



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



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Issuing the National Consumer Price Index (NCPI), for the month of July 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 6.8%. The headline inflation reported for the month of June 2021 was 6.1%. Contributions to the inflation rate of July 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 July 2020 were 5.6% and 0.5% respectively, resulting in a headline inflation of 6.1%. With respect to July 2020, the reported increase in percentage of food group was mainly due to higher price levels prevailed in this month of July 2021, particularly prices of rice, vegetables, coconuts, coconut oil, big onions and mysore dhal.

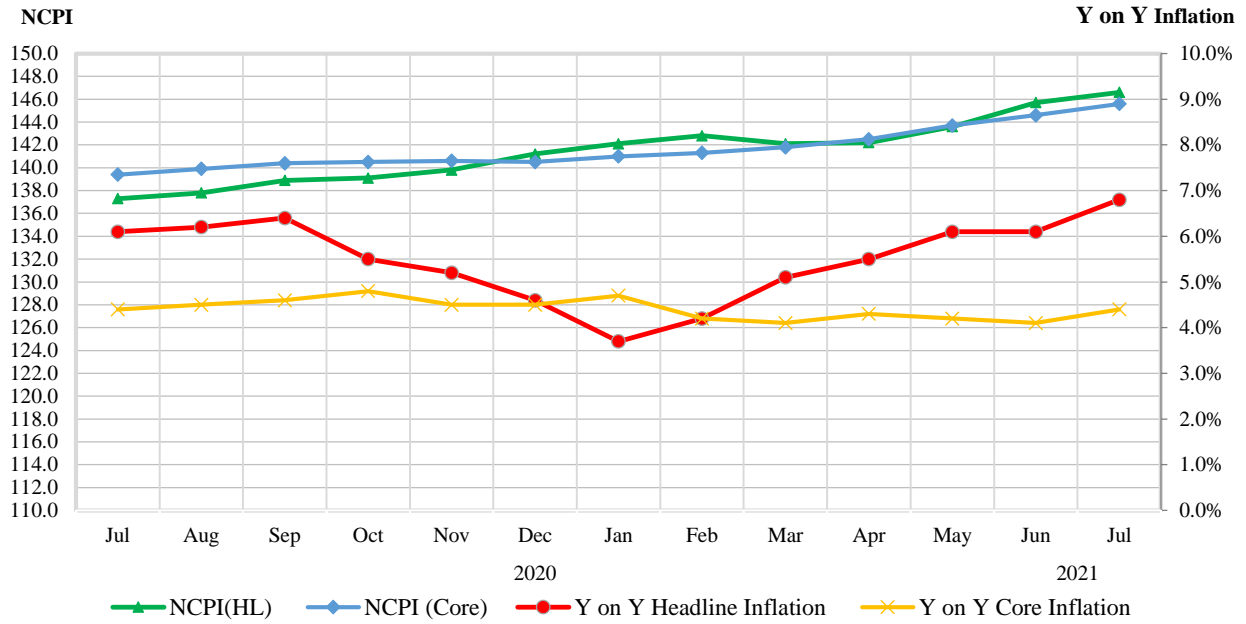
Comparing the month-on-month changes, NCPI in July 2021 has increased to 146.6 from 145.7 reported in June 2021. This shows an increase of 0.9 index points or 0.6 percentage as compared to June 2021. The month-on-month change was contributed by increases of index values of food items by 0.37% and non-food items by 0.27% respectively.

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

The increases in index values of non-food groups in July 2021 compared to the previous month was mainly due to the price increases in groups of items 'Transport' (*Petrol, Diesel and Taxi/three wheelers fare*), 'Restaurants and Hotels', 'Alcoholic Beverages, Tobacco and Narcotics' (*Areca nuts*), 'Clothing and Footwear', 'Furnishing, Household equipment and Routine household maintenance', 'Recreation and Culture', 'Miscellaneous Goods and Services'. Further, very slight price increases were reported in groups of 'Housing, Water, Electricity, Gas and Other fuels' and 'Health'. Meanwhile, the price indices of, '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 July 2021 was increased to 4.4% from 4.1% reported in month of June 2021.

**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)
2020	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
	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