



PRESS RELEASE

THE NATIONAL CONSUMER PRICE INDEX (BASE 2013=100) – NOVEMBER 2018

Department of Census and Statistics

TEL: 011-2147414

FAX: 011-2877945

E-mail: prices@statistics.gov.lk

1. Introduction

The Department of Census and Statistics (DCS) has released the National Consumer Price Index (NCPI) and Inflation for the month of November 2018.

The NCPI has been releasing 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 each 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 twice a week (e.g. dried fish, spices, cereals, etc.), monthly (e.g. readymade garments, washing soap/washing powder etc.) and quarterly (e.g. furniture, laundry charges etc.). The frequency of price collection is determined by on an average how frequently price changes are taken place.

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

The NCPI for all items for the month of November 2018 was 127.7. An increase of 2.8 index points that is percentage of 2.2 was reported in November 2018 compared to that of October 2018 for which the index was 124.9. This increase represents increase in expenditure value of Rs. 891.82 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

Major Group*	Index Number			Monthly Changes of the Expenditure Value (Rs.)			Monthly changes of the index (%)		
	Nov 2017	Oct 2018	Nov 2018	Nov 2017	Oct 2018	Nov 2018	Nov 2017	Oct 2018	Nov 2018
All Items	126.4	124.9	127.7	504.18	152.19	891.82	1.26	0.38	2.22
Food and Non Alcoholic Beverages	134.1	122.7	128.9	381.82	-13.97	877.27	0.95	-0.03	2.19
Non Food	120.4	126.6	126.7	122.36	166.15	14.55	0.30	0.42	0.04
Alcoholic beverages, Tobacco and Narcotics	176.5	196.7	189.9	-12.74	22.01	-50.24	-0.03	0.06	-0.13
Clothing and Footwear	119.4	124.4	124.7	4.18	7.11	3.15	0.01	0.02	0.01
Housing, Water, Electricity, Gas and Other Fuels	116.1	118.0	118.1	2.75	20.29	4.90	0.01	0.05	0.01
Furnishing, Household equipment and Routine household maintenance	121.2	125.6	126.4	2.87	1.89	7.79	0.01	0.00	0.02
Health	145.9	150.8	158.9	95.33	0.00	106.66	0.24	0.00	0.27
Transport	104.5	118.9	117.5	8.33	66.39	-43.60	0.02	0.17	-0.11
Communication	121.0	121.1	114.2	0.00	0.00	-51.37	0.00	0.00	-0.13
Recreation and Culture	112.7	116.3	119.4	9.34	0.00	15.59	0.02	0.00	0.04
Restaurants and Hotels	111.8	117.4	117.9	1.15	16.41	6.97	0.00	0.04	0.02
Miscellaneous Goods and Services	130.1	136.5	137.5	11.16	32.07	14.70	0.03	0.08	0.04

*Note: There are 12 main groups of the market basket. Monthly significant changes were noted in only eleven main groups in November 2018, details on which are given in Table 02.

Contribution to M on M Changes:

Contributions to the increase in NCPI on month on month basis November 2018 as compared to October 2018 are given in Table 02. The increase in the index point by 2.22% was due to the expenditure value increases of food items by 2.19% and also increases of non-food items by 0.04% respectively.

2.1.1. Contribution of Food items: 2.22%

As shown in Table 02, the increases in expenditure value in index were reported for Vegetables (1.68%), Green Chilies (0.19%), Rice (0.16%), Limes (0.13%), Potatoes (0.12%), Big Onions (0.07%), Red Onions (0.07%), Eggs (0.03%), Coconuts (0.02%), Bread Fruit (0.01%), Chili Powder (0.01%), Tea dust/leaves (0.01%), Jak and jak seeds (0.01%), Manioc (0.01%) and Wheat Flour (0.01%). However, decreases in expenditure value in index were reported for Fresh Fish (0.07%), Chicken (0.06%), Banana (0.05%), Papaw (0.05%), Sugar (0.03%), Mangoes (0.03%), Dried Fish (0.03%), Coconut Oil (0.02%), Pineapple (0.01%) and Pepper (0.01%).

