



REPUBLIC OF RWANDA



PRODUCER PRICE INDEX (PPI)

**Producer Price
Index
(PPI)**

July 2019

**NATIONAL INSTITUTE OF STATISTICS OF RWANDA
(NISR)**

1. Summary

This is the monthly publication of the Producer Price Index (PPI) for the month of July 2019.

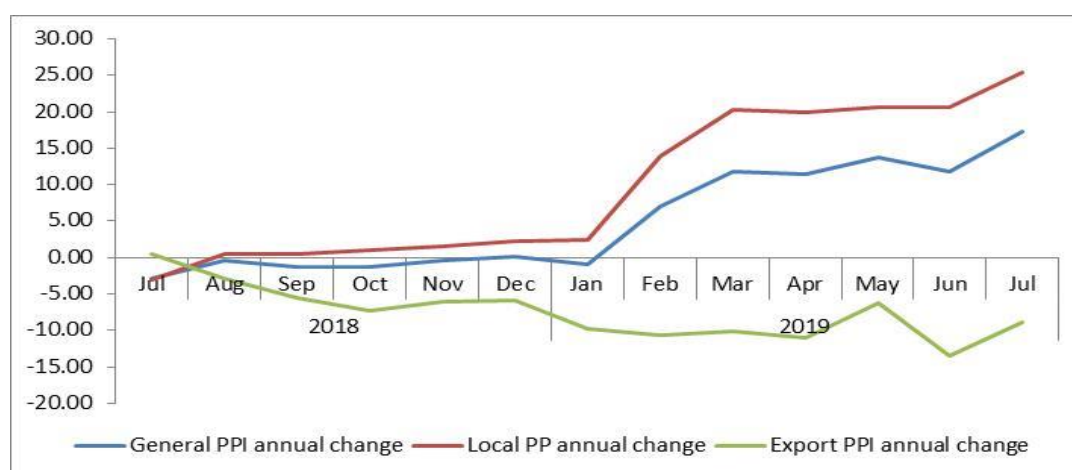
- General Producer Price Index increased by 17.25 percent on annual basis
- Local Producer Price Index increased by 25.48 percent on annual basis
- Export Producer Price Index decreased by 8.8 percent on annual basis
- General Producer Price Index increased by 2.84 percent on monthly basis
- Local Producer Price Index increased by 3.22 percent on monthly basis
- Export Producer Price Index increased by 0.21 percent on monthly basis

Table1. PPI monthly and annual changes for All Rwanda, local products and exports (in percentages)

	Percentage change on the same period 12 months and or one month earlier:												
	2018						2019						
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
General PPI annual change	-2.86	-0.47	-1.29	-1.21	-0.48	0.13	-0.92	7.01	11.80	11.38	13.75	11.85	17.25
Local PP annual change	-3.13	0.41	0.55	1.02	1.59	2.28	2.38	13.93	20.24	19.87	20.72	20.65	25.48
Export PPI annual change	0.46	-2.86	-5.52	-7.25	-6.10	-5.85	-9.85	-10.57	-10.12	-11.04	-6.29	-13.46	-8.80
General PPI monthly change	-1.90	1.98	0.37	0.03	0.09	-0.15	-0.98	8.22	4.26	0.06	0.63	-0.96	2.84
Local PP monthly change	-0.75	2.62	0.88	0.25	-0.34	0.31	-0.24	11.06	5.06	-0.02	0.65	0.03	3.22
Export PPI monthly change	-4.91	-2.55	-0.66	-0.53	1.34	-1.43	-2.95	0.12	0.93	0.52	0.66	-4.67	0.21

Source: NISR

Figure1. Annual PPI for All Rwanda, local products and exports



2. Introduction

The Producer Price Index (PPI) measures the average change over time in prices received by domestic producers for the production of their goods and services. PPI for Rwanda is published on a monthly basis.

It presents price changes for all combined products, products for local sales and that for exports. It covers a sample of 114 establishments and 402 products spread countrywide, both

in Kigali City and in rural areas.

PPI survey is conducted jointly with the National Bank of Rwanda. It now covers mining, manufacturing and energy.

3. General Producer Price Index

Table 2 below presents the percentage changes on monthly and annual basis.

Table 2: Producer Price Index, General Index summary			Percentage change in July 2019		
Level	Index ID	ISIC rev. 4 Description	Weights	on June 2019	on July 2018
1	R	Rwanda	1000	2.84	17.25
2	RB	Mining and quarrying	96	-4.36	-12.70
2	RC	Manufacturing	714	5.50	5.38
2	RD	Electricity, gas, steam and air conditioning supply	58	0.00	32.73
2	RE	Water supply; sewerage, waste management and remediation activities	129	0.00	90.59
2	RJ	Information and communication	3	0.00	-0.31

Source: NISR

General PPI increased by 17.25 percent in July 2019 compared to the same month of 2018. This is mainly due to an increase of 90.59 percent in prices of ‘Water supply activities’, 32.73 percent in prices of ‘Electricity & gas supply activities’ and 5.38 percent in the prices of manufacturing activities.

