



PRESS RELEASE

THE COLOMBO CONSUMER PRICE INDEX – MAY 2016

DEPARTMENT OF CENSUS AND STATISTICS

TEL: 011-2147414

FAX: 011-2877945

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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 Colombodistrict. 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 April 2016 was released on 23rd May 2016 and this report is on the CCPI for the month of May 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 May 2016 was 188.5 and it records an increase of 4.4 index points or a percentage of 2.37 compared to the month of April 2016 for which the index was 184.1. This increase represents an expenditure value of Rs.1221.11 in the "Market Basket".

Table 1- Monthly Changes by main Groups of Market Basket

Major Group*	Index Number			Monthly Changes of the Expenditure Values(Rs.)			Monthly Changes of the Index (%)		
	May 2015	Apr. 2016	May 2016	May 2015	Apr. 2016	May 2016	May 2015	Apr. 2016	May 2016
All Items	179.8	184.1	188.5	358.72	677.05	1221.11	0.72	1.33	2.37
Food & Non alcoholic beverages	208.7	215.6	220.4	347.09	537.85	551.33	0.70	1.06	1.07
Non Food	159.6	162.3	166.3	11.63	139.21	669.78	0.02	0.27	1.30
Clothing and Footwear	193.2	201.5	209.8	0.05	-11.51	72.62	0.00	-0.02	0.14
Housing Water and Electricity, Gas and other fuels	139.2	137.5	138.1	0.79	0.00	38.65	0.00	0.00	0.08
Furnishing House Hold Equipment & Routine House Hold Maintenance	165.1	169.3	170.4	0.00	7.09	11.41	0.00	0.01	0.02
Health	318.9	318.9	357.7	0.00	0.00	343.05	0.00	0.00	0.67
Communication	94.0	94.0	109.3	0.00	0.00	204.06	0.00	0.00	0.40
Other	167.8	175.3	175.3	10.79	143.62	0.00	0.02	0.28	0.00

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

Contribution to M on M Changes:

Contributions to the increase in CCPI from April 2016 to May 2016 are given in Table 2. The increase in index point by 2.37% was due to the increase of food items by 1.07% and increase of non-food items by 1.30%.

Contribution of Food and non alcoholic beverages items: 1.07%

Increases in value change in index were reported for Rice (0.05%), Limes (0.31%), Fresh Fish (0.18%), Dried Fish (0.05%), Chicken (0.11%), Banana (0.05%), Potatoes (0.03%), Dhall (0.05%), Vegetable (0.34%), Big Onions (0.02%), Red Onions (0.04%), Garlic (0.03%), Green chillies (0.02%), Sugar (0.03%) and value decreases were reported for Papaw (0.10%), Mangoes (0.13%), Coconut (0.02%), Eggs (0.09%).

Contribution of non food items: 1.30%

Among non food groups Value increases were reported for Group of 'Clothing and Footwear' (0.14%), 'Health' (0.67%), Communication (0.04%), 'Furnishings, Household Equipment & Routing Household Maintenance' (0.02%) and 'Housing Water and Electricity, Gas and other fuels' (0.08%) and All other Groups remain unchanged.

Table 2: Contribution to the increase in CCPI from April 2016 to May 2016 (Base: 2006/07=100)

Sub Group/Commodity	Value Change			
	Rs.cts.	% change		
		Increase %	Decrease %	Net effect %
Food	551.33	1.40	0.33	1.07
1.Rice	26.95	0.05		
2.Chicken	54.33	0.11		
3.Fresh Fish	90.84	0.18		
4.Dried Fish	23.92	0.05		
5.Coconut	-8.86		0.02	
6.Banana	24.62	0.05		
7.Papaw	-49.56		0.10	
8.Mangoes	-64.71		0.13	
9.Vegetables	174.39	0.34		
10.Potatoes	15.59	0.03		
11.Dhal	23.47	0.05		
12.Big Onions	10.11	0.02		
13.Red Onions	20.25	0.04		
14.Garlic	15.97	0.03		
15.Green chillies	8.39	0.02		
16.Sugar	13.01	0.03		
17.Limes	159.34	0.31		
18.Eggs	-46.99		0.09	
19.Others	60.27			
Non Food	669.78	1.30		1.30
20. Clothing and Footwear	72.62	0.14		
21. Housing Water and Electricity, Gas and other fuels	38.65	0.08		
<i>Maintenance & Repair of Dwelling</i>	19.46	0.04		
<i>Water Bill</i>	19.19	0.04		
22.Furnishing HH Equipment & Routine HH Maintenance	11.41	0.02		
23.Health	343.05	0.67		
<i>Fees to Private Medical Practices</i>	152.25	0.30		
<i>Consultancy fees to specialists</i>	70.64	0.14		
<i>Laboratory Tests</i>	81.21	0.16		
<i>Other expenses (X-ray, Scan, etc.)</i>	28.88	0.06		
<i>Hospital room charges</i>	10.07	0.02		
24.Communication	204.06	0.04		
<i>Telephone Charges</i>	204.06	0.40		
Total	1221.11			2.37

