

REPUBLIC OF RWANDA



NATIONAL INSTITUTE OF STATISTICS OF RWANDA

CONSUMER PRICE INDEX (CPI) May 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 May 2010 the All Urban general index is established at 104.0 this stands for an increase of 0.54% over the previous month which was 103.4. In annual change it increased by 4.21% compared to 2.74% in the previous month. This gives a general inflation rate by an annual average of 5.1% during the month of May 2010.

The underlying inflation rate (excluding fresh food and energy) is increased by 0.08% if compared to the previous month and increased 2.51% on annual change. The annual average underlying inflation rate is + 3.7% in May 2010 down from the previous month (+4.2%).

All Rural Index:

In May 2010 the All Rural general index is established at 102.4 this stands for a decrease of 0.30% over the previous month which was 102.7. In annual change it decreased by (-1.52%) compared to (-0.34%) in the previous month.

All Rwanda Index:

In May 2010 the All Rwanda general index is established at 102.9(102.874) this stands for a bit increase of 0.004% over the previous month which was 102.9(102.878). In annual change it increased by 0.32% compared to 0.64% in the previous month.

Feb 2009=100	May 09	June 09	July 09	Aug. 09	Sept. 09	Oct. 09	Nov. 09	Dec. 09	Jan. 10	Feb. 10	Mar. 10	April 10	May 10
All Urban General Index	99.8	99.3	100.4	101.5	103.3	104.1	104.8	103.7	102.9	102.5	102.9	103.4	104.0
Annual change	12.35	9.54	7.17	5.57	6.09	5.70	5.93	5.74	4.54	2.46	2.05	2.74	4.21
All Rural General Index	103.9	100.5	104.5	104.3	106.3	109.3	113.4	112.4	108.3	104.4	105.4	102.7	102.4
Annual change										4.42	1.86	-0.34	-1.54
All Rwanda General Index	102.5	100.1	103.1	103.3	105.3	107.5	110.5	109.4	106.4	103.7	104.5	102.9	102.9
Annual change										3.72	1.92	0.64	0.32

ALL URBAN CONSUMER PRICE INDEX

Base 100: February 2009

	Divisions ❖ Groups	Weights	Indices for the following months:					Changes in % over		
			May 09	Feb. 10	Mar. 10	April 10	May 10	1 month	3 months	12 months
	GENERAL INDEX	10000	99.8	102.5	102.9	103.4	104.0	0.54	1.49	4.21
01	Food and non-alcoholic beverages	3538	99.4	102.1	103.1	104.0	104.5	0.55	2.41	5.18
0111	❖ Bread and cereals	733	98.1	100.4	99.8	97.6	96.4	-1.20	-4.01	-1.79
0112	❖ Meat	274	99.7	95.2	93.8	94.8	94.7	-0.08	-0.52	-5.02
0113	❖ Fish	83	101.4	103.8	102.9	105.8	108.3	2.39	4.34	6.83
0117	❖ Vegetables	1200	100.9	103.5	108.3	112.0	114.7	2.40	10.78	13.65
012	❖ Non-alcoholic beverages	160	98.4	99.0	98.2	99.3	98.2	-1.14	-0.83	-0.20
02	Alcoholic beverages and tobacco	240	103.8	108.5	112.1	112.4	112.7	0.32	3.90	8.65
03	Clothing and footwear	377	99.6	100.8	100.8	101.0	100.7	-0.37	-0.15	1.11
04	Housing, water, electricity, gas and other fuels	2204	100.8	99.3	99.3	100.2	101.2	1.01	1.89	0.43
05	Furnishing, household equipment and routine household maintenance	457	100.2	99.1	98.1	98.9	98.8	-0.15	-0.31	-1.42
06	Health	163	99.6	102.2	102.3	102.7	102.1	-0.60	-0.09	2.54
07	Transport	1189	99.1	112.0	112.2	112.4	112.8	0.38	0.70	13.87
08	Communication	288	96.9	99.5	99.4	99.7	99.4	-0.31	-0.10	2.61
09	Recreation and culture	256	102.6	101.0	101.3	101.7	101.9	0.20	0.88	-0.68
10	Education	331	100.0	106.2	106.4	106.4	106.4	0.00	0.19	6.42
11	Restaurants and hotels	558	99.7	102.4	103.2	101.9	103.7	1.77	1.26	4.07
12	Miscellaneous goods and services	400	97.6	96.0	95.6	95.7	95.8	0.13	-0.19	-1.81

In May 2010 the All Urban general index is established at 104.0 this stands for an increase of 0.54% over the previous month which was 103.4. In annual change it increased by 4.21% compared to 2.74% in the previous month. This gives a general inflation rate by an annual average of 5.1% during the month of May 2010.

