



Producer's Price Index (PPI)

August, 2021

15-10-2021

Department of Census and Statistics

Ministry of Economic Policies and Plan Implementation

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.

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- ❏ **The PPI for all economic activities: agriculture, manufacturing and water supply & electricity, for the month of August 2021 is 158.0.**
 - ❏ **The annual change in the PPI has been compiled as 9.4 per cent.**
 - ❏ **Comparing the month on month changes, PPI in August 2021 has increased to 158.0 from 157.5 reported in July 2021.**

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Source Publication

<http://www.statistics.gov.lk/InflationAndPrices/StaticallInformation/PPI>

Annual Changes of Producer's Price Index (PPI)

The PPI for all economic activities: agriculture, manufacturing and water supply & electricity, for the month of August 2021 is 158.0. The annual change in the PPI has been compiled as 9.4 per cent. The PPI is reported for the three major economic activities, agriculture, manufacturing and electricity & water supply are 172.0, 152.3 and 89.9 respectively. The manufacturing and electricity & water supply activities are reported positive changes of 10.5 per cent and 1.8 per cent. While that of agriculture activity is reported negative change of 0.8 per cent on annual basis (Table 1).

Both sub activities of agriculture sector "Farming of animals" and "Growing crops" are reported negative changes of 2.5 per cent and 0.7 per cent respectively on annual basis. The sub activities related to "Farming of animals": "Production of dairy" is recorded positive change of 13.9 per cent and "Production of eggs" is reported negative change of 10.5 per cent on annual basis. Sub activities related to "Growing of crops": "Growing of vegetables" is recorded positive annual change of 22.4 per cent. While that of "Growing of fruits, nuts and beverage and spice crops" and "Growing of cereals and other crops" are recorded negative annual changes of 3.1 per cent and 0.5 per cent in the month of August 2021 compared to the same month in 2020.

The sub activities of manufacturing sector, "Manufacturing of coke, refined petroleum products and nuclear fuel" (48.1%), "Manufacturing of basic metals" (21.0%), "Manufacturing of furniture and Manufacturing of goods not elsewhere classified" (19.9%), "Manufacturing of chemicals and chemical products" (14.0%), "Manufacturing of other transport equipment"(13.5%), "Manufacturing of Textiles" (13.0%), "Manufacturing of rubber and plastics"(12.7%), "Manufacturing of wearing apparel, dressing, and dyeing of fur"(11.1%), "Publishing, printing and reproduction of recorded media"(9.8%), "Manufacturing of electrical machinery and apparatus not elsewhere classified"(8.3%), "Manufacturing of food products and beverages" (5.7%), "Manufacturing of other non-metallic mineral products" (5.5%) and "Manufacturing of tobacco products" (0.5%) are reported positive percentage changes respectively on annual basis when compared to the August 2020 (Table 4).

The activities in utility sector, "Generation and distribution of electricity" and "Collection purification and distribution of water" are reported positive changes of 1.9 per cent and 1.4 per cent in the month of August 2021 compared to the same month in 2020 (Table 4).

Table 1: PPI of August, 2020 & 2021 and Year on Year changes of PPI by Major Economic Activity (Base: 2013 Q4=100)

Major Economic Activity	PPI		Year on Year % change (Aug** 2021/ Aug 2020)
	2020 Aug	2021 Aug**	
All Activities	144.4	158.0	9.4
Agriculture	173.4	172.0	-0.8
Manufacturing	137.8	152.3	10.5
Electricity & water supply	88.3	89.9	1.8

** - Provisional

Source: Department of Census and Statistics

Monthly Changes of Producer's Price Index

Comparing the month-on-month changes, PPI in August 2021 has increased to 158.0 from 157.5 was reported in July 2021. This shows an increase of 0.5 index points or 0.3 percentages compared to the July 2021. The three major economic activities, electricity and water supply, manufacturing and agriculture are reported positive changes of 2.0 per cent, 0.3 per cent and 0.1 per cent respectively as compared to the previous month (Table 2).

