

Inflation dips in October 2020

Headline inflation as measured by the year-on-year (Y-o-Y) change in the National Consumer Price Index (NCPI, 2013=100) decreased to 5.5 per cent in October 2020 from 6.4 per cent in September 2020.

This was due to the statistical effect of the high base prevailed in October 2019. Meanwhile, Food inflation (Y-o-Y) decreased to 10.6 per cent in October 2020 from 12.7 per cent in September 2020, whereas Non-food inflation (Y-o-Y) increased marginally to 1.5 per cent in October 2020 from 1.4 per cent in September 2020. The change in the NCPI measured on an annual average basis remained unchanged at 6.2 per cent in October 2020.

Monthly change of NCPI recorded at 0.1 per cent in October 2020. This was mainly due to increases observed in prices of items in Food category. Accordingly, within the

Food category, increases were observed mainly in the prices of big onion and rice during October 2020. However, prices of fresh fruits and fresh fish recorded declines during the month.

Further, core inflation (Y-o-Y) decreased to 4.5 per cent in October 2020 from 4.8 per cent in September 2020, while annual average core inflation decreased marginally to 4.2 per cent in October 2020 from 4.3 per cent in September 2020.

