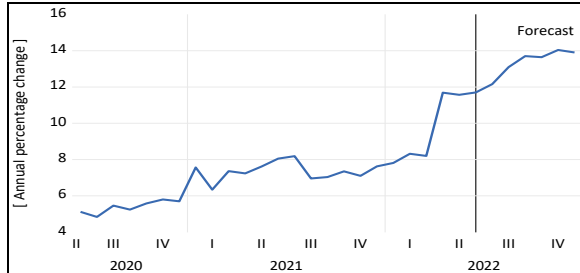


# INFLATION BRIEF



## June 2022

**Inflation Rate**  
**11.7%**

**Chart 1: Headline Consumer Price Index (Seasonally Adjusted)**



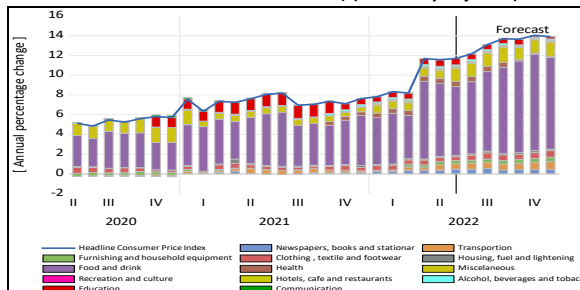
### Consumer Price Index

12-Month Moving Average +0.4ppt   
Year-on-year change (%) 0.1ppt 

### Headline Inflation

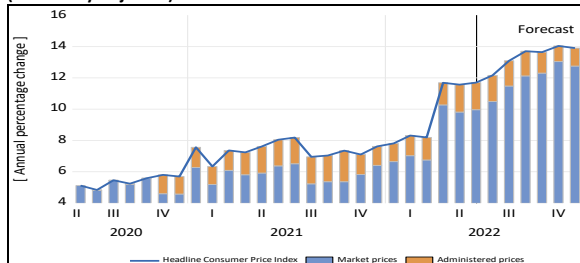
Consumer price inflation picked up slightly with headline inflation (year-on-year) accelerating to 11.7 percent in June 2022 from 11.6 percent in May 2022.

**Chart 2: Contributions to headline CPI, (Seasonally Adjusted)**



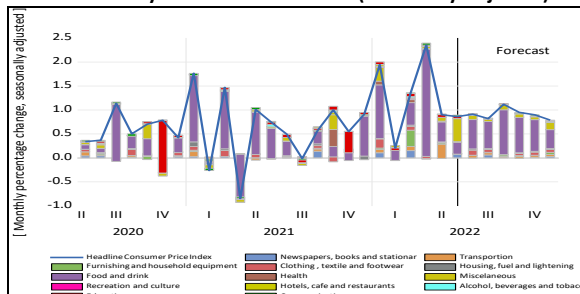
The marginal increase in headline inflation is due to increase in non-food inflation, which accelerated by 9.3 percent in June 2022 from 8.6 percent in May 2022. Food inflation, in contrast, slowed to 13.7 percent from 14.2 percent during the same period.

**Chart 3: Contributions to CPI in terms of Market & Administered Prices (Seasonally Adjusted)**



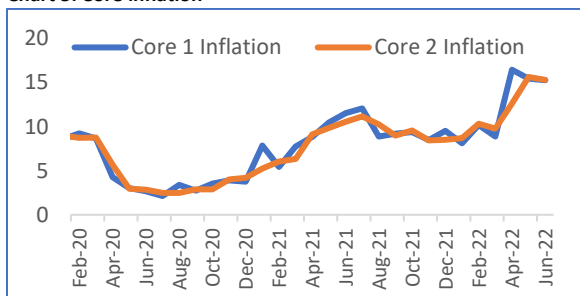
The rise in non-food inflation was mainly induced by the increased contributions of transportation, health, Household appliances electricity, gas, and other fuels. Further analysis of market and administered prices revealed that the increase in headline inflation (year-on-year) was occasioned by the increased contribution of administered prices.

**Chart 4: Monthly CPI and contributions (Seasonally Adjusted)**



Unlike headline inflation, underlying inflation decelerated during the review period. The Bank's core measures of inflation, (which excludes, food, energy, fuel, and utilities) declined to 15.3 percent in June 2022 from 15.6 percent a month ago.

**Chart 5: Core inflation**



The risk to inflation outlook remains elevated. Global inflation accelerated due to rising food and energy prices compounded by the war in Ukraine. Domestic inflation is expected to accelerate in the short to medium term.

The near-term inflation outlook points to an unfavorable inflation condition. CBG Staff forecast shows year-on-year inflation (seasonally adjusted) accelerating to 14 percent in December.

