**Consumer Price Index, December 2020**

In December 2020, the Rwandan urban consumer price index decreased by 0.8% month-on-month from 1.0% decrease achieved in the previous month. Year-on-year, inflation stood at 3.7% which is lower than 4.2% reached in November 2020. Compared to the previous month, prices of local goods and services increased by 3.1% which is lower than an increase of 3.9% y-o-y of November and prices for imported goods increased by 5.7 % y-o-y slightly higher than an increase of 5.3% y-o-y achieved in November. The annual average inflation rate between December 2020 and December 2019 was 7.7 %.

On monthly basis the inflation decreased by 0.8% due to decreased in transport (- 0.2 %), food and non-alcoholic beverages (- 2.3 %) Housing, water, electricity, gas and other fuels (-0.5%) compared to previous month.

Year-on-year, consumer price index rose by 3.7% lower than an increase of 4.2% in November 2020 due to easing in inflationary pressures of food and non-alcoholic beverages which increased by 4.2% lower than 4.7% of November 2020, Alcoholic beverages, tobacco and narcotics increased by 6.9% lower than an increase of 10.2% of November 2020, housing water, electricity, gas and other fuels increased by 4.5% lower than 5.0% of November 2020 and transport which increased by 3.1% lower than 3.6% of November 2020.

Excluding fresh food products and energy, consumer price index increased by 3.6% in December slightly lower than an increase of 3.7% achieved in November 2020. Fresh products increased by 4.1 % in December, which is lower, compared to an increase of 5.6% of November 2020. Energy prices increased by 3.8% in December, which is lower than 5.5% of November 2020.

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