

REPUBLIC OF RWANDA



NATIONAL INSTITUTE OF STATISTICS OF RWANDA

CONSUMER PRICE INDEX (CPI) May 2011

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 2011 the All Urban general index is established at 108.7 this stands for an increase of 0.12% over the previous month which was 108.6. In annual change it increased by 4.54% compared to 4.98% in the previous month. This gives a general inflation rate by an annual average of 2.4% during the month of May 2011.

The underlying inflation rate (excluding fresh food and energy) is increased by 0.73% if compared to the previous month and increased by 4.32% on annual change. The annual average underlying inflation rate is + 1.7 % in May 2011 up from the previous month 1.5 %.

All Rural Index:

In May 2011 the All Rural general index is established at 105.9 this stands for an increase of 1.09% over the previous month which was 104.7. In annual change it increased by 3.42% compared to 2.01% in the previous month.

All Rwanda Index:

In May 2011 the All Rwanda general index is established at 106.8 this stands for an increase of 0.75% over the previous month which was 106.0. In annual change it increased by 3.82% compared to 3.05% in the previous month.

Feb 2009=100	May 10	June 10	July 10	Aug. 10	Sept. 10	Oct. 10	Nov. 10	Dec. 10	Jan. 11	Feb. 11	Mar. 11	April 11	May 11
All Urban General Index	104.0	104.3	103.5	103.5	104.8	104.3	105.0	103.9	104.0	105.1	107.1	108.6	108.7
Annual change	4.21	5.03	3.01	1.96	1.47	0.17	0.18	0.23	1.09	2.56	4.11	4.98	4.54
All Rural General Index	102.4	101.4	99.5	101.1	104.9	105.5	104.4	101.5	98.8	98.5	100.0	104.7	105.9
Annual change	-1.52	0.96	-4.78	-3.04	-1.34	-3.45	-7.97	-9.73	-6.26	-5.71	-5.11	2.01	3.42
All Rwanda General Index	102.9	102.1	100.8	101.9	104.9	105.1	104.6	102.3	100.5	100.7	102.4	106.0	106.8
Annual change	0.32	1.98	-2.22	-1.39	-0.42	-2.28	-5.38	-6.52	-3.79	-2.92	-2.03	3.05	3.82

ALL URBAN CONSUMER PRICE INDEX

February 2009=100

	Divisions ❖ Groups	Weights	Indices for the following months:					Changes in % over		
			May 10	Feb. 11	Mar. 11	Apr. 11	May 11	1 month	3 months	12 months
	GENERAL INDEX	10000	104.0	105.1	107.1	108.6	108.7	0.12	3.45	4.54
01	Food and non-alcoholic beverages	3538	104.5	103.0	107.5	110.5	109.4	-0.92	6.28	4.69
0111	❖ Bread and cereals	733	96.4	91.4	96.1	100.2	103.9	3.66	13.60	7.75
0112	❖ Meat	274	94.7	101.0	100.9	102.3	101.5	-0.77	0.56	7.20
0113	❖ Fish	83	108.3	118.3	118.7	120.6	127.1	5.39	7.4	17.34
0117	❖ Vegetables	1200	114.7	103.1	113.2	116.9	110.3	-5.64	7.00	-3.80
012	❖ Non-alcoholic beverages	160	98.2	99.1	98.9	98.8	99.3	0.54	0.18	1.13
02	Alcoholic beverages and tobacco	240	112.7	113.0	111.5	111.8	112.2	0.29	-0.72	-0.50
03	Clothing and footwear	377	100.7	105.4	105.2	105.5	107.3	1.79	1.83	6.64
04	Housing, water, electricity, gas and other fuels	2204	101.2	102.3	102.7	103.3	104.0	0.73	1.63	2.76
05	Furnishing, household equipment and routine household maintenance	457	98.8	97.8	98.4	99.0	99.2	0.25	1.43	0.44
06	Health	163	102.1	101.0	101.6	101.2	101.2	-0.04	0.16	-0.89
07	Transport	1189	112.8	116.5	117.9	120.7	121.8	0.87	4.55	7.97
08	Communication	288	99.4	100.8	101.4	100.0	101.3	1.30	0.46	1.86
09	Recreation and culture	256	101.9	103.1	105.4	105.7	106.1	0.37	2.85	4.07
10	Education	331	106.4	126.9	127.6	127.6	127.6	0.00	0.52	19.91
11	Restaurants and hotels	558	103.7	102.1	102.3	102.0	103.3	1.26	1.20	-0.38
12	Miscellaneous goods and services	400	95.8	100.3	102.2	101.7	101.4	-0.29	1.10	5.83

