



PRESS RELEASE

THE COLOMBO CONSUMER PRICE INDEX – DECEMBER 2015

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The Department of Census and Statistics (DCS) is the authorized agency to compile Colombo Consumer Price Index (CCPI). The CCPI is compiled to indicate average changes in the prices of goods and services purchased by households in urban areas of Colombo district. Prices for items in the Colombo Consumer Price Index are collected from 14 selected centers located in Colombo namely Pettah, Maradana, Wellawatta, Dematagoda, Grandpass, Borella, Kirulapone, Dehiwala, Kotte, Nugegoda, Kolonnawa, Rathmalana, and Narahenpita and Rathmalana dedicated economic centers. Prices are collected weekly from the outlets located within each of the above market areas including Co-operative store and a supermarket. The consumer basket includes 373 items which represent the typical urban households' consumption expenditure. The CPI weights are derived from the Household Income and Expenditure Survey (HIES) 2006/07.

Month on Month (M on M) Change of CCPI:

The CCPI for all items for the month of December 2015 was 185.2 recording an increase of 0.5 index points or a percentage of 0.26 compared to the month of November 2015 for which the index was 184.7 This increase represents an expenditure value of Rs.136.85 in the "Market Basket".

Table 1- Monthly Changes by main Groups of Market Basket

Major Group*	Index Number			Monthly Changes of the Expenditure Values (Rs.)			Monthly Changes of the Index (%)		
	Dec. 2014	Nov. 2015	Dec. 2015	Dec. 2014	Nov. 2015	Dec. 2015	Dec. 2014	Nov. 2015	Dec. 2015
All Items	180.2	184.7	185.2	284.10	729.69	136.85	0.57	1.43	0.26
Food & Non alcoholic beverages	210.5	217.5	219.3	444.68	727.80	205.03	0.89	1.43	0.40
Non Food	159.1	161.9	161.5	-160.58	1.89	-68.18	-0.32	0.00	-0.13
Clothing and Footwear	172.6	203.9	204.3	2.93	-4.32	3.29	0.01	-0.01	0.01
Housing water, Electricity, Gas and Other Fuels	141.0	138.6	137.5	-102.26	4.32	-75.56	-0.20	0.01	-0.15
Furnishing House hold equipment and routine house hold maintenance	153.7	168.2	168.6	1.22	0.00	4.09	0.00	0.00	0.01
Other	173.3	175.8	175.8	-62.47	196.91	0.00	-0.12	0.39	0.00

*Note : There are 10 main groups of the market basket. Significant changes in December 2015 were noted only in four main groups, details on which are given in Table 1.

Contribution to M on M Changes:

Contributions to the increase in CCPI from November 2015 to December 2015 are given in Table 2. The index point increased by 0.26% and this was due to the increase of food items by 0.4% and decrease of non-food items by 0.13%.

Contribution of Food and non alcoholic beverages items: 0.4%

Increase in value changes in index were reported for Vegetables (0.64%), Green chilies (0.24%), Rice (0.12%), Eggs (0.03%), Yoghurt (0.02%), Red Onions (0.02%), Tamarind (0.01%) and Coconut (0.01%). Price decreases were reported for Big Onions (0.17%), Limes (0.10%), Mangoes (0.09%), Dried fish (0.08%), Potatoes (0.06%), Fresh fish (0.06%), Dhal (0.04%), Chicken (0.03%), Papaw (0.03%), Sugar (0.02%), Milk powder (0.02%), Maldives fish (0.01%) and Beef (0.01%).

Contribution of non food items: -0.13%

Decrease in value changes was reported for 'Housing, water, Electricity, Gas and Other Fuels' (0.15%) due to price decreases of Gas and Kerosene oil. But Maintenance & Repair of Dwellings in the same group showed an increase. Slight price increases were reported for the groups of 'Clothing and Footwear' (0.01%) and 'Furnishings, Household Equipment & Routine Household Maintenance' (0.01%).

