



REPUBLIC OF RWANDA



PRODUCER PRICE INDEX (PPI)

**Producer Price
Index
(PPI)**

July 2020

1. Summary

This is the monthly publication of the Producer Price Index (PPI) for the month of July 2020.

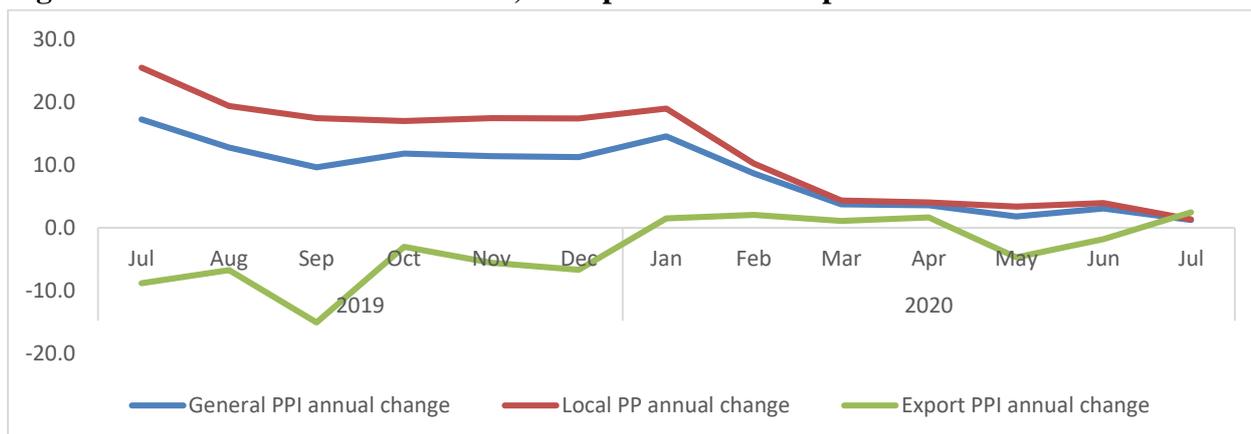
- General Producer Price Index increased by 1.3 percent on annual basis
- Local Producer Price Index increased by 1.4 percent on annual basis
- Export Producer Price Index increased by 2.5 percent on annual basis
- General Producer Price Index increased by 1 percent on monthly basis
- Local Producer Price Index increased by 0.6 percent on monthly basis
- Export Producer Price Index increased by 4.6 percent on monthly basis

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

	Percentage change on the same period 12 months and or one month earlier:												
	2019						2020						
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
General PPI annual change	17.2	12.8	9.6	11.8	11.4	11.3	14.6	8.7	3.8	3.6	1.8	3.1	1.3
Local PP annual change	25.5	19.4	17.5	17.0	17.4	17.4	19.0	10.3	4.4	4.1	3.4	4.0	1.4
Export PPI annual change	-8.8	-6.7	-15.1	-3.0	-5.5	-6.6	1.5	2.1	1.1	1.7	-4.6	-1.8	2.5
General PPI monthly change	2.8	-1.9	-2.5	2.0	-0.3	-0.3	2.0	2.6	-0.4	-0.1	-1.1	0.3	1.0
Local PP monthly change	3.2	-2.3	-0.7	-0.2	0.0	0.3	1.1	2.9	-0.5	-0.3	0.0	0.6	0.6
Export PPI monthly change	0.2	-0.3	-9.5	13.6	-1.3	-2.6	5.5	0.7	0.0	1.1	-5.6	-1.8	4.6

Source: NISR

Figure1. Annual PPI for All Rwanda, local products and exports



Source: NISR

1. 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.

2. General Producer Price Index

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

Level	Index ID	ISIC rev. 4 Description	Weights	Percentage change in Jul.2020	
				on Jun.2020	on Jul.2019
1	R	Rwanda	1000	1.0	1.3
2	RB	Mining and quarrying	96	0.1	-5.6
2	RC	Manufacturing	714	1.9	2.2
2	RD	Electricity, gas, steam and air conditioning supply	58	0.0	13.0
2	RE	Water supply; sewerage, waste management and remediation activities	129	0.0	0.0
2	RJ	Information and communication	3	0.0	0.0

Source:NISR

In July 2020, General PPI increased by 1.3 percent when compared to the same month of 2019. This is mainly due to an increase of 2.2 percent in prices of manufacturing activities, and the prices of Electricity which increased by 13 percent. Prices in mining & quarrying decreased by 5.6 percent.

The monthly general PPI increased by 1 percent. This was mainly due to an increase of 1.9 percent in prices of manufacturing.

3. Local Producer Price Index

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

Level	Index ID	ISIC rev. 4 Description	Weights	Percentage change in Jul.2020	
				on Jun.2020	on Jul.2019
1	R	Rwanda	1000	0.6	1.4
2	RC	Manufacturing	749	1.2	1.2
2	RD	Electricity, gas, steam and air conditioning supply	76	0.0	13.0
2	RE	Water supply; sewerage, waste management and remediation activities	171	0.0	0.0
2	RJ	Information and communication	4	0.0	0.0

Source:NISR

Local PPI increased by 1.4 percent in July 2020 compared to the same month of 2019. This was mainly due to an increase of 1.2 percent in prices of manufacturing and an increase of 13 percent in prices of Electricity.

