

REPUBLIC OF RWANDA



NATIONAL INSTITUTE OF STATISTICS OF RWANDA

CONSUMER PRICE INDEX (CPI) December 2010

The National Institute of Statistics of Rwanda is very pleased to deliver to users the Consumer Price Index (February 2009=100). The All Urban CPI is regarded as the headline index, producing the official inflation rate. **The CPI is published every month by the 15th**

All Urban Index:

In December 2010 the All Urban general index is established at 103.9 this stands for a decrease of 1.08% over the previous month which was 105.0. In annual change it increased by 0.23% compared to 0.18% in the previous month. This gives a general inflation rate by an annual average of 2.3% during the month of December 2010.

The underlying inflation rate (excluding fresh food and energy) is increased by 0.08% if compared to the previous month and increased 0.15% on annual change. The annual average underlying inflation rate is + 1.5% in December 2010 down from the previous month (+1.8%).

All Rural Index:

In December 2010 the All Rural general index is established at 101.5 this stands for a decrease of 2.78% over the previous month which was 104.4. In annual change it decreased by (-9.73%) compared to (-7.97%) in the previous month.

All Rwanda Index:

In December 2010 the All Rwanda general index is established at 102.3 this stands for a decrease of 2.20% over the previous month which was 104.6. In annual change it decreased by (-6.52%) compared to (-5.38%) in the previous month.

Feb 2009=100	Dec. 09	Jan. 10	Feb. 10	Mar. 10	April 10	May 10	June 10	July 10	Aug. 10	Sept. 10	Oct. 10	Nov. 10	Dec. 10
All Urban General Index	103.7	102.9	102.5	102.9	103.4	104.0	104.3	103.5	103.5	104.8	104.3	105.0	103.9
Annual change	5.74	4.54	2.46	2.05	2.74	4.21	5.03	3.01	1.96	1.47	0.17	0.18	0.23
All Rural General Index	112.4	108.3	104.4	105.4	102.7	102.4	101.4	99.5	101.1	104.9	105.5	104.4	101.5
Annual change			4.42	1.86	-0.34	-1.52	0.96	-4.78	-3.04	-1.34	-3.45	-7.97	-9.73
All Rwanda General Index	109.4	106.4	103.7	104.5	102.9	102.9	102.1	100.8	101.9	104.9	105.1	104.6	102.3
Annual change			3.72	1.92	0.64	0.32	1.98	-2.22	-1.39	-0.42	-2.28	-5.38	-6.52

ALL URBAN CONSUMER PRICE INDEX

February 2009=100

	Divisions ❖ Groups	Weights	Indices for the following months:					Changes in % over		
			Dec. 09	Sept. 10	Oct. 10	Nov. 10	Dec. 10	1 month	3 months	12 months
	GENERAL INDEX	10000	103.7	104.8	104.3	105.0	103.9	-1.08	-0.86	0.23
01	Food and non-alcoholic beverages	3538	106.2	106.1	104.4	105.8	103.3	-2.38	-2.59	-2.69
0111	❖ Bread and cereals	733	100.9	87.4	85.8	89.0	90.2	1.29	3.24	-10.64
0112	❖ Meat	274	95.4	96.4	99.0	99.2	100.2	1.02	3.92	5.00
0113	❖ Fish	83	104.2	113.5	112.7	114.9	114.0	-0.76	0.51	9.39
0117	❖ Vegetables	1200	113.7	127.2	120.3	118.8	107.8	-9.26	-15.25	-5.20
012	❖ Non-alcoholic beverages	160	96.9	97.8	97.0	98.9	97.5	-1.44	-0.33	0.56
02	Alcoholic beverages and tobacco	240	108.1	111.3	111.9	112.8	112.5	-0.22	1.07	4.06
03	Clothing and footwear	377	101.0	101.3	101.7	102.1	102.6	0.50	1.28	1.59
04	Housing, water, electricity, gas and other fuels	2204	100.2	103.1	103.5	103.0	101.9	-1.09	-1.18	1.63
05	Furnishing, household equipment and routine household maintenance	457	99.0	97.1	96.4	97.2	96.7	-0.57	-0.45	-2.37
06	Health	163	101.2	100.4	100.6	100.4	100.0	-0.41	-0.35	-1.14
07	Transport	1189	111.5	113.0	113.3	115.2	116.0	0.66	2.67	4.07
08	Communication	288	98.1	100.5	99.2	97.4	97.7	0.30	-2.74	-0.44
09	Recreation and culture	256	99.6	99.9	101.4	101.7	100.9	-0.76	1.06	1.38
10	Education	331	100.0	106.5	106.5	106.5	106.5	0.00	0.00	6.51
11	Restaurants and hotels	558	101.2	102.1	102.1	101.8	100.8	-1.03	-1.34	-0.44
12	Miscellaneous goods and services	400	96.3	97.1	96.8	98.6	98.6	-0.03	1.50	2.38

In December 2010 the All Urban general index is established at 103.9 this stands for a decrease of 1.08% over the previous month which was 105.0. In annual change it increased by 0.23% compared to 0.18% in the previous month. This gives a general inflation rate by an annual average of 2.3% during the month of December 2010.

