

Sunday OBSERVER

Page no 27

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## Inflation decreased in April

Headline inflation decreased to 5.9 per cent in April from 7.0 per cent in March 2020. This was driven by the monthly decline of prices of the items in the Food category and the statistical effect of the high base prevailed in April 2019.

Food inflation (Y-o-Y) declined to 12.2 per cent in April 2020 from 14.1 per cent in March 2020. Meanwhile, Non-food inflation (Y-o-Y) also declined to 1.1 per cent in April 2020 from 1.8 per cent in March 2020.

The change in the NCPI measured on an annual average basis increased to 5.1 per cent in April 2020 from 4.9 per cent in March 2020. Monthly change of NCPI recorded at -0.3 per cent in April

2020 due to declines observed in prices of items in the Food category, driven by the continued seasonal supply of food crops.

In the Food category, prices of vegetables, fruits, big onions and eggs declined during the month. Meanwhile, prices of the items within the Non-Food category remained unchanged in April 2020, partly due to the lower demand for non-essential goods and services during the lockdown period with the spread of COVID-19 pandemic in the country. Core inflation (Y-o-Y) remained unchanged at 3.2 per cent in April 2020 while annual average core inflation decreased to 5.0 per cent in April 2020 from 5.2 per cent in March 2020.