



Core Inflation: November 2020

1. The Consumer Price Index (CPI) rose by 0.2 index point, from 106.1 in October 2020 to 106.3 in November 2020. Compared to November 2019, the CPI increased by 3.2 index points or 3.1 per cent. The year-on-year (y-o-y) CPI inflation edged down from 3.2 per cent in October 2020 to 3.1 per cent in November 2020. On a 12-month average period, headline inflation went up from 2.1 per cent to 2.4 per cent.

2. Underlying inflationary pressures, as gauged by the Bank's Core measures, moderated on a y-o-y basis in November 2020. Y-o-y, CORE1 inflation went down from 2.9 per cent in October 2020 to 2.6 per cent in November 2020, while CORE2 inflation also fell from 4.1 per cent in October 2020 to 3.7 per cent in November 2020. On a 12-month average period, CORE1 inflation stood at 1.6 per cent in November 2020, up from 1.4 per cent in October 2020, while CORE2 inflation picked up from 2.7 per cent in October 2020 to 2.9 per cent in November 2020.

(Per cent)

Month	Annual Average			Year-on-Year		
	Headline	CORE1	CORE2	CPI Inflation	CORE1	CORE2
Nov-18	3.4	2.4	1.8	2.8	2.6	2.5
Dec-18	3.2	2.3	1.8	1.8	2.1	2.1
Jan-19	2.8	2.3	1.9	0.5	1.8	2.7
Feb-19	2.1	2.1	1.9	-0.8	1.1	1.9
Mar-19	1.4	2.0	1.9	-1.4	0.9	1.7
Apr-19	1.2	1.9	1.9	0.6	0.6	1.4
May-19	1.0	1.7	1.9	0.8	0.4	1.4
Jun-19	1.0	1.5	1.9	0.6	-0.2	1.4
Jul-19	0.9	1.3	1.8	0.8	-0.2	1.4
Aug-19	1.0	1.1	1.9	1.8	0.3	2.0
Sep-19	0.9	1.0	1.9	1.3	0.2	1.9
Oct-19	0.7	0.8	1.9	0.4	0.1	1.8
Nov-19	0.5	0.6	1.8	0.3	0.1	1.8
Dec-19	0.5	0.4	1.8	0.9	0.1	1.9
Jan-20	0.6	0.3	1.7	2.0	0.3	1.6
Feb-20	0.8	0.3	1.7	2.1	0.9	2.2
Mar-20	1.2	0.3	1.8	2.9	1.3	2.7
Apr-20	1.5	0.4	1.9	4.2	1.5	3.0
May-20	1.7	0.5	2.1	2.8	1.6	3.2
Jun-20	1.8	0.6	2.2	1.7	1.7	2.9
Jul-20	1.8	0.8	2.3	1.5	1.7	2.6
Aug-20	1.8	1.0	2.4	1.5	2.2	3.2
Sep-20	1.9	1.2	2.5	2.6	2.6	3.8
Oct-20	2.1	1.4	2.7	3.2	2.9	4.1
Nov-20	2.4	1.6	2.9	3.1	2.6	3.7

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 of goods and services.
3. CORE2 excludes *food, beverages, tobacco, mortgage interest, energy prices and administered prices* from the CPI basket of goods and services.
4. The 12-month 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.

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