



## Core Inflation: June 2017

**Headline inflation rate maintained its upward momentum while the underlying measures of inflation remained within moderate levels.** CORE1 inflation rate edged up from 0.7 per cent in May 2017 to 0.8 per cent in June 2017 but was slightly higher to the 0.7 per cent recorded in June 2016. On the other hand, CORE2 inflation rate remained flat at 2.0 per cent in June 2017 but was lower compared to the 2.2 per cent witnessed in June 2016.

TRIM10 inflation, which trims 5% of the most volatile items in the CPI on both sides of the distribution, rose from 1.0 per cent in May 2017 to 1.3 per cent in June 2017. A year earlier, TRIM10 inflation stood at 0.7 per cent.

*(Per cent)*

Month	Headline	CORE1	CORE2	TRIM10
<b>Jun-10</b>	1.7	2.2	2.6	2.1
<b>Dec-10</b>	2.9	3.2	2.8	2.9
<b>Jun-11</b>	5.1	4.8	4.3	4.7
<b>Dec-11</b>	6.5	6.0	4.8	5.3
<b>Jun-12</b>	5.1	4.4	3.6	3.6
<b>Dec-12</b>	3.9	3.3	3.0	2.5
<b>Jun-13</b>	3.6	2.8	2.8	2.5
<b>Dec-13</b>	3.5	2.6	2.6	2.9
<b>Jun-14</b>	4.0	2.9	2.9	3.2
<b>Dec-14</b>	3.2	2.6	3.1	2.5
<b>Jun-15</b>	1.7	1.1	2.3	1.1
<b>Dec-15</b>	1.3	0.4	1.7	0.6
<b>Jun-16</b>	0.9	0.7	2.2	0.7
<b>Jul-16</b>	0.9	0.7	2.3	0.7
<b>Aug-16</b>	0.9	0.7	2.3	0.6
<b>Sep-16</b>	0.8	0.6	2.3	0.5
<b>Oct-16</b>	0.8	0.5	2.3	0.5
<b>Nov-16</b>	0.9	0.4	2.3	0.6
<b>Dec-16</b>	1.0	0.4	2.2	0.6
<b>Jan-17</b>	1.1	0.3	2.1	0.6
<b>Feb-17</b>	1.2	0.3	2.0	0.6
<b>Mar-17</b>	1.3	0.4	1.9	0.6
<b>Apr-17</b>	1.5	0.5	1.9	0.7
<b>May-17</b>	1.9	0.7	2.0	1.0
<b>Jun-17</b>	2.4	0.8	2.0	1.3

**Notes:**

1. Effective April 2013, Core inflation data are compiled using the new basket of goods and services derived from the 2012 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. TRIM10 truncates 5 per cent of each tail of the distribution of price changes.

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