



Core Inflation: September 2018

The underlying measures of inflation remained subdued in September 2018. The twelve-month average CORE1 inflation and CORE2 inflation remained unchanged at 2.5 per cent and 1.8 per cent, respectively.

Year-on-year (y-o-y), CORE1 inflation stood at 2.1 per cent in September 2018, higher compared to 1.8 per cent in August 2018 while CORE2 inflation edged up from 1.4 per cent in August 2018 to 1.8 per cent in September 2018.

(Per cent)

Month	Annual Average			Year-on-Year		
	Headline	CORE1	CORE2	CPI Inflation	CORE1	CORE2
Sep-16	0.8	0.6	2.3	0.9	-0.3	1.9
Oct-16	0.8	0.5	2.3	1.5	-0.4	1.8
Nov-16	0.9	0.4	2.3	2.2	0.1	1.8
Dec-16	1.0	0.4	2.2	2.3	0.3	1.7
Jan-17	1.1	0.3	2.1	1.8	0.5	1.7
Feb-17	1.2	0.3	2.0	1.3	1.1	1.6
Mar-17	1.3	0.4	1.9	1.3	1.7	1.8
Apr-17	1.5	0.5	1.9	2.9	1.9	2.1
May-17	1.9	0.7	2.0	5.9	2.6	3.0
Jun-17	2.4	0.8	2.0	6.4	2.0	2.3
Jul-17	2.7	0.9	2.0	5.3	1.9	2.2
Aug-17	3.0	1.2	2.0	4.6	3.1	2.7
Sep-17	3.2	1.5	2.1	3.5	2.7	2.1
Oct-17	3.4	1.7	2.1	3.5	2.9	2.4
Nov-17	3.5	2.0	2.1	3.6	2.7	2.1
Dec-17	3.7	2.2	2.2	4.2	2.9	2.2
Jan-18	4.0	2.4	2.2	6.2	2.9	1.8
Feb-18	4.5	2.5	2.2	7.0	2.7	1.8
Mar-18	5.0	2.5	2.2	6.7	2.1	1.6
Apr-18	5.0	2.6	2.1	3.7	2.2	1.5
May-18	4.7	2.5	2.0	2.4	2.2	1.3
Jun-18	4.3	2.6	1.9	1.0	2.6	1.6
Jul-18	4.0	2.6	1.9	1.7	2.5	1.9
Aug-18	3.7	2.5	1.8	0.9	1.8	1.4
Sep-18	3.5	2.5	1.8	1.9	2.1	1.8

Notes:

1. Effective April 2018, Core inflation data are compiled using the new basket of goods and services derived from the 2017 Household Budget Survey.
2. CORE1 excludes "Food, Beverages and Tobacco" components and mortgage interest on housing loan from the CPI basket.
3. CORE2 excludes food, beverages, tobacco, mortgage interest, energy prices and administered prices from the CPI basket.
4. The annual average method compares the average level of prices during a twelve-month period with the average level during the corresponding previous twelve-month period.
5. The year-on-year methodology is computed as the change in the Consumer Price Index (CPI) for a given month compared with the same month of the preceding year in percentage terms.

Economic Analysis and Research and Statistics Department

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