



PRICE STATISTICS OF BANGLADESH

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Background

- Bangladesh Bureau of Statistics (BBS) has been regularly compiling different types of price and wages indices from 1973-74 which are mentioned below:
 - Consumer Price Index (CPI) & Inflation rate
 - Producers Price Index (PPI)
 - Building Materials Price Index (BMPI)
 - House Rent Index (HRI)
 - Wage Rate Index (WRI)
 - Unit Value Index (UVI) of Exports
 - Unit Value Index (UVI) of Imports



Background....

- Considering the necessity BBS has made a WRI of new base year (2010-11). It has been prepared with the help of Labor Force Survey-2010.
 - Amount of money received either in cash or in kind in a day for standard daily working hours or earnings of low paid labor who works on hourly basis have been included here as wage earners.
 - Salary paid and high contract based earnings have been excluded from here.
 - Monthly wage rate data are collected from 64 districts of the country on monthly basis. Wage rates of the day labourers in regards to (i) without food (ii) with food by gender are collected by 64 district statistical offices, BBS.
 - WRI has been calculated from weighted average on the basis divisional weight. Selected 44 occupational wage data from three major economic sectors are being collected from 64 district statistical offices according to male and female (with food and without food). Based on occupation of male and female wage data has been measured as simple wage average.



Consumer Price Index (CPI)

- Scope and Coverage:
 - Geographic scope
 - Total Market–140
 - Rural 64 (1 in each district)
 - Urban 64 (1 in each district)
 - Dhaka City 12
 - Outlets
 - Each Market three outlets, One reserve
 - Three prices are collected for every item included in CPI basket from three outlets of every market



Consumer Price Index....

- Time scope/Frequency
 - The CPI, WRI, BMPI are compiled on monthly basis and HRI is compiled on quarterly basis;
 - Prices and wages are collected at field level from 12-18 of each month and sent to head office by 20th of the month;
 - Annual indices are also computed by averaging the 12 month's indices;
 - CPI & WRI are released on the first week of the following month through press conference.



Consumer Price Index....

Types of Outlet

- » Super Market
- » Department store
- » Traditional Small shop
- » Permanent market stall
- » Temporary market stall
- » Café, Hotel, Restaurant
- » Cinema, Sports stadium
- » The internet & Mail order catalogue



Consumer Price Index....

Choice of outlets

- The choice of outlets is not random. Like the products themselves the outlets have been carefully selected with a view to being as representative as possible of the outlets which are typical in the locality- and in the country as a whole.
- Outlet have different weight, but in practices we assume equal weights for all outlet.



Consumer Price Index....

Other Type of Outlets

- In addition to the outlets listed above, there are other especially related to services. These are as follows;
 - Electricity and gas companies
 - Water, sewerage, refuse collection agencies
 - School
 - Hospital
 - Doctors & Dentists
 - Plumbers, electricians, Painters etc.



Consumer Price Index....

Survey Framework

- Sampling Design (e.g. purposive, probability, etc...):
 - To ensure regional price and wage pattern 1 urban and 1 rural market are selected randomly and various labour stations;
 - Within each market four outlets (1 reserve) are again selected at random
- Criteria for sample selection:
 - Total number of items are divided into groups and subgroups and then from each group a representative sample is selected.
 - Bangladesh Bureau of Statistics regularly (5 year interval) conduct Household Income Expenditure Survey (HIES).
 - Items of CPI are selected on the basis of HH consumption weight available from HIES.

Consumer Price Index....

- Weighting system:
 - CPI Item weights have been taken from HIES 2005 and WRI sector wise weights have been taken from LFS 2010; BMPI Item weights have been taken from CMS Survey 1998-99;
 - The consumption patterns were determined on the basis of the results of the 2005 Household Income and Expenditure Survey (HIES) based on sample of 10080 households of which 6400 in rural and 3680 in urban.
 - National CPI, urban and rural indices have been combined using weights of country wide urban and rural household expenditure.
 - Weight distribution are as following -
 - a) Rural - 64.89 b) Urban - 35.11.



Price Collection Schedule

SL.	Types of Schedule	Number of Items.
1	Weekly/Monthly Retail (Urban)	582
2	Monthly Retail (Rural)	412
3	Monthly Wholesale (Urban)	112
4	Monthly Building Material (Urban), Wage & Service Rate and Quarterly House Rent.	211
Total Items:		1317

Total Quotation

SL.	Types of Schedule	Quotations
1	Weekly/Monthly Retail (Urban)	582X3=1746
2	Monthly Retail (Rural)	412X3=1236
3	Monthly Wholesale (Urban)	112X3=336
4	Monthly Building Material (Urban), Wage & Service Rate and Quarterly House Rent.	211X3=633
Total quotation		1317X3=3951



Types of Indices

SL No.	Types of Index	Number of Index Items.
1	Consumer Price Index (CPI) Urban	422
2	Consumer Price Index (CPI) Rural	318
3	Wage Rate Index (WRI)	44
4	Building Material Price Index (BMPI)	71
5	House Rent Index (HRI)	16
Total Index Items:		871

