



REPUBLIC OF RWANDA



PRODUCER PRICE INDEX (PPI)

**Producer Price
Index
(PPI)**

August 2019

**NATIONAL INSTITUTE OF STATISTICS OF
RWANDA (NISR)**

1. Summary

This is the monthly publication of the Producer Price Index (PPI) for the month of August 2019.

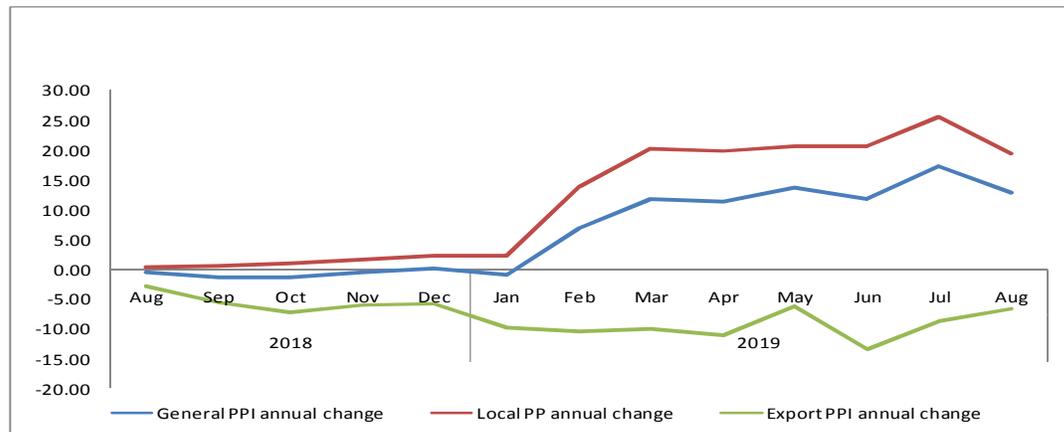
- General Producer Price Index increased by 12.82 percent on annual basis
- Local Producer Price Index increased by 19.41 percent on annual basis
- Export Producer Price Index decreased by 6.73 percent on annual basis
- General Producer Price Index decreased by 1.87 percent on monthly basis
- Local Producer Price Index decreased by 2.34 percent on monthly basis
- Export Producer Price Index decreased by 0.33 percent on monthly basis

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

Table 1: Producer Price Index, General, Local and Exports													
Percentage change on the same period 12 months and or one month earlier:													
	2018					2019							
	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
General PPI annual change	-0.47	-1.29	-1.21	-0.48	0.13	-0.92	7.01	11.80	11.38	13.75	11.85	17.25	12.82
Local PP annual change	0.41	0.55	1.02	1.59	2.28	2.38	13.93	20.24	19.87	20.72	20.65	25.48	19.41
Export PPI annual change	-2.86	-5.52	-7.25	-6.10	-5.85	-9.85	-10.57	-10.12	-11.04	-6.29	-13.46	-8.80	-6.73
General PPI monthly change	1.98	0.37	0.03	0.09	-0.15	-0.98	8.22	4.26	0.06	0.63	-0.96	2.84	-1.87
Local PP monthly change	2.62	0.88	0.25	-0.34	0.31	-0.24	11.06	5.06	-0.02	0.65	0.03	3.22	-2.34
Export PPI monthly change	-2.55	-0.66	-0.53	1.34	-1.43	-2.95	0.12	0.93	0.52	0.66	-4.67	0.21	-0.33

Source: NISR

Figure1. Annual 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 monthly basis.

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. General Producer Price Index

Table 2 below presents the percentage changes on monthly and annual basis.

Table 2: Producer Price Index, General Index summary			Percentage change in Aug.2019		
Level	Index ID	ISIC rev. 4 Description	Weights	on Jul.2019	on Aug.2018
1	R	Rwanda	1000	-1.87	12.82
2	RB	Mining and quarrying	96	-9.82	-20.03
2	RC	Manufacturing	714	-1.34	4.05
2	RD	Electricity, gas, steam and air conditioning supply	58	0.00	0.00
2	RE	Water supply; sewerage, waste management and remediation activities	129	0.00	90.59
2	RJ	Information and communication	3	0.00	0.00

Source: NISR

General PPI increased by 12.82 percent in August 2019 compared to the same month of 2018. This is mainly due to an increase of 90.59 percent in price water supply activities' and an increase of 4.05 percent in manufacturing, offset by a decrease of 20.03 percent in the prices of mining and quarrying.

