

Inflation up in June

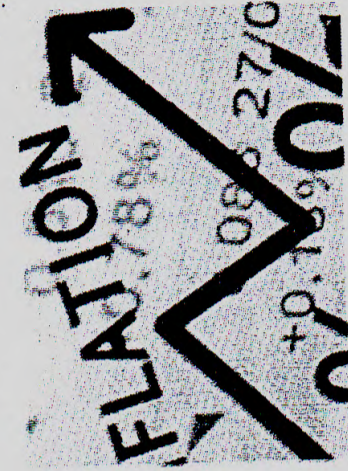
Inflation increased to 4.2 per cent in July 2020 from 3.9 per cent in June 2020.

This was mainly driven by the monthly increase of prices of items in the Non-food category along with the statistical effect of the low base prevailed in July 2019.

Food inflation (Y-o-Y) increased to 10.9 per cent in July 2020 from 10.0 per cent in June 2020.

Non-food inflation (Y-o-Y) also increased marginally to 1.5 per cent in July 2020 from 1.4 per cent in June 2020.

The change in the CCPI measured on an annual average basis also increased marginally to



4.8 per cent in July 2020 from 4.7 per cent in June.

The monthly change of CCPI recorded at 0.1 per cent, was mainly due to net effect of price changes observed in the items of the Non-food category.

Within the Non-food category, prices of items in Health (payments to private hospitals/ nursing homes) sub-category increased during the month.

Prices of items in the Food category also recorded marginal increases in July 2020.

The core inflation (Y-o-Y), which reflects the underlying inflation in the economy, increased marginally to 3.2 per cent in July 2020 from 3.1 per cent in June 2020.

However, annual average core inflation declined further to its sixteen months low of 4.0 per cent in July 2020 from 4.2 per cent in June 2020.