

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 (25-02-21)

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 25th February, 2021 recorded an increase of 2.41% over last week. This increase is mainly due to rise in prices of food items i.e. Bananas (4.25%), Pulse Gram (2.43%), Chicken (2.14%), Potatoes & Mustard Oil (1.39%) each, Veg, Ghee 2.5kg (1.14%) Tea Prepared (1.08%) and among non-food items, Electricity for Q1 (64.59%), Long Cloth (2.96%) with joint impact of (2.49) into the overall SPI for combined group of (2.41%).

On the other hand, a decrease was observed in the prices of Tomatoes (6.04%), Onions (2.42%), LPG (2.03%), Gur (0.15%) and Firewood (0.01%).

During the week, out of 51 items, prices of 25 (49.02%) items increased, 05 (9.80%) items decreased and 21 (41.18%) items remained constant.

The following table reveals that price increase highly impacted Q1 (6.65%), and Q2 (3.57%) consumption groups/quintiles, during the week under review.

Expenditure Groups		SPI for week ended on			Percent change over	
		25/02/2021	18/02/2021	27/02/2020	18/02/2021	27/02/2020
Q1	(UptoRs. 17,732)	158.36	148.48	132.23	6.65	19.76
Q2	(Rs. 17,733 - 22,888)	149.17	144.03	127.37	3.57	17.12
Q3	(Rs. 22,889 - 29,517)	148.63	145.79	130.04	1.95	14.30
Q4	(Rs. 29,518 - 44,175)	144.45	142.61	127.56	1.29	13.24
Q5	(Above Rs. 44,175)	146.66	144.54	131.53	1.47	11.50
-	<u>Combined</u>	147.09	143.63	129.15	2.41	13.89

HIGHLIGHTS

The SPI for the week ended on 25th February, 2021 recorded an increase of 2.41% over last week. This increase is mainly due to rise in prices of food items i.e. Bananas (4.25%), Pulse Gram (2.43%), Chicken (2.14%), Potatoes & Mustard Oil (1.39%) each, Veg, Ghee 2.5kg (1.14%) Tea Prepared (1.08%) and among non-food items, Electricity for Q1 (64.59%), Long Cloth (2.96%) with joint impact of (2.49) into the overall SPI for combined group of (2.41%).

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During the week, out of 51 items, prices of 25 (49.02%) items increased, 05 (9.80%) items decreased and 21 (41.18%) items remained constant.

The year on year trend depicts an increase of 13.89% with most of the items increased mainly Chillies Powder National Pack (143.07%), Electricity for Q1 (85.95%), Eggs (66.33%), Chicken (61.70%), Gents Sandal (33.37%), Match Box (30.47%), Gents Sponge Chappal (25.13%), Mustard Oil (24.37%), Long Cloth (21.88%), Sugar (20.60%) and Washing Soap (19.64%). While a major decrease was observed in the price of Onions (46.90%), Garlic (34.65%), Tomatoes (25.12%), LPG (19.96%), Diesel (8.70%) and Petrol (3.99%).

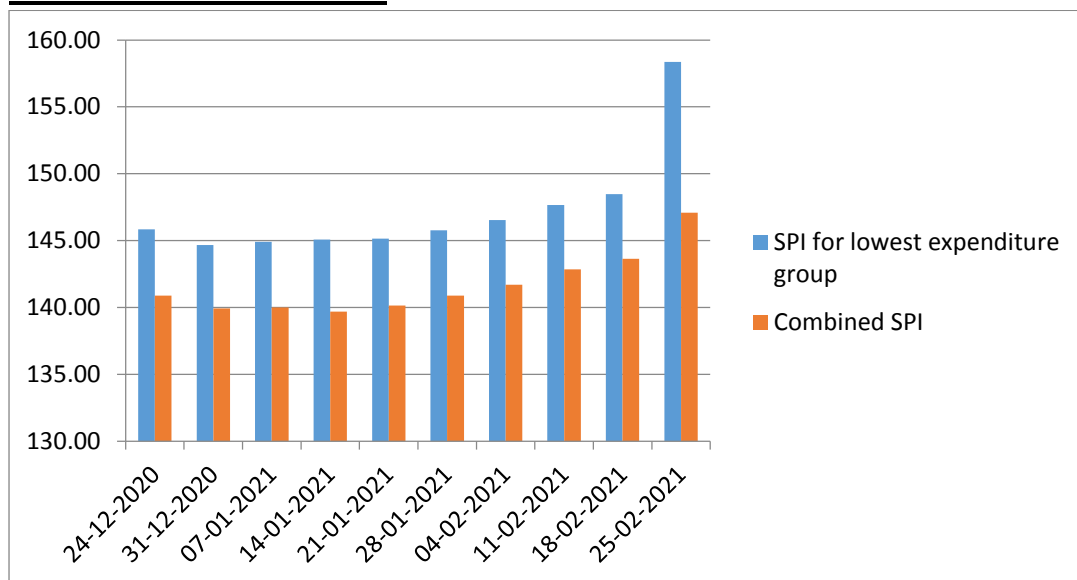
Analysis of Weekly SPI for 27 kitchen items

