

# Inflation Review: September 2017

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04<sup>TH</sup> OCTOBER 2017

**Analyst:**  
**Hansinee Beddage**

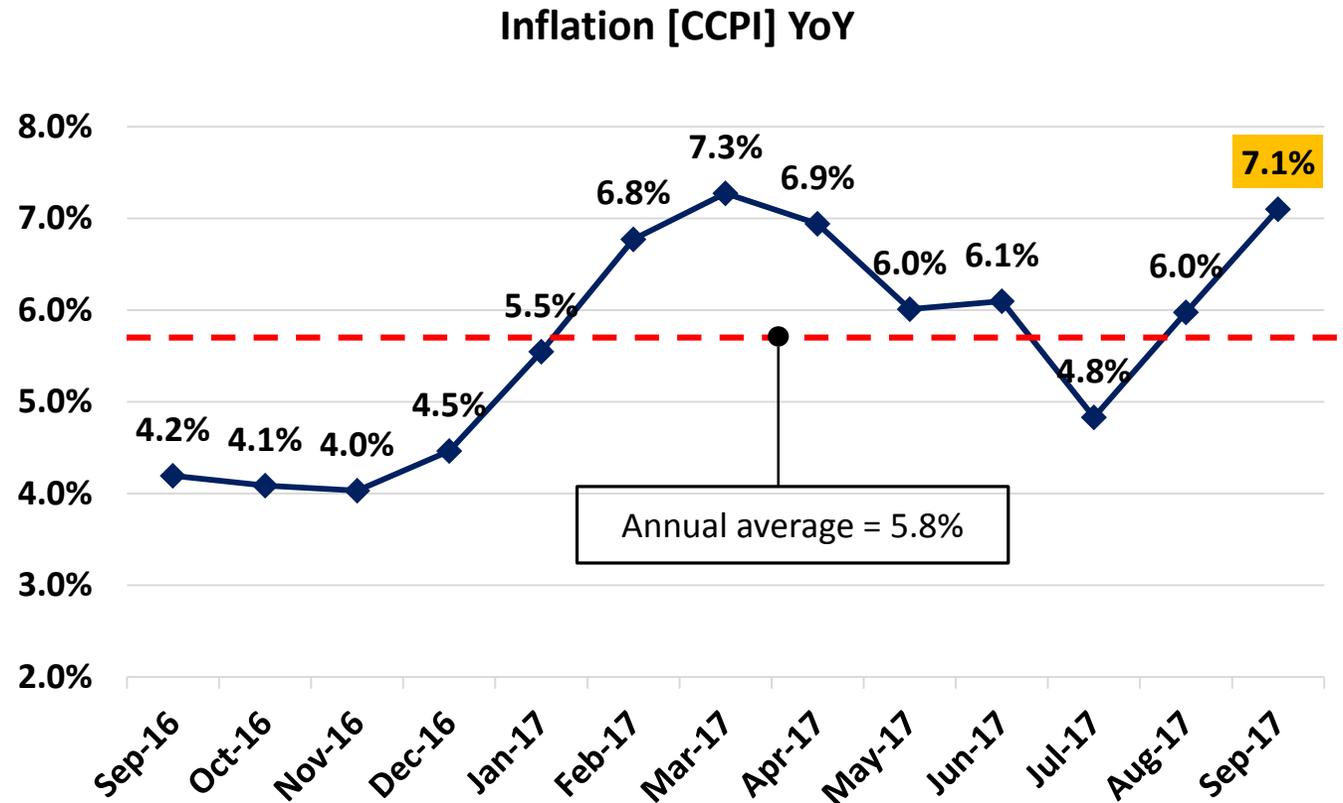
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# September 2017 Inflation (CCPI) 7.1%YoY

