

# **Inflation Monitor**

**June 2014**



**State Bank of Pakistan**

**Statistics & DWH Department**

ISSN 1992-8327 (print)

ISSN 1992-8335 (online)

The analysis in this document is based on data

- Provided by Pakistan Bureau of Statistics (PBS), for domestic inflation analysis
- Retrieved from IMF & World Bank websites for global inflation analysis

[http://www.sbp.org.pk/publications/inflation\\_Monitor](http://www.sbp.org.pk/publications/inflation_Monitor)

<b>Contents</b>		<b>Page</b>
1.	Inflation in Brief .....	1
2.	City- wise Inflation .....	7
3.	Income Group- wise Inflation .....	8
4.	Weighted Contribution .....	10
5.	Inflation Diffusion Index .....	11
6.	Domestic Commodity Prices .....	12
7.	Global Commodity Prices .....	12
8.	Seasonal Adjustment in CPI .....	13
Annexure A		
Table A1	CPI Inflation by Groups	17
Table A2	Distribution of Price Changes (YoY) of CPI Basket	17
Table A3	Top and Bottom 15 Contributors to CPI Inflation (YoY)	18
Table A3.1	Top and Bottom 15 Contributors to CPI Inflation (MoM)	19
Table A3.2	Top Fifteen Contributors to CPI Inflation (YoY)	20
Table A3.3	Top Ten Contributors to CPI Food Inflation (YoY)	21
Table A3.4	Top Ten Contributors to CPI Non-Food Inflation (YoY)	22
Table A4	Distribution of Price Changes (YoY) - Selected CPI Items	23
Table A5	City-wise CPI Inflation by Income Groups	24
Table A6	City- wise CPI Inflation (YoY)	25
Table A7	Income Group-wise Inflation	26
Table A8	SPI Item-wise Price Movements	27
Table A9	Distribution of Price Changes (YoY)-WPI Items	28
Table A10	Consumer Price Index Numbers by Major Groups and Composite Commodities	29-30
Table A11	Wholesale Price Index Numbers by Major Groups and Composite Commodities	31-32
Table A12	Price Indices	33
Table A13	International Commodity Prices/ Indices	34
Table A14	CPI Data Series- Original and Seasonally Adjusted	35
Table A15	CPI Food Data Series- Original and Seasonally Adjusted	36
Table A16	CPI Monthly & Average Seasonal Factors	37
Table A17	CPI Food Monthly & Average Seasonal Factors	37
Table A18	CPI Month-on-Month % Change- Original & Seasonally Adjusted	38
Table A19	CPI Food Month-on-Month % Change- Original & Seasonally Adjusted	39
Figure A1	CPI Non-food Inflation	40
Figure A2	Frequency Distribution of Price Changes of CPI Items	41
Figure A3	Frequency Distribution of Price Changes of WPI Commodities	42
Figure A4	Group- wise/ overall Inflation Diffusion Index and Respective/ Overall YoY Inflation	43
Annexure B	Technical Notes	44-47

**Team Leader**

- Behzad Ali Ahmad

Sr. Joint Director  
[behzad.ali@sbp.org.pk](mailto:behzad.ali@sbp.org.pk)

**Team Members**

- Muhammad Ashfaq
- Syed Salman Bukhari

Deputy Director  
[muhammad.ashfaqch@sbp.org.pk](mailto:muhammad.ashfaqch@sbp.org.pk)  
Assistant Director  
[salman.bukhari@sbp.org.pk](mailto:salman.bukhari@sbp.org.pk)

## **Review**

### **Inflation in Brief**

1. Headline CPI inflation (2007-08=100) is recorded at 8.2 percent on year-on-year basis in June 2014 as compared to 8.3 percent in the previous month and 5.9 percent in the corresponding month of last year.
2. CPI inflation on month-on-month basis is recorded at 0.6 percent in June 2014 as compared to -0.3 percent in the previous month and 0.7 percent during the corresponding month of last year. Seasonally adjusted month-on-month CPI inflation is recorded at 0.7 percent in June 2014 compared to 0.3 percent in the previous month.
3. Core inflation (trimmed) on year-on-year basis decreased to 7.9 percent in June 2014 as compared to 8.3 percent in the previous month and 6.8 percent during the corresponding month of last year.
4. On month-on-month basis, the Core inflation (trimmed) is recorded at the level of 0.3 percent in June 2014 as well as in previous month and 0.6 percent during the corresponding month of last year.
5. Non-food, non-energy inflation measured by CPI Core (NFNE) on year-on-year basis remained at the level of 8.7 percent in June 2014 and in previous month. It was 7.8 percent in the corresponding month of last year.
6. Core NFNE inflation on month-on-month basis decreased to 0.4 percent in June 2014 as compared to 0.5 percent in the previous month. A 0.4 percent increase in Core NFNE index was observed in June 2013.
7. WPI inflation on year-on-year basis increased to 7.7 percent in June 2014 when compared to 7.3 percent a month earlier. During June 2013, WPI inflation was recorded at 5.2%.

8. WPI inflation on month-on-month basis is recorded at 1.4 percent in June 2014 as compared to -0.1 percent in the previous month and 1.0 percent during the corresponding month of last year.
9. SPI inflation on year-on-year basis decreased to 8.0 percent in June 2014 as compared to 9.3 percent in the previous month. It was 4.6 percent in the corresponding month of last year.
10. SPI inflation on month-on-month basis is recorded at 1.2 percent in June 2014 as compared to -0.9 percent in the previous month and 2.5 percent in the corresponding month of last year.

### **1.1 A New Measure of Core Inflation**

A new method of permanently excluding relatively volatile commodities from CPI basket in Pakistan has been developed by SBP. This is achieved by making use of trimming approach on past data on monthly CPI changes to isolate a Relatively Stable Component of CPI (RSC-CPI) as a new measure of core inflation. This method ensures inclusion of both food and non-food commodities that show persistent price behavior in Pakistan (see technical notes for details). Developments in core inflation measured by RSC- CPI for the month of June 2014 are described below:

- Core inflation based on new measure RSC on year-on-year basis is recorded at 9.1 percent in June 2014 compared to 8.8 percent in the previous month and 5.5 percent in the corresponding month of last year.
- Core RSC inflation on month-on-month basis is recorded at 0.9 percent in June 2014 compared to 0.6 percent in the previous month and 0.7 percent in the corresponding month of last year.

Monthly CPI, WPI and SPI data is summarized in the following table.

Table 1.1 Inflation Trends (percent) (Base 2007- 08 = 100)																
Period	CPI Inflation						Core Inflation						WPI Inflation		SPI*** Inflation	
	General		Food		Non-food		NFNE*		Trimmed		RSC**					
	YoY	MoM	YoY	MoM	YoY	MoM	YoY	MoM	YoY	MoM	YoY	MoM	YoY	MoM	YoY	MoM
Jun-13	5.9	0.7	7.9	1.1	4.4	0.5	7.8	0.4	6.8	0.6	5.5	0.7	5.2	1.0	4.6	2.5
Jul-13	8.3	2.0	9.2	3.0	7.6	1.3	8.2	1.5	7.8	1.2	8.2	1.6	6.5	1.6	9.1	2.1
Aug-13	8.5	1.2	10.3	2.0	7.3	0.6	8.5	0.6	7.9	0.6	8.4	0.6	8.3	2.6	9.0	1.2
Sep-13	7.4	-0.3	7.9	-1.5	7.0	0.6	8.7	0.6	7.6	0.6	8.5	0.5	8.7	0.7	7.9	-0.1
Oct-13	9.1	2.0	9.8	1.7	8.6	2.2	8.4	0.9	9.0	0.8	8.4	0.8	9.8	1.1	10.9	2.3
Nov-13	10.9	1.3	13.0	2.6	9.4	0.3	8.5	0.4	9.2	0.4	8.5	0.3	10.4	0.2	14.6	3.4
Dec-13	9.2	-1.3	9.3	-3.3	9.1	0.2	8.2	0.2	8.7	0.4	8.4	0.3	8.9	-1.0	12.1	-1.9
Jan-14	7.9	0.5	7.2	0.0	8.4	0.9	8.1	1.0	8.2	0.6	8.1	0.8	8.1	0.5	9.5	-0.8
Feb-14	7.9	-0.3	7.6	-1.0	8.2	0.2	7.8	0.2	8.1	0.2	8.0	0.3	7.6	-0.1	9.3	-0.2
Mar-14	8.5	1.0	9.3	2.1	8.0	0.2	7.6	0.3	8.1	0.3	7.8	0.2	7.7	0.3	10.5	1.7
Apr-14	9.2	1.7	9.9	2.0	8.7	1.5	8.5	1.9	9.0	0.9	8.5	1.7	7.0	0.1	10.3	-0.1
May-14	8.3	-0.3	7.4	-1.2	9.0	0.4	8.7	0.5	8.3	0.3	8.8	0.6	7.3	-0.1	9.3	-0.9
Jun-14	8.2	0.6	7.4	1.0	8.9	0.3	8.7	0.4	7.9	0.3	9.1	0.9	7.7	1.4	8.0	1.2
* NFNE is Non-food non-energy      ** Relatively Stable Component of CPI      *** SPI for all income groups combined																

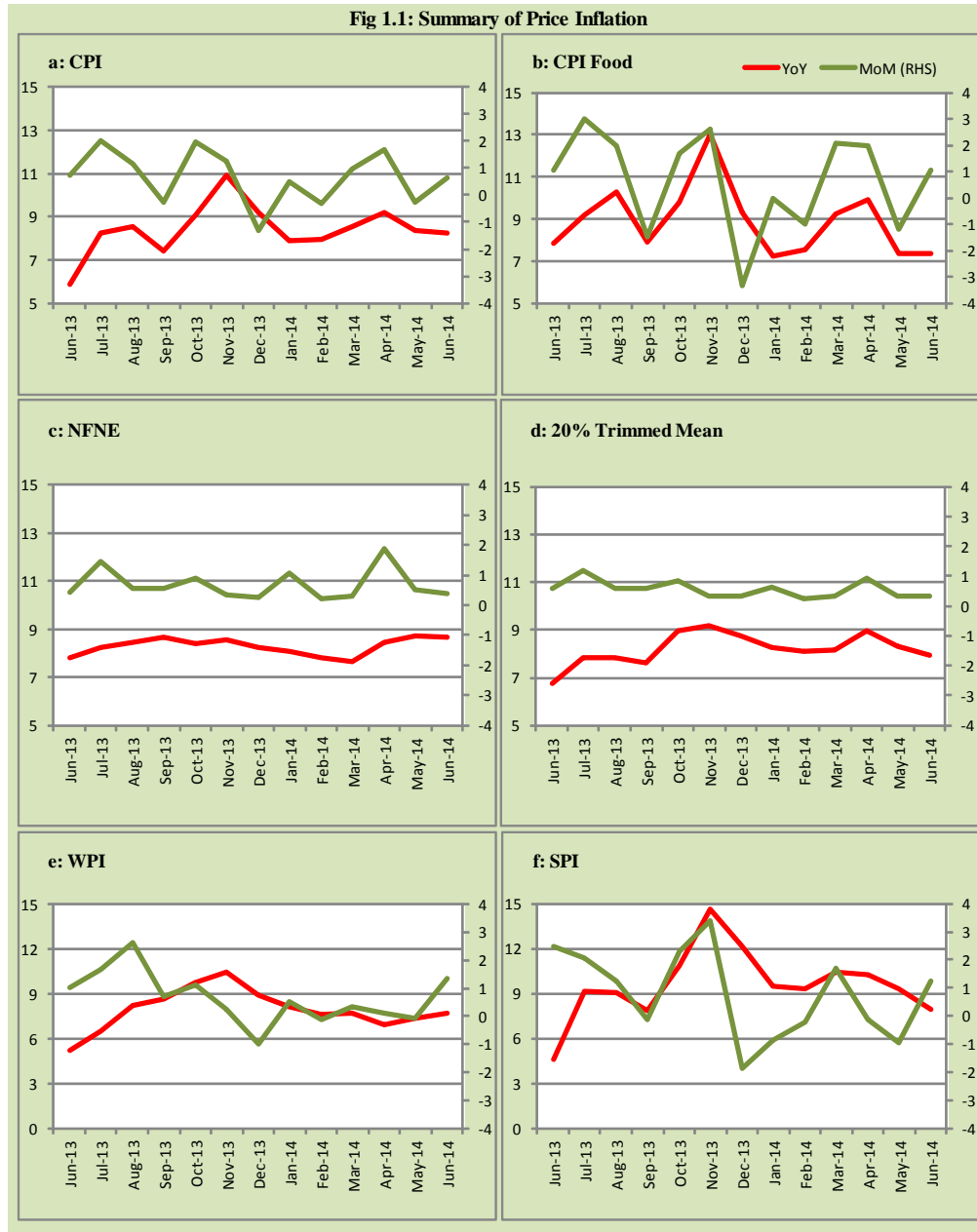
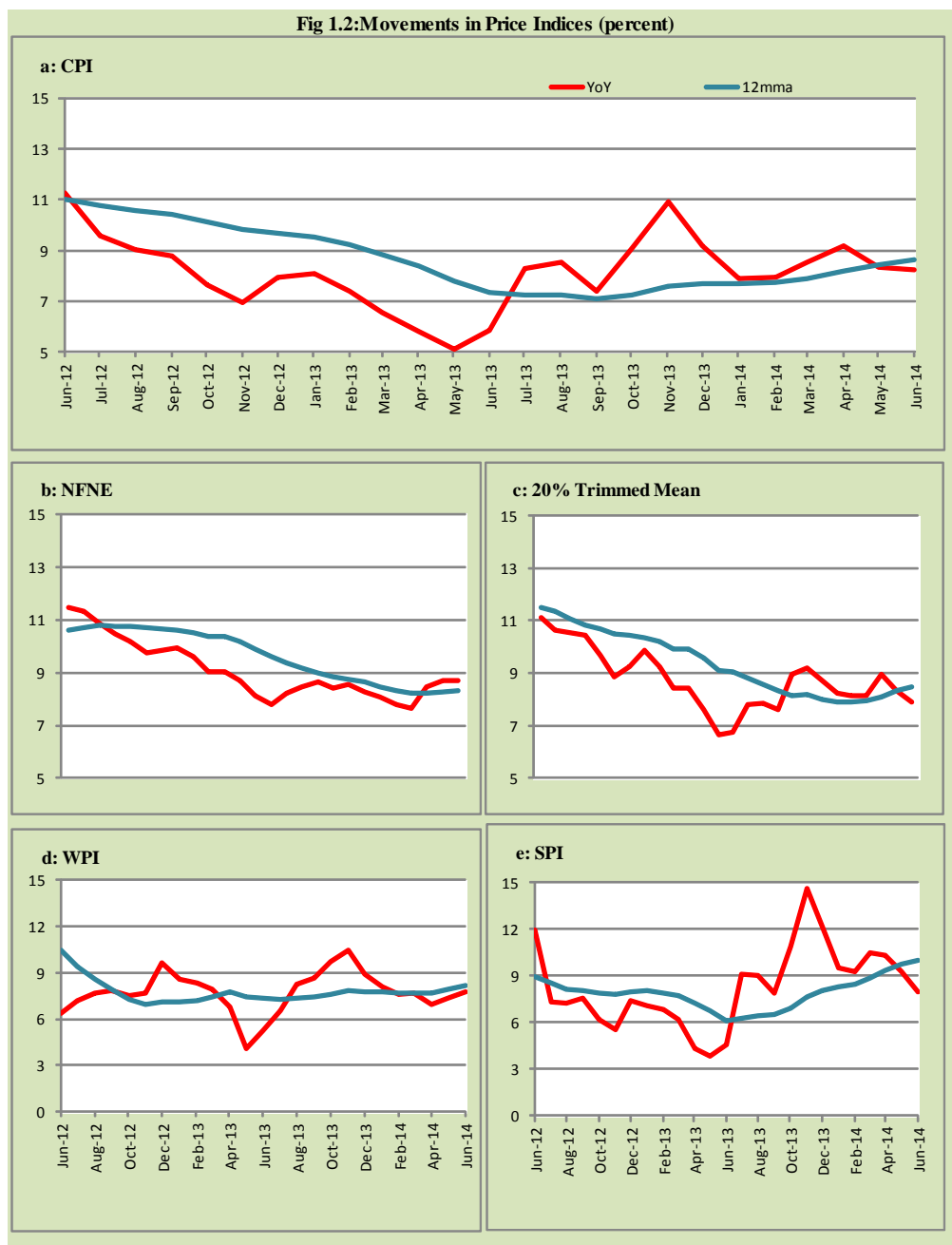




Fig 1.2: Movements in Price Indices (percent)



