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## CCPI based annual average headline inflation rises to 6.0 per cent, while Y-o-Y inflation increases to 12.1 per cent in December 2021

### Headline Inflation

Annual Average inflation : 6.0%

Year-on-year inflation : 12.1%

Monthly Change : 2.64%

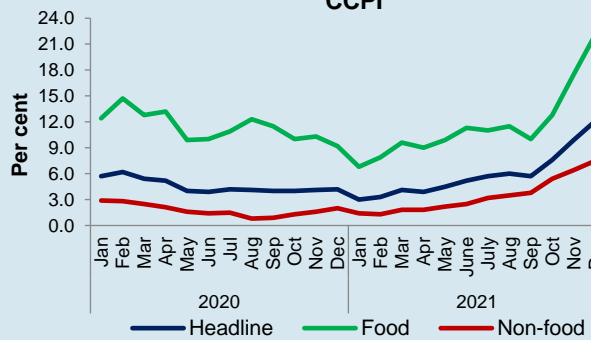
### Core Inflation

Annual Average inflation : 4.4%

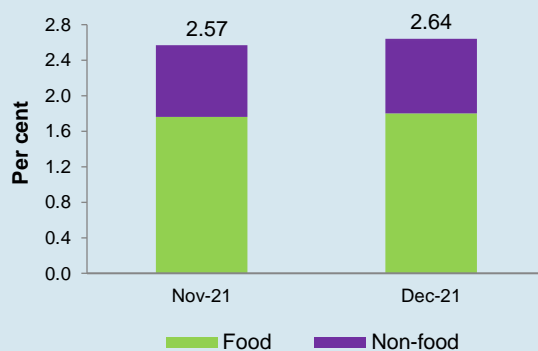
Year-on-year inflation : 8.3%

Monthly Change : 1.3%

**Movement of Year-on-Year % Change in CCPI**



**Contribution to Month-on-Month % Change in CCPI**



Headline inflation, as measured by the year-on-year (Y-o-Y) change in the Colombo Consumer Price Index (CCPI, 2013=100)<sup>1</sup>, increased to 12.1 per cent in December 2021 from 9.9 per cent in November 2021. Meanwhile, on an annual average basis, the CCPI increased to 6.0 per cent in December 2021 from 5.3 per cent in November 2021. An in-depth analysis of the key drivers of current inflation suggests that a large component of inflation is driven by supply side factors. A detailed explanation in this regard will be published by the Central Bank shortly.

Inflation was driven by monthly increases of prices of items in both Food and Non-food categories. Subsequently, Food inflation (Y-o-Y) increased to 22.1 per cent in December 2021 from 17.5 per cent in November 2021, while Non-food inflation (Y-o-Y) increased to 7.5 per cent in December 2021 from 6.4 per cent in November 2021.

Monthly change of CCPI recorded at 2.64 per cent in December 2021 due to price increases observed in items of both Food and Non-food categories which were 1.80 per cent and 0.84 per cent, respectively. Accordingly, within the Food category, prominent increases were observed in prices of vegetables, fresh fish, and green chillies. Further, prices of items in the Non-Food category recorded increases mainly due to price increases observed in the Restaurants and Hotels, Transport (Petrol, Diesel, Taxi/three-wheeler

charges) and Alcoholic Beverages and Tobacco (Arrack, Cigarettes) sub-categories during the month.

The core inflation (Y-o-Y), which reflects the underlying inflation in the economy, increased to 8.3 per cent in December 2021 from 7.0 per cent in November 2021. Moreover, annual average core inflation increased to 4.4 per cent in December 2021 from 4.0 per cent in November 2021.

<sup>1</sup>The Colombo Consumer Price Index (CCPI, 2013=100) is compiled by the Department of Census and Statistics.

Data Annexure:

**Table 1: Movements of the CCPI**

**Base: 2013 = 100**

Year	Month	Index Number		Monthly Percentage Change		Year-on-Year Percentage Change		Annual Average Percentage Change	
		CCPI	CCPI (Core)	CCPI	CCPI (Core)	CCPI	CCPI (Core)	CCPI	CCPI (Core)
2019	January	127.4	132.5	0.9	2.9	3.7	5.5	4.1	3.7
	February	126.8	132.6	-0.5	0.1	4.0	5.4	4.1	3.8
	March	126.6	133.0	-0.2	0.3	4.3	5.6	4.1	4.0
	April	127.0	133.1	0.3	0.1	4.5	5.5	4.1	4.2
	May	129.0	134.2	1.6	0.8	5.0	6.2	4.2	4.4
	June	130.2	134.4	0.9	0.1	3.8	5.8	4.2	4.7
	July	130.0	134.6	-0.2	0.1	3.3	5.7	4.0	4.8
	August	130.1	134.6	0.1	0.0	3.4	5.6	3.8	5.0
	September	131.1	135.2	0.8	0.4	5.0	5.6	3.9	5.1
	October	131.3	135.2	0.2	0.0	5.4	5.5	4.0	5.3
	November	131.7	135.5	0.3	0.2	4.4	5.1	4.1	5.4
	December	132.4	135.0	0.5	-0.4	4.8	4.8	4.3	5.5
2020	January	134.6	136.5	1.7	1.1	5.7	3.0	4.5	5.3
	February	134.6	136.9	0.0	0.3	6.2	3.2	4.6	5.1
	March	133.4	136.9	-0.9	0.0	5.4	2.9	4.7	4.9
	April	133.6	137.2	0.1	0.2	5.2	3.1	4.8	4.7
	May	134.2	138.1	0.4	0.7	4.0	2.9	4.7	4.4
	June	135.3	138.6	0.8	0.4	3.9	3.1	4.7	4.2
	July	135.4	138.9	0.1	0.2	4.2	3.2	4.8	4.0
	August	135.4	138.9	0.0	0.0	4.1	3.2	4.8	3.8
	September	136.3	139.1	0.7	0.1	4.0	2.9	4.7	3.6
	October	136.5	139.2	0.1	0.1	4.0	3.0	4.6	3.4
	November	137.1	139.6	0.4	0.3	4.1	3.0	4.6	3.2
	December	138.0	139.7	0.7	0.1	4.2	3.5	4.6	3.1
2021	January	138.7	140.2	0.5	0.4	3.0	2.7	4.3	3.1
	February	139.1	140.4	0.3	0.1	3.3	2.6	4.1	3.0
	March	138.9	141.1	-0.1	0.5	4.1	3.1	4.0	3.0
	April	138.8	141.3	-0.1	0.1	3.9	3.0	3.9	3.0
	May	140.3	142.5	1.1	0.8	4.5	3.2	3.9	3.0
	June	142.4	143.1	1.5	0.4	5.2	3.2	4.1	3.0
	July	143.1	144.1	0.5	0.7	5.7	3.7	4.2	3.1
	August	143.5	144.6	0.3	0.3	6.0	4.1	4.3	3.2
	September	144.1	146.0	0.4	1.0	5.7	5.0	4.5	3.3
	October	146.9	147.9	1.9	1.3	7.6	6.3	4.8	3.6
	November	150.7	149.4	2.6	1.0	9.9	7.0	5.3	4.0
	December	154.7	151.3	2.7	1.3	12.1	8.3	6.0	4.4

Source: Department of Census and Statistics