

Bangladesh

A: Identification

Title of the CPI: National Consumer Price Index

Organisation responsible: Bangladesh Bureau of Statistics

Periodicity: Monthly

Index reference period: 2005/2006 = 100

Weights reference period: 2005/2006

Main uses of CPI: Indexation of wages, pensions and/or social security payment, indexation of rents, contracts and/or other payments, main inflation indicator used for monetary policy, macroeconomic modelling and other analytic uses.

B: CPI Coverage

Geographical Coverage

Weights: Nation-wide

Price collection: Nation-wide

Population coverage: Resident households of nationals.

Consumption expenditure excludes:

- Investment-related expenditures (e.g. purchase of shares/stocks)

C: Concepts, definitions, classifications and weights

Sources of weights: Household expenditure surveys.

Frequency of weight updates: Above 5 years

Price updating of weight reference period to the index reference period: No, not needed.

Weights for different population groups or regions: Group weights for urban and rural areas are computed and are used in the computation of the National CPI.

D: Sample design

Sampling methods:

Outlets: Judgmental sampling

Products: Judgmental sampling

Criteria used for determining the optimal sample sizes and the coverage of localities, outlets, items and variety samples: Outlet selection: For each item price is collected from three selected outlets. There are many outlets in a market, among them three big outlets are selected to collect the price data of individual items. The locations of outlets are in different areas like urban, rural, district and divisional headquarters.

Item selection: The items selected should be as representative as possible. The total number of items is divided into groups and subgroups and then from each group a representative sample is selected for inclusion.

Criteria used for selecting an item variety in the outlet in case of loose specifications provided by the central office: Price collectors should make sure that they are pricing the correct product based on the product specifications in the CPI product list.

E: Data Collection

Methods of Price Collection

- Personal data collection

Treatment of seasonal items and seasonality

Treatment of housing

F: Computation

Formula used for calculation of elementary indices: The arithmetic average of the price ratios (Carli index) (Direct form)

Formula to aggregate elementary indices to higher level indices: For computation of the indices, Laspeyre's formula is and is given as below:

$$I = \frac{\sum_i \frac{P_n}{P_o} \times W_i}{\sum W} \times 100$$

where

I = Consumer price index

P_n = Price in the current period

P_o = Price in the base period

W_n = Weight of the i^{th} item

W = Weight of the group.

Formula of aggregating regional/population group indices into national index: The national CPI is calculated by combining the urban and rural indices using as weights the urban and rural household expenditure multiplied by the total number of urban/rural households as available from population census data.

G: Editing and validation procedures

Control procedures used to ensure the quality of data collected: Immediately after receiving the price returns from the field, the data are scrutinized and edited by the respective data compilers under the supervision of two/three officers.

H: Documentation and dissemination

Timeliness of dissemination of the CPI data: Dissemination is within 21 days of the end of the reference month.

Level of detailed CPI published

Paper publication: All items CPI, Division-level (12 Divisions)

Online: All items CPI, Division-level (12 Divisions)

Documentation

Publications and websites where indices can be found: Monthly: 'Statistical Bulletin Bangladesh', Bangladesh Bureau of Statistics, Other: 'Statistical Yearbook of Bangladesh', Bangladesh Bureau of Statistics; 'Pocket books', Bangladesh Bureau of Statistics, Internet website: <http://www.bbs.gov.org/>

Publications and websites where methodological information can be found: The methodology and data sources used in the compilation of the consumer price indices are contained in the publication 'Sources and Methods of Indices (National Accounts Deflators)' available upon request.

I: Other Information

Completed by ILO in 2013.