

Government of Pakistan
Ministry of Planning, Development & Special Initiatives
Economic Policy Wing
(Money, Prices and Fiscal Policy Section)

Sensitive Price Indicator Weekly Report
Week ending on (05-11-20)

Sensitive Price Indicator (SPI) is computed on weekly basis to assess the price movements of essential items at shorter interval of time so as to review the current price situation in the country. SPI comprises of 51 necessary commodities which are being collected from 50 markets in 17 cities of the country.

SPI Review by Expenditure Groups/Quintiles:

The SPI for the week ended on 5th November, 2020 recorded a decrease of **0.12%** over last week. This decrease is mainly due to a fall in prices of food items i.e. Tomatoes (25.22%), Wheat Flour (3.82%), Pulse Moong (2.03%), Sugar (1.91%), Gur (1.20%), Rice Basmati Broken (1.16%), Beef (0.60%), Rice Irri (0.52%), Bananas (0.44%), Eggs (0.34%), Veg Ghee 2.5kg (0.18%) and Cooking Oil 5 liter (0.16%) and among non-food items Petrol (1.46%), Diesel (0.78%) with joint impact of (-1.00) into the overall SPI for combined group of **-0.12%**.

On the other hand, an increase was observed in the prices of Chicken (9.04%), LPG (6.40%), Onions (6.39%), Garlic (4.21%), Potatoes (3.50%), Fire Wood (1.89%), Shirting (1.41%), and Long Cloth (1.28%). During the week, out of 51 items, prices of 14 (27.45%) items increased, 14 (27.45%) items decreased and 23 (45.10%) items remained constant.

Table given below shows that during the week under review, fall in prices affected expenditures groups Q1 and Q2 in higher manner as compared to other expenditures groups, on YOY basis combined expenditures group witnessed price increase of **8.93%** over corresponding week of last year.

Expenditure Groups		SPI for week ended on			Percent change over	
		05/11/20	29/10/2020	07/11/2019	29/10/2020	07/11/2019
Q1	(UptoRs. 17,732)	150.84	151.34	134.22	-0.33	11.49
Q2	(Rs. 17,733 - 22,888)	145.15	145.61	130.05	-0.32	10.78
Q3	(Rs. 22,889 - 29,517)	146.23	146.57	131.56	-0.23	10.44
Q4	(Rs. 29,518 - 44,175)	142.47	142.71	128.51	-0.17	10.20
Q5	(Above Rs. 44,175)	142.81	142.85	131.89	-0.03	7.76
-	<u>Combined</u>	142.81	142.98	130.36	-0.12	8.93

Analysis of Weekly SPI for 27 kitchen items

For the week ended on 05 November, price impact witnessed fall of **0.55%** in combined group over last week for 27 kitchen items because of decrease price impact of Wheat Flour Bag (0.14%), Rice Basmati Broken (0.03%), Beef (0.04%), Pulse Moong (0.01%), Tomatoes (1.26%), Sugar (0.02%), however, a rise in price impact was witnessed in Chicken (0.45%), Potatoes (0.23%), Onions (0.23%). In lowest income group, a decline of **0.90%** was recorded in price impact of 27 kitchen items over last week.

HIGHLIGHTS

The SPI for the week ended on 5th November, 2020 recorded a decrease of 0.12% over last week. This decrease is mainly due to a fall in prices of food items i.e. Tomatoes (25.22%), Wheat Flour (3.82%), Pulse Moong (2.03%), Sugar (1.91%), Gur (1.20%), Rice Basmati Broken (1.16%), Beef (0.60%), Rice Irri (0.52%), Bananas (0.44%), Eggs (0.34%), Veg Ghee 2.5kg (0.18%) and Cooking Oil 5 liter (0.16%) and among non-food items Petrol (1.46%), Diesel (0.78%) with joint impact of (-1.00) into the overall SPI for combined group of -0.12%.

