1. Introduction

The Department of Census and Statistics (DCS) is the authorized agency to compile Colombo Consumer Price Index (CCPI). The base year used for compilation of CCPI from June 2011 to December 2016 was the year 2006/07. Following internationally accepted guidelines, it has been arranged to revise the base year from 2006/07=100 to 2013=100 in order to accommodate the changing expenditure patterns and in cooperate changes of goods & services available in the market. Accordingly with respect to the new base, CCPI (Base 2013=100) will be released monthly commencing from January 2017 on the last working day of each month. It is emphasized that index numbers or inflation figures compiled under different base years cannot be compared.

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–Mt. Lavinia, Kotte, Nuvegoda, 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 Lak Sathosa and a supermarket. The consumer basket includes 392 items which represent the typical urban household consumption expenditure. The CPI weights are derived from the Household Income and Expenditure Survey (HIES) 2012/13.

For more details on the revision of base year, please click here: Technical Note on Base Year Revision

<table>
<thead>
<tr>
<th>Major Group*</th>
<th>Index Number</th>
<th>Monthly Changes of the Expenditure Values(Rs.)</th>
<th>Monthly Changes of the Index (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Items</td>
<td>118.2</td>
<td>121.5</td>
<td>122.9</td>
</tr>
<tr>
<td>Food and Non Alcoholic Beverages</td>
<td>125.9</td>
<td>126.8</td>
<td>130.1</td>
</tr>
<tr>
<td>Non Food</td>
<td>115.2</td>
<td>119.4</td>
<td>120.0</td>
</tr>
<tr>
<td>Clothing and Footwear</td>
<td>126.7</td>
<td>130.8</td>
<td>133.5</td>
</tr>
<tr>
<td>Housing,Water,Electricity,Gas and Other Fuels</td>
<td>110.2</td>
<td>110.7</td>
<td>111.4</td>
</tr>
<tr>
<td>Transport</td>
<td>96.2</td>
<td>100.4</td>
<td>101.9</td>
</tr>
<tr>
<td>Miscellaneous Goods and Services</td>
<td>134.6</td>
<td>139.2</td>
<td>139.5</td>
</tr>
<tr>
<td>Other</td>
<td>126.7</td>
<td>135.8</td>
<td>135.8</td>
</tr>
</tbody>
</table>

*Note: There are 12 main groups of the market basket. Significant changes in May 2018 were noted in five main groups, details on which are given in Table2.
2. Variations in Colombo Consumer Price Index

Month on month changes in the Colombo Consumer Price Index is briefly described below.

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

The CCPI for all items for the month of May 2018 was 122.9 and it records an increase of 1.4 index points that is 1.15 percentage points compared to the month of April 2018 for which the index was 121.5. This represents an increase of expenditure value by Rs.846.37 in the “Market Basket”.

2.2 Contribution to M on M Changes:

Contributions to the increase in CCPI from April to May 2018 are given in Table 2. An increase in the index point by 1.15% was due to the expenditure value increase of Food items by 0.76% and increase of Non Food items by 0.39%.

2.3 Contribution of Food and Non Alcoholic Beverages items 0.76%

Increases in value change were reported for Vegetables (0.4%), Sea Fish (0.24%), Limes (0.07%), Rice (0.06%), Potatoes (0.04%), Big Onion (0.04%), Dried Fish (0.03%), Egg (0.02%), Milk Powder (0.01%), Red Onion (0.01%), Chili Powder (0.01%), Curry powder (0.01%) and Ginger (0.01%) while decreases in value change were reported for Banana (0.04%), Coconuts (0.03%), Papaw (0.02%), Gram (0.01%) and Chicken (0.01%).

