



REPUBLIC OF RWANDA



PRODUCER PRICE INDEX (PPI)

FOURTH QUARTER 2017

FEBRUARY 2018

National Institute of Statistics of Rwanda

1. SUMMARY

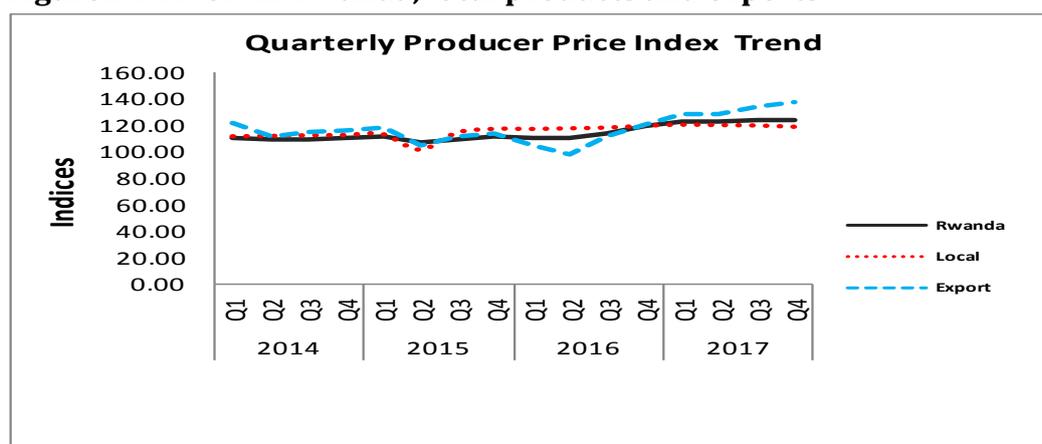
- The annual change in PPI for all Rwanda, fourth quarter 2017, is 3.97 percent
- The annual change in PPI for local products, fourth quarter 2017, is -0.61 percent
- The annual change in PPI for exports, fourth quarter 2017, is 13.91 percent
- The quarterly change in PPI for all Rwanda, fourth quarter 2017, is -0.10 percent
- The quarterly change in PPI for local products, fourth quarter 2017, is -0.78 percent
- The quarterly change in PPI for exports, fourth quarter 2017, is 2.52 percent

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

	Quarterly change (Q4.17-Q3.17)	Annual change (Q4.17-Q4.16)
PPI for All Rwanda	-0.10	3.97
PPI for local products	-0.78	-0.61
PPI for export products	2.52	13.91

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			Q4
	October	November	December	
Monthly change	-0.05	-0.64	-0.77	
Quartely change				-0.10
Annual change	6.80	3.69	1.52	3.97

Source: NISR

As the table 2 shows, on a monthly basis, the index decreased by 0.05, 0.64 and 0.77 in respectively in October, November and December 2017.

On a quarterly basis, the index for the fourth quarter 2017 decreased by 0.10 percent.

On an annual basis, the index for the fourth quarter 2017 increased by 3.97 percent.

Main contributors to change

On a monthly basis,

In October 2017 (-0.05%):

- Mining and quarrying contributed negatively by 0.13 percentage points.
- Manufacturing contributed positively by 0.08 percentage points.

In November 2017 (-0.64%):

- Manufacturing contributed negatively by 0.54 percentage points.
- Mining and quarrying contributed negatively by 0.10 percentage points.

In December 2017 (-0.77%)

- Manufacturing contributed negatively by 0.54 percentage points.
- Mining and quarrying contributed negatively by 0.23 percentage points.

On a quarterly basis, the main contributors to the index change of the fourth quarter 2017 (-0.10%) are:

- Mining and quarrying contributed negatively by 0.19 percentage points.
- Manufacturing contributed positively by 0.09 percentage points.

On an annual basis, the main contributors to the index change of the fourth quarter 2017 (3.97%) are:

- Manufacturing contributed positively by 4.34 percentage points of which food products contributed positively by 2.92 percentage points and beverages contributed positively by 0.91 percentage points
- Mining and quarrying contributed positively by 0.51 percentage points.
- Electricity, gas, steam and air conditioning supply contributed negatively by 0.88 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			Q4
	October	November	December	
Monthly change	-0.21	-0.91	-0.37	
Quartely change				-0.78
Annual change	0.38	-0.63	-1.57	-0.61

Source: NISR

As the table 3 shows, on a monthly basis, the index decreased by 0.21, 0.91, and 0.37 in October, November and December 2017 respectively.

