



Web Release

Producer's Price Index: November 2018 (Base: Fourth Quarter 2013=100) Department of Census and Statistics



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Introduction

The Producer's Price Index (PPI) measures the average change over the time in prices received by domestic producers of goods and services. The introduction of the PPI in Sri Lanka provides a more complete picture of price movements and trends for making informed policy decisions. Department of Census and Statistics (DCS) has been releasing PPI quarterly from September, 2015 with time lag of 35 days. Giving due consideration for making the estimates available more frequently, it has now been arranged to release PPI monthly with a time lag of 45 days.

PPI is an important macroeconomic indicator. It serves as an indicator of short term inflationary trends and as a deflator of economic series. It is also used in productivity analysis, contract escalation, business analysis and current cost accounting etc. PPI covers the Agriculture, Manufacturing and Electricity & Water supply sectors of the economy.

Annual Changes of Producer's Price Index

The Producer's Price Index recorded for three major economic activities for November 2018 is 135.5. The annual growth rate recorded for the overall PPI is 4.1 per cent. PPI for agriculture, manufacturing and electricity & water supply activities are 155.8, 127.0 and 81.6 respectively. Manufacturing sector reported a significantly high positive annual growth rate of 14.2 per cent, while, agriculture and electricity & water supply activities reported negative annual growth rates of 11.4 and 3.7 per cent respectively.

The agricultural activities related to "Production of eggs" (17.7%), "Growing of vegetable" (3.8%) and "Production of dairy" (2.5%) reported high growth rates in the month of November 2018 compared to the same month in 2017. However, activities of "Growing of fruits, nuts and beverage crops" (14.6%) and "Growing of cereals" (8.3%) reported significantly high negative growth rates in the month of November, 2018 on annual basis.

In manufacturing sector, "Manufacturing of coke, refined petroleum products and nuclear fuel" (36.2%), "Publishing, printing and reproduction of recorded media" (26.4%), "Manufacturing of other transport equipment" (22.1%), "Manufacturing of chemicals and chemical products" (14.7%), "Manufacturing of rubber and plastics" (14.1%), "Manufacturing of textiles" (12.5%), "Manufacturing of wearing apparel, dressing, and dyeing of fur" (11.5%) activities posted significantly high growth rates in November 2018 compared to the same month in 2017. Further, "Manufacturing of furniture and Manufacturing of goods not elsewhere classified" (8.5%), "Manufacturing of electrical machinery and apparatus" (5.0%) and "Manufacturing of other non-metallic mineral products" (4.4%) activities reported considerably high growth rates in the prices received by the domestic producers. None of the manufacturing activity reported a negative growth rate in the month of November 2018 on annual basis (Table 4).

The both activities, "Generation and distribution of electricity" and "Collection, purification and distribution of water" recorded negative annual growth rates of 4.2 percent and 0.1 per cent respectively (Table 4).

Table 1: PPI of November of 2017 & 2018 and Year on Year changes of PPI by Major Economic Activity (Base: 2013 Q4=100)

Major Economic Activity	PPI		Year on Year % change (Nov 2018**/ Nov 2017)
	2017 Nov	2018 Nov**	
All Activities	130.2	135.5	4.1
Agriculture	175.9	155.8	-11.4
Manufacturing	111.2	127.0	14.2
Electricity & water supply	84.7	81.6	-3.7

** - Provisional

Monthly Changes of Producer's Price Index

The overall PPI increased by 4.9 index points from 130.6 index points in October 2018 to 135.5 index points in November 2018. The overall monthly growth rate in the month of November 2018 is 3.8 per cent. Agriculture and manufacturing sectors posted positive growth rates of 9.2 and 1.8 per cent respectively, while utility sector posted a negative growth rate of 3.7 in the month of November on monthly basis (Table 2).

"Growing of vegetables" (70.6%) activity posted a huge growth rate in prices compared to the previous month. "Egg production" (6.5%), "Growing of cereal crops" (6.1%), "Growing of fruits, nuts and beverage crops" (3.9%) and "Production of dairy" (0.4%) activities reported positive growth rates.

