



WEB RELEASE

THE COLOMBO CONSUMER PRICE INDEX – SEPTEMBER 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 August 2016 was released on 21st September 2016 and this report is on the CCPI for the month of September 2016.

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

The CCPI for all items for the month of September 2016 was 188.5 and it records a decrease of 0.6 index points or a percentage of 0.29 compared to the month of August 2016 for which the index was 189.1. This decrease represents an expenditure value of Rs.151.97 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 (%)		
	Sep. 2015	Aug. 2016	Sep. 2016	Sep. 2015	Aug. 2016	Sep. 2016	Sep. 2015	Aug. 2016	Sep. 2016
All Items	181.4	189.1	188.5	-139.15	-1063.29	-151.97	-0.27	-1.97	-0.29
Food & Non alcoholic beverages	209.4	222.6	221.0	-145.40	-985.48	-187.06	-0.29	-1.83	-0.35
Non Food	161.9	165.7	166.0	6.26	-77.80	35.09	0.01	-0.14	0.07
Furnishing HH Equipment and Routine HH Maintenance	168.2	171.7	172.2	0.90	5.87	5.34	0.00	0.01	0.01
Transport	183.2	189.0	189.7	0.00	64.03	21.12	0.00	0.12	0.04
Recreation and Culture	167.5	168.0	165.7	3.96	0.00	-9.89	0.01	0.00	-0.02
Miscellaneous Goods and Services	155.7	161.5	163.5	0.00	2.56	16.39	0.00	0.00	0.03
Other	154.8	158.0	158.1	1.39	-150.26	2.12	0.00	-0.28	0.00

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

Contribution to M on M Changes:

Contributions to the decrease in CCPI from August 2016 to September 2016 are given in Table 2. The decrease in the index point by 0.29% was due to the decrease of food items by 0.35% and increase of non-food items by 0.07% respectively.

Contribution of Food and non alcoholic beverages items: -0.35%

Decreases in value change in index were reported for Vegetables (0.50%), Green Chillies (0.20%), Eggs (0.05%), Red Onions (0.04%), Rice (0.02%), Dried Fish (0.02%), Potatoes (0.02%) and Chicken (0.01%) while increase in value change reported in Papaw (0.12%), Mangoes (0.09%), Limes (0.06%), Big Onion (0.05%), Banana (0.02%), Beef (0.02%), Maldive Fish (0.01%), Coconut (0.01%), Coconut Oil (0.01%) and Garlic (0.01%) .

Contribution of non food items:0.07%

Among non food groups, value increases were reported for groups of 'Furnishing, Household equipments and routine Household maintenance' (0.01%), 'Transport' (0.04%) and 'Miscellaneous Goods and Services' (0.03%) while value decrease was reported for the group of 'Recreation and Culturer' (0.02%). The groups of 'Clothing and Footwear' and 'Housing Water Electricity Gas & Other Fuels' showed an insignificant positive trend. All other groups remain unchanged. In terms of 'Transport' group, the amount of price increase has been due to impact of Bus Fare revision with effect from August 01, 2016.

**Table 2: Contribution to the decrease in CCPI from August 2016 to September 2016
(Base: 2006/07=100)**

Sub Group/Commodity	Value Change			
	Rs.cts.	% change		Net effect
		Increase %	Decrease %	
Food	-187.06	0.53	0.87	-0.35
1 Rice	-10.40		0.02	
2 Beef	8.09	0.02		
3 Chicken	-6.22		0.01	
4 Dried Fish	-12.88		0.02	
<i>Sprats</i>	-8.67		0.02	
5 Maldive Fish	4.44	0.01		
6 Egg	-26.64		0.05	
7 Coconut	4.45	0.01		
8 Coconut Oil	7.22	0.01		
9 Vegetables	-263.02		0.50	
10 Potatoes	-12.01		0.02	
11 Red Onion	-22.67		0.04	
12 Big Onions	25.84	0.05		
13 Garlic	2.67	0.01		
14 Green chillies	-107.87		0.20	
15 Limes	32.71	0.06		
16 Banana	9.17	0.02		
17 Papaw	63.50	0.12		
18 Mangoes	45.16	0.09		
19 Others	79.48	0.15		
Non Food	35.09	0.09	0.02	0.07
20 Furnishings,HH Equipments and Routine HH Maintenance	5.34	0.01		
21 Transport	21.12	0.04		
<i>Bus fare</i>	21.12	0.04		
22 Recreation and Culture	-9.89		0.02	
23 Miscellaneous Goods and Services	16.39	0.03		
24 Others	2.12	0.00		
All Items	-151.97			-0.29