On a quarterly basis, the index for the fourth quarter 2017 decreased by 0.78 percent.

On an annual basis, the index for the fourth quarter 2017 decreased by 0.61 percent.

Main contributors to change

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

In October 2017 (-0.21%):

- Manufacturing contributed negatively by 0.21 percentage point.

In November 2017(-0.91%):

- Manufacturing contributed negatively to 0.91 percentage point.

In December 2017 (-0.37%):

- Manufacturing contributed positively to 0.37 percentage point.

On a quarterly basis, the main contributor to the index change (-0.78%) is:

- Manufacturing which contributed negatively by 0.78 percentage points.

On an annual basis, the main contributors to the index change (-0.61%) are:

- Manufacturing contributed negatively by 0.84 percentage points
- Electricity, gas, steam and air conditioning supply contributed positively by 0.23 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			
	October	November	December	Q4
Monthly change	1.33	0.10	-1.69	
Quarterly change				2.52
Annual change	17.90	12.73	11.25	13.91

Source: NISR

The table 4 shows that on a monthly basis the index increased by 1.33 and 0.10, in October and November respectively, and decreased by 1,69 in December 2017.

On a quarterly basis, the index for the fourth quarter 2017 increased by 2.52 percent.

On an annual basis, the index for the fourth quarter 2017 increased by 13.91 percent.

Main contributors to change

On a monthly basis,

In October 2017 (1.33%):

- Coffee products contributed positively by 1.49 percentage points.
- Tea products contributed positively by 0.41 percentage points.
- Non-ferrous metal ores contributed negatively by 0.58 percentage points.

In November 2017 (0.10%):

- Non-ferrous metal ores contributed positively by 0.16 percentage points
- Coffee products contributed positively by 0.15 percentage points.
- Tea products contributed negatively by 0.21 percentage points.

In December 2017 (-1.69%):

- Non-ferrous metal ores contributed negatively by 0.86percentage points
- Tea products contributed negatively by 0.70 percentage points.

On a quarterly basis, the main contributors to the index change of the fourth quarter 2017 (2.52%) are:

- Coffee products contributed positively by 2.11 percentage points.

- Tea products contributed positively by 1.42 percentage points.
- Non-ferrous metal ores contributed negatively by 0.96 percentage points.

On an annual basis, the main contributors to the index change of fourth quarter 2017 (13.91%) are:

- Tea products contributed positively by 10.15 percentage points.
- Non-ferrous metal ores contributed positively by 2.92 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 (December 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														
	AGG ID	ISIC rev. 4 Description		Sep-17	Oct-17	Nov-17	Dec-17	Q4 2016	Q3 2017	Q4 2017	Oct-17	Nov-17	Dec-17	Q4 2017	Q4 2017
1	R	Rwanda	1000	124.87	124.81	124.01	123.06	119.23	124.08	123.96	-0.05	-0.64	-0.77	-0.10	3.97
2 R	RB	Mining and quarrying	96	126.88	124.13	122.84	120.04	115.81	125.47	122.34	-0.13	-0.10	-0.23	-0.19	0.51
4 RB	RB07	Mining of metal ores	96	126.88	124.13	122.84	120.04	115.81	125.47	122.34	-0.13	-0.10	-0.23	-0.19	0.51
2 R	RC	Manufacturing	714	128.23	128.45	127.51	126.58	119.79	127.31	127.51	0.08	-0.54	-0.54	0.09	4.34
4 RC	RC10	Manufacture of food products	376	134.19	134.11	132.61	130.85	122.47	132.40	132.52	-0.01	-0.52	-0.61	0.01	2.92
4 RC	RC11	Manufacture of beverages	174	127.48	127.45	127.45	127.45	120.79	127.48	127.45	0.00	0.00	0.00	0.00	0.91
4 RC	RC13	Manufacture of textiles	5	77.32	82.38	82.38	82.38	73.62	77.32	82.38	0.01	0.00	0.00	0.01	0.05
4 RC	RC18	Printing and reproduction of recorded media	19	106.02	112.07	112.07	112.07	110.98	106.02	112.07	0.03	0.00	0.00	0.03	0.02
4 RC	RC20	Manufacture of chemicals and chemical products	29	117.63	117.52	117.50	119.74	114.58	117.91	118.25	0.00	0.00	0.07	0.00	0.09
4 RC	RC22	Manufacture of rubber and plastics products	11	177.49	173.04	171.72	171.72	177.30	177.49	172.16	-0.01	-0.01	0.00	-0.01	-0.03
4 RC	RC23	Manufacture of other non-metallic mineral products	31	110.00	110.00	110.00	110.00	110.20	110.00	110.00	0.00	0.00	0.00	0.00	-0.01
4 RC	RC25	Manufacture of fabricated metal products, except machinery and equipment	29	115.12	115.13	115.13	115.13	109.62	115.12	115.13	0.00	0.00	0.00	0.00	0.14
4 RC	RC31	Manufacture of furniture	9	114.13	107.85	107.85	107.85	112.58	114.13	107.85	-0.02	0.00	0.00	-0.01	-0.03
2 R	RD	Electricity, gas, steam and air 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	-0.88
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	191.87	191.87	191.87	191.87	191.87	191.87	0.00	0.00	0.00	0.00	0.00

