



WEB RELEASE

THE COLOMBO CONSUMER PRICE INDEX – OCTOBER 2016

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OCTOBER 31, 2016

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 & 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 September 2016 was released on 21st October 2016.

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

The CCPI for all items for the month of October 2016 was 189.7 and it records an increase of 1.2 index points or a percentage of 0.63 compared to the month of September 2016 for which the index was 188.5. This increase represents an expenditure value of Rs.334.83 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 (%)		
	Oct. 2015	Sep. 2016	Oct. 2016	Oct. 2015	Sep. 2016	Oct. 2016	Oct. 2015	Sep. 2016	Oct. 2016
All Items	182.1	188.5	189.7	194.55	-151.97	334.83	0.38	-0.29	0.63
Food & Non alcoholic beverages	211.1	221.0	223.8	199.34	-187.06	328.01	0.39	-0.35	0.62
Non Food	161.9	166.0	166.0	-4.79	35.09	6.82	-0.01	0.07	0.01
Housing, Water, Electricity, Gas and Other Fuels	138.5	138.1	137.8	3.78	1.44	-16.30	0.01	0.00	-0.03
Recreation and Culture	167.5	165.7	168.1	0.00	-9.89	9.95	0.00	-0.02	0.02
Education	154.2	154.5	154.8	0.00	0.00	3.14	0.00	0.00	0.01
Miscellaneous Goods and Services	155.7	163.5	164.7	0.00	16.39	9.83	0.00	0.03	0.02
Other	183.9	192.5	192.5	-8.56	27.15	0.18	-0.02	0.05	0.00

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

Contribution to M on M Changes:

Contributions to the increase in CCPI from September 2016 to October 2016 are given in Table 2. The increase in the index point by 0.63% was due to the increase of food items by 0.62% and increase of non-food items by 0.01% respectively.

Contribution of Food and non alcoholic beverages items: 0.62%

Increases in value change in index were reported for Limes (0.30%), Vegetables (0.12%), Coconut (0.17%), Rice (0.08%), Dried Fish (0.08%), Mangoes (0.09%), Pineapples (0.07%), Banana (0.02%), Dhal(0.02%), Red Onions (0.02%), Coconut Oil (0.01%) and Garlic (0.01%) while decreases in value change were reported for Sea Fish (0.21%), Chicken (0.05%), Eggs (0.05%), Papaw (0.05%), Potatoes (0.03%) and Green Chilies (0.04%).

Contribution of non food items:0.01%

Among non food groups value increases were reported for groups of 'Recreation and Culture' (0.02%), Education (0.01%) and 'Miscellaneous Goods and Services' (0.02%) while value decrease was reported for the group of 'Housing, Water, Electricity, Gas and Other Fuels' (0.03%). The groups of 'Clothing and Footwear' and 'Furnishing, Household equipments and routine Household maintenance' showed an insignificant negative and positive trend respectively. All other groups remain unchanged.

**Table 2: Contribution to the increase in CCPI from September 2016 to October 2016
(Base: 2006/07=100)**

Sub Group/Commodity	Value Change			
	Rs.cts.	% change		Net effect
		Increase %	Decrease %	
Food	328.01	1.06	0.44	0.62
1 Rice	41.70	0.08		
2 Chicken	-25.09		0.05	
3 Sea Fish	-112.08		0.21	
4 Dried Fish	41.60	0.08		
<i>Sprats</i>	38.32	0.07		
5 Eggs	-25.98		0.05	
6 Coconut	89.80	0.17		
7 Coconut Oil	3.67	0.01		
8 Vegetables	61.90	0.12		
9 Potatoes	-18.29		0.03	
10 Red Onion	12.18	0.02		
11 Dhal	13.18	0.02		
12 Garlic	6.72	0.01		
13 Green chilies	-20.46		0.04	
14 Limes	158.85	0.30		
15 Banana	11.23	0.02		
16 Papaw	-28.95		0.05	
17 Pineapple	35.92	0.07		
18 Mangoes	46.47	0.09		
19 Others	36.47	0.07		
Non Food	6.82	0.04	0.03	0.01
20 Housing, Water, Electricity, Gas and Other Fuels	-16.30		0.03	
<i>Maintenance and repair of dwelling</i>	-16.30		0.03	
21 Recreation and Culture	9.95	0.02		
22 Education	3.14	0.01		
23 Miscellaneous Goods and Services	9.83	0.02		
24 Others	0.18	0.00		
All Items	334.83			0.63

