



REPUBLIC OF RWANDA



CONSUMER PRICE INDEX (CPI)

March 2015

10 April 2015

1. Summary

This is the monthly publication for the Consumer Price Index for the month of March 2015. The Urban CPI will be the focus of the publication as it is the headline index for monetary policy purposes.

1.1. Urban Index

The Urban CPI increased by 0.8 (0.81) percent on annual basis and increased by 0.8 (0.79) percent on a monthly basis. The annual average rate between March 2015 and March 2014 is 1.3 percent.

1.2. Rural Index

The Rural CPI decreased by 1.3 percent on an annual basis, and increased by 2.4 percent on a monthly basis.

1.3. Overall Rwanda Index

The Rwanda CPI decreased by 0.7 percent on an annual basis, and increased by 1.9 percent on a monthly basis.

	2014											2015		
	Mar.	Apr.	May.	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	
Urban CPI Annual change	3.4	2.7	1.9	1.4	1.9	0.9	0.2	0.5	0.7	2.1	1.4	0.7	0.8	
Rural CPI Annual change	7.9	5.8	5.4	6.1	4.5	4.7	-0.6	-3.2	-4.9	-1.7	-0.2	0.0	-1.3	
Rwanda CPI Annual change	6.4	4.8	4.2	4.5	3.5	3.3	-0.4	-2.1	-3.1	-0.4	0.4	0.2	-0.7	
Urban CPI Monthly change	0.7	0.6	-0.7	-0.5	0.3	0.2	0.5	0.6	-0.7	-0.3	-0.5	0.5	0.8	
Rural CPI Monthly change	3.8	-0.1	0.0	0.0	-0.5	0.8	0.2	-0.8	-1.7	-1.8	-1.3	1.4	2.4	
Rwanda CPI Monthly change	2.7	0.1	-0.3	-0.2	-0.2	0.6	0.3	-0.3	-1.4	-1.3	-1.0	1.1	1.9	

Source: NISR

2. Urban Consumer Price Index

The Urban Consumer Price Index is calculated based on approximately 1022 products in twelve urban centres of Rwanda. The table below shows the monthly and annual change in March 2015 for the main categories of the urban index.

Code	Categories	Weights	Percentage change in Mar. 2015	
			on Feb. 2015	on Mar. 2014
	GENERAL INDEX	100%	0.8%	0.8%
01	Food and non-alcoholic beverages	28%	3.0%	0.8%
01.1.1	Bread and cereals	5%	0.7%	8.3%
01.1.2	Meat	2%	0.2%	3.1%
01.1.4	Milk cheese and eggs	2%	0.2%	1.8%
01.1.7	Vegetables	10%	7.2%	-2.3%
01.2	Non-alcoholic beverages	1%	0.4%	2.1%
02	Alcoholic beverages tobacco and narcotics	3%	-1.4%	3.6%
03	Clothing and footwear	4%	-0.1%	3.2%
04	Housing water, electricity, gas and other fuels	23%	0.2%	3.8%
05	Furnishings household equipment and routine household maintenance	4%	0.2%	0.5%
06	Health	1%	-0.2%	-0.2%
07	Transport	18%	-0.2%	-3.9%
08	Communication	3%	-0.6%	0.2%
09	Recreation and culture	2%	0.0%	4.9%
10	Education	6%	0.0%	0.5%
11	Restaurants and hotels	4%	0.3%	2.9%
12	Miscellaneous goods and services	4%	-0.2%	2.9%

Source: NISR

The Urban CPI increased by 0.8 percent in March 2015 compared to the same month of the previous year. This is mainly due to the rising prices of 'Food and non-alcoholic beverages' 0.8 percent and 'Housing water, electricity, gas and other fuels' 3.8 percent. The biggest negative contribution came from 'Transport' (0.7 percentage points).