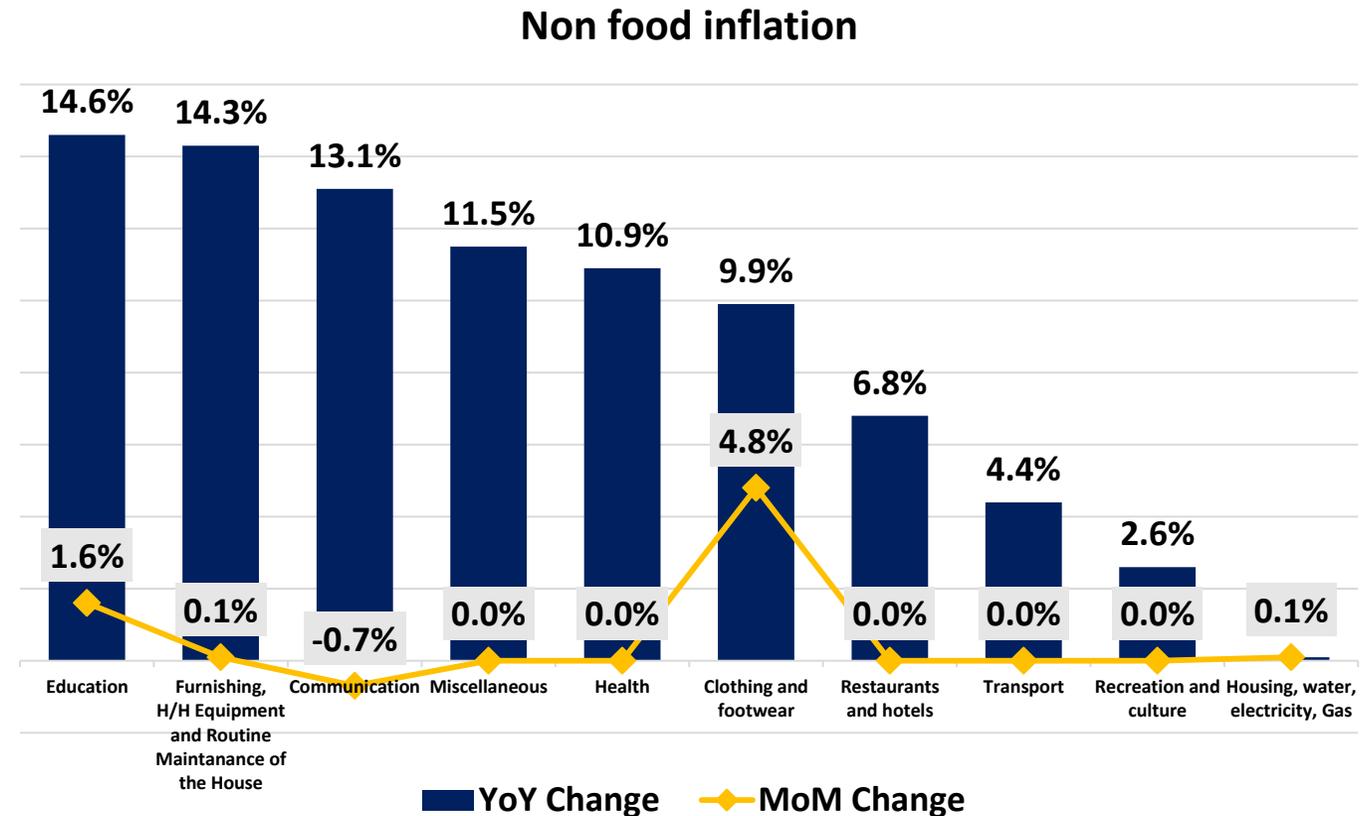
- ❑ Inflation increased to 7.1%YoY in Sep 2017 from 6.0%YoY in Aug 2017
- ❑ The CCPI index stood at 119.7 in September 2017, up by 0.8% from 118.8 in August 2017 (2013=100)
- ❑ September inflation figure is the highest in the last 6 months, after 7.3% in March 2017 and is notably high compared to annual average of 5.8%