2.4 Contribution of Non Food items: 0.39%

Among Non-Food groups, increases in value change were reported for ‘Housing Water Electricity Gas and Other Fuels’ (0.2%), ‘Transport’ (0.13%), ‘Clothing and ‘Footwear’ (0.05%) and ‘Miscellaneous Goods and Services’ (0.01%). ‘Alcoholic Beverages Tobacco and Narcotics’ and ‘Furnishing, Household Equipment and Routine House Hold Maintenance’ groups showed an insignificant value change while other groups remain unchanged during the period.
Table 02: Contribution to the change in CCPI from April 2018 to May 2018 (Base 2013=100)

<table>
<thead>
<tr>
<th>Sub Group/Commodity</th>
<th>Value Change</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.Cts.</td>
<td>Increase</td>
</tr>
<tr>
<td><strong>Food</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 Rice</td>
<td>557.65</td>
<td>0.93</td>
</tr>
<tr>
<td>2 Rice - (Samba)</td>
<td>42.01</td>
<td>0.06</td>
</tr>
<tr>
<td>3 Gram</td>
<td>-5.14</td>
<td></td>
</tr>
<tr>
<td>4 Chicken</td>
<td>-4.74</td>
<td></td>
</tr>
<tr>
<td>5 Sea Fish</td>
<td>178.30</td>
<td>0.24</td>
</tr>
<tr>
<td>6 Dried fish</td>
<td>19.78</td>
<td>0.03</td>
</tr>
<tr>
<td>7 Sprats</td>
<td>8.51</td>
<td>0.01</td>
</tr>
<tr>
<td>8 Milk powder</td>
<td>4.88</td>
<td>0.01</td>
</tr>
<tr>
<td>9 Eggs</td>
<td>11.49</td>
<td>0.02</td>
</tr>
<tr>
<td>10 Coconut</td>
<td>-21.38</td>
<td></td>
</tr>
<tr>
<td>11 Banana</td>
<td>-31.37</td>
<td></td>
</tr>
<tr>
<td>12 Papaw</td>
<td>-15.24</td>
<td></td>
</tr>
<tr>
<td>13 Vegetables</td>
<td>292.72</td>
<td>0.40</td>
</tr>
<tr>
<td>14 Potatoes</td>
<td>28.10</td>
<td>0.04</td>
</tr>
<tr>
<td>15 Red onions</td>
<td>8.32</td>
<td>0.01</td>
</tr>
<tr>
<td>16 Big onions</td>
<td>27.48</td>
<td>0.04</td>
</tr>
<tr>
<td>17 Chili powder</td>
<td>5.56</td>
<td>0.01</td>
</tr>
<tr>
<td>18 Curry powder</td>
<td>5.97</td>
<td>0.01</td>
</tr>
<tr>
<td>19 Limes</td>
<td>49.24</td>
<td>0.07</td>
</tr>
<tr>
<td>20 Ginger</td>
<td>7.09</td>
<td>0.01</td>
</tr>
<tr>
<td>21 Others</td>
<td>-45.42</td>
<td></td>
</tr>
<tr>
<td><strong>Non Food</strong></td>
<td>288.72</td>
<td>0.39</td>
</tr>
<tr>
<td>22 Clothing &amp; Footwear</td>
<td>37.74</td>
<td>0.05</td>
</tr>
<tr>
<td>23 Housing,Water,Electricity, Gas and Other Fuels</td>
<td>147.00</td>
<td>0.20</td>
</tr>
<tr>
<td>24 Transport</td>
<td>98.34</td>
<td>0.13</td>
</tr>
<tr>
<td>25 Miscellaneous Goods and Services</td>
<td>5.72</td>
<td>0.01</td>
</tr>
<tr>
<td>26 Others</td>
<td>-0.07</td>
<td></td>
</tr>
<tr>
<td><strong>All Items</strong></td>
<td>846.37</td>
<td></td>
</tr>
</tbody>
</table>
3. 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: 2013=100)

