**Consumer Price Index, January 2021**

In January 2021, the Rwandan urban consumer price index decreased by 0.3% month-on-month from 0.8% decrease achieved in the previous month. Year-on-year, inflation stood at 2.8% lower than 3.7% reached in December 2020. Compared to the previous month, prices of local goods and services increased by 1.8% y-o-y which is lower than an increase of 3.1% y-o-y reached in December 2020 while prices for imported goods increased to 6.0 % y-o-y from 5.7% y-o-y in December 2020.

On monthly basis the inflation decreased by 0.3% due to Food and non-alcoholic beverages whose prices decreased by 1.5 % in January 2021 and Restaurants and hotels whose prices decreased by 0.3% compared to previous month.

Year-on-year, consumer price index rose by 2.8% in January 2021 lower than an increase of 3.7% in December 2020 due to easing in inflationary pressures of food and non-alcoholic beverages which increased by 2.0% lower than 4.2% of December 2020, Alcoholic beverages, tobacco and narcotics increased by 5.5% lower than an increase of 6.9% December 2020 and housing, water, electricity, gas and other fuels increased by 4.1% slightly lower than 4.5% of December 2020. Excluding fresh food products and energy, consumer price index increased by 3.4% in January 2021 slightly lower than an increase 3.6% achieved in December 2020. Fresh products increased by 0.2 % in January, which is lower, compared to an increase of 4.1% in December 2020. Energy prices increased by 3.4 in January 2021, which is slightly lower than an increase of 3.8% in December 2020.

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