

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 (24-12-20)

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 24th December, 2020 recorded an increase of **0.11%** over last week. This increase was caused mainly due to rise in prices of food items i.e. Tomatoes (9.50%), Eggs (3.14%), Bananas (1.91%), Mustard Oil (1.21%) and non-food item LPG (1.40%) with joint impact of **0.25** into the overall SPI for combined group of **0.11%**.

On the other hand, a decrease was observed in the prices of Potatoes (12.05%), Onions (7.44%), Chicken (6.71%), Pulse Masoor (1.94%), Garlic (0.54%), Rice Irri (0.51%), Pulse Moong (0.34%), Rice Basmati Broken (0.30%), Pulse Mash (0.14%) and Pulse Gram (0.10%). During the week, out of 51 items, prices of 20 (39.22%) items increased, 10 (19.61%) items decreased and 21 (41.17%) items remained unchanged.

Table given below shows that during the week under review, expenditures groups Q1(-0.13%) and Q2(-0.02%) were beneficiaries by decrease in prices as compared to other expenditures groups which witnessed increasing impact. However, on YOY basis combined expenditures group witnessed price increase of **7.66%** over corresponding week of last year.

Expenditure Groups		SPI for week ended on			Percent change over	
		24/12/20	17/12/2020	26/12/2019	17/12/2020	26/12/2019
Q1	(UptoRs. 17,732)	145.85	146.04	134.01	-0.13	8.84
Q2	(Rs. 17,733 - 22,888)	141.26	141.29	129.93	-0.02	8.72
Q3	(Rs. 22,889 - 29,517)	143.10	143.02	131.64	0.06	8.71
Q4	(Rs. 29,518 - 44,175)	140.07	139.88	128.75	0.14	8.79
Q5	(Above Rs. 44,175)	141.83	141.61	132.81	0.16	6.79
-	<u>Combined</u>	140.89	140.73	130.87	0.11	7.66

Analysis of Weekly SPI for 27 kitchen items

For the week ended on 24th December, 2020, price impact witnessed an increase of **0.08%** in combined group over last week for 27 kitchen items because of rise in price impact of Wheat Flour Bag 20kg (0.04%), Milk fresh (0.84%), Eggs hen (0.12%), Vegetable Ghee Dalda/Habib 2.5 kg Tin (0.01%), Tomatoes (0.28%), Sugar Refined (0.03%), however a declining price impact was witnessed in Chicken Farm Broiler (0.52%), Potatoes (0.55%), Onions (0.21%), In lowest income group **Q1**, a decreasing price impact of **0.28%** was recorded in price impact of 27 kitchen items over last week.

HIGHLIGHTS

The SPI for the week ended on 24th December, 2020 recorded an increase of 0.11% over last week. This increase is mainly due to rise in prices of food items i.e. Tomatoes (9.50%), Eggs (3.14%), Bananas (1.91%), Mustard Oil (1.21%) and non-food item LPG (1.40%) with joint impact of 0.25 into the overall SPI for combined group of 0.11%.

On the other hand, a decrease was observed in the prices of Potatoes (12.05%), Onions (7.44%), Chicken (6.71%), Pulse Masoor (1.94%), Garlic (0.54%), Rice Irri (0.51%), Pulse Moong (0.34%), Rice Basmati Broken (0.30%), Pulse Mash (0.14%) and Pulse Gram (0.10%). During the week, out of 51 items, prices of 20 (39.22%) items increased, 10 (19.61%) items decreased and 21 (41.17%) items remained unchanged.

The year on year trend depicts an increase of 7.66% with most of the items increased mainly Chilies Powder (86.31%), Eggs (60.22%), Chicken (35.06%), Match Box (24.40%), Sufi Washing Soap (20.88%), Mustard Oil (19.00%), Pulse Mash (17.00%), Vegetable Ghee 1kg (16.44%), Long Cloth (16.24%) and Shirting (15.10%). While a major decrease was observed in the price of Onions (29.20%), LPG (17.30%), Diesel (13.22%), Garlic (12.40%), Tomatoes (9.59%), Petrol (8.95%) and Electricity for Q1 (5.15%) and

On year on year basis, combined group recorded a rising impact of **13.89%** which is attributed to increase in price impact of kitchen items i.e. Wheat Flour Bag (0.52%) Rice Basmati Broken (0.13%), Milk Fresh (4.55%), Eggs Hen Farm (1.67%), Chicken (1.99%) Beef (0.70%), Mutton (0.50%), Cooking Oil Dalda 5 litre tin (0.59%), Vegetable Ghee1kg Pouch (0.46%), Potatoes (0.10%) and Sugar (0.77%) however, a declining price impact was shown in Tomatoes (0.07%), Onions (1.12%). Price impact on YOY basis for lowest income group Q1 was **12.78%** which is lower than combined group on YOY basis.