The sub activities of agriculture sector, "Farming of animals" (3.7%) is reported positive percentage change and "Growing of crops" (0.1%) is reported negative percentage change on monthly basis. Sub activities related to, "Farming of animals": "Egg production" (4.4%) and "Production of dairy" (2.6%) are reported positive percentage changes respectively on monthly basis. "Growing of crops": "Growing of vegetables" (2.7%) is reported positive percentage change on monthly basis. While that of "Growing of fruits, nuts and beverage and spice crops" (0.4%) and "Growing of cereals and other crops" (0.3%) are reported negative percentage changes on monthly basis.

In the manufacturing sector, the sub activities, "Manufacturing of coke, refined petroleum products and nuclear fuel" (2.7%), "Manufacturing of rubber and plastics" (1.2%), "Manufacturing of food products and beverages" (1.0%), "Manufacturing of Textiles" (0.8%), "Manufacturing of chemicals and chemical products" (0.5%), "Manufacturing of basic metals" (0.5%), "Manufacturing of furniture and Manufacturing of goods not elsewhere classified" (0.3%), "Publishing, printing and reproduction of recorded media" (0.1%) and "Manufacturing of other non-metallic mineral products" (0.1%) are reported positive percentage changes. While that of "Manufacturing of wearing apparel, dressing, and dyeing of fur" (0.8%) is reported negative percentage change on monthly basis. Meanwhile "Manufacturing of tobacco products", "Manufacturing of electrical machinery and apparatus not elsewhere classified" and "Manufacturing of other transport equipment" sub activities remained unchanged during the month of August 2021 on monthly basis (Table 4).

Both sub activities of the utility sector, "Generation and distribution of electricity" and "Collection, purification and distribution of water" are reported same positive change of 2.1 per cent in the month of August 2021 on monthly basis (Table 4).

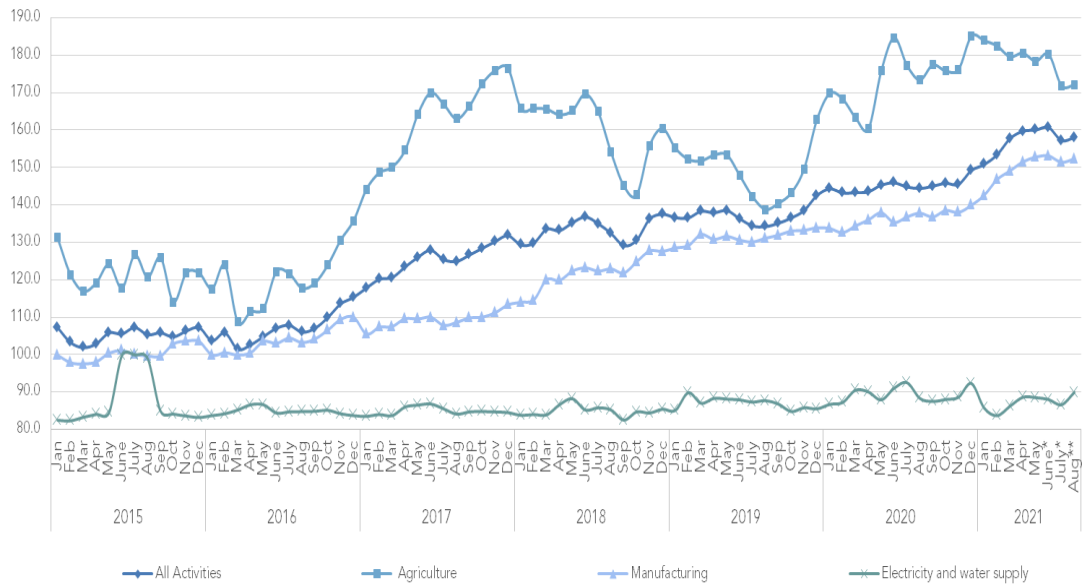
Table 2: PPI of July & August 2021 and Month to Month changes of PPI by Major Economic Activity (Base: 2013 Q4=100)