The underlying inflation rate (excluding fresh food and energy) is increased by 0.08% if compared to the previous month and increased 0.15% on annual change. The annual average underlying inflation rate is + 1.5% in December 2010 down from the previous month (+1.8%).

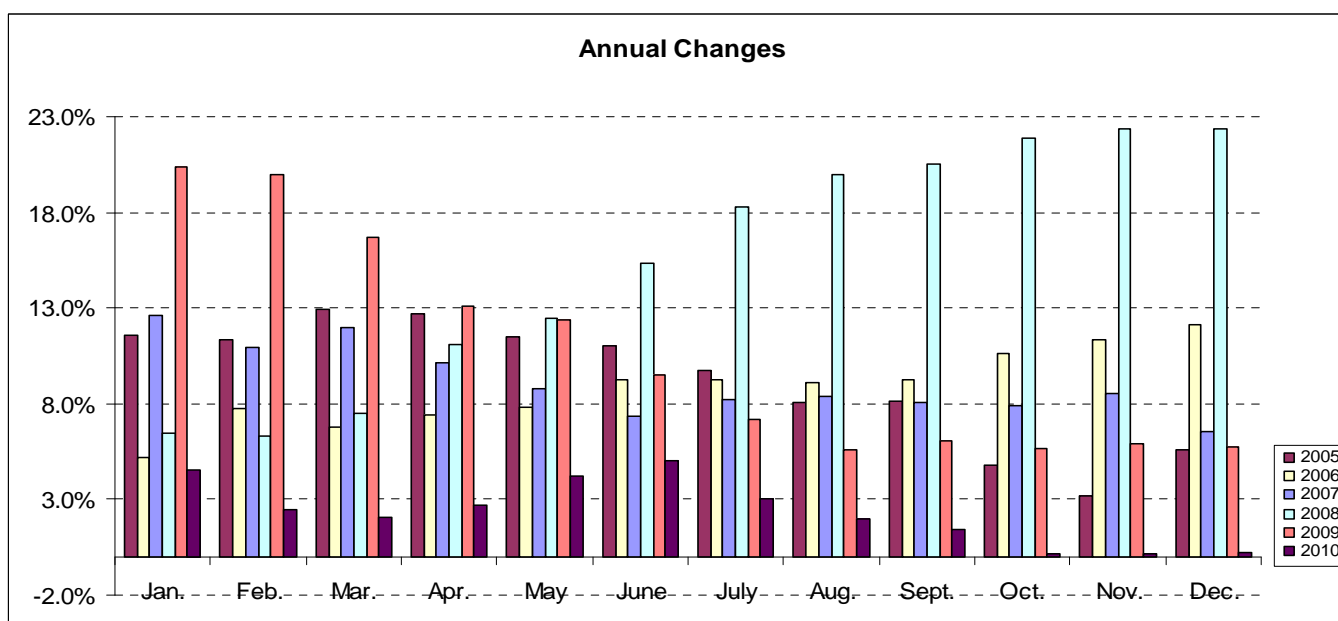
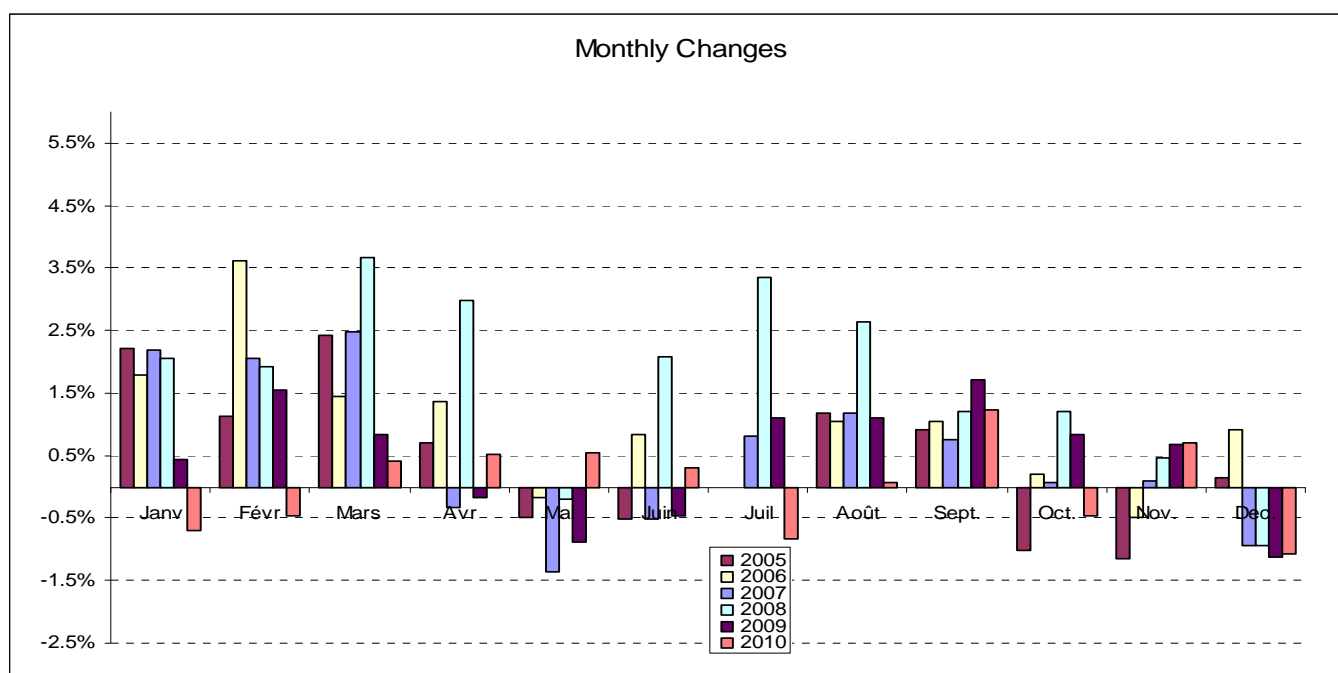
The decrease in the consumer prices index of 1.08% is attributable primarily to the decrease in Food and non-alcoholic beverages (2.38%) and Housing, water, electricity, gas and other fuels (1.09%).

