

# **Impact of Price Increase of Rice on Household Expenditure in Bangladesh: A case study of Dhaka city.**

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## ***Abstract:***

*Bangladeshis' are now finding it difficult to survive with their income-level which is grossly mismatching the prices of basic necessities, particularly rice, the staple food. The principal objective of this study is to assess the impacts of price increase of rice on household expenditures of middle-income families in some selected areas of Dhaka City. The study used the linear regression where average price of rice per KG has been considered to be an independent variable and the total monthly consumption and expenditure on Rice, monthly expenditure on Vegetables, Meat, Pulse, Atta, Clothes, Conveyance, House Rent and monthly Savings has been considered as dependent variables. The study shows that, the impact of price increase of rice has substantially influenced the family expenditure on the above mentioned food and non-food items. The variation of family expenditure due to price increase ranges from 7% to 43% over the years. As the monthly family expenditure has shot up during 2006-2008, the households are facing significant strain on their family budget and their extent of savings substantially diminished in the relevant period. In this perspective the study highlighted some measures to overcome the present hardship of the households.*

**Keywords:** Inflation, price, expenditure, savings.

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## 1.0 INTRODUCTION

Currently inflation is the topmost issue in the context of Bangladesh. A low rate of inflation is the cornerstone of macroeconomic stability of an economy. According to Bangladesh Bureau of Statistics (BBS), the inflation rate on food items crossed the 11 percent mark in July last year and showed a steady rise until October. Then it had a big increase in November, 13.80 percent, mainly affecting people in low-income groups. Production losses due to natural calamities have added to the inflationary pressure and the average inflation rate stood in the range of 8.1 and 8.5 percent in FY08. Recent trend in inflation rate demonstrates an increasing trend. Inflation affects both producer and consumer. People of fixed income are worse off in real terms due to higher prices. This results in reduction in the purchasing power of their income and consequently leads to deterioration of living standard. As evidenced from different studies and discussion present inflationary situation in Bangladesh has developed due to high import price, high fuel price, market syndication, natural disasters like Sidr as well as shortage of supply of food and some non-food items. Inflation in Bangladesh is thus cost-push not demand-pull (Parkin, 2003). Rice is the staple food of all households in Bangladesh and it constitutes on an average about 74% of the family budget.\* Hence Rice is believed to have impacted the family budget more or less of all the households in Dhaka city. As the price of rice increases it goes beyond the affordability of households.

In this consideration the present study has made an effort to examine the impact of price increase of rice on some economic parameters which are interlinked with price of rice in Bangladesh. This paper examined the impact of price increase of rice on household expenditure on the basis of sample survey conducted in some selected areas of Dhaka city.

## 2.0 LITERATURE REVIEW

Inflation is a very frequently talked about topic in the context of Bangladesh economy and considering the importance of the issue quite a good number of papers dealt with the inflationary situation in the country. Actually none of the papers dealt with the impact of price rise of particular commodity on the expenditure pattern of the household of Dhaka city. Present study has made an effort to observe the impact of price of a particular commodity such as rice which constitutes about 74% of the family budget of a household. The present study analyzed the impact of price of rice on a number of food and non-food items which are directly and indirectly linked up with the price of rice in the market.

One study as mentioned in the [bangladeshnews.com.bd](http://bangladeshnews.com.bd) described the fluctuations in inflationary trend and hinted on the reasons of inflations. It states that, in October 2007, the inflation rate was 10.06 percent and it reached 11.21 in November with an increase of 1.15 percentage points. The inflation on food items also increased in that month by 2.07 percentage points from October's 11.73 percent, according to the BBS data. The inflation rate on food items crossed the 11 percent mark in July last year and showed a steady rise until October. As mentioned earlier study, production losses due to natural calamities have added to the inflationary pressure and the average inflation rate, ranged between 8.1 and 8.5 percent in FY08.

In another study on "Food Security in Bangladesh" (Selim Raihan, 2008), some important aspects of inflation have been highlighted such as shift of demand from other food items to rice and discussion on the relative price of selected commodities against coarse rice has been presented. But none of the above mentioned papers tried to examine the impact of price increase of rice on household expenditure on different food and non-food items.