Table 2: Contribution to the increase in CCPI from November 2015 to December 2015
(Base: 2006/07=100)

Sub Group/Commodity	Value Change			
	Rs.cts.	% change		
		Increase %	Decrease %	Net effect %
Food	205.03	1.12	0.72	0.4
1.Rice	61.51	0.12		
2.Chicken	-17.20		0.03	
3.Beef	-2.89		0.01	
4.Fresh Fish	-31.27		0.06	
5.Dried Fish	-41.03		0.08	
<i>Sprats</i>	<i>-37.49</i>		<i>0.07</i>	
6. Maldives fish	-7.68		0.01	
7. Milk powder	-9.16		0.02	
8. Yoghurt	8.58	0.02		
9.Eggs	15.45	0.03		
10. Coconut	4.86	0.01		
11.Papaw	-16.39		0.03	
12.Mangoes	-46.48		0.09	
13.Vegetables(including leafy vegetables)	330.20	0.64		
14.Potatoes	-30.91		0.06	
15. Dhal	-22.93		0.04	
16.Red Onions	8.26	0.02		
17.Bombay Onions	-86.39		0.17	
18.Green Chilies	123.86	0.24		
19.Sugar	-9.44		0.02	
20.Tamarind	6.10	0.01		
21.Limes	-51.16		0.10	
22.Other food items	19.16	0.04		
Non Food	-68.18	0.01	0.15	-0.13
23.Clothing and Footwear	3.29	0.01		
24.Housing, water, Electricity, Gas and Other Fuels	-75.56		0.15	
<i>Maintenance & Repair of Dwellings</i>	<i>35.52</i>	<i>0.07</i>		
<i>L. P. Gas</i>	<i>-81.87</i>		<i>0.16</i>	
<i>Kerosene Oil</i>	<i>-29.22</i>		<i>0.06</i>	
25.Furnishings, HH Equipment & HH Maintenance	4.09	0.01		
Total*	136.85			0.26

*Percentages of items do not tally with overall percentage due to rounding off.

INFLATION:

The CCPI is an economic indicator constructed to measure inflation which is defined as percentage change in CCPI over the year. There are two measures of inflation in general use. One measure is Year on Year base or Point to Point inflation (The percentage change in the CPI during the last 12 months). The other measure is Moving Average Inflation (The percentage difference between the average Price Index of last 12 months & the average Price Index of previous 12 months).

Table 3: Movements of the CCPI (Base: 2006/07=100)

Year	Month	Index Number	All Item			Food			Non Food			
			%Change Month to Month	Inflation		%Change Month to Month	Inflation		%Change Month to Month	Inflation		
				Y on Y	12 Month Moving Avg.		Y on Y	12 Month Moving Avg.		Y on Y	12 Month Moving Avg.	
2014	December	180.2	0.6%	2.1%	3.3%	1.8%	7.0%	3.8%	-0.6%	-2.0%	2.8%	
	January	183.2	1.7%	3.2%	3.2%	3.8%	12.0%	4.7%	-0.3%	-3.9%	1.9%	
	February	178.9	-2.3%	0.6%	2.9%	-2.1%	9.5%	5.4%	-2.6%	-6.6%	0.8%	
	March	178.1	-0.4%	0.1%	2.5%	-2.8%	6.3%	5.8%	1.9%	-4.9%	-0.2%	
	April	178.5	0.2%	0.1%	2.1%	-1.2%	4.3%	5.9%	1.4%	-3.6%	-1.0%	
	May	179.8	0.7%	0.2%	1.9%	1.5%	4.6%	5.9%	0.0%	-3.5%	-1.5%	
	June	181.6	1.0%	0.1%	1.7%	1.8%	4.0%	6.0%	0.4%	-3.2%	-1.9%	
	2015	July	182.8	0.7%	-0.2%	1.3%	0.7%	2.5%	5.7%	0.7%	-2.5%	-2.3%
		August	181.9	-0.5%	-0.2%	1.0%	-1.5%	2.2%	5.5%	0.3%	-2.3%	-2.7%
		September	181.4	-0.3%	-0.3%	0.7%	-0.6%	2.0%	5.3%	0.1%	-2.2%	-3.1%
		October	182.1	0.4%	1.7%	0.7%	0.8%	2.7%	5.1%	0.0%	0.8%	-3.0%
		November	184.7	1.4%	3.1%	0.9%	3.0%	5.2%	5.1%	0.0%	1.1%	-2.8%
December		185.2	0.3%	2.8%	0.9%	0.8%	4.2%	4.9%	-0.2%	1.5%	-2.5%	

Year on Year (YoY) Inflation

YoY inflation of Food Group has decreased from 5.2% in November 2015 to 4.2% in December 2015 while Non-food Group increased by 1.1% to 1.5% during this period. The overall rate of inflation as measured by CCPI on YoY basis is 2.8% in December 2015 and inflation calculated for November 2015 was 3.1% (Table3).

