



Quarterly Producer Price Index

Q4(October to December) 2009

Quarter to quarter Inflation in Producer Prices by major categories

The quarter to quarter inflation of Produce Price Index is measured by comparing current quarter to that of the previous quarter. For example (Q 4- '09/ Q 3- '09).

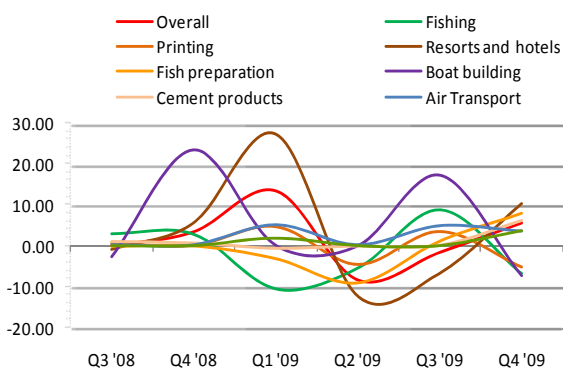
The Overall Producer Price Index increased by 5.45% in this quarter, in contrast to the 1.81% fall in the previous quarter. This increase is due to a substantial price increase in resort & hotels sector by 10.20%, compared to the 6.85% fall in the previous quarter. The increase in the resort & hotels prices were caused due to the "peak season" factor affecting the tourism industry, with an increase in the number of tourists visiting the country during the 4th quarter, as expected .

Table & figure 2: Quarterly producer price index & inflation in producer prices

Category	Index						Inflation					
	Q3 '8	Q4 '08	Q1 '09	Q2 '09	Q3 '09	Q4 '09	Q3 '08	Q4 '08	Q1 '09	Q2 '09	Q3 '09	Q4 '09
Overall	119.67	123.57	140.11	128.06	125.74	132.60	-0.19	3.26	13.39	-8.60	-1.81	5.45
Fishing	273.91	281.10	251.17	236.99	257.24	239.48	2.70	2.63	-10.65	-5.65	8.54	-6.90
Fish preparation	188.52	188.21	181.99	165.01	166.70	179.91	-0.25	-0.17	-3.31	-9.33	1.02	7.93
Printing	120.71	120.71	126.29	120.36	124.46	117.86	0.60	0.00	4.62	-4.70	3.41	-5.31
Resorts and hotels	108.62	114.57	145.79	127.65	118.91	131.03	-1.03	5.48	27.25	-12.44	-6.85	10.20
Boat building	98.99	122.16	122.29	122.23	143.28	132.79	-2.70	23.40	0.11	-0.05	17.23	-7.32
Cement products	167.60	168.66	167.50	167.34	167.42	177.67	0.97	0.63	-0.69	-0.10	0.05	6.12
Air Transport	111.37	111.37	117.06	117.06	122.74	127.01	0.00	0.00	5.11	0.00	4.86	3.47
Health	127.49	127.49	129.73	129.73	129.73	134.26	0.00	0.00	1.75	0.00	0.00	3.50

The percentage change in tourist arrival increased by 29.16%, compared to 7.74% rise in the previous quarter.

Also fish preparation & cement products sectors increased by 7.93% & 6.12% respectively, when compared to the 1.02% & 0.05% rise in the previous quarter. Price of fish preparation increased due to the higher demand of processed fish in the world market along with the decline of fish catch.



The inflation of cement products increased due rise in the packing cost.

Air transport sector also increased by 3.47% as the corresponding producer increased their ticket fare. Health sector index increased by 3.50%, due to increase in the consultation fees by some outlets as the firms has adjusted the doctors salary & operating expenses.

The prices of fishing index has decline by 6.90% due to the low demand for the frozen fish in the world market . At the same time, the fish catch decreases over the same period.

Quarter on quarter (seasonal factor) inflation in produce price

by major categories

The quarter on quarter inflation of Produce Price Index is measured by comparing current quarter with the same quarter of previous year. (For example (Q 4- '09/ Q 4- '08).

Table & figure 2 : Quarter on quarter Inflation by major categories.

