



REPUBLIC OF RWANDA



# PRODUCER PRICE INDEX (PPI)

## FOURTH QUARTER 2018

FEBRUARY 2019

**National Institute of Statistics of Rwanda**

## 1. SUMMARY

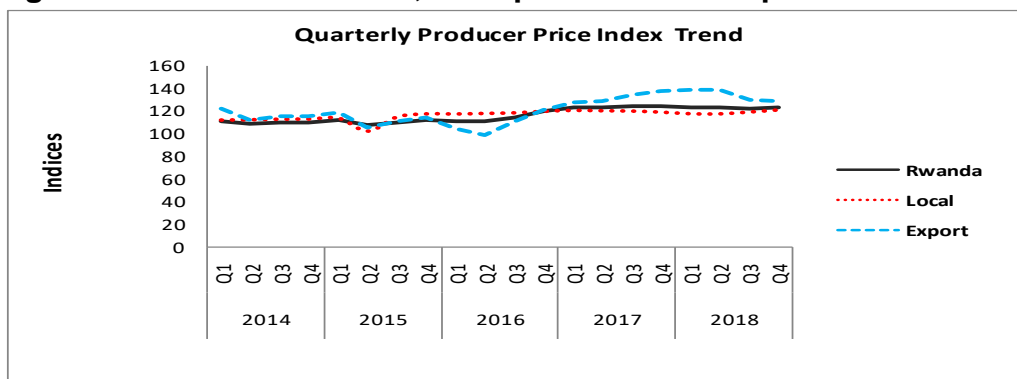
- The annual change in PPI for all Rwanda, fourth quarter 2018, is -0.52 percent
- The annual change in PPI for local products, fourth quarter 2018, is 1.62 percent
- The annual change in PPI for exports, fourth quarter 2018, is -6.41 percent
- The quarterly change in PPI for all Rwanda, fourth quarter 2018, is 0.94 percent
- The quarterly change in PPI for local products, fourth quarter 2018, is 1.57 percent
- The quarterly change in PPI for exports, fourth quarter 2018, is -1.42 percent

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

	Quarterly change (Q4.18-Q3.18)	Annual change (Q4.18-Q4.17)
PPI for all Rwanda	0.94	-0.52
PPI for local products	1.57	1.62
PPI for export products	-1.42	-6.41

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.

### 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			
	October	November	December	Q4
Monthly change	0.03	0.09	-0.15	
Quartely change				0.94
Annual change				-0.52

*Source: NISR*

As the table 2 shows, on monthly a basis, the index increased by 0.03 and 0.09 percent in October and November respectively, and decreased by 0.15 in December 2018.

In the fourth quarter of 2018, PPI increased by 0.94 percent on quarterly basis and decreased by 0.52 percent on annual basis.

#### **Main contributors to change**

On a monthly basis,

In October 2018 (0.03%):

- Mining and quarrying contributed positively 0.05 percentage points
- Manufacturing contributed negatively 0.02 percentage points.

In November 2018 (0.09%):

- Manufacturing contributed positively 0.10 percentage points.
- Mining and quarrying contributed negatively 0.01 percentage points

In December 2018 (-0.15%)

- Mining and quarrying contributed negatively 0.26 percentage points.

- Manufacturing contributed positively 0.11 percentage points.

On a quarterly basis, the main contributors to the index change of the fourth quarter 2018 (0.94%) are:

- Electricity contributed positively 0.89 percentage points
- Manufacturing contributed positively 0.81 percentage point
- Mining and quarrying contributed negatively 0.76 percentage points.

On an annual basis, the main contributors to the index change of the fourth quarter 2018 (-0.52%) are:

- Manufacturing contributed negatively 1.99 percentage points
- Electricity contributed positively 1.10 percentage points
- Mining and quarrying contributed positively 0.36 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			Q4
	October	November	December	
Monthly change	0.25	-0.34	0.31	
Quartely change				1.57
Annual change				1.62

Source: NISR

As the table 3 shows, on a monthly basis, the index increased by 0.25 percent in October, decreased by 0.34 and increased by 0.31 percent respectively in November and December 2018.

In the fourth quarter of 2018, PPI increased by 1.57 percent on quarterly basis and by 1.62 percent on annual basis.

#### Main contributors to change

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

In October 2018 (0.25%):

Manufacturing contributed positively 0.25 percentage points.

In November 2018 (-0.34%):

Manufacturing contributed negatively 0.34 percentage points.