Contribution to Y on Y inflation:

For the month of December 2015, on year to year basis, contribution to inflation by food commodities was 1.99%.

Contribution of Non food items was 0.77%. This was mainly due to value change increases in Clothing and Footwear (0.57%), Health (0.79%) and Education (0.24%) groups while value change decreases of Housing, Water, Electricity, Gas & Other Fuels and Transport groups. The amount of

decrease in 'Housing, Water, Electricity, Gas & Other Fuels' has been mainly due to the price decline of L.P. Gas (0.72%) and Kerosene Oil (0.17%). Also the amount of decrease in 'Transport' has been mainly due to the price decline of Bus fare (0.21%) and Petrol & Diesel (0.86%). The net effect of above items has led to the increase in Non-food sub index.

Moving Average Inflation

The moving average inflation rate for the month of December 2015 is 0.9%. The corresponding rate for the month of November 2015 was also 0.9%.

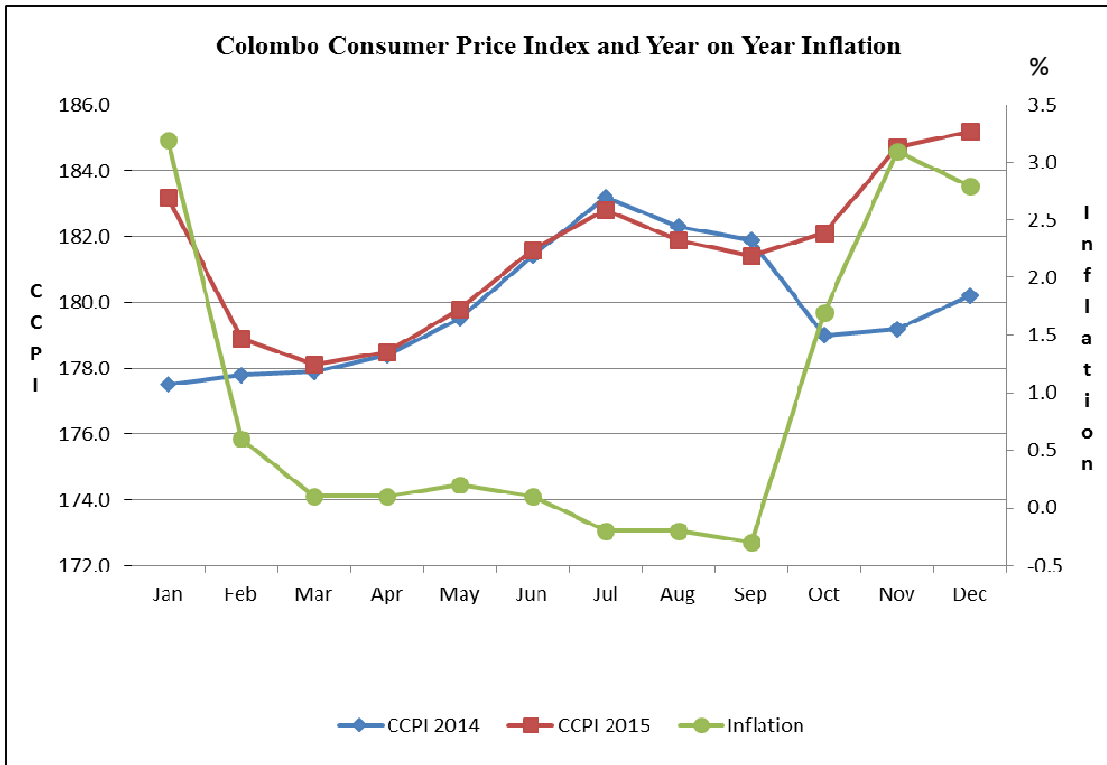


Table 4 : Monthly Average Open Market Retail prices of selected items of Colombo Consumer Price Index (December 2014, November & December 2015)