*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 MonthtoMonth	Inflation		%Change MonthtoMonth	Inflation		%Change Monthto Month	Inflation	
				Y on Y	12 Month Moving Avg.		Y on Y	12 Month Moving Avg.		Y on Y	12 Month Moving Avg.
2015	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%
	January	184.9	-0.2%	0.9%	0.7%	-0.5%	-0.2%	3.9%	0.2%	2.0%	-2.0%
2016	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%
	April	184.1	1.3%	3.1%	1.3%	2.2%	4.9%	2.8%	0.6%	1.7%	0.0%
	May	188.5	2.4%	4.8%	1.7%	2.2%	5.6%	2.9%	2.5%	4.2%	0.6%

Year on Year (YoY) Inflation

The YoY inflation as measured by CCPI is 4.8% in May 2016 and inflation calculated for April 2016 was 3.1% (Table3).YoY inflation of Food Group has increased from 4.9% in April 2016 to 5.6% in May 2016 while Non-food Group increased by 1.7% to 4.2% during this period.

Contribution to Y on Y inflation:

For the month of May 2016, on year to year basis, contribution to inflation by food commodities was 2.68%.

The contribution of Nonfood items was 2.19%. This was mainly due to value change increases in groups of 'Clothing and Footwear' (0.29%), 'Furnishing HH Equipment's & Routine HH Maintenance' (0.11%), 'Health' (0.69%), 'Transport' (0.46%), 'Communication' (0.41%), 'Recreation and Culture' (0.10%), 'Education' (0.23%), 'Miscellaneous Goods and Services' (0.07%) while decrease in value change reported in the group of 'Housing, Water, Electricity, Gas & Other Fuels' (0.15%).

Moving Average Inflation

The moving average inflation rate for the month of May 2016 was 1.7%. The corresponding rate for the month of April 2016 was 1.3%.