The general PPI increased by 2.84 percent when compared to June 2019. This was mainly due to an increase of 5.5 percent in prices of manufacturing activities.

4. Local Producer Price Index

The table 3 below presents the percentage changes on monthly and annual basis.

Table 3: Producer Price Index, Local Index summary			Percentage change in July		
Level	Index ID	ISIC rev. 4 Description	Weights	on June 2019	on July 2018
1	R	Rwanda	1000	3.22	25.48
2	RC	Manufacturing	749	5.77	7.43
2	RD	Electricity, gas, steam and air conditioning supply	76	0.00	32.73
2	RE	Water supply; sewerage, waste management and remediation activities	171	0.00	90.59
2	RJ	Information and communication	4	0.00	-0.31

Source: NISR

Local PPI increased by 25.48 percent in July 2019 compared to the same month of 2018. This was mainly due to an increase of 90.59 percent in prices of water supply activities, 32.73 percent in prices of ‘electricity and gas activities’, and 7.43 percent in the prices of manufacturing activities.

The local PPI increased by 3.22 percent when compared to June 2019. This was mainly due to an increase of 5.77 percent in the prices of manufacturing activities.

5. Export Producer Price Index

The table below presents the index and the percentage changes on monthly and annual basis.

Table 4: Producer Price Index, Exports Index summary			Percentage change in July 2019		
Level	Index ID	ISIC rev. 4 Description	Weights	on June 2019	on July 2018
1	R	Exports	1000	0.21	-8.80
4	RB0729	Mining of other non-ferrous metal ores	393	-4.36	-12.70
6	RC107980	Manufacture of coffee products	268	18.39	-21.06
6	RC107990	Manufacture of tea products	328	-1.89	-3.41
4	RC2029	Manufacture of other chemical products n.e.c.	10	2.23	10.32

Source: NISR

Export PPI decreased by 8.80 percent in July 2019 compared to the same month of 2018. This was due to a general decrease in prices most of export products.

Export PPI increased by 0.21 percent compared to June 2019 due to an increase of 18.23 percent of price of coffee and 2.23 percent of price of other manufactured chemical products.

6. Technical note on PPI

The Producer Price Index (PPI) measures the average change over time in the prices received by domestic producers of goods and services—goods and services which are output of production or enter in the production process.

NISR publishes PPI data for Mining, Manufacturing and Energy, and it will continue to be published monthly, about 4 weeks following the month under review.

The establishments are classified according to ISIC rev. 4; and the classification is determined by their main output.

The weights used in the PPI for Rwanda refer to the value of output (turnover without taxes) of establishments as reported in the 2011 Manpower survey collecting data for the year 2010, which constitutes the reference base period for the PPI calculation (December 2010). We plan to rebase the PPI using the weights as reported in establishment census 2017.

The point of pricing is the establishment. The price is the selling price received by the producer for the selected product as it leaves the factory gate. In general, prices are collected each month from the selected establishment by considering the mid-point of each month of the month under review.

The formula used in the PPI calculation is the geometric modified Laspeyres.

Annex 1: Producer Price Index, General		Index (Dec 2010=100)			Percentage change in Jul 2019 Contributions 1:			
Level	Categories	Weights	Jul-18	Jun-19	Jul-19	on Jun-2019	on Jul-2018	1 month 12 months
General Index								
1	Rwanda	1000	120.43	137.30	141.20	2.84	17.25	2.84 17.25
2	Mining and quarrying	96	140.87	128.59	122.99	-4.36	-12.70	-0.34 -1.30
4	Mining of metal ores	96	140.87	128.59	122.99	-4.36	-12.70	-0.34 -1.30
2	Manufacturing	714	120.34	120.21	126.82	5.50	5.38	3.18 4.09
4	Manufacture of food products	376	118.55	116.13	128.81	10.91	10.91	3.16 3.49
4	Manufacture of beverages	174	127.68	127.70	127.70	0.00	0.00	0.00 0.00
4	Manufacture of textiles	5	83.71	83.71	83.71	0.00	0.00	0.00 0.00
4	Manufacture of leather and related products	24	89.31	89.31	89.31	0.00	0.00	0.00 0.00
4	Printing and reproduction of recorded media	19	108.52	110.31	110.31	0.00	0.00	0.00 0.03
4	Manufacture of chemicals and chemical products	29	120.52	121.83	122.31	0.39	0.39	0.01 0.05
4	Manufacture of rubber and plastics products	11	172.20	173.86	174.77	0.52	0.00	0.00 0.02
4	Manufacture of other non-metallic mineral products	31	110.00	110.45	110.45	0.00	0.00	0.00 0.01
4	equipment	29	124.41	143.48	143.48	0.00	0.00	0.00 0.48
4	Manufacture of furniture	9	115.02	113.40	113.40	0.00	0.00	0.00 -0.01
2	Electricity, gas, steam and air conditioning supply	58	119.74	158.94	158.94	0.00	0.00	0.00 2.00
4	Electricity, gas, steam and air conditioning supply	58	119.74	158.94	158.94	0.00	0.00	0.00 2.00
2	activities	129	100.00	190.59	190.59	0.00	0.00	0.00 12.45
4	Water collection, treatment and supply	129	100.00	190.59	190.59	0.00	0.00	0.00 12.45
2	Information and communication	3	198.43	197.81	197.81	0.00	0.00	0.00 0.00
4	Publishing activities	3	198.43	197.81	197.81	0.00	0.00	0.00 0.00
Source: NISR								
(1) "Contributions" take into account both the growth rate and the relative weight of each category to explain the percentage change observed								