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\* In rural areas of Bangladesh food inflation rate has been estimated to be nearly 82% while that in Dhaka city has been estimated to be about 65% in 2007. The present study took an average figure which appears to be 74% across the whole of Bangladesh.

In this perspective, the present study may claim to have some extent of novelty in discussing the issue of inflation in Bangladesh. In daily news paper a plethora of articles addressed inflationary situation in Bangladesh, but those articles also did not focus on the impact assessment of price increase of rice.

### 3.0 OBJECTIVES OF THE STUDY

The major objective of this study is to:

- Assess the impacts of price increase of rice on Household expenditures in Bangladesh. In conformity with the general objective, the study specified the following objectives for consideration.

The Specific objectives of this study are to:

- Assess the impacts of price increase of rice on selected food items of Middle-Income Families in Dhaka City.
- Assess the impacts of price increase of rice on selected Non-food items of Middle-Income Families in Dhaka City.
- Assess the impacts of price increase of rice on Savings of Middle-Income Families in Dhaka City.
- Prescribe some Recommendations based on the findings of the study.

### 4.0 METHODOLOGY

The research methodology adopted for this study is descriptive/ analytical in nature with survey technique. Information was collected through both primary and secondary sources. For primary data a well designed questionnaire was administered and for secondary data publications of BBS and other relevant institutions were used.

For primary data the designed questionnaire was administered in certain areas of Dhaka City such as Dhanmondi, Mirpur and Dhaka University area and the respondents are the middle-income families of those selected areas. Middle-income families in the Dhaka City were the target population because they are supposed to be homogeneous in their income. Their opinions were mainly sought because they were considered best to explain the impacts of price increase of rice on their household expenditures. As there is no data about total population of consuming rice in Bangladesh non-probability sampling method (Malhotra, 2004) was followed in this study. Convenient sampling method was used to select a representative sample of respondents. Here the sample elements were the Earning persons or the housewives of the Middle-income families of the selected areas. The study was conducted in Dhaka from 30<sup>th</sup> April to 20<sup>th</sup> May, 2008. The sample size was 140 Middle-income families in the selected areas. The details of the sample size are described below:

**Table 1: Details of sample size:**

Name of area	Number of Respondents
Mirpur	70
Dhanmondi	45
Dhaka University area	25
Total	140

As Mirpur is a densely populated area we have taken majority sample size from that area. The remaining samples are taken from the other two areas.

The questionnaire was based on the objectives of the study. The questionnaire was pretested on several randomly selected respondents. Minor adjustments were made to ensure conciseness, objectivity, and clarity. Due to time and resource constraints, data were collected from 140 respondents through face to face interviews.

The study adopted some econometric analysis to analyze the impacts of price increase of rice on Household expenditures in Bangladesh. In this context, simple regression analyses have been run. The study has considered average price of rice per KG as an independent variable and total monthly rice consumption, expenditure on Rice, monthly expenditure on Vegetables, Meat, Pulse, Atta, Clothes, Conveyance, House Rent and monthly savings as dependent variables.

The econometric models (Gujrati, 1995) used in this study have been expressed in the following form:

$$Y=a+bx$$

Where, y= Dependent variable.

x= Independent variable.

a=intercept and

b=Coefficient of the explanatory variables.

As mentioned above, price of rice has been assumed as Dependent variable and rice consumption, family expenditure on Vegetables, Meat, Pulse, Atta, Clothes, for Conveyance, House Rent and monthly savings have been treated as dependent variables. In this context for each dependent variable separate equation has been explored.

## 5. 0 Empirical Results:

In order to examine the extent of impact of price increase of rice, the collected data have been used for regression equations as mentioned above. The empirical results are expressed in the linear form as follows.

$$1. C_R = 28 + .07 P_R \quad R^2 = .724 \quad \text{sig} = .352$$

(19.62)      (1.62)

(Figures in Parenthesis represent t-ratio.)

Here,  $C_R$  = Total Monthly consumption of Rice

$P_R$  = Price of rice per KG.

