

Web Release



Producer's Price Index: December 2020 (Base: Fourth Quarter 2013=100)



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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 macro-economic 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 (PPI)

The PPI for all economic activities: agriculture, manufacturing and water supply & electricity, for the month of December is 147.7. The annual change in the PPI has been compiled as 3.6 per cent. The PPI reported for the three major economic activities, agriculture, manufacturing and electricity & water supply are 178.6, 140.2 and 86.1 respectively. Agriculture, manufacturing and electricity & water supply activities reported positive changes of 9.7 per cent, 4.7 per cent and 0.7 per cent respectively on annual basis.(Table 1).

The major sub activities of agriculture sector, "Growing crops" reported positive change of 14.4 per cent and "Farming of animals" reported negative change of 4.0 per cent on annual basis. Activities related to "Growing of crops": "Growing of fruits, nuts and beverage and spice crops" and "Growing of cereals and other crops" recorded positive annual changes of 22.7 per cent and 8.4 per cent respectively . "Growing of vegetables" recorded negative annual change of 22.7 per cent. Also, sub activities related to "Farming of animals": "Production of dairy" recorded positive change of 6.4 per cent and "Production of eggs" recorded negative percentage change of 9.2 per cent in December 2020 compared to the same month in 2019.

The sub activities of manufacturing sector, "Manufacturing of wearing apparel, dressing, and dyeing of fur"(14.6%), "Manufacturing of rubber and plastics"(10.2%),"Manufacturing of electrical machinery and apparatus not elsewhere classified"(9.6%), "Manufacturing of basic metals" (8.0%), "Manufacturing of food products and beverages" (7.4%), "Manufacturing of furniture and Manufacturing of goods not elsewhere classified" (3.0%) and "Manufacturing of tobacco products"(0.9%) reported positive percentage changes on annual basis. However, "Manufacturing of coke, refined petroleum products and nuclear fuel" (33.1%), "Manufacturing of other transport equipment" (13.2%), "Manufacturing of chemicals and chemical products" (4.3%),"Publishing, printing and reproduction of recorded media" (2.6%) , "Manufacturing of Textiles" (2.6%) and "Manufacturing of other non-metallic mineral products"(0.5%) recorded negative percentage changes in December 2020 compared to December 2019 (Table 4).

Both activities in utility sector, "Collection, purification and distribution of water" and "Generation and distribution of electricity" reported positive changes of 3.6 per cent and 0.4 per cent respectively in the month of December 2020 compared to the same month in 2019 (Table 4).

Table 1: PPI of December, 2019 & 2020 and Year on Year changes of PPI by Major Economic Activity (Base: 2013 Q4=100)

Major Economic Activity	PPI		Year on Year % change (Dec2020**/ Dec 2019)
	2019 Dec	2020 Dec**	
All Activities	142.5	147.7	3.6
Agriculture	162.8	178.6	9.7
Manufacturing	133.9	140.2	4.7
Electricity & water supply	85.5	86.1	0.7

** - Provisional

Monthly Changes of Producer's Price Index

Comparing the month on month changes, PPI in December 2020 has increased to 147.7 from 145.5 reported in November 2020. This shows an increase of 2.2 index points or 1.5 percentage as compared to November 2020. Out of the three major economic activities, manufacturing and agriculture activities reported positive changes of 1.6 per cent and 1.4 per cent while electricity and water supply activity reported negative change of 2.8 per cent compared to the previous month (Table 2).

The both sub activities of agriculture sector, "Farming of animals" (5.3%) and "Growing of crops (5.0%) reported positive percentage changes on monthly basis. The sub activities related to, "Farming of animals": "Egg production" (8.2%) and "Production of dairy" (0.7%) reported positive percentage changes on monthly basis. The sub activities related to, "Growing of crops": "Growing of vegetables" (26.7%), "Growing of cereal crops" (4.6%) and "Growing of fruits, nuts and beverage crops" (2.9%) reported positive percentage changes on monthly basis.