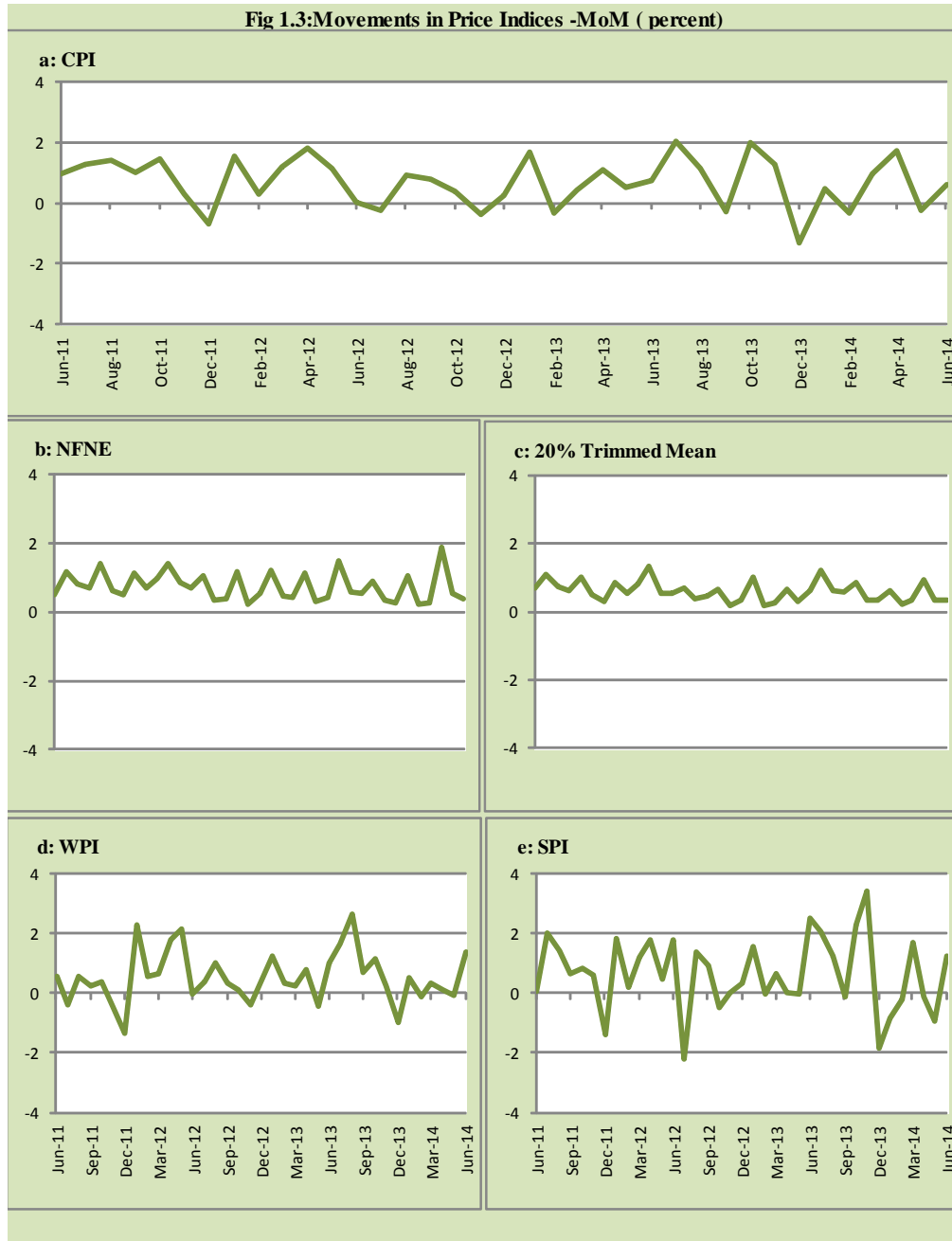
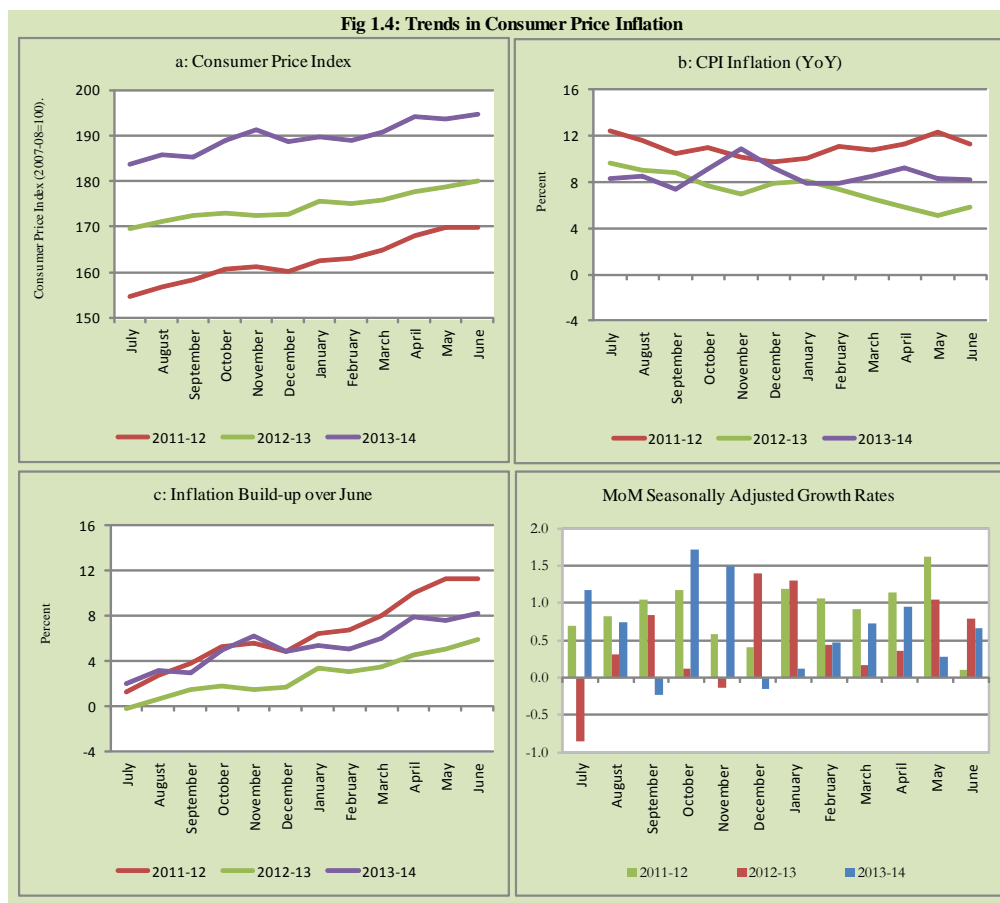


Fig 1.4: Trends in Consumer Price Inflation



## 2. City wise Inflation

CPI Inflation on year-on-year basis in federal and provincial capitals of Pakistan was higher than overall inflation during June 2014 except Quetta. Among these five cities, the lowest inflation was observed in Quetta at 6.3 percent while the highest inflation was observed in Islamabad at 14.6 percent (Table A6 of annexure-A).

<b>Table 2.1 City-wise Inflation of Selected Cities (percent)</b>						
	<b>Jun-13</b>		<b>May-14</b>		<b>Jun-14</b>	
	<b>MoM</b>	<b>YoY</b>	<b>MoM</b>	<b>YoY</b>	<b>MoM</b>	<b>YoY</b>
<b>Overall CPI</b>	0.7	5.9	-0.3	8.3	0.6	8.2
Islamabad	-0.1	5.6	-0.1	14.2	0.3	14.6
Karachi	1.4	4.7	0.0	8.9	1.0	8.5
Lahore	1.0	4.8	-0.4	9.8	1.3	10.1
Peshawar	0.8	7.4	-0.9	10.3	-0.2	9.3
Quetta	1.2	5.6	-0.8	7.1	0.5	6.3

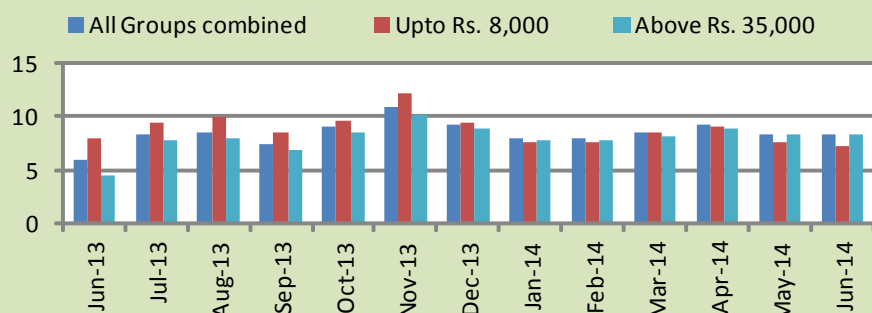
### **3. Income Group wise Inflation**

Income group- wise data showed that income group above Rs. 35,000 witnessed lower inflation than the overall inflation in CPI basket during June 2014 for non-food group. The lowest income group (Up to Rs. 8, 000) has the mixed trend among the income groups during the month of June 2014 (Table A7 of annexure-A).

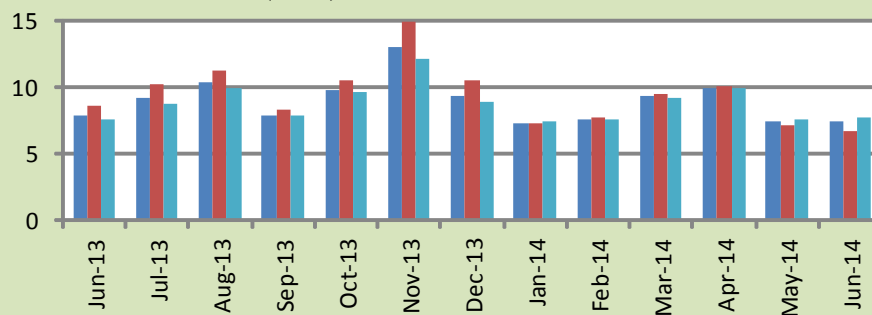
<b>Table 3.1 Income Group- wise Inflation (YoY)</b>									
<b>Income Groups</b>	<b>General</b>			<b>Food</b>			<b>Non-food</b>		
	<b>Jun-13</b>	<b>May-14</b>	<b>Jun-14</b>	<b>Jun-13</b>	<b>May-14</b>	<b>Jun-14</b>	<b>Jun-13</b>	<b>May-14</b>	<b>Jun-14</b>
<b>All Groups Combined</b>	5.9	8.3	8.2	7.9	7.4	7.4	4.4	9.0	8.9
Up to Rs. 8,000	7.9	7.5	7.1	8.6	7.1	6.7	7.0	8.0	7.7
Rs. 8,001- 12,000	7.5	7.5	7.2	8.3	7.2	6.9	6.6	7.7	7.5
Rs. 12,001- 18,000	7.3	8.6	8.4	8.1	7.3	7.1	6.6	9.9	9.6
Rs. 18,001- 35,000	5.6	8.7	8.6	7.9	7.4	7.4	3.7	9.9	9.6
Above Rs. 35,000	4.5	8.4	8.3	7.5	7.5	7.7	3.0	8.8	8.7

**Fig 3.1: Income Group- wise Inflation**

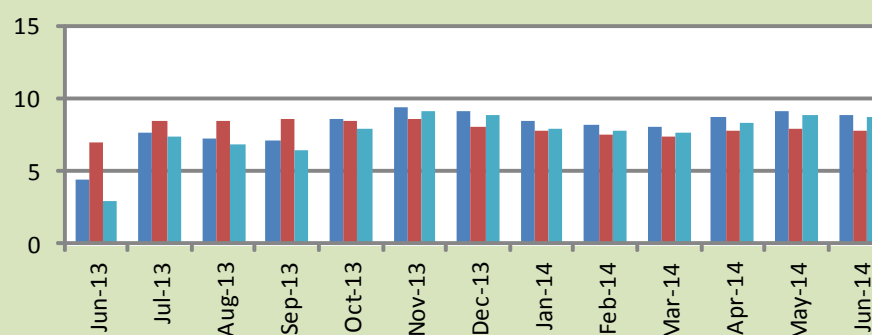
**a: CPI Overall Inflation (YoY)**



**b: CPI Food Inflation (YoY)**



**c: CPI Non-Food Inflation (YoY)**



#### **4. Weighted Contribution**

The weighted contribution of food group in the overall inflation slightly increased to 37.67 percent during June 2014 from 37.10 percent in May 2014. It was 55.58 percent in June 2013.

The weighted contribution of non-food group showed decrease to touch 62.33 percent in June 2014 from 62.90 percent in May 2014.

<b>Table 4.1 Weighted Contribution to CPI Inflation (YoY)</b>						
<b>Period</b>	<b>Food</b>	<b>Clothing &amp; Footwear</b>	<b>Housing, Water, Elect, Gas &amp; Other Fuel</b>	<b>Transport</b>	<b>Education</b>	<b>Others</b>
Jun-13	55.58	17.03	3.84	3.09	4.46	15.99
Jul-13	46.72	13.37	20.20	5.27	3.25	11.19
Aug-13	50.74	13.02	19.40	1.98	3.35	11.51
Sep-13	44.97	14.90	22.53	0.16	3.91	13.52
Oct-13	45.18	11.62	26.61	2.68	3.37	10.55
Nov-13	50.12	9.70	22.42	6.24	2.76	8.76
Dec-13	42.35	10.02	26.60	7.26	3.33	10.44
Jan-14	38.35	11.56	30.05	5.41	3.80	10.83
Feb-14	39.62	11.30	30.01	4.66	3.59	10.82
Mar-14	45.11	10.53	27.61	3.41	2.85	10.48
Apr-14	44.99	9.50	26.89	3.49	5.60	9.53
May-14	37.10	10.81	29.55	4.60	7.03	10.91
Jun-14	37.67	10.49	29.57	3.90	7.29	11.08

## 5. Inflation Diffusion Index

**Table 5.1 Inflation Diffusion Index - based on MoM change**

	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14
General	48.4	58.0	53.5	51.4	53.9	49.7	50.0	43.6	43.6	45.9	41.2	46.5	38.9
Food & Non-Alcoholic Beverages	50.4	53.5	39.8	36.3	57.4	49.6	41.1	29.2	38.4	59.5	23.9	33.6	25.7
Alcoholic Beverages & Tobacco	100.0	100.0	16.7	66.7	50.0	-33.3	66.7	50.0	0.0	0.0	33.3	83.3	66.7
Clothing & Footwear	55.9	76.3	76.3	83.1	78.0	83.1	76.3	78.0	71.2	52.5	67.8	67.8	57.6
Housing, Water, Elect, Gas & other Fuels	50.0	66.7	41.7	33.3	61.1	44.4	25.0	55.6	25.0	27.8	38.9	27.8	33.3
Furnishing & Household Equip. Maintenance etc	76.8	78.3	85.5	78.3	82.6	85.5	89.9	76.8	81.2	75.4	82.6	89.9	69.6
Health	10.3	17.9	28.2	10.3	17.9	15.4	20.5	5.1	10.3	28.2	25.6	25.6	17.9
Transport	32.6	53.5	39.5	53.5	48.8	30.2	34.9	32.6	37.2	25.6	16.3	9.3	18.6
Communication	16.7	58.3	33.3	16.7	16.7	25.0	16.7	0.0	16.7	16.7	-8.3	16.7	8.3
Recreation & Culture	28.2	33.3	41.0	33.3	23.1	20.5	33.3	20.5	15.4	7.7	30.8	23.1	20.5
Education	43.8	50.0	68.8	56.3	25.0	0.0	37.5	25.0	0.0	12.5	31.3	62.5	68.8
Restaurant & Hotels	66.7	100.0	100.0	100.0	83.3	83.3	100.0	100.0	100.0	100.0	66.7	100.0	50.0
Miscellaneous	57.1	60.0	65.7	74.3	40.0	62.9	57.1	48.6	62.9	62.9	48.6	65.7	54.3
NFNE	47.9	58.6	58.6	55.9	51.8	52.4	53.3	48.5	46.7	42.6	48.5	51.2	43.5

See annexure B (Technical Notes) for the definition of Inflation Diffusion Index.