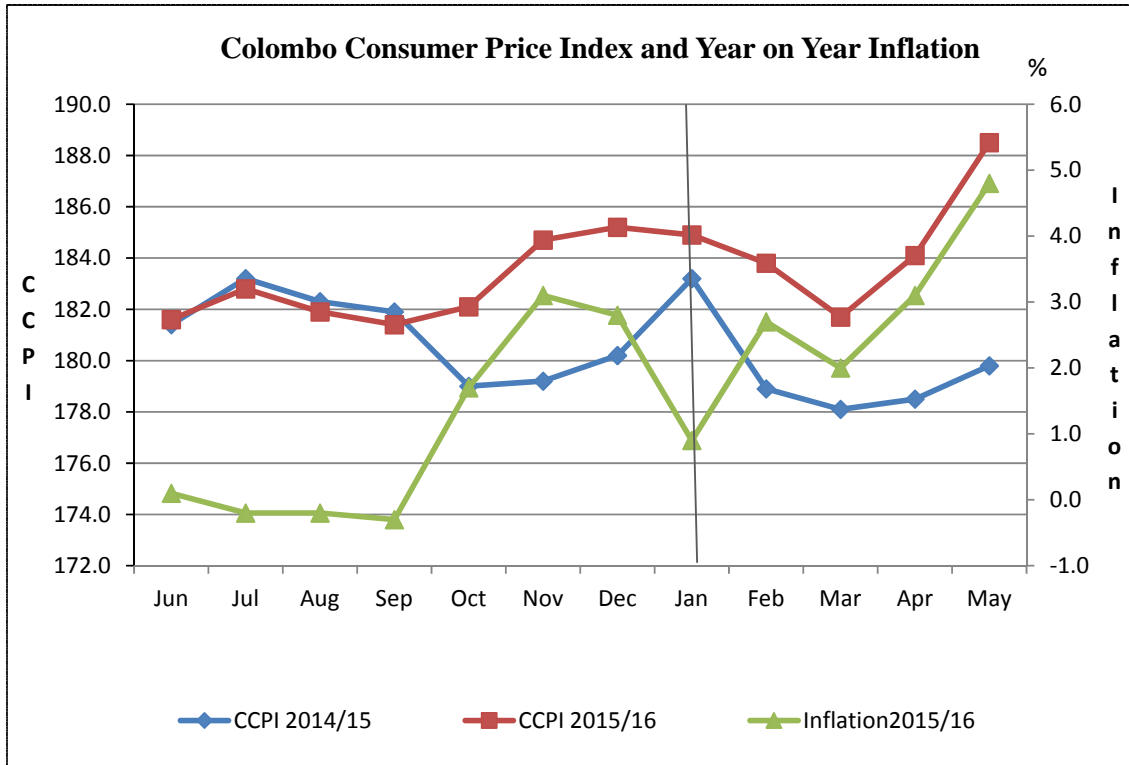


Table 4 : Monthly Average Open Market Retail prices of selected items of Colombo Consumer Price Index (May 2015, April & May 2016)

Item	Unit	Retail Prices (Rs. Cts)			Retail Price Changes (%)	
		2015May.	2016Apr.	2016May.	May.16– Apr16	May.16– May.15
1. Rice– Kekulu – Red	Kg	76.93	64.84	64.84	-0.01	-15.72
2. Rice– Kekulu – White	Kg	73.55	65.94	69.04	4.71	-6.12
3. Rice –Nadu	Kg	77.39	73.01	75.88	3.93	-1.96
4. Rice– Samba	Kg	88.81	92.03	92.30	0.30	3.94
5. Cowpea	Kg	260.41	258.67	260.22	0.60	-0.07
6.Green Grams	Kg	273.66	263.58	260.90	-1.02	-4.67
7. Coconut	Each	50.76	42.89	42.56	-0.76	-16.17
8. Coconut Oil	750ml	215.36	206.40	207.52	0.54	-3.64
9.Chicken	Kg	441.24	447.59	475.02	6.13	7.66
10. Eggs	Each	14.30	18.45	15.21	-17.56	6.42
11. Red Onion	Kg	108.50	112.89	130.17	15.30	19.97
12. B' Onion	Kg	113.95	81.13	85.20	5.02	-25.23
13. Potatoes	Kg	116.59	111.45	119.60	7.31	2.58
14. Garlic	Kg	245.43	401.07	443.58	10.60	80.73
15. Dried Chilies	Kg	264.42	366.95	365.25	-0.46	38.13
16. Green Chilies	Kg	174.60	275.06	294.47	7.06	68.65
17. Sugar	Kg	84.69	103.26	105.53	20.20	24.60
18. Pepper	Kg	1160.79	1751.99	1745.48	-0.37	5.10
Vegetables-						
19. Ash Plantain	Kg	112.51	121.48	116.44	-4.15	3.49
20. Carrot	Kg	173.67	155.10	162.20	4.54	-6.61
21. Snake Gourd	Kg	111.50	135.71	155.19	14.36	39.18
22. Tomatoes	Kg	106.25	95.91	228.10	137.83	114.68
23. Capsicum	Kg	80.00	105.78	121.62	14.98	52.03
24. Beetroot	Kg	138.93	145.61	181.12	24.39	30.37
25. Beans	Kg	186.98	184.56	241.06	30.61	28.93
Fruits						
26. Banana	Each	12.57	13.88	14.79	6.62	17.70
27. Papaw	Kg	113.41	140.76	118.42	-15.69	4.42
28. Mangoes	Each	124.68	110.56	60.16	-45.59	-51.75
Fresh Fish –						
29. Seer	Kg	1173.07	1290.67	1378.29	6.78	17.49
30.Talapath	Kg	882.32	907.28	909.40	0.23	3.07
31.Paraw	Kg	791.72	866.36	903.07	4.24	14.06
Dried Fish -						
32.Katta	Kg	1116.53	1138.09	1205.52	5.92	7.97
33. Sprats	Kg	457.05	690.61	705.08	2.10	54.27
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

Dr. A.J. Satharasinghe
 Director General
 Department of Census and Statistics