In December 2018 (0.31%):

Manufacturing contributed positively 0.31 percentage points

On a quarterly basis, the main contributors to the index change (1.57%) are:

- Electricity contributed positively 1.33 percentage points
- Manufacturing contributed positively 0.24 percentage points

On an annual basis, the main contributors to the index change (1.62%) are:

- Electricity contributed positively 5.67 percentage points
- Manufacturing contributed negatively 4.08 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			
	October	November	December	Q4
Monthly change	-0.53	1.34	-1.43	
Quarterly change				-1.42
Annual change				-6.41

Source: NISR

The table 4 shows that on a monthly basis the index decreased by 0.53 percent, increased by 1.34 percent in November, and decreased by 1.43 percent December 2018.

In the fourth quarter of 2018, PPI for export goods decreased by 1.42 on quarterly basis while it decreased by 6.41 on annual basis.

### Main contributors to change

On monthly basis,

In October 2018 (-0.53%):

- Coffee products contributed negatively 0.88 percentage points
- Tea products contributed positively 0.22 percentage points.
- Non-ferrous metal ores contributed positively 0.13 percentage points.

In November 2018 (1.34%):

- Tea products contributed positively 2.47 percentage points
- Coffee products contributed negatively 0.91 percentage points.
- Non-ferrous metal ores contributed negatively 0.17 percentage points

In December 2018 (-1.43%):

- Non-ferrous metal ores contributed negatively 0.84 percentage points
- Tea products contributed negatively 0.47 percentage points.
- Coffee products contributed negatively 0.11 percentage points.

On a quarterly basis, the main contributors to the index change of the fourth quarter 2018 (-1.42%) are:

- Coffee products contributed negatively 1.36 percentage points.
- Non-ferrous metal ores contributed negatively 0.80 percentage points.
- Tea products contributed positively 0.74 percentage points.

On an annual basis, the main contributors to the index change of fourth quarter 2018 (-6.41%) are:

- Coffee products contributed negatively 5.36 percentage points
- Tea products contributed negatively 3.73 percentage points.
- Non-ferrous metal ores contributed positively 2.63 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, which is released

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 (December 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	Index ID	ISIC rev. 4 Description		Sep-18	Oct-18	Nov-18	Dec-18	Q4 2017	Q3 2018	Q4 2018	Oct-18	Nov-18	Dec-18	Q4 2018	Q4 2018
1	R	Rwanda		1000	123.26	123.30	123.41	123.22	123.96	122.17	123.31	0.03	0.09	-0.15	0.94	-0.52
2	R	RB	Mining and quarrying	96	129.75	131.20	131.08	128.33	122.34	136.44	130.20	0.05	-0.01	-0.26	-0.76	0.36
4	RB	RB07	Mining of metal ores	96	129.75	131.20	131.08	128.33	122.34	136.44	130.20	0.05	-0.01	-0.26	-0.76	0.36
2	R	RC	Manufacturing	714	121.36	121.28	121.44	121.58	127.51	120.65	121.43	-0.02	0.10	0.11	0.81	-1.99
4	RC	RC10	Manufacture of food products	376	120.38	120.08	120.38	120.66	132.52	119.07	120.38	-0.07	0.10	0.11	0.69	-2.25
4	RC	RC11	Manufacture of beverages	174	127.70	127.70	127.70	127.70	127.45	127.69	127.70	0.00	0.00	0.00	0.00	0.02
4	RC	RC18	Printing and reproduction of recorded media	19	108.52	112.60	112.60	112.60	112.07	108.52	112.60	0.05	0.00	0.00	0.12	0.01
4	RC	RC20	Manufacture of chemicals and chemical products	29	121.41	121.51	121.40	121.27	118.25	120.99	121.39	0.00	0.00	0.00	0.02	0.05
4	RC	RC22	Manufacture of rubber and plastics products	11	170.63	170.63	170.86	170.86	172.16	171.15	170.79	0.00	0.00	0.00	0.00	-0.01
4	RC	RC23	Manufacture of other non-metallic mineral products	31	110.00	110.00	110.23	110.23	110.00	110.00	110.15	0.00	0.01	0.00	0.01	0.00
4	RC	RC25	Manufacture of fabricated metal products, except machinery and equipment	29	124.41	124.41	124.41	124.41	115.13	124.41	124.41	0.00	0.00	0.00	0.00	0.15
4	RC	RC31	Manufacture of furniture	9	115.02	113.40	113.40	113.40	107.85	115.02	113.40	-0.01	0.00	0.00	-0.02	0.03
2	R	RD	Electricity, gas, steam and air conditioning supply	58	158.94	158.94	158.94	158.94	119.74	145.87	158.94	0.00	0.00	0.00	0.89	1.10
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	197.81	197.81	197.81	197.81	191.87	198.02	197.81	0.00	0.00	0.00	0.00	0.01

