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இலங்கை மத்திய வங்கி
CENTRAL BANK OF SRI LANKA

Communications Department

30, Janadhipathi Mawatha, Colombo 01, Sri Lanka.

Tel : 2477424, 2477423, 2477311

Fax: 2346257, 2477739

E-mail: dcommunications@cbsl.lk, communications@cbsl.lk

Web: www.cbsl.gov.lk

Press Release

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NCPI based Inflation increased in January 2020

Headline Inflation

Year-on-year inflation : 7.6%

Annual Average inflation : 4.1%

Monthly Change : 1.5%

Core Inflation

Year-on-year inflation : 3.9%

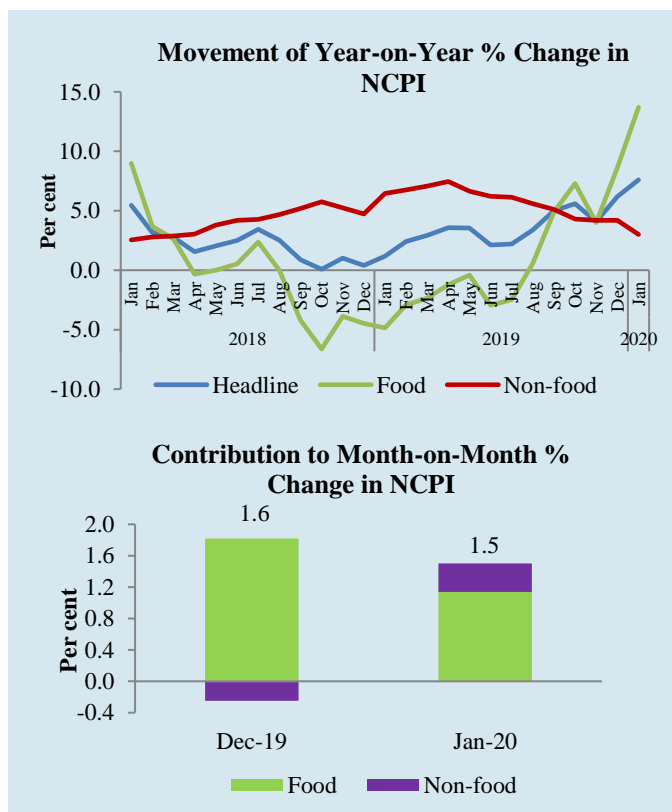
Annual Average inflation : 5.6%

Monthly Change : 0.8%

Headline inflation as measured by the year-on-year (Y-o-Y) change in the National Consumer Price Index (NCPI, 2013=100)¹ increased to 7.6 per cent in January 2020 from 6.2 per cent in December 2019. This was driven by monthly increase of prices of items in both Food and Non-food categories. Food inflation (Y-o-Y) increased substantially from 8.6 per cent in December 2019 to 13.7 per cent in January 2020, the highest since November 2017. Further, Non-food inflation (Y-o-Y) stood at 3.0 per cent in January 2020.

The change in the NCPI measured on an annual average basis increased to 4.1 per cent in January 2020 from 3.5 per cent in December 2019.

Monthly change of NCPI recorded at 1.5 per cent in January 2020 and it was due to the price increases observed in the items of both Food and Non-food categories. The



¹The National Consumer Price Index (NCPI, 2013=100) is compiled by the Department of Census and Statistics.

increase in prices of items in the Food category was mainly caused by supply shortages occurred due to adverse weather conditions prevailed during the latter part of 2019. Within the Food category, prices of vegetables, coconut, red onions and fresh fish recorded increases in January 2020. In addition, prices of items in the Non-Food category also recorded increases during the month owing to price increases of the items in Housing, Water, Electricity, Gas and other fuels (housing rent); Education (tuition fees); and Alcoholic Beverages and Tobacco sub-categories.

The core inflation, which reflects the underlying inflation in the economy, decreased from 5.2 per cent in December 2019 to 3.9 per cent in January 2020, on year-on-year basis, recording the lowest since January 2019. However, annual average core inflation remained at 5.6 per cent in January 2020.

Data Annexure:

Table 01 : Movements of the NCPI
Base: 2013 = 100

Year	Month	Index Number		Monthly Percentage Change		Year-on-Year Percentage Change		Annual Average Percentage Change	
		NCPI	NCPI (Core)	NCPI	NCPI (Core)	NCPI	NCPI (Core)	NCPI	NCPI (Core)
2018	January	125.8	123.9	-0.6	0.1	5.4	2.1	7.6	4.5
	February	123.7	124.4	-1.7	0.4	3.2	2.0	7.2	4.1
	March	122.8	124.6	-0.7	0.2	2.8	1.9	6.7	3.6
	April	122.9	124.8	0.1	0.2	1.6	1.9	6.1	3.3
	May	124.3	125.1	1.1	0.2	2.1	1.7	5.7	3.1
	June	126.5	125.3	1.8	0.2	2.5	1.8	5.3	2.9
	July	126.6	125.7	0.1	0.3	3.4	2.3	5.1	2.7
	August	125.4	126.3	-0.9	0.5	2.5	2.7	4.7	2.5
	September	124.4	126.9	-0.8	0.5	0.9	3.1	4.0	2.4
	October	124.9	127.3	0.4	0.3	0.1	3.4	3.3	2.4
	November	127.7	127.6	2.2	0.2	1.0	3.1	2.7	2.4
	December	127.1	127.6	-0.5	0.0	0.4	3.1	2.1	2.4
2019	January	127.3	130.2	0.2	2.0	1.2	5.1	1.8	2.7
	February	126.7	131.3	-0.5	0.8	2.4	5.5	1.7	3.0
	March	126.4	131.8	-0.2	0.4	2.9	5.8	1.7	3.3
	April	127.3	132.6	0.7	0.6	3.6	6.3	1.9	3.7
	May	128.7	133.0	1.1	0.3	3.5	6.3	2.0	4.0
	June	129.2	133.0	0.4	0.0	2.1	6.1	2.0	4.4
	July	129.4	133.4	0.2	0.3	2.2	6.1	1.9	4.7
	August	129.7	133.7	0.2	0.2	3.4	5.9	2.0	5.0
	September	130.6	134.0	0.7	0.2	5.0	5.6	2.3	5.2
	October	131.9	134.4	1.0	0.3	5.6	5.6	2.8	5.4
	November	132.9	134.6	0.8	0.1	4.1	5.5	3.0	5.6
	December	135.0	134.2	1.6	-0.3	6.2	5.2	3.5	5.7
2020	January	137.0	135.3	1.5	0.8	7.6	3.9	4.1	5.6

Source: Department of Census and Statistics