

NATIONAL CONSUMER PRICE INDEX (NCPI)

MAY, 2022

21, June 2022

Department of Census and Statistics
Ministry of Finance, Economic Stabilization and National Policies

The Department of Census and Statistics (DCS) has released the National Consumer Price Index (NCPI) and Inflation rate for the month of May 2022.

The NCPI has been released monthly from October 2015 with a time lag of 21 days. The NCPI has weights based on consumer spending in 2012/13 Household Income and Expenditure Survey (HIES), and reflects new methods consistent with international best practices. Also, the DCS has rebased the Colombo Consumer Price Index (CCPI) with the base period of 2013 from January 2017, covering the urban areas of Colombo district.

To reflect international recommendations and best practices, the index weights refer to each item's share in the total consumption expenditures of all Sri Lankan households. The provincial weights refer to the consumption expenditures within the province in proportion to the expenditures in the whole country. The index weights are based on expenditure data derived from the Household Income and Expenditure Survey (HIES) conducted in 2012/13. The 2012/13 HIES included all types of consumption expenditures by households, and was broadly representative of all households in the country. The year 2013 is considered as the base year for NCPI.

The national consumer basket includes 407 items which represent the consumption expenditure of all households in Sri Lanka. For the compilation of NCPI, three price quotations are collected for each of the items in every district town. Prices for some items are collected weekly (e.g. fresh fish, rice, vegetables, fruits, coconut etc.), while prices for other items are collected once every two weeks (e.g. leafy vegetables, dried fish, spices, etc.), monthly (e.g. Textile, Footwear, Non-durable household goods etc.) or quarterly (e.g. Consumer durables (furniture), Building materials, Pharmaceutical items etc.). The frequency of price collection is determined by on an average how frequently price changes take place.

- 1 The NCPI for all items for the month of May 2022 is 208.7 and it records an increase of 18.4 in index points compared to the April 2022.
- 1 The overall rate of inflation as measured by NCPI on Year-on-Year basis is 45.3% in May 2022.
- 1 The moving average inflation for the month of May 2022 is 16.3%.

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Source Publication

statistics.gov.lk

<http://www.statistics.gov.lk/InflationAndPrices/StaticInformation/MonthlyNCPI>

01.Month on Month (M on M) change of NCPI:

The NCPI for all items for the month of May 2022 is 208.7. An increase of 18.4 index points or 9.7 percentage compared to April 2022 for which the index was 190.3. This increase represents increase in expenditure value of Rs.5914.45 in the “Market Basket”. Monthly changes of index numbers, expenditure values and percentage change of index numbers are given in the following table (Table 01).

Table 01: Monthly Changes by Main Groups of Market Basket

Main Group	Index Number			Monthly Changes of the Expenditure Value (Rs.)			Monthly changes of the index (%)		
	May 2021	Apr 2022	May 2022	May 2021	Apr 2022	May 2022	May 2021	Apr 2022	May 2022
All Items	143.6	190.3	208.7	433.89	5672.59	5914.45	0.95	10.22	9.67
Food and Non-Alcoholic Beverages	153.3	218.8	242.2	359.39	3345.51	3307.79	0.79	6.03	5.41
Non-Food	135.9	167.9	182.4	74.50	2327.08	2606.67	0.16	4.19	4.26
Alcoholic Beverages, Tobacco and Narcotics	215.8	264.3	277.1	-1.67	60.22	93.27	0.00	0.11	0.15
Clothing and Footwear	136.4	160.0	171.1	1.80	66.60	123.51	0.00	0.12	0.20
Housing, Water, Electricity, Gas and Other Fuels	128.2	141.0	150.1	16.08	351.84	529.91	0.04	0.63	0.87
Furnishing, Household Equipment and Routine Household Maintenance	136.0	169.2	189.9	10.90	98.45	219.39	0.02	0.18	0.36
Health	167.2	204.6	214.7	47.27	234.38	131.61	0.10	0.42	0.22
Transport	125.5	191.4	221.8	0.00	932.57	953.20	0.00	1.68	1.56
Communication	98.9	99.1	100.5	0.00	0.00	10.20	0.00	0.00	0.02
Recreation and Culture	125.1	146.8	152.2	0.00	40.46	27.37	0.00	0.07	0.04
Restaurants and Hotels	126.5	189.7	204.0	0.00	207.04	178.61	0.00	0.37	0.29
Miscellaneous Goods and Services	146.5	166.6	190.0	0.11	103.75	339.60	0.00	0.19	0.56
Education	143.9	176.0	176.0	0.00	231.77	0.00	0.00	0.42	0.00

Source: Department of Census and Statistics

Note 1: There are 12 main groups of the market basket. Monthly significant changes were noted in eleven main groups in May 2022, details on which are given in Table 02.

