

Web Release



Producer's Price Index: October 2019 (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

The PPI of all economic activities covering: agriculture, manufacturing and water supply & electricity for the month of October is 136.1. The annual growth rate recorded for the overall PPI is 4.2 percent. The PPI reported for the economic activities: agriculture, manufacturing and electricity & water supply sectors are 143.2, 132.4 and 85.0 respectively. "Agriculture", "Manufacturing" and "Electricity & Water Supply" sectors reported positive growth rate of 0.4, 6.1 and 0.4 percent respectively (Table 1).

The sub activities of agriculture sector, "Farming of animals" reported positive growth rate of 17.3 percent. However the sub activity, "Growing crops" reported negative growth rate of 0.3 percent on annual basis. The sub activities "Production of eggs" (26.3%) and "Production of dairy" (3.0%) reported a positive annual growth rates. The sub activity "Growing of vegetables" (44.9%) and "Growing of cereals and other crops" (12.9%) marked positive annual growth rates and other sub activity, "Growing of fruits, nuts, and beverage and spice crops" (5.9%) reported a negative annual growth rate in October 2019 compared to the same month in 2018.

The sub activities of the manufacturing sector: "Manufacturing of tobacco products" (29.3%), "Manufacturing of chemicals and chemical products" (19.4%), "Manufacturing of Textile" (11.6%), "Publishing, printing and reproduction of recorded media" (9.9%), Manufacturing of basic metals" (9.0%), "Manufacturing of other non-metallic" (6.1%), "Manufacturing of electrical machinery and apparatus not elsewhere classified" (5.8%), "Manufacturing of rubber and plastics" (5.8%), "Manufacturing of furniture and Manufacturing of goods not elsewhere classified" (5.5%), "Manufacturing of wearing apparel, dressing, and dyeing of fur" (5.5%), "Manufacturing of food and beverage" (3.2%), "Manufacturing of other transport equipment" (1.7%), reported positive growth rates. However "Manufacturing of coke, refined petroleum products and nuclear fuel" (15.9%) reported negative growth rates in October 2019 on annual basis. (Table 4).

"Collection, purification and distribution of water" (7.6%) reported a positive growth rate. Even though, "Generation and distribution of Electricity" (0.6%) reported negative growth rates in the month of 2019 compared to the month of October 2018. (Table 4).

Table 1: PPI of October of 2018 & 2019 and Year on Year changes of PPI by Major Economic Activity (Base: 2013 Q4=100)

Major Economic Activity	PPI		Year on Year % change (Oct 2019**/ Oct 2018)
	2018 Oct	2019 Oct**	
All Activities	130.6	136.1	4.2
Agriculture	142.7	143.2	0.4
Manufacturing	124.8	132.4	6.1
Electricity & water supply	84.7	85.0	0.4

** - Provisional

Monthly Changes of Producer's Price Index

The overall PPI increased by 1.0 index points from 135.1 index points in September 2019 to 136.1 index points in October 2019. The overall monthly positive growth rate of 0.7 percent has reported for the month of October 2019. Both "Agriculture" and "Manufacturing" sectors reported positive monthly growth rates of 2.0 percent and 0.4 percent respectively. However "Electricity & Water Supply" sector reported negative growth rate of 2.3 percent in the month of October 2019 compared to previous month (Table 2).

Both sub activities of agriculture sector "Growing crops" (2.1%) and "Farming of animals" (0.7%) reported positive growth rates on monthly basis. The sub activities "Growing vegetable" (22.4%) and "Growing of cereal crops" (7.5%) reported positive growth rate and "Growing of fruits, nuts and beverage crops" (0.9%) reported negative growth rate. However the sub activities related to "Egg production" (0.9%) and "Production of dairy" (0.6%) reported positive growth rate in the month of October, 2019 compared to previous month.