In Manufacturing sector, the sub activities, Manufacturing of wearing apparel, dressing, and dyeing of fur" (5.2%), "Manufacturing of Textiles" (1.8%), "Manufacturing of rubber and plastics" (0.8%), Manufacturing of furniture" (0.4%), Manufacturing of other non-metallic mineral products" (0.3%), "Manufacturing of basic metals" (0.2%) and "Manufacturing of tobacco products" (0.1%) reported positive percentage changes on monthly basis. "Manufacturing of coke, refined petroleum products and nuclear fuel" (1.6%) and "Manufacturing of food and beverages" (0.1%) reported negative percentage changes on monthly basis. "Manufacturing of electrical machinery and apparatus not elsewhere classified", "Manufacturing of chemicals and chemical products", "Publishing, printing and reproduction of recorded media" and "Manufacturing of other transport equipment" remained unchanged percentage changes on monthly basis. (Table 4).

Both sub activities of the utility sector, "Collection, purification and distribution of water" and "Generation and distribution of electricity" reported negative changes of 2.9 per cent and 2.8 per cent in the month of December 2020 on monthly basis (Table 4).

Table 2: PPI of November & December, 2020 and Month to Month changes of PPI by Major Economic Activity (Base: 2013 Q4 =100)

Major Economic Activity	PPI		Month to Month % change (2020 Dec**/ 2020 Nov*)
	2020 Nov*	2020 Dec**	
All Activities	145.5	147.7	1.5
Agriculture	176.2	178.6	1.4
Manufacturing	138.0	140.2	1.6
Electricity & Water Supply	88.6	86.1	-2.8