Equation (1) implies that, if price of rice increases by 1% consumption of rice increases by 7%. The value of  $R^2$  shows that about 72% of the variation in the consumption of rice is explained by price of rice. It seems contradictory to the law of demand that rice consumption increases despite the increase in the price of rice. A possible explanation of this situation is that the price of the substitute of rice has also increased more than proportionately which resulted in the decrease of consumption of the substitute foodstuffs. The consumers as such had to fall back upon rice heavily for meeting the household demand for rice. This corroborates the findings of a study on Food security in Bangladesh (Selim Raihan, 2008) which showed that, due to increased price of rice 62% of the households' substituted wheat by rice and 21% reduced their consumption of wheat and substituted it by rice. Besides, the study observed that average number of family members more or less increased over time which led to larger consumption of rice per family. The findings have been shown graphically as follows:

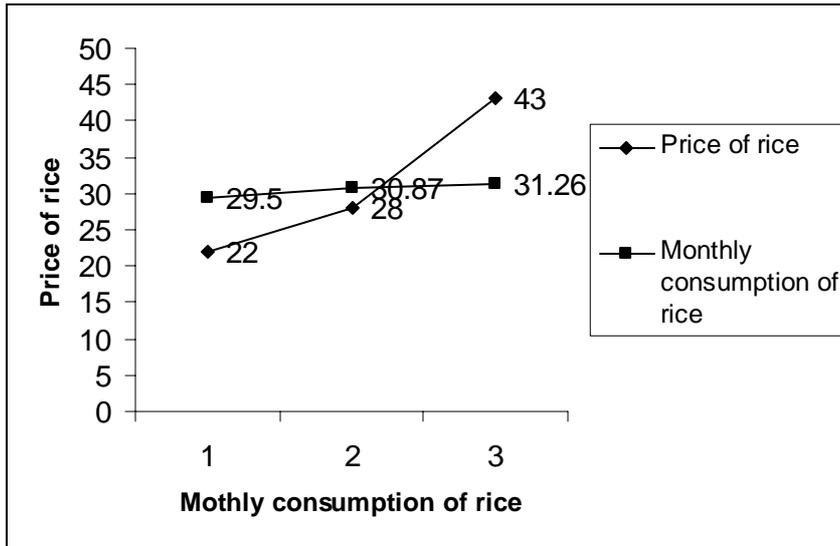


Fig 1: Relationship between the monthly consumption of rice and average price of rice.

$$2. E_R = 114 + 28 P_R \quad R^2 = .975 \quad \text{sig} = .1$$

$$(.795) \quad (.6302)$$

(Figures in Parenthesis represent t-ratio.)

Here,

$E_R$  = Total Monthly expenditures of Rice

$P_R$  = Price of rice per KG.

Equation (2) implies that, if price of rice increases by 1% total monthly expenditures of rice per family increases by 28%. The value of  $R^2$  shows that about 98% of the variation in the monthly expenditures of rice is explained by price of rice. The regression result implies that expenditure on rice on an average being nearly 74% of the total family budget as mentioned earlier a small change in rice price contributes heavily to that total expenditure of the middle income families of the city.

$$3. E_V = 323 + 22 P_R \quad R^2 = .984 \quad \text{sig} = .08$$

$$(.80) \quad (.630)$$

(Figures in Parenthesis represent t-ratio.)

Here,

$E_V$  = Total Monthly expenditures of Vegetables

$P_R$  = Price of rice per KG.

Equation (3) implies that, if price of rice increases by 1% total monthly expenditures of vegetables increases by 22%. The value of  $R^2$  implies that about 98% of the variation in the monthly expenditures of vegetables is explained by price of rice. In economic terms the regression result indicates that cross elasticity of expenditure on vegetable with respect to increase in price of rice is positive.

$$4. E_M = 714 + 41 P_R \quad R^2 = .967 \quad \text{sig} = .117$$

$$(2.95) \quad (.54)$$

(Figures in Parenthesis represent t-ratio.)

Here,

$E_M$  = Total Monthly expenditures of Meat

$P_R$  = Price of rice per KG.