## 6. Domestic Commodity Prices

**Table 6.1 Inflation in Domestic CPI Food Commodities**

Sr. No	Item	Unit	Jun-13		May-14		Jun-14	
			YoY	MoM	YoY	MoM	YoY	MoM
1	Wheat	10 Kg	18.58	2.63	10.39	-8.81	6.44	-1.04
2	Wheat Flour Bag	10 Kg	19.52	2.70	10.11	-6.94	6.21	-0.94
3	Rice Basmati Sup. Qlty.	Kg	19.83	1.73	8.91	1.10	6.90	-0.15
4	Pulse Masoor (Washed)	Kg	6.00	1.35	19.87	0.93	18.26	-0.01
5	Pulse Moong (Washed)	Kg	-3.41	2.27	34.77	4.48	34.39	1.98
6	Pulse Mash (Washed)	Kg	-4.86	0.67	8.30	4.00	11.47	3.61
7	Pulse Gram	Kg	-21.40	-1.27	-12.06	-0.46	-10.79	0.16
8	Vegetable Ghee (Loose)	Kg	-6.71	0.39	2.37	-1.49	1.63	-0.34
9	Sugar Refined	Kg	-2.08	1.57	-1.40	-1.23	0.42	3.44
10	Milk Fresh (Unboiled)	Ltr	7.94	1.59	7.70	1.17	7.49	1.40
11	Tea- Tapal Danedar	200 Gm	23.20	0.70	-18.57	-7.50	-20.99	-2.28
12	Beef With Bone Av. Qlty.	Kg	3.39	0.14	6.05	0.37	6.16	0.25
13	Mutton Av. Qlty.	Kg	5.36	0.55	7.00	0.06	6.89	0.45
14	Chicken Farm Broiler (Live)	Kg	15.59	23.16	20.23	-1.11	-5.43	-3.13
15	Eggs Farm	Doz	2.47	-2.63	4.78	-8.31	9.36	1.63
16	Potatoes	Kg	-0.16	19.16	175.43	1.67	138.68	3.26
17	Onion	Kg	87.83	-14.17	-28.23	-9.54	-18.62	-2.68
18	Tomatoes	Kg	125.05	23.19	-50.07	-49.57	-35.06	60.22
19	Ginger	Kg	31.78	2.21	94.47	3.48	122.00	16.69
20	Garlic	Kg	36.30	-8.23	-12.47	-12.56	-9.56	-5.19

## 7. Global Commodity Prices

**Table 7.1 Changes in Major Global Indices (percent)**

Item/ Group	Jun-13		May-14		Jun-14	
	YoY	MoM	YoY	MoM	YoY	MoM
<b>Overall</b>	5.4	-0.1	2.7	-0.2	3.3	0.5
Food	9.6	0.4	-1.3	-1.4	-5.3	-3.7
Metals	-8.6	-3.8	-6.7	-2.9	-4.6	-1.6
Energy	7.2	0.2	4.8	0.6	6.7	2.0
Agricultural Raw Material	6.5	2.9	3.0	-1.6	-0.6	-0.6
Cotton	13.3	0.5	0.1	-1.6	-2.3	-2.0

Source: IMF



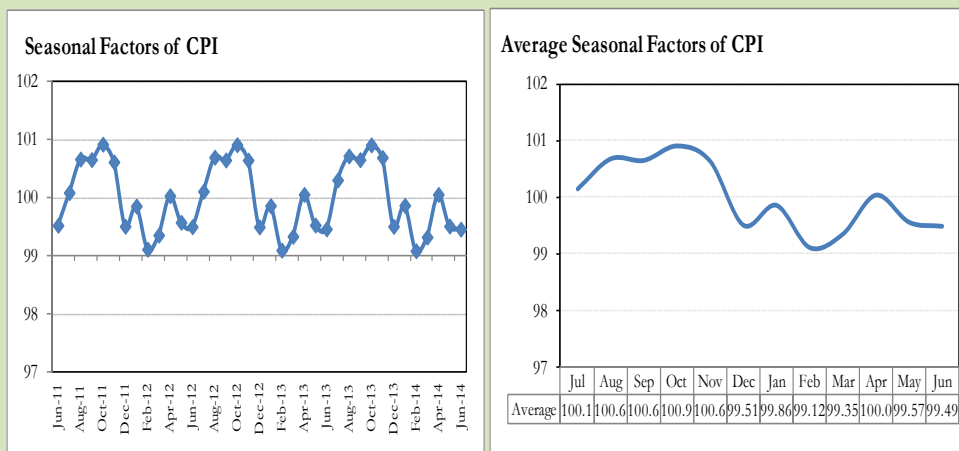
## **8. Seasonal Adjustment in CPI**

Seasonal adjustment is the process of estimating and removing the seasonal effects from a time series after decomposing it into seasonal, trend, cycle and irregular components. The purpose is to identify the different components of the time series and thus provide a better understanding of its underlying behavior. Seasonally adjusted changes are usually preferred for analyzing general price trends in the economy because they eliminate the effect of changes that normally occur at the same time and in about the same magnitude every year. Various statistical methods can be used to decompose a time series into its constituent components. The State Bank of Pakistan uses X-12- ARIMA Seasonal Adjustment Method for this purpose.

The changes in consumer prices are normally reported in terms of year-on-year and month-on-month basis. Seasonal adjustment is particularly useful for analyzing month-on-month changes. The monthly data series of Consumer Price Index (CPI) from July 2008 to June 2014 has been used for seasonal adjustment analysis. The seasonal analysis is carried out without taking trading-day or Islamic calendar month's effects.

Figure 8.1 reveals that seasonality in CPI has been increasing over the period of last four years. Average seasonal factors reveal strong seasonality during the calendar year. There is an upward seasonality during the months from July to November & April and downward seasonality in the remaining months of the year. Upward and downward seasonality is above and below the trend line respectively. It is important to note that seasonal factors are estimates based on present and past experience and that future data may not necessarily show the same pattern of seasonal factors.

**Fig. 8.1 Seasonal Factors of CPI**



Note: Data Available in Annex Table 16.

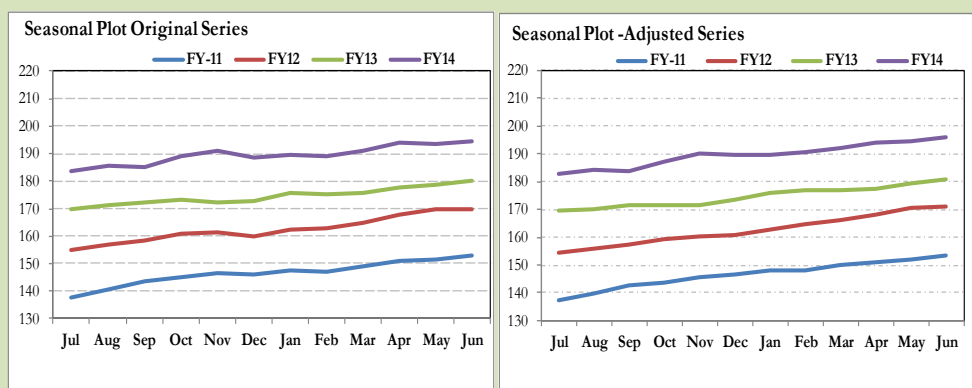
**Fig. 8.2 Seasonal Factors of CPI Food**



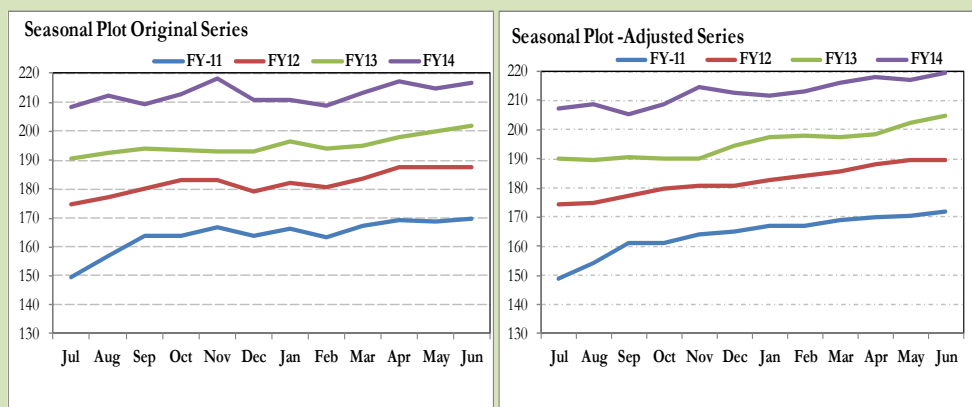
Note: Data Available in Annex Table 17.

Figures 8.3 & 8.4 show that seasonally adjusted series are relatively smoother than the original series due to the removal of the seasonal variations. The trend follows the long-term movement in original series, and is smoother than the original series because some irregular fluctuations have been removed.

**Fig. 8.3 Seasonal Plots of CPI**



**Fig. 8.4 Seasonal Plots of CPI (Food)**



Seasonally adjusted CPI for June 2014 stood at 195.79 against 194.74 in original series showing an increase of 1.05 on account of adjustment of downward seasonality in June 2014.

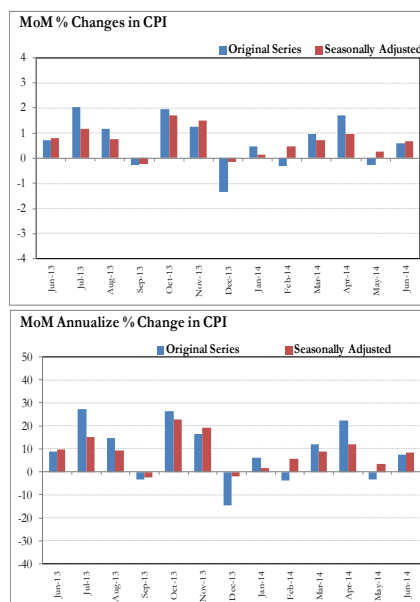
Seasonally adjusted CPI food group for June 2014 stood at 219.67 against 216.98 in original series showing an increase of 2.69 on account of adjustment of downward seasonality in June 2014.

Month-on-month change of seasonally adjusted CPI series stood at 0.67% reflecting increase during June 2014 over May 2014 and an increase of 0.61% in original series.

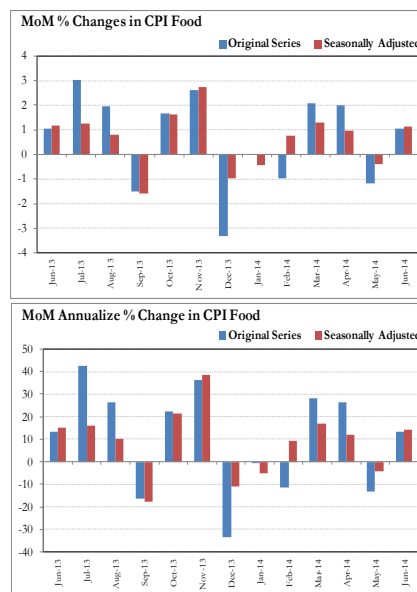
Month-on-month change of seasonally adjusted CPI food group series stood at 1.12% reflecting increase during June 2014 over May 2014 and an increase of 1.04% in original series.

It is important to note that inflation rates should be analyzed on the basis of seasonally adjusted rates. This is especially needed for inflation rates on month-on-month basis. The most recent annual rate of inflation is usually indicated by annualizing the seasonally adjusted month-on-month rate. Annualized rate of CPI inflation in June 2014 (corresponding to the seasonally adjusted month-on-month rate) is 8.32 percent.

**Fig. 8.5 Month-on-Month Percent Changes in CPI**



**Fig. 8.6 Month-on-Month Percent Changes in CPI Food**



**Annexure A**

<b>Table A1: CPI Inflation by Groups (percent)</b>							
	Weight	MoM change			YoY change		
		Jun-13	May-14	Jun-14	Jun-13	May-14	Jun-14
<b>I. Food Group</b>	<b>37.5</b>	<b>1.1</b>	<b>-1.2</b>	<b>1.0</b>	<b>7.9</b>	<b>7.4</b>	<b>7.4</b>
Food & Non-Alcoholic Beverages	34.8	1.0	-1.3	0.4	8.1	6.8	6.1
Alcoholic Beverages & Tobacco	1.4	1.8	0.8	15.9	3.5	17.0	33.2
Restaurant & Hotels	1.2	0.3	0.5	0.3	8.0	13.4	13.3
<b>II. Non-Food Group</b>	<b>62.5</b>	<b>0.5</b>	<b>0.4</b>	<b>0.3</b>	<b>4.4</b>	<b>9.0</b>	<b>8.9</b>
Clothing & Footwear	7.6	1.5	1.1	1.0	13.6	11.6	11.0
Housing, Water, Elect, Gas & other Fuels	29.4	0.1	0.0	0.0	0.8	9.7	9.6
Furnishing & Household Equip. Maintenance etc	4.2	0.6	0.5	1.0	7.3	9.4	9.8
Health	2.2	0.4	1.1	0.2	9.2	7.6	7.4
Transport	7.2	0.9	-0.3	0.1	2.3	5.1	4.3
Communication	3.2	0.0	0.0	0.1	4.1	0.9	0.9
Recreation & Culture	2.0	0.7	0.3	0.1	8.2	6.7	6.1
Education	3.9	0.8	2.1	1.1	7.4	16.4	16.7
Miscellaneous	2.8	-0.1	1.0	-0.1	6.2	6.3	6.3
<b>Headline</b>	<b>100.0</b>	<b>0.7</b>	<b>-0.3</b>	<b>0.6</b>	<b>5.9</b>	<b>8.3</b>	<b>8.2</b>

<b>Table A2: Distribution of Price changes (YoY) of CPI basket</b>											
Groups	% changes	No. of items in each inflation range									
		Total number of items		Decrease or no change (0% or less)		Subdued increase (>0% but <5%)		Moderate increase (5% but less than 10%)		Double digit increase (10% or more)	
		Jun-13	Jun-14	Jun-13	Jun-14	Jun-13	Jun-14	Jun-13	Jun-14	Jun-13	Jun-14
<b>I. Food Group</b>	<b>7.4</b>	<b>126</b>	<b>126</b>	<b>26</b>	<b>29</b>	<b>21</b>	<b>20</b>	<b>42</b>	<b>30</b>	<b>37</b>	<b>47</b>
Food & Non-Alcoholic Beverages	6.1	114	114	26	29	17	19	35	28	36	38
Alcoholic Beverages & Tobacco	33.2	6	6	0	0	4	1	2	1	0	4
Restaurant & Hotels	13.3	6	6	0	0	0	0	5	1	1	5
<b>II. Non-Food Group</b>	<b>8.9</b>	<b>348</b>	<b>348</b>	<b>58</b>	<b>70</b>	<b>76</b>	<b>54</b>	<b>118</b>	<b>108</b>	<b>96</b>	<b>116</b>
Clothing & Footwear	11.0	59	59	3	6	0	2	13	16	43	35
Housing, Water, Elect, Gas & other Fuels	9.6	36	36	13	8	5	1	15	16	3	11
Furnishing & Household Equip. Maintenance etc	9.8	69	69	3	1	20	14	33	25	13	29
Health	7.4	39	39	16	20	4	6	8	5	11	8
Transport	4.3	43	43	6	16	17	11	17	12	3	4
Communication	0.9	12	12	3	4	5	3	4	2	0	3
Recreation & Culture	6.1	39	39	8	11	15	8	7	13	9	7
Education	16.7	16	16	2	1	4	1	6	5	4	9
Miscellaneous	6.3	35	35	4	3	6	8	15	14	10	10
<b>Overall</b>	<b>8.2</b>	<b>474</b>	<b>474</b>	<b>84</b>	<b>99</b>	<b>97</b>	<b>74</b>	<b>160</b>	<b>138</b>	<b>133</b>	<b>163</b>

Note: Prices of 13 seasonal items were not reported during the month.