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	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%
	January	184.9	-0.2%	0.9%	0.7%	-0.5%	-0.2%	3.9%	0.2%	2.0%	-2.0%
2016	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%
	July	192.9	0.2%	5.5%	2.7%	0.6%	8.1%	3.8%	-0.2%	3.0%	1.7%
	August	189.1	-2.0%	4.0%	3.0%	-3.7%	5.6%	4.0%	-0.3%	2.4%	2.1%
	September	188.5	-0.3%	3.9%	3.4%	-0.7%	5.5%	4.3%	0.2%	2.5%	2.5%
	October	189.7	0.6%	4.2%	3.6%	1.3%	6.0%	4.6%	0.0%	2.5%	2.7%

Year on Year (YoY) Inflation

The YoY inflation as measured by CCPI is 4.2% in October 2016 and inflation calculated for September 2016 was 3.9% (Table3). YoY inflation of Food Group has increased from 5.5% in September 2016 to 6.0% in October 2016 while that of Non - food Group remain unchanged at 2.5% during this period.

Contribution to Y on Y inflation:

For the month of October 2016, on year to year basis, contribution to inflation by food commodities was 2.86%.

The contribution of Non food items was 1.34%. This was mainly due to value change increases in groups of 'Clothing and Footwear' (0.08%), 'Furnishing HH Equipment's & Routine HH Maintenance' (0.08%), 'Health' (0.62%), 'Transport' (0.43%), 'Communication' (0.06%), 'Education' (0.01%), 'Miscellaneous Goods and Services' (0.14%) while decreases in value change reported in the groups of 'Housing, Water, Electricity, Gas & Other Fuels' (0.09%).

Moving Average Inflation

The moving average inflation rate for the month of October 2016 was 3.6%. The corresponding rate for the month of September 2016 was 3.4%.

