



REPUBLIC OF RWANDA



PRODUCER PRICE INDEX (PPI)

THIRD QUARTER 2018

NOVEMBER 2018

National Institute of Statistics of Rwanda

1. SUMMARY

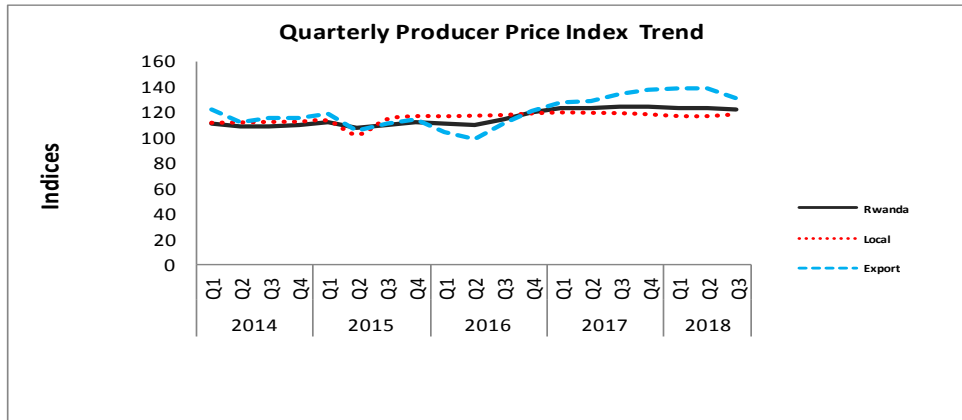
- The annual change in PPI for all Rwanda, third quarter 2018, is -1.54 percent
- The annual change in PPI for local products, third quarter 2018, is -0.72 percent
- The annual change in PPI for exports, third quarter 2018, is -2.67 percent
- The quarterly change in PPI for all Rwanda, third quarter 2018, is -0.49 percent
- The quarterly change in PPI for local products, third quarter 2018, is 1.32 percent
- The quarterly change in PPI for exports, third quarter 2018, is -6.18 percent

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

	Quarterly change (Q3.18-Q2.18)	Annual change (Q3.18-Q3.17)
PPI for all Rwanda	-0.49	-1.54
PPI for local products	1.32	-0.72
PPI for export products	-6.18	-2.67

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

	2018			Q3
	July	August	September	
Monthly change	-1.90	1.98	0.37	
Quartely change				-0.49
Annual change	-2.86	-0.47	-1.29	-1.54

Source: NISR

As the table 2 shows, on monthly basis, the index decreased by 1.90 in July and increased by 1.98 and 0.37 respectively in August and September 2018. On quarterly basis, the index for the third quarter 2018 decreased by 0.49 percent. On annual basis, the index for the third quarter 2018 decreased by 1.54 percent.

Main contributors to change

On a monthly basis,

In July 2018 (-1.90%):

- Manufacturing contributed negatively 1.16 percentage points.
- Mining and quarrying contributed negatively 0.74 percentage points.

In August 2018 (1.98%):

- Electricity contributed positively 2.22 percentage points
- Mining and quarrying contributed negatively 0.18 percentage points.

In September 2018 (0.37%)

- Manufacturing contributed positively 5.62 percentage points.
- Mining and quarrying contributed negatively 5.25 percentage points.

On a quarterly basis, the main contributors to the index change of the third quarter 2018 (-0.49%) are:

- Manufacturing contributed negatively 1.00 percentage point
- Mining and quarrying contributed negatively 0.39 percentage points.
- Electricity contributed positively 0.89 percentage points

On an annual basis, the main contributors to the index change of the third quarter 2018

(-1.54%) are:

- Manufacturing contributed negatively 3.53 percentage points
- Electricity contributed positively 1.19 percentage points
- Mining and quarrying contributed positively 0.80 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

	2018			Q3
	July	August	September	
Monthly change	-0.75	2.62	0.88	
Quartely change				1.32
Annual change	-3.13	0.41	0.55	-0.72

Source: NISR

As the table 3 shows, on a monthly basis, the index decreased by 0.75 in July and increased by 2.62 and 0.88 respectively in August and September 2018. On quarterly basis, the index for the third quarter 2018 increased by 1.32 percent. On annual basis, the index for the third quarter 2018 decreased by 0.72 percent.

Main contributors to change

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

In July 2018 (-0.75%):

- Manufacturing contributed negatively 0.77 percentage point.
- Information and communication positively 0.01 percentage point.

In August 2018 (2.62%):

- Electricity contributed positively 2.71 percentage points.
- Manufacturing contributed negatively 0.09 percentage point.