<table>
<thead>
<tr>
<th>Year</th>
<th>Month</th>
<th>Index Number</th>
<th>All Item</th>
<th>Food</th>
<th>Non Food</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Inflation %</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>%Change Month to Month</td>
<td>Y on Y</td>
<td>12 Months Moving Avg.</td>
</tr>
<tr>
<td>2017</td>
<td>May</td>
<td>118.2</td>
<td>0.9</td>
<td>6.0</td>
<td>5.4</td>
</tr>
<tr>
<td></td>
<td>June</td>
<td>120.1</td>
<td>1.6</td>
<td>6.1</td>
<td>5.5</td>
</tr>
<tr>
<td></td>
<td>July</td>
<td>119.4</td>
<td>-0.6</td>
<td>4.8</td>
<td>5.4</td>
</tr>
<tr>
<td></td>
<td>August</td>
<td>118.8</td>
<td>-0.5</td>
<td>6.0</td>
<td>5.5</td>
</tr>
<tr>
<td></td>
<td>September</td>
<td>119.7</td>
<td>0.8</td>
<td>7.1</td>
<td>5.8</td>
</tr>
<tr>
<td></td>
<td>October</td>
<td>120.8</td>
<td>0.9</td>
<td>7.8</td>
<td>6.1</td>
</tr>
<tr>
<td></td>
<td>November</td>
<td>122.2</td>
<td>1.2</td>
<td>7.6</td>
<td>6.4</td>
</tr>
<tr>
<td></td>
<td>December</td>
<td>122.9</td>
<td>0.6</td>
<td>7.1</td>
<td>6.6</td>
</tr>
<tr>
<td>2018</td>
<td>January</td>
<td>122.8</td>
<td>-0.1</td>
<td>5.8</td>
<td>6.6</td>
</tr>
<tr>
<td></td>
<td>February</td>
<td>121.9</td>
<td>-0.7</td>
<td>4.5</td>
<td>6.4</td>
</tr>
<tr>
<td></td>
<td>March</td>
<td>121.4</td>
<td>-0.4</td>
<td>4.2</td>
<td>6.1</td>
</tr>
<tr>
<td></td>
<td>April</td>
<td>121.5</td>
<td>0.1</td>
<td>3.8</td>
<td>5.9</td>
</tr>
<tr>
<td></td>
<td>May</td>
<td>122.9</td>
<td>1.2</td>
<td>4.0</td>
<td>5.7</td>
</tr>
</tbody>
</table>

3.1 Year on Year (YoY) Inflation

The YoY inflation as measured by CCPI is 4.0% in May 2018 and inflation calculated for April was 3.8% (Table3). YoY inflation of Food Group has increased from 3.0% in April 2018 to 3.3% in May 2018 while that of Non-food Group increased from 4.0% in April to 4.2% in May during this period.
3.2 Contribution to Y on Y inflation:

For the month of May 2018, on year to year basis, contribution to inflation by food commodities was 1.01%.

The contribution of Non Food items was 2.93%. This was mainly due to increases in value change in groups of ‘Education’ (0.58%), ‘Transport’ (0.51%), ‘Health’ (0.47%), ‘Restaurants & Hotels’ (0.37%), ‘Furnishing Household Equipment’s & Routine Household Maintenance’ (0.34%), ‘Housing, Water, Electricity, Gas and Other Fuels’ (0.34%), ‘Miscellaneous Goods and Services’ (0.14%), ‘Clothing and Footwear’ (0.13%), ‘Alcoholic Beverages Tobacco and Narcotics’ (0.04%), ‘Recreation and Culture’ (0.03%) and while decrease in value change in the group of ‘Communication’ (0.02%).

3.3 Moving Average Inflation

The moving average inflation rate for the month of May 2018 was 5.7%. The corresponding rate for the month of April was 5.9%.

![Colombo Consumer Price Index and Year on Year Inflation](image)
Table 4: Monthly average open market retail prices of selected items of Colombo Consumer Price Index (May 2017, May 2018 & April 2018)