Consumer Prices Of Essential Kitchen Items in Different Cities For Week Ended On 24-12-20

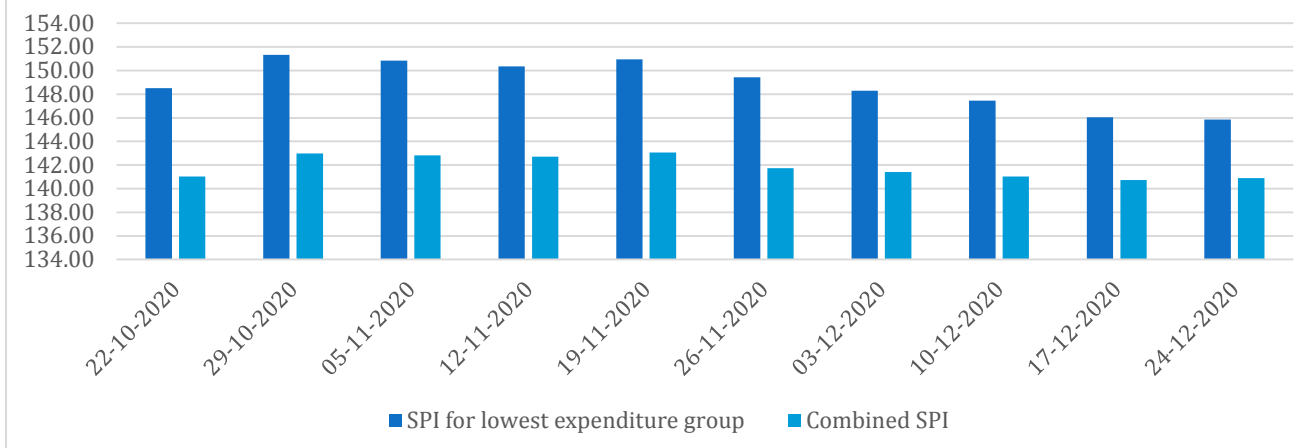
Sr. No	Units	Islamabad	Rawalpindi	Lahore	Karachi	Quetta	Peshawar
1	Wheat Flour Bag 20kg	864.15	860.00	860.00	1208.79	1260.00	1079.04
2	Rice Basmati Broken	106.56	98.54	76.87	99.43	104.92	80.00
3	Mutton (Average Quality) 1kg	1166.08	1171.61	1051.19	1081.51	1096.96	868.94
4	Chicken Farm Broiler(1kg)	216.09	212.91	196.00	245.65	224.96	211.00
5	Milk fresh (Un-boiled)	120.41	119.83	100.00	120.00	120.00	122.94
6	Eggs Hen 1dozen	207.81	201.76	201.00	198.35	224.96	215.50
7	Cooking Oil 5 liter	1295.00	1295.00	1295.00	1295.00	1295.00	1295.00
8	Pulse Moong 1kg	248.17	234.47	219.12	247.06	254.97	200.00
9	Pulse Mash 1kg	256.46	250.52	246.56	244.08	264.97	230.00
10	Pulse Gram 1kg	164.62	153.60	121.30	157.42	169.95	148.99
11	Potatoes	60.39	56.50	45.44	45.68	64.87	54.22
12	Onions 1kg	61.71	57.89	48.43	44.90	54.85	59.81
13	Tomatoes 1kg	107.89	101.02	105.08	96.66	84.90	78.82
14	Sugar Refined 1kg	85.00	83.70	83.06	81.88	85.00	86.64
15	Petrol Super Per Liter	104.19	104.20	104.21	104.21	104.18	104.19

The price of Wheat Flour Bag registered rise in Quetta and Peshawar as compared to last week. 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	
		24/12/2020	17/12/2020	26/12/19	Prev.	Corresp.
1	Wheat Flour	995.74	990.03	921.70	0.04	0.52
2	Rice Basmati	88.78	88.82	83.91	0.00	0.13
3	Mutton	1039.53	1038.80	942.07	0.00	0.50
4	Chicken Farm	217.07	232.87	164.26	-0.52	1.99
5	Milk Fresh	108.87	105.86	94.59	0.84	4.55
6	Eggs Hen	203.77	197.82	130.12	0.12	1.67
7	Onions	47.71	52.17	68.56	-0.21	-1.12
8	Pulse Moong	226.77	230.45	199.21	-0.01	0.11
10	Potatoes	47.64	56.92	46.15	-0.55	0.10
11	Tomatoes	99.16	88.31	101.47	0.28	-0.07
12	Sugar Refined	82.36	81.85	71.21	0.03	0.77

SPI Trend Since 22-10-2020



CONCLUSION

The Sensitive Price Indicator (SPI) inflation for the week under review, for the combined consumption quintiles, witnessed nominal increase of **0.11%** compared to last week. The rise was caused by increase in average prices of essential kitchen items, on YOY basis combined consumption groups showed an increasing trend of **7.66%** over corresponding week of last year. The increase in price impact of **0.08%** was witnessed in combined consumption group for the week ended on 24-12-2020 for 27 kitchen items and on YoY basis it stood at **13.89%**. On the other hand, in lowest income group for 27 essential kitchen items, SPI witnessed a decreasing impact of **0.28%** over last week, however a decreasing price impact of **12.78%** was witnessed in Q1. The prices of onions, chicken and potatoes reported significant reduction for the week ended on 24-12-2020. It is expected that with the arrival of import prices of wheat flour and sugar will decline in future.