It is noted that the decrease of 2.38% in prices of Food and non-alcoholic beverages is primary attributable to the decrease of 9.26% of Vegetables.

In annual change, the increase in the general index of 0.23% is mainly due to the rising prices of Housing, water, electricity, gas and other fuels (1.63%), Transport (4.07%) and the Education (6.51%) which contributed +0.35%, +0.52% and +0.21%. respectively.

The 'local goods' decreased by 0.07% on annual change with a monthly change of 1.45%, while prices of the imported products increased by 1.45% on annual change with a monthly change of 0.42%.

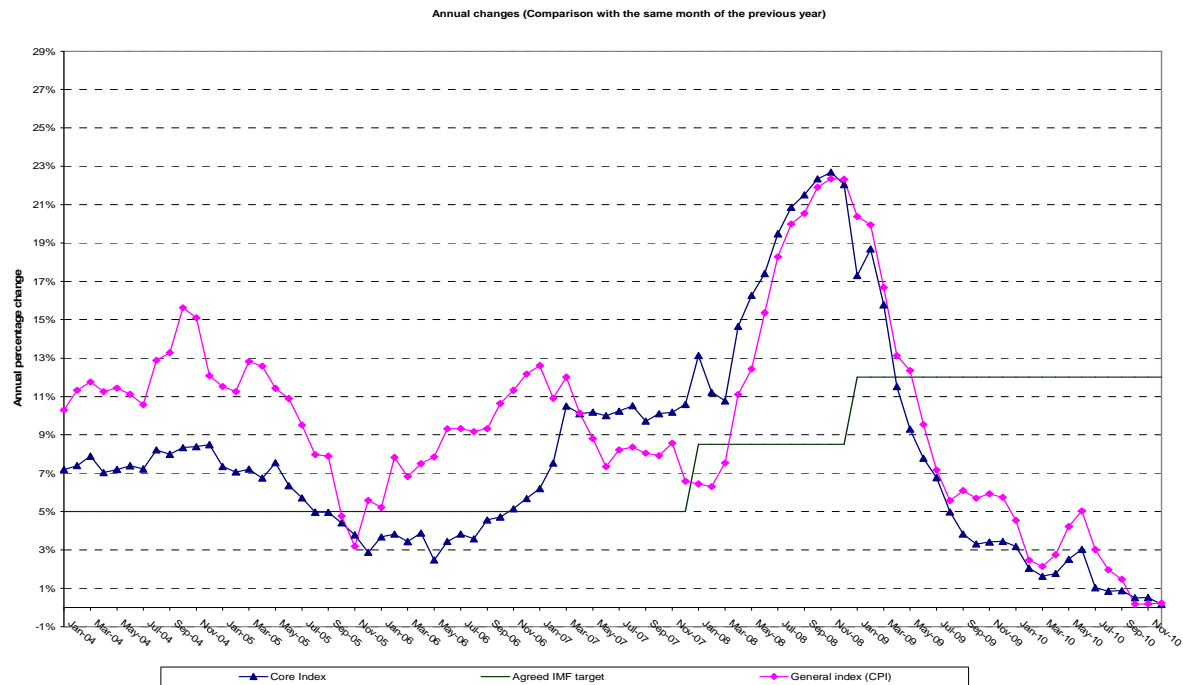
The prices of the fresh products had a negative annual change of 1.06% between December 2010 and December 2009.