Source: Dept. Census and Statistics

# Non-food category (+5.5% YoY) drives September inflation

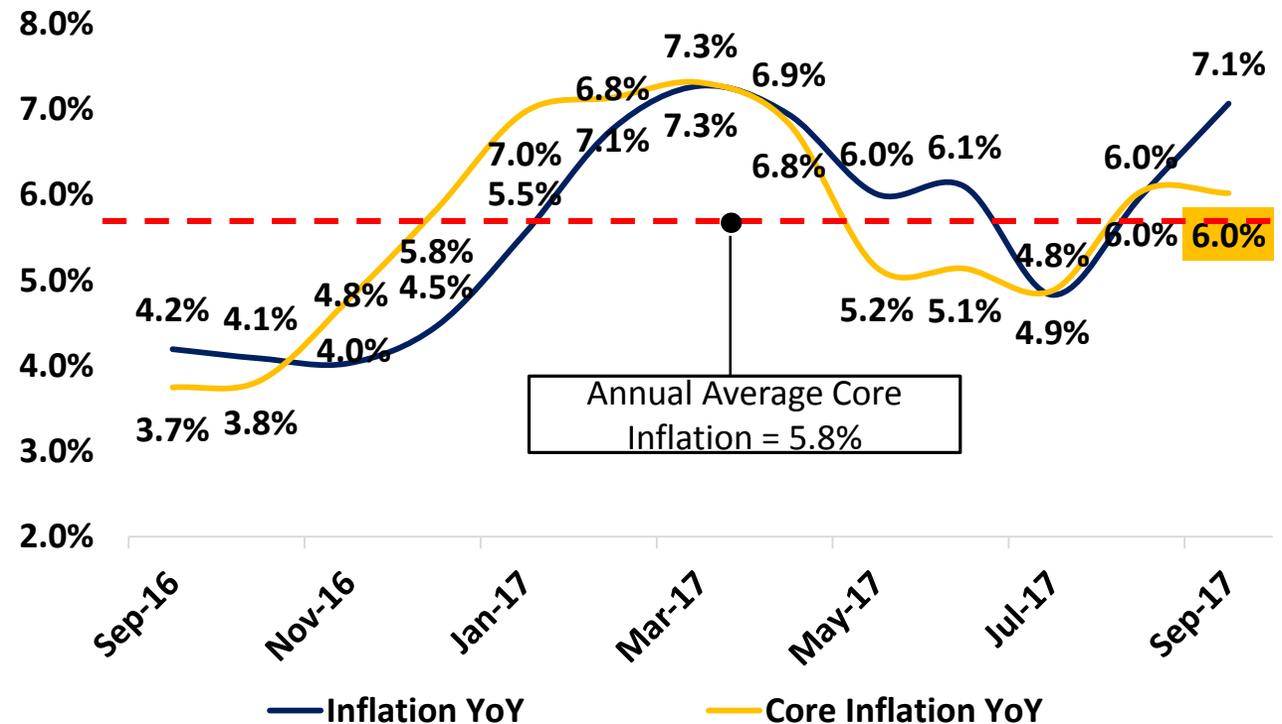
- Non food category (+5.5% YoY) contributed 3.97% to the YoY inflation in Sep 2017
- The non-food category was primarily driven by Education (+14.6%YoY) and Furnishing, Household Equipment and Routine House Maintenance (+14.3% YoY)
- Food category (+10.4% YoY) contributed 3.06% to the YoY inflation in Sep 2017



Source: Dept. Census and Statistics

# September 2017 Core Inflation 6.0%YoY

- ❑ Core inflation remained at 6.0% in Sep 2017, unchanged from Aug 2017
- ❑ The gap between Core inflation and Headline inflation has increased in the month of September due to the increased expenditure on food category



