

# June headline inflation...

The increase in food price index weighed on June inflation as many varieties of vegetables, sea fish and dried fish, big onions, red onions, papaw and others rose while the prices of eggs, coconut and coconut oil eased.

The price of samba rice, according to the index measured by the State statistics office, had declined in June, though consumers said otherwise. Sri Lanka, once the granary of Asia, is now compelled to pay exponential prices for a kilo of rice and resort to importation of rice frequently. Successive governments have given little regard for agriculture, influenced by various flawed economic dogmas.

Food inflation in June fell by 0.1 percent from a year earlier, but on month-on-month (MoM) basis prices rose by 2.6 percent, easing from 4.4 percent from May.

Meanwhile, non-food inflation rose by 6 percent year-on-year from 6.8 percent in May. On a MoM basis, the non-food inflation rose by 0.3 percent from 0.5 percent in May.

The transport sub-category had the biggest bearing on non-food inflation due to the upward fuel price revision in June, while the health sub-category too followed suit as the prices of pharmaceutical products continued to rise.