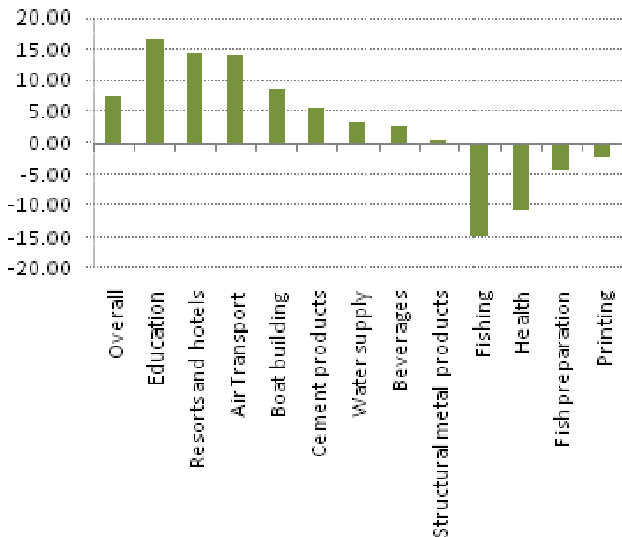
The overall producer price index rise by 7.31% when compared to Q4- '08 to Q4 - '09. The main reasons for this increase was the rise in price of education, resort & hotels and air transport sector by 16.43%, 14.37% and 14.04% respectively.

The quarter on quarter inflation of education sector increased due to the rise in school fees at the beginning of '09. The inflation of resort & hotels sector increased due to the rise in tourist arrivals by 7.14%, compared to the same quarter of '08.

Price index of air transport sector increased due to increase in the price of ticket fare as the price of the petrol in the world market showed a boost when compared this quarter with the same quarter of '08.

The inflation of boat building sector rose by 8.70% when compared to the same quarter of '08. This is due to increase in the price of raw materials in early '09 and also due to various changes

Category	Q4-09/Q4-08
Overall	7.31
Education	16.43
Resorts and hotels	14.37
Air Transport	14.04
Boat building	8.70
Cement products	5.34
Water supply	3.36
Beverages	2.93
Structural metal products	0.71
Fishing	-14.81
Health	-10.88
Fish preparation	-4.41
Printing	-2.37



in the structure of boat building. The price of cement products increased by 5.34%, due to increasing their packaging cost when compared to the same quarter of '08.

Other sectors such as water supply, beverages and structural metal also registered a slight increase in prices by 3.36%, 2.93% and 0.71% respectively.

Price of beverages sector increased due to the increase in the unit price of some products at the beginning of '09.

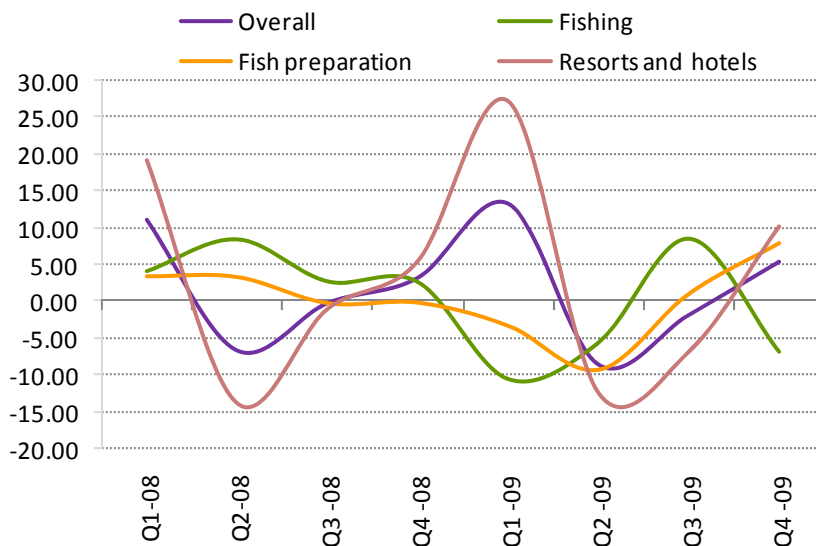
However price of fishing & fish preparation has move down by 14.81% and 4.41%, respectively when compare to the same quarter of '08.