Source: Dept. Census and Statistics

# Contributors to MoM change in CCPI

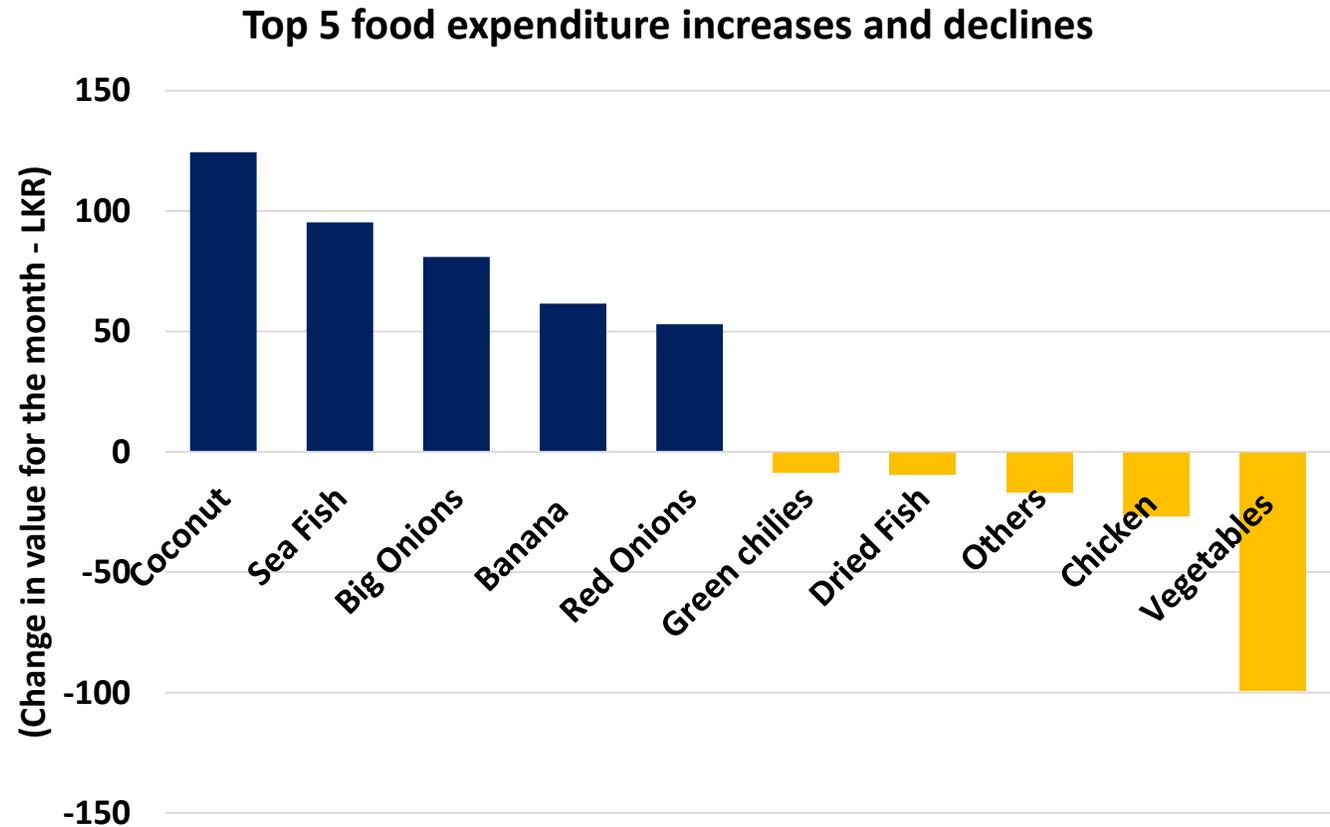
- ❑ In Sep 2017 inflation index picked up by 0.8% MoM compared to (-0.5%) MoM in Aug 2017
- ❑ Food and non alcoholic beverages category (+1.6% MoM) primarily contributed to the MoM increase by 0.49%
- ❑ Non food category (+0.3% MoM) contributed to the MoM increase by 0.22%

	All items	Food	Non food
Index value - Sep 2017	119.70	128.40	116.20
Index value - Aug 2017	118.80	126.40	115.90
MoM Change	0.80%	1.60%	0.30%
Contribution to MoM		0.49%	0.22%
YoY Change	7.10%	10.40%	5.50%
Annual average	5.80%	7.10%	5.20%