Item	Unit	Retail Prices (Rs. Cts)			Retail Price Changes (%)	
		2014 Dec.	2015 Nov.	2015 Dec.	Dec.15 - Nov15	Dec.15 - Dec.14
1. Rice– Kekulu – Red	Kg	91.25	70.06	71.48	2.03	-21.67
2. Rice– Kekulu – White	Kg	86.27	71.52	73.44	2.69	-14.87
3. Rice –Nadu	Kg	87.37	76.15	78.47	3.05	-10.19
4. Rice– Samba	Kg	92.10	92.14	94.89	2.98	3.04
5. Cowpea	Kg	229.67	269.15	268.91	-0.09	17.08
6. Green Grams	Kg	303.11	255.17	253.32	-0.72	-16.42
7. Coconut	Each	43.25	43.18	43.36	0.42	0.27
8. Coconut Oil	750ml	208.72	200.26	200.49	0.11	-3.94
9. Chicken	Kg	412.72	447.76	439.07	-1.94	6.38
10. Eggs	Each	12.50	13.88	14.95	7.67	19.55
11. Red Onion	Kg	116.14	136.99	144.03	5.14	24.02
12. B' Onion	Kg	78.71	134.90	100.09	-25.81	27.15
13. Potatoes	Kg	123.40	138.41	122.25	-11.68	-0.94
14. Garlic	Kg	224.74	293.13	305.56	4.24	35.96
15. Dried Chillies	Kg	253.25	351.00	359.70	2.48	42.03
16. Green Chillies	Kg	379.06	681.04	967.48	42.06	155.23
17. Sugar	Kg	100.44	92.82	91.17	-1.78	-9.23
18. Pepper	Kg	1707.33	1693.74	1685.29	-0.50	-1.29
Vegetables-						
19. Ash Plantain	Kg	144.40	133.55	139.42	4.39	-3.45
20. Carrot	Kg	204.14	221.21	279.88	26.52	37.10
21. Snake Gourd	Kg	139.72	141.55	146.35	3.39	4.74
22. Tomatoes	Kg	195.51	163.82	212.52	29.73	8.70
23. Capsicum	Kg	245.37	365.05	483.50	32.45	97.05
24. Beetroot	Kg	187.01	155.49	213.22	37.13	14.02
25. Beans	Kg	225.09	286.57	327.50	14.28	45.50
Fruits						
26. Banana	Each	11.13	12.56	12.53	-0.23	12.55
27. Papaw	Kg	79.21	83.21	75.92	-8.76	-4.16
28. Mangoes	Each	88.91	95.13	58.93	-38.05	-33.72
Fresh Fish –						
29. Seer	Kg	1061.94	1213.99	1259.90	3.78	18.64
30. Talapath	Kg	851.55	870.96	875.08	0.47	2.76
31. Paraw	Kg	767.45	909.68	905.02	-0.51	17.92
Dried Fish -						
32. Katta	Kg	1066.56	1135.82	1105.24	-2.69	3.63
33. Spratts	Kg	567.25	664.77	591.29	-11.05	4.24
34. Kerosene Oil	Lt	86.00	59.00	49.00	-16.95	-43.02
35. Petrol(CPC & IOC Avg.)	Lt	150.00	117.00	117.00	0.00	-22.00
36. Diesel (CPC & IOC Avg.)	Lt	110.00	95.00	95.00	0.00	-13.64
37. Gas- Avg.	12.5kg	2396.00	1496.00	1346.00	-10.03	-43.82
Shell\Litro	12.5kg	2396.00	1496.00	1346.00	-10.03	-43.82
Laughs	12.5kg	2396.00	1496.00	1346.00	-10.03	-43.82

DCS commenced releasing National Consumer Price Index (NCPI) from October 2015 with a time lag of 21 days. Accordingly, the NCPI for the month of November 2015 was released on 21st December 2015. (Please see the DCS website: www.statistics.gov.lk, for further details).

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