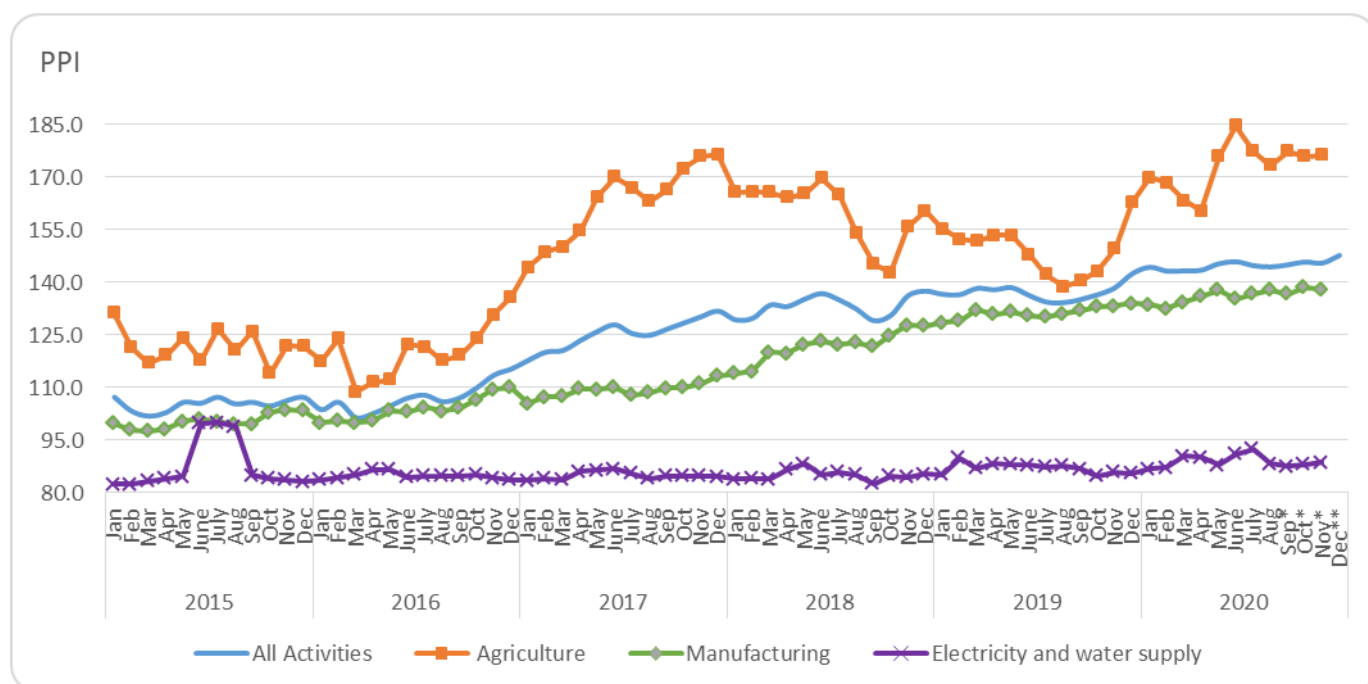
* - Revised ** - Provisional

Table 3: Movements of Producer's Price Index by Major Economic Activity: January 2014 – December 2020 (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
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	121.8	0.0	8.0	103.5	-0.1	3.9	83.2	-0.5	0.7			
2016	January	103.7	-3.3	-3.3	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	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	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	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	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	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	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	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	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	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	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	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	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	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	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	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	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	166.0	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	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	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	148.8	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	158.8	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	164.4	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	170.0	1.7	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	166.6	-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	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	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	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	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	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	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	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	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	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	136.2	4.3	4.6	155.8	9.2	-11.4	1.2	127.7	2.3	14.8	10.7	84.4	-0.4	-0.4	0.1
	Dec	137.5	1.0	4.3	160.4	3.0	-9.1	-1.7	127.6	-0.1	12.6	11.5	85.4	1.2	1.1	0.1
2019	Jan	136.6	-0.7	5.6	155.2	-3.2	-6.3	-3.3	128.5	0.7	12.7	11.9	85.1	-0.4	1.6	0.2
	Feb	136.5	-0.1	5.2	152.2	-1.9	-8.2	-4.9	129.1	0.5	12.7	12.4	87.4	2.7	4.0	0.5
	Mar	138.3	1.3	3.6	151.8	-0.3	-8.3	-6.3	132.1	2.3	10.1	12.2	87.0	-0.5	3.7	0.8
	Apr	137.9	-0.3	3.6	153.3	1.0	-6.6	-7.3	130.8	-1.0	9.2	12.2	88.3	1.5	2.0	0.9
	May	138.5	0.4	2.4	153.4	0.1	-7.1	-7.9	131.6	0.6	7.6	11.8	88.1	-0.2	-0.1	0.7
	June	136.3	-1.6	-0.4	147.9	-3.6	-12.8	-8.9	130.6	-0.8	6.0	11.3	87.9	-0.2	3.2	1.2
	July	134.4	-1.4	-0.4	142.2	-3.9	-13.8	-10.0	130.1	-0.4	6.4	10.7	87.3	-0.7	1.7	1.3
	Aug	134.2	-0.1	1.4	138.8	-2.4	-9.9	-10.3	131.1	0.8	6.7	10.1	87.7	0.5	2.9	1.4
	Sep	135.1	0.7	4.6	140.4	1.2	-3.2	-9.6	131.9	0.6	8.3	9.9	86.8	-1.0	5.2	2.1
	Oct	136.5	1.0	4.5	143.2	2.0	0.4	-8.2	133.0	0.8	6.6	9.4	84.8	-2.3	0.1	2.1
	Nov	138.5	1.5	1.7	149.6	4.5	-4.0	-7.6	133.2	0.2	4.3	8.5	85.8	1.2	1.7	2.2
	Dec	142.5	2.9	3.6	162.8	8.8	1.5	-6.7	133.9	0.5	4.9	7.9	85.5	-0.3	0.1	2.2
2020	Jan	144.3	1.3	5.6	169.8	4.3	9.4	-5.4	133.7	-0.1	4.0	7.2	86.7	1.4	1.9	2.2
	Feb	143.2	-0.8	4.9	168.3	-0.9	10.6	-3.9	132.6	-0.8	2.7	6.3	87.2	0.6	-0.2	1.8
	Mar	143.3	0.1	3.6	163.3	-3.0	7.6	-2.6	134.4	1.4	1.7	5.6	90.5	3.8	4.0	1.9
	Apr	143.5	0.1	4.1	160.3	-1.8	4.6	-1.6	136.0	1.2	4.0	5.2	90.0	-0.6	1.9	1.9
	May	145.3	1.3	4.9	175.8	9.7	14.6	0.2	137.9	1.4	4.8	5.0	87.9	-2.3	-0.2	1.8
	June	145.9	0.4	7.0	184.7	5.1	24.9	3.4	135.3	-1.9	3.6	4.8	91.0	3.5	3.5	1.9
	July	144.8	-0.8	7.7	177.3	-4.0	24.7	6.6	136.8	1.1	5.1	4.7	92.5	1.6	6.0	2.2
	Aug	144.4	-0.3	7.6	173.4	-2.2	24.9	9.5	137.8	0.7	5.1	4.6	88.3	-4.5	0.7	2.0
	Sep	145.0	0.4	7.3	177.4	2.3	26.4	11.8	136.8	-0.7	3.7	4.2	87.5	-0.9	0.8	1.7
	Oct*	145.8	0.6	6.8	175.8	-0.9	22.8	13.6	138.5	1.2	4.1	4.0	88.0	0.6	3.8	2.0
	Nov*	145.5	-0.2	5.1	176.2	0.2	17.8	15.5	138.0	-0.4	3.6	4.0	88.6	0.7	3.3	2.1
	Dec**	147.7	1.5	3.6	178.6	1.4	9.7	16.2	140.2	1.6	4.7	3.9	86.1	-2.8	0.7	2.2