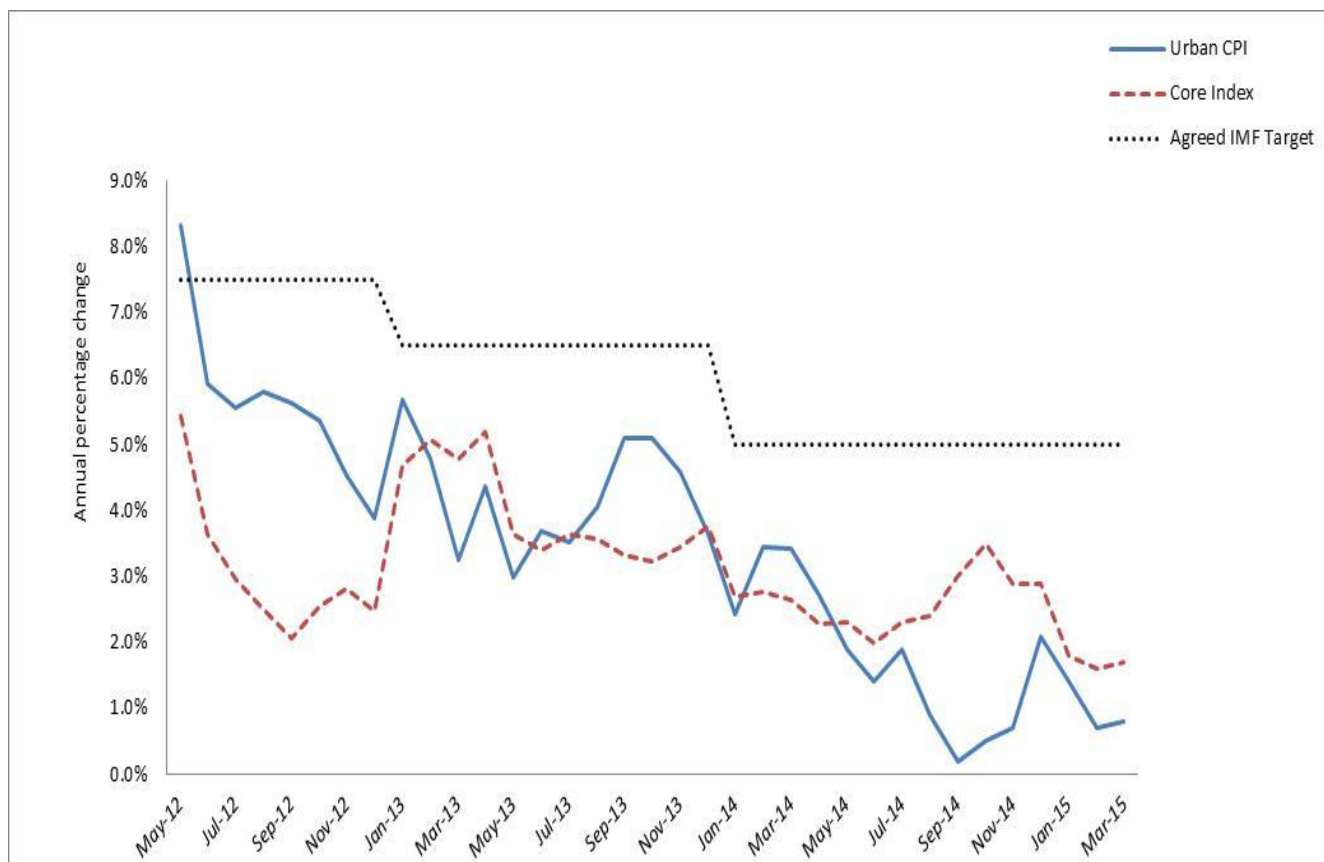
The monthly change in CPI is 0.8 percent compared to February 2015. 'Food and non-alcoholic beverages' increased by 3.0 percent.

The underlying inflation rate (excluding fresh food and energy) increased by 0.1 percent when compared to February 2015 and increased by 1.7 percent when compared to March 2014. The annual average underlying inflation rate is 2.4 percent.

	2014											2015		
	Mar.	Apr.	May.	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	
General index	3.9	3.7	3.6	3.4	3.3	3.0	2.6	2.2	1.9	1.8	1.7	1.5	1.3	
Core / Underlying index	3.4	3.2	3.1	3.0	2.9	2.8	2.7	2.8	2.7	2.7	2.6	2.5	2.4	

Source: NISR

Figure 1: Annual changes in urban CPI (May 2012 – March 2015)



3. Other selected urban indices

In this section, we present five selected urban indices - the local goods index, the imported goods index, the fresh products index, the energy index and the core index.

On an annual basis, the local goods index increased by 1.2 percent, the imported goods index decreased by 0.1 percent, the fresh products index decreased by 2.5 percent, the energy index decreased by 0.9 percent and the core index or the general index excluding fresh products and energy increased by 1.7 percent.

On a monthly basis, the local goods index increased by 1.1 percent; the imported goods index was stable, the fresh products index increased by 4.5 percent, the energy index decreased by 0.6 percent and the core index increased by 0.1 percent.