Contribution to Month-on-Month Changes:

Contributions to the NCPI on Month-on-Month basis (May 2022 as compared to April 2022) are given in Table 02. The month-on-month change was contributed by increases of index value of food items by 5.41% and non-food items by 4.26% respectively.

1.1.1. Contribution of Food items: 5.41%

As shown in Table 02, the increases in index values were reported for Rice (1.05%), Milk powder (0.69%), Vegetables (0.65%), Fresh fish (0.36%), Bread (0.32%), Chili powder (0.27%), Dried fish (0.26%), Mysore dhal (0.21%), Chicken (0.16%), Sugar (0.15%), Wheat flour (0.12%), Limes (0.09%), Dried chilies (0.09%), Biscuits (0.08%), Eggs (0.08%), Potatoes (0.07%), Coconut oil (0.05%), Curry powder (0.05%), Pepper powder (0.04%), Buns (0.04%), Soft drinks (0.04%), Fresh fruits (0.03%), Coconuts (0.03%), Infant milk powder (0.03%), Gram (0.03%), Garlic (0.03%), Big onions (0.03%), Green gram (0.02%) and Canned fish (0.02%). However, decreases in index values were reported for Turmeric powder (0.03%) and Green chilies (0.01%).

1.1.2. Contribution of Non-food items: 4.26%

The increases in index values of non-food groups in May 2022 compared to the previous month was mainly due to the price increases in groups of items ‘Alcoholic Beverages, Tobacco and Narcotics’ (Arrack) (0.15%), ‘Clothing and Footwear’ (0.20%), ‘Housing, Water, Electricity, Gas and Other fuels’ (Materials for the Maintenance, LP Gas and Firewood purchasing) (0.87%), ‘Furnishing, Household equipment and Routine household maintenance’ (Washing soap) (0.36%), ‘Health’ (Purchase of medical/pharmacy products) (0.22%), ‘Transport’ (Petrol, Diesel and Bus fare) (1.56%), Communication’ (Telephone charges-

Home fixed phone)(0.02%), 'Recreation and Culture'(Newspapers)(0.04%), 'Restaurants and Hotels' (0.29%) and 'Miscellaneous Goods and Services'(Toilet soap , Car Insurance) (0.56%). Meanwhile, the price index of 'Education' group remained unchanged during the month.

Table 02: Contribution to the increase in NCPI from April 2022 to May 2022 (Base 2013=100)

Sub Group/Commodity	Rs. cts	Value change		
		% Change		Net effect
		Increase	Decrease	
Food	3307.79	5.44	0.04	5.41
Rice	642.31	1.05		
Milk powder	420.55	0.69		
Vegetables	398.83	0.65		
Fresh fish	221.26	0.36		
Bread	197.10	0.32		
Chili powder	164.81	0.27		
Dried fish	157.01	0.26		
Sprats	109.90	0.18		
Mysore dhal	129.68	0.21		
Chicken	96.14	0.16		
Sugar	91.94	0.15		
Wheat flour	70.76	0.12		
Limes	53.50	0.09		
Dried chilies	53.18	0.09		
Biscuits	51.06	0.08		
Eggs	48.43	0.08		
Potatoes	43.70	0.07		
Coconut oil	32.32	0.05		
Curry powder	30.83	0.05		
Pepper powder	25.33	0.04		
Buns	23.38	0.04		
Soft drinks	22.66	0.04		
Fresh fruits	17.75	0.03		
Apple	17.39	0.03		
Banana	7.05	0.01		
Papaw	-9.68		0.02	
Coconuts	17.61	0.03		
Infant milk powder	16.86	0.03		
Gram	16.68	0.03		
Garlic	16.65	0.03		
Big onions	16.12	0.03		
Green gram	13.84	0.02		
Canned fish	13.69	0.02		
Turmeric powder	-17.10		0.03	
Green chilies	-4.56		0.01	
Other food items	225.50	0.37		

