

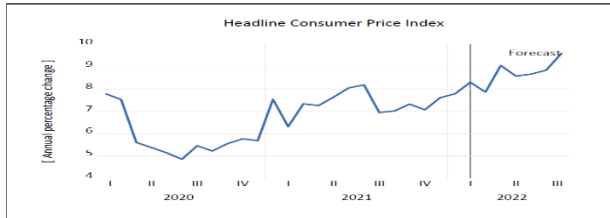
ECONOMIC BRIEF

Consumer Price Index

February 2022

Inflation Rate
8.3%

Chart 1: Headline Consumer Price Index



Consumer Price Index

12 Month Moving Average **-0.8ppt** ↓
Year-on-year change (%) **+0.5ppt** ↑

Headline Inflation

Inflationary pressures continued to accelerate in February 2022. Year-on-year, headline inflation rose to 8.3 percent in February 2022 from 7.8 percent in January 2022.

The rise in headline inflation is driven primarily by food inflation which surged from 10.2 percent in January 2022 to 10.8 percent in February 2022. Similarly, non-Food inflation increased from 5.4 percent in the previous month to 5.9 percent in the review period.

The main drivers of food inflation in February 2022 were the increased contribution from sugar, jam, honey & sweets, Vegetables, root crops & tubers and bread & cereals. Increase in transportation and clothing materials drove the upsurge in non-food.

A similar trend to headline inflation is also exhibited by underlying inflation over the comparative period. The Bank's core measures of inflation, (which excludes energy, fuel, and utilities), revealed that prices rose from 8.1 percent in January 2022 to 10.2 percent as at end February 2022.

The risk to the inflation outlook remained elevated. Energy and commodity prices-including wheat and other grains-have surged due to the war in Ukraine, adding to inflationary pressures from supply chain disruptions and domestic structural issues. These effects pose risks to inflation in the near term. The Bank's Staff forecasts show that inflation is expected to accelerate to 8.7 percent at the end of Q2, 2022.

Chart 2: Contributions to CPI (Market & Administered Prices)

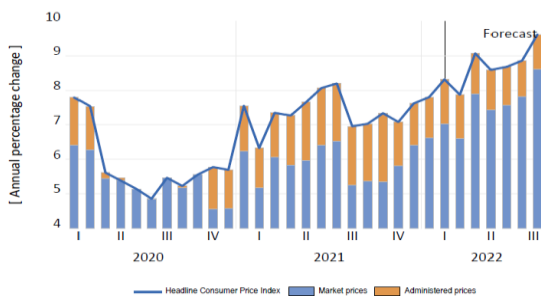


Chart 3: Contributions to CPI, Annual % Change

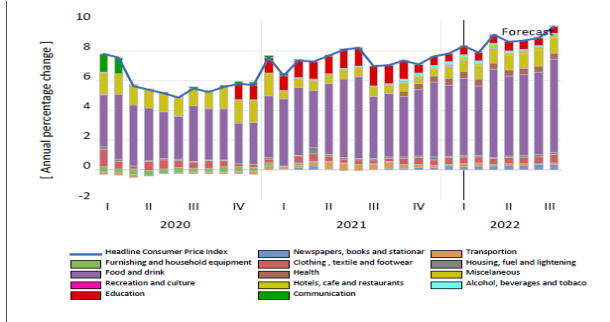


Chart 4: Contributions to CPI, Monthly % Change