Base years for different Indices

CPI	WRI	BMPI	HRI	WPI
1973-74	1969-70	1969-70	1973-74	1969-70
1985-86	-	1998-99	-	-
1995-96	-	-	-	-
2005-06	-	-	-	Postponed
-	2010-11	-	-	-

CPI Location weights

Location	1995-96=100 Weight	2005-05=100 Weight
Rural	70.89	64.89
Urban	29.11	35.11
National	100.00	100.00

Table 1 . Rural CPI Basket

Major Groups	No. of items Base Year (1995-96=100)	No. of items Base Year (2005-06=100)
I. Food Beverage and Tobacco	106	133
II. Clothing and Footwear	33	64
III. Rent, Fuel & Lighting	6	7
IV. Furniture, Household Equipment and Operations	28	43
V. Medical Care & Health Expenses	5	10
VI. Transportation and Communication	11	18
VII. Recreation, Entertainment, Education & Cultural Services	11	23
VIII. Miscellaneous Goods & Services	15	20
Total	215	318

Table 2 . Urban CPI Basket

Major Groups	No. of items Base Year (1995-96=100)	No. of items Base Year (2005-06=100)
I. Food Beverage and Tobacco	113	151
II. Clothing and Footwear	48	66
III. Rent, Fuel & Lighting	13	17
IV. Furniture, Household Equipment and Operations	37	57
V. Medical Care & Health Expenses	16	26
VI. Transportation and Communication	22	33
VII. Recreation, Entertainment, Education & Cultural Services	19	34
VIII. Miscellaneous Goods & Services	34	38
Total	302	422

Table 3: Group weights for Rural CPI.

Major Groups	Weights Base Year (1995-96=100)	Weights Base Year (2005-06=100)
GENERAL	100.00	100.00
I. FOOD, BEVERAGE AND TOBACCO	62.96	61.41
II. CLOTHING & FOOTWEAR:	6.88	6.90
III. GROSS RENT, FUEL & LIGHTING:	14.69	12.30
IV. FURNITURE, HOUSEHOLD EQUIPMENT & OPERATIONS.	2.70	4.65
V. MEDICAL CARE & HEALTH EXPENSES.	2.79	3.38
VI. TRANSPORTATION AND COMMUNICATION:	2.98	4.69
VII. RECREATION, ENTERTAINMENT, EDUCATION. & CULTURAL SERVICES.	3.20	3.43
VIII. MISCELLANEOUS GOODS & SERVICES:	3.80	3.25

Table 4: Group weights for the Urban CPI.

Major Groups	Weights Base Year (1995-96=100)	Weights Base Year (2005-06=100)
GENERAL	100.00	100.00
I. FOOD,BEVERAGE AND TOBACCO	48.80	46.52
II. CLOTHING & FOOTWEAR:	6.79	6.72
III. GROSS RENT, FUEL & LIGHTING:	22.17	19.64
IV.FURNITURE,HOUSEHOLD EQUIPMENT & OPERATIONS.	2.58	4.88
V. MEDICAL CARE & HEALTH EXPENSES.	2.97	3.65
VI. TRANSPORTATION AND COMMUNICATION:	7.07	7.86
VII. RECREATION, ENTERTAINMENT, EDUCATION.& CULTURAL SERVICES.	6.40	5.86
VIII. MISCELLANEOUS GOODS & SERVICES:	3.22	4.86



Price Collection Period and Schedule

- 01) Price collection period
 - Rural Market 12 to 18 of each month
 - Urban Market 12 to 18 of each month
 - Dhaka City Corporation Market (Wednesday of Each week)

- 02) Data edit and entry
 - 19 to 24 of each month

- 03) CPI calculation
 - 25 to 29 of each month

- 04) CPI Approval
 - First day of the month

- 05) Press release
 - First week of every month



Price Indices at a Glance

Sl	Indices	Base Year	Formula Used	Frequency	No. of commodity used	Survey used for Weight	Classification	New Base year
01	CPI-Rural	2005-06	Laspeyres	Monthly	318	HIES 2005-06	ILO	2015-16
02	CPI-Urban	2005-06	Laspeyres	Monthly	422	HIES 2005-06	ILO	2015-16
03	WRI	2011-12	Lapeyres	Monthly	44 category (Blue collar)	LFS 2012	BSCO 2012	2015-16
04	PPI	2005-06	Laspeures	Monthly	2d-22, 3d-40 & 4d-72, items-190	SMI 2005-06	ISIC Rev-4	2015-16
05	BMPI	1998-99	Laspeyres	Monthly	71 (49+22)	CMS 1998-99		2015-16
06	HRI	1973-74	Laspeyres	Quarterly	16	FTS 2002-03		2015-16
07	UVI-Export	2002-03	Laspeures	Yearly	11	FTS 2002-03	HS 2012	2015-16
08	UVI-Import	2002-03	Laspeyres	Yearly	70	FTS 2002-03	HS 2012	2015-16