Major Economic Activity	PPI		Month to Month % change (2021 Aug**/ 2021 July*)
	2021 July*	2021 Aug**	
All Activities	157.5	158.0	0.3
Agriculture	171.9	172.0	0.1
Manufacturing	151.8	152.3	0.3
Electricity & Water Supply	88.1	89.9	2.0

* - Revised ** - Provisional

Source: Department of Census and Statistics

Figure 1
 Movements of Monthly Producer's Price Index by Major Economic Activity: January 2015 – August 2021 (Base: 2013 Q4=100)



Source:
 Department of Census and Statistics, Sri Lanka



* - Revised ** - Provisional

Table 3: Movements of Producer's Price Index by Major Economic Activity: January 2014 – August 2021 (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
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	-8.9
2016	January	103.7	-3.3	-3.3	117.6	-3.5	-10.4	99.9	-3.5	0.0	83.7	0.7	1.5	-7.5
	February	105.8	2.0	2.5	123.9	5.4	2.1	100.5	0.6	2.7	84.2	0.6	2.3	-6.0
	March	101.4	-4.2	-0.5	108.7	-12.3	-7.1	99.9	-0.6	2.5	85.2	1.2	2.3	-4.4
	April	102.6	1.2	-0.3	111.4	2.5	-6.5	100.5	0.6	2.5	86.6	1.6	3.1	-2.8
	May	104.8	2.1	-1.0	112.3	0.8	-9.5	103.5	3.0	3.1	86.6	0.0	2.5	-1.2
	June	107.0	2.1	1.4	122.2	8.8	3.8	103.0	-0.5	1.9	84.4	-2.5	-15.4	-2.6
	July	107.8	0.7	0.5	121.6	-0.5	-4.0	104.4	1.4	4.3	84.7	0.4	-15.2	-4.0
	August	106.0	-1.7	0.7	117.7	-3.2	-2.4	103.2	-1.1	3.5	84.8	0.1	-14.3	-5.3
	September	107.0	0.9	1.1	119.1	1.2	-5.4	104.2	1.0	4.6	84.8	0.0	-0.1	-4.4
	October	109.9	2.7	4.9	124.0	4.1	8.7	106.5	2.2	3.5	85.1	0.4	1.2	-3.6
	Nov	113.4	3.2	6.7	130.6	5.3	7.2	109.2	2.5	5.4	84.2	-1.1	0.7	-3.1
	Dec	115.3	1.7	7.5	135.8	4.0	11.5	110.0	0.7	6.2	83.7	-0.6	0.7	-3.1
2017	January	117.8	2.2	13.6	144.2	6.2	22.6	105.5	-4.1	5.6	83.5	-0.2	-0.2	-3.3
	Feb	120.1	2.0	13.5	148.6	3.1	19.9	107.3	1.7	6.8	84.0	0.6	-0.2	-3.5
	March	120.6	0.4	18.9	150.1	1.0	38.1	107.5	0.2	7.6	83.7	-0.4	-1.8	-3.8
	April	123.4	2.3	20.3	154.6	3.0	38.8	109.6	2.0	9.1	86.0	2.7	-0.7	-4.1
	May	126.0	2.1	20.2	164.3	6.3	46.3	109.5	-0.1	5.8	86.5	0.6	-0.1	-4.3
	June	127.9	1.5	19.5	170.0	3.5	39.1	110.0	0.5	6.8	86.8	0.3	2.8	-2.6
	July	125.4	-2.0	16.3	166.9	-1.8	37.3	107.8	-2.0	3.3	85.5	-1.5	0.9	-1.1
	August	124.9	-0.4	17.8	163.0	-2.3	38.5	108.6	0.7	5.2	84.1	-1.6	-0.8	0.2
	September	126.6	1.4	18.3	166.4	2.1	39.7	109.8	1.1	5.4	84.7	0.7	-0.1	0.2
	October	128.4	1.4	16.8	172.4	3.6	39.0	110.0	0.2	3.3	84.8	0.1	-0.4	0.1
	November	130.2	1.4	14.8	175.9	2.0	34.7	111.2	1.1	1.8	84.7	-0.1	0.6	0.1
	December	131.8	1.2	14.3	176.5	0.3	30.0	113.3	1.9	3.0	84.5	-0.2	1.0	0.1
	January	129.3	-1.9	9.8	165.7	-6.1	14.9	114.0	0.6	8.1	83.8	-0.8	0.4	0.1
