



REPUBLIC OF RWANDA



PRODUCER PRICE INDEX (PPI)

SECOND QUARTER 2017

AUGUST 2017

1. SUMMARY

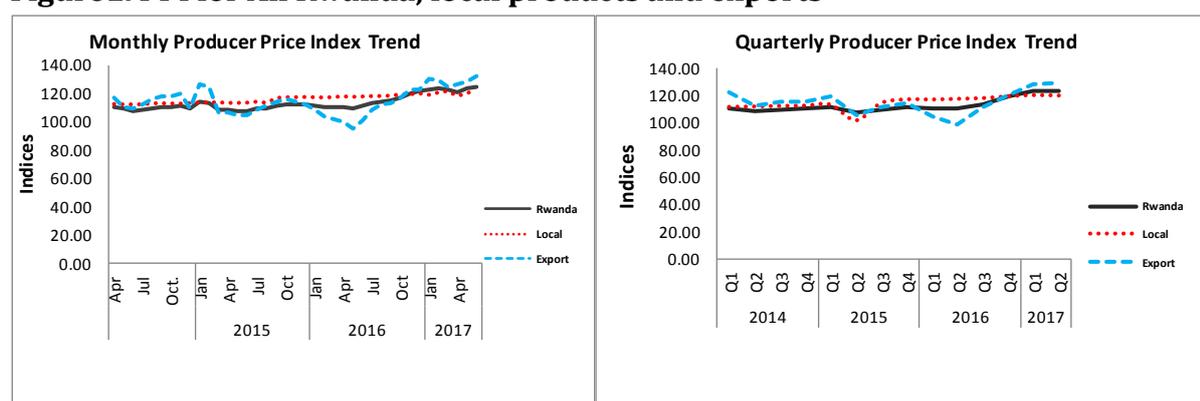
- The annual change in PPI for all Rwanda, second quarter 2017, is 11.59 percent
- The annual change in PPI for local products, second quarter 2017, is 1.98 percent
- The annual change in PPI for exports, second quarter 2017, is 30.82 percent
- The quarterly change in PPI for all Rwanda, second quarter 2017, is -0.04 percent
- The quarterly change in PPI for local products, second quarter 2017, is -0.26 percent
- The quarterly change in PPI for exports, second quarter 2017, is 0.57 percent

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

	Quarterly change (Q2.17-Q1.17)	Annual change (Q2.17-Q2.16)
PPI for All Rwanda	-0.04	11.59
PPI for local products	-0.26	1.98
PPI for export products	0.57	30.82

Source: NISR

Figure1. PPI for All Rwanda, local products and exports



Source: NISR

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.

The Producer Price Index for Rwanda is published on a quarterly basis; but it highlights monthly Producer Price Index for each of the three months of the quarter under review, the quarterly Producer Price Index and the annual Producer Price Index. 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.

The Producer Price Index survey is conducted jointly with the National Bank of Rwanda. It now covers mining, manufacturing and energy; but NISR intends to include hotels and communication services in the future.

3. PPI FOR ALL RWANDA

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

Table2. Monthly, quarterly and annual changes for PPI for All Rwanda

	2017			
	April	May	June	Q2
Monthly change	-1.47	1.65	1.24	
Quartely change				-0.04
Annual change	9.65	12.61	12.53	11.59

Source: NISR

As the table 2 shows, on a monthly basis, the index decreased by 1.47 in April and increased by 1.65 and 1.24 percent respectively in May and June 2017.

On a quarterly basis, the index for the second quarter 2017 decreased by 0.04 percent.

On an annual basis, the index for the second quarter 2017 increased by 11.59 percent.

Main contributors to change

On a monthly basis,

In April 2017 (-1.47%):

- Manufacturing contributed negatively by 1.50 percentage points.
- Mining and quarrying contributed positively by 0.03 percentage points.

In May 2017 (1.65%):

- Manufacturing contributed positively by 1.95 percentage points.
- Mining and quarrying contributed negatively by 0.30 percentage points.

In June 2017 (1.24%)

- Manufacturing contributed positively by 1.17 percentage points.
- Mining and quarrying contributed positively by 0.07 percentage points.

On a quarterly basis, the main contributors to the index change of the second quarter 2017 (-0.04%) are:

- Mining and quarrying contributed negatively by 0.12 percentage points.
- Manufacturing contributed positively by 0.08 percentage points.

