

REPUBLIC OF RWANDA



NATIONAL INSTITUTE OF STATISTICS OF RWANDA

CONSUMER PRICE INDEX (C.P.I.)
Kigali – May 2008
CAUTION

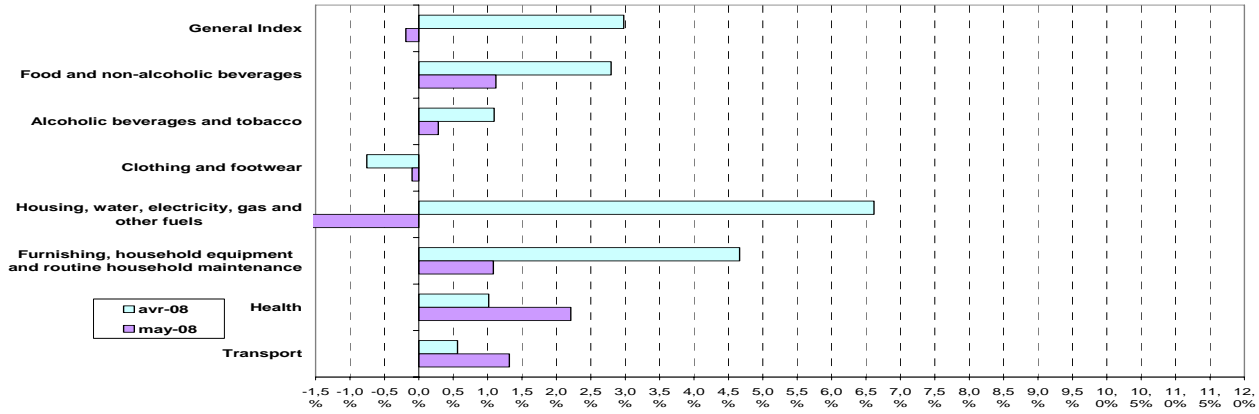
The National Institute of Statistics of Rwanda is very pleased to deliver to users the new Consumer Price Index (CPI) based in 2003 that replaces the previous one which was based in 1989. **The Index is published every month by the 15th.**

Base 100: 2003

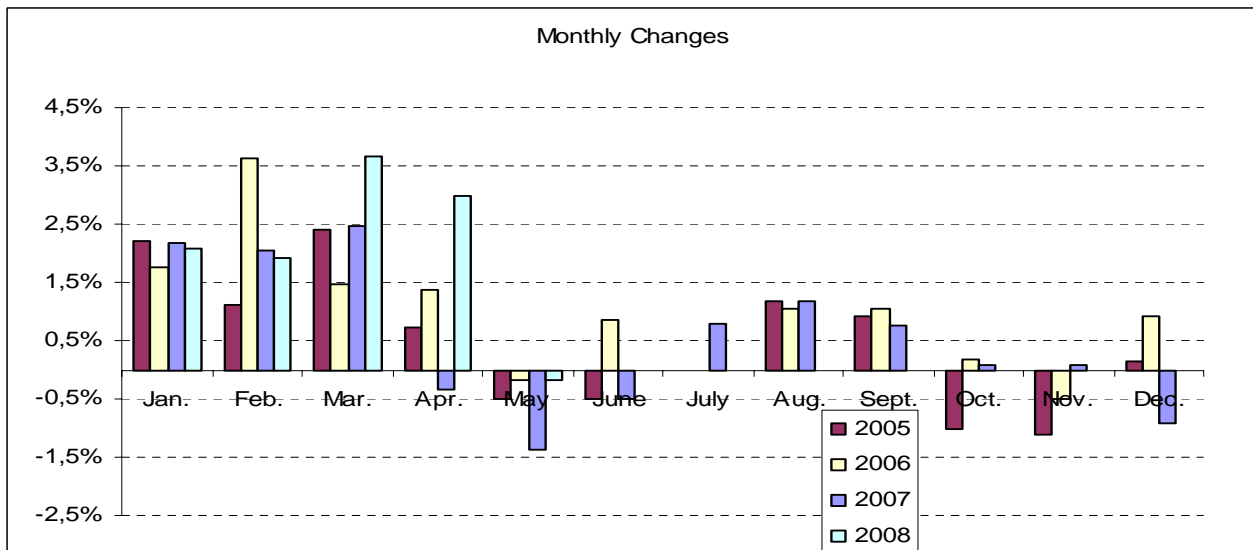
	Divisions ❖ Groups	Weights	Indices for the following months:					Changes in % over		
			Mai 07	Feb 08	Mar 08	April 08	May 08	1 month	3 months	12 months
	GENERAL INDEX	10 000	143,9	151,9	157,4	162,1	161,8	-0,19	6,54	12,43
01	Food and non-alcoholic beverages	3 709	150,9	159,4	162,3	166,9	168,7	1,12	5,88	11,81
0111	❖ Bread and cereals	625	151,1	164,8	164,3	171,0	175,0	2,30	6,15	15,77
0112	❖ Meat	345	118,4	131,6	134,6	141,7	149,5	5,53	13,63	26,29
0113	❖ Fish	114	154,0	156,0	168,0	184,5	185,3	0,46	18,80	20,34
0117	❖ Vegetables	1 332	168,4	165,9	167,1	161,8	161,8	-0,01	-2,45	-3,89
012	❖ Non-alcoholic beverages	180	131,0	138,1	136,9	137,5	140,6	2,29	1,81	7,35
02	Alcoholic beverages and tobacco	221	127,8	134,6	142,6	144,2	144,6	0,28	7,41	13,12
03	Clothing and footwear	500	103,8	110,6	111,0	110,2	110,1	-0,10	-0,50	6,02
04	Housing, water, electricity, gas and other fuels	1 579	191,7	195,1	216,5	230,8	219,9	-4,72	12,74	14,71
05	Furnishing, household equipment and routine household maintenance	764	119,1	124,6	133,9	140,1	141,6	1,08	13,67	18,93
06	Health	708	122,5	125,5	124,8	126,1	128,9	2,21	2,68	5,20
07	Transport	987	123,4	142,9	143,9	144,7	146,6	1,32	2,59	18,80
08	Communication	37	135,3	121,5	121,4	121,4	121,3	-0,09	-0,17	-10,38
09	Recreation and culture	206	107,0	107,9	107,9	108,1	108,3	0,22	0,35	1,18
10	Education	432	155,8	175,8	175,8	176,5	175,8	-0,36	0,03	12,87
11	Restaurants and hotels	273	148,0	145,6	146,0	149,0	154,4	3,69	6,04	4,38
12	Miscellaneous goods and services	584	106,4	114,6	116,4	116,3	117,8	1,28	2,77	10,73

