

Land Valuations Indicator

Second Half of 2019



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இலங்கை மத்திய வங்கி
CENTRAL BANK OF SRI LANKA

Land Valuations Indicator¹ – Second Half of 2019

Key Facts

LVI

Indicator Value

138.9

10.4 %

Y-o-Y Increase

Sub-Indicators of LVI (Y-o-Y)

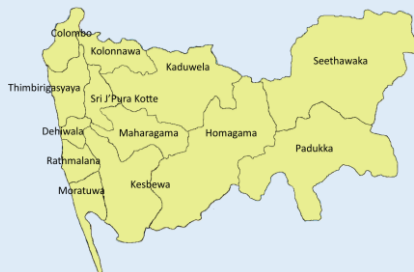
Residential LVI 10.7%

Commercial LVI 10.3%

Industrial LVI 10.3%

Source: Central Bank of Sri Lanka

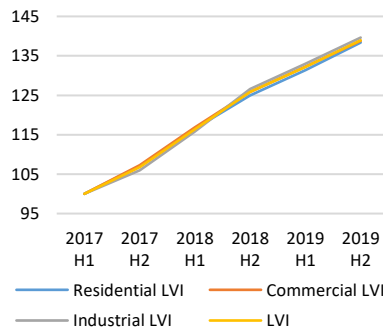
Geographical Coverage of LVI Since 2017: Colombo District



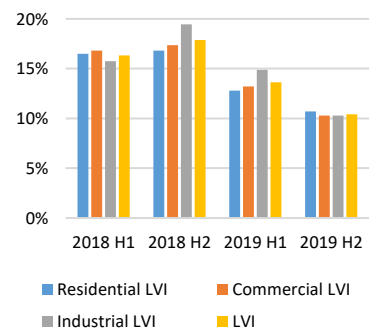
Land Valuations Indicator (LVI) for Colombo District compiled by the Central Bank of Sri Lanka (CBSL), reached 138.9 during the 2nd half of 2019, recording an increase of 10.4 per cent compared to the 2nd half of 2018. All three sub-indicators of LVI, namely Residential, Commercial and Industrial have contributed to this increase.

Residential LVI recorded the highest year-on-year increase of 10.7 per cent, while both the Commercial LVI and Industrial LVI increased by 10.3 per cent. Meanwhile, the LVI increased by 5.1 per cent in 2nd half of 2019 from 1st half of 2019.

Movements of LVI



Y-o-Y Percentage Increase of LVI



Source: Central Bank of Sri Lanka

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

Land Valuations Indicator and Growth Rates

Land Valuations Indicator for Colombo District (Base period: 2017 H1)	Indicator Value						Y-o-Y Change (%)			
	2017 H1	2017 H2	2018 H1	2018 H2	2019 H1	2019 H2	2018 H1	2018 H2	2019 H1	2019 H2
Residential LVI	100.0	107.0	116.5	125.0	131.4	138.4	16.5	16.8	12.8	10.7
Commercial LVI	100.0	107.3	116.8	125.9	132.2	138.8	16.8	17.4	13.2	10.3
Industrial LVI	100.0	106.0	115.8	126.6	133.0	139.6	15.8	19.4	14.9	10.3
LVI	100.0	106.7	116.3	125.8	132.2	138.9	16.3	17.9	13.6	10.4

Source: Central Bank of Sri Lanka

Technical Note:

Coverage and Frequency

The Land Price Index (LPI) had been compiled from 1998 to 2008 on an annual basis and from 2009 to 2017 on a bi-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 Valuations Indicator (LVI) and will be released on a bi-annual basis.

Data Source

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