NATIONAL CONSUMER PRICE INDEX (NCPI) – (Base 2021=100)
NOVEMBER, 2023
21 December 2023

The Department of Census and Statistics (DCS) has released the National Consumer Price Index (NCPI) with a new index reference period and Inflation rate for the month of November 2023.

The NCPI with an index reference period 2013=100 was updated to a new index reference period of 2021= 100. The updated NCPI will be released monthly commencing from January 2023 with a time lag of 21 days covering the entire country.

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 HIES conducted in year 2019. The HIES 2019 included all types of consumption expenditures by households, and was broadly representative of all households in the country.

The national consumer basket for the updated NCPI includes 485 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, while prices for other items are collected once every two weeks, monthly or quarterly. The frequency of price collection is determined by on an average how frequently price changes take place.

❖ The NCPI (Base 2021 = 100) for all items for the month of November 2023 is 206.0 and it records an increase of 2.4 in index points compared to October 2023.

❖ he overall rate of inflation as measured by NCPI (Base 2021=100) on Year-on-Year basis is 2.8% in November 2023.

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01. Month on Month (M on M) change of NCPI (Base 2021=100):

The NCPI for all items for the month of November 2023 is 206.0 An increase of 2.4 index points or 1.19 percentage compared to October 2023 for which the index was 203.6. This increase represents an increase in expenditure value of Rs. 1231.49 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 change of the index (%)[1]		
	Nov. 2022	Oct. 2023	Nov. 2023	Nov. 2022	Oct. 2023	Nov. 2023	Nov. 2022	Oct. 2023	Nov. 2023
All Items	200.3	203.6	206.0	-651.7	41.50	1231.49	-0.64	0.04	1.19
Food and Non Alcoholic Beverages	233.2	224.1	228.1	-642.9	-529.17	792.28	-0.63	-0.51	0.77
Non Food	179.1	190.4	191.8	-8.8	570.68	439.21	-0.01	0.55	0.43
Alcoholic Beverages, Tobacco and Narcotics	179.4	217.8	215.7	-3.6	-0.63	-19.92	0.00	0.00	-0.02
Housing, Water, Electricity, Gas and Other Fuels	144.1	162.7	167.3	-110.2	452.38	545.11	-0.11	0.44	0.53
Health	175.5	192.5	191.5	19.1	37.07	-15.94	0.02	0.04	-0.02
Transport	236.3	228.7	227.2	-270.3	88.99	-79.47	-0.26	0.09	-0.08
Restaurants and Hotels	232.0	226.5	227.5	31.2	-9.22	22.95	0.03	-0.01	0.02
Other	176.2	183.7	190.0	325.0	2.10	-13.52	0.32	0.00	-0.01

Source: Department of Census and Statistics

Note 1: There are 12 main groups of the market basket. Monthly significant changes were noted in six main groups in November 2023, details on which are given in Table 02.

Note 2: For the November 2023, insignificant groups: 'Clothing and Footwear', 'Furnishing, Household equipment and Routine household maintenance', 'Recreation and Culture' and 'Miscellaneous Goods and Services' and unchanged groups: 'Communication' and 'Education 'are considered as the 'Other Groups'.

Note 3: [1]Monthly change of the index (%) is calculated using expenditure values.

Note 4: Percentage of items does not tally with overall percentage due to rounding off.

Contribution to Month-on-Month Changes:

Contributions to the NCPI on Month-on-Month basis (November 2023 as compared to October 2023) are given in Table 02. The month–on-month change was contributed by increases in food items and non-food items of 0.77% and 0.43% respectively.

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1.1.1. Contribution of Food items: 0.77%

As shown in Table 02, the increases in index values were reported for Vegetables (0.62%), Rice (0.14%), Sugar (0.09%), Coconuts (0.06%), Big onions (0.06%), Green chilies (0.06%), Red onions (0.05%), Limes (0.03%), Coconut oil (0.02%), Potatoes (0.02%), Mysore dhal (0.01%), Tea dust/leaves (0.01%) and Fresh fruits (0.01%). However, decreases in index values were reported for Fresh fish (0.19%), Chicken (0.08%), Dried fish (0.07%), Eggs (0.07%), Green gram (0.02%) and Chili powder (0.01%).

