



PRESS RELEASE

THE COLOMBO CONSUMER PRICE INDEX – JUNE 2016

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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.

DCS commenced releasing monthly National Consumer Price Index (NCPI) from October 2015 with a time lag of 21 days. However, CCPI is released on the last working day of each month. Accordingly, the NCPI for the month of May 2016 was released on 21st June 2016 and this report is on the CCPI for the month of June 2016. (Please see the DCS website: www.statistics.gov.lk, for further details).

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

The CCPI for all items for the month of June 2016 was 192.5 and it records an increase of 4.0 index points or a percentage of 2.13 compared to the month of May 2016 for which the index was 188.5. This increase represents an expenditure value of Rs.1124.71 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 (%)		
	June 2015	May 2016	June 2016	June 2015	May 2016	June 2016	June 2015	May 2016	June 2016
All Items	181.6	188.5	192.5	519.53	1221.11	1124.71	1.03	2.37	2.13
Food & Non alcoholic beverages	212.4	220.4	229.8	430.80	551.33	1076.97	0.86	1.07	2.04
Non Food	160.2	166.3	166.6	88.73	669.78	47.74	0.18	1.30	0.09
Clothing and Footwear	200.3	209.8	209.1	62.31	72.62	-6.46	0.12	0.14	-0.01
Housing, Water, Electricity, Gas & Other Fuels	139.2	138.1	138.5	0.00	38.65	27.84	0.00	0.08	0.05
Furnishing House Hold Equipment & Routine House Hold Maintenance	165.9	170.4	171.1	8.91	11.41	7.54	0.02	0.02	0.01
Communication	94.0	109.3	109.8	0.00	204.06	6.06	0.00	0.40	0.01
Miscellaneous Goods & Services	154.5	159.0	160.5	0.00	0.00	12.75	0.00	0.00	0.02
Other	192.8	205.2	205.2	17.52	343.05	0.00	0.03	0.67	0.00

*Note : There are 10 main groups of the market basket. Significant changes in June 2016 were noted only in six main groups, details on which are given in Table 1.

Contribution to M on M Changes:

Contributions to the increase in CCPI from May 2016 to June 2016 are given in Table 2. The increase in index point by 2.13% was due to the increase of food items by 2.04% and increase of non-food items by 0.09%.

Contribution of Food and non alcoholic beverages items: 2.04%

Increases in value change in index were reported for Rice (0.03%), Fresh Fish (0.35%), Dried Fish (0.02%), Chicken (0.01%), Potatoes (0.09%), Dhall (0.02%), Vegetable (1.02 %), Red Onions (0.06%), Green Chilies(0.35%), Sugar (0.06%), Chilly Powder (0.30%), Coconut (0.19%) and value decreases were reported for Limes (0.04%), Banana (0.04%), Papaw (0.75%), Mangoes (0.01%), Eggs(0.02%).

Contribution of non food items: 0.09%

Among non food groups value increases were reported for group of 'Housing, Water, Electricity, Gas and other fuels' (0.05%), 'Furnishings, Household Equipment & Routing Household Maintenance'(0.01%), 'Communication' (0.01%) and Miscellaneous Goods & Services (0.02%) while value decrease was reported for Clothing and Footwear (0.01%). In terms of 'Housing, Water, Electricity, Gas and other fuels' group, the amount of price increase has been mainly due to price increases of Maintenance & Repair of the Dwelling's items such as Cement, Sand and Bricks.

Table 2: Contribution to the increase in CCPI from May 2016 to June 2016 (Base: 2006/07=100)

Sub Group/Commodity	Value Change			
	Rs.cts.	% change		
		Increase %	Decrease %	Net effect %
Food	1076.97	2.51	0.46	2.04
1.Rice	17.62	0.03		
2.Chicken	7.49	0.01		
3.Fresh Fish	184.49	0.35		
4.Dried Fish	11.79	0.02		
5.Coconut	100.77	0.19		
6.Banana	-20.27		0.04	
7.Papaw	-77.23		0.75	
8.Mangoes	-5.72		0.01	
9.Vegetables	539.35	1.02		
10.Potatoes	44.87	0.09		
11.Dhal	12.55	0.02		
13.Red Onions	29.80	0.06		
14.Chilly powder	159.34	0.30		
15.Green chilies	182.06	0.35		
16.Sugar	31.26	0.06		
17.Limes	-21.12		0.04	
18.Eggs	-8.78		0.02	
19.Others	-111.30		0.21	
Non Food	47.74	0.10	0.01	0.09
20.Clothing and Footwear	-6.46		0.01	
21.Housing, Water, Electricity, Gas & Other Fuels	27.84	0.05		
<i>Maintenance & Repair of Dwelling</i>	<i>27.84</i>	<i>0.05</i>		
22.Furnishing HH Equipment & Routine HH Maintenance	7.54	0.01		
24.Communication	6.06	0.01		
<i>Telephone (Equipment)</i>	<i>6.06</i>	<i>0.01</i>		
25.Miscellaneous Goods & Services	12.75	0.02		
26.Others	0.01			
Total	1124.71			2.13