In May 2011 the All Urban general index is established at 108.7 this stands for an increase of 0.12% over the previous month which was 108.6. In annual change it increased by 4.54% compared to 4.98% in the previous month. This gives a general inflation rate by an annual average of 2.4% during the month of May 2011.

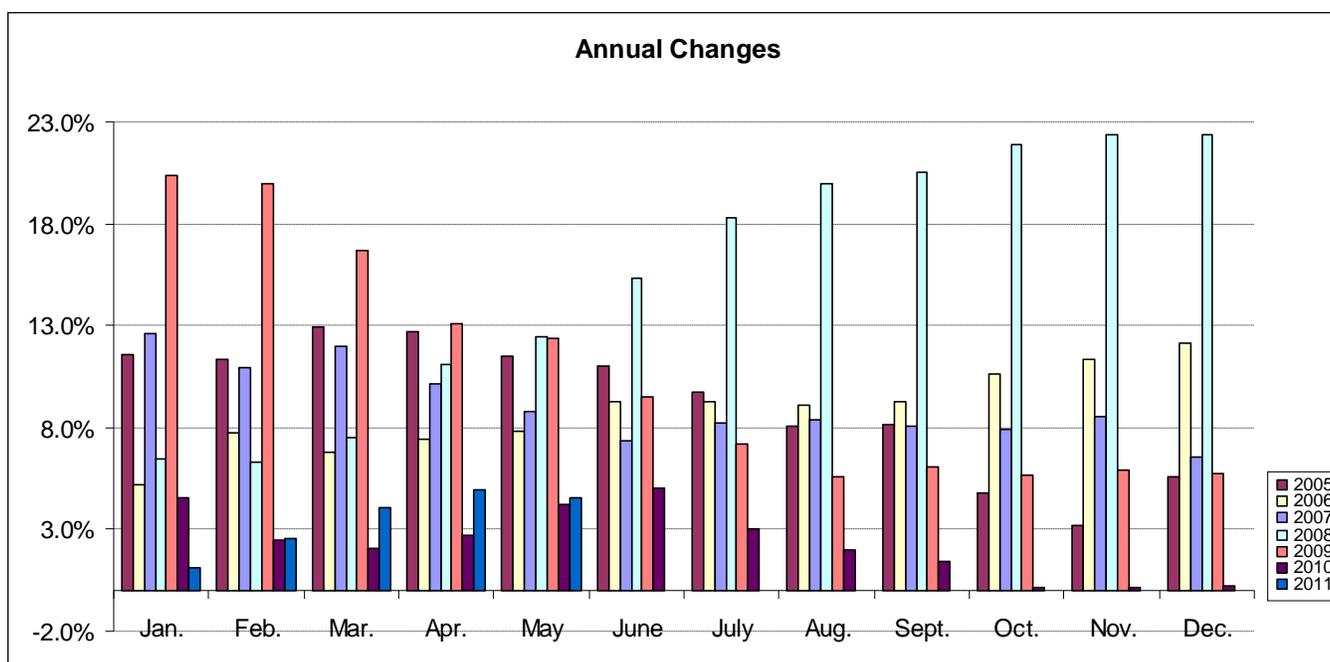
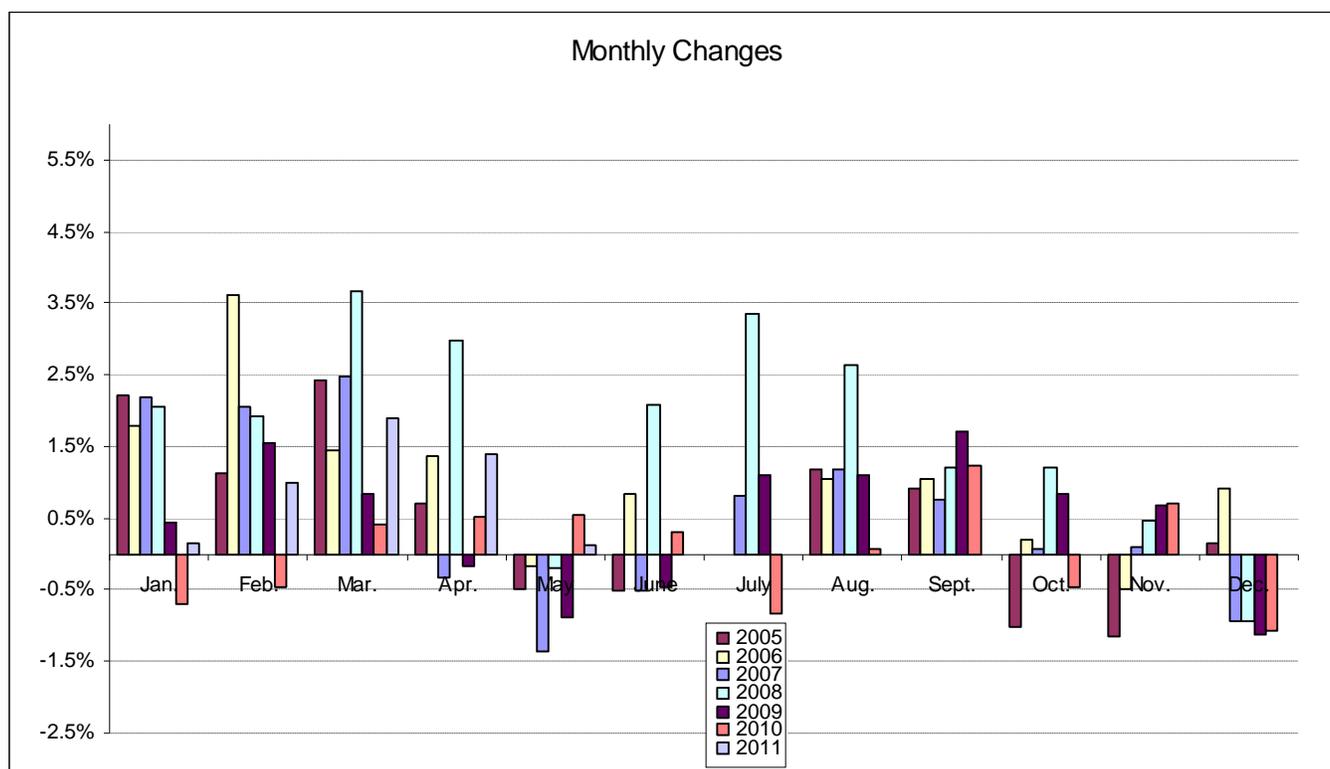
The underlying inflation rate (excluding fresh food and energy) is increased by 0.73% if compared to the previous month and increased by 4.32% on annual change. The annual average underlying inflation rate is + 1.7 % in May 2011 up from the previous month 1.5 %.