Source: NISR



Annex 2: PPI, Local products			Weights	Index (December 2010=100)				Monthly Contribution			Quarterly Contribution	Annual Contribution				
LVL	AGG	Index ID	ISIC rev. 4 Description	Sep-18	Oct-18	Nov-18	Dec-18	Q4 2017	Q3 2018	Q4 2018	Oct-18	Nov-18	Dec-18	Q4 2018	Q4 2018	
1	R		<b>Rwanda</b>	<b>1000</b>	<b>120.40</b>	120.70	120.29	120.66	118.62	118.69	120.55	0.25	-0.34	0.31	1.57	1.62
2	R	RC	Manufacturing	749	118.31	118.71	118.16	118.65	121.41	118.32	118.51	0.25	-0.34	0.31	0.24	-4.08
4	RC	RC10	Manufacture of food products	305	115.24	116.01	114.62	115.83	124.49	115.29	115.48	0.18	-0.35	0.31	0.09	-5.32
4	RC	RC11	Manufacture of beverages	231	127.70	127.70	127.70	127.70	127.45	127.70	127.70	0.00	0.00	0.00	0.00	0.11
4	RC	RC13	Manufacture of textiles	6	83.71	83.71	83.71	83.71	82.38	83.71	83.71	0.00	0.00	0.00	0.00	0.02
4	RC	RC18	Printing and reproduction of recorded media	25	108.52	112.60	112.60	112.60	112.07	108.52	112.60	0.08	0.00	0.00	0.17	0.03
4	RC	RC20	Manufacture of chemicals and chemical products	35	120.35	120.35	120.35	120.35	117.72	120.35	120.35	0.00	0.00	0.00	0.00	0.19
4	RC	RC22	Manufacture of rubber and plastics products	15	92.82	92.82	92.82	92.82	93.57	92.82	92.82	0.00	0.00	0.00	0.00	-0.03
4	RC	RC23	Manufacture of other non-metallic mineral products	42	110.00	110.00	110.23	110.23	110.00	110.00	110.15	0.00	0.01	0.00	0.01	0.01
4	RC	RC25	Manufacture of fabricated metal products, except machinery and equipment	39	124.41	124.41	124.41	124.41	115.13	124.41	124.41	0.00	0.00	0.00	0.00	0.75
4	RC	RC31	Manufacture of furniture	11	115.02	113.40	113.40	113.40	107.85	115.02	113.40	-0.01	0.00	0.00	-0.03	0.14
2	R	RD	Electricity, gas, steam and air conditioning supply	76	158.94	158.94	158.94	158.94	119.74	145.87	158.94	0.00	0.00	0.00	1.33	5.67
2	R	RE	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	RJ	Information and communication	4	197.81	197.81	197.81	197.81	191.87	198.02	197.81	0.00	0.00	0.00	0.00	0.03

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	Sep-18	Oct-18	Nov-18	Dec-18	Q4 2017	Q3 2018	Q4 2018	Oct-18	Nov-18	Dec-18	Q4 2018	Q4 2018	
1		R	Exports	1000	128.75	128.07	129.79	127.94	137.40	130.45	128.60	-0.53	1.34	-1.43	-1.42	-6.41
			Mining of other non-ferrous													
6	RB072	RB0729	metal ores	393	129.75	131.20	131.08	128.33	122.34	136.44	130.20	0.13	-0.17	-0.84	-0.80	2.63
			Manufacture of coffee	268	103.44	92.21	91.55	91.17								
8	RC1079	RC107980	products						113.45	103.43	91.64	-0.88	-0.91	-0.11	-1.36	-5.36
			Manufacture of tea products	328	142.65	145.81	148.14	146.05								
8	RC1079	RC107990							164.70	139.62	146.67	0.22	2.47	-0.47	0.74	-3.73
			Manufacture of other	10	132.06	132.79	131.57	130.22	124.73	128.69	131.53	0.00	-0.04	-0.01	0.01	0.06
6	RC202	RC2029	chemical products n.e.c.													

Source: NISR

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