On an annual basis, the main contributors to the index change of the second quarter 2017 (11.59%) are:

- Manufacturing contributed positively by 10.37 percentage points of which food products contributed positively by 9.12 percentage points and beverages contributed positively by 0.60 percentage points
- Mining and quarrying contributed positively by 2.08 percentage points.
- Electricity, gas, steam and air conditioning supply contributed negatively by 0.86 percentage points.

4. PPI FOR GOODS PRODUCED FOR LOCAL SALES

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

Table3. Monthly, quarterly and annual changes for PPI for local sales

	2017			
	April	May	June	Q2
Monthly change	-2.44	1.66	0.72	
Quartely change				-0.26
Annual change	0.52	2.43	2.98	1.98

Source: NISR

As the table 3 shows, on a monthly basis, the index decreased by 2.44 in April, and in May and June the index increased by 1.66 and 0.72 respectively.

On a quarterly basis, the index for the second quarter 2017 decreased by 0.26 percent.

On an annual basis, the index for the second quarter 2017 increased by 1.98 percent.

Main contributors to change

On a monthly basis, the main contributors to the index change are:

In April 2017 (-2.44%):

- Manufacturing contributed negatively by 2.44 percentage point.

In May 2017(1.66%):

- Manufacturing contributed positively to 1.66 percentage point.

In June 2017 (0.72%):

- Manufacturing contributed positively to 0.72 percentage point.

On a quarterly basis, the main contributors to the index change (-0.26%):

- Manufacturing contributed negatively by 0.26 percentage points.

On an annual basis, the main contributors to the index change (1.98%):

- Manufacturing contributed positively by 2.39 percentage points.
- Electricity, gas, steam and air conditioning supply contributed negatively by 0.41 percentage points.

5. PPI FOR EXPORTS

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

Table4. Monthly, quarterly and annual changes for PPI for exports

	2017			Q2
	April	May	June	
Monthly change	1.35	1.45	2.74	
Quartely change				0.57
Annual change	27.34	34.70	30.59	30.82

Source: NISR

The table 4 shows that on a monthly basis the index increased by 1.35 in April, it also increased by 1.45 and 2.74 percent in May and June 2017 respectively.

On a quarterly basis, the index for the second quarter 2017 increased by 0.57 percent.

On an annual basis, the index for the second quarter 2017 increased by 30.82 percent.

Main contributors to change

On a monthly basis,

In April 2017 (1.35%):

- Tea products contributed positively by 1.83 percentage points.
- Coffee products contributed negatively by 0.53 percentage points.

In May 2017 (1.45%):

- Tea products contributed positively by 5.24 percentage points.
- Non-ferrous metal ores contributed negatively by 2.41 percentage points
- Coffee products contributed negatively by 2.02 percentage points

In June 2017 (2.74%):

- Tea products contributed positively by 3.45 percentage points.
- Coffee products contributed negatively by 1.32 percentage points

On a quarterly basis, the main contributors to the index change of the second quarter 2017 (0.57%) are:

-
- Coffee products contributed positively by 1.64 percentage points
- Non-ferrous metal ores contributed positively by 1.28 percentage points
- Tea products contributed negatively by 2.42 percentage points.

On an annual basis, the main contributors to the index change of second quarter 2017 (30.82%) are:

- Tea products contributed positively by 12.39 percentage points.
- Non-ferrous metal ores contributed positively by 9.21 percentage points
- Coffee products contributed positively by 9.11 percentage points.

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 quarterly, about 8 weeks following the quarter under review.

Over time the PPI will gradually be expanded to include other production sectors such as transportation, telecommunications, agriculture, and services. Expansion of PPI coverage depends upon the availability of data that could be used to derive weights.

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 (June 2010).

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 quarter from the selected establishment by considering the mid-point of each month of the quarter under review.