Table A3: Top and Bottom 15 Contributors to CPI Inflation (YoY) in June 2014					
Top 15 Contributors		Weights	YoY Change		Weighted Contribution
Items/ Contributors			Jun-13	Jun-14	
Ranked by Weighted Contribution					
1	House Rent	21.81	7.07	8.63	18.40
2	Electricity	4.40	0.00	15.82	9.23
3	Milk Fresh	6.68	7.79	7.62	7.76
4	Potatoes	0.47	-0.16	138.68	7.45
5	Education	3.94	7.39	16.73	7.29
6	Cigarette	1.39	3.47	33.61	6.15
7	Fresh Fruits	1.86	-11.26	15.23	3.95
8	Wheat Flour	4.16	19.99	6.87	3.86
9	Cotton Cloth	1.73	14.91	14.43	2.97
10	Meat	2.43	4.04	6.41	2.35
11	Ready Made Food	1.23	7.97	13.35	2.33
12	Beverages	1.20	9.22	11.67	1.74
13	Tailoring	0.88	13.06	13.16	1.72
14	Household Servant	1.04	8.10	12.34	1.70
15	Bakery & Confectionary	1.16	7.93	11.38	1.63
Total		54.40			78.55
Bottom 15 Contributors					
1	Tea	0.84	16.92	-16.32	-2.29
2	Tomatoes	0.44	125.06	-35.06	-1.88
3	Onion	0.53	87.82	-18.62	-1.61
4	Chicken	1.36	15.59	-5.43	-1.05
5	Pulse Gram	0.24	-21.40	-10.79	-0.33
6	Fresh Vegetable	1.68	29.28	-1.29	-0.30
7	Besan	0.15	-13.93	-12.67	-0.26
8	Gram Whole	0.16	-15.61	-7.74	-0.16
9	Cooking Oil	1.75	2.97	-0.36	-0.07
10	Mustard Oil	0.10	-0.07	-0.20	0.00
11	Motor Vehicle Tax	0.11	1.13	0.00	0.00
12	Gas	1.58	-45.61	0.00	0.00
13	Kerosene Oil	0.01	5.67	4.15	0.00
14	Gur	0.02	14.07	1.44	0.01
15	Medical Equipment	0.01	8.98	6.94	0.01
Total		8.97			-7.94

**Table A3.1: Top and Bottom 15 Contributors to CPI Inflation (MoM) in June 2014**

<u>Top 15 Contributors</u>		<u>MoM Change</u>		Weighted Contribution	
Items/ Contributors	Weights	May-14	Jun-14		
Ranked by Weighted Contribution					
1	Cigarette	1.39	0.77	16.18	42.35
2	Milk Fresh	6.68	1.30	1.43	19.20
3	Tomatoes	0.44	-49.58	60.22	16.24
4	Education	3.94	2.10	1.15	7.19
5	Cotton Cloth	1.73	2.64	2.22	6.36
6	Sugar	1.04	-1.23	3.44	5.70
7	Beverages	1.20	2.12	2.55	5.16
8	Potatoes	0.47	1.68	3.26	5.03
9	Household Servant	1.04	0.15	2.52	4.73
10	Spices	0.54	0.59	2.79	2.82
11	Milk Product	0.63	1.12	1.58	1.98
12	Woolen Cloth	0.88	0.09	1.19	1.97
13	Tailoring	0.88	1.05	0.92	1.68
14	Meat	2.43	0.27	0.32	1.55
15	Pulse Mash (Washed)	0.21	4.00	3.61	1.29
Total		23.52			123.25
Bottom 15 Contributors					
1	Fresh Vegetable	1.68	-3.82	-4.83	-14.50
2	Wheat Flour	4.16	-6.07	-1.11	-8.40
3	Chicken	1.36	-1.11	-3.13	-7.38
4	Tea	0.84	-6.43	-1.71	-2.55
5	Onion	0.53	-9.55	-2.67	-2.41
6	Personal Equipments	0.84	1.41	-0.73	-1.34
7	Cooking Oil	1.75	0.25	-0.44	-1.05
8	Vegetable Ghee	2.07	-0.56	-0.35	-0.97
9	Wheat	0.35	-8.81	-1.04	-0.62
10	Motor Fuel	3.03	-0.78	-0.12	-0.59
11	Fire Wood Whole	0.23	0.25	-0.42	-0.21
12	Wheat Product	0.10	-2.26	-0.72	-0.13
13	Beans	0.03	-1.59	-1.46	-0.08
14	Betel Leaves & Nuts	0.02	2.04	-1.04	-0.04
15	Pulse Masoor	0.27	1.18	-0.06	-0.02
Total		17.26			-40.28

Table A3.2: Top Fifteen Contributors to CPI Inflation (YoY) in June 2014					
Items/ Contributors		Weights	YoY Change		Weighted Contribution
			Jun-13	Jun-14	
A. Ranked by Percentage Change					
1	Potatoes	0.47	-0.16	138.68	7.45
2	Pulse Moong	0.23	-3.41	34.39	1.22
3	Cigarette	1.39	3.47	33.61	6.15
4	Postal Services	0.07	2.21	23.25	0.18
5	Pulse Masoor	0.27	6.26	17.06	0.48
6	Education	3.94	7.39	16.73	7.29
7	Milk Powder	0.11	8.43	16.11	0.23
8	Electricity	4.40	0.00	15.82	9.23
9	Fresh Fruits	1.86	-11.26	15.23	3.95
10	Cotton Cloth	1.73	14.91	14.43	2.97
11	Doctor (MBBS) Clinic Fee	0.59	12.75	14.29	1.16
12	Condiments	0.27	3.32	13.76	0.53
13	Wheat Product	0.10	16.17	13.68	0.17
14	Woolen Readymade Garments	0.40	18.47	13.45	0.69
15	Ready Made Food	1.23	7.97	13.35	2.33
Total		17.06			44.05
B. Ranked by Weights					
1	House Rent	21.81	7.07	8.63	18.40
2	Milk Fresh	6.68	7.79	7.62	7.76
3	Electricity	4.40	0.00	15.82	9.23
4	Wheat Flour	4.16	19.99	6.87	3.86
5	Education	3.94	7.39	16.73	7.29
6	Communication & Apparatus	3.15	4.19	0.25	0.07
7	Motor Fuel	3.03	-0.61	4.25	1.56
8	Transport Services	2.70	3.69	3.88	1.44
9	Meat	2.43	4.04	6.41	2.35
10	Vegetable Ghee	2.07	-5.47	1.54	0.34
11	Fresh Fruits	1.86	-11.26	15.23	3.95
12	Cooking Oil	1.75	2.97	-0.36	-0.07
13	Cotton Cloth	1.73	14.91	14.43	2.97
14	Fresh Vegetable	1.68	29.28	-1.29	-0.30
15	Rice	1.58	12.21	3.94	0.79
Total		63.00			59.64
Note: Weighted contribution is estimated by multiplying the weights by the price change of an item; this is then reported as a share in YoY change in CPI, which is 8.2 percent in June, 2014.					



**Table A3.3: Top Ten Contributors to CPI Food Inflation (YoY) in June 2014**

Table 1: Top 10 Contributors to CPI Food Inflation (2013/14 to June 2014)					
Items/ Contributors		Weights	YoY Change		Weighted Contribution
			Jun-13	Jun-14	
A. Ranked by Weighted Contribution					
1	Milk Fresh	6.68	7.79	7.62	7.76
2	Potatoes	0.47	-0.16	138.68	7.45
3	Cigarette	1.39	3.47	33.61	6.15
4	Fresh Fruits	1.86	-11.26	15.23	3.95
5	Wheat Flour	4.16	19.99	6.87	3.86
6	Meat	2.43	4.04	6.41	2.35
7	Ready Made Food	1.23	7.97	13.35	2.33
8	Beverages	1.20	9.22	11.67	1.74
9	Bakery & Confectionary	1.16	7.93	11.38	1.63
10	Pulse Moong	0.23	-3.41	34.39	1.22
Total		20.82			38.45
B. Ranked by Percentage Change					
1	Potatoes	0.47	-0.16	138.68	7.45
2	Pulse Moong	0.23	-3.41	34.39	1.22
3	Cigarette	1.39	3.47	33.61	6.15
4	Pulse Masoor	0.27	6.26	17.06	0.48
5	Milk Powder	0.11	8.43	16.11	0.23
6	Fresh Fruits	1.86	-11.26	15.23	3.95
7	Condiments	0.27	3.32	13.76	0.53
8	Wheat Product	0.10	16.17	13.68	0.17
9	Ready Made Food	1.23	7.97	13.35	2.33
10	Nimco	0.46	8.31	11.82	0.75
Total		6.39			23.28
C. Ranked by Weights					
1	Milk Fresh	6.68	7.79	7.62	7.76
2	Wheat Flour	4.16	19.99	6.87	3.86
3	Meat	2.43	4.04	6.41	2.35
4	Vegetable Ghee	2.07	-5.47	1.54	0.34
5	Fresh Fruits	1.86	-11.26	15.23	3.95
6	Cooking Oil	1.75	2.97	-0.36	-0.07
7	Fresh Vegetable	1.68	29.28	-1.29	-0.30
8	Rice	1.58	12.21	3.94	0.79
9	Cigarette	1.39	3.47	33.61	6.15
10	Chicken	1.36	15.59	-5.43	-1.05
Total		24.98			23.78
Note: Weighted contribution is estimated by multiplying the weights by the price change of an item; this is then reported as a share in YoY change in CPI Food, which is 7.4 percent in June, 2014.					

Table A3.4: Top Ten Contributors to CPI Non-food Inflation (YoY) in June 2014					
Items/ Contributors		Weights	YoY Change		Weighted Contribution
			Jun-13	Jun-14	
A. Ranked by Weighted Contribution					
1	House Rent	21.81	7.07	8.63	18.40
2	Electricity	4.40	0.00	15.82	9.23
3	Education	3.94	7.39	16.73	7.29
4	Cotton Cloth	1.73	14.91	14.43	2.97
5	Tailoring	0.88	13.06	13.16	1.72
6	Household Servant	1.04	8.10	12.34	1.70
7	Ready Made Garment	0.97	11.61	13.29	1.59
8	Motor Fuel	3.03	-0.61	4.25	1.56
9	Transport Services	2.70	3.69	3.88	1.44
10	Personal Care	1.49	6.76	7.37	1.38
Total		42.01			47.28
B. Ranked by Percentage Change					
1	Postal Services	0.07	2.21	23.25	0.18
2	Education	3.94	7.39	16.73	7.29
3	Electricity	4.40	0.00	15.82	9.23
4	Cotton Cloth	1.73	14.91	14.43	2.97
5	Doctor (MBBS) Clinic Fee	0.59	12.75	14.29	1.16
6	Woolen Readymade Garments	0.40	18.47	13.45	0.69
7	Ready Made Garment	0.97	11.61	13.29	1.59
8	Tailoring	0.88	13.06	13.16	1.72
9	Hosiery	0.51	12.79	12.80	0.86
10	Household Servant	1.04	8.10	12.34	1.70
Total		14.53			27.40
C. Ranked by Weights					
1	House Rent	21.81	7.07	8.63	18.40
2	Electricity	4.40	0.00	15.82	9.23
3	Education	3.94	7.39	16.73	7.29
4	Communication & Apparatus	3.15	4.19	0.25	0.07
5	Motor Fuel	3.03	-0.61	4.25	1.56
6	Transport Services	2.70	3.69	3.88	1.44
7	Cotton Cloth	1.73	14.91	14.43	2.97
8	Gas	1.58	-45.61	0.00	0.00
9	Footwear	1.55	11.92	2.83	0.47
10	Personal Care	1.49	6.76	7.37	1.38
Total		45.39			42.81
Note: Weighted contribution is estimated by multiplying the weights by the price change of an item; this is then reported as a share in YoY change in CPI Non-food, which is 8.9 percent in June, 2014.					

**Table A4: Distribution of Price Changes (YoY) - Selected CPI Items: June 2014**

Groups	Decrease or no change	Subdued increase (Greater than 0% but less than 5%)	Moderate increase (5% but less than 10%)	Double digit increase (10% or more)
Food & Non-Alcoholic Beverages	Tomatoes, Tea Lipton Yellow Label 200 Gm, Karaila, Tapal Danedar Tea 200 Gm, Chillies Green, Onion, Lady Finger	Jam Ahmed/Mitchelles, Rooh Afza, Custard Powder Rafhan 300, Rice Irri-6/9 (Sindh/Punj), Raisins Av. Qlty., Pumpkin, Dates Av. Qlty.	Wheat Flour Fine/Superior, Eggs Farm, Muskmelon (Kharbooza), Biscuit-Bakery (Loose), Nimco, Beans (Lal Lobia)	Potatoes, Ginger, Coconut Dry Av.Qlty., Pulse Moong (Washed), Coriander Seed (Loose), Bananas, Pistachio Av.Qlty., Aloo Bukhara, Pepper Black National, Cold Drink (Standard Size), Salt Powdered (National/Shan)
Alcoholic Beverages & Tobacco		Betel Nuts	Betel Leaves	Cigarettes Capstan 20,S, Cigarettes Morven Gold 20,S, Cigarettes K-20,S, Cigarettes Gold Leaf 20,S
Clothing & Footwear	Gents Spoung Chappal Bata, Ladies Spoung Chappal Bata, Ladies Sandal Bata, Child Shoe Power Lite Bata, Gents Sandal Bata, Gents Shoe	Tailoring Coat-Pant Suit, Pullover Ladies Oxford/Bon	Dry Cleaning Suit Coat Pant, Lungi/Dhoti (Cotton) Avg. Qlty, Dopatta Cotton Av. Qlty, Linen Av.Qlty, Dopatta Georgette Av.Qlty, Gents Shoes Paul Bata	Secondhand Winter Jacket, Lawn Printed Gul Ahmed/Al Karam, Brassier Av.Qlty, Frock W/Wear Girls, Shirting Av. Qlty., Shirt Boy 24"/26" Length, Tailoring Suit (Female), Handkerchief Avg. Qlty Pak, Pullover (Gents) Others Av.Qlty, Brassier Sup. Qlty
Housing, Water, Elect, Gas & other Fuels	Elect. Charges Upto 50 Units, Elect. Charges 01 - 100 Units, Gas Chrg Over 100 - 200 Mmbtu, Gas Chrg All Over 500 Mmbtu	Kerosene Oil	Carpenter Wage Rate, Electrician Wage Rate(P/Day), Firewood Whole, Unskilled Labour Wage Rat, Sand (Black Pit Sand)	Elect. Charges 301 - 1000 Units, Elect. Charges 101 - 300 Units, Timber Shesham Log, Elect. Charges Overall/ Combined, Elect. Charges Above 1000 Units, Cement Blocks (6"X8"X12"), Electrician Wage Rate(P/Pnt), Cement (Local)
Furnishing & Household Equip. Maintenance etc	Sewing Machine Needle (Singer)	Washing Soap 250 Gm, S. Steel Plate Avg. Qlty, Electric Blub Energy Saver 14 Watt, Carpet Plain Av. Qlty, Washing Machine (Singer)	Pressure Cooker 4 Ltr., Tawa Iron (Medium Size) Avg. Qlty, Dari Cotton (6X2 1/2), Gas Burner Double, Farshi Dari 12'X9' Av.Qlty, Harpic	Boot Polish Cherry/Kiwi 50 Ml, Robin Blue (35 Gms), Finis 500 Ml, Cleanser Powder Vim 1000 Gms, Match Box (Small), Chair Shesham Wood, Chair Plastic (Chairman) Av. Qlty, Bed Sheet Double With Two Pillow Cover
Health	Hydriyllin Syrup 120 Ml, Polyfax Eye Ointment, Flagyl Tab. 200 Mg., Betnovate-N Ointment 5 Gm	ECG Charges, Sugar Test (Random/Fasting), Blood Test (Cp) Charges, Thermometer China, Dettol (Medium), O.R.S. (Nimcol)	Urine Test (Dr) Charges, Cotton Bandage 2" - 4", X-Ray (Chest) Charges, Glycerin Small Bottle, Galxos-D (450 Gm)	Joulhar Joshanda, Amoxil Capsule 250 Mg., Renitec Tab. 5 Mg., Doctor (MBBS) Clinic Fee, Daonil Tab. 5 Mg., Betnesol Eye Drops, Saniplast (1 Putty), Calpol Syrup 60 Ml.
Transport	Train Fare A/C Slp. 101-500, Train Fare A/C Slp > 500K, Train Fare A/C Slp. 1-100, Train Fare Eco. 1-100 Km.	Bus Fare Outside City (A/C), Car Honda Civic 1500 Cc, Taxi 4 Seater Fare, High Speed Diesel HSD, Auto Rickshaw Fare	Tyre Car With Tube General, Suzuki Fare Maximum Within City, Tyre Puncture Charges, Suzuki Fare Min.Within City	Minibus Fare Min.Within City, Cycle Overhauling Charges, Air Fare Economy Class., Car Service Charges
Communication	Postal Envelope Domestic, Mobile Cell Charges, Telephone Charges Local Call	Internet Charges, Postal Envelope For Saudi Arabia, Mobile Set Nokia/Sony/Ericsson Av.Qlty	Fax Charges (Local), Telephone Set Av. Qlty	U.M.S. Reg Charges Min., T.C.S. Ch. Min.Within Zone, Postal Registration Charges
Recreation & Culture	English Book BA/B.Sc, Maths Book Ist. Year (T.B. Board), Maths Book Calss V (T.B.Board), T.V. 20" Colored Sony, V.C.P. Panasonic/LG/National	Cable Charges, Tape Recorder Cassette (Blank), T.V 20" Color China/Korea, Computer CD (Tdk/Imation), Radio With C.Player National, Video Game Sega 16 Byte	Ball Pen (Local), Fountain Pen Hero/Wings/China, Paper Fool Scape (27"X17"), Pencil Goldfish/Deer, Exercise Book Lined 80/10, Urdu Book Ist Year/ Inter	Weekly "Akhbar-e-Jahan", Maths Book Class IX or X, English Book Class V1, Urdu Book Class IX/X (T.B.Board), Pakistan Studies Book BA/B.Sc, Pen Ink Dollor 57 Ml Bottle, Cinema Non-A/C High Class
Education	Govt. Engg. College Fee Ist Pvt Eng.College Fee (Ist Year)	Govt. Engg. College Fee Ist Pvt Eng.College Fee (Ist Year)	Coaching Charges For Class XI/ XII Commerce Group, I.T. Tuition Fees, MBA Tuition Fee	Govt. University Fee MSc/ MA, Pvt School Fee Eng. Med (Class-I), Pvt School Fee Eng. Med (Class-X), Pvt School Fee Eng. Med (Class-V), Govt. College Fee Ist. Year
Restaurant & Hotels			Chicken Biryani Full/Double	Cooked Mutton (Av. Hotel), Bread Tandoori St. Size, Tea Prepared (Ordinary), Cooked Dal (Av. Hotel), Cooked Beef (Av. Hotel)
Miscellaneous	Toothpaste Med Size Colgate 70Gms, Silver Tezabi 24 Ct, Gold Tezabi 24 Ct	Shaving Cream Touch-Me/Admiral, Face Cream Ponds (Medium), Blade 7-O-Clock Steel (5)	Hair Oil Amla/Chambeli, Wrist Watch Ladies Citizen, Hair Color (Kala Kola), Hair Removing Cream (EU-Cream)	Toilet Soap Lux 95 Gms, Perfume Med. Size Medora/Broche, Beauty Cream (Fair & Lovely), Artificial Jewellery Set, Haircut Charges for Men, Suitcase Rexin (24"X16"X6")