In September 2018 (0.88%):

- Manufacturing contributed positively 0.88 percentage point.

On quarterly basis, the main contributors to the index change (1.32%) are:

- Electricity contributed positively 2.41 percentage points.
- Manufacturing contributed negatively 1.11 percentage point.

On an annual basis, the main contributor to the index change (-0.72%) is:

- Manufacturing contributed negatively 2.01 percentage points
- Electricity contributed positively 1.28 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

	2018			
	July	August	September	Q3
Monthly change	-4.91	-2.55	-0.66	
Quartely change				-6.18
Annual change	0.46	-2.86	-5.52	-2.67

Source: NISR

The table 4 shows that on a monthly basis the index decreased by 4.91, 2.55 and 0.66 in July, August and September 2018 respectively. On quarterly basis, the index for the third quarter 2018 decreased by 6.18 percent. On annual basis, the index for the third quarter 2018 decreased by 2.67 percent.

Main contributors to change

On monthly basis,

In July 2018 (-4.91%):

- Non-ferrous metal ores contributed negatively 3.04 percentage points.
- Tea products contributed negatively 1.55 percentage points.

In August 2018 (-2.55%):

- Coffee products contributed negatively 1.42 percentage points.
- Non-ferrous metal ores contributed negatively 0.58 percentage points
- Tea products contributed negatively 0.57 percentage points.

In September 2018 (-0.66%):

- Non-ferrous metal ores contributed negatively -5.35 percentage points
- Tea products contributed positively 2.94 percentage points.
- Coffee products contributed positively 1.68 percentage points.

On quarterly basis, the main contributors to the index change of the third quarter 2018 (-6.18%) are:

- Tea products contributed negatively 2.72 percentage points.
- Non-ferrous metal ores contributed negatively 2.52 percentage points.
- Tea products contributed positively 0.93 percentage points.

On annual basis, the main contributors to the index change of third quarter 2018 (-2.67%) are:

- Tea products contributed negatively 13.51 percentage points
- Coffee products contributed negatively 1.44 percentage points.
- Non-ferrous metal ores contributed positively 12.36 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.

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 (September 2010). We plan to rebase the PPI using the weights as reported in establishment census 2017.

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.

Annex 1: PPI, All Rwanda				Weights	Index (December 2010=100)				Monthly Contribution			Quarterly Contribution	Annual Contribution			
LVL	AGG	ID	ISIC rev. 4 Description		Jun-18	Jul-18	Aug-18	Sep-18	Q3 2017	Q2 2018	Q3 2018	Jul-18	Aug-18	Sep-18	Q3 2018	Q3 2018
1	R	Rwanda		1000	122.76	120.43	122.81	123.26	124.08	122.77	122.17	-1.90	1.98	0.37	-0.49	-1.54
2	R	RB	Mining and quarrying	96	151.78	140.87	138.70	129.75	125.47	144.78	136.44	-0.74	-0.18	-5.25	-0.39	0.80
4	RB	RB07	Mining of metal ores	96	151.78	140.87	138.70	129.75	125.47	144.78	136.44	-0.74	-0.18	-5.25	-0.39	0.80
2	R	RC	Manufacturing	714	122.19	120.34	120.24	121.36	127.31	123.08	120.65	-1.16	-0.07	5.62	-1.00	-3.53
4	RC	RC10	Manufacture of food products	376	121.76	118.55	118.29	120.38	132.40	123.41	119.07	-1.11	-0.08	5.54	-0.98	-4.19
4	RC	RC11	Manufacture of beverages	174	127.70	127.68	127.70	127.70	127.48	127.69	127.69	0.00	0.00	0.00	0.00	0.03
4	RC	RC13	Manufacture of textiles	5	83.71	83.71	83.71	83.71	77.32	83.71	83.71	0.00	0.00	0.00	0.00	0.04
4	RC	RC18	Printing and reproduction of recorded media	19	111.72	108.52	108.52	108.52	106.02	111.72	108.52	-0.06	0.00	0.00	-0.04	0.05
4	RC	RC20	Manufacture of chemicals and chemical products	29	120.88	120.52	121.04	121.41	117.91	120.90	120.99	-0.01	0.01	0.07	0.00	0.08
4	RC	RC22	Manufacture of rubber and plastics products	11	171.94	172.20	170.63	170.63	177.49	172.03	171.15	0.00	-0.01	0.00	0.00	-0.04
4	RC	RC23	Manufacture of other non-metallic mineral products	31	110.00	110.00	110.00	110.00	110.00	110.00	110.00	0.00	0.00	0.00	0.00	0.00
4	RC	RC25	Manufacture of fabricated metal products, except machinery and equipment	29	123.82	124.41	124.41	124.41	115.12	123.22	124.41	0.02	0.00	0.00	0.02	0.26
4	RC	RC31	Manufacture of furniture	9	115.02	115.02	115.02	115.02	114.13	115.02	115.02	0.00	0.00	0.00	0.00	0.01
2	R	RD	Electricity, gas, steam and air conditioning supply	58	119.74	119.74	158.94	158.94	119.74	119.74	145.87	0.00	2.22	0.00	0.89	1.19
2	R	RE	Water supply; sewerage, waste management and remediation 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	198.43	197.81	197.81	191.87	191.87	198.02	0.01	0.00	0.00	0.01	0.01

