

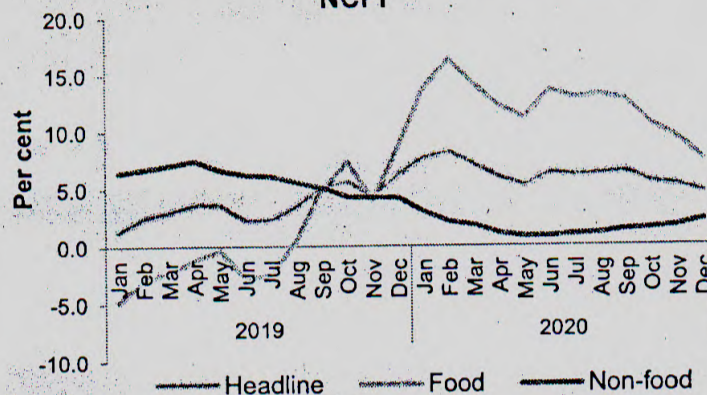
National inflation decelerates to 4.6% on base effect

Core inflation increases to 4.7% from 4.5% in Nov.

Sri Lanka's countrywide headline inflation as measured by the year-on-year (YoY) change in the National Consumer Price Index (NCPI) decreased to 4.6 percent in December 2020 from 5.2 percent in November 2020.

This was due to the statistical effect of the high base that prevailed in December 2019, Central Bank said. Meanwhile, YoY food inflation decreased to 7.5 percent in December 2020 from 9.4 percent in November 2020,

Movement of Year-on-Year % Change in NCPI



whereas non-food inflation increased to 2.2 percent in December 2020 from 1.7 percent in November 2020.

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National inflation...

The change in the NCPI measured on an annual average basis decreased marginally to 6.2 percent in December 2020 from 6.3 percent in November 2020.

Monthly change of NCPI was recorded at 1.03 percent in December 2020 mainly due to increases observed in prices of items in Food category.

Moreover, monthly changes of food and nonfood categories were recorded at 1.02 percent and 0.01 percent respectively in December 2020.

Accordingly, within the food category, increases were observed mainly in coconut, vegetables, potato, rice and red onion prices during December 2020.

Further, YoY core inflation increased to 4.7 percent in December 2020 from 4.5 percent in November 2020, while annual average core inflation decreased marginally to 4.1 percent in December 2020 from 4.2 percent in November 2020.

the protocols are set, and we have done what it takes to ensure Sri Lanka is open and open the right way," she said.

Fernando acknowledged there have been communication gaps in the past, as witnessed during the Ukrainian pilot project, however she stressed that all issues have been ironed out to ensure the industry progresses.

Meanwhile, national carrier SriLankan Airlines shared that it too has been exploring avenues to increase the number of incoming travellers by looking at new routes.

Its Chairman Ashok Pathirage shared that Moscow will be a new addition which will kick off by February.

"SriLankan Airlines is ready to assist. Moscow can be a good opportunity for us to explore before the season ends. If everything goes well we will have this route by 15 February," shared Pathirage.

Furthermore, the Civil Aviation Authority (CAA) announced that five new international airlines have requested for clearance in landing in Sri Lanka and two have already received approval.