2.1.2. Contribution of Non food items: 0.04%

The increases in expenditure value in index were reported for non food commodity groups of 'Health' (0.27%), 'Recreation and Culture' (0.04%), 'Miscellaneous Goods and Services' (0.04%), 'Furnishings, Household equipment and Routing household maintenance' (0.02%), 'Restaurants & Hotels' (0.02%), 'Housing, Water, Electricity, Gas and Other Fuels' (0.01%) and 'Clothing & Footwear' (0.01%). However, decreases in expenditure value in index were reported for groups of 'Communication' (0.13%), 'Alcoholic beverages, Tobacco and Narcotics' (0.13%) and 'Transport' (0.11%). Meanwhile, the expenditure value of 'Education' group remained unchanged during the month.

Table 02: Contribution to the Increase in NCPI from October 2018 to November 2018 (Base 2013=100)

Sub Group/Commodity	Value change			
	Rs. cts	% Change		
		Increase	Decrease	Net effect
Food	877.27	2.53	0.34	2.19
Vegetables	674.63	1.68		
Green chilies	77.36	0.19		
Rice	62.64	0.16		
Limes	51.38	0.13		
Potatoes	48.31	0.12		
Big onions	28.96	0.07		
Red onions	26.97	0.07		
Eggs	10.42	0.03		
Coconuts	8.89	0.02		
Bread fruit	4.94	0.01		
Chili powder	4.92	0.01		
Tea dust/ leaves	4.69	0.01		
Jak and jak seeds	3.86	0.01		
Manioc	2.57	0.01		
Wheat flour	2.10	0.01		
Fresh fish	-27.72		0.07	
Chicken	-23.16		0.06	
Banana	-20.20		0.05	
Papaw	-18.14		0.05	
Sugar	-13.31		0.03	
Mangoes	-10.82		0.03	
Dried fish	-10.19		0.03	
Coconut oil	-6.03		0.02	
Pineapple	-3.72		0.01	
Pepper	-3.62		0.01	
Other food items	1.57	0.00		
Non Food	14.55	0.40	0.36	0.04
Alcoholic beverages, Tobacco and Narcotics	-50.24		0.13	
<i>Beetle leaves</i>	-31.70		0.08	
<i>Areca nuts</i>	-18.15		0.05	
Clothing & Footwear	3.15	0.01		
Housing, Water, Electricity, Gas and Other Fuels	4.90	0.01		
<i>Maintenance/ Reconstruction</i>	4.00	0.01		
Furnishings, Household equipment and Routing household maintenance	7.79	0.02		
Health	106.66	0.27		
<i>spectacles</i>	4.41	0.01		
<i>Fees to private medical practices</i>	9.74	0.02		
<i>Consultation fees to specialists</i>	2.23	0.01		
<i>Fees to Aurvadic practitioners</i>	19.27	0.05		
<i>Payments. to medical laboratories</i>	22.10	0.06		
<i>Scan (US,CT etc.)</i>	3.58	0.01		
<i>Payments to private hospitals/ nursing homes</i>	45.32	0.11		
Transport	-43.60		0.11	
<i>Petrol and other fuel</i>	-33.20		0.08	
<i>Diesel</i>	-17.07		0.04	
<i>Lubricating oil</i>	5.44	0.01		
Communication	-51.37		0.13	
<i>Telephone charges - Home fixed phone</i>	-18.83		0.05	
<i>Telephone charges - mobile</i>	-32.54		0.08	
Recreation and Culture	15.59	0.04		
<i>Exercise books and stationeries.</i>	15.50	0.04		
Restaurant and Hotels	6.97	0.02		
Miscellaneous Goods and Services	14.70	0.04		
All Items	891.82			2.22

*Note: Sum of percentages of items may not tally with overall percentage due to rounding off.

