



WEB RELEASE

THE COLOMBO CONSUMER PRICE INDEX – JULY 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 June 2016 was released on 21st July 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 July 2016 was 192.9 and it records an increase of 0.4 index points or a percentage of 0.18 compared to the month of June 2016 for which the index was 192.5. This increase represents an expenditure value of Rs.96.08 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 (%) | | |
|--|--------------|-----------|-----------|--|-----------|-----------|----------------------------------|-----------|-----------|
| | July 2015 | June 2016 | July 2016 | July 2015 | June 2016 | July 2016 | July 2015 | June 2016 | July 2016 |
| All Items | 182.8 | 192.5 | 192.9 | 344.08 | 1124.71 | 96.08 | 0.68 | 2.13 | 0.18 |
| Food & Non alcoholic beverages | 213.9 | 229.8 | 231.2 | 165.00 | 1076.97 | 159.86 | 0.32 | 2.04 | 0.30 |
| Non Food | 161.3 | 166.6 | 166.2 | 179.09 | 47.74 | -63.77 | 0.35 | 0.09 | -0.12 |
| Clothing and Footwear | 204.4 | 209.1 | 206.8 | 36.37 | -6.46 | -20.20 | 0.07 | -0.01 | -0.04 |
| Housing, Water, Electricity, Gas & Other Fuels | 139.1 | 138.5 | 138.3 | -11.18 | 27.84 | -13.99 | -0.02 | 0.05 | -0.03 |
| Health | 318.9 | 357.7 | 356.9 | 0.00 | 0.00 | -6.58 | 0.00 | 0.00 | -0.01 |
| Transport | 183.2 | 186.8 | 187.2 | 108.18 | 0.00 | 11.27 | 0.21 | 0.00 | 0.02 |
| Communication | 94.0 | 109.8 | 106.4 | 0.00 | 6.06 | -45.00 | 0.00 | 0.01 | -0.08 |
| Education | 143.8 | 154.2 | 154.5 | 0.00 | 0.00 | 3.51 | 0.00 | 0.00 | 0.01 |
| Miscellaneous Goods & Services | 154.5 | 160.5 | 161.2 | 0.08 | 12.75 | 5.27 | 0.00 | 0.02 | 0.01 |
| Other | 167.4 | 170.1 | 170.2 | 45.64 | 7.54 | 1.96 | 0.09 | 0.01 | 0.00 |

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

Contribution to M on M Changes:

Contributions to the increase in CCPI from June 2016 to July 2016 are given in Table 2. An increase in index point by 0.18% was due to the increase of food items by 0.30% and decrease of non-food items by 0.12%.

Contribution of Food and non alcoholic beverages items: 0.30%

Increases in value change in index were reported for Gram (0.01%), Chicken (0.02%), Fresh Fish (0.10%), Eggs (0.03%), Coconut Oil (0.02%), Banana (0.05)%, Papaw(0.04%), Mangoes (0.01%), Potatoes (0.01%), Red Onions (0.02%), Green Chilies(0.18%), Sugar (0.03%) & Salt(0.01%) and value decreases were reported for Rice (0.01%), Dried Fish (0.01%), Coconut (0.03%), Vegetables (0.11%), Dhal (0.01%), B'Onion (0.01%), Garlic (0.02%) & Limes(0.22%).

Contribution of non food items: -0.12%

Among non food groups value decreases were reported for groups of 'Clothing & Footwear' (0.04%), 'Housing, Water, Electricity, Gas and other fuels' (0.03%), 'Health' (0.01%) and 'Communication' (0.01%) while value increases were reported for 'Transport' (0.02%), 'Education' (0.01%), and Miscellaneous Goods & Services (0.01%) groups. In terms of 'Health' and 'Communication' groups, the amount of price decreases have been due to elimination of recently introduce VAT component in laboratory test fees and telephone charges respectively.

