

**NEWS RELEASE****THE NATIONAL CONSUMER PRICE INDEX (BASE 2013=100): AUGUST 2017****Department of Census and Statistics****Ministry of National Policies and Economic Affairs****TEL: 011-2147414****FAX: 011-2877945****E-mail: prices@statistics.gov.lk**

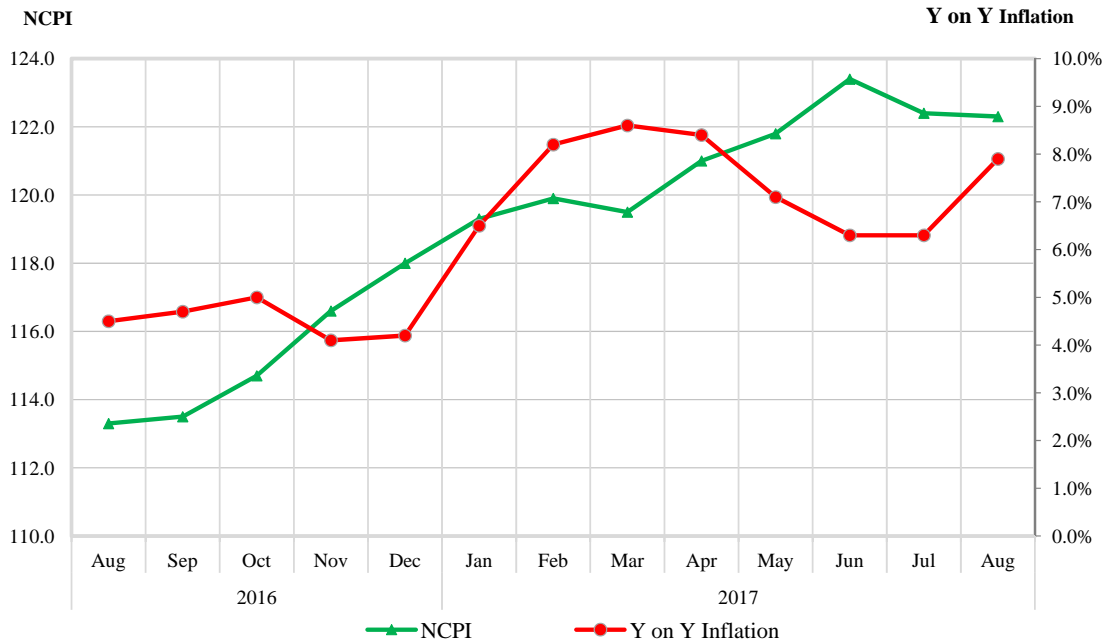
Issuing National Consumer Price Index (NCPI), for the month of August 2017, Dr. Amara Satharasinghe, Director General of Census and Statistics said that the Year on Year inflation based on NCPI has increased to 7.9% in August 2017 from 6.3% in July 2017. The reported increase in inflation is mainly because of the low price levels prevailed in August 2016. Contributions to the inflation from food group and non-food group in August 2017 are 5.3% and 2.7% respectively, whilst contributions of these two groups to the inflation in August 2016 were 1.8% and 2.6% respectively reflecting prevailed comparatively lower price levels especially in food prices in August 2016.

However, when compared to month on month changes, NCPI in August 2017 has decreased to 122.3 from 122.4 reported in July 2017. This shows a decrease of 0.1 index points or 0.1 percentage points in August 2017 compared to July 2017. This month on month change was due to the decrease of expenditure value of food items by 0.25% and increase of expenditure value of non-food items by 0.16%.

The decrease in expenditure value of food items was due to the price decreases in rice, vegetables, fresh fish, chicken, red onions, garlic, coconut oil and chilly powder. However, increases in expenditure value in index were reported for coconuts, potatoes, sprats(dry), big onions, green chilies, limes, tea dust, banana and mangoes.

The increase in expenditure value of non food items in August 2017 compared to the previous month was due to the expenditure value increases in groups of 'Health', 'Alcoholic beverages, Tobacco and Narcotics', 'Miscellaneous Goods and Services', 'Furnishing, Household equipment and Routine household maintenance' 'Transport', 'Clothing and Footwear' and 'Education'. Further, the groups of 'Housing, Water, Electricity, Gas and Other fuels' and 'Communication' recorded very slight expenditure value increases compared to the preceding month. The expenditure value of 'Recreation and Culture' and 'Restaurant and Hotels' groups remained unchanged during the month.

Movements of the NCPI (Base 2013=100) and Year on Year Inflation



Movements of the NCPI (Base : 2013 = 100)

| Year | Month | Index Number | Month to Month % change of Index Number | Year on Year Inflation % |
|------|-----------|--------------|---|--------------------------|
| 2016 | August | 113.3 | -1.6 | 4.5 |
| | September | 113.5 | 0.2 | 4.7 |
| | October | 114.7 | 1.1 | 5.0 |
| | November | 116.6 | 1.7 | 4.1 |
| | December | 118.0 | 1.2 | 4.2 |
| 2017 | January | 119.3 | 1.1 | 6.5 |
| | February | 119.9 | 0.5 | 8.2 |
| | March | 119.5 | -0.3 | 8.6 |
| | April | 121.0 | 1.3 | 8.4 |
| | May | 121.8 | 0.7 | 7.1 |
| | June | 123.4 | 1.3 | 6.3 |
| | July | 122.4 | -0.8 | 6.3 |
| | August | 122.3 | -0.1 | 7.9 |