



PRESS RELEASE

THE COLOMBO CONSUMER PRICE INDEX – FEBRUARY 2016

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The Department of Census and Statistics (DCS) is the authorized agency to compile Colombo Consumer Price Index (CCPI). The CCPI is compiled to indicate average changes in the prices of goods and services purchased by households in urban areas of Colombo district. Prices for items in the Colombo Consumer Price Index are collected from 14 selected centers located in Colombo namely Pettah, Maradana, Wellawatta, Dematagoda, Grandpass, Borella, Kirulapone, Dehiwala, Kotte, Nugegoda, Kolonnawa, Rathmalana, and Narahenpita and Rathmalana dedicated economic centers. Prices are collected weekly from the outlets located within each of the above market areas including Co-operative store and a supermarket. The consumer basket includes 373 items which represent the typical urban households' consumption expenditure. The CPI weights are derived from the Household Income and Expenditure Survey (HIES) 2006/07.

DCS commenced releasing monthly National Consumer Price Index (NCPI) from October 2015 with a time lag of 21 days. However, CCPI is released on the last working day of each month. Accordingly, the NCPI for the month of January 2015 was released on 23rd February 2016 and this report is on the CCPI for the month of February 2016. (Please see the DCS website: www.statistics.gov.lk, for further details).

Month on Month (M on M) Change of CCPI:

The CCPI for all items for the month of February 2016 was 183.8 recording a decrease of 1.1 index points or a percentage of -0.56 compared to the month of January 2016 for which the index was 184.9. This decrease represents an expenditure value of Rs. 287.03 in the "Market Basket".

Table 1- Monthly Changes by main Groups of Market Basket

Major Group*	Index Number			Monthly Changes of the Expenditure			Monthly Changes of the Index		
	Feb. 2015	Jan. 2016	Feb. 2016	Feb. 2015	Jan. 2016	Feb. 2016	Feb. 2015	Jan. 2016	Feb. 2016
All Items	178.9	184.9	183.8	-1201.96	-84.52	-287.03	-2.35	-0.16	-0.56
Food & Non alcoholic beverages	214.0	218.1	215.8	-509.47	-138.84	-255.39	-0.99	-0.27	-0.49
Non Food	154.5	161.8	161.6	-692.49	54.32	-31.64	-1.35	0.10	-0.06
Clothing and Footwear	174.7	207.3	203.3	3.23	26.27	-35.07	0.01	0.05	-0.07
Miscellaneous Goods and Services	151.4	155.9	156.6	0.00	0.00	5.83	0.00	0.00	0.01
Other	153.5	159.4	159.4	-695.72	28.05	-2.40	-1.36	0.05	0.00

*Note : There are 10 main groups of the market basket. Significant changes in February 2016 were noted only in three main groups, details on which are given in Table 1.

Contribution to M on M Changes:

Contributions to the decrease in CCPI from January 2016 to February 2016 are given in Table 2. The index point decreased by 0.56% and this was due to the decrease of food items by 0.49% and decrease of non-food items by 0.06%.

Contribution of Food and non alcoholic beverages items: -0.49%

Decrease in value changes in index were reported for Vegetables (0.39%), Green chilies (0.22%), Limes (0.21%), Rice (0.07%), Chicken (0.04%), Coconut (0.05%), Potatoes (0.02%) and price increases were reported for Papaw (0.11%), Mangoes (0.09%), Banana (0.07%), Big Onions (0.02%), Dhal (0.02%), Garlic (0.02%), Sugar (0.03%), Green gram (0.01%), Fresh fish (0.04%) and Dried fish (0.07%).

Contribution of non food items: -0.06%

Value decrease was reported in the Groups of 'Clothing and Footwear' (0.07%) while value increase was reported in the Group of 'Miscellaneous Good and Services' (0.01%). Increase of Hair dressing and shaving charges was the main reason for the increase in miscellaneous group. The Groups of Furnishings, Household Equipment & Routing Household Maintenance showed an insignificant value decrease during the month. All other Groups remain unchanged.

