

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 (22-10-20)

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 22nd October, 2020 recorded a decrease of **0.23%** over last week. This decrease is caused by a decline in average prices of food items i.e. Onions (4.75%), Chicken (1.49%), Wheat Flour (1.31%), Gur (1.26%), Pulse Moong (1.03%), Bananas (0.44%), Sugar (0.39%), Rice Basmati Broken (0.23%), Garlic (0.14%), Pulse Gram (0.03%) and Pulse Mash (0.02%) with joint impact of (-0.28) into the overall SPI for combined group of (-0.23%). On the other hand, an increase of 1% or more was observed in the prices of Tomatoes (1.57%), Tea Prepared (1.43%) and Potatoes (1.00%) eggs farms ----. During the week, out of 51 items, prices of 14 (27.45%) items increased, 11 (21.57%) items decreased and 26 (50.98%) items remained constant.

Table given below shows that during the week under review, price decrease of 0.44% was witnessed in Q1, 0.40% for Q2, 0.33% for Q3, 0.29% for Q4, 0.13% for Q5. On YOY basis combined expenditures group witnessed price increase of **8.76%** over corresponding week of last year.

Expenditure Groups	SPI for week ended on			Percent change over	
	22/10/20	15/10/2020	24/10/2019	15/10/2020	24/10/2019
Q1 (UptoRs. 17,732)	148.51	149.16	133.35	-0.44	11.37
Q2 (Rs. 17,733 - 22,888)	143.01	143.58	129.21	-0.40	10.68
Q3 (Rs. 22,889 - 29,517)	144.28	144.76	130.79	-0.33	10.31
Q4 (Rs. 29,518 - 44,175)	140.64	141.05	127.79	-0.29	10.06
Q5 (Above Rs. 44,175)	141.21	141.39	131.29	-0.13	7.56
- Combined	<u>141.04</u>	<u>141.36</u>	<u>129.68</u>	<u>-0.23</u>	<u>8.76</u>

Analysis of Weekly SPI for 27 kitchen items

For the week ended on 22 October, price impact inched down to **0.46%** in combined group over last week for 27 kitchen items because of decreasing price impact of Wheat Flour Bag (0.12%), Chicken (0.10%), Pulse Moong (0.01%), Potatoes (0.03%), Onions (0.21 %), Tomatoes (0.26), however an increase in price impact was witnessed in Milk Fresh (0.03 %), Eggs Hen (0.03%), and Tea Prepared (0.16%). Similarly, lowest income group also recorded a declining price impact of **0.72 %** over last week as drop in price impact was observed in Wheat Flour Bag (0.16 %), Chicken (0.07 %), Pulse Moong (0.02 %), Potatoes (0.05%), Tomatoes (0.33%), and Onions

HIGHLIGHTS

- The SPI for the week ended on 22nd October, 2020 recorded a decrease of **0.23%** over last week. This decrease is caused by a decline in average prices of food items i.e. Onions (4.75%), Chicken (1.49%), Wheat Flour (1.31%), Gur (1.26%), Pulse Moong (1.03%), Bananas (0.44%), Sugar (0.39%), Rice Basmati Broken (0.23%), Garlic (0.14%), Pulse Gram (0.03%) and Pulse Mash (0.02%) with joint impact of (-0.28) into the overall SPI for combined group of (-0.23%).
- On the other hand, an increase of 1% or more was observed in the prices of Tomatoes (1.57%), Tea Prepared (1.43%) and Potatoes (1.00%). During the week, out of 51 items, prices of 14 (27.45%) items increased, 11 (21.57%) items decreased and 26 (50.98%) items remained constant.

The year on year trend depicts an increase of 8.76% with most of the items increased mainly Chilies Powder (86.31%), Potatoes (54.44%), Eggs (45.02%), Tomatoes (35.49%), Sugar (34.42%), Pulse Moong (31.89%), Pulse Mash (31.41%), Pulse Masoor (23.59%), Chicken (19.49%), Gur (18.55%), Washing Soap (18.49%) Bread (18.20%), Match Box (17.67%), Vegetable Ghee 1kg (17.33%) and Rice IRRI (17.14%). While a major decrease was observed in the price of Diesel (18.03%), Garlic (12.83%), LPG (9.13%), Petrol (8.11%), Onions (7.82%) and Electricity (7.04%).

(0.29%).

