



Producer Price Index (PPI)

November, 2022

10-01-2023

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

The Producer 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) changed the references of the PPI to 2018 - Q4 in 2021 and disseminate the figures effective from month of November 2021 with 40 days of lag time.

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, gas, steam and Air conditioning supply & Water supply" sectors of the economy under the rebased PPI also.

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- 📄 The PPI for all economic activities: "Agriculture", "Manufacturing" and "Electricity, gas, steam and Air conditioning supply & Water supply", for the month of November 2022 is 247.5.
 - 📄 The annual change in the PPI has been compiled as 89.4 percent.
 - 📄 Comparing the month-on-month changes, PPI in November 2022 has decreased to 247.5 from 250.3 reported in October 2022.

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Source Publication

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

Annual Changes of Producer Price Index (PPI)

The PPI for all economic activities: "Agriculture", "Manufacturing" and "Electricity, gas, steam and Air conditioning supply & Water supply" for the month of November 2022 is 247.5. The annual change in the PPI has been compiled as 89.4 percent. The PPI reported for the three major economic activities, "Manufacturing", "Agriculture" and "Utility sector" ("Electricity, gas, steam and Air conditioning supply & Water supply") are 251.0, 247.8 and 174.3 respectively. All three major sectors, "Manufacturing", "Agriculture" and "Utility Sector" ("Electricity, gas, steam and Air conditioning supply & Water supply") reported positive changes of 92.8 percent, 71.6 percent and 71.2 percent respectively on annual basis (Table 1).

In the Agriculture sector, the sub-activities of "Animal production", "Growing of perennial crops" and "Growing of non-perennial crops" reported positive changes of 102.7 percent, 73.8 percent and 55.7 percent respectively on annual basis (Table 3).

The sub-activities of the Manufacturing sector: "Manufacture of coke and refined petroleum products (263.2%)", "Manufacture of textiles (186.8%)", "Other manufacturing (141.1%)", "Manufacture of food products (104.3%)", "Manufacture of chemicals and chemical products (103.4%)", "Manufacture of other non-metallic mineral products (97.4%)", "Manufacture of basic metals (93.9%)", "Manufacture of rubber and plastics products (93.8%)", "Printing and reproduction of recorded media (90.4%)", "Manufacture of furniture (79.9%)", "Manufacture of other transport equipment (66.9%)", "Manufacture of wearing apparel (52.3%)", "Manufacture of beverages (43.7%) and "Manufacture of tobacco products (27.6%)" reported positive growth rates in the month of November 2022 compared to the same month of 2021 (Table 3).

For the month of November 2022, the sub-activities in the Utility sector ("Electricity, gas, steam, and Air conditioning supply & Water supply"), "Electricity, gas, steam, and air conditioning supply" and "Water collection, treatment and supply" reported positive changes of 79.2 percent and 38.4 percent respectively on an annual basis (Table3).

Table 1: PPI of November 2021 & 2022 and Year on Year changes of PPI by Major Economic Activity (Base: 2018 Q4=100)

Major Economic Activity	PPI		Year on Year % change (2022 Nov**/ 2021 Nov)
	2021 Nov	2022 Nov**	
All Activities	130.7	247.5	89.4
Agriculture	144.4	247.8	71.6
Manufacturing	130.2	251.0	92.8
Electricity, gas, steam and Air conditioning supply & Water supply	101.8	174.3	71.2

** - Provisional

Source: Department of Census and Statistics

Monthly Changes of Producer Price Index

Comparing the month-on-month changes, PPI in November 2022 has decreased to 247.5 from 250.3 reported in October 2022. This shows a decrease of 2.8 index points or 1.1percentage compared to October 2022. The economic activities of "Agriculture", "Manufacturing" and "Electricity, gas, steam and air conditioning supply & Water supply" reported negative changes of 0.4 percent, 1.3 percent and 1.2 percent respectively on a monthly basis (Table 2).

The sub-activities of the "Agriculture" sector, "Animal production" and "Growing of non-perennial crops" reported positive changes of 2.4 percent and 0.2 percent on a monthly basis while "Growing of perennial crops" reported negative change of 2.5 percent in the month of November 2022 compared to the October 2022 (Table 3).