<table>
<thead>
<tr>
<th>Item</th>
<th>Unit</th>
<th>Retail Prices (Rs. Cts)</th>
<th>Retail Price Changes (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2017 May</td>
<td>2018</td>
<td>April</td>
</tr>
<tr>
<td>1. Rice– Kekulu – Red</td>
<td>Kg</td>
<td>81.65</td>
<td>86.21</td>
</tr>
<tr>
<td>2. Rice– Kekulu – White</td>
<td>Kg</td>
<td>78.77</td>
<td>81.35</td>
</tr>
<tr>
<td>3. Rice –Nadu - White</td>
<td>Kg</td>
<td>83.53</td>
<td>85.83</td>
</tr>
<tr>
<td>4. Rice– Nadu – Red</td>
<td>Kg</td>
<td>89.82</td>
<td>99.36</td>
</tr>
<tr>
<td>5. Cowpea</td>
<td>Kg</td>
<td>92.55</td>
<td>105.22</td>
</tr>
<tr>
<td>6. Coconuts</td>
<td>Each</td>
<td>65.44</td>
<td>78.00</td>
</tr>
<tr>
<td>7. Green Grams</td>
<td>Kg</td>
<td>322.63</td>
<td>292.35</td>
</tr>
<tr>
<td>8. Coconuts</td>
<td>Each</td>
<td>526.78</td>
<td>282.87</td>
</tr>
<tr>
<td>10. Chicken</td>
<td>Kg</td>
<td>479.17</td>
<td>497.75</td>
</tr>
<tr>
<td>11. Eggs</td>
<td>Each</td>
<td>14.20</td>
<td>13.11</td>
</tr>
<tr>
<td>12. Red Onion</td>
<td>Kg</td>
<td>210.43</td>
<td>185.19</td>
</tr>
<tr>
<td>13. Big Onion</td>
<td>Kg</td>
<td>95.47</td>
<td>86.31</td>
</tr>
<tr>
<td>15. Garlic</td>
<td>Kg</td>
<td>526.78</td>
<td>282.87</td>
</tr>
<tr>
<td>16. Dried Chilies</td>
<td>Kg</td>
<td>258.97</td>
<td>294.82</td>
</tr>
<tr>
<td>17. Green Chilies</td>
<td>Kg</td>
<td>282.29</td>
<td>200.06</td>
</tr>
<tr>
<td>18. Sugar</td>
<td>Kg</td>
<td>107.28</td>
<td>108.69</td>
</tr>
<tr>
<td>19. Pepper</td>
<td>Kg</td>
<td>1818.20</td>
<td>1580.47</td>
</tr>
<tr>
<td>Vegetables-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20. Ash Plantain</td>
<td>Kg</td>
<td>135.67</td>
<td>132.45</td>
</tr>
<tr>
<td>21. Carrot</td>
<td>Kg</td>
<td>251.20</td>
<td>146.79</td>
</tr>
<tr>
<td>22. Snake Gourd</td>
<td>Kg</td>
<td>170.20</td>
<td>139.02</td>
</tr>
<tr>
<td>23. Tomatoes</td>
<td>Kg</td>
<td>160.68</td>
<td>86.95</td>
</tr>
<tr>
<td>24. Capsicum</td>
<td>Kg</td>
<td>280.49</td>
<td>192.64</td>
</tr>
<tr>
<td>25. Beetroot</td>
<td>Kg</td>
<td>205.08</td>
<td>105.18</td>
</tr>
<tr>
<td>26. Beans</td>
<td>Kg</td>
<td>251.36</td>
<td>200.12</td>
</tr>
<tr>
<td>Fruits</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>27. Banana</td>
<td>Kg</td>
<td>113.07</td>
<td>137.73</td>
</tr>
<tr>
<td>28. Papaw</td>
<td>Kg</td>
<td>96.52</td>
<td>101.25</td>
</tr>
<tr>
<td>29. Mangoes</td>
<td>Each</td>
<td>85.98</td>
<td>83.67</td>
</tr>
<tr>
<td>Fresh Fish –</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>30. Seer</td>
<td>Kg</td>
<td>1416.92</td>
<td>1446.89</td>
</tr>
<tr>
<td>31. Talapath</td>
<td>Kg</td>
<td>1013.85</td>
<td>1066.20</td>
</tr>
<tr>
<td>32. Paraw</td>
<td>Kg</td>
<td>956.23</td>
<td>954.99</td>
</tr>
<tr>
<td>Dried Fish -</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>33. Katta</td>
<td>Kg</td>
<td>1222.41</td>
<td>1239.28</td>
</tr>
<tr>
<td>34. Sprats</td>
<td>Kg</td>
<td>730.25</td>
<td>727.45</td>
</tr>
<tr>
<td>Fuel -</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>35. Kerosene Oil</td>
<td>Lt</td>
<td>44.00</td>
<td>44.00</td>
</tr>
<tr>
<td>36. Petrol (CPC &amp; IOC)</td>
<td>Lt</td>
<td>117.00</td>
<td>121.50</td>
</tr>
<tr>
<td>37. Diesel (CPC &amp; IOC)</td>
<td>Lt</td>
<td>95.00</td>
<td>97.50</td>
</tr>
<tr>
<td>38. Gas- Avg.</td>
<td>12.5kg</td>
<td>1321.00</td>
<td>1431.00</td>
</tr>
<tr>
<td></td>
<td>Litro</td>
<td>1321.00</td>
<td>1431.00</td>
</tr>
</tbody>
</table>

Director General
Department of Census and Statistics