Evolution (over 12 months) of the rate of inflation (%) ⁽¹⁾

MONTH	Dec. 09	Jan. 10	Feb. 10	March 10	April 10	May 10	June 10	July 10	Aug. 10	Sept. 10	Oct. 10	Nov. 10	Dec. 10
General index	10.3	9.1	7.7	6.5	5.7	5.1	4.8	4.4	4.1	3.7	3.3	2.8	2.3
Core / Underlying	8.5	7.4	6.1	5.0	4.2	3.7	3.3	2.8	2.5	2.2	2.0	1.8	1.5

(1) In December 2010 the average index of the last twelve months January 2010 to December 2010 increased by 2.3% (general index) And 1.5 % (Core index) compared to the average index of the previous twelve months (January 2009 to December 2009).



Other All Urban Indices

February 2009=100	Weights	Indices for the following months:				Changes in % over:			
		Dec. 09	Sept. 10	Oct. 10	Nov. 10	Dec. 10	1 month	3 months	12 months
GENERAL INDEX	10,000	103.67	104.8	104.3	105.0	103.9	-1.08	-0.86	0.23
Local Goods Index	7,947	104.60	106.0	105.3	106.1	104.5	-1.45	-1.37	-0.07
Food and non-alcoholic beverages	2,982	108.24	108.6	106.6	108.4	105.1	-2.98	-3.20	-2.86
Housing, water, electricity, gas and other fuels	2,134	100.30	103.1	103.5	103.1	102.0	-1.02	-1.06	1.74
Transport	759	112.70	112.5	112.5	114.5	114.9	0.33	2.15	1.97
Imported Goods Index	2,053	100.06	100.3	100.4	101.1	101.5	0.42	1.23	1.45
Food and non-alcoholic beverages	555	95.12	92.5	92.2	92.3	93.6	1.44	1.23	-1.60
Furnishing, household equipment	196	96.45	93.4	92.2	94.0	92.8	-1.28	-0.62	-3.80
Transport	430	109.28	113.8	114.8	116.5	117.9	1.22	3.59	7.89
Fresh Products index⁽¹⁾	1,403	115.05	123.2	119.4	120.8	113.8	-5.77	-7.65	-1.06
Energy index	767	102.81	109.0	109.6	109.4	106.5	-2.66	-2.25	3.61
General Index excluding fresh Products and energy⁽²⁾	7,829	101.71	101.1	101.1	101.8	101.9	0.08	0.77	0.15

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

(2) Proxy for underlying inflation

ALL RURAL CONSUMER PRICE INDEX:

February 2009=100

	Divisions ❖ Groups	Weights	Indices for the following months:					Changes in % over		
			Dec. 09	Sept. 10	Oct. 10	Nov. 10	Dec. 10	1 month	3 months	12 months
	GENERAL INDEX	10000	112.4	104.9	105.5	104.4	101.5	-2.78	-3.27	-9.73
01	Food and non-alcoholic beverages	6387	118.9	106.8	107.5	105.8	101.5	-4.04	-4.95	-14.63
0111	❖ Bread and cereals	1203	99.6	80.6	80.6	83.0	84.6	1.84	5.00	-15.10
0112	❖ Meat	169	99.9	96.4	99.2	98.8	100.9	2.17	4.69	1.02
0113	❖ Fish	72	110.3	126.3	123.1	119.7	122.3	2.19	-3.15	10.87
0117	❖ Vegetables	3213	140.4	129.5	129.6	124.4	113.7	-8.62	-12.24	-19.01
012	❖ Non-alcoholic beverages	196	88.8	91.2	86.8	92.9	93.0	0.14	1.94	4.68
02	Alcoholic beverages and tobacco	424	95.8	97.8	99.9	99.9	98.8	-1.10	1.03	3.19
03	Clothing and footwear	348	101.9	105.7	105.4	106.0	106.6	0.51	0.86	4.58
04	Housing, water, electricity, gas and other fuels	1274	101.6	100.5	100.6	99.8	98.8	-1.01	-1.69	-2.75
05	Furnishing, household equipment and routine household maintenance	277	106.0	105.7	105.9	106.7	105.8	-0.80	0.09	-0.14
06	Health	112	103.9	100.2	100.3	99.7	101.0	1.28	0.80	-2.84
07	Transport	426	101.0	100.9	102.1	101.9	102.2	0.27	1.30	1.19
08	Communication	51	96.9	94.8	94.5	94.6	94.4	-0.12	-0.38	-2.49
09	Recreation and culture	112	100.5	100.9	102.9	103.7	102.9	-0.79	1.93	2.34
10	Education	137	100.1	108.6	108.6	108.6	108.6	0.00	0.00	8.50
11	Restaurants and hotels	222	100.1	105.9	106.3	106.2	106.3	0.07	0.35	6.22
12	Miscellaneous goods and services	230	99.3	97.5	96.2	97.7	97.5	-0.22	0.00	-1.83

ALL RWANDA CONSUMER PRICE INDEX:

February 2009=100

Divisions ❖ Groups	Weights	Indices for the following months:					Changes in % over		
		Dec. 09	Sept. 10	Oct. 10	Nov. 10	Dec. 10	1 month	3 months	12 months
GENERAL INDEX	10000	109.4	104.9	105.1	104.6	102.3	-2.20	-2.45	-6.52
01 Food and non-alcoholic beverages	5422	116.1	106.7	106.8	105.8	101.9	-3.68	-4.44	-12.21
0111 ❖ Bread and cereals	1044	99.9	82.2	81.9	84.5	85.9	1.70	4.55	-14.03
0112 ❖ Meat	205	97.9	96.4	99.1	99.0	100.6	1.65	4.34	2.75
0113 ❖ Fish	76	108.0	121.5	119.2	117.9	119.2	1.12	-1.88	10.42
0117 ❖ Vegetables	2531	136.1	129.2	128.1	123.5	112.8	-8.72	-12.72	-17.15
012 ❖ Non-alcoholic beverages	184	91.2	93.2	89.8	94.6	94.3	-0.34	1.24	3.39
02 Alcoholic beverages and tobacco	362	98.5	100.8	102.6	102.8	101.9	-0.88	1.04	3.48
03 Clothing and footwear	358	101.6	104.1	104.1	104.6	105.2	0.50	1.01	3.50
04 Housing, water, electricity, gas and other fuels	1589	101.0	101.7	102.0	101.3	100.3	-1.05	-1.45	-0.71
05 Furnishing, household equipment and routine household maintenance	338	102.1	101.1	100.9	101.7	101.0	-0.68	-0.06	-1.00
06 Health	130	102.7	100.3	100.5	100.0	100.6	0.56	0.31	-2.10
07 Transport	685	107.2	108.0	108.7	109.8	110.3	0.51	2.15	2.95
08 Communication	131	97.8	99.0	98.0	96.7	96.9	0.19	-2.16	-0.94
09 Recreation and culture	161	100.0	100.4	102.1	102.5	101.9	-0.65	1.47	1.90
10 Education	203	100.0	107.4	107.4	107.4	107.4	0.00	0.00	7.39
11 Restaurants and hotels	336	100.7	103.8	103.9	103.7	103.2	-0.54	-0.59	2.48
12 Miscellaneous goods and services	288	97.9	97.3	96.5	98.1	98.0	-0.13	0.70	0.17

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, living in Rwanda.

The household basket includes 1,136 products observed in many places spread all over the administrative centers of all provinces in Rwanda. All kinds of places of observation are selected: shops, markets, services etc. More than 29,200 prices are collected every month by enumerators of the National Institute of Statistics of Rwanda and of the National Bank of Rwanda.

The index reference, or base, for the CPI is February 2009.

The weights used for the index are the result of the Household Living Conditions Survey (EICV II) conducted in 2005-2006 with a sample of 6,900 households.

How to Interpret the CPI

Movements of the indexes from one month to another usually are expressed as percent 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 percent changes:

Index point change

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 x 100
Equals percent change	1.1

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