For the week ended on 25 February, 2021, price impact witnessed an increase of 0.29 % in combined group over last week for 27 kitchen items because of rise in price impact of Chicken Farm Broiler (0.25%), Vegetable Ghee Dalda HABIB or Other superior Quality 2.5 kg tin (0.02%), Bananas (0.07%), Pulse Gram (0.01%), Wheat Flour Bag 20kg (0.03%), Sugar Refined (0.04%) Potatoes (0.04%), however a decrease in price impact was witnessed in Eggs (0.01%) Onions (0.11%), Tomatoes (0.06%). On year-on-year basis, combined group recorded a rising impact of 15.81 % which is attributed to increase in price impact of kitchen items i.e., Wheat Flour Bag (0.77%) Rice Basmati Broken (0.19 %), Chicken (3.69%), Milk Fresh (4.17%), Eggs Hen Farm (1.45%), Beef (0.65%), Mutton (0.50%), Cooking Oil Dalda 5 litre tin (0.96%), Vegetable Ghee 1kg

Pouch (0.57%), and Sugar (1.19%) however, a declining price impact was shown in Tomatoes (0.30%), Onions (1.79%), Potatoes (0.02%).

In lowest income group Q1, an increasing price impact of 0.19 % was recorded in 27 kitchen items over last week, on YOY basis Q1 witnessed an increasing impact of 14.63 %. During the week ended on 25-02-21, lowest expenditure group Q1 witnessed higher price impact compared to last week.

SPI Trend since 24-12-20



Consumer Prices of Essential Kitchen Items in Different Cities for Week Ended On 25-02-21

Sr. No	Units	Islamabad	Rawalpindi	Lahore	Karachi	Quetta	Peshawar
1	Wheat Flour Bag 20kg	864.15	860.00	860.00	1290.81	960.00	1019.09
2	Rice Basmati Broken	109.00	99.87	76.87	105.26	104.92	90.00
3	Mutton (Average Quality) 1kg	1199.65	1189.83	1051.19	1081.51	1096.96	868.94
4	Chicken Farm Broiler(1kg)	240.24	237.28	225.00	286.31	289.97	238.00
5	Milk fresh (Un-boiled)	120.41	119.83	96.07	120.00	120.00	121.85
6	Eggs Hen 1dozen	155.47	152.30	152.00	151.03	154.95	150.00
7	Cooking Oil 5 liter	1495.00	1495.00	1495.00	1495.00	1495.00	1495.00
8	Pulse Moong 1kg	263.90	243.76	235.54	247.98	269.97	216.61
9	Pulse Mash 1kg	284.63	261.13	287.06	250.34	269.97	258.88
10	Pulse Gram 1kg	175.44	157.79	144.20	159.52	174.95	150.00
11	Potatoes	51.54	43.73	39.46	34.12	34.76	48.27
12	Onions 1kg	51.54	43.73	32.22	35.73	44.81	42.03
13	Tomatoes 1kg	50.59	39.55	32.57	23.55	29.72	30.97
14	Sugar Refined 1kg	97.72	95.69	95.70	96.34	95.00	95.00
15	Petrol Super Per Liter	112.42	112.43	112.42	112.43	112.43	112.41

CONCLUSION The Sensitive Price Indicator (SPI) inflation for the week under review, for the combined consumption quintiles, witnessed an increase of **2.41%** compared to last week. The rise was caused by increase in average prices of chicken, bananas, Veg. Ghee and cooking oil, wheat, onions and sugar and among non-food items, electricity for Q1 (64.59 percent),, on YOY basis combined

consumption groups showed an increasing trend of **13.89%** over corresponding week of last year. During the week under review, pulse gram registered price increase as production is less than consumption and demand is met through bulk import from India. Similarly, international price hike of sugar put pressure on domestic prices. It is expected that rising international oil prices will lead to increase in domestic prices of essential commodities. With the third consecutive week increase in SPI, the CPI for the month of February 2021, is likely to show upward inflation trend.

- ✓ Price hike of chicken is caused by pressure on demand side due to wedding and winter season.
- ✓ A significant reduction is witnessed in prices of perishable food items like, tomatoes and potatoes, these items witnessed rise in prices during recent past due to seasonal effects.
- ✓ International Palm oil prices rose as much as 4.6% to hit a near one-month high on February 10,21, oil prices advanced to their highest in a span of thirteen months because of supply cuts by major producers. The increasing import price has also affected domestic prices
- ✓ Moreover, prices of vegetable ghee at utility stores have also been raised to Rs. 30/per kg. The impact of this increase will be seen in the coming days.

The year-on-year trend depicts an increase of 13.89% with most of the items increased mainly Chilies Powder National Pack (143.07%), Electricity for Q1 (85.95%), Eggs (66.33%), Chicken (61.70%), Gents Sandal (33.37%), Match Box (30.47%), Gents Sponge Chappal (25.13%), Mustard Oil (24.37%), Long Cloth (21.88%), Sugar (20.60%) and Washing Soap (19.64%). While a major decrease was observed in the price of Onions (46.90%), Garlic (34.65%), Tomatoes (25.12%), LPG (19.96%), Diesel (8.70%) and Petrol (3.99%).