The underlying inflation rate (excluding fresh food and energy) is increased by 0.08% if compared to the previous month and increased 2.51% on annual change. The annual average underlying inflation rate is + 3.7% in May 2010 down from the previous month (+4.2%).

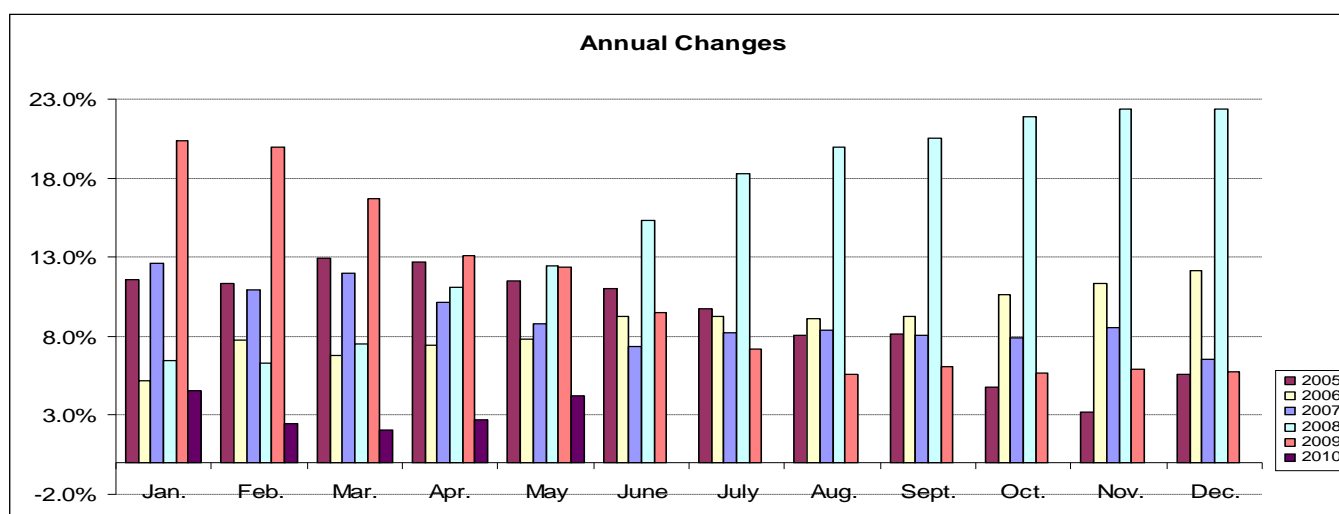
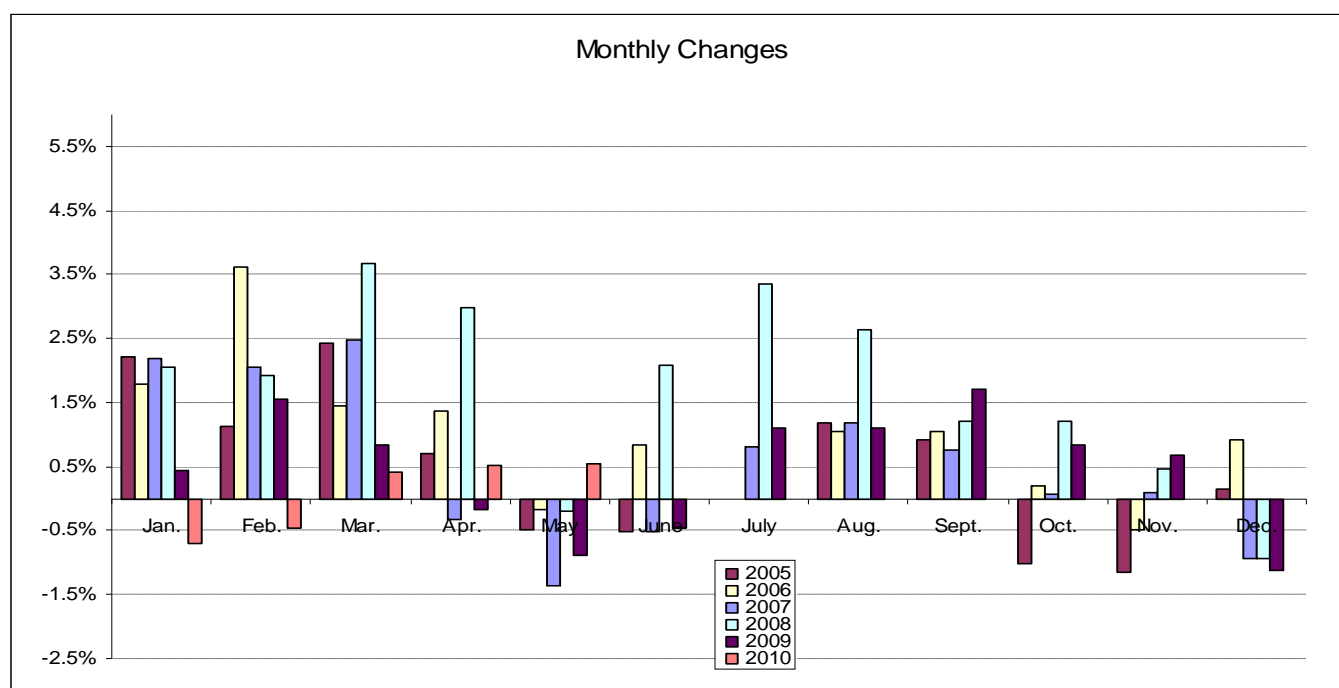
The increase in the consumer prices index of 0.54% is attributable primarily to the increase in Food and non-alcoholic beverages (+0.55%) and Housing, water, electricity, gas and other fuels (+1.01%).