**Table A5: City- wise CPI Inflation by Income Groups, June 2014**

	Up to Rs: 8000						Rs 8001- 12000					
	General		Food		Non-Food		General		Food		Non-Food	
	MoM	YoY	MoM	YoY	MoM	YoY	MoM	YoY	MoM	YoY	MoM	YoY
1 Rawalpindi	0.3	9.0	0.5	7.8	0.1	10.5	0.4	9.9	0.5	8.5	0.2	11.4
2 Islamabad	0.5	13.0	0.3	7.6	0.8	20.2	0.3	12.5	0.5	8.0	0.1	17.8
3 Lahore	1.5	9.0	2.8	9.3	-0.3	8.6	1.6	9.6	3.2	9.9	-0.3	9.1
4 Gujranwala	1.7	7.2	3.2	6.4	-0.1	8.2	1.8	7.3	3.5	7.0	-0.1	7.8
5 Sialkot	2.3	6.2	4.3	6.4	-0.4	6.0	2.3	6.4	4.8	7.1	-0.4	5.7
6 Faisalabad	-0.5	8.0	-1.4	3.9	0.5	13.7	-0.5	8.1	-1.1	4.2	0.2	12.7
7 Multan	0.4	5.9	0.6	3.8	0.2	8.5	0.3	6.1	0.6	4.0	0.1	8.4
8 Sargodha	0.7	7.4	0.9	6.8	0.5	8.2	0.7	7.4	0.9	6.8	0.5	7.9
9 Bahawalpur	1.3	7.3	2.5	6.5	0.1	8.2	1.0	7.1	2.0	6.5	0.0	7.8
10 Karachi	0.6	7.1	0.9	7.4	0.1	6.8	0.9	7.7	1.4	8.3	0.4	7.0
11 Hyderabad	1.2	5.6	1.9	6.4	0.1	4.6	1.2	5.8	2.0	6.5	0.2	4.8
12 Sukkur	0.2	8.1	0.3	10.5	0.2	5.2	0.6	8.2	0.9	10.8	0.2	5.4
13 Larkana	1.7	9.0	2.7	8.1	0.5	10.1	1.5	9.3	2.5	8.2	0.5	10.4
14 Peshawar	-0.3	8.0	-0.9	6.9	0.3	9.3	-0.2	8.4	-0.7	7.4	0.2	9.3
15 Bannu	0.0	7.1	-0.1	7.8	0.1	6.3	0.0	7.5	-0.1	8.3	0.2	6.7
16 Quetta	0.6	5.8	0.9	5.1	0.1	6.7	0.5	5.9	0.9	5.3	0.0	6.5
17 Khuzdar	-0.3	9.0	-0.1	13.1	-0.6	4.1	-0.6	8.7	-0.3	13.0	-0.9	4.2
	Rs 12001-18000						Rs 18001-35000					
	General		Food		Non-Food		General		Food		Non-Food	
	MoM	YoY	MoM	YoY	MoM	YoY	MoM	YoY	MoM	YoY	MoM	YoY
1 Rawalpindi	0.5	10.0	0.6	8.5	0.3	11.5	0.4	10.0	0.6	8.8	0.2	11.1
2 Islamabad	0.3	13.5	0.5	8.4	0.1	18.8	0.2	15.5	0.6	8.9	0.0	21.4
3 Lahore	1.7	9.8	3.4	10.4	-0.3	9.2	1.5	10.1	3.7	10.8	-0.5	9.5
4 Gujranwala	1.9	7.0	3.7	6.9	0.0	7.0	1.6	7.1	3.6	6.8	-0.1	7.3
5 Sialkot	2.7	7.0	5.2	8.2	0.1	5.8	2.5	7.5	5.5	8.8	-0.1	6.3
6 Faisalabad	-0.4	8.7	-0.8	4.7	0.1	13.0	-0.2	9.4	-0.4	5.5	0.0	12.9
7 Multan	0.3	6.2	0.7	4.2	0.0	8.2	0.3	6.7	0.7	4.3	-0.1	8.8
8 Sargodha	0.7	7.3	1.1	7.3	0.4	7.4	0.6	7.2	1.2	7.5	0.2	7.0
9 Bahawalpur	1.0	7.2	2.1	6.5	0.0	7.8	0.6	6.7	1.8	6.9	-0.3	6.6
10 Karachi	1.2	8.2	1.8	9.0	0.6	7.3	1.2	8.6	2.0	9.6	0.5	7.6
11 Hyderabad	1.1	5.8	2.1	7.2	-0.1	4.2	1.0	6.3	2.3	7.9	-0.2	4.9
12 Sukkur	0.5	7.9	0.8	10.9	0.2	5.0	0.2	7.4	0.4	10.2	0.0	5.2
13 Larkana	1.8	9.7	3.0	8.7	0.7	10.6	1.7	10.0	3.0	8.7	0.7	11.2
14 Peshawar	-0.2	8.4	-0.6	7.6	0.1	9.2	-0.2	9.1	-0.4	8.2	0.0	9.9
15 Bannu	-0.3	7.5	-0.4	8.3	-0.2	6.7	-0.4	8.3	-0.3	9.2	-0.5	7.5
16 Quetta	0.5	6.1	1.0	5.4	0.0	6.8	0.5	6.4	1.1	5.3	0.0	7.4
17 Khuzdar	-0.4	8.3	0.2	12.9	-0.9	4.0	-0.2	8.8	0.6	13.4	-0.8	5.1
	Above Rs 35000						Combined					
	General		Food		Non-Food		General		Food		Non-Food	
	MoM	YoY	MoM	YoY	MoM	YoY	MoM	YoY	MoM	YoY	MoM	YoY
1 Rawalpindi	0.3	10.1	0.7	9.0	0.2	10.6	0.4	10.0	0.6	8.8	0.2	10.8
2 Islamabad	0.3	14.7	0.5	9.6	0.2	17.5	0.3	14.6	0.4	9.2	0.1	18.8
3 Lahore	1.1	10.5	3.4	11.0	-0.2	10.2	1.3	10.1	3.5	10.6	-0.3	9.7
4 Gujranwala	1.4	6.8	3.6	7.1	0.3	6.6	1.6	7.0	3.6	6.9	0.2	7.1
5 Sialkot	2.1	7.5	5.2	8.8	0.5	6.8	2.3	7.2	5.2	8.4	0.2	6.3
6 Faisalabad	0.0	10.4	-0.2	6.1	0.0	12.8	-0.3	9.3	-0.6	5.2	0.0	12.4
7 Multan	0.2	7.1	0.5	4.5	0.0	8.5	0.3	6.7	0.6	4.3	0.0	8.4
8 Sargodha	0.7	8.3	1.2	7.9	0.5	8.6	0.7	7.6	1.1	7.5	0.4	7.7
9 Bahawalpur	0.5	7.2	1.6	7.0	0.0	7.3	0.8	7.2	2.0	6.9	0.0	7.4
10 Karachi	0.9	8.7	2.2	10.9	0.2	7.6	1.0	8.5	2.0	9.9	0.3	7.3
11 Hyderabad	0.7	6.1	2.2	8.6	-0.1	4.9	0.9	6.0	2.2	7.6	0.0	4.9
12 Sukkur	0.2	6.8	0.4	9.5	0.2	5.5	0.3	7.6	0.6	10.3	0.2	5.7
13 Larkana	1.4	10.4	2.4	7.8	1.0	11.7	1.6	9.7	2.8	8.4	0.9	10.6
14 Peshawar	-0.1	10.2	-0.5	8.9	0.0	10.8	-0.2	9.3	-0.5	8.2	0.0	10.1
15 Bannu	-0.3	6.7	-0.2	9.0	-0.4	5.6	-0.2	7.6	-0.2	8.8	-0.2	6.8
16 Quetta	0.4	6.5	1.0	5.2	0.1	7.2	0.5	6.3	1.0	5.3	0.1	7.0
17 Khuzdar	-0.6	6.3	0.2	10.5	-1.1	4.3	-0.4	8.6	0.1	12.8	-0.8	5.8

**Table A6: City- wise CPI Inflation (YoY) June, 2014**

City	High inflation cities			City	Low inflation cities		
	General	Food	Non-food		General	Food	Non-food
Islamabad	14.6	9.2	18.8	Attock	7.8	10.1	6.2
D.G. Khan	11.9	12.0	11.8	Sargodha	7.6	7.5	7.7
Mardan	10.9	5.4	14.2	Bannu	7.6	8.8	6.8
Mianwali	10.3	8.0	11.9	Abbotabad	7.6	6.9	8.0
Lahore	10.1	10.6	9.7	Sukkur	7.6	10.3	5.7
Nawabshah	10.1	5.6	13.1	Mir Pur Khas	7.3	9.3	6.0
Rawalpindi	10.0	8.8	10.8	Wazirabad	7.2	6.3	7.9
Larkana	9.7	8.4	10.6	Sialkot	7.2	8.4	6.3
Jhang	9.7	9.6	9.8	Bahawalpur	7.2	6.9	7.4
Turbat	9.7	8.2	10.6	Mithi	7.1	8.5	6.2
Peshawar	9.3	8.2	10.1	Gawadar	7.1	7.4	6.8
Faisalabad	9.3	5.2	12.4	Gujranwala	7.0	6.9	7.1
Dera Mrd.Jamali	8.7	7.9	9.4	Jehlum	6.9	6.8	6.9
Sahiwal	8.7	7.8	9.3	Muzaffargarh	6.8	6.2	7.3
Khuzdar	8.6	12.8	5.8	Multan	6.7	4.3	8.4
Karachi	8.5	9.9	7.3	Dadu	6.6	7.5	6.0
Mingora	8.3	6.6	9.4	Quetta	6.3	5.3	7.0
				Hyderabad	6.0	7.6	4.9
				Rahim Yar Khan	6.0	2.9	8.3
				Loralai&Cantt	5.2	2.6	7.0
				D.I.Khan	4.7	4.0	5.2
				Vehari	3.9	2.2	5.1
				Bahawalnagar	3.8	2.1	4.9

Note: High inflation refers to equal or above average inflation, and low inflation refers to below average

<b>Table A7: Income Group-wise Inflation ( percent)</b>						
	<b>MoM</b>			<b>YoY</b>		
	<b>Jun-13</b>	<b>May-14</b>	<b>Jun-14</b>	<b>Jun-13</b>	<b>May-14</b>	<b>Jun-14</b>
<b><u>Up to Rs. 8000</u></b>						
General	0.9	-0.9	0.6	7.9	7.5	7.1
Food	1.3	-1.9	0.9	8.6	7.1	6.7
Non-food	0.5	0.4	0.3	7.0	8.0	7.7
<b><u>Rs. 8001- 12000</u></b>						
General	0.9	-0.7	0.6	7.5	7.5	7.2
Food	1.2	-1.6	0.9	8.3	7.2	6.9
Non-food	0.6	0.4	0.3	6.6	7.7	7.5
<b><u>Rs. 12001- 18000</u></b>						
General	0.9	-0.5	0.7	7.3	8.6	8.4
Food	1.2	-1.4	1.0	8.1	7.3	7.1
Non-food	0.5	0.4	0.3	6.6	9.9	9.6
<b><u>Rs. 18001- 35000</u></b>						
General	0.8	-0.3	0.7	5.6	8.7	8.6
Food	1.1	-1.2	1.1	7.9	7.4	7.4
Non-food	0.5	0.4	0.3	3.7	9.9	9.6
<b><u>Above Rs. 35000</u></b>						
General	0.6	0.0	0.6	4.5	8.4	8.3
Food	0.9	-0.8	1.1	7.5	7.5	7.7
Non-food	0.4	0.4	0.3	3.0	8.8	8.7
<b><u>All income groups</u></b>						
General	0.7	-0.3	0.6	5.9	8.3	8.2
Food	1.1	-1.2	1.0	7.9	7.4	7.4
Non-food	0.5	0.4	0.3	4.4	9.0	8.9

**Table A8: SPI Item-wise Price Movements**

Sr.No.	Items	Unit	Prices Jun-14	Percentage change	
				YoY	MoM
1	Wheat	10Kg.	338.8	5.9	-0.1
2	Wheat Flour Bag	10Kg.	384.4	4.1	-1.3
3	Rice Basmati Broken	Kg.	74.0	2.7	0.0
4	Rice Irri-6	Kg.	54.6	5.7	0.2
5	Bread Plain Med. Size (340-400 Gm.)	Each	40.6	14.1	0.0
6	Beef	Kg.	289.9	5.9	0.4
7	Mutton	Kg.	574.8	6.4	0.5
8	Chicken Live (Farm)	Kg.	165.2	-6.5	-1.4
9	Milk Fresh	Litr	74.5	10.6	2.2
10	Curd	Kg.	87.2	11.0	2.6
11	Milk Powdered Nido	500G	344.1	18.7	5.9
12	Egg Hen (Farm)	Doz.	82.5	6.4	2.3
13	Mustard Oil	Kg.	184.9	1.2	0.4
14	Cooking Oil (Tin)	2.5Ltr	541.4	0.8	0.1
15	Veg. Ghee (Tin)	2.5Kg.	512.2	1.4	-0.2
16	Veg. Ghee Loose	Kg.	159.8	1.5	-0.5
17	Bananas	Doz.	106.3	42.5	11.9
18	Masoor Pulse Washed	Kg.	129.0	20.5	0.5
19	Moong Pulse Washed	Kg.	160.8	35.1	1.6
20	Mash Pulse Washed	Kg.	149.2	14.2	4.3
21	Gram Pulse Washed	Kg.	75.4	-9.8	0.3
22	Potatoes	Kg.	60.6	142.0	8.1
23	Onions	Kg.	32.4	-14.7	-1.3
24	Tomatoes	Kg.	32.2	-46.0	31.7
25	Sugar	Kg.	53.8	-0.6	3.0
26	Gur	Kg.	80.8	-3.2	1.4
27	Salt Powdered Loose (Lahori)	Kg.	9.8	8.7	0.8
28	Red Chilies Powder Loose	Kg.	244.9	13.8	7.0
29	Garlic	Kg.	117.4	-1.2	-2.7
30	Tea (Yellow Label )	200Gm.	124.2	-26.9	-5.0
31	Cooked Beef Plate	Each	81.6	14.3	0.6
32	Cooked Dal Plate	Each	47.1	12.5	1.0
33	Tea Prepared (Sada)	Cup	18.1	14.5	1.2
34	Cigarettes K-2 (20'S)	20'S	42.5	25.4	9.9
35	Long Cloth (Coarse Latha)	Mtr.	196.5	16.2	5.4
36	Shirting	Mtr.	154.4	12.7	2.5
37	Lawn	Mtr.	229.3	25.1	4.9
38	Georgette (Voil Printed)	Mtr.	120.3	10.7	2.4
39	Sandal Gents Bata	Pair	699.0	16.7	0.0
40	Chappal Spong. Bata (Gents)	Pair	179.0	0.0	0.0
41	Sandal Ladies Bata	Pair	499.0	0.0	0.0
42	Electric Charges 1-50	Unit	2.0	0.0	0.0
43	Gas Charges upto 3.3719	Mmbtu	124.2	0.9	0.0
44	Kerosene	Litr	118.7	3.4	0.0
45	Firewood	40Kg	554.4	9.6	-0.2
46	Energy Savor 14 Watts	Each	165.2	4.0	0.2
47	Washing Soap (200-250 Gm.)	Cake	24.0	8.1	0.9
48	Match Box	Each	1.5	33.0	0.0
49	Petrol	Litr	109.5	7.9	0.0
50	Diesel	Litr	110.8	4.4	0.0
51	L.P.G.( 11 Kg Cylinder.)	Each	1248.2	-14.8	-0.5
52	Tele. Local Call	Call	3.9	0.0	0.0
53	Bath Soap Lifebuoy (Standard)	Cake	36.0	5.1	0.0
<b>Maximum</b>				<b>142.0</b>	<b>31.7</b>
<b>Median</b>				<b>5.9</b>	<b>0.3</b>
<b>Minimum</b>				<b>-46.0</b>	<b>-5.0</b>

