

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 (28-01-21)

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 28th January, 2021 recorded an increase of 0.52% over last week.** The increase in index is caused by rise in prices of kitchen items i.e. Chicken (14.81%), Chillies Powder National (9.40%), Cooking Oil 5 liter (4.11%), Veg. Ghee 1 kg (3.83%), Veg. Ghee 2.5 kg (3.56%) and Mustard Oil (1.38%) and among non-food items, Washing Soap (2.15%) with joint impact of (1.07) into the overall SPI for combined group of **0.52%**. On the other hand, a decrease was observed in the prices of Tomatoes (29.82%), Eggs (8.20%), Potatoes (3.37%), Onions (2.28%), LPG (1.73%), Sugar (1.54%), Pulse Moong (0.68%), Bananas (0.32%) and Wheat Flour Bag (0.07%). During the week, out of 51 items, prices of 18 (35.29%) items increased, 09 (17.64%) items decreased and 24 (47.06%) items remained constant.

For the week ended on January 28, 2021, percentage changes by consumption groups/quintiles and combined following shows that during the week under review, a reversal trend is witnessed as Q2 (0.51%), Q3 (0.53%), and Q4 (0.56%) were more affected by price increase as compared to Q1 (0.43%).

Expenditure Groups		SPI for week ended on			Percent change over	
		28/01/2021	21/01/2021	23/01/2020	21/01/2021	30/01/2020
Q1	(UptoRs. 17,732)	145.78	145.15	134.06	0.43	8.74
Q2	(Rs. 17,733 - 22,888)	141.11	140.40	129.93	0.51	8.60
Q3	(Rs. 22,889 - 29,517)	143.06	142.30	131.90	0.53	8.46
Q4	(Rs. 29,518 - 44,175)	139.98	139.20	129.09	0.56	8.44
Q5	(Above Rs. 44,175)	141.92	141.19	133.08	0.52	6.64
-	<u>Combined</u>	140.88	140.15	131.08	0.52	7.48

Analysis of Weekly SPI for 27 kitchen items

For the week ended on 28th January, 2021, price impact witnessed an increase of **0.84%** in combined group over last week for 27 kitchen items because of rise in price impact of Chicken Farm Broiler (0.85%), Cooking Oil DALDA 5 Litre Tin (0.31 %), Vegetable Ghee Dalda HABIB or Other superior Quality 1 kg Pouch (0.06 %), Bananas (0.06%) however a decrease in price

HIGHLIGHTS

The SPI for the week ended on 28th January, 2021 recorded an increase of 0.52% over last week. The increase in index is caused by rise in prices of kitchen items i.e. Chicken (14.81%), Chillies Powder National (9.40%), Cooking Oil 5 liter (4.11%), Veg. Ghee 1 kg (3.83%), Veg. Ghee 2.5 kg (3.56%) and Mustard Oil (1.38%) and among non-food items, Washing Soap (2.15%) with joint impact of (1.07) into the overall SPI for combined group of 0.52%.

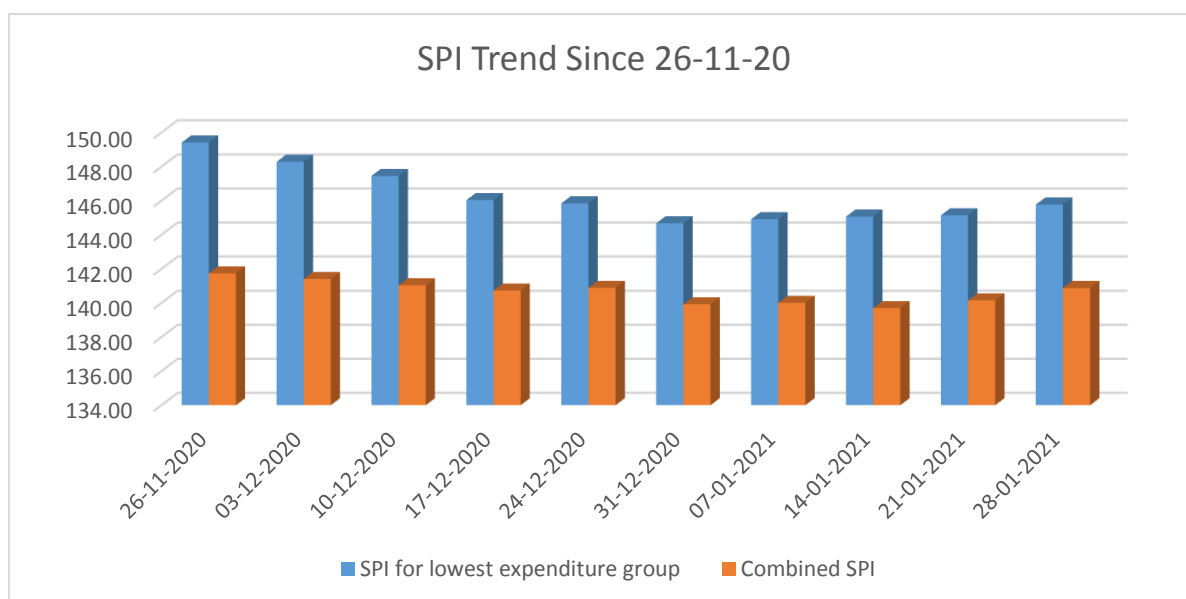
On the other hand, a decrease was observed in the prices of Tomatoes (29.82%), Eggs (8.20%), Potatoes (3.37%), Onions (2.28%), LPG (1.73%), Sugar (1.54%), Pulse Moong (0.68%), Bananas (0.32%) and Wheat Flour Bag (0.07%). During the week, out of 51 items, prices of 18 (35.29%) items increased, 09 (17.64%) items decreased and 24 (47.06%) items remained constant.