Non Food	2606.67	4.26	4.26
Alcoholic Beverages, Tobacco and Narcotics	93.27	0.15	
<i>Arrack</i>	50.80	0.08	
<i>Beer</i>	6.17	0.01	
<i>Bulathwita</i>	13.11	0.02	
Clothing & Footwear	123.51	0.20	
<i>Clothing</i>	68.20	0.11	
<i>Footwear</i>	55.31	0.09	
Housing, Water, Electricity, Gas and Other fuels	529.91	0.87	
<i>Materials for the Maintenance</i>	339.14	0.55	
<i>LP gas</i>	158.72	0.26	
<i>Firewood purchasing</i>	32.05	0.05	
Furnishing, household equipment and routine household maintenance	219.39	0.36	
<i>Washing soap</i>	106.86	0.17	
Health	131.61	0.22	
<i>Purchase of medical/ pharmacy products</i>	115.41	0.19	
Transport	953.20	1.56	
<i>Tyres, tubes and spare parts</i>	27.33	0.04	
<i>Petrol</i>	294.25	0.48	
<i>Diesel</i>	164.04	0.27	
<i>Lubricating oil</i>	29.17	0.05	
<i>Cost of servicing of vehicles</i>	46.74	0.08	
<i>Bus fare</i>	319.48	0.52	
<i>Taxi/three wheelers fare</i>	40.33	0.07	
<i>Transport for schooling/ preschooling</i>	27.04	0.04	
Communication	10.20	0.02	
<i>Telephone charges - Home fixed phone</i>	9.37	0.02	
<i>Email/internet charges</i>	0.83	0.00	
Recreation and Culture	27.37	0.04	
<i>Newspapers</i>	14.03	0.02	
Restaurants and hotels	178.61	0.29	
Miscellaneous Goods & Services	339.60	0.56	
<i>Toilet soap</i>	135.61	0.22	
<i>Car Insurance</i>	158.02	0.26	
All Items	5914.45		9.67

Source: Department of Census and Statistics

2. Inflation

The NCPI is a macroeconomic indicator compiled to measure inflation which is defined as a sustained increase in the general level of prices for goods and services and it is measured as an annual percentage increase by NCPI. Inflation can be measured in two ways. One measure is the Year-on-Year base or Point- to-Point inflation (The percentage change in the current month CPI over same month CPI of last year). The other measure is Moving Average Inflation (The percentage difference between the average Price Indices of last 12 months & the average Price Indices of previous 12 months).

Table 03: Movements of the NCPI (Base: 2013=100)

Year	Month	All Item				Food				Non Food			
		Index Number	% Change Month on Month	Inflation %		Index Number	% Change Month on Month	Inflation %		Index Number	% Change Month on Month	Inflation %	
				Y on Y	12 Month Moving Avg.			Y on Y	12 Month Moving Avg.			Y on Y	12 Month Moving Avg.
2021	May	143.6	1.0	6.1	5.4	153.3	1.7	10.3	10.0	135.9	0.3	2.5	1.7
	June	145.7	1.5	6.1	5.4	157.3	2.6	9.8	9.7	136.5	0.4	2.9	1.9
	July	146.6	0.6	6.8	5.4	158.5	0.8	11.0	9.6	137.2	0.5	3.2	2.0
	August	147.1	0.3	6.7	5.5	159.4	0.6	11.1	9.4	137.4	0.1	3.0	2.2
	September	147.5	0.3	6.2	5.5	159.6	0.1	10.0	9.2	137.9	0.4	3.0	2.3
	October	150.6	2.1	8.3	5.7	162.6	1.9	11.7	9.3	141.2	2.4	5.4	2.7
	November	155.3	3.1	11.1	6.2	171.5	5.5	16.9	10.0	142.6	1.0	6.2	3.0
	December	161.0	3.7	14.0	7.0	182.1	6.2	21.5	11.2	144.5	1.3	7.6	3.5
2022	January	166.0	3.1	16.8	8.1	188.3	3.4	24.4	12.8	148.4	2.7	10.2	4.2
	February	167.8	1.1	17.5	9.3	190.6	1.2	24.7	14.3	149.8	0.9	11.0	4.9
	March	172.7	2.9	21.5	10.6	195.2	2.4	29.5	16.1	154.9	3.4	14.5	6.0
	April	190.3	10.2	33.8	13.0	218.8	12.1	45.1	19.1	167.9	8.4	23.9	7.8
	May	208.7	9.7	45.3	16.3	242.2	10.7	58.0	23.1	182.4	8.6	34.2	10.5

Source: Department of Census and Statistics

Note 2: Month on Month percentage change, Year on Year inflation percentage and 12 Month Moving Average inflation percentages were calculated using rounding off index numbers.