Equation (4) implies that, if price of rice increases by 1% total monthly expenditure of meat increases by 41%. The value of  $R^2$  implies that about 97% of the variation in the total monthly expenditure of meat is explained by price of rice. Thus the equation indicates that the cross elasticity (according to Parkin, 2003, cross elasticity is the percentage of demand change for X commodity due to percentage change in price of Y commodity) of family expenditure with respect to increase in price is positive and rice price and total expenditure on meat is closely

linked up. And hence the increase in rice price has significant bearing on consumption of meat and expenditure on meat in the household budgets.

$$5. E_P = 79 + 6 P_R \quad R^2 = .992 \quad \text{sig} = .05$$

(4.6)      (11.42)

(Figures in Parenthesis represent t-ratio.)

Here,

$E_P$  = Total Monthly expenditures of Pulse

$P_R$  = Price of rice per KG.

Equation (5) implies that, if price of rice increases by 1% total monthly expenditures of pulse increases by 6%. The value of  $R^2$  implies that about 99% of the variation in total monthly expenditures of pulse is explained by price of rice. Moreover the regression result shows that cross-elasticity of expenditure on pulse with respect to increase in the price of rice is positive. However, the magnitude of cross-elasticity is not very high (6%).

$$6. E_A = 98 + 9 P_R \quad R^2 = .998 \quad \text{sig} = .02$$

(7.79)      (23.77)

(Figures in Parenthesis represent t-ratio.)

Here,

$E_A$  = Total Monthly expenditures of Atta

$P_R$  = Price of rice per KG.

Equation (6) implies that, if price of rice increases by 1% total monthly expenditures of atta increases by 9%. The value of  $R^2$  implies that about 99% of the variation in the total monthly expenditures of atta is explained by price of rice. The regression indicates that increase in the price of rice has impacted total household expenditure on atta. Rice and atta being substitutable, shift of demand from rice to atta has taken place because of price hike of rice. However, although the cross-elasticity of total expenditure with respect to price of rice is positive, it is not as high as other substitutable commodities except pulse.

$$7. E_C = 1348 + 33 P_R \quad R^2 = .896 \quad \text{sig} = .0209$$

(3.67)      (2.93)

(Figures in Parenthesis represent t-ratio.)

Here,

$E_C$  = Total Monthly expenditures of Clothe

$P_R$  = Price of rice per KG.

Equation (7) implies that, if price of rice increases by 1% total monthly expenditures of cloth increases by 33 %. The value of  $R^2$  implies that about 89% of the variation in the total monthly expenditures of cloth is explained by price of rice. The price of rice and clothe being interlinked, the price hike of rice has led to increase in the consumption expenditure on clothe. The cross-elasticity of total expenditure on clothe is positive and it stood at 33% during 2006-2008. Compared to vegetable, pulse and atta, the cross-elasticity of expenditure on clothe appears to be significantly high.

$$8. E_T = 1261 + 43 P_R \quad R^2 = .937 \quad \text{sig} = .162$$

(3.5)      (3.84)

(Figures in Parenthesis represent t-ratio.)

Here,

$E_T$  = Total Monthly expenditures of Transport and Conveyance

$P_R$  = Price of rice per KG.

Equation (8) implies that, if price of rice increases by 1% total monthly expenditures of transport and Conveyance increases by 43%. The value of  $R^2$  implies that about 94% of the variation in total monthly expenditures of transport and conveyance is explained by price of rice. It appears that the positive cross-elasticity of total expenditures on transport and Conveyance with respect to price increase of rice is the highest (43%) among the food and non-food items captured by the survey. Although it is not evident why such high magnitude

of cross-elasticity is indicated by the equation, it is certain that estimated cross-elasticity is positive. It may be that due to increase in the price of rice, prices of other food and non-food items have increased. This, in turn, impacted the transport cost of the household in response to price increase of rice.

$$9. E_{\text{Rent}} = 755 + 39 P_R \quad R^2 = .956 \quad \text{sig} = .134$$

(17.51)    (4.67)

(Figures in Parenthesis represent t-ratio.)

Here,

$E_{\text{Rent}}$  = Total Monthly expenditures on Rent

$P_R$  = Price of rice per KG.