**Table 2: Contribution to the increase in CCPI from January 2016 to February 2016
(Base: 2006/07=100)**

Sub Group/Commodity	Value Change			
	Rs.cts.	% change		
		Increase %	Decrease %	Net effect %
Food	-255.39	0.52	1.02	-0.49
1.Rice	-33.81		0.07	
2.Chicken	-19.83		0.04	
3.Green Gram	3.38	0.01		
4.Fresh Fish	18.42	0.04		
5.Dried Fish	38.17	0.07		
6. Coconut	-26.01		0.05	
7.Banana	38.16	0.07		
8.Papaw	55.00	0.11		
9.Mangoes	47.85	0.09		
10.Vegetables	-199.19		0.39	
11.Potatoes	-10.57		0.02	
12.Dhal	9.14	0.02		
13.Big Onions	10.07	0.02		
14.Green Chilies	-114.45		0.22	
15.Garlic	9.25	0.02		
16.Sugar	14.20	0.03		
17.Limes	-108.62		0.21	
18.Other food items	13.45	0.03		
Non Food	-31.64	0.01	0.07	-0.06
19.Clothing and Footwear	-35.07		0.07	
20.Miscellaneous	5.83	0.01		
<i>Hair dressing & shaving charges</i>	<i>5.83</i>	<i>0.01</i>		
21.Other non food items	-2.40	0.00		
Total*	-287.03			-0.56

*Percentages of items do not tally with overall percentage due to rounding off.

INFLATION:

The CCPI is an economic indicator constructed to measure inflation which is defined as percentage change in CCPI over the year. There are two measures of inflation in general use. One measure is Year on Year base or Point to Point inflation (The percentage change in the CPI during the last 12 months). The other measure is Moving Average Inflation (The percentage difference between the average Price Index of last 12 months & the average Price Index of previous 12 months).

Table 3: Movements of the CCPI(Base: 2006/07=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.
2015	February	178.9	-2.3%	0.6%	2.9%	-2.1%	9.5%	5.4%	-2.6%	-6.6%	0.8%
	March	178.1	-0.4%	0.1%	2.5%	-2.8%	6.3%	5.8%	1.9%	-4.9%	-0.2%
	April	178.5	0.2%	0.1%	2.1%	-1.2%	4.3%	5.9%	1.4%	-3.6%	-1.0%
	May	179.8	0.7%	0.2%	1.9%	1.5%	4.6%	5.9%	0.0%	-3.5%	-1.5%
	June	181.6	1.0%	0.1%	1.7%	1.8%	4.0%	6.0%	0.4%	-3.2%	-1.9%
	July	182.8	0.7%	-0.2%	1.3%	0.7%	2.5%	5.7%	0.7%	-2.5%	-2.3%
	August	181.9	-0.5%	-0.2%	1.0%	-1.5%	2.2%	5.5%	0.3%	-2.3%	-2.7%
	September	181.4	-0.3%	-0.3%	0.7%	-0.6%	2.0%	5.3%	0.1%	-2.2%	-3.1%
	October	182.1	0.4%	1.7%	0.7%	0.8%	2.7%	5.1%	0.0%	0.8%	-3.0%
	November	184.7	1.4%	3.1%	0.9%	3.0%	5.2%	5.1%	0.0%	1.1%	-2.8%
	December	185.2	0.3%	2.8%	0.9%	0.8%	4.2%	4.9%	-0.2%	1.5%	-2.5%
	2016	January	184.9	-0.2%	0.9%	0.7%	-0.5%	-0.2%	3.9%	0.2%	2.0%
February		183.8	-0.6%	2.7%	0.9%	-1.1%	0.8%	3.2%	-0.1%	4.6%	-1.1%

Year on Year (YoY) Inflation

The YoY inflation as measured by CCPI is 2.7% in February 2016 and inflation calculated for January 2016 was 0.9% (Table3). This increase was mainly due to elimination of effect of price reduction of few essential food items, L. P. Gas, Kerosene Oil, Petrol, Diesel and Bus Fare(Budget Proposals) implemented by the Government in February 2015. YoY inflation of Food Group has increased from -0.2% in January 2016 to 0.8% in February 2016 while Non-food Group increased by 2.0% to 4.6% during this period.