• On the other hand, an increase was observed in the prices of Chicken (9.04%), LPG (6.40%), Onions (6.39%), Garlic (4.21%), Potatoes (3.50%), Fire Wood (1.89%), Shirting (1.41%), and Long Cloth (1.28%). During the week, out of 51 items, prices of 14 (27.45%) items increased, 14 (27.45%) items decreased and 23 (45.10%) items remained constant.

• The year on year trend depicts an increase of 8.93% with most of the items increased mainly Chillies Powder (86.31%), Potatoes (62.49%), Eggs (46.55%), Sugar (38.91%), Chicken (28.61%), Pulse Mash (27.20%), Pulse Moong (25.53%), Pulse Masoor (22.00%), Match Box (20.80%), Sufi Washing Soap (20.47%), Gur (18.34%), Vegetable Ghee 1kg (16.67%), Bread (16.66%), Long Cloth (16.42%), and Mustard Oil (16.18%). While a major decrease was observed in the price of Diesel (18.84%), Garlic (16.08%), Petrol (10.25%), Electricity (7.04%), Onions (5.71%) and LPG (1.83%).

On year on year basis, combined group recorded a rising impact of **16.14%** which is attributed to increase in price impact of kitchen items i.e. Wheat Flour Bag (0.57%) Rice Basmati Broken (0.15%), Milk Fresh (3.55%), Eggs Hen Farm (1.15%), Potatoes (1.68%), Sugar Refined (1.87%), Chillies Powder (1.41%), Beef (0.71%), Mutton(0.48%), Cooking Oil Dalda 5 litre tin (0.57%), Vegetable Ghee1kg Pouch (0.42%), Tomatoes (0.20%), however, a declining price impact was shown in Onions (0.13%), and Garlic (0.07%). Price impact on YOY basis for lowest income group Q1 was **17.34%** which is higher than combined group.

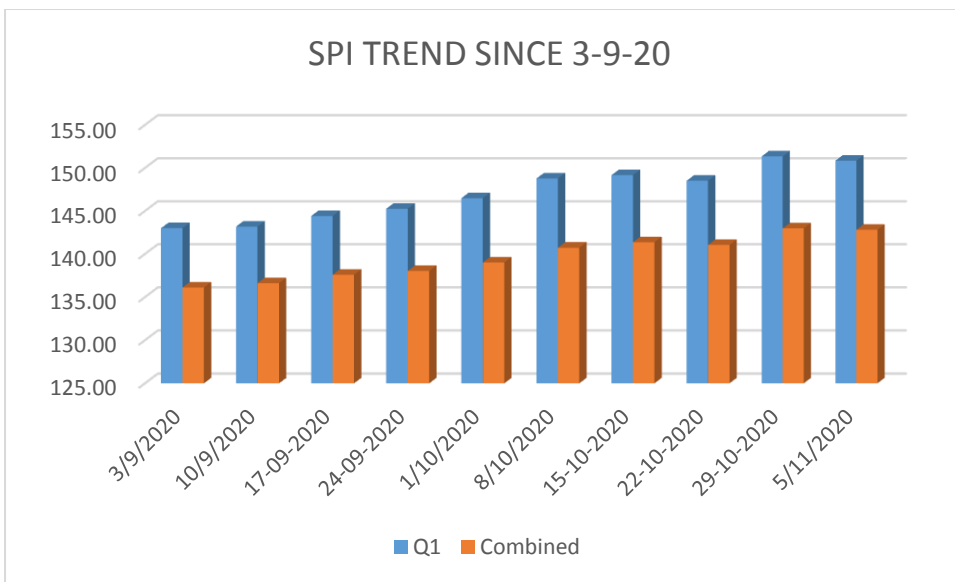
Consumer Prices Of Essential Kitchen Items in Different Cities For Week Ended On 05-11-20