*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 MonthtoMonth	Inflation		%Change MonthtoMonth	Inflation		%Change Monthto Month	Inflation	
				Y on Y	12 Month Moving Avg.		Y on Y	12 Month Moving Avg.		Y on Y	12 Month Moving Avg.
2015	June	181.6	1.0%	0.1%	1.7%	1.8%	4.0%	6.0%	0.4%	-3.2%	-1.9%
	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%
2016	January	184.9	-0.2%	0.9%	0.7%	-0.5%	-0.2%	3.9%	0.2%	2.0%	-2.0%
	February	183.8	-0.6%	2.7%	0.9%	-1.1%	0.8%	3.2%	-0.1%	4.6%	-1.1%
	March	181.7	-1.1%	2.0%	1.1%	-2.3%	1.4%	2.8%	-0.1%	2.5%	-0.5%
	April	184.1	1.3%	3.1%	1.3%	2.2%	4.9%	2.8%	0.6%	1.7%	0.0%
	May	188.5	2.4%	4.8%	1.7%	2.2%	5.6%	2.9%	2.5%	4.2%	0.6%
June	192.5	2.1%	6.0%	2.2%	4.3%	8.2%	3.3%	0.2%	4.0%	1.2%	

Year on Year (YoY) Inflation

The YoY inflation as measured by CCPI is 6.0% in June 2016 and inflation calculated for May 2016 was 4.8% (Table3).YoY inflation of Food Group has increased from 5.6% in May 2016 to 8.2% in June 2016 while Non-food Group decreased by 4.2% to 4.0% during this period.

Contribution to Y on Y inflation:

For the month of June 2016, on year to year basis, contribution to inflation by food commodities was 3.92%.

The contribution of Nonfood items was 2.09%. This was mainly due to value change increases in groups of 'Clothing and Footwear' (0.15%), 'Furnishing HH Equipment's & Routine HH Maintenance' (0.10%), 'Health' (0.68%), 'Transport' (0.46%), 'Communication' (0.41%), 'Recreation and Culture' (0.06%), 'Education' (0.22%), 'Miscellaneous Goods and Services' (0.10%) while decrease in value change reported in the group of 'Housing, Water, Electricity, Gas & Other Fuels' (0.10%).

Moving Average Inflation

The moving average inflation rate for the month of June 2016 was 2.2%. The corresponding rate for the month of May 2016 was 1.7%.