2.1. Year-on-Year Inflation

The overall rate of inflation as measured by NCPI on Year-on-Year basis is 45.3% in May 2022 and inflation calculated for April 2022 was 33.8%. (Table 03). With respect to May 2021, the reported inflation for the month of May 2022 was mainly due to the higher price levels prevailed in both food and non-food groups. Accordingly, the Year-on-Year inflation of the food group increased to 58.0% in May 2022 from 45.1% in April 2022 and the Year-on-Year inflation of the non-food group increased to 34.2% in May 2022 from 23.9% in April 2022.

Contribution to Year-on-Year inflation:

On Year-on-Year basis, contribution of food commodities to inflation was 27.26 percent in May 2022 compared to the month of May 2021 (Table 04).

Contribution of non-food items was 18.10 percent. This was mainly due to price increases in groups of items 'Transport' (6.54%), 'Housing, Water, Electricity, Gas and Other fuels' (2.75%), 'Restaurant and Hotels' (2.11%), 'Miscellaneous goods and services' (1.37%), 'Health' (1.34%), 'Furnishing, Household equipment and Routine household maintenance' (1.24%), 'Alcoholic beverages, Tobacco and Narcotics' (0.97%), 'Clothing and Footwear' (0.83%), 'Education' (0.63%), 'Recreation and Culture' (0.30%) and 'Communication' (0.03%) during the period.

Table 04: Contribution to the increase in NCPI (Base 2013=100) on year on year basis May 2022 as compared to May 2021)

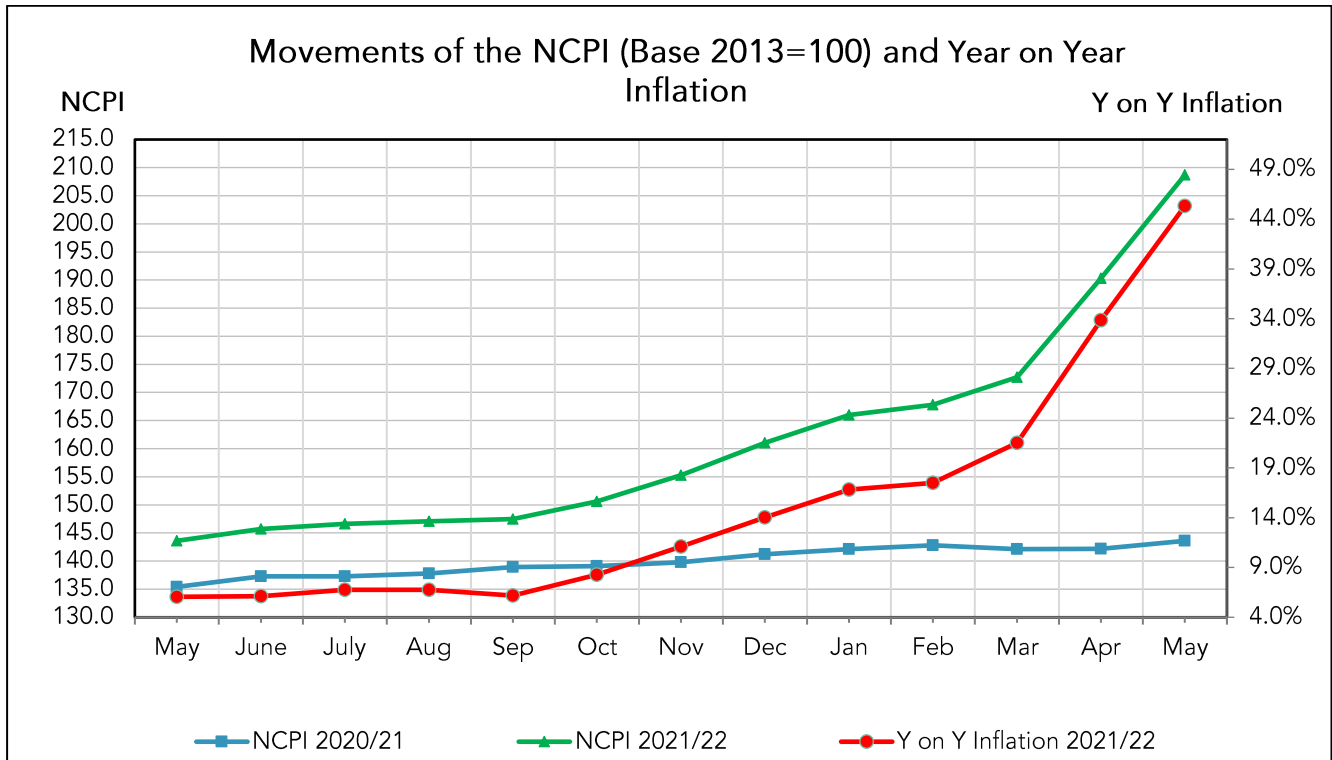
Sub Group/Commodity	Value change			
	% Change			Net effect %
	Rs. cts	Increase %	Decrease %	
Food	12581.85			27.26
Rice	2921.07	6.33		
Milk powder	1293.78	2.80		
Vegetables	1175.45	2.55		
Mysore dhal	739.89	1.60		
Fresh fish	669.64	1.45		
Bread	605.37	1.31		
Sugar	561.63	1.22		
Chicken	457.01	0.99		

