



PRESS RELEASE

THE COLOMBO CONSUMER PRICE INDEX – MARCH 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 February 2016 was released on 21st March 2016 and this report is on the CCPI for the month of March 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 March 2016 was 181.7 recording a decrease of 2.1 index points or a percentage of -1.16 compared to the month of February 2016 for which the index was 183.8. This decrease represents an expenditure value of Rs. 595.20 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		
	Mar. 2015	Feb. 2016	Mar. 2016	Mar. 2015	Feb. 2016	Mar. 2016	Mar. 2015	Feb. 2016	Mar. 2016
All Items	178.1	183.8	181.7	-215.35	-287.03	-595.20	-0.43	-0.56	-1.16
Food & Non Alcoholic Beverages	208.0	215.8	210.9	-694.64	-255.39	-565.48	-1.39	-0.49	-1.10
Non Food	157.4	161.6	161.4	479.29	-31.64	-29.72	0.96	-0.06	-0.06
Clothing and Footwear	180.6	203.3	202.9	51.61	-35.07	-4.12	0.10	-0.07	-0.01
Housing, Water, Electricity, Gas and Other Fuel	136.4	137.9	137.5	-17.54	0.00	-27.25	-0.04	0.00	-0.05
Other	170.6	175.0	175.0	445.21	3.44	1.64	0.89	0.01	0.00

*Note: There are 10 main groups of the market basket. Significant changes in March 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 February 2016 to March 2016 are given in Table 2. The index point decreased by 1.16% and this was due to the decrease of food items by 1.10% and decrease of non-food items by 0.06%.

Contribution of Food and non alcoholic beverages items: -1.10%

Decrease in value changes in index were reported for Vegetables (0.73%), Rice (0.17%), Fresh fish (0.12%), Green chilies (0.12%), Red Onion (0.08%), Big Onions (0.05%), Banana (0.03%), Limes (0.03%), and value increases were reported for Papaw (0.08%), Dried fish (0.06%), Mangoes (0.05%), Coconut (0.04%), Salt (0.03%), Sugar (0.01%) and Beef (0.01%).

Contribution of non food items: -0.06%

Value decreases were reported in the Groups of 'Clothing and Footwear' (0.01%) and 'Housing, Water, Electricity, Gas and Other Fuel' group as 0.05%. The amount decreased in 'Housing, Water, Electricity, Gas and Other Fuel' due to the price decrease of building materials (Sand, Bricks and paints) in Maintenance & Repair of Dwelling sub group. The groups of 'Furnishings, Household Equipment & Routing Household Maintenance' and 'Recreation and Culture' showed an insignificant increase. All other Groups remain unchanged.

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

Sub Group/Commodity	Value Change			
	Rs.cts.	% change		
		Increase %	Decrease %	Net effect %
Food	-565.48	0.28	1.37	-1.10
1.Rice	-88.41		0.17	
2.Beef	7.53	0.01		
3.Fresh Fish	-59.80		0.12	
4.Dried Fish	28.84	0.06		
5.Coconut	20.61	0.04		
6.Banana	-14.85		0.03	
7.Papaw	42.14	0.08		
8.Mangoes	23.58	0.05		
9.Vegetables	-375.77		0.73	
10.Red Onion	-38.71		0.08	
11.Big Onions	-28.07		0.05	
12.Green Chillies	-59.59		0.12	
13.Sugar	3.56	0.01		
14.Salt	15.24	0.03		
15.Limes	-14.51		0.03	
16.Other food items	-27.27		0.05	
Non Food	-29.72		0.06	-0.06
17.Clothing and Footwear	-4.12		0.01	
18.Housing, Water, Electricity, Gas and Other Maintenance & Repair of Dwelling	-27.25 -27.25		0.05 0.05	
19.Other non food items	1.64	0.00		
Total	-595.20			-1.16

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 Months Moving Avg.		Y on Y	12 Months Moving Avg.		Y on Y	12 Months Moving Avg.
2015	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%	-2.0%
	February	183.8	-0.6%	2.7%	0.9%	-1.1%	0.8%	3.2%	-0.1%	4.6%	-1.1%
	March	181.7	-1.1%	2.0%	1.1%	-2.3%	1.4%	2.8%	-0.1%	2.5%	-0.5%

Year on Year (YoY) Inflation

The YoY inflation as measured by CCPI is 2.0% in March 2016 and inflation calculated for February 2016 was 2.7% (Table3). YoY inflation of Food Group has increased from 0.8% in February 2016 to 1.4% in March 2016 while Non-food Group decreased by 4.6% to 2.5% during this period.

Contribution to Y on Y inflation:

For the month of March 2016, on year to year basis, contribution to inflation by food commodities was 0.68%.

Contribution of Nonfood items was 1.33%. This was mainly due to value change increases in groups of Clothing and Footwear (0.39%), Education (0.23%), Housing, Water, Electricity, Gas & Other Fuels (0.14%), Furnishing HH Equipment's & Routine HH Maintenance (0.16%) Transport (0.22%) and Recreation and Culture (0.10%).

Moving Average Inflation

The moving average inflation rate for the month of March 2016 was 1.1%. The corresponding rate for the month of February 2016 was 0.9%.