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

LVL	Annex 1: PPI, All Rwanda			Weights	Index (December 2010=100)							Monthly Contribution			Quarterly Contribution	Annual Contribution
	Index				Mar-17	Apr-17	May-17	Jun-17	Q2 2016	Q1 2017	Q2 2017	Apr-17	May-17	Jun-17	Q2 2017	Q2 2017
	AGG ID	ISIC rev. 4	Description													
1	R	Rwanda		1000	122.82	121.01	123.01	124.53	110.09	122.90	122.85	-1.47	1.65	1.24	-0.04	11.59
2 R	RB	Mining and quarrying		96	119.63	119.96	116.33	117.07	95.24	120.77	117.79	0.03	-0.30	0.07	-0.12	2.08
4 RB	RB07	Mining of metal ores		96	119.63	119.96	116.33	117.07	95.24	120.77	117.79	0.03	-0.30	0.07	-0.12	2.08
		Mining of non-ferrous metal														
5 RB07	RB072	ores		96	119.63	119.96	116.33	117.07	95.24	120.77	117.79	0.03	-0.30	0.07	-0.12	2.08
2 R	RC	Manufacturing		714	126.37	123.88	127.16	129.01	109.31	126.40	126.68	-1.50	1.95	1.17	0.08	10.37
4 RC	RC10	Manufacture of food products		376	130.36	130.01	132.64	135.37	104.17	132.01	132.67	-0.12	0.82	0.90	0.06	9.12
5 RC10	RC105	Manufacture of dairy products		11	98.42	98.80	98.80	98.80	87.74	98.42	98.80	0.01	0.00	0.00	0.00	0.13
		Manufacture of grain mill														
5 RC10	RC106	products		42	90.07	89.97	89.94	90.42	93.98	89.89	90.11	-0.01	0.00	0.03	0.00	-0.17
		Manufacture of other food														
5 RC10	RC107	products		299	136.50	136.21	139.34	142.39	106.00	138.55	139.32	-0.12	0.82	0.87	0.06	9.15
6 RC10	RC1072	Manufacture of sugar		148	144.36	140.85	142.52	144.19	109.13	143.78	142.52	-1.36	0.19	0.22	-0.04	4.28
		Manufacture of other food														
		products n.e.c. (coffee and tea)														
6 RC10	RC1079			146	127.44	130.31	135.46	140.23	100.02	132.34	135.33	1.24	0.63	0.65	0.09	4.87
		Manufacture of coffee products		66												
8 RC100	7980				109.39	107.40	103.41	101.34	77.47	109.11	104.05	-0.51	-0.52	-0.41	-0.20	2.06
8 RC100	7990	Manufacture of tea products		80	138.11	145.15	154.85	161.48	111.32	145.67	153.83	1.75	1.15	1.06	0.29	2.81
4 RC	RC11	Manufacture of beverages		174	127.48	120.47	127.47	127.48	120.48	125.14	125.14	-1.14	1.09	0.00	0.00	0.60
		Printing and reproduction of														
4 RC	RC18	recorded media		19	121.31	112.09	113.06	113.93	107.43	116.98	113.03	-0.17	0.02	0.02	-0.02	0.09
		Manufacture of chemicals and														
4 RC	RC20	chemical products		29	116.28	115.46	115.41	115.43	112.30	116.14	115.44	-0.02	0.00	0.00	-0.01	0.07
		Manufacture of rubber and														
4 RC	RC22	plastics products		11	177.49	177.48	177.48	177.49	164.22	177.48	177.48	0.00	0.00	0.00	0.00	0.08
		Manufacture of other non-														
4 RC	RC23	metallic mineral products		31	110.00	110.00	110.00	110.00	101.48	110.00	110.00	0.00	0.00	0.00	0.00	0.23
		Manufacture of fabricated														
		metal products, except														
4 RC	RC25	machinery and equipment		29	112.94	105.54	106.45	114.22	106.97	108.99	108.74	-0.23	0.03	0.25	0.00	0.04
4 RC	RC31	Manufacture of furniture		9	112.19	112.61	112.61	112.61	107.97	112.19	112.61	0.00	0.00	0.00	0.00	0.03
		Electricity, gas, steam and air														
2 R	RD	conditioning supply		58	119.74	119.74	119.74	119.74	143.07	119.74	119.74	0.00	0.00	0.00	0.00	-0.86
		Water supply; sewerage, waste														
		management and remediation														
2 R	RE	activities		129	100.00	100.00	100.00	100.00	100.00	100.00	100.00	0.00	0.00	0.00	0.00	0.00
2 R	RJ	Information and communication		3	191.87	191.87	191.87	191.87	192.24	191.87	191.87	0.00	0.00	0.00	0.00	0.00