	February	129.8	0.4	8.1	165.8	0.1	11.6	114.6	0.5	6.8	84.0	0.2	0.0	0.1
	March	133.5	2.9	10.7	165.6	-0.1	10.3	120.0	4.7	11.6	83.9	-0.1	0.2	0.3
	April	133.1	-0.3	7.9	164.1	-0.9	6.1	119.8	-0.2	9.3	86.6	3.2	0.7	0.4
	May	135.2	1.6	7.3	165.2	0.7	0.5	122.3	2.1	11.7	88.2	1.8	2.0	0.6
	June	136.8	1.2	7.0	169.6	2.7	-0.2	123.2	0.7	12.0	85.2	-3.4	-1.8	0.2
	July	135.0	-1.3	7.7	164.9	-2.8	-1.2	122.3	-0.7	13.5	85.8	0.7	0.4	0.2
	Aug	132.4	-1.9	6.0	154.1	-6.5	-5.5	122.9	0.5	13.2	85.2	-0.7	1.3	0.3
	Sep	129.1	-2.5	2.0	145.1	-5.8	-12.8	121.8	-0.9	10.9	82.5	-3.2	-2.6	0.1
	Oct	130.6	1.2	1.7	142.7	-1.7	-17.2	124.8	2.5	13.5	84.7	2.7	-0.1	0.2
	Nov	136.2	4.3	4.6	155.8	9.2	-11.4	127.7	2.3	14.8	84.4	-0.4	-0.4	0.1
	Dec	137.5	1.0	4.3	160.4	3.0	-9.1	127.6	-0.1	12.6	85.4	1.2	1.1	0.1
	Jan	136.6	-0.7	5.6	155.2	-3.2	-6.3	128.5	0.7	12.7	85.1	-0.4	1.6	0.2
	Feb	136.5	-0.1	5.2	152.2	-1.9	-8.2	129.1	0.5	12.7	87.4	2.7	4.0	0.5
	Mar	138.3	1.3	3.6	151.8	-0.3	-8.3	132.1	2.3	10.1	87.0	-0.5	3.7	0.8
	Apr	137.9	-0.3	3.6	153.3	1.0	-6.6	130.8	-1.0	9.2	88.3	1.5	2.0	0.9
	May	138.5	0.4	2.4	153.4	0.1	-7.1	131.6	0.6	7.6	88.1	-0.2	-0.1	0.7
	June	136.3	-1.6	-0.4	147.9	-3.6	-12.8	130.6	-0.8	6.0	87.9	-0.2	3.2	1.2
	July	134.4	-1.4	-0.4	142.2	-3.9	-13.8	130.1	-0.4	6.4	87.3	-0.7	1.7	1.3
	Aug	134.2	-0.1	1.4	138.8	-2.4	-9.9	131.1	0.8	6.7	87.7	0.5	2.9	1.4
	Sep	135.1	0.7	4.6	140.4	1.2	-3.2	131.9	0.6	8.3	86.8	-1.0	5.2	2.1
	Oct	136.5	1.0	4.5	143.2	2.0	0.4	133.0	0.8	6.6	84.8	-2.3	0.1	2.1
	Nov	138.5	1.5	1.7	149.6	4.5	-4.0	133.2	0.2	4.3	85.8	1.2	1.7	2.2
	Dec	142.5	2.9	3.6	162.8	8.8	1.5	133.9	0.5	4.9	85.5	-0.3	0.1	2.2
	Jan	144.3	1.3	5.6	169.8	4.3	9.4	133.7	-0.1	4.0	86.7	1.4	1.9	2.2
	Feb	143.2	-0.8	4.9	168.3	-0.9	10.6	132.6	-0.8	2.7	87.2	0.6	-0.2	1.8
	Mar	143.3	0.1	3.6	163.3	-3.0	7.6	134.4	1.4	1.7	90.5	3.8	4.0	1.9
	Apr	143.5	0.1	4.1	160.3	-1.8	4.6	136.0	1.2	4.0	90.0	-0.6	1.9	1.9
	May	145.3	1.3	4.9	175.8	9.7	14.6	137.9	1.4	4.8	87.9	-2.3	-0.2	1.8
	June	145.9	0.4	7.0	184.7	5.1	24.9	135.3	-1.9	3.6	91.0	3.5	3.5	1.9
	July	144.8	-0.8	7.7	177.3	-4.0	24.7	136.8	1.1	5.1	92.5	1.6	6.0	2.2
	Aug	144.4	-0.3	7.6	173.4	-2.2	24.9	137.8	0.7	5.1	88.3	-4.5	0.7	2.0
	Sep	145.0	0.4	7.3	177.4	2.3	26.4	136.8	-0.7	3.7	87.5	-0.9	0.8	1.7
	Oct	145.8	0.6	6.8	175.8	-0.9	22.8	138.5	1.2	4.1	88.0	0.6	3.8	2.0
	Nov	145.5	-0.2	5.1	176.2	0.2	17.8	138.0	-0.4	3.6	88.6	0.7	3.3	2.1
	Dec	149.2	2.5	4.7	185.1	5.1	13.7	139.9	1.4	4.5	92.3	4.2	8.0	2.8
	Jan	150.8	1.1	4.5	183.9	-0.6	8.3	142.6	1.9	6.7	85.7	-7.2	-1.2	2.5
	Feb	153.4	1.7	7.1	182.5	-0.8	8.4	146.8	2.9					