In Manufacturing sector, the sub activities: "Manufacturing of food and beverage" (1.0%), "Manufacturing of wearing apparel, dressing, and dyeing of fur" (0.4%), "Manufacturing of other transport equipment"(0.4%), "Manufacturing of chemicals and chemical products"(0.3), "Manufacturing of other non-metallic" (0.2%), "Manufacturing of furniture, Manufacturing not elsewhere classified" (0.2%), "Publishing, printing and reproduction of recorded media" (0.2%) and "Manufacturing of Textile" (0.2%) reported positive growth rates on monthly basis. However, "Manufacturing of rubber and plastics" (0.8%) and "Manufacturing of basic metals" (0.1%) reported negative growth rates on monthly basis. Meanwhile, the activities "Manufacturing of tobacco products", "Manufacturing of electrical machinery and apparatus not elsewhere classified" and "Manufacturing of coke, refined petroleum products and nuclear fuel" remained unchanged in the month of October, 2019 compared to previous month 2019. (Table 4).

Both activities in the utility sector, "Generation and distribution of electricity" (2.3%) and "Collection, purification and distribution of water" (2.3%) reported negative growth rate in the month of October 2019 compared to September 2019 (Table 4).

Table 2: PPI of September & October of 2019 and Month to Month changes of PPI by Major Economic Activity (Base: 2013 Q4 =100)

Major Economic Activity	PPI		Month to Month % change (2019 Oct**/ 2019 Sep*)
	2019 Sep*	2019 Oct**	
All Activities	135.1	136.1	0.7
Agriculture	140.4	143.2	2.0
Manufacturing	131.9	132.4	0.4
Electricity & Water Supply	87.0	85.0	-2.3