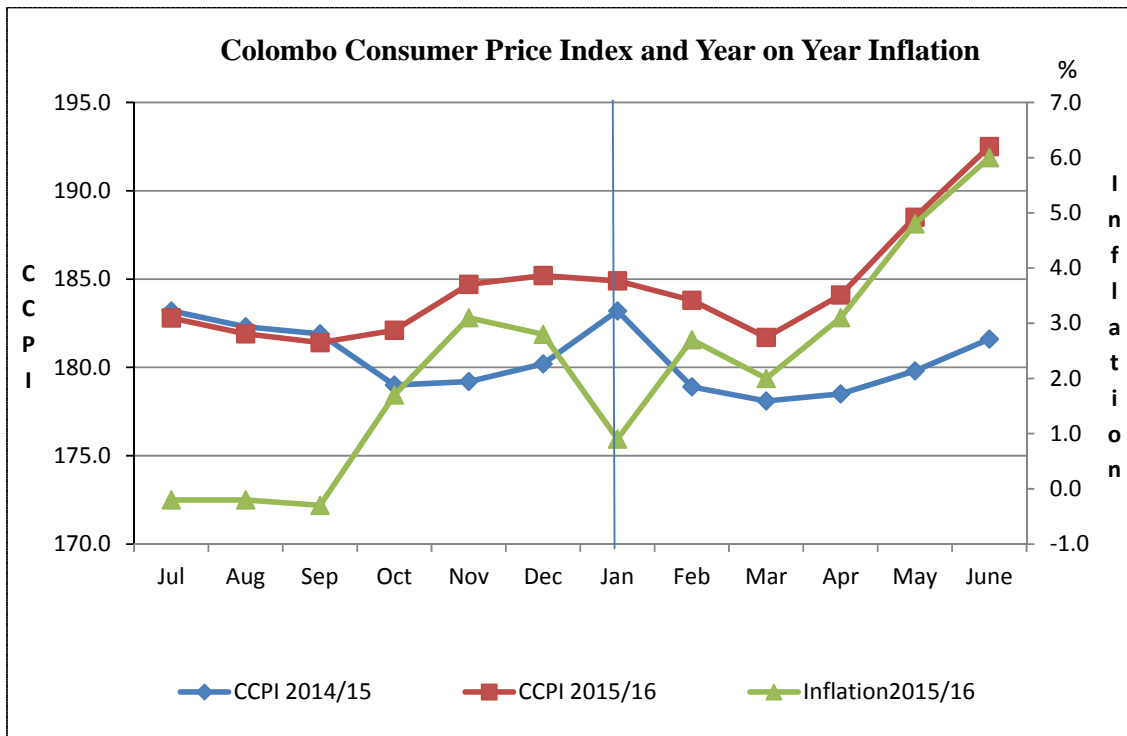


Table 4 : Monthly Average Open Market Retail prices of selected items of Colombo Consumer Price Index (June 2015, May & June 2016)

Item	Unit	Retail Prices (Rs. Cts)			Retail Price Changes (%)	
		2015June.	2016May.	2016June.	June.16– May16	June.16– June.15
1. Rice– Kekulu – Red	Kg	76.56	64.84	65.62	1.20	-14.29
2. Rice– Kekulu – White	Kg	73.64	69.04	70.60	2.25	-4.14
3. Rice –Nadu	Kg	76.39	75.88	77.80	2.54	1.85
4. Rice– Samba	Kg	90.14	92.03	92.26	-0.05	2.35
5. Cowpea	Kg	260.68	260.22	258.63	-0.61	-0.79
6.Green Grams	Kg	263.73	260.90	258.32	-0.99	-2.05
7. Coconut	Each	49.62	42.56	46.29	8.77	-6.72
8. Coconut Oil	750ml	208.18	207.52	212.50	2.40	2.08
9.Chicken	Kg	449.89	475.02	478.80	0.80	6.43
10. Eggs	Each	14.24	15.21	14.61	-3.98	2.61
11. Red Onion	Kg	130.23	130.17	155.59	19.53	19.48
12. B' Onion	Kg	110.59	85.20	84.27	-1.10	-23.80
13. Potatoes	Kg	125.22	119.60	143.06	19.62	14.24
14. Garlic	Kg	258.11	443.58	439.67	-0.88	70.34
15. Dried Chilies	Kg	266.30	365.25	368.27	0.83	38.29
16. Green Chilies	Kg	276.91	294.47	715.52	142.99	158.40
17. Sugar	Kg	83.87	105.53	111.00	5.18	32.35
18. Pepper	Kg	1694.06	1745.48	1781.28	2.05	5.15
Vegetables-						
19. Ash Plantain	Kg	128.53	116.44	139.53	19.83	8.56
20. Carrot	Kg	244.33	162.20	255.20	57.34	4.45
21. Snake Gourd	Kg	128.07	155.19	189.27	21.96	47.79
22. Tomatoes	Kg	93.80	228.10	233.35	2.30	148.79
23. Capsicum	Kg	257.64	232.48	278.62	19.85	8.14
24. Beetroot	Kg	191.86	181.12	229.79	26.87	19.77
25. Beans	Kg	231.02	241.06	326.02	35.25	41.12
Fruits						
26. Banana	Each	11.63	14.79	14.04	-5.11	20.70
27. Papaw	Kg	91.53	118.42	84.06	-29.01	-8.15
28. Mangoes	Each	93.66	60.16	55.70	-7.41	-40.53
Fresh Fish –						
29. Seer	Kg	1271.16	1378.29	1489.66	8.08	17.19
30.Talapath	Kg	876.56	909.40	936.45	2.97	6.83
31.Paraw	Kg	848.13	903.07	969.99	7.41	14.37
Dried Fish -						
32.Katta	Kg	1140.05	1205.52	1262.79	4.75	10.77
33. Sprats	Kg	484.92	705.08	701.34	-0.53	44.63
34. Kerosene Oil	Lt	59.00	49.00	49.00	0.00	-16.95
35.Petrol(CPC & IOC Avg.)	Lt	106.00	117.00	117.00	0.00	0.00
36. Diesel (CPC & IOC Avg.)	Lt	95.00	95.00	95.00	0.00	0.00
37. Gas- Avg.	12.5kg	1596.00	1346.00	1346.00	0.00	-15.66
Shell\Litro	12.5kg	1596.00	1346.00	1346.00	0.00	-15.66
Laughs	12.5kg	1596.00	1346.00	1346.00	0.00	-15.66

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