<b>Table A9: Distribution of Price Changes (YoY) - WPI Items: June 2014</b>				
<b>Groups</b>	<b>Decrease or no change</b>	<b>Subdued increase (Greater than 0% but less than 5%)</b>	<b>Moderate increase (5% but less than 10%)</b>	<b>Double digit increase (10% or more)</b>
<b>Agriculture Forestry &amp; Fishery Products</b>	Vegetables, Millet/Bajra, Poultry, Sugar Crops	Raw Animal Material/Wool, Fish Live Fresh or Chilled, Wheat, Rice, Hides and Fur Skins-Raw, Maize	Eggs, Pulses, Other Oil Seeds, Fuel Wood in Logs, Fibre Crops	Edible Roots/Potatoes, Stimulant and Spice Crops, Cotton Seeds, Fresh Fruits, Sorghum/Jowar, Dry Fruits, Unmanufactured Tobacco, Milk from Bovine Animals
<b>Ores &amp; Minerals, Electricity Gas &amp; Water</b>	Natural Gas Liquefied, Coal Not Agglomerated			Electrical Energy, Salt & Pure Sodium Chloride
<b>Food Products, Beverages and Tobacco, Textiles, Apparel and Leather Products</b>	Coffee and Tea, Spices, Other Cereal Flour, Nylon Yarn, Other Food Products, Cotton Yarn, Footwear, Blended Yarn, Dried Fruits & Nuts, Vegetable Ghee, Sugar Refined, Sugar Confectionary, Chocolate	Meat of Animals, Silk and Rayon Fabrics, Fruit Juices, Vegetable Oil Refined, Vegetables & Fruit Juices, Synthetic Carpets	Hosiery Products, Woven Fabrics, Cotton Fabrics, Processed Liquid Milk, Woolen Carpets, Mineral Water, Wheat Flour	Leather Without Hairs, Other Leather N.E.C, Tobacco Products, Oil Cakes, Beverages, Milk and Cream in Solid Form, Blankets, Ready Made Garments, Other Fabrics, Towels, Bed Sheets, Ice Cream, Quilts, Dairy Products N.E.C
<b>Other Transportable Goods except Metal Products, Machinery and Equipments</b>	Coke	Printing Paper, Diesel Oil, Bed Foams, Glass Sheets, Soaps & Detergent, Plastic Products, Medicines, Fertilizers, Auto Tyres, Furnace Oil, Matches	Cement, Motor Sprit, Bricks Blocks and Tiles, Mobil Oil, Other Glass Articles	Insecticides, Dying Materials, Ceramics and Sanitary, Pesticides, Chemicals, Timber, Kerosene Oil, Hard Board, Paints & Varnishes
<b>Metal Product Machinery &amp; Equipment</b>	Pig Iron, Engines and Motors, Vacuum Pumps, Concrete Mixer, Radio and Television	Chuff Cutter, Bicycles, Motor Cycles, Steel Products, Air Conditioners	Lighting Equipments, Steel Bars & Sheets, Motor Vehicles	Lathe Machines, Tractors, Cultivators, Pipe Fittings, Electrical Wires, Refridge, Wash & Sew Mach, Iron, Fan



**Table A10: Consumer Price Index Numbers by Major Groups and Composite Commodities**

Items and specification	Weights	Index		
		Jun-13	May-14	Jun-14
<b>General</b>	<b>100.00</b>	<b>179.94</b>	<b>193.55</b>	<b>194.74</b>
<b>Food &amp; Non-Alcoholic Beverages.</b>	<b>34.83</b>	<b>202.11</b>	<b>213.57</b>	<b>214.50</b>
1 Wheat	0.35	188.23	202.46	200.35
2 Wheat Flour	4.16	199.73	215.86	213.46
3 Wheat Product	0.10	189.19	216.64	215.08
4 Besan	0.15	199.32	174.07	174.07
5 Rice	1.58	186.75	194.11	194.10
6 Cereals	0.16	216.83	234.92	235.80
7 Bakery & Confectionary	1.16	183.07	203.57	203.91
8 Nimco	0.46	206.43	229.43	230.82
9 Meat	2.43	223.43	236.99	237.75
10 Chicken	1.36	211.41	206.39	199.93
11 Fish	0.30	200.15	221.27	222.36
12 Milk Fresh	6.68	225.78	239.56	242.98
13 Milk Product	0.63	216.57	234.87	238.58
14 Milk Powder	0.11	190.81	216.45	221.55
15 Egg	0.46	153.31	164.96	167.66
16 Mustard Oil	0.10	158.43	157.00	158.12
17 Cooking Oil	1.75	162.54	162.67	161.96
18 Vegetable Ghee	2.07	155.94	158.90	158.34
19 Dry Fruits	0.25	214.95	233.21	234.85
20 Fresh Fruits	1.86	206.05	237.01	237.43
21 Pulse Masoor	0.27	154.35	180.78	180.68
22 Pulse Moong	0.23	224.06	295.25	301.11
23 Pulse Mash (Washed)	0.21	187.81	202.05	209.35
24 Pulse Gram	0.24	189.40	168.69	168.96
25 Gram Whole	0.16	194.98	179.36	179.88
26 Beans	0.03	221.84	243.91	240.36
27 Potatoes	0.47	169.11	390.89	403.63
28 Onion	0.53	239.70	200.43	195.07
29 Tomatoes	0.44	179.19	72.63	116.37
30 Fresh Vegetable	1.68	205.17	212.79	202.52
31 Sugar	1.04	194.50	188.83	195.32
32 Gur	0.02	250.06	248.63	253.67
33 Honey	0.04	256.65	282.11	284.59
34 Sweet Meet	0.25	210.79	225.95	226.62
35 Beverages	1.20	184.25	200.63	205.75
36 Jam, Tomato Ketchup & Pickle	0.25	185.63	193.93	194.91
37 Condiments	0.27	216.64	242.66	246.44
38 Spices	0.54	219.37	221.11	227.28
39 Tea	0.84	248.27	211.36	207.74
<b>Alcoholic Beverages, Tobacco</b>	<b>1.41</b>	<b>194.66</b>	<b>223.66</b>	<b>259.28</b>
40 Cigarette	1.39	194.79	224.02	260.26
41 Betel Leaves & Nuts	0.02	186.64	201.93	199.83
<b>Clothing &amp; Footwear</b>	<b>7.57</b>	<b>186.46</b>	<b>205.01</b>	<b>206.96</b>
42 Cotton Cloth	1.73	176.47	197.56	201.94
43 Woolen Cloth	0.88	206.49	224.61	227.29
44 Ready Made Garment	0.97	182.09	205.68	206.29
45 Woolen Readymade Garments	0.40	192.45	218.34	218.34
46 Hosiery	0.51	194.30	216.85	219.18
47 Dopatta	0.44	203.75	223.46	225.05
48 Cleaning & Laundering	0.21	206.24	226.92	228.30

Table A10: Consumer Price Index Numbers by Major Groups and Composite Commodities				
Items and specification	Weights	Index		
		Jun-13	May-14	Jun-14
49 Tailoring	0.88	218.55	245.06	247.32
50 Footwear	1.55	159.00	163.45	163.50
<b>Housing,Water,Elect,Gas &amp; Other Fuel</b>	<b>29.41</b>	<b>154.65</b>	<b>169.51</b>	<b>169.53</b>
51 House Rent	21.81	144.57	157.05	157.05
52 Construction Input Item	0.56	210.12	232.02	232.72
53 Construction Wage Rate	0.33	181.81	198.08	199.53
54 Water Supply	0.50	139.65	149.92	149.92
55 Electricity	4.40	196.37	227.44	227.44
56 Gas	1.58	143.81	143.81	143.81
57 Kerosene Oil	0.01	267.67	277.67	278.77
58 Fire Wood Whole	0.23	243.22	266.27	265.16
<b>Furnished H.Hold Equip.&amp; Maint. Etc</b>	<b>4.21</b>	<b>185.82</b>	<b>202.02</b>	<b>204.09</b>
59 Furniture	0.33	174.82	194.15	194.71
60 Household Textile	0.65	180.81	198.83	199.85
61 Household Equipment	0.59	162.40	170.01	170.58
62 Utensils	0.32	184.55	204.94	205.72
63 Plastic Products	0.25	181.60	195.15	195.76
64 Washing Soap & Detergent	0.79	203.46	219.42	220.60
65 Sewing Needle & Dry Cell	0.15	166.36	178.69	180.69
66 Household Servant	1.04	195.58	214.31	219.71
67 Marriage Hall Charges	0.08	200.04	220.81	224.03
<b>Health</b>	<b>2.19</b>	<b>160.93</b>	<b>172.45</b>	<b>172.79</b>
68 Drug Medicine	1.27	140.94	145.18	145.57
69 Medical Equipment	0.01	205.49	217.98	219.76
70 Doctor (MBBS) Clinic Fee	0.59	203.36	232.41	232.41
71 Medical Test	0.32	160.67	168.61	169.35
<b>Transport</b>	<b>7.20</b>	<b>187.25</b>	<b>195.03</b>	<b>195.27</b>
72 Motor Vehicle	0.66	156.71	159.77	160.00
73 Motor Vehicle Accessories	0.24	213.67	226.97	228.31
74 Motor Fuel	3.03	179.10	186.95	186.72
75 Mechanical Service	0.46	189.24	204.29	206.25
76 Motor Vehicle Tax	0.11	153.74	153.74	153.74
77 Transport Services	2.70	202.50	209.96	210.36
<b>Communication</b>	<b>3.22</b>	<b>128.73</b>	<b>129.81</b>	<b>129.88</b>
78 Postal Services	0.07	175.16	215.89	215.89
79 Communication & Apparatus	3.15	127.75	128.01	128.07
<b>Recreation &amp; Culture</b>	<b>2.02</b>	<b>177.84</b>	<b>188.47</b>	<b>188.74</b>
80 Recreation & Culture	0.86	122.65	127.00	127.44
81 Text Books	0.57	260.03	279.73	279.73
82 News Papers	0.19	170.49	175.42	175.42
83 Stationery	0.40	183.35	197.36	197.77
<b>Education</b>	<b>3.94</b>	<b>163.54</b>	<b>188.73</b>	<b>190.90</b>
84 Education	3.94	163.54	188.73	190.90
<b>Restaurants And Hotels</b>	<b>1.23</b>	<b>210.64</b>	<b>238.05</b>	<b>238.76</b>
85 Ready Made Food	1.23	210.64	238.05	238.76
<b>Miscellaneous Goods And Services</b>	<b>2.76</b>	<b>202.39</b>	<b>215.29</b>	<b>215.12</b>
86 Personal Care	1.49	185.79	198.96	199.48
87 Cosmetics	0.39	163.22	181.99	182.74
88 Blades	0.03	176.40	183.30	184.61
89 Personal Equipments	0.84	250.63	260.62	258.73

**Table A11: Wholesale Price Index Numbers by Major Groups and Composite Commodities**

Items and Specifications	Index		
	Jun-13	May-14	Jun-14
<b>General</b>	<b>199.21</b>	<b>211.71</b>	<b>214.60</b>
<b>Agriculture Forestry &amp; Fishery</b>	<b>209.16</b>	<b>223.55</b>	<b>228.53</b>
1 Wheat	198.50	204.31	205.99
2 Maize	189.41	190.14	189.74
3 Rice	174.41	179.49	180.08
4 Sorghum/Jowar	259.71	317.54	316.79
5 Millet/Bajra	191.77	169.81	173.02
6 Vegetables	241.43	211.50	205.05
7 Fresh Fruits	227.05	266.20	283.76
8 Dry Fruits	194.73	213.82	219.20
9 Cotton Seeds	164.31	220.44	219.90
10 Other Oil Seeds	170.04	177.64	182.36
11 Edible Roots/ Potatoes	149.12	447.26	472.92
12 Stimulant And Spice Crops	212.17	377.03	472.58
13 Pulses	186.44	198.71	200.37
14 Sugar Crops	267.92	267.92	267.92
15 Fibre Crops	207.94	217.38	220.08
16 Unmanufactured Tobacco	176.22	196.08	196.08
17 Poultry	224.76	215.25	207.92
18 Milk From Bovine Animals	218.54	230.92	240.49
19 Eggs	153.34	158.06	166.88
20 Raw Animal Material/Wool	150.66	156.33	157.03
21 Hides And Fur Skins, Raw	141.49	145.23	145.85
22 Fuel Wood In Logs	228.51	243.47	243.47
23 Fishes Live Fresh Or Chilled	240.87	249.76	250.37
<b>Ores/Minerals, Gas &amp; Elect.</b>	<b>214.86</b>	<b>242.36</b>	<b>242.45</b>
24 Coal Not Agglomerated	223.53	223.53	223.53
25 Natural Gas Liquefied	203.09	201.77	201.86
26 Salt & Pure Sodium Chloride	203.88	234.11	243.18
27 Electrical Energy	226.10	287.44	287.44
<b>Food, Beverages, Tobacco, Textiles</b>	<b>192.87</b>	<b>201.29</b>	<b>204.31</b>
28 Meat Of Animals	232.03	241.31	243.10
29 Vegetables & Fruit Juices	190.57	192.16	194.02
30 Dried Fruits & Nuts	222.76	218.45	217.80
31 Fruit Juices	163.81	169.52	170.89
32 Vegetable Oil Refined	159.65	165.54	165.47
33 Vegetable Ghee	141.61	141.65	140.01
34 Oil Cakes	171.55	219.35	217.25
35 Processed Liquid Milk	208.15	222.76	223.02
36 Milk And Cream In Solid Form	177.58	209.55	211.32
37 Ice Cream	191.15	209.79	214.21
38 Dairy Products N.E.C	213.25	230.41	235.64
39 Wheat Flour	186.66	197.22	196.01
40 Other Cereal Flour	163.97	139.33	139.38
41 Sugar Refined	208.83	196.99	208.70
42 Chocolate	99.19	99.19	99.19
43 Sugar Confectionary	102.28	102.28	102.28
44 Coffee And Tea	223.78	188.38	185.89
45 Spices	227.90	191.65	191.67
46 Other Food Products	314.63	293.22	293.72
47 Mineral Water	175.01	185.23	185.23
48 Beverages	139.28	164.58	166.38
49 Tobacco Products	208.80	242.41	290.52
50 Cotton Yarn	209.76	200.83	200.42
51 Nylon Yarn	189.67	165.10	162.34
52 Blended Yarn	198.67	191.86	192.59
53 Woven Fabrics	208.98	226.82	226.82
54 Cotton Fabrics	182.84	193.10	196.81
55 Other Fabrics	172.31	194.43	197.56

*Inflation Monitor, June 2014*

<b>Table A11: Wholesale Price Index Numbers by Major Groups and Composite Commodities</b>				
		<b>Index</b>		
<b>Items and Specifications</b>		<b>Jun-13</b>	<b>May-14</b>	<b>Jun-14</b>
56 Silk And Rayon Fabrics		158.62	165.85	165.85
57 Towels		213.19	242.19	242.19
58 Blankets		185.21	219.66	219.66
59 Bed Sheets		213.18	242.12	242.12
60 Quilts		154.00	172.42	172.42
61 Woolen Carpets		106.55	113.69	113.69
62 Synthetic Carpets		114.41	116.10	116.10
63 Hosiery Products		185.30	198.64	202.13
64 Ready Made Garments		147.20	168.50	169.33
65 Leather With Out Hairs		125.27	212.68	223.51
66 Other Leather N.E.C		179.51	276.72	276.72
67 Footwear's		139.49	134.22	134.22
<b>Other Transportable Goods</b>		<b>202.56</b>	<b>212.29</b>	<b>214.75</b>
68 Timber		154.65	178.07	182.14
69 Printing Paper		164.54	174.58	172.62
70 Hard Board		200.00	229.17	229.17
71 Coke		163.45	163.45	163.45
72 Motor Sprit		169.03	182.40	182.40
73 Diesel Oil		248.72	260.69	260.69
74 Kerosene Oil		250.79	288.01	288.01
75 Furnace Oil		169.52	166.52	172.01
76 Mobil Oil		186.56	197.73	200.28
77 Chemicals		160.39	176.24	189.08
78 Dying Materials		107.23	143.77	143.77
79 Fertilizers		261.32	265.61	267.48
80 Pesticides		203.99	237.58	254.27
81 Insecticides		123.90	178.94	181.89
82 Paints & Varnishes		244.12	269.84	275.71
83 Medicines		138.71	141.80	142.22
84 Soaps & Detergent		176.21	182.20	183.11
85 Auto Tyres		184.54	186.63	188.21
86 Plastic Products		197.98	203.08	203.08
87 Glass Sheets		201.02	209.86	209.86
88 Other Glass Articles		206.09	218.27	218.27
89 Ceramics And Sanitary		161.77	199.50	201.75
90 Bricks Blocks And Tiles		185.87	196.15	200.57
91 Cement		189.49	207.98	207.76
92 Bed Foams		144.33	149.67	150.83
93 Matches		142.72	143.20	143.20
<b>Metal Product Machinery &amp; Equip</b>		<b>162.20</b>	<b>170.11</b>	<b>171.26</b>
94 Pig Iron		128.97	128.97	128.97
95 Steel Bars & Sheets		135.04	139.53	144.30
96 Pipe Fittings		148.98	168.33	175.34
97 Steel Products		167.61	170.24	170.24
98 Engines And Motors		109.07	109.07	109.07
99 Vacuum Pumps		115.39	115.39	115.39
100 Air Conditioners		179.78	181.12	181.12
101 Cultivators		189.23	226.90	226.90
102 Chuff Cutter		144.94	149.20	149.20
103 Tractors		161.96	214.54	214.54
104 Lathe Machines		147.68	208.81	208.81
105 Concrete Mixer		138.83	138.83	138.83
106 Refrige,Wash& Sew Mach, Iron,Fan		177.00	193.39	195.75
107 Electrical Wires		160.12	179.18	179.18
108 Lighting Equipments		151.78	164.95	164.95
109 Radio And Television		126.49	126.49	126.49
110 Motor Vehicles		173.75	182.59	182.59
111 Motor Cycles		124.56	126.70	126.70
112 Bicycles		178.81	182.84	182.84