"Manufacturing of textiles" (4.0%), "Manufacturing of wearing apparel, dressing, and dyeing of fur" (3.8%), "Manufacturing of other transport equipment" (3.3%), "Publishing, printing, and reproduction of recorded media" (2.0%), "Manufacturing of furniture, Manufacturing of goods not elsewhere classified" (1.4%), "Manufacturing of food products and beverages" (1.2%), "Manufacturing of rubber and plastics" (1.2%) activities reported significant price increases, while, "Manufacturing of other non-metallic mineral products" (0.5%), "Manufacturing of chemicals and chemical products" (0.2%), "Manufacturing of tobacco products" (0.1%) activities showed marginal price increases on monthly basis. However, "Manufacturing of coke, refined petroleum products and nuclear fuel" activity reported a negative marginal growth rate of 0.8 per cent. "Manufacturing of basic metal" and "Manufacturing of electrical machinery and apparatus" activities remained unchanged from October of 2018 level (Table 4).

The utility sector activities, "Collection, purification and distribution of water" and "Generation and distribution of electricity" recorded negative monthly growth rates of 3.7 percent and 3.6 per cent respectively (Table 4).

Table 2: PPI of October & November of 2018 and Month to Month changes of PPI by Major Economic Activity (Base: 2013 Q4 =100)

Major Economic Activity	PPI		Month to Month % change (2018 Nov**/ 2018 Oct*)
	2018 Oct*	2018 Nov**	
All Activities	130.6	135.5	3.8
Agriculture	142.7	155.8	9.2
Manufacturing	124.8	127.0	1.8
Electricity & Water Supply	84.7	81.6	-3.7

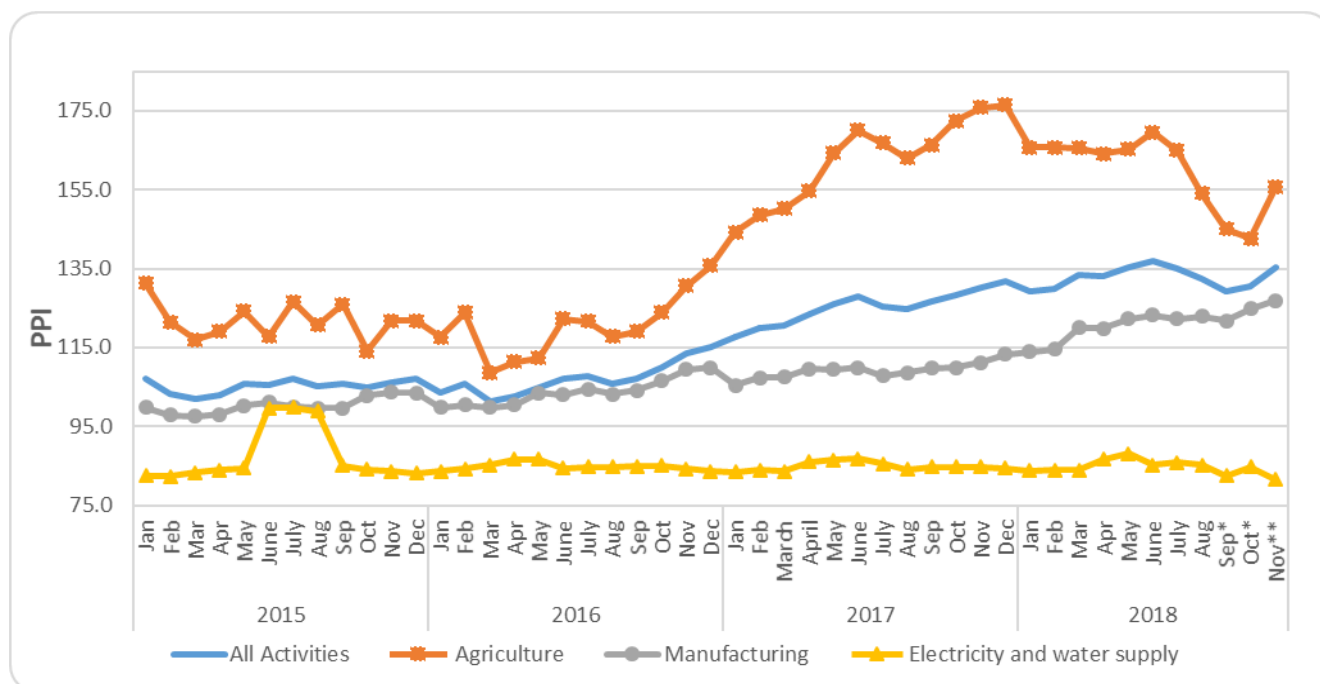
* - Revised ** - Provisional

**Table 3: Movements of Producer's Price Index by Major Economic Activity:
January 2014 – November 2018 (Base: 2013 Q4 =100)**