TABLE 4: Consumer Price Index (Urban only), Core & other			
Categories	Weights	Percentage change in Mar. 2015	
		on Feb. 2015	on Mar. 2014
GENERAL INDEX	100%	0.8%	0.8%
Local Goods Index	74%	1.1%	1.2%
Food and non-alcoholic beverages	23%	3.7%	-0.5%
Housing, water, electricity, gas and other fuels	23%	0.1%	3.9%
Transport	7%	-0.1%	-1.1%
Imported Goods Index	26%	0.0%	-0.1%
Food and non-alcoholic beverages	5%	0.2%	7.0%
Furnishing, household equipment	2%	0.7%	-0.6%
Transport	11%	-0.7%	-6.3%
Fresh Products index¹	17%	4.5%	-2.5%
Energy index	8%	-0.6%	-0.9%
General Index excluding fresh Products and energy²	75%	0.1%	1.7%

Source: NISR

(1) Fresh products are food products which have seasonal fluctuations

(2) Proxy for underlying inflation

4. Methodological notice

The Consumer Price Index (CPI) is a measure of the average change over time of goods and services purchased by households. The CPI uses a Modified Laspeyres formula to calculate the index. The reference population for the CPI consists of all households, urban and rural in Rwanda.

The household basket includes 1,022 products sold in many places spread all over the country. A variety of places of observation are selected: shops, markets, hospitals, schools etc. More than 25,392 prices in urban areas and 8,329 in rural areas are collected every month.

The weights used for the index are from the result of the Household Living Conditions Survey (EICV III) conducted in 2010-2011 with a sample of 14,308 households.

4.1. How to Interpret the CPI

Movements of the indices from one month to another usually are expressed as percentage changes rather than changes in index points. The level of the index (relative to its base period) affects index point changes, but it does not affect percent changes.

The following example illustrates how to calculate percentage changes:

<i>Index point change</i>	
CPI	178
Less CPI for previous period <u>176</u>	
Equals index point change	2

Percent change

Index point difference	2
Divided by the previous index	176
Equals	0.011
Results multiplied by 100	0.011×100
Equals percent change	1.1

6. Annexes: Reference Tables

Annex 1: Consumer Price Index, Urban									
Code	Categories	Weights	Index (Feb 2014=100)			Percentage change in Mar. 2015		Contributions ¹ :	
			Mar-14	Feb-15	Mar-15	on Feb. 2015	on Mar. 2014	1 month	12 months
	GENERAL INDEX	100%	100.7	100.7	101.5	0.8%	0.8%	0.8%	0.8%
01	Food and non-alcoholic beverages	28%	101.9	99.7	102.7	3.0%	0.8%	0.8	0.2
01.1.1	Bread and cereals	5%	99.6	107.1	107.8	0.7%	8.3%	0.0	0.4
01.1.2	Meat	2%	100.0	102.9	103.1	0.2%	3.1%	0.0	0.1
01.1.4	Milk cheese and eggs	2%	100.6	102.2	102.4	0.2%	1.8%	0.0	0.0
01.1.7	Vegetables	10%	105.1	95.7	102.6	7.2%	-2.3%	0.7	-0.2
01.2	Non-alcoholic beverages	1%	99.0	100.6	101.0	0.4%	2.1%	0.0	0.0
02	Alcoholic beverages tobacco and narcotics	3%	100.1	105.2	103.7	-1.4%	3.6%	0.0	0.1
03	Clothing and footwear	4%	99.7	102.9	102.8	-0.1%	3.2%	0.0	0.1
04	Housing water, electricity, gas and other fuels	23%	100.0	103.6	103.8	0.2%	3.8%	0.0	0.9
05	Furnishings household equipment and routine household maintenance	4%	101.1	101.3	101.5	0.2%	0.5%	0.0	0.0
06	Health	1%	100.4	100.4	100.2	-0.2%	-0.2%	0.0	0.0
07	Transport	18%	99.4	95.7	95.5	-0.2%	-3.9%	0.0	-0.7
08	Communication	3%	100.0	100.8	100.2	-0.6%	0.2%	0.0	0.0
09	Recreation and culture	2%	100.1	105.0	105.0	0.0%	4.9%	0.0	0.1
10	Education	6%	100.0	100.5	100.5	0.0%	0.5%	0.0	0.0
11	Restaurants and hotels	4%	100.3	102.9	103.2	0.3%	2.9%	0.0	0.1
12	Miscellaneous goods and services	4%	99.7	102.8	102.6	-0.2%	2.9%	0.0	0.1

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 2: Consumer Price Index, Rural