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-17	Oct-17	Nov-17	Dec-17	Q4 2016	Q3 2017	Q4 2017	Oct-17	Nov-17	Dec-17	Q4 2017	Q4 2017
1	R	Rwanda	1000	119.74	119.49	118.41	117.97	119.35	119.55	118.62	-0.21	-0.91	-0.37	-0.78	-0.61
2	R	RC	749	122.89	122.53	121.13	120.59	114.51	122.60	121.41	-0.21	-0.91	-0.37	-0.78	-0.84
4	RC	RC10	305	128.61	127.09	124.00	122.37	107.90	127.81	124.49	-1.49	-0.91	1.02	-1.38	-0.59
4	RC	RC11	231	127.48	127.45	127.45	127.45	120.79	127.48	127.45	-0.02	0.00	0.00	-0.01	-0.16
4	RC	RC13	6	77.32	82.38	82.38	82.38	73.62	77.32	82.38	0.17	0.00	0.00	0.07	-0.01
4	RC	RC18	25	106.02	112.07	112.07	112.07	110.98	106.02	112.07	0.58	0.00	0.00	0.25	0.00
4	RC	RC20	35	116.53	116.53	116.53	120.11	114.20	116.48	117.72	0.00	0.00	-0.27	0.06	-0.01
4	RC	RC22	15	97.92	93.48	93.62	93.62	97.93	97.92	93.57	-0.28	0.00	0.00	-0.12	0.01
4	RC	RC23	42	110.00	110.00	110.00	110.00	110.20	110.00	110.00	0.00	0.00	0.00	0.00	0.00
4	RC	RC25	39	115.12	115.13	115.13	115.13	109.62	115.12	115.13	0.00	0.00	0.00	0.00	-0.02
4	RC	RC31	11	114.13	107.85	107.85	107.85	112.58	114.13	107.85	-0.26	0.00	0.00	-0.11	0.01
2	R	RD	76	119.74	119.74	119.74	119.74	143.07	119.74	119.74	0.00	0.00	0.00	0.00	0.23
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	191.87	191.87	191.87	191.87	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)							Contribution to Monthly change			Contribution Quarterly change	Contribution to annual change	
Index				Sep-17	Oct-17	Nov-17	Dec-17	Q4 2016	Q3 2017	Q4 2017	Oct-17	Nov-17	Dec-17	Q4 2017	Q4 2017	
LVI	AGG	ID	ISIC rev. 4 Description													
1	R		Exports	1000	136.28	138.09	138.23	135.89	120.63	134.02	137.40	1.33	0.10	-1.69	2.52	13.91
			Mining of other non-ferrous													
6	RB072	RB0729	metal ores	393	126.88	124.13	122.84	120.04	115.81	125.47	122.34	-0.58	0.16	-0.86	-0.96	2.92
			Manufacture of coffee	268	105.95	114.67	112.97	112.73	111.03	105.00	113.45	1.49	0.15	-0.06	2.11	0.77
8	RC107:107980		products													
8	RC107:107990		Manufacture of tea products	328	161.13	164.10	166.87	163.13	133.36	157.69	164.70	0.41	-0.21	-0.70	1.42	10.15
			Manufacture of other	10	127.55	128.45	128.11	117.62	118.55	131.52	124.73	0.00	0.00	-0.08	-0.05	0.07
6	RC202	RC2029	chemical products n.e.c.													

Source: NISR

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