Source: Dept. Census and Statistics

# Movements in Food category for the month

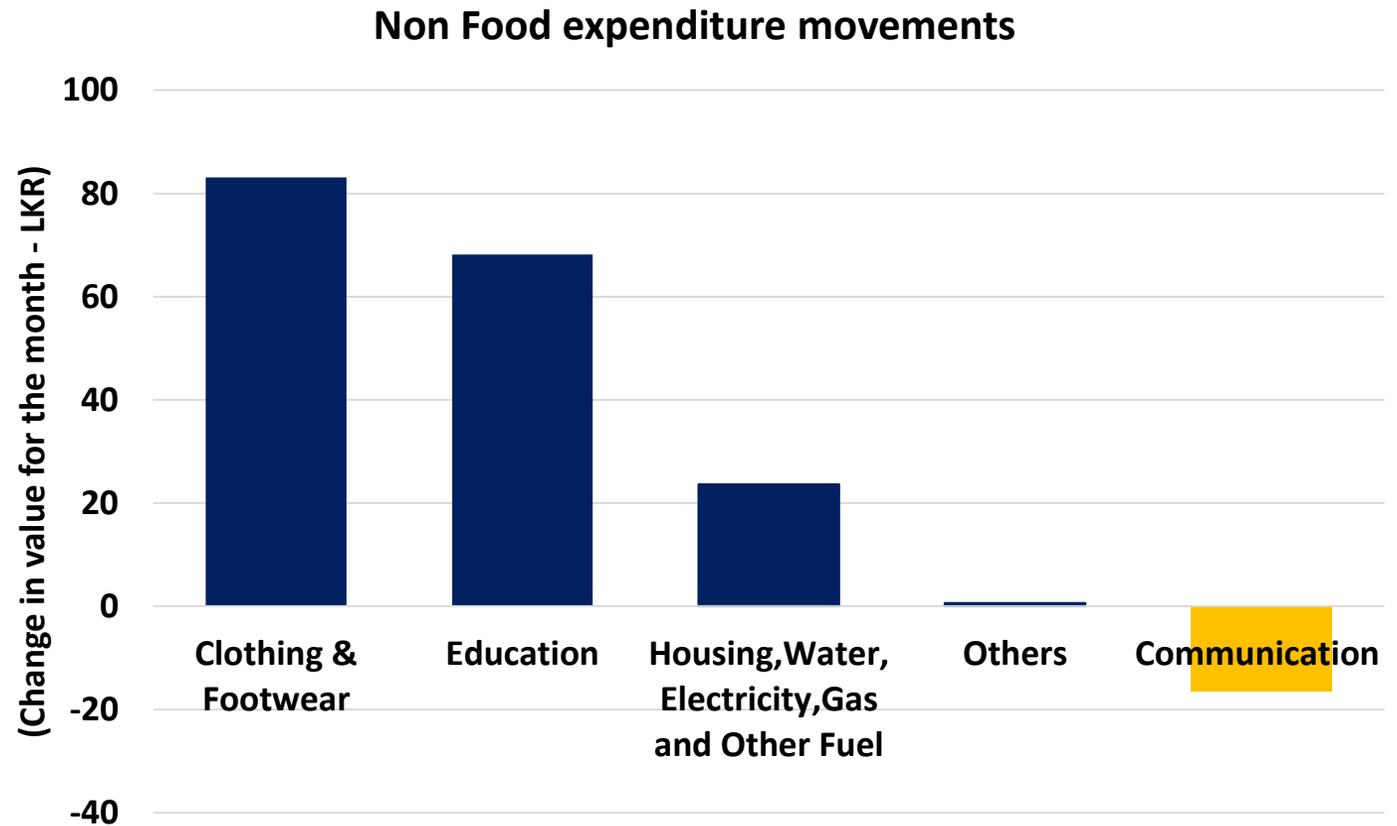
- Expenditure on Food and non alcoholic beverages increased by 10.4%YoY in Sep 2017, up from 6.9%YoY in Aug 2017
- On an MoM basis, increase in value changes on Coconut (+0.17%), Sea fish (+0.13%) and big onions (+0.11%) contributed largely to the index despite a reduction in expenditure on vegetables (-0.14%).



Source: Dept. Census and Statistics

# Movements in Non food category for the month

- ❑ Expenditure on Non Food category increased by 5.5%YoY in Sep 2017, down from 5.7%YoY in Aug 2017
- ❑ On an MoM basis, increase in value changes on Clothing and footwear (+0.12%) and Education (+0.10%) contributed largely to the index



Source: Dept. Census and Statistics

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# CONTACT US

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First Capital

Dimantha Mathew +94 11 2639 853

Amanda Lokugamage +94 11 2639 868

Atchuthan Srirangan +94 11 2639 863

Michelle Weerasinghe +94 11 2639 866

Hansinee Beddage +94 11 2639 864