Equation (9) implies that, if price of rice increases by 1% total monthly expenditures of rent increases by 39%. The value of  $R^2$  implies that about 96% of the variation in the total monthly expenditures on rent is explained by price of rice. The equation implies that, there exists quite high cross-elasticity of total expenditures on rent with respect to increase in price of rice. As all sorts of expenditure on both food and non-food items are linked up with price of rice, the household expenditure on rent shows substantial increase due to increase in price of rice and price of rice contributed 39% to expenditure on rent.

$$10. S = 4331 - 32 P_R \quad R^2 = .549 \quad \text{sig} = .469$$

(4.63)    (-1.1)

(Figures in Parenthesis represent t-ratio.)

Here,

$S$  = Total Monthly Savings

$P_R$  = Price of rice per KG.

Equation (10) implies that, if price of rice increases by 1% total monthly savings decreases by 32%. The value of  $R^2$  implies that about 55% of the variation in the total monthly savings is explained by price of rice. It is quite likely that due to increase in total expenditure of household the income-expenditure gap or savings of household will be reduced. The above equation correctly indicates the inverse relationship between the price increase of rice and savings potential of the household. Had there been no sharp increase in price of rice this situation might not have developed in the case of households considered in the study.

## 6.0 Observations

It emerges from the present study that, because of increase in price of rice the prices of vegetables, meat, pulse, atta, clothe, conveyance, rent also have gone up sharply during 2006-2008. However, the extent of expenditure increases of all these food and non-food items is not similar. The variation of expenditure increase ranges from 7% to 43% over the years. This shows that, the impact of price increase of rice has substantially influenced the family expenditure on the above mentioned food and non-food items.

It is usual that due to increase in monthly expenditure there is possibility of significant strain on the family budget of the households. As the monthly family expenditure has shot up during 2006-2008, the income expenditure gap or the extent of savings of family diminished in the relevant period. This situation has developed in the case of sample families in the present study. The regression of price increase on savings indicates that the average savings of the households has declined over the periods. The exact result of the estimates of savings based on rice price has been shown in equation no.10.

As the expense of food and non-food items increased real income of household substantially declined. Households are worse off because of price hike. It is evident that the increase in price of rice significantly affected the real income of household of selected areas of Dhaka city. It may also be assumed from the findings of the study that as household savings declined so the investment level has also declined due to the price hike of rice.

It is relevant to say that the increase in the price of rice which has led to the increase in price of some food and non-food items has shifted demand from more costly to less costly goods consumed by the households. Shift occurred in the consumption of certain food items like meat, atta, pulse etc. Consumers shifted their demand from costly food to less costly food items e.g. atta to rice, chicken to fish etc.

## **7.0 Conclusion and Recommendations**

Present inflationary situation in Bangladesh as mentioned above has developed due to high import price, high fuel price, market syndication, natural disasters like Sidr as well as shortage of supply of food and some non-food items. Inflation in Bangladesh is thus cost-push not demand-pull. Rice is the staple food of all households in Bangladesh and it constitutes on an average about 74% of the family budget. Hence Rice is believed to have impacted the family budget more or less of all the households in Dhaka city. Because of price increase of rice the total expenditure of household increased. To avoid this situation and lessen the suffering of the households it is necessary to increase the supply of necessary food and non-food items. Price level in that situation may come down assuming the same demand. Immediately, the government should re-assess the tariff structure for basic food items, in particular, rice, with a view to reducing price level to relieve the households of present hardship. Similar recommendation was also made by another author Shaikh Moniruzzaman, 2007.

The government, inter alia, should pursue strategies to improve marketing channels so that farmers get a positive signal and thus increase farm output. It should be taken into consideration that, rural infrastructure, in particular maintenance of existing roads and making more roads in new areas will greatly boost farmers confidence and thus raise farm produce and improve distribution system.

The absence of strong institutions literally encourages the giant producers and importers to enhance the price level fraudulently by forming cartel or syndicate. Similar recommendation was also made by another author Asif Anwar, 2008. In that instance, for ensuring lasting effect in the long-run, an anti Trust Law should be enforced by the government to monitor the industry and price mechanism in the market. Moreover the government in this context should build up an institution like trade commission which operates in many countries of the world.

