to the inflation in September 2019 were 2.1% and 2.9% respectively, resulting in a headline inflation of 5.0%. With respect September 2019, the reported increase in percentage of food group was mainly due to higher price levels prevailed in this month of September 2020, particularly prices of coconuts, rice, turmeric powder, coconut oil, vegetables and sugar.

Comparing the month-on-month changes, NCPI in September 2020 has increased to 138.9 from 137.8 reported in August 2020. This shows an increase of 1.1 index points or 0.8 percentage as compared to August 2020. The month-on-month change was contributed by increases of index values of food items by 0.52% and non-food items by 0.23% respectively.

Price increases of food items were reported for Vegetables, Coconuts, Big Onions, Fresh fruits, Turmeric powder, Rice, Biscuits, Papadam, Jak and Jak Seeds and Rice flour. However, decreases in index values were reported for Fresh fish, Potatoes, Red Onions, Limes, Coconut Oil, Eggs, Green Chillies, Chili powder and Sprats (Dry).

The increases in index values of non-food groups in September 2020 compared to the previous month was due to the price increases in groups of items 'Alcoholic Beverages, Tobacco & Narcotics' (*Arecanuts and Bulathwita*), 'Transport' (*Motor Cars and Cost of servicing of vehicles*) and 'Miscellaneous Goods and Services'. Further, very slight price increases were reported in groups of 'Clothing and Footwear', 'Furnishing, Household equipment Routine household maintenance' and 'Recreation and Culture' and very slight price decrease was reported in group of 'Education' compared to the preceding month. Meanwhile, the price indices of 'Housing, Water, Electricity, Gas and Other fuels', 'Health', 'Communication' 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 September 2020 has increased to 4.8% from 4.6% in August 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	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
	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