Source: NISR

LVL Annex 2: PPI, Local products			Weights	Index (December 2010=100)							Monthly Contribution			Quarterly Contribution	Annual Contribution
AGG	ID	ISIC rev. 4 Description		Mar-17	Apr-17	May-17	Jun-17	Q2 2016	Q1 2017	Q2 2017	Apr-17	May-17	Jun-17	Q2 2017	Q2 2017
1	R	Rwanda	1000	121.20	118.25	120.21	121.08	117.52	120.16	119.85	-2.44	1.66	0.72	-0.26	1.98
2	R	Manufacturing	749	124.74	120.89	123.53	124.59	112.18	123.42	123.00	-2.44	1.66	0.72	-0.26	2.39
4	RC	Manufacture of food products	305	132.29	129.83	130.82	132.18	103.68	131.82	130.95	-0.66	0.24	0.37	-0.53	1.95
5	RC10	Manufacture of dairy products	14	98.42	98.80	98.80	98.80	87.74	98.42	98.80	0.01	0.00	0.00	0.02	0.10
5	RC10	Manufacture of grain mill products	55	90.07	89.97	89.94	90.42	93.98	89.89	90.11	-0.01	0.00	0.04	0.05	-0.12
5	RC10	Manufacture of other food products	203	144.46	141.08	142.69	144.30	121.10	143.90	142.69	-0.66	0.24	0.33	-0.60	1.98
4	RC	Manufacture of beverages	231	127.48	120.47	127.47	127.48	120.32	125.14	125.14	-1.49	1.37	0.00	0.00	0.22
4	RC	Printing and reproduction of recorded media	25	121.31	112.09	113.06	113.93	107.43	116.98	113.03	-0.22	0.02	0.02	-0.22	0.03
4	RC	Manufacture of chemicals and chemical products	35	114.25	114.25	114.25	114.25	112.14	114.25	114.25	0.00	0.00	0.00	0.00	0.02
4	RC	Manufacture of rubber and plastics products	15	97.92	97.91	97.92	97.92	94.37	97.92	97.92	0.00	0.00	0.00	0.00	0.01
4	RC	Manufacture of other non-metallic mineral products	42	110.00	110.00	110.00	110.00	101.48	110.00	110.00	0.00	0.00	0.00	0.00	0.08
4	RC	Manufacture of fabricated metal products, except machinery and equipment	39	112.94	105.54	106.45	114.22	106.97	108.99	108.74	-0.30	0.03	0.33	-0.02	0.02
4	RC	Manufacture of furniture	11	112.19	112.61	112.61	112.61	107.97	112.19	112.61	0.00	0.00	0.00	0.01	0.01
2	R	Electricity, gas, steam and air conditioning supply	76	119.74	119.74	119.74	119.74	143.07	119.74	119.74	0.00	0.00	0.00	0.00	-0.41
2	R	Water supply; sewerage, waste management and remediation activities	171	100.00	100.00	100.00	100.00	100.00	100.00	100.00	0.00	0.00	0.00	0.00	0.00
2	R	Information and communication	4	191.87	191.87	191.87	191.87	192.24	191.87	191.87	0.00	0.00	0.00	0.00	0.00

Source: NISR

Annex 3: PPI, Export products			Weights	Index (December 2010=100)						Monthly Contribution		Quarterly Contribution	Annual Contribution			
LVI	AGG	Index ID	ISIC rev. 4 Description	Mar-17	Apr-17	May-17	Jun-17	Q2 2016	Q1 2017	Q2 2017	Apr-17	May-17	Jun-17	Q2 2017	Q2 2017	
1	R		Exports	1000	124.63	126.31	128.14	131.66	98.38	127.97	128.70	1.35	1.45	2.74	0.57	30.82
			Mining of other non-ferrous													
6	RB072RB0729		metal ores	393	119.63	119.96	116.33	117.07	95.24	120.77	117.79	0.12	-2.41	0.61	1.28	9.21
			Manufacture of coffee	268	109.39	107.40	103.41	101.34	77.47	109.11	104.05	-0.53	-2.02	-1.32	1.64	9.11
8	RC107.107980		products													
8	RC107.107990		Manufacture of tea products	328	138.11	145.15	154.85	161.48	111.32	145.67	153.83	1.83	5.24	3.45	-2.42	12.39
			Manufacture of other	10	134.92	126.54	126.69	126.91	114.02	134.15	126.71	-0.07	0.64	0.00	0.07	0.11
6	RC202RC2029		chemical products n.e.c.													

Source: NISR

Contacts:

National Institute of Statistics of Rwanda (NISR),
P.O. BOX 6139 Kigali,
Tel.: (250) 571035 Fax: (250) 570705.
Web site: www.statistics.gov.rw

Publication Directors:

MURANGWA Yusuf, Director General, NISR; yusuf.murangwa@statistics.gov.rw,

MURENZI Ivan, Deputy Director General; ivan.murenzi@statistics.gov.rw,

SIBOMANA Oscar, Acting Director of Economic Statistics Department, NISR;
oscar.sibomana@statistics.gov.rw

MUTETIJABIRO Lucie, Price Statistician Team Leader, NISR,
lucie.mutetijabiro@statistics.gov.rw