

Nepal

A: Identification

Title of the CPI: National Urban Consumer Price Index

Organisation responsible: Nepal Rastra Bank (NRB)

Periodicity: Monthly

Index reference period: Mid July 2005/2006 = 100

Weights reference period: Mid-November 2005 – Mid-November 2006 Household Budget Survey

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 and computation of purchasing power of households.

B: CPI Coverage

Geographical Coverage

Weights: Urban areas

Price collection: Urban areas

Population coverage: Resident households of nationals.

Population groups excluded: One-person households and households with more than 8 persons, households obtaining more than 50 percent of consumption from their own production and households receiving less than 50 percent of their income in cash.

C: Concepts, definitions, classifications and weights

Definition of the CPI and its objectives: The National Urban Consumer Price Index (NUCPI) is the measure of the change in the level of prices of a fixed basket of consumer goods and services.

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.

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 and item selection: A market survey was conducted to determine consumer items, market areas, and outlets. Market areas and outlets where large numbers of consumers make their purchases were selected.

All items selected for pricing were specified during the market survey; specification includes size, weight, material used, workmanship, and other qualitative and quantitative features.

E: Data Collection

Frequency with which prices are collected: Prices are collected on a regular pricing cycle (weekly, monthly, quarterly; July/October/January/April; semi-annually, and annually.

Methods of Price Collection

- Personal data collection
- Official tariffs

Treatment of seasonal items and seasonality

Treatment of housing

F: Computation

Formula to aggregate elementary indices to higher level indices: The modified Laspeyre's formula is used for aggregating the elementary indices.

Formula of aggregating regional/population group indices into national index: The regional indices are obtained by aggregating town level indices using expenditure weights, and the national index is obtained by aggregating regional indices using population weights.

G: Editing and validation procedures

H: Documentation and dissemination

Timeliness of dissemination of the CPI data: The CPI is normally released within 3 weeks after the reference month.

Level of detailed CPI published

Paper publication: All items CPI, Division-level (12 Divisions), Group-level app. 40 groups

Online: All items CPI, Division-level (12 Divisions), Group-level app. 40 groups

Documentation

Publications and websites where indices can be found: “Current Macro-economic Situation”, NRB; “Quarterly Economic Bulletin”, NRB (English); Internet website: www.nrb.org.np

I: Other Information

Completed by ILO in 2013.