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இலங்கை மத்திய வங்கி
CENTRAL BANK OF SRI LANKA

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Press Release

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Land Valuation Indicator¹ – First Half of 2020

Key Facts

LVI	Annual Increase 7.1 %
Indicator Value	Semi-Annual Increase 2.0 %
141.6	

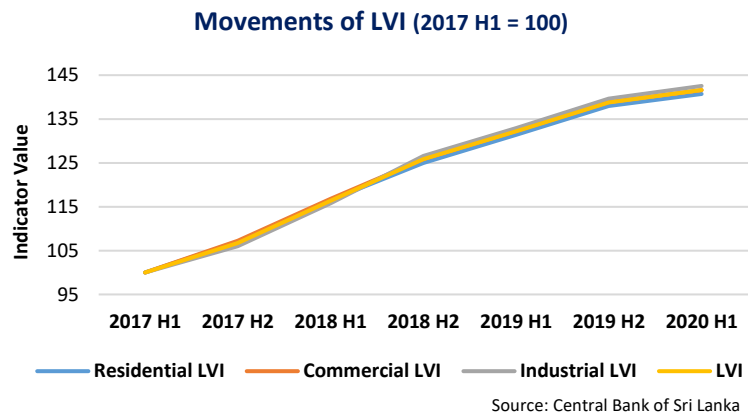
Annual Percentage Increase of LVI

Geographical Coverage of LVI Since 2017: Colombo District

Source: Central Bank of Sri Lanka

Land Valuation Indicator (LVI) of Colombo District reached 141.6 during the 1st half of 2020, recording an annual increase of 7.1 per cent. Meanwhile, on semi-annual basis the LVI marginally increased by 2.0 per cent. Both annual and semi-annual percentage changes of LVI showed a declining trend over the recent periods.

All sub-indicators of LVI, namely Residential LVI, Commercial LVI and Industrial LVI contributed to the overall increase. Industrial LVI recorded the highest annual increase of 7.2 per cent, while both Residential LVI and Commercial LVI recorded 7.1 per cent increases.



¹ The Land Price Index (LPI) compiled by the CBSL is renamed as Land Valuation Indicator (LVI) effective from the 2nd half of 2019.

Land Valuation Indicator and Growth Rates

Land Valuation Indicator for Colombo District <small>(Base period: 2017 H1)</small>	Indicator Value					Annual % Change			Semi-Annual % Change		
	2018 H1	2018 H2	2019 H1	2019 H2	2020 H1	2019 H1	2019 H2	2020 H1	2019 H1	2019 H2	2020 H1
Residential LVI	116.5	125.0	131.4	137.9	140.7	12.8	10.4	7.1	5.1	5.0	2.0
Commercial LVI	116.8	125.9	132.2	138.8	141.6	13.2	10.3	7.1	5.1	5.0	2.0
Industrial LVI	115.8	126.6	133.0	139.6	142.5	14.9	10.3	7.2	5.0	5.0	2.1
LVI	116.3	125.8	132.2	138.8	141.6	13.6	10.3	7.1	5.1	5.0	2.0

Source: Central Bank of Sri Lanka

Technical Note:

Coverage and Frequency

The Land Price Index (LPI) compiled from 1998 to 2008 on an annual basis and from 2009 to 2017 on a semi-annual basis, covering 5 DS divisions in the Colombo District. Subsequently, from 2017 onwards, its geographical coverage was enhanced to represent all 13 DS divisions in the Colombo District and hence it was rebased considering 1st half of 2017 as the base period. From 2nd half of 2019 onwards LPI is renamed as Land Valuation Indicator (LVI) and released on a semi-annual basis.

Data Source

Per perch bare land prices are obtained from the Government Valuation Department on a semi-annual basis.

Methodology

Considering the diverse nature of land use, and the necessity of maintaining homogeneity, three sub-indicators for residential, commercial and industrial lands are computed separately for each DS division using the average per perch bare land price in the area. The LVI is the simple average of these three sub-indicators.