Annex 1: Producer Price Index, Local		Index (Dec 2010=100)			Percentage change in July 2019		Contributions 1:		
Level	Categoriies	Weights	July-18	June-19	July-19	on June-2019	on July-2018	1 month	12 months
Local Index									
1	Rwanda	1000	116.31	141.39	145.94	3.22	25.48	3.22	25.48
2	Manufacturing	749	118.38	120.24	127.18	5.77	7.43	3.22	6.02
4	Manufacture of food products	305	115.53	116.86	134.30	14.92	16.25	3.20	5.28
4	Manufacture of beverages	231	127.70	127.70	127.70	0.00	0.00	0.00	0.00
4	Manufacture of tobacco products	4	100.00	100.00	100.00	0.00	0.00	0.00	0.00
4	Manufacture of textiles	6	83.71	83.71	83.71	0.00	0.00	0.00	0.00
4	Manufacture of leather and related products	31	89.31	89.31	89.31	0.00	0.00	0.00	0.00
4	Manufacture of paper and paper products	2	105.18	105.18	112.55	0.00	0.00	0.00	0.00
4	Printing and reproduction of recorded media	25	108.52	110.31	110.31	0.00	1.64	0.00	0.04
4	Manufacture of chemicals and chemical products	35	120.35	120.35	120.56	0.17	0.17	0.00	0.01
4	Manufacture of rubber and plastics products	15	92.82	95.60	95.54	-0.07	2.93	0.00	0.05
4	Manufacture of other non-metallic mineral products	42	110.00	110.45	110.45	0.00	0.41	0.00	0.02
4	Manufacture of fabricated metal products, except machinery and equipment	39	124.41	143.48	143.48	0.00	15.32	0.00	0.63
4	Manufacture of electrical equipment	2	142.11	142.11	156.11	9.86	9.86	0.01	0.02
4	Manufacture of furniture	11	115.02	113.40	113.40	0.00	-1.41	0.00	-0.02
2	Electricity, gas, steam and air conditioning supply	76	119.74	158.94	158.94	0.00	32.73	0.00	2.70
4	Electricity, gas, steam and air conditioning supply	76	119.74	158.94	158.94	0.00	32.73	0.00	2.70
2	Water supply; sewerage, waste management and remediation activities	171	100.00	190.59	190.59	0.00	90.59	0.00	16.76
4	Water collection, treatment and supply	171	100.00	190.59	190.59	0.00	90.59	0.00	16.76
2	Information and communication	4	198.43	197.81	197.81	0.00	-0.31	0.00	0.00
4	Publishing activities	4	198.43	197.81	197.81	0.00	-0.31	0.00	0.00
Source: NISR									
(1) "Contributions" take into account both the growth rate and the relative weight of each category to explain the percentage change observed									

Annex 3: Producer Price Index, General		Index (Dec 2010=100)			Percentage change in July 2019		Contributions 1:		
Level	Categorities	Weights	July-18	June-19	July-19	on June-2019	on July-2018	1 month	12 months
General Index									
1	Exports	1000	132.99	121.03	121.29	0.21	-8.80	0.21	-8.80
6	Mining of other non-ferrous metal ores	393	140.87	128.59	122.99	-4.36	-12.70	-0.14	-3.77
8	Manufacture of coffee products	268	106.39	70.94	83.99	18.39	-21.06	0.39	-4.27
8	Manufacture of tea products	328	139.38	137.22	134.63	-1.89	-3.41	-0.05	-0.84
6	Manufacture of other chemical products n.e.c.	10	125.90	135.86	138.89	2.23	10.32	0.00	0.08
Source: NISR									
(1) "Contributions" take into account both the growth rate and the relative weight of each category to explain the percentage change observed									

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