Code	Categories	Weights	Index (Feb 2014=100)			Percentage change in Mar. 2015		Contributions ¹ :	
			Mar-14	Feb-15	Mar-15	on Feb. 2015	on Mar. 2014	1 month	12 months
	GENERAL INDEX	100%	103.8	100.0	102.4	2.4%	-1.3%	2.4%	-1.3%
01	Food and non-alcoholic beverages	53%	105.8	98.8	103.2	4.5%	-2.4%	2.3	-1.3
01.1.1	Bread and cereals	7%	101.2	105.3	103.6	-1.7%	2.3%	-0.1	0.2
01.1.2	Meat	2%	100.3	102.6	103.4	0.7%	3.0%	0.0	0.0
01.1.4	Milk cheese and eggs	1%	97.4	99.2	99.8	0.7%	2.5%	0.0	0.0
01.1.7	Vegetables	30%	108.4	98.0	105.3	7.4%	-2.9%	2.2	-0.9
01.2	Non-alcoholic beverages	1%	97.0	98.4	98.1	-0.3%	1.1%	0.0	0.0
02	Alcoholic beverages tobacco and narcotics	4%	98.1	104.5	103.7	-0.8%	5.7%	0.0	0.2
03	Clothing and footwear	5%	99.9	101.7	101.5	-0.3%	1.5%	0.0	0.1
04	Housing water, electricity, gas and other fuels	18%	99.1	100.4	101.1	0.7%	2.0%	0.1	0.4
05	Furnishings household equipment and routine household maintenance	3%	100.6	103.1	102.9	-0.2%	2.3%	0.0	0.1
06	Health	1%	100.1	103.1	103.5	0.4%	3.4%	0.0	0.0
07	Transport	6%	99.8	99.1	98.9	-0.2%	-0.9%	0.0	0.0
08	Communication	2%	100.0	100.0	100.0	0.0%	0.0%	0.0	0.0
09	Recreation and culture	1%	99.7	101.0	101.5	0.5%	1.8%	0.0	0.0
10	Education	3%	100.0	105.7	105.7	0.0%	5.7%	0.0	0.1
11	Restaurants and hotels	2%	100.0	101.1	101.1	0.0%	1.0%	0.0	0.0
12	Miscellaneous goods and services	3%	100.0	100.3	101.0	0.7%	1.0%	0.0	0.0

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: Consumer Price Index, All Rwanda

Code	Categories	Weights	Index (Feb 2014=100)			Percentage change in Mar. 2015		Contributions ¹ :	
			Mar-14	Feb-15	Mar-15	on Feb. 2015	on Mar. 2014	1 month	12 months
00	GENERAL INDEX	100%	102.7	100.2	102.1	1.9%	-0.7%	1.9%	-0.7%
01	Food and non-alcoholic beverages	44%	104.9	99.0	103.1	4.2%	-1.8%	1.8	-0.8
01.1.1	Bread and cereals	6%	100.8	105.8	104.8	-1.0%	4.0%	-0.1	0.2
01.1.2	Meat	2%	100.2	102.7	103.3	0.5%	3.1%	0.0	0.1
01.1.4	Milk cheese and eggs	1%	98.9	100.5	100.9	0.4%	2.0%	0.0	0.0
01.1.7	Vegetables	23%	107.9	97.6	104.9	7.4%	-2.8%	1.6	-0.7
01.2	Non-alcoholic beverages	1%	97.7	99.3	99.3	0.0%	1.7%	0.0	0.0
02	Alcoholic beverages tobacco and narcotics	4%	98.6	104.7	103.7	-0.9%	5.2%	0.0	0.2
03	Clothing and footwear	5%	99.8	102.1	101.9	-0.2%	2.1%	0.0	0.1
04	Housing water, electricity, gas and other fuels	20%	99.5	101.7	102.2	0.5%	2.7%	0.1	0.5
05	Furnishings household equipment and routine household maintenance	4%	100.7	102.4	102.3	0.0%	1.7%	0.0	0.1
06	Health	1%	100.2	101.8	101.9	0.1%	1.6%	0.0	0.0
07	Transport	10%	99.6	96.9	96.7	-0.2%	-2.8%	0.0	-0.3
08	Communication	2%	100.0	100.3	100.1	-0.3%	0.1%	0.0	0.0
09	Recreation and culture	1%	99.9	103.2	103.5	0.2%	3.5%	0.0	0.0
10	Education	4%	100.0	102.8	102.8	0.0%	2.8%	0.0	0.1
11	Restaurants and hotels	3%	100.2	102.0	102.1	0.1%	1.9%	0.0	0.1
12	Miscellaneous goods and services	3%	99.9	101.4	101.7	0.3%	1.8%	0.0	0.1

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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