Year	Month	All activities				Agriculture				Manufacturing				Electricity & Water Supply			
		Index number	% changes			Index number	% changes			Index number	% changes			Index number	% changes		
			Month to month	Year on year	12 Months Moving Average		Month to month	Year on year	12 Months Moving Average		Month to month	Year on year	12 Months Moving Average		Month to month	Year on year	12 Months Moving Average
2014	January	100.8				100.7				101.0				99.2			
	February	101.1	0.3			103.3	2.5			100.5	-0.5			98.6	-0.6		
	March	100.5	-0.6			101.3	-1.9			100.3	-0.2			99.2	0.6		
	April	102.3	1.8			106.4	5.0			100.9	0.6			100.2	0.9		
	May	100.2	-2.1			96.2	-9.6			101.9	1.0			99.8	-0.4		
	June	100.1	-0.1			98.4	2.3			100.9	-1.1			100.0	0.2		
	July	100.9	0.8			100.6	2.2			101.2	0.3			100.0	0.0		
	August	104.5	3.6			113.9	13.3			101.3	0.1			98.9	-1.0		
	September	101.2	-3.2			104.6	-8.2			100.3	-1.0			95.9	-3.0		
	October	103.5	2.3			109.8	5.0			102.1	1.8			91.7	-4.4		
	November	102.0	-1.4			107.7	-1.9			101.1	-1.0			87.8	-4.2		
	December	102.1	0.1			112.8	4.8			99.6	-1.4			82.5	-6.0		
2015	January	107.3	5.0	6.4		131.2	16.3	30.3		99.9	0.2	-1.1		82.5	-0.1	-16.9	
	February	103.2	-3.7	2.1		121.4	-7.5	17.5		97.9	-2.0	-2.6		82.3	-0.2	-16.5	
	March	101.9	-1.3	1.4		117.0	-3.7	15.5		97.5	-0.4	-2.8		83.3	1.2	-16.1	
	April	102.9	1.0	0.5		119.1	1.9	12.0		98.0	0.5	-2.8		84.0	0.9	-16.1	
	May	105.8	2.9	5.6		124.1	4.2	29.1		100.4	2.4	-1.5		84.5	0.6	-15.3	
	June	105.5	-0.3	5.4		117.8	-5.1	19.7		101.1	0.7	0.2		99.7	18.0	-0.3	
	July	107.2	1.6	6.2		126.6	7.5	25.9		100.1	-1.0	-1.1		99.9	0.2	-0.1	
	August	105.3	-1.8	0.7		120.6	-4.7	5.9		99.7	-0.4	-1.6		98.9	-1.0	0.0	
	September	105.8	0.5	4.6		126.0	4.4	20.5		99.6	0.0	-0.7		84.9	-14.2	-11.5	
	October	104.7	-1.0	1.2		114.1	-9.4	3.9		102.9	3.3	0.8		84.1	-1.0	-8.3	
	November	106.3	1.5	4.2		121.8	6.8	13.1		103.6	0.7	2.5		83.6	-0.6	-4.8	
	December	107.2	0.9	5.0	3.6	121.8	0.0	8.0	16.4	103.5	-0.1	3.9	-0.6	83.2	-0.5	0.7	-8.9
2016	January	103.7	-3.3	-3.3	2.7	117.6	-3.5	-10.4	12.6	99.9	-3.5	0.0	-0.5	83.7	0.7	1.5	-7.5
	February	105.8	2.0	2.5	2.8	123.9	5.4	2.1	11.2	100.5	0.6	2.7	0.0	84.2	0.6	2.3	-6.0
	March	101.4	-4.2	-0.5	2.6	108.7	-12.3	-7.1	9.3	99.9	-0.6	2.5	0.4	85.2	1.2	2.3	-4.4
	April	102.6	1.2	-0.3	2.6	111.4	2.5	-6.5	7.6	100.5	0.6	2.5	0.8	86.6	1.6	3.1	-2.8
	May	104.8	2.1	-1.0	2.0	112.3	0.8	-9.5	4.6	103.5	3.0	3.1	1.2	86.6	0.0	2.5	-1.2
	June	107.0	2.1	1.4	1.7	122.2	8.8	3.8	3.4	103.0	-0.5	1.9	1.4	84.4	-2.5	-15.4	-2.6
