



Core Inflation: October 2017

Headline inflation rate continued its uptrend in October 2017 while the underlying measures of inflation remained subdued. CORE1 inflation rate rose from 1.5 per cent in September 2017 to 1.7 per cent in October 2017. CORE2 inflation rate remained unchanged at 2.1 per cent in October 2017 relative to September 2017, but was lower compared to the 2.3 per cent recorded in October 2016.

TRIM10 inflation, which trims 5% of the most volatile items in the CPI on both sides of the distribution, increased from 2.0 per cent in September 2017 to 2.2 per cent in October 2017. A year earlier, TRIM10 inflation stood at 0.5 per cent.

(Per cent)

Month	Headline	CORE1	CORE2	TRIM10
Jun-13	3.6	2.8	2.8	2.5
Dec-13	3.5	2.6	2.6	2.9
Jun-14	4.0	2.9	2.9	3.2
Dec-14	3.2	2.6	3.1	2.5
Jun-15	1.7	1.1	2.3	1.1
Dec-15	1.3	0.4	1.7	0.6
Jun-16	0.9	0.7	2.2	0.7
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

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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