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

| Sub Group/Commodity | Value Change | | | |
|---|---------------|-------------|-------------|--------------|
| | Rs.cts. | % change | | Net effect |
| | | Increase % | Decrease % | |
| Food | 159.86 | 0.71 | 0.41 | 0.30 |
| 1 Rice | -5.90 | | 0.01 | |
| 2 Gram | 3.70 | 0.01 | | |
| 3 Chicken | 8.93 | 0.02 | | |
| 4 Fresh Fish | 53.72 | 0.10 | | |
| 5 Dried Fish | -5.57 | | 0.01 | |
| 6 Eggs | 18.31 | 0.03 | | |
| 7 Coconut | -18.58 | | 0.03 | |
| 8 Coconut Oil | 11.32 | 0.02 | | |
| 9 Banana | 25.55 | 0.05 | | |
| 10 Papaw | 22.36 | 0.04 | | |
| 11 Mangoes | 4.94 | 0.01 | | |
| 12 Vegetables | -57.09 | | 0.11 | |
| 13 Potatoes | 7.65 | 0.01 | | |
| 14 Dhal | -3.90 | | 0.01 | |
| 15 Red Onions | 12.27 | 0.02 | | |
| 16 Bombay onions | -7.15 | | 0.01 | |
| 17 Garlic | -10.23 | | 0.02 | |
| 18 Green chilies | 98.88 | 0.18 | | |
| 19 Sugar | 14.96 | 0.03 | | |
| 20 Salt | 6.28 | 0.01 | | |
| 21 Limes | -120.09 | | 0.22 | |
| Non Food | -63.77 | 0.04 | 0.16 | -0.12 |
| 22 Clothing and Footwear | -20.20 | | 0.04 | |
| 23 Housing,Water,Electricity,gas Maintanance & Repair of Dwellings | -13.99 | | 0.03 | |
| Water Bills | -9.20 | | 0.02 | |
| | -4.80 | | 0.01 | |
| 24 Health | -6.58 | | 0.01 | |
| Laboratory test | -6.58 | | 0.01 | |
| 25 Transport | 11.27 | 0.02 | | |
| Lubricating Oil | 11.27 | 0.02 | | |
| 26 Communication | -45.00 | | 0.08 | |
| Telephone Charges | -45.00 | | 0.08 | |
| 27 Education | 3.51 | 0.01 | | |
| Exercise Books & Stationaries | 3.51 | 0.01 | | |
| 28 Miscellaneous Goods & Services | 5.27 | 0.01 | | |
| 29 Others | 1.96 | | 0.00 | |
| All Items | 96.08 | | | 0.18 |

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 | 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% |
| | June | 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% |
| | July | 192.9 | 0.2% | 5.5% | 2.7% | 0.6% | 8.1% | 3.8% | -0.2% | 3.0% | 1.7% |

Year on Year (YoY) Inflation

The YoY inflation as measured by CCPI is 5.5% in July 2016 and inflation calculated for June 2016 was 6.0% (Table3). YoY inflation of Food Group has decreased from 8.2% in June 2016 to 8.1% in July 2016 while Non-food Group decreased by 4.0% to 3.0% during this period.

Contribution to Y on Y inflation:

For the month of July 2016, on year to year basis, contribution to inflation by food commodities was 3.89%.

The contribution of Non food items was 1.60%. This was mainly due to value change increases in groups of 'Clothing and Footwear' (0.04%), 'Furnishing HH Equipment's & Routine HH Maintenance' (0.07%), 'Health' (0.66%), 'Transport' (0.27%), 'Communication' (0.32%), 'Recreation and Culture' (0.01%), 'Education' (0.23%), 'Miscellaneous Goods and Services' (0.11%) while decrease in value change reported in the group of 'Housing, Water, Electricity, Gas & Other Fuels' (0.09%).

Moving Average Inflation

The moving average inflation rate for the month of July 2016 was 2.7%. The corresponding rate for the month of June 2016 was 2.2%.

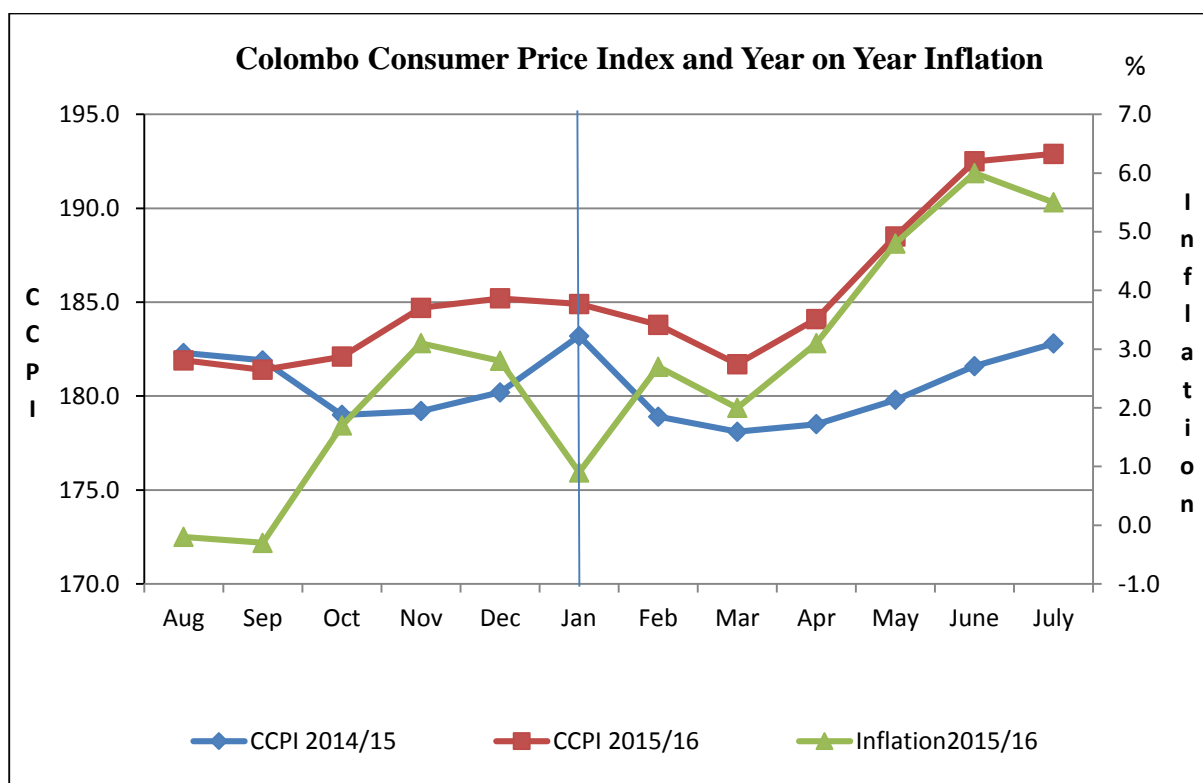


Table 4 : Monthly Average Open Market Retail prices of selected items of Colombo Consumer Price Index (July 2015, June & July2016)