The increase in the consumer prices index of 0.12% is attributable primarily to the increase in Housing, water, electricity, gas and other fuels (0.73%) and Transport (0.87%).

In annual change, the increase in the general index of 4.54% is mainly due to the rising prices of Food and non alcoholic beverages(4.69%), Housing, water, electricity, gas and other fuels (2.76%), Transport (7.97%) and Education (19.91%) which contributed +1.67%, +0.59%, +1.03% and +0.67%. respectively.

The 'local goods' increased by 3.95% on annual change with a monthly change of -0.17%, while prices of the imported products increased by 6.92% on annual change with a monthly change of 1.26%.

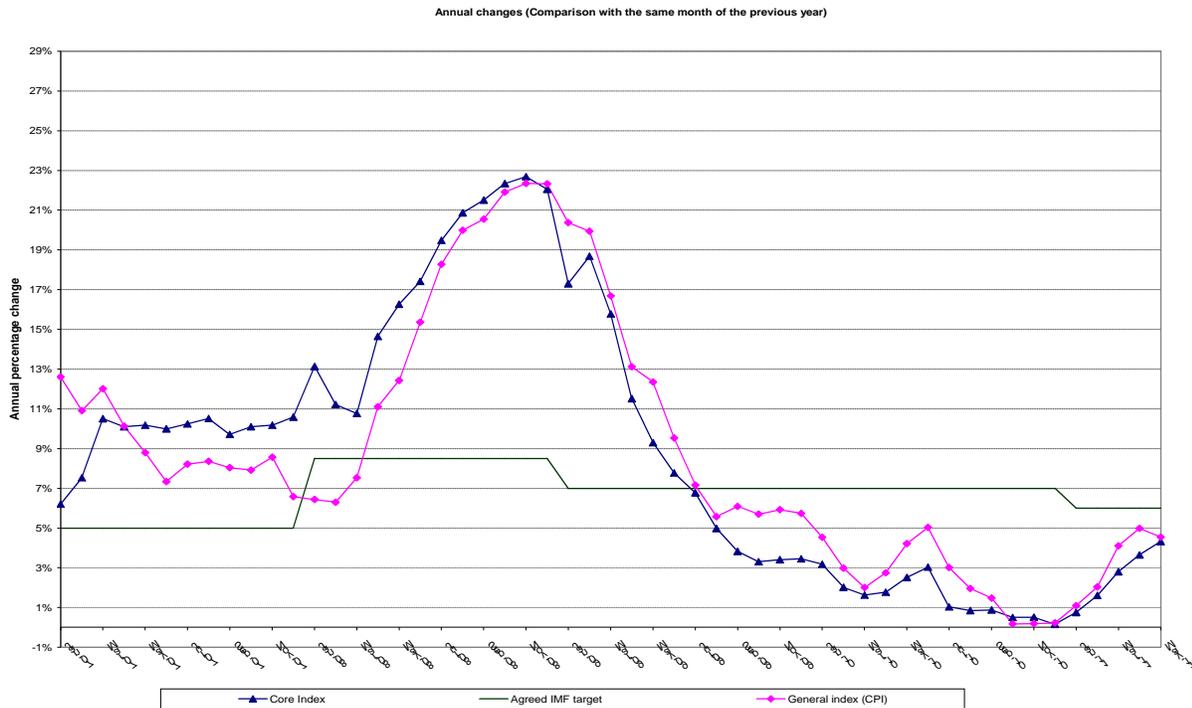
The prices of the fresh products had a positive annual change of 5.51% between May 2011 and May 2010.



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

MONTH	May 10	June 10	July 10	Aug. 10	Sept. 10	Oct. 10	Nov. 10	Dec. 10	Jan. 11	Feb. 11	Mar. 11	April 11	May 11
General index	5.1	4.8	4.4	4.1	3.7	3.3	2.8	2.3	2.0	2.1	2.2	2.4	2.4
Core / Underlying	3.7	3.3	2.8	2.5	2.2	2.0	1.8	1.5	1.3	1.3	1.4	1.5	1.7

(1) In May 2011, the average index of the last twelve months June 2010 to May 2011 increased by 2.4% (general index) and 1.7% (Core index) compared to the average index of the previous twelve months (June 2009 to May 2010).



ALL RURAL CONSUMER PRICE INDEX:

February 2009=100

	Divisions ❖ Groups	Weights	Indices for the following months:					Changes in % over		
			May 10	Feb. 11	Mar. 11	Apr. 11	May 11	1 month	3 months	12 months
	GENERAL INDEX	10000	102.4	98.5	100.0	104.7	105.9	1.09	7.51	3.42
01	Food and non-alcoholic beverages	6387	103.7	96.3	98.8	105.6	105.2	-0.37	9.22	1.40
0111	❖ Bread and cereals	1203	91.5	84.0	85.3	92.4	95.3	3.08	13.43	4.14
0112	❖ Meat	169	94.5	101.5	101.1	100.4	101.5	1.00	-0.06	7.37
0113	❖ Fish	72	106.6	110.5	111.6	113.2	117.0	3.42	5.90	9.73
0117	❖ Vegetables	3213	116.4	103.7	109.4	119.1	115.6	-2.96	11.45	-0.69
012	❖ Non-alcoholic beverages	196	88.7	93.1	94.5	94.6	94.8	0.21	1.82	6.86
02	Alcoholic beverages and tobacco	424	103.2	102.5	97.5	105.0	103.0	-1.94	0.50	-0.25
03	Clothing and footwear	348	105.1	108.7	108.9	107.8	110.8	2.79	1.91	5.42
04	Housing, water, electricity, gas and other fuels	1274	99.6	98.8	99.0	98.3	107.9	9.77	9.20	8.29
05	Furnishing, household equipment and routine household maintenance	277	105.9	106.3	105.8	110.2	112.1	1.75	5.49	5.92
06	Health	112	101.5	101.9	101.8	101.8	101.3	-0.54	-0.62	-0.27
07	Transport	426	98.2	101.7	104.0	105.4	106.7	1.17	4.91	8.56
08	Communication	51	94.7	94.6	99.3	96.2	98.7	2.55	4.30	4.23
09	Recreation and culture	112	100.3	104.0	106.5	106.0	105.9	-0.10	1.77	5.58
10	Education	137	108.5	110.6	111.6	112.6	112.6	0.00	1.81	3.71
11	Restaurants and hotels	222	106.3	106.6	106.8	107.0	107.7	0.74	1.04	1.35
12	Miscellaneous goods and services	230	96.5	100.7	100.5	101.8	102.1	0.32	1.42	5.88

ALL RWANDA CONSUMER PRICE INDEX:

February 2009=100

	Divisions ❖ Groups	Weights	Indices for the following months:					Changes in % over		
			May 10	Feb. 11	Mar. 11	Apr. 11	May 11	1 month	3 months	12 months
	GENERAL INDEX	10000	102.9	100.7	102.4	106.0	106.8	0.75	6.08	3.82
01	Food and non-alcoholic beverages	5422	103.9	97.8	100.7	106.7	106.1	-0.50	8.53	2.14
0111	❖ Bread and cereals	1044	92.6	85.8	87.9	94.3	97.3	3.23	13.48	5.03
0112	❖ Meat	205	94.6	101.3	101.0	101.3	101.5	0.19	0.22	7.29
0113	❖ Fish	76	107.3	113.4	114.2	115.9	120.8	4.18	6.50	12.59
0117	❖ Vegetables	2531	116.1	103.6	110.1	118.7	114.7	-3.38	10.74	-1.18
012	❖ Non-alcoholic beverages	184	91.5	94.9	95.8	95.8	96.1	0.31	1.32	5.05
02	Alcoholic beverages and tobacco	362	105.4	104.8	100.7	106.5	105.0	-1.42	0.20	-0.31
03	Clothing and footwear	358	103.5	107.6	107.6	107.0	109.6	2.44	1.88	5.85
04	Housing, water, electricity, gas and other fuels	1589	98.0	100.5	100.7	100.6	106.1	5.41	5.57	8.19
05	Furnishing, household equipment and routine household maintenance	338	101.9	101.8	101.8	104.5	105.6	1.09	3.72	3.68
06	Health	130	101.8	101.5	101.7	101.6	101.2	-0.33	-0.29	-0.54
07	Transport	685	106.8	110.4	112.1	114.4	115.6	0.98	4.69	8.19
08	Communication	131	98.2	99.2	100.9	99.0	100.6	1.61	1.40	2.44
09	Recreation and culture	161	101.2	103.5	105.8	105.7	105.9	0.16	2.31	4.61
10	Education	203	107.0	118.3	118.7	118.7	119.0	0.25	0.57	11.16
11	Restaurants and hotels	336	104.8	104.1	104.3	104.2	105.3	1.03	1.13	0.38
12	Miscellaneous goods and services	288	96.2	100.5	101.3	101.8	101.8	0.03	1.27	5.86

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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