1.1.2. Contribution of Non-food items: 0.43%

The increases in index values of non-food groups in November 2023 compared to the previous month was mainly due to the price increases in groups of items 'Housing, Water, Electricity, Gas and Other fuels' (*Materials for the Maintenance and Electricity bill*) (0.53%) and 'Restaurants and Hotels' (0.02%). However, price decreases in groups of items were reported for 'Transport' (*Petrol*) (0.08%), 'Alcoholic Beverages, Tobacco and Narcotics' (*Beetle leaves*) ((0.02%) and 'Health' (*Spectacles*) (0.02%). Further, very slight price decreases were reported in groups of 'Clothing and Footwear', Furnishing, Household equipment and Routine household maintenance', 'Recreation and Culture' and 'Miscellaneous Goods and Services'. Meanwhile, the price indices of 'Communication' and 'Education 'groups remained unchanged during the month.

Table 02: Contribution to the increase in NCPI from   October 2023 to November 2023 (Base 2021=100)

Sub Group/Commodity	Value change			
	Rs. cts	% Change		
		Increase	Decrease	Net effect
Food	792.28	1.20	0.43	0.77
Vegetables	644.67	0.62		
Rice	140.56	0.14		
Sugar	92.98	0.09		
Coconuts	63.32	0.06		
Big onions	60.69	0.06		
Green chilies	59.81	0.06		
Red onions	51.53	0.05		
Limes	34.38	0.03		
Coconut oil	25.46	0.02		
Potatoes	23.21	0.02		
Mysore dhal	11.63	0.01		
Tea dust/ leaves	11.59	0.01		
Fresh fruits	9.18	0.01		
Water Melon	*21.06*	*0.02*		
Papaw	*19.16*	*0.02*		
Banana	*17.32*	*0.02*		
Mangoes	*-42.34*		*0.04*	
Fresh fish	-195.66		0.19	
Chicken	-79.04		0.08	

Item				
Dried fish	-77.17		0.07	
Sprats	*-21.92*		*0.02*	
Keerameen	*-18.59*		*0.02*	
Eggs	-68.22		0.07	
Green gram	-15.73		0.02	
Chili powder	-11.36		0.01	
Other food items	10.49	0.01		
Non Food	439.21	0.55	0.12	0.43
Alcoholic Beverages, Tobacco and Narcotics	-19.92		0.02	
Beetle leaves	*-12.31*		*0.01*	
Housing, Water, Electricity, Gas and Other fuels	545.11	0.53		
Materials for the Maintenance	*59.89*	*0.06*		
Electricity bill	*449.24*	*0.44*		
LP gas	*32.72*	*0.03*		
Health	-15.94		0.02	
Spectacles	*-15.94*		*0.02*	
Transport	-79.47		0.08	
Petrol	*-98.36*		*0.10*	
Diesel	*9.72*	*0.01*		
Airline fare	*9.17*	*0.01*		
Restaurants and hotels	22.95	0.02		
Other Items	-13.52		0.01	
All Items	1231.49			1.19

Source: Department of Census and Statistics

Note 5: Percentage of items does not tally with overall percentage due to rounding off

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).

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Table 03: Movements of the NCPI (Base: 2021=100)

Year	Month	All Item			Food			Non Food		
				Inflation %			Inflation %			Inflation %
		Index Number	% Change Month on Month	Y on Y	Index Number	% Change Month on Month	Y on Y	Index Number	% Change Month on Month	Y on Y
2022	October	201.6	-0.1		236.5	-1.1		179.1	0.6	
	November	200.3	-0.6		233.2	-1.4		179.1	0.0	
	December	200.4	0.0		232.4	-0.3		179.8	0.4	
2023	January	201.8	0.7	53.2	232.8	0.2	53.6	181.8	1.1	52.9
	February	204.1	1.1	53.6	228.1	-2.0	49.0	188.6	3.7	57.4
	March	204.8	0.3	49.2	223.2	-2.1	42.3	193.0	2.3	54.9
	April	202.7	-1.0	33.6	223.8	0.3	27.1	189.1	-2.0	39.0
	May	203.1	0.2	22.1	226.1	1.0	15.8	188.3	-0.4	27.6
	June	203.3	0.1	10.8	228.4	1.0	2.5	187.1	-0.6	18.3
	July	201.9	-0.7	4.6	227.5	-0.4	-2.5	185.3	-1.0	10.9
	August	201.9	0.0	2.1	224.6	-1.3	-5.4	187.3	1.1	9.0
	September	203.5	0.8	0.8	226.7	0.9	-5.2	188.5	0.6	5.9
	October	203.6	0.0	1.0	224.1	-1.1	-5.2	190.4	1.0	6.3
	November	206.0	1.2	2.8	228.1	1.8	-2.2	191.8	0.7	7.1

Source: Department of Census and Statistics

Note 6: Month on Month percentage change and Year on Year inflation percentage were calculated using rounding off index numbers.