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## APPENDIX

### Model Summary (b)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin - Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.851(a)	.724	.448	95.79064	.724	2.623	1	1	.352	2.885

a Predictors: (Constant), Price or rice per KG

b Dependent Variable: Monthly consumption of rice in KG

### Coefficients (a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95% Confidence Interval for B	
		B	Std. Error				Beta	Lower Bound
1	(Constant)	3961.628	201.847		19.627	.032	1396.915	6526.341
	Price or rice per KG	10.141	6.262	.851	1.619	.352	-69.426	89.708

a Dependent Variable: Monthly consumption of rice in KG

**Model Summary (b)**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.988(a)	.975	.951	68.18006	.975	39.652	1	1	.100	2.885

a Predictors: (Constant), Price of rice per KG

b Dependent Variable: Total monthly Rice consumption in TK

**Coefficients (a)**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	114.214	143.667		.795	.572
	Price of rice per KG	28.066	4.457	.988	6.297	.100

a Dependent Variable: Total monthly Rice consumption in TK

**Model Summary (b)**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.992(a)	.984	.968	42.67876	.984	62.256	1	1	.080	2.885

a Predictors: (Constant), Price or rice per KG

b Dependent Variable: Monthly consumption of Vegetables in KG

**Coefficients (a)**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	323.074	89.931		3.592	.173
	Price or rice per KG	22.014	2.790	.992	7.890	.080

a Dependent Variable: Monthly consumption of Vegetables in KG

**Model Summary (b)**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.983(a)	.967	.934	114.98377	.967	29.169	1	1	.117	2.885

a Predictors: (Constant), Price or rice per KG

b Dependent Variable: Monthly consumption of meat in KG

**Coefficients (a)**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	714.223	242.101		2.950	.208
	Price or rice per KG	40.565	7.511	.983	5.401	.117

a Dependent Variable: Monthly consumption of meat in KG

**Model Summary (b)**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.996(a)	.992	.985	2.25753	.992	29.169	1	1	.056	2.885

a Predictors: (Constant), Price or rice per KG

b Dependent Variable: Monthly consumption of pulse in KG

**Coefficients (a)**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	79.988	17.400		4.597	.136
	Price or rice per KG	6.163	.540	.996	11.418	.056

a Dependent Variable: Monthly consumption of pulse in KG

**Model Summary (b)**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.999(a)	.998	.996	5.99702	.998	565.017	1	1	.027	2.885

a Predictors: (Constant), Price or rice per KG

b Dependent Variable: Monthly consumption of Atta in KG

**Coefficients (a)**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	98.449	12.637		7.791	.081
	Price or rice per KG	9.319	.392	.999	23.770	.027

a Dependent Variable: Monthly consumption of Atta in KG

**Model Summary (b)**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.946(a)	.896	.791	174.57205	.896	8.590	1	1	.209	2.885

a Predictors: (Constant), Price or rice per KG

b Dependent Variable: Monthly consumption of Cloth in TK

**Coefficients (a)**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1348.098	367.853		3.665	.170
	Price or rice per KG	33.447	11.412	.946	2.931	.209

a Dependent Variable: Monthly consumption of Cloth in TK

**Model Summary (b)**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.968(a)	.937	.873	171.85539	.937	14.763	1	1	.162	2.885

a Predictors: (Constant), Price or rice per KG

b Dependent Variable: Monthly expenditure for conveyance in TK

**Coefficients (a)**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1267.933	362.129		3.501	.177
	Price or rice per KG	43.166	11.235	.968	3.842	.162

a Dependent Variable: Monthly expenditure for conveyance in TK

**Model Summary (b)**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.978(a)	.956	.912	128.91783	.956	21.831	1	1	.134	2.885

a Predictors: (Constant), Price or rice per KG

b Dependent Variable: Monthly expenditure for rent in TK

**Coefficients (a)**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4755.256	271.652		17.505	.036
	Price or rice per KG	39.377	8.428	.978	4.672	.134

a Dependent Variable: Monthly expenditure for rent in TK

**Model Summary (b)**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.741(a)	.549	.098	443.60997	.549	1.218	1	1	.469	2.885

a Predictors: (Constant), Price or rice per KG

b Dependent Variable: Monthly savings in TK

**Coefficients (a)**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4330.623	934.762		4.633	.135
	Price or rice per KG	-32.005	29.000	-.741	-1.104	.469

a Dependent Variable: Monthly savings in TK