The year on year trend depicts an increase of 7.48% with most of the items increased mainly Chillies Powder National (122.97%), Match Box (25.39%), Mustard Oil (22.09%), Vegetable Ghee 1 kg (21.85%), Veg. Ghee 2.5kg (20.67%), Eggs (20.20%), Cooking Oil 5 liter (18.69%), Washing Soap & Long Cloth (16.07%), Shirting (15.32%), Rice Irri 6/9 (14.77%), Bread Plain (14.47%), Sugar (14.22%) and Curd (13.03%). While a major decrease was observed in the price of Tomatoes (29.37%), Onions (25.58%), Garlic (20.26%), Pulse Gram (12.18%), Potatoes (11.18%), Diesel (10.99%), LPG (9.87%), Petrol (6.32%), Electricity for Q1

impact was witnessed in Eggs Hen (0.22%), Potatoes (0.17%) Onions (0.07%) Tomatoes(0.48%) Sugar Refined (0.07%).

On year-on-year basis, combined group recorded a rising impact of **12.64%** which is attributed to increase in price impact of kitchen items i.e., Wheat Flour Bag (0.23%) Rice Basmati Broken (0.13%), Chicken (0.90%) , Milk Fresh (4.51%), Eggs Hen Farm (0.59%), Beef (0.65%), Mutton (0.49%), Cooking Oil Dalda 5 litre tin (1.31%), Vegetable Ghee1kg Pouch (0.70%), and Sugar (0.87%) however, a declining price impact was shown in Tomatoes (0.53%), Onions (0.60%), Potatoes (0.26%).

In lowest income group Q1, an increasing price impact of **0.57%** was recorded in price impact of 27 kitchen items over last week, on YOY basis lowest quintile witnessed an increasing impact of 12.40%. However, the graph shows that increasing price pressure on Q1 has eased due to better supply position and strict price monitoring by the government.



Consumer Prices Of Essential Kitchen Items in Different Cities For Week Ended On 28-01-21

Sr. No	Units	Islamabad	Rawalpindi	Lahore	Karachi	Quetta	Peshawar
1	Wheat Flour Bag 20kg	864.15	860.00	860.00	1257.34	960.00	1019.09
2	Rice Basmati Broken	106.56	98.54	76.87	99.43	104.92	81.05
3	Mutton (Average Quality) 1kg	1174.39	1189.83	1051.19	1081.51	1096.96	868.94
4	Chicken Farm Broiler(1kg)	209.83	206.60	191.00	226.01	204.96	201.00
5	Milk fresh (Un-boiled)	120.41	119.83	100.00	120.00	120.00	121.85
6	Eggs Hen 1dozen	143.10	139.25	137.00	150.29	154.95	150.00
7	Cooking Oil 5 liter	1495.00	1495.00	1495.00	1495.00	1495.00	1355.00
8	Pulse Moong 1kg	258.11	243.76	235.54	243.69	274.97	200.00
9	Pulse Mash 1kg	266.47	257.11	248.47	244.22	274.97	237.69
10	Pulse Gram 1kg	172.16	153.60	126.99	157.09	174.95	150.00
11	Potatoes	53.82	50.06	39.24	34.53	44.81	45.28
12	Onions 1kg	54.77	49.11	39.00	36.76	44.81	44.17
13	Tomatoes 1kg	67.12	56.83	46.91	33.71	54.85	46.21
14	Sugar Refined 1kg	96.23	92.93	95.41	90.40	95.00	200.00
15	Petrol Super Per Liter	109.71	109.71	109.71	109.72	109.70	109.71

Regional Average Price Comparison of Major Kitchen Items				
Sr. No	Items	Prices in PKR on (28/01/21)		
		India	Afg	Pak
1	Wheat Flour	54.83	89.13	47.32
2	Rice	65.80	208.00	89.53
3	Cooking oil	239.06	242.65	299.00
4	Chicken Farm	Nil	624.00	207.25
5	Onions	83.34	44.55	39.82
6	Pulse Moong	241.25	145.60	231.96
7	Potatoes	39.48	44.55	39.01
8	Tomatoes	54.83	83.20	44.95
9	Sugar Refined	81.15	104.00	90.3

CONCLUSION

The Sensitive Price Indicator (SPI) inflation for the week under review, for the combined consumption quintiles, witnessed an increase of **0.52%** compared to last week. The rise was caused by increase in average prices of chicken, bananas, Veg. Ghee and cooking oil, on YOY basis combined consumption groups showed an increasing trend of **7.48%** over corresponding week of last year. It is expected that in coming weeks' prices of essential items like wheat flour sugar and vegetables are expected to reduce as Wheat consumption during the year is 27 million tons whereas total available stock including import is 28.026 million tons production in 2019-20 is 25.249 million tons. Similarly, prices of sugar and vegetable are expected to reduce due to arrival of new crops. Cooking oil prices have increased during the week under review due to increase in international palm oil prices, as around 90 % palm oil, government is monitoring import and working on a comprehensive tax plan for oil industry to reduce taxes to relief the consumers. A significant reduction is witnessed in prices of perishable food items like onions, tomatoes and potatoes, these items witnessed rise in prices due to seasonal effects. However, the impact of increase in fuel prices will push the cost push inflation in the coming days which needs to be looked into.