* - Revised ** - Provisional

Figure 1: Movements of Monthly Producer's Price Index by Major Economic Activity: January 2015 – December 2020 (Base: 2013 Q4=100)



* - Revised ** - Provisional

Table 4: PPI of November 2020 & December of 2019 & 2020 and percentage changes by two-digit level Economic Activity of ISIC (Base: 2013 Q4 = 100)

ISIC Rev.3.1	Description of the Economic Activity	2019	2020		% change	
		Dec	Nov*	Dec**	Dec** 2020/Nov* 2020	Dec** 2020/Dec 2019
	All Activities	142.5	145.5	147.7	1.5	3.6
	Agriculture	162.8	176.2	178.6	1.4	9.7
01	Agriculture and farming	162.8	176.2	178.6	1.4	9.7
	Manufacturing	133.9	138.0	140.2	1.6	4.7
15	Manufacture of food products and beverages	135.0	145.1	145.0	-0.1	7.4
16	Manufacture of tobacco products	236.3	238.3	238.5	0.1	0.9
17	Manufacture of textiles	132.3	126.5	128.8	1.8	-2.6
18	Manufacture of wearing apparel, dressing, and dyeing of fur	139.3	151.7	159.6	5.2	14.6
22	Publishing, printing and reproduction of recorded media	130.3	126.9	126.9	0.0	-2.6
23	Manufacture of coke, refine petroleum products and nuclear fuel	94.7	64.4	63.4	-1.6	-33.1
24	Manufacture of chemicals and chemical products	129.7	124.1	124.1	0.0	-4.3
25	Manufacture of rubber and plastics	112.0	122.4	123.4	0.8	10.2
26	Manufacture of other non metallic mineral products	122.1	121.1	121.5	0.3	-0.5
27	Manufacture of basic metals	115.7	124.8	125.0	0.2	8.0
31	Manufacture of electrical machinery and apparatus n.e.c.	123.0	134.8	134.8	0.0	9.6
35	Manufacture of other transport equipments	126.2	109.5	109.5	0.0	-13.2
36	Manufacture of furniture, Manufacturing n.e.c.	132.4	135.9	136.4	0.4	3.0
	Electricity and water supply	85.5	88.6	86.1	-2.8	0.7
40	Electricity	82.7	85.4	83.0	-2.8	0.4
41	Collection, purification and distribution of water	111.7	119.1	115.7	-2.9	3.6

* - 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.

Further details of Producer's Price Index compiled for the month of December 2020, are also published in the department web site: <http://www.statistics.gov.lk/InflationAndPrices/StatisticalInformation/PPI>

Producer's Price Index (PPI) is released monthly with 45 days time lag with effect from January, 2017. The PPI for month of January, 2021 will be released on 16th of March 2021.

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