Month	May 07	Jun 07	Jul 07	Aug 07	Sep 07	Oct 07	Nov 07	Dec 07	Jan 08	Feb 08	Mar 08	Apr 08	May 08
Index (2003=100)	143,9	143,2	144,3	146,0	147,1	147,2	147,4	146,0	149,0	151,9	157,4	162,1	161,8
Annual changes	8,8	7,3	8,2	8,4	8,0	7,9	8,6	6,6	6,5	6,3	7,5	11,1	12,4

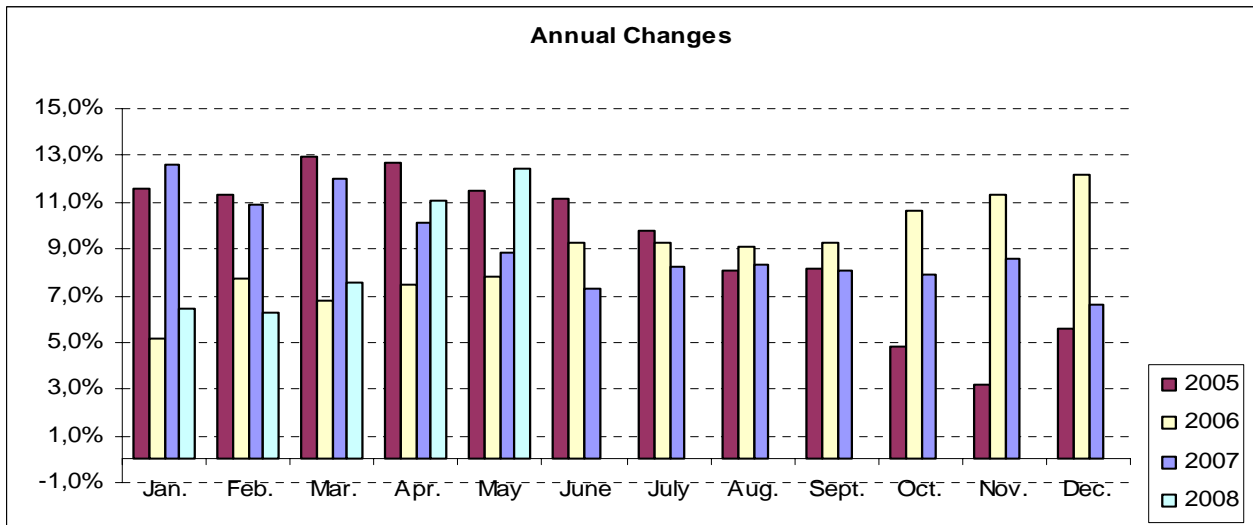
Fluctuations of the general index and the divisions' index
April and May 2008