Non Food	8353.48	18.10	18.10
Alcoholic beverages, Tobacco and Narcotics	446.43	0.97	
Arrack	145.14	0.31	
Beer	13.53	0.03	
Cigarettes	13.53	0.03	
Tobacco (chewing)	13.21	0.03	
Beedi	36.20	0.08	
Betel leaves	117.87	0.26	
Arecanuts	22.95	0.05	
Bulathwita	59.11	0.13	
Clothing and Footwear	384.11	0.83	
Clothing	289.61	0.63	
Footwear	94.51	0.20	
Housing, Water, Electricity, Gas and Other fuels	1270.06	2.75	
Housing rent	167.03	0.36	
Material for the maintenance	613.41	1.33	
LP gas	378.90	0.82	
Kerosene oil	17.03	0.04	
Firewood purchasing	93.69	0.20	
Furnishings, Household equipment and Routing household maintenance	571.31	1.24	
Washing soap	203.03	0.44	
Health	617.80	1.34	
Purchase of medical/pharmacy products	206.43	0.45	
Fees to private medical practices	236.58	0.51	
Consultation fees to specialists	27.61	0.06	
Fees to Aurvadic practitioners	38.54	0.08	
Payments to private hospitals/ nursing homes room charges	101.80	0.22	
Transport	3018.68	6.54	
Tyres, tubes and spare parts	72.04	0.16	
Petrol	1147.08	2.49	
Diesel	414.51	0.90	
Lubricating oil	59.10	0.13	
Cost of servicing of vehicles	210.48	0.46	
Bus fare	765.69	1.66	
Taxi/three wheelers fare	112.97	0.24	
Transport for schooling/ preschooling	128.96	0.28	
Airline fare	95.93	0.21	
Communication	12.16	0.03	
Telephone charges - Home fixed phone	9.37	0.02	
Email / internet charges	0.83	0.00	
Recreation and Culture	137.83	0.30	
Newspapers	24.78	0.05	
Exercise books and stationeries	44.93	0.10	
Education	290.53	0.63	
Tuition fees	261.33	0.57	
Restaurant and Hotels	971.76	2.11	
Miscellaneous Goods and Services	632.80	1.37	
Toilet soap	247.03	0.54	
Car Insurance	158.02	0.34	
All Items	20935.32		45.36

Source: Department of Census and Statistics

2.2 Moving Average Inflation

The moving average inflation for the month of May 2022 is 16.3%. The corresponding rate for the month of April 2022 was 13.0%.




Source: Department of Census and Statistics





The Vision of DCS

“To be the leader in the region in producing timely statistical information to achieve the country’s development goals.”

The Mission of DCS

“Making contribution in the socioeconomic development of the country by providing accurate timely statistics, more Effectively by means of new technology, and utilising the services of dedicated staff under a strategic leadership to become a prosperous nation in the globalised environment.”

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