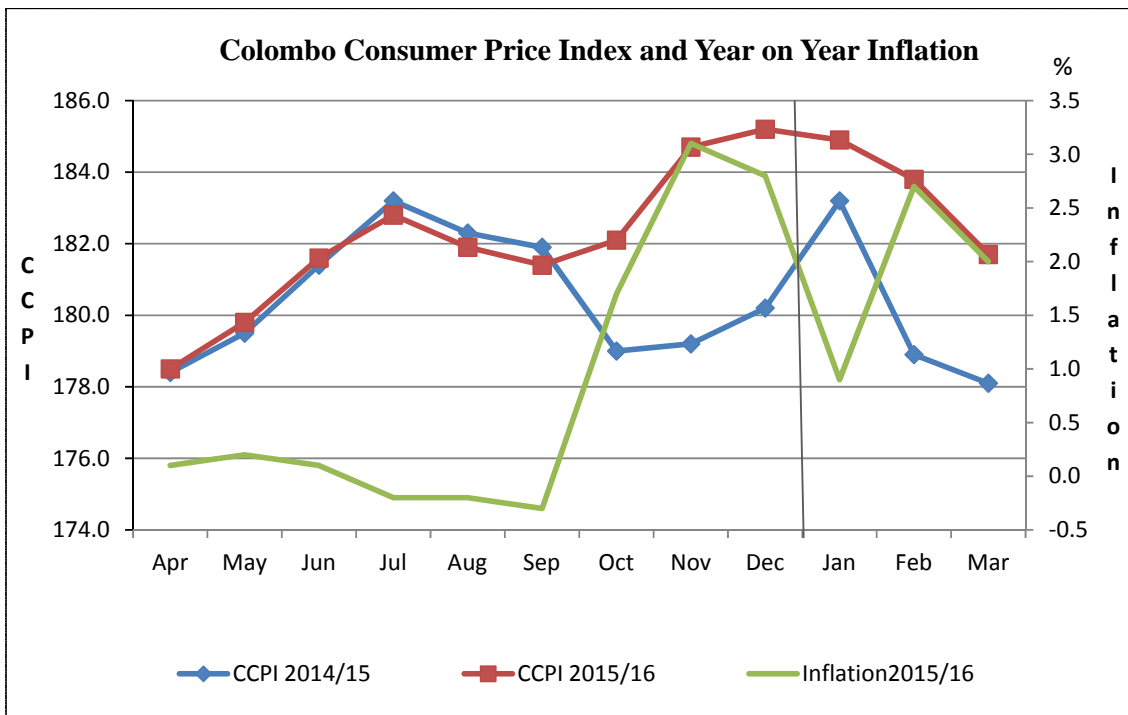


Table 4 : Monthly Average Open Market Retail prices of selected items of Colombo Consumer Price Index (March 2015, February&March2016)

Item	Unit	Retail Prices (Rs. Cts)			Retail Price Changes (%)	
		2015Mar.	2016Feb.	2016Mar.	Mar.16– Feb16	Mar.16– Mar.15
1. Rice– Kekulu – Red	Kg	83.95	70.28	67.60	-3.82	-19.48
2. Rice– Kekulu – White	Kg	80.27	70.54	65.73	-6.82	-18.12
3. Rice –Nadu	Kg	83.16	77.97	73.52	-5.71	-11.60
4. Rice– Samba	Kg	90.98	95.99	93.37	-2.73	2.63
5. Cowpea	Kg	283.11	265.02	261.40	-1.36	-0.65
6.Green Grams	Kg	284.22	265.22	259.05	-2.33	-8.86
7. Coconut	Each	50.81	42.66	43.42	1.79	-14.54
8. Coconut Oil	750ml	208.99	206.12	205.63	-0.24	-1.61
9.Chicken	Kg	422.68	426.54	427.65	0.26	1.18
10. Eggs	Each	14.43	16.55	16.54	-0.05	14.58
11. Red Onion	Kg	113.63	150.60	117.58	-21.93	3.48
12. B' Onion	Kg	83.79	83.48	72.17	-13.55	-13.87
13. Potatoes	Kg	110.26	102.61	103.58	0.94	-6.06
14. Garlic	Kg	231.89	353.89	369.62	4.45	59.39
15. Dried Chillies	Kg	270.42	361.28	366.08	1.33	35.37
16. Green Chillies	Kg	217.92	421.46	283.65	-32.70	30.16
17. Sugar	Kg	86.55	97.77	98.40	0.64	13.69
18. Pepper	Kg	1705.97	1781.42	1730.89	-2.84	1.46
Vegetables-						
19. Ash Plantain	Kg	160.97	135.10	122.14	-9.60	-24.13
20. Carrot	Kg	158.99	291.87	176.04	-39.69	10.72
21. Snake Gourd	Kg	128.74	144.05	131.71	-8.57	2.30
22. Tomatoes	Kg	149.50	93.49	85.46	-8.59	-42.83
23. Capsicum	Kg	281.30	403.61	288.44	-28.53	2.54
24. Beetroot	Kg	131.77	207.77	133.08	-35.95	1.00
25. Beans	Kg	256.49	255.87	179.75	-29.75	-29.92
Fruits						
26. Banana	Each	11.57	13.34	12.79	-4.15	10.53
27. Papaw	Kg	95.10	109.83	128.57	17.07	35.20
28. Mangoes	Each	152.03	107.85	126.21	17.03	-16.98
Fresh Fish –						
29. Seer	Kg	1167.83	1204.72	1241.41	3.05	6.30
30.Talapath	Kg	851.03	881.93	898.73	1.90	5.60
31.Paraw	Kg	756.28	899.79	864.40	-3.93	14.30
Dried Fish -						
32.Katta	Kg	1069.56	1127.82	1133.05	0.46	5.94
33. Sprats	Kg	506.44	657.13	717.89	9.25	41.75
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	1596.00	1346.00	1346.00	0.00	-15.66
Shell\Litro	12.5kg	1596.00	1346.00	1346.00	0.00	-15.66
Laughs	12.5kg	1596.00	1346.00	1346.00	0.00	-15.66

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