*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	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%
	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%
	June	192.5	2.1%	6.0%	2.2%	4.3%	8.2%	3.3%	0.2%	4.0%	1.2%
	July	192.9	0.2%	5.5%	2.7%	0.6%	8.1%	3.8%	-0.2%	3.0%	1.7%
	August	189.1	-2.0%	4.0%	3.0%	-3.7%	5.6%	4.0%	-0.3%	2.4%	2.1%
	September	188.5	-0.3%	3.9%	3.4%	-0.7%	5.5%	4.3%	0.2%	2.5%	2.5%

Year on Year (YoY) Inflation

The YoY inflation as measured by CCPI is 3.9% in September 2016 and inflation calculated for August 2016 was 4.0% (Table3). YoY inflation of Food Group has decreased from 5.6% in August 2016 to 5.5% in September 2016 while that of Non-food Group increased by 2.4% to 2.5% during this period.

Contribution to Y on Y inflation:

For the month of September 2016, on year to year basis, contribution to inflation by food commodities was 2.61%.

The contribution of Non food items was 1.32%. This was mainly due to value change increases in groups of 'Clothing and Footwear' (0.06%), 'Furnishing HH Equipment's & Routine HH Maintenance'

(0.08%), 'Health' (0.62%), 'Transport' (0.44%), 'Communication' (0.06%), 'Education' (0.01%), 'Miscellaneous Goods and Services' (0.13%) while decreases in value change reported in the groups of 'Housing, Water, Electricity, Gas & Other Fuels' (0.05%) and 'Recreation and Culture' (0.01%).

Moving Average Inflation

The moving average inflation rate for the month of September 2016 was 3.4%. The corresponding rate for the month of August 2016 was 3.0%.

