



## Core Inflation: November 2016

**The underlying measures of inflation stood at moderate levels in November 2016.**

CORE1 inflation edged down from 0.5 per cent in October 2016 to 0.4 per cent in November 2016 while CORE2 inflation remained flat at 2.3 per cent compared to the previous period. A year earlier, CORE1 and CORE2 inflation stood at 0.4 per cent and 1.7 per cent, respectively.

TRIM10 inflation, which trims 5% of the most volatile items in the CPI on both sides of the distribution, rose from 0.5 per cent in October 2016 to 0.6 per cent in November 2016. A year earlier, TRIM10 inflation stood at 0.6 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>Sep-15</b> | 1.2      | 0.6   | 1.9   | 0.7    |
| <b>Oct-15</b> | 1.2      | 0.5   | 1.8   | 0.6    |
| <b>Nov-15</b> | 1.2      | 0.4   | 1.7   | 0.6    |
| <b>Dec-15</b> | 1.3      | 0.4   | 1.7   | 0.6    |
| <b>Jan-16</b> | 1.3      | 0.6   | 2.0   | 0.6    |
| <b>Feb-16</b> | 1.0      | 0.7   | 2.1   | 0.7    |
| <b>Mar-16</b> | 0.9      | 0.7   | 2.1   | 0.8    |
| <b>Apr-16</b> | 0.8      | 0.7   | 2.2   | 0.8    |
| <b>May-16</b> | 0.8      | 0.7   | 2.2   | 0.8    |
| <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    |

**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.

**Research & Economic Analysis Department**

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