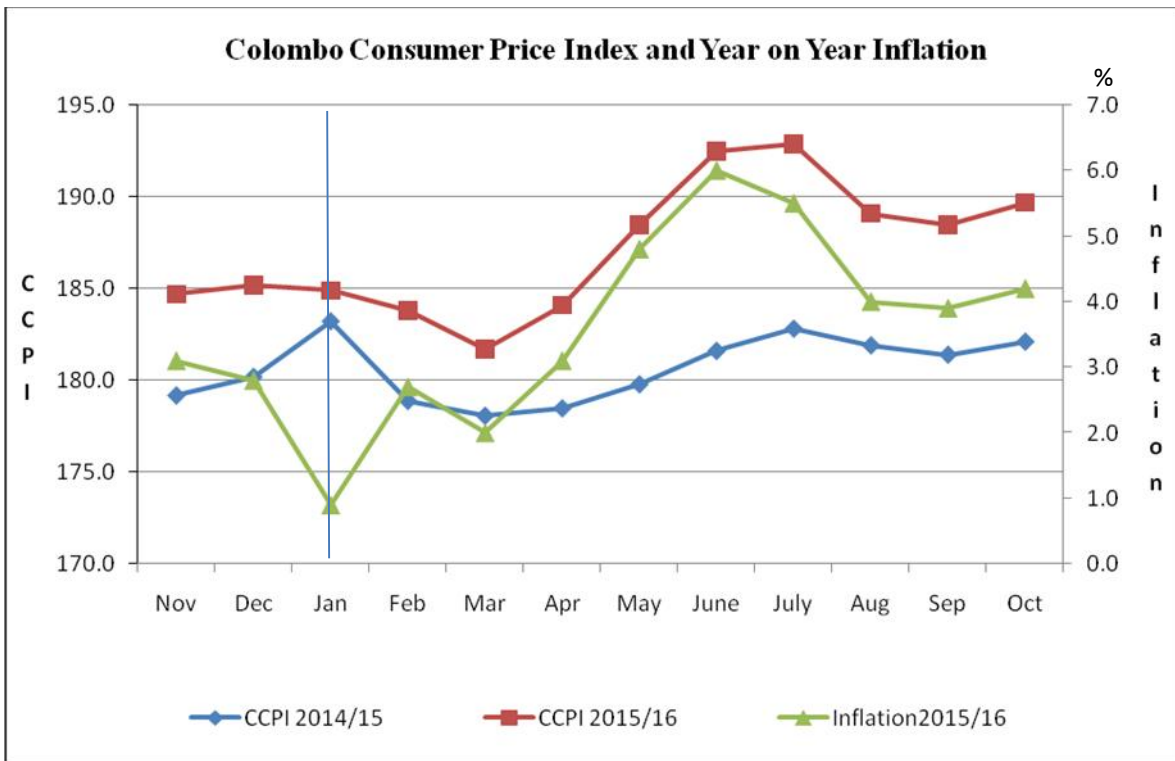


Table 4 : Monthly Average Open Market Retail prices of selected items of Colombo Consumer Price Index (October 2015, September & October 2016)

Item	Unit	Retail Prices (Rs. Cts)			Retail Price Changes (%)	
		2015Oct.	2016Sep.	2016Oct.	Oct.16– Sep. 16	Oct.16 - Oct.15
1. Rice– Kekulu – Red	Kg	69.79	67.55	71.08	5.24	1.86
2. Rice– Kekulu – White	Kg	68.77	69.90	72.79	4.14	5.85
3. Rice –Nadu	Kg	73.37	76.77	79.07	3.00	7.77
4. Rice– Samba	Kg	91.32	90.09	89.90	-0.21	-1.56
5. Cowpea	Kg	273.72	256.63	257.85	0.47	-5.80
6.Green Grams	Kg	256.40	230.07	231.17	0.48	-9.84
7. Coconut	Each	43.18	41.75	45.08	7.97	4.40
8. Coconut Oil	750ml	199.32	219.14	220.75	0.73	10.75
9.Chicken	Kg	464.01	500.89	487.81	-2.61	5.13
10. Eggs	Each	14.98	17.05	15.26	-10.50	1.87
11. Red Onion	Kg	113.72	114.52	124.91	9.07	9.84
12. B' Onion	Kg	116.46	89.04	88.92	-0.14	-23.65
13. Potatoes	Kg	126.54	138.21	128.65	-6.92	1.67
14. Garlic	Kg	276.01	411.85	429.75	4.35	55.70
15. Dried Chilies	Kg	316.30	363.59	362.02	-0.43	14.45
16. Green Chillies	Kg	289.66	244.95	197.63	-19.32	-31.77
17. Sugar	Kg	91.62	94.94	96.68	1.84	5.53
18. Pepper	Kg	1649.64	1816.45	1835.25	1.03	11.25
Vegetables-						
19. Ash Plantain	Kg	127.55	130.07	128.08	-1.53	0.41
20. Carrot	Kg	130.21	132.76	133.37	0.46	2.43
21. Snake Gourd	Kg	130.31	110.37	118.46	7.33	-9.09
22. Tomatoes	Kg	102.37	95.69	105.61	10.37	3.17
23. Capsicum	Kg	189.81	205.66	165.16	-19.69	-12.99
24. Beetroot	Kg	101.62	113.38	111.27	-1.86	9.49
25. Beans	Kg	186.02	174.91	204.88	17.13	10.14
Fruits						
26. Banana	Each	13.25	16.34	16.76	2.56	26.46
27. Papaw	Kg	107.90	143.79	130.91	-8.96	21.33
28. Mangoes	Each	144.24	111.88	148.06	32.35	2.65
Fresh Fish –						
29. Seer	Kg	1290.80	1444.10	1379.50	-4.47	6.87
30.Talapath	Kg	877.61	919.56	912.24	-0.80	3.95
31.Paraw	Kg	886.20	970.71	920.17	-5.21	3.83
Dried Fish -						
32.Katta	Kg	1132.58	1150.66	1176.73	2.26	3.90
33. Sprats	Kg	705.43	499.04	574.13	15.05	-18.61
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	1496.00	1346.00	1346.00	0.00	-10.03
Litro	12.5kg	1496.00	1346.00	1346.00	0.00	-10.03
Laughs	12.5kg	1496.00	1346.00	1346.00	0.00	-10.03

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