PPI November 2022

In the Manufacturing sector, the sub-activities, "Printing and reproduction of recorded media (7.1%)", "Manufacture of tobacco products (2.6%)", "Manufacture of wearing apparel (0.4%)" and "Other manufacturing (0.6%)" reported positive changes on a monthly basis. "Manufacture of beverages ", "Manufacture of coke and refined petroleum products " and "Manufacture of basic metals" remained unchanged compared to the preceding month while "Manufacture of other transport equipment (7.6%)", "Manufacture of furniture (5.8%)", "Manufacture of other non-metallic mineral products (4.2%)", "Manufacture of textiles (3.7%)", "Manufacture of rubber and plastics products (3.2%)", "Manufacture of food products (1.3%) and "Manufacture of chemicals and chemical products (0.5%)" reported negative changes on a monthly basis (Table 3).

The sub-activities of the Utility sector ("Electricity, gas, steam and Air conditioning supply & Water supply"), "Water collection, treatment, and supply" reported positive change of 0.1 percent and "Electricity, gas, steam and Air conditioning supply" reported negative change of 1.5 percent on a monthly basis in the month of November 2022 (Table 3).

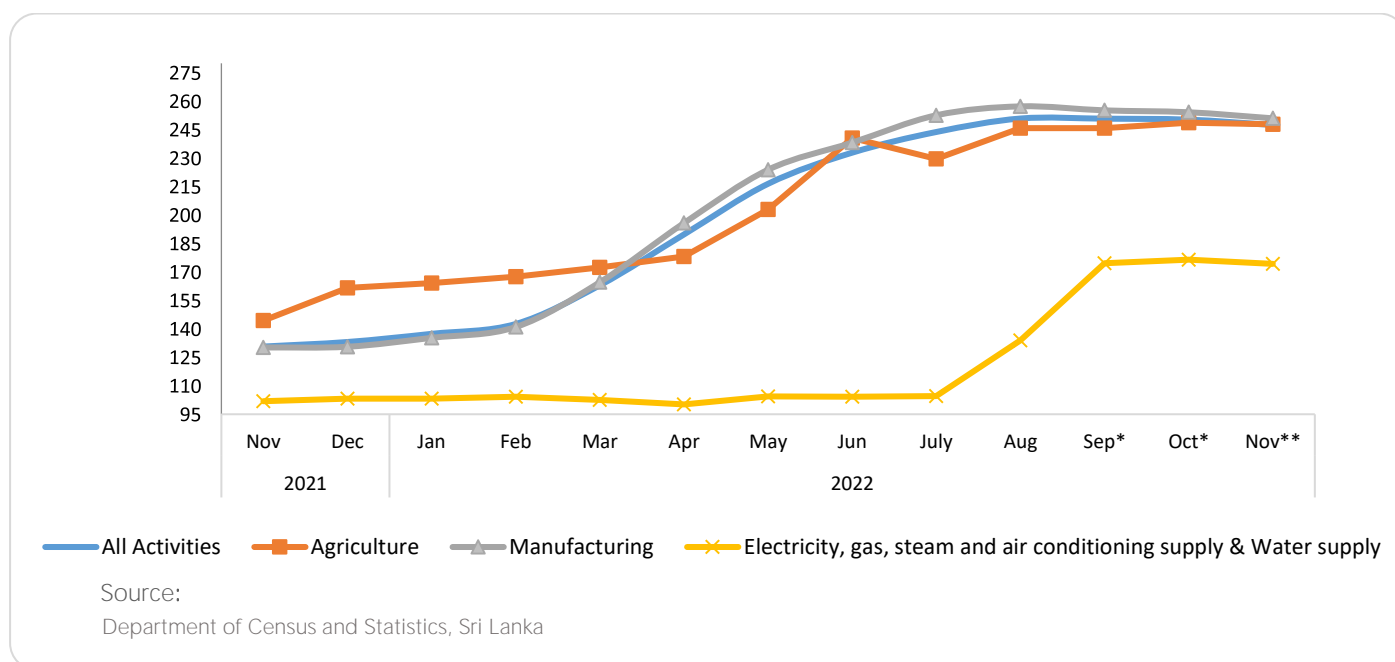
Table 2: PPI of November & October 2022 and Month to Month changes of PPI by Major Economic Activity (Base: 2018 Q4=100)