**Table A12: Price Indices - Base 2007-08 = 100**

Period		CPI			WPI			SPI *
		Overall	Food	Non-food	Overall	Food	Non-Food	
2008-09		117.03	123.12	113.38	118.93	119.68	118.45	123.26
2009-10		128.85	139.05	122.73	135.40	136.85	134.48	139.84
2010-11		146.45	164.10	135.87	164.17	159.26	167.28	164.02
2011-12		162.57	182.20	150.80	181.28	181.32	181.26	178.67
2012-13		174.53	195.18	162.16	194.61	197.21	192.95	189.64
2013-14		189.58	212.74	175.69	210.48	213.04	208.85	208.66
2011	Dec	160.12	179.21	148.67	176.01	178.29	174.57	175.04
2012	Jan	162.58	181.90	151.00	179.99	178.95	180.65	178.25
	Feb	163.07	180.69	152.51	180.99	177.56	183.17	178.63
	Mar	164.98	183.46	153.90	182.20	180.41	183.34	180.79
	Apr	168.00	187.43	156.35	185.48	184.45	186.13	184.03
	May	169.93	187.75	159.25	189.46	186.57	191.29	184.88
	Jun	169.99	187.35	159.58	189.37	189.36	189.37	188.14
	Jul	169.57	190.72	156.89	190.05	193.92	187.59	183.98
	Aug	171.09	192.47	158.27	191.99	195.30	189.89	186.47
	Sep	172.44	193.80	159.64	192.66	195.81	190.66	188.21
	Oct	173.10	193.66	160.77	192.88	196.21	190.77	187.32
	Nov	172.42	193.03	160.07	192.16	193.02	191.61	187.35
	Dec	172.82	192.97	160.74	192.98	195.49	191.39	187.95
2013	Jan	175.70	196.58	163.19	195.39	198.81	193.22	190.89
	Feb	175.11	194.05	163.76	196.06	197.22	195.32	190.79
	Mar	175.82	195.06	164.29	196.57	196.02	196.92	192.01
	Apr	177.74	197.74	165.75	198.09	199.00	197.51	192.02
	May	178.65	200.00	165.85	197.23	201.14	194.75	191.96
	Jun	179.94	202.11	166.65	199.21	204.60	195.79	196.75
	Jul	183.58	208.19	168.83	202.49	209.34	198.15	200.80
	Aug	185.71	212.27	169.79	207.85	211.45	205.57	203.29
	Sep	185.18	209.09	170.85	209.33	211.29	208.09	203.05
	Oct	188.82	212.61	174.56	211.70	213.26	210.71	207.69
	Nov	191.21	218.16	175.06	212.22	215.77	209.97	214.76
	Dec	188.68	210.89	175.37	210.11	210.28	210.00	210.78
2014	Jan	189.60	210.81	176.89	211.23	209.87	212.10	208.99
	Feb	189.00	208.74	177.17	210.94	208.67	212.38	208.54
	Mar	190.82	213.11	177.46	211.66	212.89	210.88	212.08
	Apr	194.06	217.33	180.11	211.88	216.70	208.82	211.78
	May	193.55	214.75	180.84	211.71	215.95	209.02	209.80
	Jun	194.74	216.98	181.41	214.60	221.06	210.50	212.40

\*: all groups combined

<b>Table A13: International Commodity Prices/ Indices</b>				
	<b>Mar-14</b>	<b>Apr-14</b>	<b>May-14</b>	<b>Jun-14</b>
<b>Energy</b>				
Crude Oil (US\$ per barrel) *	104.0	104.9	105.7	108.4
IMF Energy Index (2005 = 100)	190.8	192.2	193.4	197.3
WB Energy Index (2010 = 100) @	127.4	128.5	129.0	131.4
<b>Food</b>				
Rice (\$/MT)	434.1	409.9	403.6	414.7
Wheat (\$/MT)	323.6	324.9	334.7	306.5
Sugar (US cent/ pound)	17.9	18.2	18.2	18.1
Palm Oil (\$/MT)	860.5	825.3	800.3	758.5
Soybean Oil (\$/MT)	928.5	934.1	893.5	871.6
<b>Non-Food Non-Energy</b>				
Cotton Outlook 'A' Index #	96.9	94.2	92.7	90.9
IMF Metal Price Index (2005 = 100)	165.0	169.5	164.5	161.8
Copper (\$/MT)	6,650.0	6,673.6	6,891.1	6,821.1
Aluminum (\$/MT)	1,705.4	1,810.7	1,751.1	1,839.0
Iron Ore (\$ cents/dry MT)	111.8	114.6	100.6	92.7
Tin (\$/MT)	23,024.3	23,405.2	23,271.3	22,762.0
Nickle (\$/MT)	15,678.1	17,373.6	19,401.1	18,628.8
Zinc (\$/MT)	2,007.9	2,027.2	2,059.0	2,128.1
Lead (\$/MT)	2,053.1	2,087.1	2,097.3	2,106.9
Uranium (\$/MT)	34.7	32.7	28.5	28.2
DAP (\$/MT)	499.4	470.6	444.6	461.5
Urea (\$/MT)	315.8	291.1	299.1	297.9
Source: IMF and World Bank				
\$/MT = US\$ per metric ton.				
* Crude Oil (Petroleum), simple average of three spot prices; Dated Brent, West Texas Intermediate, and the Dubai fateh				
# Middling 1-3/32 inch staple, Liverpool Index "A", average of the cheapest Cts/lb five of fourteen styles, CIF Liverpool (Cotton Outlook, Liverpool). From January 1968 to May 1981 strict middling 1-1/16 inch staple. Prior to 1968, Mexican 1-1/16.2/				
DAP: Diammonium Phosphate				
@ World Bank commodity index for low and middle income countries				

**Table 14. CPI Data Series Original and Seasonally Adjusted**

<b>Original Series</b>				
<b>Period</b>	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>	<b>FY14</b>
Jul	137.62	154.72	169.57	183.58
Aug	140.63	156.88	171.09	185.71
Sep	143.49	158.50	172.44	185.18
Oct	144.90	160.79	173.10	188.82
Nov	146.34	161.25	172.42	191.21
Dec	145.90	160.12	172.82	188.68
Jan	147.67	162.58	175.70	189.60
Feb	146.85	163.07	175.11	189.00
Mar	148.91	164.98	175.82	190.82
Apr	150.99	168.00	177.74	194.06
May	151.33	169.93	178.65	193.55
Jun	152.78	169.99	179.94	194.74
<b>Seasonally Adjusted Series</b>				
Jul	137.50	154.58	169.37	183.01
Aug	139.73	155.84	169.90	184.38
Sep	142.56	157.46	171.32	183.96
Oct	143.61	159.31	171.53	187.11
Nov	145.47	160.25	171.30	189.89
Dec	146.61	160.90	173.68	189.60
Jan	147.90	162.80	175.93	189.84
Feb	148.11	164.52	176.69	190.73
Mar	149.84	166.04	176.99	192.11
Apr	150.98	167.93	177.63	193.94
May	151.90	170.64	179.48	194.49
Jun	153.50	170.83	180.90	195.79

<b>Table 15. CPI Food Data Series Original and Seasonally Adjusted</b>				
<b>Original Series</b>				
<b>Period</b>	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>	<b>FY14</b>
Jul	149.33	174.80	190.72	208.19
Aug	156.70	177.32	192.47	212.27
Sep	163.96	180.16	193.80	209.09
Oct	163.91	183.07	193.66	212.61
Nov	166.59	183.26	193.03	218.16
Dec	163.69	179.21	192.97	210.89
Jan	166.52	181.90	196.58	210.81
Feb	163.56	180.69	194.05	208.74
Mar	167.10	183.46	195.06	213.11
Apr	169.25	187.43	197.74	217.33
May	168.77	187.75	200.00	214.75
Jun	169.88	187.35	202.11	216.98
<b>Seasonally Adjusted Series</b>				
Jul	148.87	174.21	189.92	207.16
Aug	154.48	174.68	189.46	208.86
Sep	161.31	177.17	190.55	205.54
Oct	160.92	179.72	190.19	208.90
Nov	164.18	180.54	190.02	214.64
Dec	164.94	180.62	194.53	212.55
Jan	167.23	182.64	197.37	211.66
Feb	166.84	184.45	198.15	213.22
Mar	169.22	185.87	197.68	216.00
Apr	169.93	188.11	198.39	218.07
May	170.31	189.67	202.23	217.25
Jun	171.80	189.56	204.60	219.67



<b>Table 16: CPI Monthly &amp; Average Seasonal Factors</b>					
<b>Period</b>	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>	<b>FY14</b>	<b>Average</b>
Jul	100.09	100.09	100.12	100.31	100.15
Aug	100.65	100.67	100.70	100.72	100.69
Sep	100.65	100.66	100.65	100.66	100.66
Oct	100.90	100.93	100.92	100.91	100.91
Nov	100.60	100.62	100.65	100.70	100.64
Dec	99.52	99.51	99.50	99.51	99.51
Jan	99.85	99.86	99.87	99.87	99.86
Feb	99.15	99.12	99.10	99.09	99.12
Mar	99.38	99.36	99.34	99.33	99.35
Apr	100.01	100.04	100.06	100.06	100.04
May	99.63	99.58	99.54	99.52	99.57
Jun	99.53	99.51	99.47	99.47	99.49

<b>Table 17: CPI Food Monthly &amp; Average Seasonal Factors</b>					
<b>Period</b>	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>	<b>FY14</b>	<b>Average</b>
Jul	100.31	100.34	100.42	100.50	100.39
Aug	101.44	101.51	101.59	101.63	101.54
Sep	101.65	101.69	101.71	101.73	101.69
Oct	101.85	101.87	101.82	101.78	101.83
Nov	101.47	101.51	101.59	101.64	101.55
Dec	99.24	99.22	99.20	99.22	99.22
Jan	99.58	99.60	99.60	99.60	99.59
Feb	98.03	97.96	97.93	97.90	97.96
Mar	98.75	98.71	98.68	98.66	98.70
Apr	99.60	99.64	99.67	99.66	99.64
May	99.09	98.99	98.90	98.85	98.96
Jun	98.89	98.83	98.78	98.77	98.82

<b>Table 18: CPI Month-on-Month % Change Original &amp; Seasonally Adjusted</b>				
<b>Original Series</b>				
<b>Period</b>	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>	<b>FY14</b>
Jul	2.07	1.27	-0.25	2.02
Aug	2.19	1.40	0.90	1.16
Sep	2.03	1.03	0.79	-0.29
Oct	0.98	1.44	0.38	1.97
Nov	0.99	0.29	-0.39	1.27
Dec	-0.30	-0.70	0.23	-1.32
Jan	1.21	1.54	1.67	0.49
Feb	-0.56	0.30	-0.34	-0.32
Mar	1.40	1.17	0.41	0.96
Apr	1.40	1.83	1.09	1.70
May	0.23	1.15	0.51	-0.26
Jun	0.96	0.04	0.72	0.61
<b>Seasonally Adjusted Series</b>				
Jul	1.52	0.70	-0.85	1.17
Aug	1.62	0.81	0.31	0.75
Sep	2.02	1.04	0.84	-0.22
Oct	0.74	1.18	0.12	1.71
Nov	1.30	0.59	-0.13	1.48
Dec	0.78	0.40	1.39	-0.15
Jan	0.88	1.18	1.29	0.12
Feb	0.14	1.05	0.43	0.47
Mar	1.17	0.92	0.17	0.72
Apr	0.76	1.14	0.36	0.95
May	0.61	1.61	1.04	0.28
Jun	1.05	0.11	0.79	0.67

<b>Table 19: CPI Food Month-on-Month % Change Original &amp; Seasonally Adjusted</b>				
<b>Original Series</b>				
<b>Period</b>	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>	<b>FY14</b>
Jul	1.84	2.90	1.80	3.01
Aug	4.93	1.44	0.92	1.96
Sep	4.64	1.60	0.69	-1.50
Oct	-0.04	1.62	-0.07	1.68
Nov	1.64	0.10	-0.33	2.61
Dec	-1.74	-2.21	-0.03	-3.33
Jan	1.73	1.50	1.87	-0.04
Feb	-1.77	-0.66	-1.29	-0.98
Mar	2.16	1.53	0.52	2.10
Apr	1.28	2.16	1.37	1.98
May	-0.28	0.17	1.15	-1.19
Jun	0.66	-0.21	1.05	1.04
<b>Seasonally Adjusted Series</b>				
Jul	0.40	1.41	0.19	1.25
Aug	3.77	0.27	-0.24	0.82
Sep	4.42	1.42	0.57	-1.59
Oct	-0.24	1.44	-0.19	1.63
Nov	2.02	0.46	-0.09	2.75
Dec	0.47	0.04	2.37	-0.97
Jan	1.38	1.12	1.46	-0.42
Feb	-0.23	0.99	0.40	0.74
Mar	1.43	0.77	-0.24	1.30
Apr	0.42	1.21	0.36	0.96
May	0.23	0.83	1.94	-0.38
Jun	0.87	-0.05	1.17	1.12