The monthly general PPI decreased by 1.87 percent compared to July 2019. This was mainly due to a decrease in prices of mining and quarrying by 9.82, and by 1.35 percent in the prices of manufacturing.

4. Local Producer Price Index

The table 3 below presents the percentage changes on monthly and annual basis.

Table 3: Producer Price Index, Local Index summary			Percentage change in Aug.2019		
Level	Index ID	ISIC rev. 4 Description	Weights	on Jul.2019	on Aug.2018
1	R	Rwanda	1000	-2.34	19.41
2	RC	Manufacturing	749	-3.09	4.23
2	RD	Electricity, gas, steam and air conditioning supply	76	0.00	0.00
2	RE	Water supply; sewerage, waste management and remediation activities	171	0.00	90.59
2	RJ	Information and communication	4	0.00	0.00

Source: NISR

Local PPI increased by 19.41 percent in August 2019 compared to the same month of 2018. This was mainly due to an increase of 90.59 percent in prices of water supply activities, and 4.23 percent in prices of manufacturing.

The monthly local PPI decreased by 2.34 percent compared to July 2019, mainly due to a decrease 3.09 percent in the prices of manufacturing.

5. Export Producer Price Index

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

Level	Index ID	ISIC rev. 4 Description	Weights	Percentage change in Aug.2019	
				on Jul.2019	on Aug.2018
1	R	Exports	1000	-0.33	-6.73
4	RB0729	Mining of other non-ferrous metal ores	393	-9.82	-20.03
6	RC107980	Manufacture of coffee products	268	2.21	-14.55
6	RC107990	Manufacture of tea products	328	10.46	8.69
4	RC2029	Manufacture of other chemical products n.e.c.	10	9.50	18.72

Source: NISR

Export PPI decreased by 6.73 percent in August 2019 compared to the same month of 2018. This was due to a decrease in mining of other non-ferrous metal ores and manufacture of coffee by 20.03 and 14.55 percent respectively, and an increase in manufacture of other chemical products and manufacture of tea by 18.72 and 8.69 percent respectively.

The monthly export PPI decreased by 0.33 percent compared to July 2019. This was due to a decrease in mining of other non-ferrous metal ores by 9.82 percent, and an increase in manufacture of tea, and manufacture of other chemical products, and manufacture of coffee by 10.46, 9.50 and 2.21 percent respectively.

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 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 monthly, about 4 weeks following the month 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). NISR 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 month from the selected establishment by considering the mid-point of

each month of the month under review.

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

Annex 1: Producer Price Index, General		Index (Dec 2010=100)			Percentage change in Aug.2019		Contributions 1:		
Level	Categories	Weights	Aug-18		on Jul-2019		1 month	12 months	
General Index									
1	Rwanda	1000	122.81	141.20	138.56	-1.87	12.82	-1.87	12.82
2	Mining and quarrying	96	138.70	122.99	110.91	-9.82	-20.03	-0.93	-1.95
4	Mining of metal ores	96	138.70	122.99	110.91	-9.82	-20.03	-0.93	-1.95
2	Manufacturing	714	120.24	126.82	125.12	-1.34	4.05	-0.94	2.93
4	Manufacture of food products	376	118.29	128.81	125.31	-2.72	5.93	-0.97	2.32
4	Manufacture of beverages	174	127.70	127.70	127.70	0.00	0.00	0.00	0.00
4	Manufacture of textiles	5	83.71	83.71	83.71	0.00	0.00	0.00	0.00
4	Printing and reproduction of recorded media	19	108.52	110.31	110.31	0.00	1.64	0.00	0.03
4	Manufacture of chemicals and chemical products	29	121.04	122.31	123.63	1.08	2.14	0.03	0.06
4	Manufacture of rubber and plastics products	11	170.63	174.77	174.77	0.00	2.43	0.00	0.03
4	Manufacture of other non-metallic mineral products	31	110.00	110.45	110.45	0.00	0.41	0.00	0.01
4	Manufacture of fabricated metal products, except machinery and equipment	29	124.41	143.48	143.48	0.00	15.32	0.00	0.47
4	Manufacture of furniture	9	115.02	113.40	113.40	0.00	-1.41	0.00	-0.01
2	Electricity, gas, steam and air conditioning supply	58	158.94	158.94	158.94	0.00	0.00	0.00	0.00
4	Electricity, gas, steam and air conditioning supply	58	158.94	158.94	158.94	0.00	0.00	0.00	0.00
2	Water supply; sewerage, waste management and remediation activities	129	100.00	190.59	190.59	0.00	90.59	0.00	11.84
4	Water collection, treatment and supply	129	100.00	190.59	190.59	0.00	90.59	0.00	11.84
2	Information and communication	3	197.81	197.81	197.81	0.00	0.00	0.00	0.00
4	Publishing activities	3	197.81	197.81	197.81	0.00	0.00	0.00	0.00