Contribution to Y on Y inflation:

For the month of February 2016, on year to year basis, contribution to inflation by food commodities was 0.42%.

Contribution of Non food items was 2.34%. This was mainly due to value change increases in groups of Clothing and Footwear (0.50%), Health (0.80%), Education (0.23%), Housing, Water, Electricity, Gas & Other Fuels (0.16%), Furnishing HH Equipments & Routine HH Maintenance (0.29%) and Transport (0.17%). Group of Communication remain unchanged.

Moving Average Inflation

The moving average inflation rate for the month of February 2016 was 0.9%. The corresponding rate for the month of January 2016 was 0.7%.

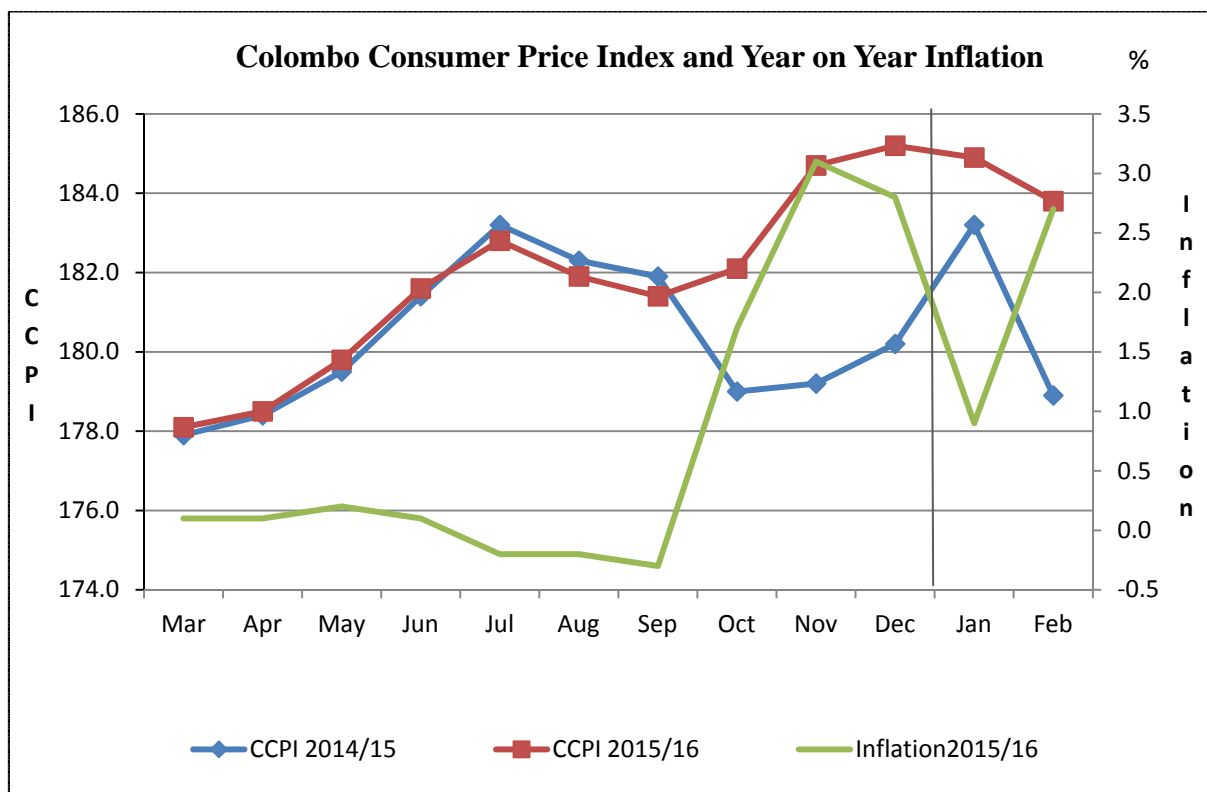


Table 4 : Monthly Average Open Market Retail prices of selected items of Colombo Consumer Price Index (February 2015, January&February2016)