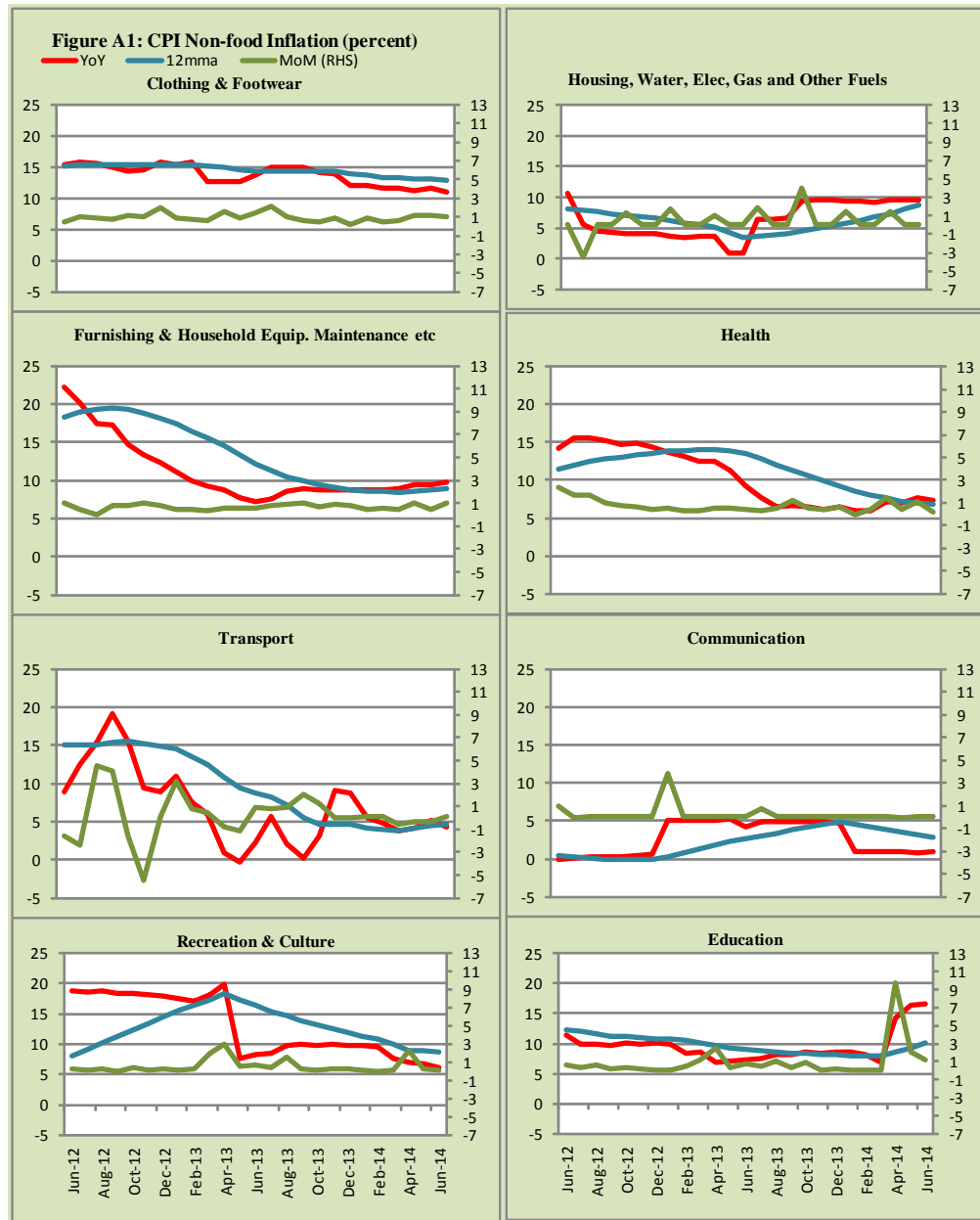
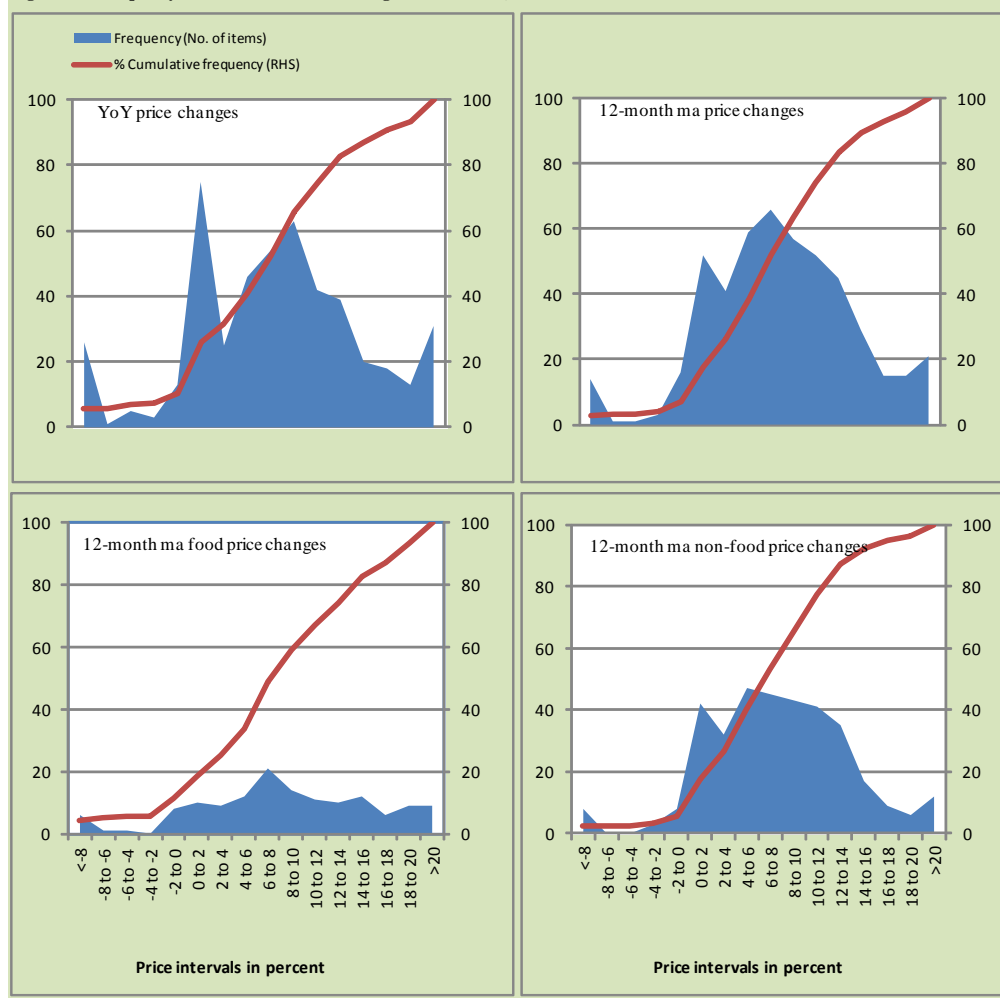


Figure A2: Frequency Distribution of Price Changes of CPI Items, June 2014



**Figure A3: Frequency Distribution of Price Changes of WPI Commodities, June 2014**

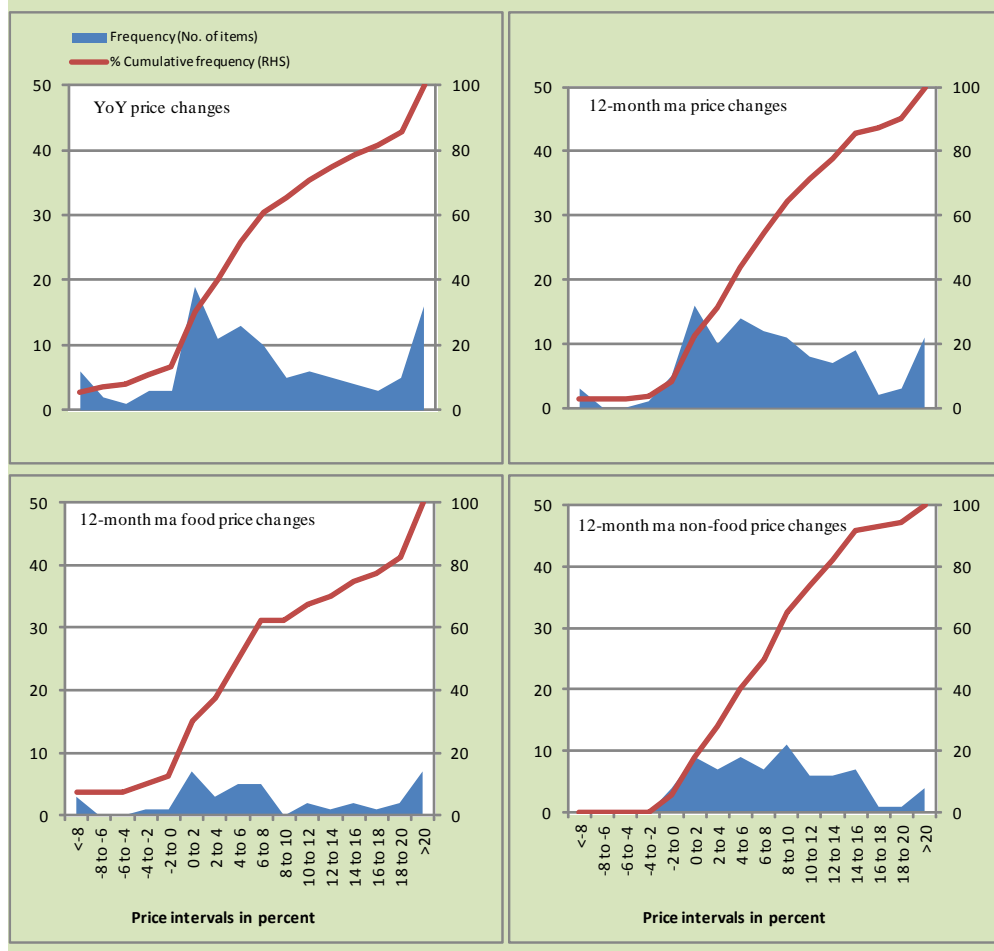
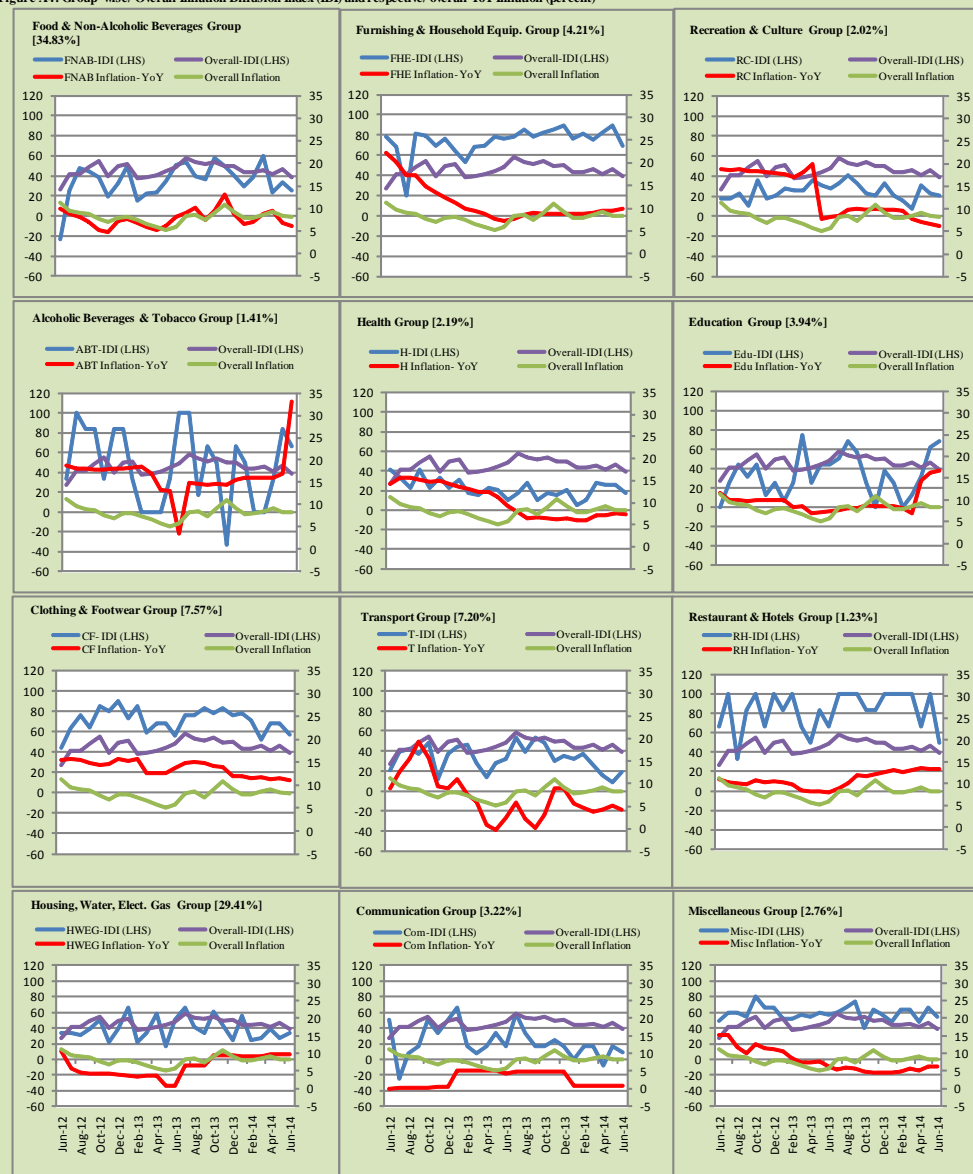


Figure A4: Group-wise/ Overall Inflation Diffusion Index (IDI) and respective/ overall YoY Inflation (percent)



Numbers in square brackets show the weights of respective groups in the CPI baskets.

## **Annexure B**

### **Technical Notes**

1. All the three measures of inflation, viz. CPI, WPI and SPI are computed by the following Laspeyres Index formula:

$$I_t = \sum_j w_0^j \left( \frac{P_t^j}{P_0^j} \right)$$

Where  $I_t$  is price index,  $w_0^j$  is weight of commodity  $j$  in the overall basket,  $P_t^j$  is price of commodity  $j$  in period  $t$  and  $P_0^j$  is its price in the base year.

2. Base year for all the indices is the year 2007-08.
3. CPI basket contains 487 consumers' goods; WPI basket contains 463 items; SPI contains 53 items.
4. YoY inflation is the percent change of an index in a given month over the index in the same month of the last year. It is computed as follows:

$$\pi_t = \left( \frac{I_t}{I_{t-12}} - 1 \right) \times 100$$

5. Period average inflation is the percent change of the average index during the period from July to the given month of a fiscal year over the average index during the corresponding period of the last year. It is computed as follows:

$$\bar{\pi}_t = \left( \frac{\sum_{i=0}^{t-v} I_{t-i}}{\sum_{i=0}^{t-12-v} I_{t-12-i}} - 1 \right) \times 100$$

Where  $v$  is the serial number of the month of July of current fiscal year in a given time series.

6. Monthly inflation is the percent change of an index in a given month over the index in the preceding month. It is computed as follows:



$$\pi_t = \left( \frac{I_t}{I_{t-1}} - 1 \right) \times 100$$

7. 12-month moving average inflation (Long-run trend inflation) is the percent change of 12-month moving average of a price index; it is computed as follows:

$$\tilde{\pi}_t = \left( \frac{\sum_{i=0}^{11} I_{t-i}}{\sum_{i=0}^{11} I_{t-12-i}} - 1 \right) \times 100$$

8. Core Inflation is defined as the persistent component of measured inflation that excludes volatile and controlled prices. It reflects the normal supply and demand conditions in the economy. Core inflation is computed by the following three methods:

- a) Non-food, Non-energy inflation (NFNE inflation); it is computed by excluding food group and energy items (kerosene oil, petrol, diesel, CNG, electricity and natural gas) from the CPI basket.
- b) 20% trimmed-mean inflation; it is computed through the following

steps:

- i. All CPI items are arranged in ascending order according to YoY/12-month moving average/monthly/period average changes in their price indices in a given month.
  - ii. 20 percent of the items showing extreme changes are excluded with 10 percent of the items at the top of the list (corresponding to cumulative weight of 90% or more) and 10 percent of the items at the bottom of the list (corresponding to cumulative weight of 10 percent or less).
  - iii. The weighted mean of the changes in price indices of the rest of the items is core inflation.
- c) Relatively Stable Component of CPI (RSC-CPI) developed by State Bank of Pakistan is a hybrid method based on permanent exclusion criteria. Volatile price items, to be excluded in the newly proposed

measure RSC-CPI, are identified by analyzing the list and frequency of commodities that have been trimmed frequently in the past while computing monthly weighted trimmed mean measure. Commodities that were trimmed out 13 and above times since July 2008 to February 2013 are selected for permanently excluding from the CPI basket. This newly developed component includes a mix of both food and non-food commodities that show persistent price behavior. Fifty Commodities included comprise relatively stable component (RSC-CPI) with a weight of 67.69. The detailed methodology of RSC-CPI and group wise items along their weights can be viewed at the following link;

<http://www.sbp.org.pk/publications/wpapers/2013/wp66.pdf>

9. Weighted contribution of different items (or sub-groups) to total inflation is worked out as below:

Let the overall index ( $I_t$ ) is the weighted average of price indexes of individual items or sub-groups ( $I_{it}$ ), i.e.

$$I_t = \sum_i w_i \cdot I_{it}$$

The weighted contribution of a single item (or a sub-group) to overall inflation is defined as below:

$$C_{it} = \alpha_{it-12} \cdot w_i \cdot \left( \frac{\pi_{it}}{\pi_t} \right)$$

Where  $C_{it}$ : Contribution of  $i^{\text{th}}$  item to the overall inflation

$$\alpha_{it-12} = \frac{I_{it-12}}{I_{t-12}}; \text{ i.e. ratio of item's index to overall index in the}$$

reference month

$w_i$  : Weights of  $i^{\text{th}}$  item

$\pi_{it}$  : Inflation of  $i^{\text{th}}$  item

$\pi_t$  : Overall inflation

10. Annualized rate of inflation (based on a month-on-month rate  $\pi$ ) is computed as follows

$$\text{Annualized } \pi = \left( \left( 1 + \frac{\pi}{100} \right)^{12} - 1 \right) \times 100$$

### Methodology for Estimating Inflation Diffusion Index for Pakistan

We constructed an index to measure the spread of inflation in the 487 commodities of the CPI basket. It is based on month-on-month (MoM) change in the prices of these commodities and can be obtained by estimating what is known as an ‘inflation diffusion index’ (IDI) as below:

$$\frac{\text{Number of Commodities with } \uparrow \text{ in MoM change} - \text{Number of Commodities with } \downarrow \text{ in MoM change}}{\text{Number of Commodities for which prices are reported}}$$

Thus, it is the difference between the share of items with increasing prices (i.e. depicting inflation) and the share of items with falling prices (i.e. depicting deflation) in CPI amongst the commodities for which prices have altered or remained constant<sup>1</sup>.

Based upon commodity level price data from July 2001 to February 2011 we computed inflation diffusion indices overall (general) CPI basket and for all groups in CPI basket (except House Rent Index being single item). A simple analysis<sup>2</sup> suggests that IDI is a leading indicator for Pakistan’s YoY inflation.

<sup>1</sup> We do not observe the prices of certain commodities (like the seasonal items) during certain periods of time. To calculate the inflation diffusion index we consider the commodities for which prices have been reported (irrespective of changed or not) during the month under review.

<sup>2</sup> Formal test shows one way ‘Granger’ causality from IDI to YoY inflation.