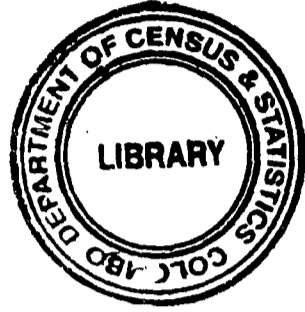


F.R I



*P. Anura*

Tuesday 01st October, 2013

**The Island**

## Inflation up 6.2% in Sept.

Inflation rose 6.2 percent in September 2013 from a year earlier, slowing from 6.3 percent in August, data from the state statistics office showed.

The annual average inflation, which is a lagging indicator averaging across 24 months also fell to 7.8 percent from 8.0 percent.

The index fell 0.2 percent during the month to 175.8 points from 176.2 points.

The sub-index for food without alcoholic beverages and cigarettes fell 0.5 percent during the month and non foods fell 0.1 percent.

Sri Lanka's credit growth is slower than last year though state spending and borrowing is still high and the central bank is expecting inflation to be around these levels this year.

The International Monetary Fund has said monetary policy should not be relaxed further this year, until the effects of earlier easing is seen. **(LBO)**