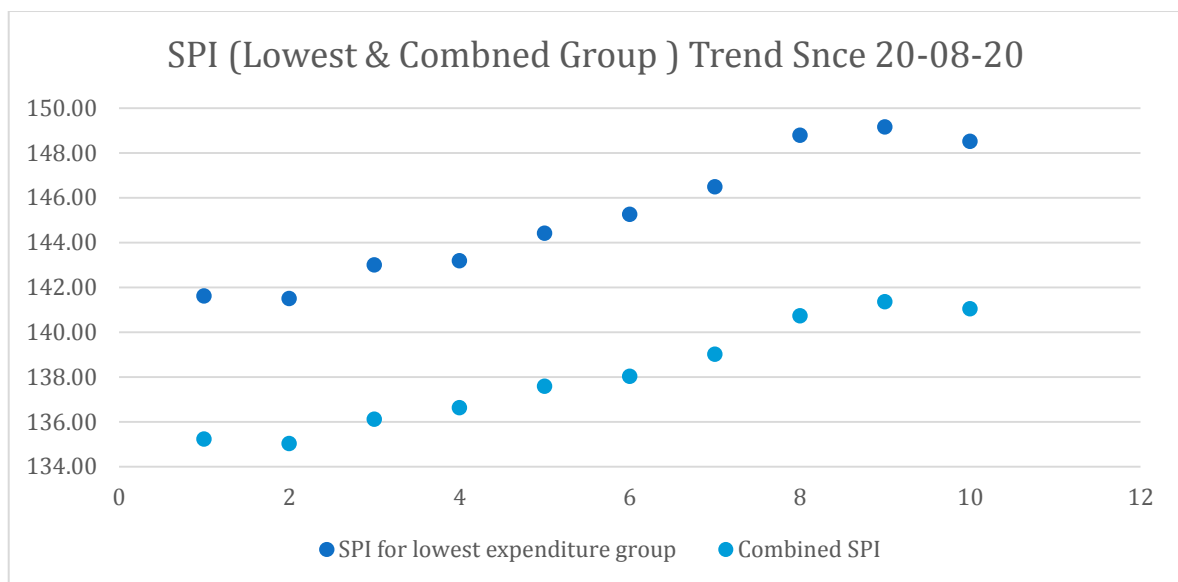
On year on year basis, combined group recorded a rising impact of **16.20%** which is attributed to increase in price impact of kitchen items i.e. Wheat Flour Bag (0.89 %) Rice Basmati Broken (0.18%), Milk Fresh (3.67%), Eggs Hen Farm (1.13%), Potatoes (1.41%), Sugar Refined (1.71%), Chillies Powder (1.43%), Beef (0.78%), Mutton(0.49%), Cooking Oil Dalda 5 litre tin (0.58%), Vegetable Ghee1kg Pouch (0.43%),Tomatoes (0.75%), however, a declining price impact was shown in Onions (0.37%), and Garlic (0.07%). Price impact on YOY basis for lowest income group Q1 was **17.65 %** which is higher than combined group.

Consumer Prices Of Essential Kitchen Items in Different Cities

Sr. No	Units	Islamabad	Rawalpindi	Lahore	Karachi	Quetta	Peshawar
1	Wheat Flour Bag 20kg	864.15	860.00	860.00	1426.18	1244.99	1157.75
2	Rice Basmati Broken	106.56	98.54	76.87	99.11	104.92	94.31
3	Mutton (Average Quality) 1kg	1145.03	1158.24	1051.19	1040.71	1096.96	947.77
4	Chicken Farm Broiler(1kg)	193.96	182.58	169.00	224.93	224.96	193.00
5	Milk fresh (Un-boiled)	120.41	119.83	90.00	120.00	120.00	124.04
6	Eggs Hen 1dozen	169.33	165.18	165.00	166.08	184.95	180.00
7	Cooking Oil 5 Kg	1265.00	1265.00	1265.00	1265.00	1265.00	1265.00
8	Pulse Moong 1kg	256.34	245.20	237.40	255.28	259.97	200.00
9	Pulse Mash 1kg	267.34	253.16	248.01	236.10	274.97	230.00
10	Pulse Gram 1kg	171.15	153.60	133.72	159.19	169.95	150.00
11	Potatoes	83.20	80.14	72.72	55.13	54.85	75.39
12	Onions 1kg	82.39	77.71	62.70	72.75	64.87	73.19
13	Tomatoes 1kg	153.26	147.76	122.74	133.49	99.67	110.76
14	Sugar Refined 1kg	105.22	102.11	99.04	97.68	99.50	106.09
15	Petrol Super Per Liter	104.47	104.47	104.47	104.47	104.44	104.47

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. Moreover, heavy rains in the country which caused damage the crops, also caused price increase in different essential items.

Price Comparison of Major Kitchen Items (Combined Group)						
Sr. No	Items	Prices			Impact Current/prev	
		15/10/2020	8/10/2020	17/10/19	Prev.	Corresp.
1	Wheat Flour	1074.16	1063.25	915.86	0.07	1.12
2	Rice Basmati	90.01	89.38	83.47	0.02	0.18
3	Mutton	1030.15	1030.15	934.84	0	0.49
4	Chicken Farm	196.56	171.6	167.31	0.82	1.11
5	Milk Fresh	105.49	105.21	94.29	0.08	3.6
6	Eggs Hen	165.14	155.46	116.1	0.19	1.12
7	Onions	73.9	76.32	77.66	-0.11	-0.2
8	Cooking oil 5liter	1265.05	1258.22	1146.33	0.03	0.58
9	Pulse Moong	243.31	243.82	174.81	0	0.28
10	Potatoes	68.39	69.68	45.64	-0.08	1.55
11	Tomatoes	140.78	141.6	93.25	-0.02	1.41
12	Sugar Refined	99.15	98.05	74.36	0.07	1.72



CONCLUSION

The Sensitive Price Indicator (SPI) inflation for the week under review, for the combined consumption group, witnessed a decrease of **0.23%** compared to last week. The decline is caused by drop in prices of essential kitchen items and on YOY basis combined consumption group showed an increase of **8.76 %** over corresponding week of last year. The declining price impact of **0.46%** was witnessed in combined consumption group for the week ended on 22-10-2020 for 27 kitchen items and on YoY basis it stood at **16.20%**. On the other hand, in lowest income group for 27 essential kitchen items, SPI witnessed a decreasing impact of **0.72 %** over last week and increased by **17.65%** on YoY basis mainly due to rising prices of perishable food items.