Table 4: PPI of July 2021 & August of 2020 & 2021 and percentage changes by two-digit level Economic Activity of ISIC (Base: 2013 Q4 = 100)

ISIC Rev.3.1	Description of the Economic Activity	2020		2021		% change	
		Aug	July*	Aug**	Aug** 2021/July* 2021	Aug** 2021/Aug 2020	
	All Activities	144.4	157.5	158.0	0.3	9.4	
	Agriculture	173.4	171.9	172.0	0.1	-0.8	
01	Agriculture and farming	173.4	171.9	172.0	0.1	-0.8	
	Manufacturing	137.8	151.8	152.3	0.3	10.5	
15	Manufacture of food products and beverages	142.7	149.3	150.8	1.0	5.7	
16	Manufacture of tobacco products	238.0	239.3	239.2	0.0	0.5	
17	Manufacture of textiles	126.4	141.7	142.8	0.8	13.0	
18	Manufacture of wearing apparel, dressing, and dyeing of fur	153.5	172.0	170.6	-0.8	11.1	
22	Publishing, printing and reproduction of recorded media	126.3	138.5	138.7	0.1	9.8	
23	Manufacture of coke, refine petroleum products and nuclear fuel	65.7	94.7	97.3	2.7	48.1	
24	Manufacture of chemicals and chemical products	123.9	140.6	141.3	0.5	14.0	
25	Manufacture of rubber and plastics	121.1	134.9	136.5	1.2	12.7	
26	Manufacture of other non-metallic mineral products	121.8	128.4	128.5	0.1	5.5	
27	Manufacture of basic metals	123.8	149.0	149.8	0.5	21.0	
31	Manufacture of electrical machinery and apparatus n.e.c.	135.2	146.4	146.4	0.0	8.3	
35	Manufacture of other transport equipment	109.8	124.6	124.6	0.0	13.5	
36	Manufacture of furniture, Manufacturing n.e.c.	135.8	162.3	162.8	0.3	19.9	
	Electricity and water supply	88.3	88.1	89.9	2.0	1.8	
40	Electricity	85.0	84.8	86.6	2.1	1.9	
41	Collection, purification and distribution of water	119.6	118.8	121.3	2.1	1.4	

*- Revised ** - Provisional

Source: Department of Census and Statistics

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 entire 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.

Producer's Price Index (PPI) is released monthly with 45 days time lag with effect from January, 2017. The PPI for month of September, 2021 will be released on 15th of November 2021.

The Vision of DCS


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The Mission of DCS

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