3. 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 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	Index Number	All Item			Food			Non Food		
			% Change Month to Month	Inflation %		% Change Month to Month	Inflation %		% Change Month to Month	Inflation %	
				Y on Y	12 Month Moving Avg.		Y on Y	12 Month Moving Avg.		Y on Y	12 Month Moving Avg.
2017	November	126.4	1.3	8.4	7.5	2.1	15.7	10.5	0.6	2.7	5.1
	December	126.6	0.2	7.3	7.7	0.2	12.8	11.3	0.0	2.9	4.9
2018	January	125.8	-0.6	5.4	7.6	-1.6	9.0	11.5	0.2	2.5	4.5
	February	123.7	-1.7	3.2	7.2	-4.2	3.7	10.9	0.7	2.8	4.2
	March	122.8	-0.7	2.8	6.7	-1.8	2.6	10.2	0.2	2.9	3.9
	April	122.9	0.1	1.6	6.1	-0.2	-0.3	9.2	0.2	3.0	3.7
	May	124.3	1.1	2.1	5.7	1.3	0.0	8.2	1.1	3.8	3.6
	June	126.5	1.8	2.5	5.3	3.4	0.5	7.5	0.5	4.2	3.6
	July	126.6	0.1	3.4	5.1	-0.2	2.4	7.0	0.2	4.3	3.6
	August	125.4	-0.9	2.5	4.7	-2.9	0.0	6.0	0.7	4.7	3.6
	September	124.4	-0.8	0.9	4.0	-2.5	-4.2	4.5	0.6	5.2	3.6
	October	124.9	0.4	0.1	3.3	-0.1	-6.6	2.8	0.7	5.8	3.7
	November	127.7	2.2	1.0	2.7	5.1	-3.9	1.2	0.1	5.2	4.0

3.1. Year on Year (Y on Y) Inflation

The overall rate of inflation as measured by NCPI on Y on Y basis is 1.0% in November 2018 and inflation calculated for October 2018 was 0.1% (Table 03). Y on Y inflation of food group has increased from -6.6% in October 2018 to -3.9% in November 2018 and that of non-food group has decreased from 5.8% to 5.2% during this month.

Contribution to Y on Y inflation:

On year on year basis, contribution of food commodities to inflation was -1.78 percent in November 2018 compared to that of November 2017 (Table 04).

Contribution of non food items was 2.80 percent. This was mainly due to expenditure value increases in groups of 'Transport' (1.01%), 'Health' (0.42%), 'Housing, Water, Electricity, Gas and Other fuels' (0.28%), 'Miscellaneous Goods and Services' (0.26%), 'Alcoholic beverages, Tobacco and Narcotics' (0.24%), 'Restaurant and Hotels' (0.19%), 'Education' (0.16%), 'Clothing and Footwear' (0.14%), 'Furnishing Household equipment and Routine household maintenance' (0.14%) and 'Recreation and Culture' (0.08%). However, decrease in expenditure value was reported for group of 'Communication' (0.12%).

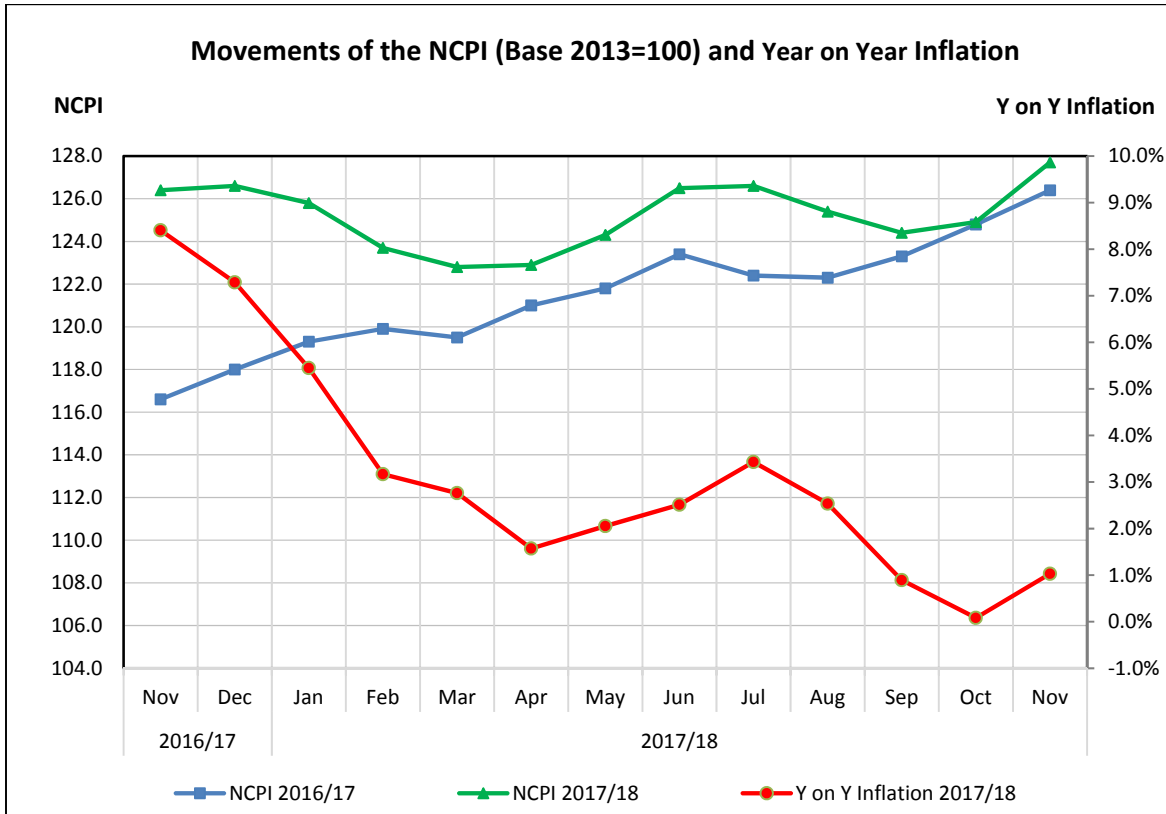
Table 04: Contribution to the increase in NCPI (Base 2013=100) on year on year basis (November 2018 as compared to November 2017)