Item	Unit	Retail Prices (Rs. Cts)			Retail Price Changes (%)	
		2015Feb.	2016Jan.	2016Feb.	Feb.16- Jan16	Feb.16- Feb.15
1. Rice- Kekulu – Red	Kg	88.85	71.72	70.28	-2.01	-20.90
2. Rice- Kekulu – White	Kg	82.49	73.15	70.54	-3.57	-14.49
3. Rice –Nadu	Kg	86.15	79.28	77.97	-1.65	-9.49
4. Rice- Samba	Kg	92.99	96.57	95.99	-0.60	3.22
5. Cowpea	Kg	253.33	267.20	265.02	-0.82	4.61
6.Green Grams	Kg	293.48	253.15	265.22	4.77	-9.63
7. Coconut	Each	49.14	43.62	42.66	-2.21	-13.18
8. Coconut Oil	750ml	210.15	205.28	206.12	0.41	-1.92
9.Chicken	Kg	418.61	436.56	426.54	-2.29	1.89
10. Eggs	Each	14.94	16.72	16.55	-1.04	10.77
11. Red Onion	Kg	124.01	149.14	150.60	0.98	21.44
12. B' Onion	Kg	94.47	79.42	94.47	5.11	-11.63
13. Potatoes	Kg	111.99	108.14	102.61	-5.11	-8.37
14. Garlic	Kg	234.09	329.27	353.89	7.48	51.18
15. Dried Chilies	Kg	272.48	363.88	361.28	-0.72	32.59
16. Green Chilies	Kg	501.75	686.14	421.46	-38.58	-16.00
17. Sugar	Kg	90.97	95.29	97.77	2.61	7.48
18. Pepper	Kg	1701.25	1731.82	1781.42	2.86	4.71
Vegetables-						
19. Ash Plantain	Kg	177.80	139.52	135.10	-3.17	-24.01
20. Carrot	Kg	220.42	289.57	291.87	0.79	32.41
21. Snake Gourd	Kg	174.46	150.11	144.05	-4.04	-17.43
22. Tomatoes	Kg	283.44	141.99	93.49	-34.16	-67.02
23. Capsicum	Kg	389.23	469.64	403.61	-14.06	3.69
24. Beetroot	Kg	199.40	258.97	207.77	-19.77	4.20
25. Beans	Kg	286.72	305.22	255.87	-16.17	-10.76
Fruits						
26. Banana	Each	11.74	11.92	13.34	11.95	13.69
27. Papaw	Kg	81.75	85.36	109.83	28.66	34.34
28. Mangoes	Each	116.36	70.59	107.85	52.79	-7.32
Fresh Fish –						
29. Seer	Kg	1134.63	1241.02	1204.72	-2.92	6.18
30.Talapath	Kg	839.16	883.07	881.93	-0.13	5.10
31.Paraw	Kg	756.31	894.71	899.79	0.57	18.97
Dried Fish -						
32.Katta	Kg	1068.79	1117.18	1127.82	0.95	5.52
33. Sprats	Kg	526.23	594.78	657.13	10.48	24.88
34. Kerosene Oil	Lt	59.00	49.00	49.00	0.00	-16.95
35.Petrol(CPC & IOC Avg.)	Lt	117.00	117.00	117.00	0.00	0.00
36. Diesel (CPC & IOC Avg.)	Lt	95.00	95.00	95.00	0.00	0.00
37. Gas- Avg.	12.5kg	1628.00	1346.00	1346.00	0.00	-17.32
Shell\Litro	12.5kg	1628.00	1346.00	1346.00	0.00	-17.32
Laughs	12.5kg	1628.00	1346.00	1346.00	0.00	-17.32

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