Monthly Changes



Annual Changes



CONSUMER PRICE INDEX (CPI), May 2008 (Base 100 = 2003)

In May 2008, the general consumer prices index is established at 161.8 this stands for a decrease of 0.19% over the previous month which was 162.1. The annual change rises up to 12.43% instead of 10.97% in the previous month. This gives a general inflation rate by an annual average of 8.3% during the month of May 2008.

The underlying inflation rate (excluding fresh food and energy) is +1.36% if compared to the previous month and +16.25% on annual change. The annual average underlying inflation rate is 11.3% in May 2008, up from the previous month (10.8%).

The decrease in the consumer prices index of 0.19% is attributable primarily to the decrease in prices of housing, water, electricity, gas and other fuels (4.72%) due to solid fuels (charcoal) that decreased by 18.1% as a result of the governments policy decision to prohibit intermediate commercial practices of some cooperatives in a speculative manner.

Note also that the index of Food and non-alcoholic beverages increased slightly by 1.12% compared to 2.83% of the previous month. This increase is essentially attributed to the rise of 2.30% and 5.53% of the indexes of bread and cereals and meat.

In annual change, the increase in the general index of 12.43% is mainly due to the rising prices of housing, water, electricity, gas and other fuels (+14.71%), furnishing, household equipment and routine household maintenance index (+18.93%), transport (+18.80%) due to increasing fuel prices and education index rise of (12.87%) due to the increase in school fees recorded at the beginning of the year 2008.

However, communication prices have decreased by (10.38%) due to the reduction of the unit cost from 147 frw to 100 frw by MTN.

The 'local goods' are more responsible for inflation than 'imported goods. In terms of annual change, the prices of the local products have increased by 10.57% with a monthly variation of -0.97%, while prices of the imported products have risen by 18.58% with a monthly change of 1.93%.

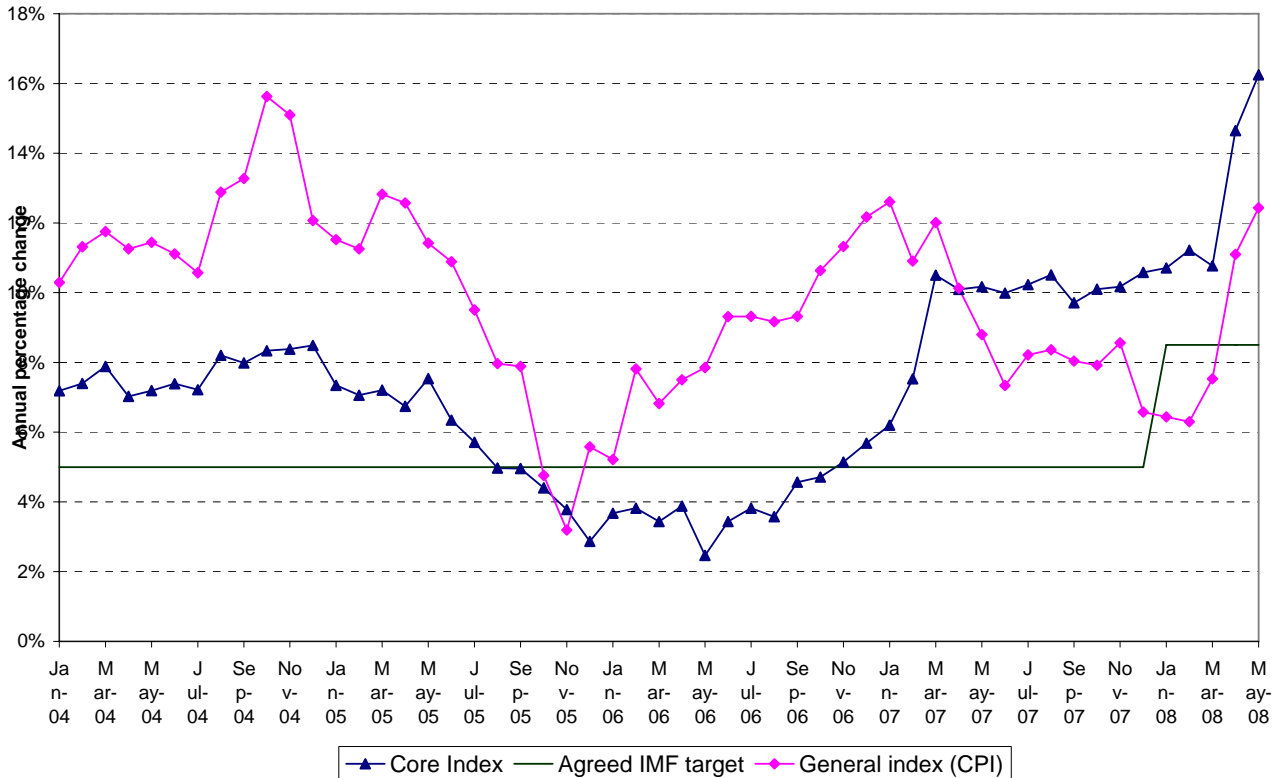
The prices of the fresh products had a negative annual variation of 0.95% between May 2008 and May 2007.