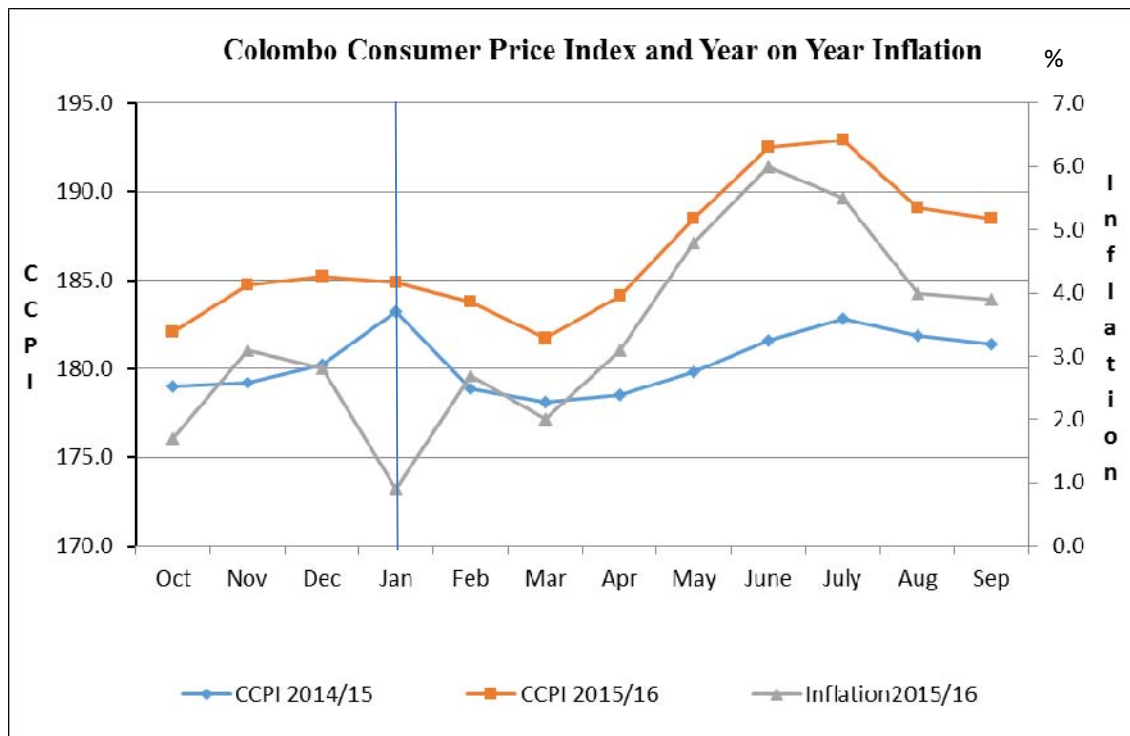


Table 4 : Monthly Average Open Market Retail prices of selected items of Colombo Consumer Price Index (September 2015, August & September 2016)

Item	Unit	Retail Prices (Rs. Cts)			Retail Price Changes (%)	
		2015Sep.	2016Aug.	2016Sep.	Sep.16– Aug. 16	Sep.16 - Sep.15
1. Rice– Kekulu – Red	Kg	68.91	66.98	67.55	0.85	-1.98
2. Rice– Kekulu – White	Kg	67.95	69.71	69.90	0.27	2.87
3. Rice –Nadu	Kg	71.93	77.46	76.77	-0.89	6.73
4. Rice– Samba	Kg	90.32	91.10	90.09	-1.11	-0.26
5. Cowpea	Kg	265.97	257.03	256.63	-0.15	-3.51
6.Green Grams	Kg	256.70	237.57	230.07	-3.16	-10.38
7. Coconut	Each	43.57	41.59	41.75	0.40	-4.17
8. Coconut Oil	750ml	199.62	215.96	219.14	1.47	9.77
9.Chicken	Kg	465.86	504.03	500.89	-0.62	7.52
10. Eggs	Each	15.36	18.89	17.05	-9.72	10.99
11. Red Onion	Kg	106.01	133.86	114.52	-14.45	8.03
12. B' Onion	Kg	117.49	78.63	89.04	13.24	-24.22
13. Potatoes	Kg	123.43	144.49	138.21	-4.34	11.98
14. Garlic	Kg	269.50	404.73	411.85	1.76	52.82
15. Dried Chilies	Kg	286.93	366.91	363.59	-0.90	26.72
16. Green Chilies	Kg	250.66	494.41	244.95	-50.46	-2.28
17. Sugar	Kg	84.47	94.89	94.94	0.05	12.39
18. Pepper	Kg	1678.44	1823.84	1816.45	-0.41	8.22
Vegetables-						
19. Ash Plantain	Kg	122.59	140.17	130.07	-7.21	6.10
20. Carrot	Kg	139.38	160.12	132.76	-17.09	-4.75
21. Snake Gourd	Kg	119.50	132.36	110.37	-16.61	-7.64
22. Tomatoes	Kg	94.03	129.81	95.69	-26.28	1.77
23. Capsicum	Kg	171.36	275.85	205.66	-25.44	20.02
24. Beetroot	Kg	103.22	139.31	113.38	-18.62	9.84
25. Beans	Kg	172.89	226.63	174.91	-22.82	1.17
Fruits						
26. Banana	Each	12.99	16.00	16.34	2.14	25.78
27. Papaw	Kg	126.88	115.54	143.79	24.45	13.33
28. Mangoes	Each	130.16	76.70	111.88	45.85	-14.05
Fresh Fish –						
29. Seer	Kg	1234.93	1455.31	1444.10	-0.77	16.94
30.Talapath	Kg	865.84	916.75	919.56	0.31	6.20
31.Paraw	Kg	883.48	954.63	970.71	1.68	9.87
Dried Fish -						
32.Katta	Kg	1121.81	1151.48	1150.66	-0.07	2.57
33. Sprats	Kg	696.42	516.04	499.04	-3.29	-28.34
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	1496.00	1346.00	1346.00	0.00	-10.03
Shell\Litro	12.5kg	1496.00	1346.00	1346.00	0.00	-10.03
Laughs	12.5kg	1496.00	1346.00	1346.00	0.00	-10.03

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