Major Economic Activity	PPI		Month to Month % change (2022 Nov**/ 2022 Oct*)
	2022 Oct*	2022 Nov**	
All Activities	250.3	247.5	-1.1
Agriculture	248.7	247.8	-0.4
Manufacturing	254.2	251.0	-1.3
Electricity, gas, steam and Air conditioning supply & Water supply	176.5	174.3	-1.2

* - Revised ** - Provisional

Source: Department of Census and Statistics

Figure 1: Movements of Monthly Producer Price Index by Major Economic Activity: November 2021- November 2022 (Base: 2018 Q4=100)



* - Revised ** - Provisional

Table 3: PPI of October 2022 and November 2021 & 2022 and percentage changes by two-digit level Economic Activity of ISIC (Base: 2018 Q4 = 100)

ISIC Rev.4. 0	Description of the Economic Activity	2021		2022		% change	
		Nov	Oct*	Nov**	2022 Nov**/ 2022 Oct*	2022 Nov**/ 2021 Nov	
	All Activities	130.7	250.3	247.5	-1.1	89.4	
A	Agriculture	144.4	248.7	247.8	-0.4	71.6	
	011 Growing of non-perennial crops	165.4	257.0	257.6	0.2	55.7	
	012 Growing of perennial crops	134.9	240.4	234.5	-2.5	73.8	
	014 Animal production	126.2	249.9	255.8	2.4	102.7	
C	Manufacturing	130.2	254.2	251.0	-1.3	92.8	
10	Manufacture of food products	129.3	267.8	264.2	-1.3	104.3	
11	Manufacture of beverages	119.1	171.1	171.1	0.0	43.7	
12	Manufacture of tobacco products	127.3	158.3	162.4	2.6	27.6	
13	Manufacture of textiles	114.0	339.5	326.9	-3.7	186.8	
14	Manufacture of wearing apparel	125.1	189.8	190.5	0.4	52.3	
18	Printing and reproduction of recorded media	116.7	207.5	222.2	7.1	90.4	
19	Manufacture of coke and refined petroleum products	111.0	403.2	403.2	0.0	263.2	
20	Manufacture of chemicals and chemical products	156.1	319.0	317.5	-0.5	103.4	
22	Manufacture of rubber and plastics products	155.9	312.1	302.1	-3.2	93.8	
23	Manufacture of other non-metallic mineral products	132.4	272.9	261.4	-4.2	97.4	
24	Manufacture of basic metals	224.0	434.4	434.4	0.0	93.9	
30	Manufacture of other transport equipment	124.2	224.3	207.3	-7.6	66.9	
31	Manufacture of furniture	142.0	271.3	255.5	-5.8	79.9	
32	Other manufacturing	127.4	305.5	307.2	0.6	141.1	
D	Electricity, gas, steam and Air conditioning supply	100.9	183.5	180.8	-1.5	79.2	
35	Electricity, gas, steam and Air conditioning supply	100.9	183.5	180.8	-1.5	79.2	
E	Water collection, treatment and supply	105.7	146.2	146.3	0.1	38.4	
36	Water collection, treatment and supply	105.7	146.2	146.3	0.1	38.4	

* Revised ** Provisional

Source: Department of Census and Statistics

ISIC refers to International Standard Industrial Classification of all activities (Revision 4)

Revision Policy

PPI is compiled by collecting prices received by the domestic producers 277 manufacturing and utility related establishments. Prices of 42 agricultural products are collected from 331 Divisional Secretariat Divisions covering the entire country. Electricity, gas, steam and Air conditioning supply & 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 Price Index (PPI) is released monthly with 40 days time lag with effect from the month of November 2021. The PPI for the month of December 2022 will be released on 10th of February 2023.

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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