Sub Group/Commodity	Value change			
	Rs. cts	% Change		
		Increase %	Decrease %	Net effect %
Food	-724.24			-1.78
Non Food	1137.10	2.92	0.12	2.80
Alcoholic beverages, Tobacco and Narcotics	97.15	0.24		
<i>Arrack</i>	18.16	0.04		
<i>Cigarettes</i>	24.69	0.06		
<i>Beetle leaves</i>	34.49	0.08		
<i>Areca nuts</i>	4.11	0.01		
<i>Bulathwita/ Sarawita</i>	14.68	0.04		
Clothing and Footwear	57.63	0.14		
Housing, Water, Electricity, Gas and Other fuels	114.37	0.28		
<i>Material for the maintenance</i>	52.64	0.13		
<i>LP Gas</i>	32.84	0.08		
<i>Kerosene oil</i>	26.05	0.06		
Furnishings, Household equipment and Routing household maintenance	54.88	0.14		
Health	169.50	0.42		
<i>Purchase of medical/ pharmacy products</i>	19.81	0.05		
<i>spectacals</i>	10.02	0.02		
<i>Fees to private medical practices</i>	34.61	0.09		
<i>Fees to Aurvadic practitioners</i>	24.08	0.06		
<i>Payments. to medical laboratories</i>	22.10	0.05		
<i>Scan (US,CT etc.)</i>	3.58	0.01		
<i>Payments to private hospitals/ nursing homes</i>	54.86	0.14		
Transport	408.87	1.01		
<i>Three Wheelers</i>	21.91	0.05		
<i>Tyres, tubes and spare parts</i>	13.66	0.03		
<i>Petrol and other fuel</i>	151.16	0.37		
<i>Diesel</i>	37.23	0.09		
<i>Lubricating oil</i>	5.44	0.01		
<i>Train (other than schooling)</i>	6.32	0.02		
<i>bus (other than schooling)</i>	110.88	0.27		
<i>Van (other than schooling)</i>	17.00	0.04		
<i>Taxi/three wheelers (other than schooling)</i>	25.74	0.06		
<i>Transport for schooling/ preschooling</i>	17.73	0.04		
Communication	-50.39		0.12	
<i>Telephone charges - Home fixed phone</i>	-18.83		0.05	
<i>Telephone charges - mobile</i>	-32.54		0.08	
Recreation and Culture	34.02	0.08		
<i>News papers</i>	4.36	0.01		
<i>Exercise books and stationeries.</i>	30.34	0.07		
Education	66.80	0.16		
<i>School fees (International) - Primary</i>	4.73	0.01		
<i>Tuition fees - Secondary</i>	48.38	0.12		
<i>School fees (International) - Secondary</i>	7.33	0.02		
<i>Course fees (Higher education)</i>	4.70	0.01		
Restaurant and Hotels	77.57	0.19		
Miscellaneous Goods and Services	106.71	0.26		
<i>Hair cutting and shaving charges</i>	12.10	0.03		
<i>Hand bags/ Traveling bags</i>	35.61	0.09		
All Items	412.86			1.02

*Note: Sum of percentages of items may not tally with overall percentage due to rounding off.

3.2. Moving Average Inflation

The moving average inflation for the month of November 2018 is 2.7%. The corresponding rate for the month of October 2018 was 3.3%.



Director General,
Department of Census and Statistics.