| Item | Unit | Retail Prices (Rs. Cts) | | | Retail Price Changes (%) | |
|-----------------------------|--------|-------------------------|-----------|-----------|--------------------------|---------------------|
| | | 2015July. | 2016June. | 2016July. | July.16– June16 | July.16– July.15 |
| 1. Rice– Kekulu – Red | Kg | 75.97 | 65.62 | 65.47 | -0.22 | -13.81 |
| 2. Rice– Kekulu – White | Kg | 72.87 | 70.60 | 70.73 | -2.89 | 0.19 |
| 3. Rice –Nadu | Kg | 75.87 | 77.80 | 77.62 | -0.24 | 2.36 |
| 4. Rice– Samba | Kg | 90.62 | 92.26 | 91.87 | -0.42 | 1.38 |
| 5. Cowpea | Kg | 260.28 | 258.63 | 256.68 | -0.75 | -1.38 |
| 6.Green Grams | Kg | 260.13 | 258.32 | 249.87 | -3.26 | -3.93 |
| 7. Coconut | Each | 46.84 | 46.29 | 45.60 | -1.49 | -2.64 |
| 8. Coconut Oil | 750ml | 209.19 | 212.50 | 217.47 | 2.34 | 3.96 |
| 9.Chicken | Kg | 453.65 | 478.80 | 483.31 | 0.94 | 6.54 |
| 10. Eggs | Each | 14.96 | 14.61 | 15.87 | 8.64 | 6.11 |
| 11. Red Onion | Kg | 147.86 | 155.59 | 166.06 | 6.73 | 12.31 |
| 12. B' Onion | Kg | 101.67 | 84.27 | 81.39 | -3.42 | -19.95 |
| 13. Potatoes | Kg | 133.55 | 143.06 | 147.06 | 2.80 | 10.12 |
| 14. Garlic | Kg | 269.07 | 439.67 | 412.42 | -6.20 | 53.28 |
| 15. Dried Chilies | Kg | 283.07 | 368.27 | 374.72 | 1.75 | 32.38 |
| 16. Green Chilies | Kg | 504.02 | 715.52 | 944.19 | 31.96 | 87.33 |
| 17. Sugar | Kg | 82.49 | 111.00 | 113.60 | 2.36 | 37.73 |
| 18. Pepper | Kg | 1696.63 | 1781.28 | 1818.22 | 2.07 | 7.17 |
| Vegetables- | | | | | | |
| 19. Ash Plantain | Kg | 131.67 | 139.53 | 145.68 | 4.41 | 10.65 |
| 20. Carrot | Kg | 232.80 | 255.20 | 252.21 | -1.17 | 8.34 |
| 21. Snake Gourd | Kg | 128.68 | 189.27 | 181.57 | -4.07 | 41.10 |
| 22. Tomatoes | Kg | 117.90 | 233.35 | 264.25 | 13.24 | 124.13 |
| 23. Capsicum | Kg | 270.99 | 278.62 | 429.43 | 54.13 | 58.47 |
| 24. Beetroot | Kg | 185.59 | 229.79 | 240.33 | 4.58 | 29.49 |
| 25. Beans | Kg | 274.22 | 326.02 | 268.20 | -17.74 | -2.20 |
| Fruits | | | | | | |
| 26. Banana | Each | 11.86 | 14.04 | 14.99 | 6.97 | 26.40 |
| 27. Papaw | Kg | 100.38 | 84.06 | 94.01 | 11.83 | -6.34 |
| 28. Mangoes | Each | 96.07 | 55.70 | 59.55 | 6.91 | -38.01 |
| Fresh Fish – | | | | | | |
| 29. Seer | Kg | 1269.48 | 1489.66 | 1512.38 | 1.53 | 19.13 |
| 30.Talapath | Kg | 896.05 | 936.45 | 935.57 | -0.09 | 4.41 |
| 31.Paraw | Kg | 865.50 | 969.99 | 992.96 | 2.37 | 14.73 |
| Dried Fish - | | | | | | |
| 32.Katta | Kg | 1135.68 | 1262.79 | 1256.47 | -0.50 | 10.64 |
| 33. Sprats | Kg | 550.01 | 701.34 | 684.46 | -2.41 | 24.44 |
| 34. Kerosene Oil | Lt | 59.00 | 49.00 | 49.00 | 0.00 | -16.95 |
| 35.Petrol(CPC & IOC Avg.) | Lt | 117.00 | 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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