It is noted that the increase of 0.55% in prices of Food and non-alcoholic beverages is primary attributable to the increase of 2.40% of Vegetables.

In annual change, the increase in the general index of 4.21% is mainly due to the rising prices of Food and non-alcoholic beverages (5.18%) and Transport (13.87%) which contributed +1.83% and +1.64% respectively.

The 'local goods' increased by 5.04% on annual change with a monthly variation of +0.64%, while prices of the imported products increased by 1.01% on annual change with a monthly change of +0.14%.

The prices of the fresh products had a positive annual change of 12.68% between May 2010 and May 2009.

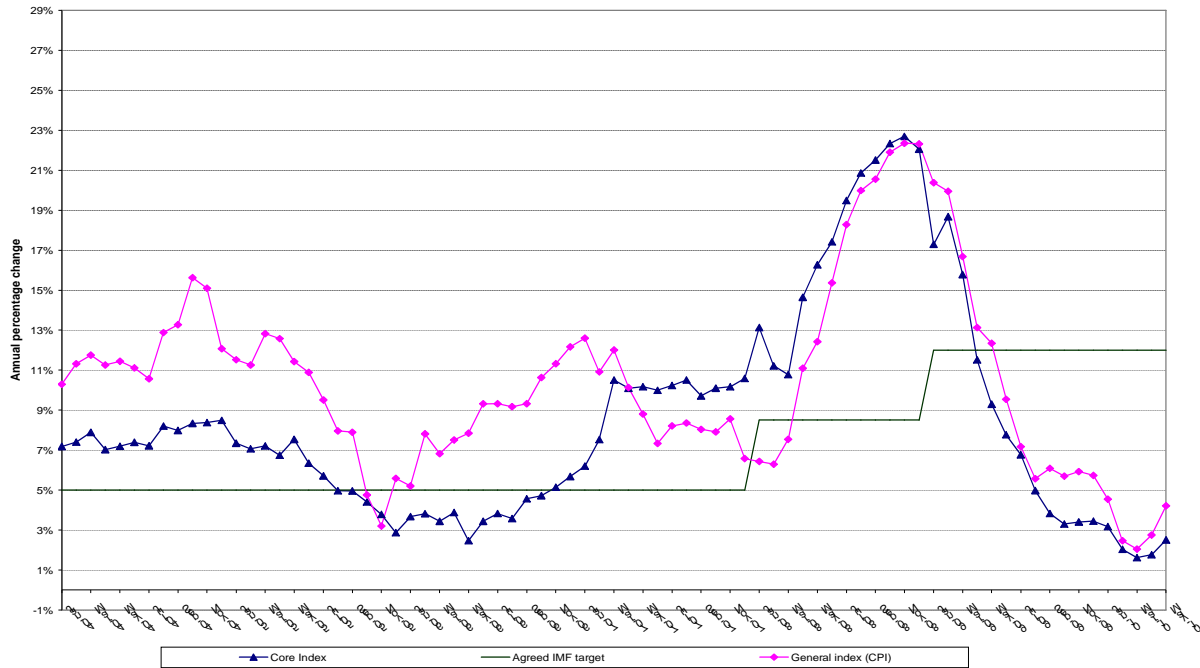


Evolution (over 12 months) of the rate of inflation (%)⁽¹⁾

MONTH	May 09	June 09	July 09	Aug. 09	Sep. 09	Oct. 09	Nov. 09	Dec. 09	Jan. 10	Feb. 10	March 10	April 10	May 10
General index	18.5	17.9	16.9	15.6	14.4	13.0	11.6	10.3	9.1	7.7	6.5	5.7	5.1
Core / Underlying	18.1	17.2	16.0	14.6	13.1	11.5	10.0	8.5	7.4	6.1	5.0	4.2	3.7

(1) In May 2010 the average index of the last twelve months June 2009 to May 2010 increased by 5.1% (general index) and 3.7% (Core index) compared to the average index of the previous twelve months (June 2008 to May 2009).

Annual changes (Comparison with the same month of the previous year)



Other All Urban Indices

	Weights	Indices for the following months:				Changes in % over:			
		May 09	Feb. 10	Mar. 10	April 10	May 10	1 month	3 months	12 months
GENERAL INDEX	10,000	99.8	102.5	102.9	103.4	104.0	0.54	1.49	4.21
Local Goods Index	7,947	99.7	103.1	103.5	104.1	104.8	0.64	1.65	5.04
Food and non-alcoholic beverages	2,982	99.6	103.5	104.7	105.7	106.3	0.59	2.72	6.69
Housing, water, electricity, gas and other fuels	2,134	100.7	99.4	99.2	100.3	101.3	1.06	1.93	0.66
Transport	759	98.3	113.2	112.7	112.7	112.8	0.10	-0.39	14.77
Imported Goods Index	2,053	100.0	100.1	100.3	100.8	101.0	0.14	0.86	1.01
Food and non-alcoholic beverages	555	98.2	94.7	94.7	94.9	95.2	0.34	0.58	-3.04
Furnishing, household equipment	196	100.3	95.7	94.7	95.1	94.9	-0.23	-0.89	-5.39
Transport	430	100.5	109.9	111.2	111.9	112.8	0.87	2.68	12.31
Fresh Products index⁽¹⁾	1,403	100.4	104.8	107.9	110.8	113.2	2.17	8.00	12.68
Energy index	767	102.2	102.3	103.3	106.3	108.3	1.91	5.82	5.98
General Index excluding fresh Products and energy⁽²⁾	7,829	99.4	102.1	101.9	101.8	101.9	0.08	-0.13	2.51