Time series of producer prices in major sectors

This following chart illustrates the inflation in producer prices compared to the previous quarter for a period of 8 quarters showing a seasonal cycle in the resorts and hotels sector, where Q1 experiences a higher rate of positive growth while Q2 is the lowest in the cycle.

Table & figure 3: Time series from Q1- 08 to Q4- 09

Category	Index								Inflation							
	Q1-08	Q2-08	Q3-08	Q4-08	Q1-09	Q2-09	Q3-09	Q4-09	Q1-08	Q2-08	Q3-08	Q4-08	Q1-09	Q2-09	Q3-09	Q4-09
Overall	128.48	119.90	119.67	123.57	140.11	128.06	125.74	132.60	11.18	-6.68	-0.19	3.26	13.39	-8.60	-1.81	5.45
Fishing	245.92	266.71	273.91	281.10	251.17	236.99	257.24	239.48	4.11	8.46	2.70	2.63	-10.65	-5.65	8.54	-6.90
Fish preparation	182.92	188.99	188.52	188.21	181.99	165.01	166.70	179.91	3.42	3.32	-0.25	-0.17	-3.31	-9.33	1.02	7.93
Resorts and hotels	127.39	109.74	108.62	114.57	145.79	127.65	118.91	131.03	19.21	-13.85	-1.03	5.48	27.25	-12.44	-6.85	10.20



On a quarterly basis more than 250 price quotations are collected from 94 establishments for compilation of producer price index (PPI). The statistics division wishes to acknowledge the cooperation given by the business community in supplying the required price data.

producer prices index - PPI (2001 = 100)

Categories	Overall	Fishing	Fish preparation	Other food products	Beverages	Wearing apparel	Manufacture of wood products	Publishing	Printing	Chemical products	Cement products	Structural metal products	Manufactur of machine tools	Boat building	Furniture	Electricity	Water supply	Resorts and hotels	Sea Transport	Air Transport	Telecommunication	Education	Health
Weight	100.00	6.02	4.60	1.13	0.48	4.30	0.04	0.67	0.19	0.29	0.75	0.50	0.03	0.22	0.43	2.81	0.53	57.38	4.87	7.48	6.02	1.27	0.01
2005	99.86	169.46	114.14	92.49	102.25	88.94	102.85	121.74	101.91	90.32	122.88	57.39	0.00	101.02	101.45	89.94	89.22	93.69	119.42	100.00	71.43	117.58	100.09
2006	103.24	155.36	114.72	92.46	101.70	88.78	100.14	121.74	101.91	91.33	152.79	56.10	0.00	101.75	108.86	86.64	86.56	100.77	119.42	100.00	71.43	118.07	99.79
2007	111.69	194.22	160.68	92.49	103.67	88.78	100.14	121.74	105.49	118.50	160.04	56.62	0.00	101.83	100.24	88.06	84.95	106.29	119.42	108.53	71.43	120.91	114.63
2008	128.48	245.92	182.92	92.49	107.22	88.78	100.14	121.74	112.20	118.50	165.67	57.47	100.00	100.47	100.18	93.22	88.18	127.39	119.42	111.37	71.43	129.09	126.98
2008	119.90	266.71	188.99	92.49	107.24	88.78	100.14	121.74	120.00	118.50	165.99	57.47	100.00	101.74	100.25	93.22	86.61	109.74	119.42	111.37	71.43	129.09	127.49
2008	119.67	273.91	188.52	92.49	107.24	88.78	100.14	121.74	120.71	118.50	167.60	56.42	100.00	98.99	100.25	93.22	86.61	108.62	119.42	111.37	71.43	129.09	127.49
2008	123.57	281.10	188.21	92.49	107.24	88.78	100.14	121.74	120.71	118.50	168.66	57.47	100.00	122.16	100.18	93.22	86.61	114.57	119.42	111.37	71.43	129.09	127.49
2009	140.11	251.17	181.99	92.49	110.38	88.78	100.14	121.74	126.29	118.50	167.50	56.66	100.00	122.29	100.41	93.37	88.07	145.79	119.42	117.06	71.43	150.30	129.73
2009	128.06	236.99	165.01	92.49	110.38	88.78	100.14	121.74	120.36	118.50	167.34	56.23	100.00	122.23	100.41	93.30	88.53	127.65	119.42	117.06	71.43	150.30	129.73
2009	125.74	257.24	166.70	173.38	110.38	88.78	100.14	121.74	124.46	118.50	143.28	58.27	100.00	143.28	100.41	93.34	89.53	118.91	119.42	122.74	71.43	150.30	129.73
2009	132.60	239.48	179.91	173.38	110.38	88.78	100.14	121.74	117.86	118.50	177.67	57.88	100.00	132.79	100.41	93.32	89.53	131.03	119.42	127.01	71.43	150.30	134.26