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

MONTH	May 07	Jun. 07	Jul. 07	Aug. 07	Sep. 07	Oct. 07	Nov. 07	Dec. 07	Jan 08	Feb. 08	March 08	April 08	May 08
General index	10,5	10,3	10,2	10,1	10,0	9,8	9,5	9,1	8,6	8,2	7,8	7,9	8,3
Core / Underlying	6,3	6,9	7,4	8,0	8,4	8,8	9,3	9,7	10,0	10,3	10,4	10,8	11,3

(1) In April 2008 the average index of the last twelve months (June 2007 to May 2008) increased by 8.3% (general index) and 11.3% (core index) compared to the average index of the previous twelve months (June 2006 to May 2007).

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



Other Indices

	Weights	Indices for the following months:				Changes in % over:			
		May 07	Feb-08	March 08	April 08	May 08	1 month	3 months	12 months
General Index	10 000	143,9	151,9	157,4	162,1	161,8	-0,19	6,54	12,43
Local Goods Index	6 956	152,4	158,9	165,7	170,1	168,5	-0,97	6,00	10,57
Food and non-alcoholic beverages	2 627	155,5	160,5	162,1	163,5	164,9	0,86	2,73	6,04
Housing, water, electricity, gas and other fuels	1 501	192,0	193,5	216,3	231,1	217,9	-5,73	12,61	13,50
Transport	698	114,2	135,7	136,4	136,7	136,6	-0,07	0,65	19,65
Imported Goods Index	3 044	123,3	135,2	138,1	143,4	146,2	1,93	8,14	18,58
Food and non-alcoholic beverages	1 082	139,3	158,0	165,0	177,4	180,2	1,59	14,03	29,41
Furnishing, household equipment	533	117,7	119,1	120,1	122,7	123,0	0,29	3,27	4,51
Transport	289	145,4	161,7	161,5	163,9	170,6	4,09	5,50	17,35
Kigali Index	7 679	142,3	150,1	156,4	160,9	159,7	-0,74	6,40	12,24
Provinces Index⁽¹⁾	2 321	149,3	157,6	161,0	166,0	168,7	1,61	7,04	12,99
Fresh Products index⁽²⁾	2 186	166,3	166,4	167,3	164,4	164,8	0,24	-0,96	-0,95
Energy index	761	230,5	238,2	270,9	289,5	264,3	-8,70	10,96	14,69
General Index excluding fresh Products and energy⁽³⁾	7 053	129,5	139,4	143,3	148,5	150,5	1,36	7,95	16,25

(1) This is the index for the country without Kigali

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

(3) Proxy for underlying inflation

METHODOLOGICAL NOTICE

The Consumer Price Index is a Laspeyres index that covers household consumption as it is used by national accounts. The reference population for the CPI consists of all households living in urban areas in Rwanda.

The household basket includes 438 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 25,000 prices are collected every month by enumerators of the National Institute of Statistics of Rwanda and of the National Bank of Rwanda.

The base year for the CPI is the year 2003.

The weights used for this new index are the result of the Household Living Conditions Survey (EICV) conducted in 2000-2001 with a sample of 6,450 households.

The splicing with the old index is feasible using the splicing coefficient of 3.889. If you divide the old index by this coefficient, you will be able to make comparisons with the new index based in 2003.

Additional methodological documentation can be obtained at the National Institute of Statistics of Rwanda, Economic Statistics Department.

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