Source: NISR
(1) "Contributions" take into account both the growth rate and the relative weight of each category to explain the percentage change observed

Annex 2: Producer Price Index, Local		Index (Dec 2010=100)			Percentage change in Aug.2019		Contributions 1:		
Level	Categories	Weights	Aug-18	Jul-19	Aug-2019	on Jul-2019	on Aug-2018	1 month	12 months
Local Index									
1	Rwanda	1000	119.35	145.94	142.52	-2.34	19.41	-2.34	19.41
2	Manufacturing	749	118.25	127.18	123.25	-3.09	4.23	-2.34	3.29
4	Manufacture of food products	305	115.11	134.30	124.16	-7.55	7.86	-2.34	2.55
4	Manufacture of beverages	231	127.70	127.70	127.70	0.00	0.00	0.00	0.00
4	Manufacture of textiles	6	83.71	83.71	83.71	0.00	0.00	0.00	0.00
4	Printing and reproduction of recorded media	25	108.52	110.31	110.31	0.00	1.64	0.00	0.04
4	Manufacture of chemicals and chemical products	35	120.35	120.56	120.57	0.01	0.18	0.00	0.01
4	Manufacture of rubber and plastics products	15	92.82	95.54	95.54	0.00	2.93	0.00	0.05
4	Manufacture of other non-metallic mineral products	42	110.00	110.45	110.45	0.00	0.41	0.00	0.02
4	Manufacture of fabricated metal products, except machinery and equipment	39	124.41	143.48	143.48	0.00	15.32	0.00	0.63
4	Manufacture of electrical equipment	2	142.11	156.11	156.11	0.00	9.86	0.00	0.02
4	Manufacture of furniture	11	115.02	113.40	113.40	0.00	-1.41	0.00	-0.02
2	Electricity, gas, steam and air conditioning supply	76	158.94	158.94	158.94	0.00	0.00	0.00	0.00
4	Electricity, gas, steam and air conditioning supply	76	158.94	158.94	158.94	0.00	0.00	0.00	0.00
2	Water supply; sewerage, waste management and remediation activities	171	100.00	190.59	190.59	0.00	90.59	0.00	16.12
4	Water collection, treatment and supply	171	100.00	190.59	190.59	0.00	90.59	0.00	16.12
2	Information and communication	4	197.81	197.81	197.81	0.00	0.00	0.00	0.00
4	Publishing activities	4	197.81	197.81	197.81	0.00	0.00	0.00	0.00

Source: NISR
(1) "Contributions" take into account both the growth rate and the relative weight of each category to explain the percentage change observed

Annex 3: Producer Price Index, Exports		Index (Dec 2010=100)			Percentage change in Aug.2019		Contributions 1:		
Level	Categories	Weights	Aug-18	Jul-19	Aug-2019	on Jul-2019	on Aug-2018	1 month	12 months
	General Index								
	1 Exports	1000	129.60	121.29	120.88	-0.33	-6.73	-0.33	-6.73
	6 Mining of other non-ferrous metal ores	393	138.70	122.99	110.91	-9.82	-20.03	4.95	-6.06
	8 Manufacture of coffee products	268	100.45	83.99	85.84	2.21	-14.55	-0.76	-3.00
	8 Manufacture of tea products	328	136.83	134.63	148.71	10.46	8.69	-4.40	2.19
	6 Manufacture of other chemical products n.e.c.	10	128.10	138.89	152.08	9.50	18.72	-0.12	0.14

Source: NISR
(1) "Contributions" take into account both the growth rate and the relative weight of each category to explain the percentage change observed

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