2.1. Year -on-Year Inflation

The overall rate of inflation as measured by the NCPI on a Year-over-Year basis was 2.8% in November 2023 and inflation calculated for the October 2023 was 1.0%. (Table 03). On a monthly basis, the Year-on-Year inflation of the food group increased to -2.2% in November 2023 from -5.2% in October 2023 and the Year-on-Year inflation of the non-food group increased to 7.1% in November 2023 from 6.3% in October 2023.

Contribution to Year-on-Year inflation:

On a Year-on-Year basis, contribution of food commodities to inflation was -1.01 percent in November 2023 compared to the month of November 2022 (Table 04).

Contribution of non-food items was 3.86 percent. This was mainly due to price increases in groups of items 'Alcoholic beverages, Tobacco and Narcotics' (0.34%), 'Clothing and Footwear' (0.32%), 'Housing, Water, Electricity, Gas and Other fuels' (2.67%), 'Health' (0.26%), 'Recreation and Culture' (0.32%), 'Education' (0.46%) and 'Miscellaneous goods and services' (0.10%). However, price decreases in the groups of items were reported for 'Furnishing, Household equipment and Routine household maintenance' (0.01%), Transport' (0.50%) and 'Restaurant and Hotels' (0.10%). Further, very slight price increase was reported in group of 'Communication' during the period.
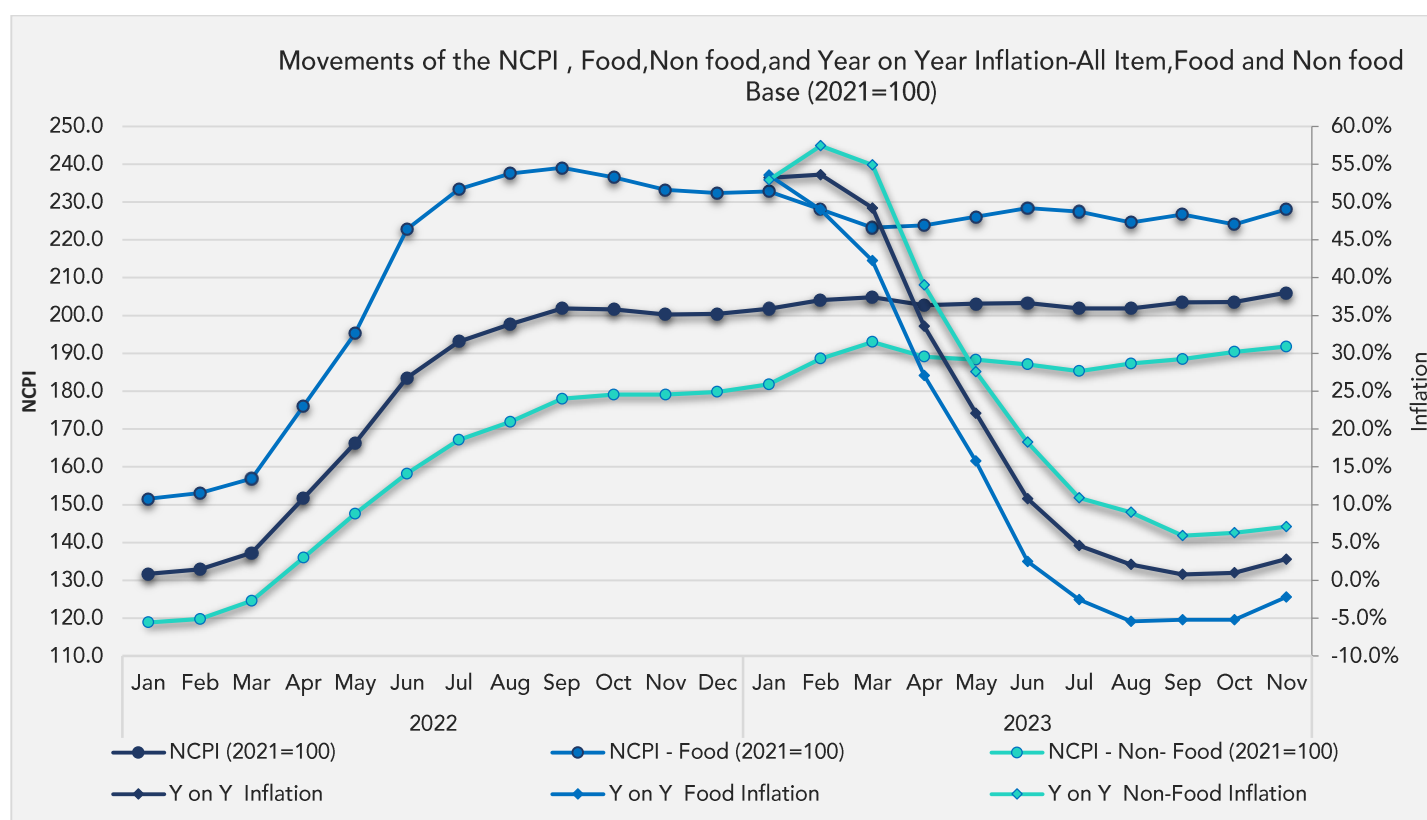
Table 04: Contribution to the increase in NCPI (Base 2021=100) on year on year basis November 2023 as compared to November 2022)