	July	107.8	0.7	0.5	1.2	121.6	-0.5	-4.0	1.1	104.4	1.4	4.3	1.8	84.7	0.4	-15.2	-4.0
	August	106.0	-1.7	0.7	1.2	117.7	-3.2	-2.4	0.4	103.2	-1.1	3.5	2.3	84.8	0.1	-14.3	-5.3
	September	107.0	0.9	1.1	0.9	119.1	1.2	-5.4	-1.5	104.2	1.0	4.6	2.7	84.8	0.0	-0.1	-4.4
	October	109.9	2.7	4.9	1.3	124.0	4.1	8.7	-1.1	106.5	2.2	3.5	2.9	85.1	0.4	1.2	-3.6
	Nov	113.4	3.2	6.7	1.5	130.6	5.3	7.2	-1.5	109.2	2.5	5.4	3.2	84.2	-1.1	0.7	-3.1
	Dec	115.3	1.7	7.5	1.7	135.8	4.0	11.5	-1.1	110.0	0.7	6.2	3.4	83.7	-0.6	0.7	-3.1
2017	January	117.8	2.2	13.6	3.1	144.2	6.2	22.6	1.6	105.5	-4.1	5.6	3.8	83.5	-0.2	-0.2	-3.3
	Feb	120.1	2.0	13.5	4.0	148.6	3.1	19.9	3.2	107.3	1.7	6.8	4.2	84.0	0.6	-0.2	-3.5
	March	120.6	0.4	18.9	5.6	150.1	1.0	38.1	6.6	107.5	0.2	7.6	4.6	83.7	-0.4	-1.8	-3.8
	April	123.4	2.3	20.3	7.3	154.6	3.0	38.8	10.2	109.6	2.0	9.1	5.1	86.0	2.7	-0.7	-4.1
	May	126.0	2.1	20.2	9.0	164.3	6.3	46.3	14.8	109.5	-0.1	5.8	5.4	86.5	0.6	-0.1	-4.3
	June	127.9	1.5	19.5	10.6	170.0	3.5	39.1	17.8	110.0	0.5	6.8	5.8	86.8	0.3	2.8	-2.6
	July	125.4	-2.0	16.3	11.9	166.9	-1.8	37.3	21.4	107.8	-2.0	3.3	5.7	85.5	-1.5	0.9	-1.1
	August	124.9	-0.4	17.8	13.3	163.0	-2.3	38.5	24.8	108.6	0.7	5.2	5.8	84.1	-1.6	-0.8	0.2
	September	126.6	1.4	18.3	14.8	166.4	2.1	39.7	28.8	109.8	1.1	5.4	5.9	84.7	0.7	-0.1	0.2
	October	128.4	1.4	16.8	15.8	172.4	3.6	39.0	31.3	110.0	0.2	3.3	5.8	84.8	0.1	-0.4	0.1
	November	130.2	1.4	14.8	16.4	175.9	2.0	34.7	33.6	111.2	1.1	1.8	5.5	84.7	-0.1	0.6	0.1
	December	131.8	1.2	14.3	17.0	176.5	0.3	30.0	35.2	113.3	1.9	3.0	5.2	84.5	-0.2	1.0	0.1
2018	January	129.3	-1.9	9.8	16.6	165.7	-6.1	14.9	34.2	114.0	0.6	8.1	5.5	83.8	-0.8	0.4	0.1
	February	129.8	0.4	8.1	16.1	165.8	0.1	11.6	33.1	114.6	0.5	6.8	5.5	84.0	0.2	0.0	0.1
	March	133.5	2.9	10.7	15.4	165.6	-0.1	10.3	30.5	120.0	4.7	11.6	5.8	83.9	-0.1	0.2	0.3
	April	133.1	-0.3	7.9	14.3	164.1	-0.9	6.1	27.6	119.8	-0.2	9.3	5.9	86.6	3.2	0.7	0.4
	May	135.2	1.6	7.3	13.2	165.2	0.7	0.5	23.6	122.3	2.1	11.7	6.4	88.2	1.8	2.0	0.6
	June	136.8	1.2	7.0	12.2	169.6	2.7	-0.2	20.0	123.2	0.7	12.0	6.8	85.2	-3.4	-1.8	0.2
	July	135.0	-1.3	7.7	11.5	164.9	-2.8	-1.2	16.8	122.3	-0.7	13.5	7.7	85.8	0.7	0.4	0.2
	Aug	132.4	-1.9	6.0	10.5	154.1	-6.5	-5.5	13.3	122.9	0.5	13.2	8.3	85.2	-0.7	1.3	0.3
	Sep*	129.1	-2.5	2.0	9.2	145.1	-5.8	-12.8	9.2	121.8	-0.9	10.9	8.8	82.5	-3.2	-2.6	0.1
	Oct*	130.6	1.2	1.7	8.0	142.7	-1.7	-17.2	4.7	124.8	2.5	13.5	9.6	84.7	2.7	-0.1	0.2
	Nov**	135.5	3.8	4.1	7.1	155.8	9.2	-11.4	1.2	127.0	1.8	14.2	10.7	81.6	-3.7	-3.7	-0.2