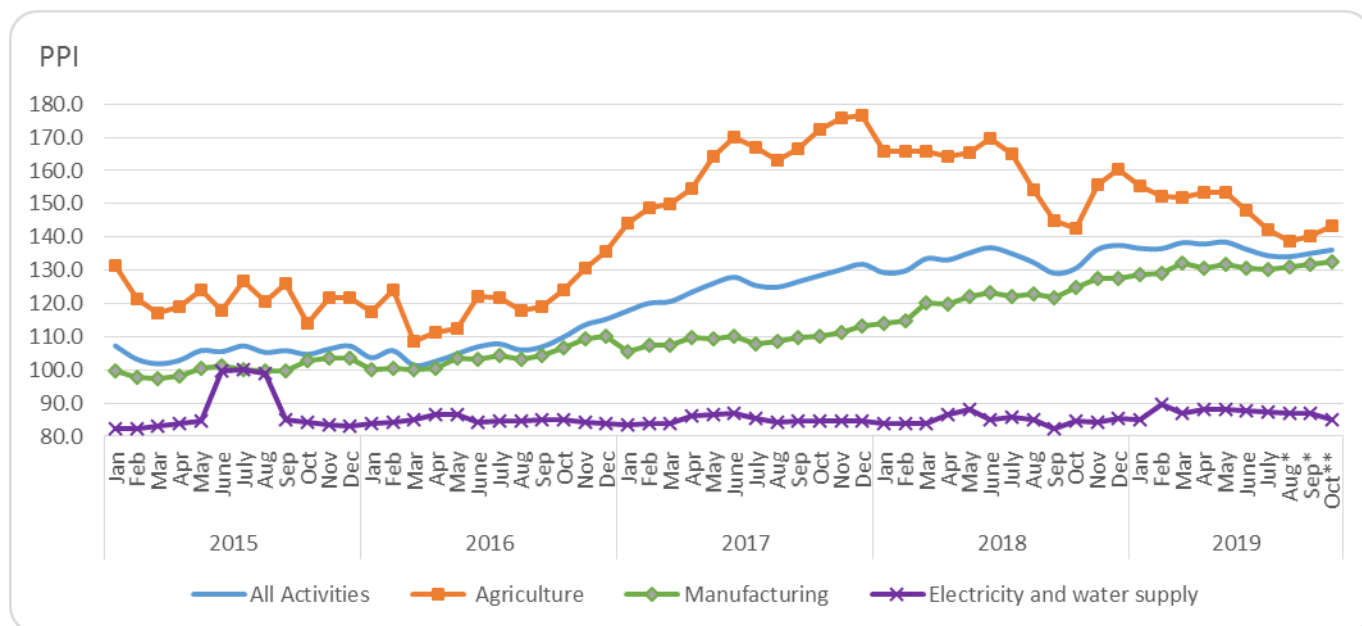
* - Revised ** - Provisional

Table 3: Movements of Producer's Price Index by Major Economic Activity: January 2014 – October 2019 (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	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	3.6	121.8	0.0	8.0	16.4	103.5	-0.1	3.9	-0.6	83.2	-0.5	0.7	-8.9
2016	January	103.7	-3.3	-3.3	2.7	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	2.8	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	2.6	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	2.6	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	2.0	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	1.7	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	1.2	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	1.2	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	0.9	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	1.3	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	1.5	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	1.7	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	3.1	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	4.0	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	5.6	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	7.3	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	9.0	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	10.6	170.0	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	11.9	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	13.3	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	14.8	166.4	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	15.8	172.4	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	16.4	175.9	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	17.0	176.5	0.3	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	16.6	165.7	-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	16.1	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	15.4	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	14.3	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	13.2	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	12.2	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	11.5	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	10.5	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	9.2	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	8.0	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	7.1	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	6.3	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	6.0	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	5.8	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	5.2	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	4.9	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	4.5	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	3.8	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	3.2	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*	134.1	-0.2	1.3	2.8	138.8	-2.4	-9.9	-10.3	131.1	0.8	6.7	10.1	86.8	-0.6	1.9	1.3
	Sep*	135.1	0.7	4.6	3.0	140.4	1.2	-3.2	-9.6	131.9	0.6	8.3	9.9	87.0	0.2	5.5	2.0
	Oct**	136.1	0.7	4.2	3.2	143.2	2.0	0.4	-8.2	132.4	0.4	6.1	9.3	85.0	-2.3	0.4	2.0

* - Revised ** - Provisional

Figure 1: Movements of Monthly Producer's Price Index by Major Economic Activity: January 2015 –October 2019 (Base: 2013 Q4=100)



* - Revised ** - Provisional

Table 4: PPI of September 2019 & October of 2018 & 2019 and percentage changes by two-digit level Economic Activity of ISIC (Base: 2013 Q4 = 100)

ISIC Rev.3.1	Description of the Economic Activity	2018	2019		% change	
		Oct	Sep*	Oct**	Oct** 2019/Sep* 2019	Oct** 2019/Oct 2018
	All Activities	130.6	135.1	136.1	0.7	4.2
	Agriculture	142.7	140.4	143.2	2.0	0.4
01	Agriculture and farming	142.7	140.4	143.2	2.0	0.4
	Manufacturing	124.8	131.9	132.4	0.4	6.1
15	Manufacture of food products and beverages	128.9	131.7	133.0	1.0	3.2
16	Manufacture of tobacco products	182.7	236.3	236.3	0.0	29.3
17	Manufacture of textiles	117.9	131.3	131.6	0.2	11.6
18	Manufacture of wearing apparel, dressing, and dyeing of fur	132.1	138.8	139.4	0.4	5.5
22	Publishing, printing and reproduction of recorded media	118.3	129.7	130.0	0.2	9.9
23	Manufacture of coke, refine petroleum products and nuclear fuel	103.5	87.0	87.0	0.0	-15.9
24	Manufacture of chemicals and chemical products	109.1	129.9	130.3	0.3	19.4
25	Manufacture of rubber and plastics	104.3	111.2	110.3	-0.8	5.8
26	Manufacture of other non metallic mineral products	112.7	119.4	119.6	0.2	6.1
27	Manufacture of basic metals	106.8	116.5	116.4	-0.1	9.0
31	Manufacture of electrical machinery and apparatus n.e.c.	116.3	123.0	123.0	0.0	5.8
35	Manufacture of other transport equipments	124.3	125.9	126.4	0.4	1.7
36	Manufacture of furniture, Manufacturing n.e.c.	125.2	131.9	132.1	0.2	5.5
	Electricity and water supply	84.7	87.0	85.0	-2.3	0.4
40	Electricity	82.7	84.1	82.2	-2.3	-0.6
41	Collection, purification and distribution of water	103.4	113.9	111.3	-2.3	7.6

* - 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. These indices are finalized with time lag of two months.

Further details of Producer's Price Index compiled for the month of October of 2019, are also published in the department web site (www.statistics.gov.lk).

Producer's Price Index (PPI) is released monthly with 45 days time lag with effect from January, 2017. The PPI for month of November, 2019 will be released on 16th of January 2020.

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