Source: NISR

Annex 2: PPI, Local products				Weights	Index (December 2010=100)				Monthly Contribution			Quarterly Contribution	Annual Contribution		
Index		ISIC rev. 4 Description	Weights	Jun-18	Jul-18	Aug-18	Sep-18	Q3 2017	Q2 2018	Q3 2018	Jul-18	Aug-18	Sep-18	Q3 2018	Q3 2018
LVL	AGG			ID	Jun-18	Jul-18	Aug-18	Sep-18	Q3 2017	Q2 2018	Q3 2018	Jul-18	Aug-18	Sep-18	Q3 2018
1	R	Rwanda	1000	117.19	116.31	119.35	120.40	117.24	117.14	118.69	-0.75	2.62	0.88	1.32	-0.72
2	R	RC	749	119.60	118.38	118.25	118.31	119.65	119.54	118.32	-0.77	-0.09	0.88	-1.11	-2.01
4	RC	RC10	305	118.40	115.53	115.11	115.24	119.39	118.34	115.29	-0.72	-0.09	0.88	-1.07	-2.72
4	RC	RC11	231	127.70	127.70	127.70	127.70	127.45	127.69	127.70	0.00	0.00	0.00	0.00	0.04
4	RC	RC13	6	83.71	83.71	83.71	83.71	82.38	83.71	83.71	0.00	0.00	0.00	0.00	0.05
4	RC	RC18	25	111.72	108.52	108.52	108.52	112.47	111.72	108.52	-0.07	0.00	0.00	-0.10	0.05
4	RC	RC20	35	120.35	120.35	120.35	120.35	120.35	120.35	120.35	0.00	0.00	0.00	0.00	0.11
4	RC	RC22	15	92.82	92.82	92.82	92.82	93.62	92.81	92.82	0.00	0.00	0.00	0.00	-0.07
4	RC	RC23	42	110.00	110.00	110.00	110.00	110.00	110.00	110.00	0.00	0.00	0.00	0.00	0.00
4	RC	RC25	39	123.82	124.41	124.41	124.41	119.85	123.22	124.41	0.02	0.00	0.00	0.05	0.28
4	RC	RC31	11	115.02	115.02	115.02	115.02	110.93	115.02	115.02	0.00	0.00	0.00	0.00	0.01
2	R	RD	76	119.74	119.74	158.94	158.94	119.74	119.74	145.87	0.00	2.71	0.00	2.41	1.28
2	R	RE	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	RJ	4	191.87	198.43	197.81	197.81	191.87	191.87	198.02	0.01	0.00	0.00	0.02	0.01

Source: NISR

Annex 3: PPI, Export products			Weights	Index (December 2010=100)				Monthly Contribution			Quarterly Contribution	Annual Contribution			
LVL	AGG	Index ID	ISIC rev. 4 Description	Jun-18	Jul-18	Aug-18	Sep-18	Q3 2017	Q2 2018	Q3 2018	Jul-18	Aug-18	Sep-18	Q3 2018	Q3 2018
1	R	Exports	1000	139.86	132.99	129.60	128.75	134.02	139.04	130.45	-4.91	-2.55	-0.66	-6.18	-2.67
		Mining of other non-ferrous													
6	RB072	RB0729 metal ores	393	151.78	140.87	138.70	129.75	125.47	144.78	136.44	-3.04	-0.58	-5.35	-2.52	12.36
		Manufacture of coffee	268	107.40	106.39	100.45	103.44	105.00	106.74	103.43	-0.27	-1.42	1.68	-0.93	-1.44
8	RC1079	RC107980 products													
8	RC1079	RC107990 Manufacture of tea products	328	145.79	139.38	136.83	142.65	157.69	150.87	139.62	-1.55	-0.57	2.94	-2.72	-13.51
		Manufacture of other	10	131.41	125.90	128.10	132.06	131.52	131.05	128.69	-0.04	0.02	0.06	-0.02	-0.08
6	RC202	RC2029 chemical products n.e.c.													

Source: NISR

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