Sub Group/Commodity	Value change			
		% Change		
	Rs. cts	Increase %	Decrease %	Net effect %
Food	-1030.69			-1.01
Dried fish	*-327.64*		*0.32*	
Bread (normal)	*-315.84*		*0.31*	
Chili powder	*-250.05*		*0.25*	
Milk powder	*-238.49*		*0.23*	
Mysore dhal	*-195.62*		*0.19*	
Limes	*340.68*	*0.34*		
Tea dust/ leaves	*312.17*	*0.31*		
Coconuts	*285.56*	*0.28*		
Green chilies	*222.30*	*0.22*		
Non Food	3925.26	4.47	0.60	3.86
Alcoholic beverages, Tobacco and Narcotics	348.46	0.34		
Arrack	*199.92*	*0.20*		
Cigarettes	*128.26*	*0.13*		
Beetle leaves	*-33.62*		*0.03*	
Clothing and Footwear	326.05	0.32		
Clothing	*315.45*	*0.31*		
Footwear	*10.60*	*0.01*		
Housing, Water, Electricity, Gas and Other fuels	2708.74	2.67		
Housing rent	*278.94*	*0.27*		
Materials for the maintenance	*-281.51*		*0.28*	
Water bill	*478.27*	*0.47*		
Electricity bill	*2589.03*	*2.55*		
LP gas	*-305.39*		*0.30*	
Kerosene oil	*-47.40*		*0.05*	
Furnishings, Household equipment and Routing household maintenance	-5.94		0.01	
Health	264.97	0.26		
Purchase of medical/ pharmacy products	*-17.16*		*0.02*	
Fees to private medical practices	*256.60*	*0.25*		
Consultation fees to specialists	*26.05*	*0.03*		
Transport	-508.03		0.50	
Petrol	*-155.23*		*0.15*	
Diesel	*-125.15*		*0.12*	
Bus fare	*-168.96*		*0.17*	
Transport for schooling/ preschooling	*-94.28*		*0.09*	
Airline fare	*16.47*	*0.02*		
Communication	0.55	0.00		
Recreation and Culture	323.69	0.32		
Lotteries	*70.45*	*0.07*		
Exercise books and stationeries	*188.54*	*0.19*		
Education	464.96	0.46		

Tuition fees	*364.96*	*0.36*	
Course fees (Higher education)	*37.64*	*0.04*	
Restaurant and Hotels	-100.70		0.10
Miscellaneous Goods and Services	102.50	0.10	
Hair cutting and shaving charges	*54.10*	*0.05*	
Toilet soap	*-128.89*		*0.13*
Beauty Products	*80.06*	*0.08*	
All Items	2894.57		2.85

Note 7: Percentage of items does not tally with overall percentage due to rounding off

Movements of the NCPI , Food,Non food,and Year on Year Inflation-All Item,Food and Non food Base (2021=100)

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