(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		
			May 09	Feb. 10	Mar. 10	April 10	May 10	1 month	3 months	12 months
	GENERAL INDEX	10000	103.9	104.4	105.4	102.7	102.4	-0.30	-1.98	-1.52
01	Food and non-alcoholic beverages	6387	105.9	106.3	107.3	104.5	103.7	-0.67	-2.43	-2.07
0111	❖ Bread and cereals	1203	100.0	98.3	96.0	93.4	91.5	-2.03	-6.95	-8.53
0112	❖ Meat	169	101.5	98.0	96.6	94.1	94.5	0.40	-3.55	-6.94
0113	❖ Fish	72	103.7	103.2	109.3	108.5	106.6	-1.75	3.33	2.82
0117	❖ Vegetables	3213	112.0	117.0	119.7	115.6	116.4	0.63	-0.54	3.87
012	❖ Non-alcoholic beverages	196	97.4	89.0	88.9	88.9	88.7	-0.19	-0.27	-8.89
02	Alcoholic beverages and tobacco	424	95.4	98.4	102.9	103.5	103.2	-0.30	4.90	8.24
03	Clothing and footwear	348	98.0	103.8	105.6	104.8	105.1	0.35	1.30	7.27
04	Housing, water, electricity, gas and other fuels	1274	103.2	101.5	101.4	98.7	99.6	0.95	-1.85	-3.48
05	Furnishing, household equipment and routine household maintenance	277	100.3	104.3	105.0	105.9	105.9	-0.05	1.50	5.56
06	Health	112	101.3	103.2	101.7	101.4	101.5	0.13	-1.65	0.26
07	Transport	426	96.3	97.9	98.4	98.0	98.2	0.26	0.33	2.03
08	Communication	51	98.4	95.1	95.1	94.5	94.7	0.22	-0.42	-3.80
09	Recreation and culture	112	104.9	99.6	100.6	100.8	100.3	-0.52	0.63	-4.40
10	Education	137	100.1	108.2	108.5	108.5	108.5	0.00	0.31	8.48
11	Restaurants and hotels	222	100.7	101.3	103.4	105.5	106.3	0.77	4.99	5.56
12	Miscellaneous goods and services	230	103.3	97.6	97.3	96.4	96.5	0.09	-1.14	-6.59

ALL RWANDA CONSUMER PRICE INDEX:

February 2009=100

	Divisions ❖ Groups	Weights	Indices for the following months:					Changes in % over		
			May 09	Feb. 10	Mar. 10	April 10	May 10	1 month	3 months	12 months
	GENERAL INDEX	10000	102.5	103.7	104.5	102.9	102.9	0.00	-0.81	0.32
01	Food and non-alcoholic beverages	5422	104.6	105.4	106.4	104.3	103.9	-0.41	-1.38	-0.64
0111	❖ Bread and cereals	1044	100.0	98.8	96.9	94.4	92.6	-1.82	-6.23	-7.34
0112	❖ Meat	205	100.7	96.7	95.4	94.4	94.6	0.18	-2.23	-6.10
0113	❖ Fish	76	102.9	103.4	106.9	107.5	107.3	-0.24	3.74	4.27
0117	❖ Vegetables	2531	110.3	114.8	117.9	115.1	116.1	0.90	1.10	5.29
012	❖ Non-alcoholic beverages	184	97.6	91.9	91.6	92.0	91.5	-0.49	-0.47	-6.27
02	Alcoholic beverages and tobacco	362	97.3	100.8	105.0	105.5	105.4	-0.15	4.58	8.34
03	Clothing and footwear	358	98.5	102.7	103.9	103.4	103.5	0.10	0.77	5.06
04	Housing, water, electricity, gas and other fuels	1589	102.1	100.4	100.3	97.1	98.0	0.99	-2.39	-3.95
05	Furnishing, household equipment and routine household maintenance	338	99.6	101.2	100.7	102.0	101.9	-0.12	0.64	2.27
06	Health	130	100.6	102.8	101.9	102.0	101.8	-0.18	-1.01	1.20
07	Transport	685	97.9	106.2	106.5	106.1	106.8	0.63	0.56	9.07
08	Communication	131	97.3	98.4	98.3	98.4	98.2	-0.18	-0.16	0.95
09	Recreation and culture	161	103.6	100.4	100.7	101.4	101.2	-0.13	0.85	-2.32
10	Education	203	100.0	107.1	107.4	107.0	107.0	0.00	-0.09	6.98
11	Restaurants and hotels	336	100.1	101.9	103.3	103.5	104.8	1.32	2.88	4.72
12	Miscellaneous goods and services	288	99.9	96.8	96.5	96.1	96.2	0.11	-0.65	-3.78

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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