* - Revised ** - Provisional

Figure 1: Movements of Monthly Producer's Price Index by Major Economic Activity: January 2015 – November 2018 (Base: 2013 Q4=100)



* - Revised ** - Provisional

Table 4: PPI of October of 2018 & November of 2017 & 2018 and percentage changes by two-digit level Economic Activity of ISIC (Base: 2013 Q4=100)

ISIC Rev.3.1	Description of the Economic Activity	2017	2018		% change	
		Nov.	Oct.*	Nov.**	Nov.**. 2018/Oct*. 2018	Nov.**. 2018/Nov. 2017
	All Activities	130.2	130.6	135.5	3.8	4.1
	Agriculture	175.9	142.7	155.8	9.2	-11.4
01	Agriculture and farming	175.9	142.7	155.8	9.2	-11.4
	Manufacturing	111.2	124.8	127.0	1.8	14.2
15	Manufacture of food products and beverages	130.4	128.9	130.5	1.2	0.1
16	Manufacture of tobacco products	182.2	182.7	182.9	0.1	0.4
17	Manufacture of textiles	109.0	117.9	122.6	4.0	12.5
18	Manufacture of wearing apparel, dressing, and dyeing of fur	123.0	132.1	137.1	3.8	11.5
22	Publishing, printing and reproduction of recorded media	95.5	118.3	120.7	2.0	26.4
23	Manufacture of coke, refine petroleum products and nuclear fuel	75.4	103.5	102.7	-0.8	36.2
24	Manufacture of chemicals and chemical products	95.3	109.1	109.3	0.2	14.7
25	Manufacture of rubber and plastics	92.5	104.3	105.5	1.2	14.1
26	Manufacture of other non metallic mineral products	108.5	112.7	113.3	0.5	4.4
27	Manufacture of basic metals	105.9	106.8	106.8	0.0	0.8
31	Manufacture of electrical machinery and apparatus n.e.c.	110.8	116.3	116.3	0.0	5.0
35	Manufacture of other transport equipments	105.2	124.3	128.4	3.3	22.1
36	Manufacture of furniture, Manufacturing n.e.c.	117.5	125.7	127.5	1.4	8.5
	Electricity and water supply	84.7	84.7	81.6	-3.7	-3.7
40	Generation and distribution of electricity	83.2	82.7	79.7	-3.6	-4.2
41	Collection, purification and distribution of water	99.7	103.4	99.6	-3.7	-0.1

* - Revised ** - Provisional

ISIC refers to International Standard Industrial Classification of all activities (Revision 3.1)

Revision Policy

PPI is compiled by collecting prices received by the domestic producers for about 514 products from 376 manufacturing and utility related establishments. Prices of 36 agricultural products are collected from 331 Divisional Secretariat Divisions covering the whole country. Electricity & Water supply sector prices are collected from Ceylon Electricity Board and National Water Supply & Drainage Board respectively.

In certain circumstances, it is not possible to collect requested prices by the time of releasing PPI. Such prices are therefore, statistically imputed. Therefore, indices of the latest month are released as provisional. These indices are finalized with time lag of two months.

Further details of Producer's Price Index compiled for the month of November of 2018, are also published in the department web site (www.statistics.gov.lk).

Producer's Price Index (PPI) is released monthly with 45 days time lag with effect from January, 2017. The PPI for month of December, 2018 will be released on 15th of February 2019.

Director General

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