



Core Inflation: March 2018

The underlying measures of inflation remained unchanged in March 2018. Headline inflation rose from 4.5 per cent in February 2018 to 5.0 per cent in March 2018, reflecting largely the increase in the price of vegetables. CORE1 and CORE2 inflation rate were both unchanged at 2.5 per cent and 2.2 per cent, respectively, compared to the previous period.

TRIM10 inflation, which trims 5% of the most volatile items in the CPI on both sides of the distribution, edged up from 2.9 per cent in February 2018 to 3.0 per cent in March 2018. A year earlier, TRIM10 inflation stood at 0.6 per cent.

(Per cent)

Month	Headline	CORE1	CORE2	TRIM10
Mar-16	0.9	0.7	2.1	0.8
Apr-16	0.8	0.7	2.2	0.8
May-16	0.8	0.7	2.2	0.8
Jun-16	0.9	0.7	2.2	0.7
Jul-16	0.9	0.7	2.3	0.7
Aug-16	0.9	0.7	2.3	0.6
Sep-16	0.8	0.6	2.3	0.5
Oct-16	0.8	0.5	2.3	0.5
Nov-16	0.9	0.4	2.3	0.6
Dec-16	1.0	0.4	2.2	0.6
Jan-17	1.1	0.3	2.1	0.6
Feb-17	1.2	0.3	2.0	0.6
Mar-17	1.3	0.4	1.9	0.6
Apr-17	1.5	0.5	1.9	0.7
May-17	1.9	0.7	2.0	1.0
Jun-17	2.4	0.8	2.0	1.3
Jul-17	2.7	0.9	2.0	1.5
Aug-17	3.0	1.2	2.0	1.8
Sep-17	3.2	1.5	2.1	2.0
Oct-17	3.4	1.7	2.1	2.2
Nov-17	3.5	2.0	2.1	2.3
Dec-17	3.7	2.2	2.2	2.5
Jan-18	4.0	2.4	2.2	2.7
Feb-18	4.5	2.5	2.2	2.9
Mar-18	5.0	2.5	2.2	3.0

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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