

# INFLATION BRIEF

## March 2023

**Inflation Rate**  
**14.8%**

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



### Consumer Price Index

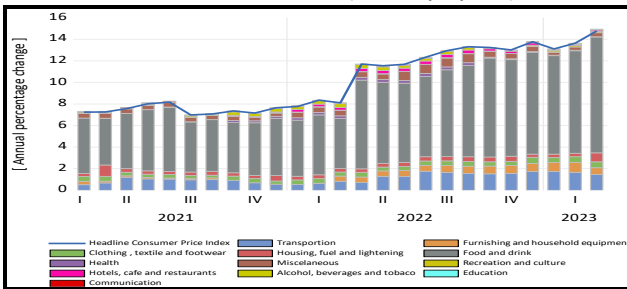
12-Month Moving Average -0.5 ppt  
Year-on-year change (%) 1.2 ppt



### Headline Inflation

Inflationary pressures accelerated in March 2023 and headline inflation (year-on-year) increased to 14.8 percent from 13.6 percent in February 2023.

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



The increase in headline inflation during the period is driven by the increase contribution from food inflation which increased to 20.5 percent from 18.1 percent in February 2023. Non-Food inflation on the other hand declined from 9.0 percent to 8.9 percent during the same period.

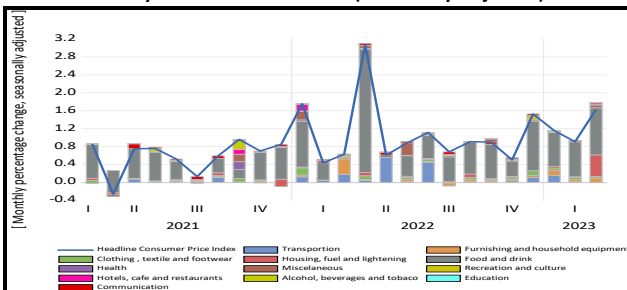
The increase in food inflation was mainly induced by the increased contribution from all food's components except Oil & fat, Fruits & nuts. Non-food inflation on the other hand was mainly driven by the decreased contribution from furnishing, transport, health, and communication.

**Chart 3: Contributions of Market & Administered Prices (Seasonally Adjusted)**



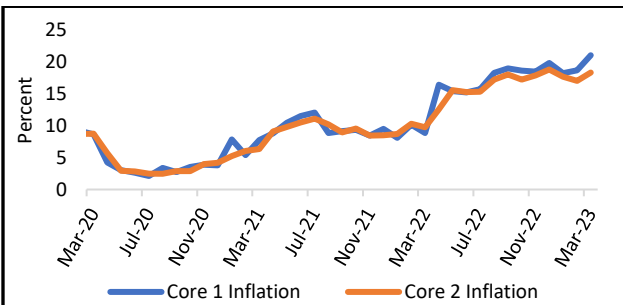
Analysis in terms of the market and administered prices revealed that the increase in headline inflation (year-on-year) was occasioned by the increased contribution from market-determined prices.

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



The Bank's core measures of inflation, which exclude food, energy, fuel, and utilities from headline inflation are core 1 and core 2. Core 1 inflation, which excludes energy, fuel, and utilities revealed an increase in underlying inflation from 18.7 percent in February 2023 to 21.1 percent in March 2023. Core 2 inflation, which further excludes volatile food items, also showed an increase from 17.0 percent in February 2023 to 18.3 percent during the review period.

**Chart 5: Core inflation**



Month-on-Month, consumer price inflation also accelerated to 2.1 percent in March 2023 from 0.8 percent in February 2023.

The uncertainty surrounding the outlook remains elevated. Although global inflation is expected to continue decelerating, the war in Ukraine still presents a high level of uncertainty to global food and energy prices.