Sr. No	Units	Islamabad	Rawalpindi	Lahore	Karachi	Quetta	Peshawar
1	Wheat Flour Bag 20kg	864.15	860.00	860.00	1279.62	1274.99	1158.72
2	Rice Basmati Broken	106.56	98.54	76.87	99.43	104.92	80.00
3	Mutton (Average Quality) 1kg	1145.03	1158.24	1051.19	1046.22	1096.96	947.21
4	Chicken Farm Broiler(1kg)	212.76	205.55	196.00	223.71	224.96	211.00
5	Milk fresh (Un-boiled)	120.41	119.83	90.00	120.00	120.00	124.04
6	Eggs Hen 1dozen	173.27	167.04	166.00	169.51	184.95	173.27
7	Cooking Oil 5 Kg	1265.00	1265.00	1265.00	1265.00	1265.00	1265.00
8	Pulse Moong 1kg	242.36	245.20	237.40	253.71	259.97	200.00
9	Pulse Mash 1kg	267.34	253.16	248.01	241.97	284.97	230.00
10	Pulse Gram 1kg	167.90	153.60	133.72	159.52	174.95	150.00
11	Potatoes	93.22	85.72	79.82	59.47	54.85	74.28
12	Onions 1kg	94.04	90.36	81.75	76.83	64.87	77.66
13	Tomatoes 1kg	160.71	159.75	159.77	153.08	129.74	124.41
14	Sugar Refined 1kg	108.73	101.99	101.48	101.65	105.00	107.75
15	Petrol Super Per Liter	102.90	102.90	102.90	102.90	102.87	102.90

The Price difference of items in different cities as shown in the table above can be related to transportation costs. This applies to those commodities that are physically transported from one city to another as they are not grown/produced in that particular area.

Price Comparison of Major Kitchen Items (Combined Group)

Sr. No	Items	Prices			impact Current/prev	
		22/10/2020	15/10/2020	24/10/19	Prev.	Corresp.
1	Wheat Flour	1053.96	1074.16	926.80	-0.12	0.89
2	Rice Basmati	90.07	90.01	83.47	0.00	0.18
3	Mutton	1030.15	1030.15	934.84	0.00	0.49
4	Chicken Farm	193.47	196.56	163.54	-0.10	1.13
5	Milk Fresh	105.60	105.49	94.16	0.03	3.67
6	Eggs Hen	166.84	165.14	117.35	0.03	1.13
7	Onions	69.38	73.90	76.17	-0.21	0.75
8	Cooking oil 5liter	1265.05	1265.05	1146.33	0.00	0.58
9	Pulse Moong	240.21	243.31	179.76	-0.01	0.25
10	Potatoes	67.82	68.39	47.03	-0.03	1.41
11	Tomatoes	130.47	140.78	105.14	-0.26	0.75
12	Sugar Refined	99.07	99.15	74.33	0.0	1.71



CONCLUSION

The Sensitive Price Indicator (SPI) inflation for the week under review, for the combined consumption group, witnessed a decrease of **0.12%** compared to last week. The decline is caused by fall in prices of essential kitchen items, however, on YOY basis combined consumption group showed an increase of **8.93%** over corresponding week of last year. The decreasing price impact of **0.55%** was witnessed in combined consumption group for the week ended on 05-11-2020 for 27 kitchen items and on YoY basis it stood at **16.14%**. On the other hand, in lowest income group for 27 essential kitchen items, SPI also witnessed a decreasing impact of **0.90%** over last week and **17.34%** on YoY basis mainly due to rising prices of perishable food items compared to corresponding week of last year. Food prices are expected to come down with the arrival of new crops of vegetables. The reduction in petroleum oil prices by the government for November will also help to restrict the pace of inflation in the country. Further, arrival of around 0.6 Mt of Wheat in the country through import will help in reduction/stabilization of price in future. Surge in tomatoes prices during last two months are mainly because of damage of its crop in Sindh & Baluchistan due to heavy rains and significant gap in wholesale and retail prices. The import of tomatoes has been allowed and it is expected that its prices would ease in coming days. The impact of currency appreciation would also help in further reduction of prices.