% change in producer prices index - PPI

Categories	Overall	Fishing	Fish preparation	Other food products	Beverages	Wearing apparel	Manufacture of wood products	Publishing	Printing	Chemical products	Cement products	Structural metal products	Manufactur of machine tools	Boat building	Furniture	Electricity	Water supply	Resorts and hotels	Sea Transport	Air Transport	Telecommunication	Education	Health
Weight	100.00	6.02	4.60	1.13	0.48	4.30	0.04	0.67	0.19	0.29	0.75	0.50	0.03	0.22	0.43	2.81	0.53	57.38	4.87	7.48	6.02	1.27	0.01
2005	2.78	15.82	18.89	0.00	-2.27	0.49	2.13	0.00	3.39	0.81	15.13	-7.75	0.00	0.00	2.89	-1.74	-8.78	-1.15	19.42	0.00	0.00	8.68	-0.26
2006	3.39	-8.32	0.51	-0.03	-0.54	-0.19	-2.63	0.00	0.00	1.12	24.34	-2.25	0.00	0.73	7.31	-3.67	-2.98	7.56	0.00	0.00	-0.01	0.42	-0.30
2007	8.18	25.02	40.06	0.03	1.94	0.00	0.00	0.00	3.50	29.75	4.74	0.93	0.00	0.08	-7.92	1.65	-1.86	5.47	0.00	8.53	0.00	2.41	14.87
Q 4 2009 / Q4 2008	7.31	-14.81	-4.41	87.46	2.93	0.00	0.00	0.00	-2.37	0.00	5.34	0.71	0.00	8.70	0.23	0.10	3.36	14.37	0.00	14.04	0.00	16.43	5.31
2008	11.18	4.11	3.42	0.00	0.04	0.00	0.00	0.00	10.09	0.00	0.37	1.47	0.00	-0.29	0.00	4.99	3.80	19.21	0.00	0.00	0.00	6.77	-0.81
2008	-6.68	8.46	3.32	0.00	0.01	0.00	0.00	0.00	6.95	0.00	0.19	0.00	0.00	1.26	0.07	0.00	-1.77	-13.85	0.00	0.00	0.00	0.00	0.41
2008	-0.19	2.70	-0.25	0.00	0.00	0.00	0.00	0.00	0.60	0.00	0.97	-1.82	0.00	0.20	0.00	0.00	0.00	-1.03	0.00	0.00	0.00	0.00	0.00
2008	3.26	2.63	-0.17	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.63	1.85	0.00	23.40	-0.07	0.00	0.00	5.48	0.00	0.00	0.00	0.00	0.00
2009	13.39	-10.65	-3.31	0.00	2.93	0.00	0.00	0.00	4.62	0.00	-0.69	-1.40	0.00	0.11	0.23	0.16	1.68	27.25	0.00	5.11	0.00	16.43	1.75
2009	-8.60	-5.65	-9.33	0.00	0.00	0.00	0.00	0.00	-4.69	0.00	-0.10	-0.77	0.00	-0.05	0.00	0.08	1.65	-12.44	0.00	0.00	0.00	0.00	0.00
2009	-1.81	8.54	1.02	87.46	0.00	0.00	0.00	0.00	3.41	0.00	0.05	3.63	0.00	17.23	0.00	0.04	0.00	-6.85	0.00	4.86	0.00	0.00	0.00
2009	5.45	-6.90	7.93	0.00	0.00	0.00	0.00	0.00	-5.31	0.00	6.12	-0.68	0.00	-7.32	0.00	-0.02	0.00	10.20	0.00	3.47	0.00	0.00	3.50