The monthly local PPI increased by 0.6 percent. This was mainly due to an increase of 1.2 percent in prices of Manufacturing.

4. Export Producer Price Index

The table 4 below presents the index and the percentage changes on monthly and annual basis.

Level	Index ID	ISIC rev. 4 Description	Weights	Percentage change in Jul.2020	
				on Jun.2020	on Jul.2019
1	R	Exports	1000	4.6	2.5
4	RB0729	Mining of other non-ferrous metal ores	393	0.1	-5.6
6	RC107980	Manufacture of coffee products	268	3.6	15.0
6	RC107990	Manufacture of tea products	328	8.2	9.3
4	RC2029	Manufacture of other chemical products n.e.c.	10	-16.6	-17.9

Source:NISR

Export PPI increased by 2.5 percent in July 2020 compared to the same month of 2019. This was due to an increase of 15 and 9.3 percent in prices of coffee and tea respectively. Prices of mining and other non-ferrous metal decreased by 5.6 percent.

The monthly export PPI increased by 4.6 percent. This was mainly due to an increase of 8.2 and 3.6 percent in prices of tea and coffee products respectively.

5. 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 (January 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 Jul.2020		Contributions ¹ :		
Level	Categories	Weights	Jul-19	Jun-20	Jul-20	on Jun-2020	on Jul-2019	1 month	12 months
	General Index								
	1 Rwanda	1000	141.2	141.5	143.0	1.0	1.3	1.0	1.3
	2 Mining and quarrying	96	123.0	116.0	116.1	0.1	-5.6	0.0	-0.4
	4 Mining of metal ores	96	123.0	116.0	116.1	0.1	-5.6	0.0	-0.4
	2 Manufacturing	714	126.8	127.1	129.6	1.9	2.2	1.0	1.1
	4 Manufacture of food products	376	128.8	126.5	132.7	4.9	3.0	1.3	0.9
	4 Manufacture of beverages	174	127.7	127.7	127.7	0.0	0.0	0.0	0.0
	4 Manufacture of textiles	5	83.7	92.8	92.8	0.0	10.9	0.0	0.0
	4 Printing and reproduction of recorded media	19	110.3	108.0	100.2	-7.2	-9.2	-0.1	-0.1
	4 Manufacture of chemicals and chemical products	29	122.3	132.5	130.6	-1.4	6.8	0.0	0.2
	4 Manufacture of rubber and plastics products	11	174.8	218.3	171.6	-21.4	-1.8	-0.2	0.0
	4 Manufacture of other non-metallic mineral products	31	110.4	110.2	110.2	0.0	-0.2	0.0	0.0
	4 Manufacture of fabricated metal products, except machinery and equipment	29	143.5	143.7	144.9	0.8	1.0	0.0	0.0
	4 Manufacture of furniture	9	113.4	112.1	112.1	0.0	-1.2	0.0	0.0
	2 Electricity, gas, steam and air conditioning supply	58	158.9	179.5	179.5	0.0	13.0	0.0	0.5
	4 Electricity, gas, steam and air conditioning supply	58	158.9	179.5	179.5	0.0	13.0	0.0	0.5
	2 Water supply; sewerage, waste management and remediation activities	129	190.6	190.6	190.6	0.0	0.0	0.0	0.0
	4 Water collection, treatment and supply	129	190.6	190.6	190.6	0.0	0.0	0.0	0.0
	2 Information and communication	3	197.8	197.8	197.8	0.0	0.0	0.0	0.0
	4 Publishing activities	3	197.8	197.8	197.8	0.0	0.0	0.0	0.0

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 1: Producer Price Index, Local		Index (Dec 2010=100)			Percentage change in Jul.2020		Contributions ¹ :		
Level	Categories	Weights	Jul-19	Jun-20	Jul-20	on Jun-2020	on Jul-2019	1 month	12 months
Local Index									
1	Rwanda	1000	145.9	147.0	147.9	0.6	1.4	0.6	1.4
2	Manufacturing	749	127.2	127.2	128.7	1.2	1.2	0.6	0.6
4	Manufacture of food products	305	134.3	130.4	135.1	3.6	0.6	1.2	0.2
4	Manufacture of beverages	231	127.7	127.7	127.7	0.0	0.0	0.0	0.0
4	Manufacture of textiles	6	83.7	92.8	92.8	0.0	10.9	0.0	0.1
4	Manufacture of leather and related products	31	89.3	97.3	97.3	0.0	9.0	0.0	0.3
4	Printing and reproduction of recorded media	25	110.3	108.0	100.2	-7.2	-9.2	-0.2	-0.2
4	Manufacture of chemicals and chemical products	35	120.6	132.1	132.1	0.0	9.6	0.0	0.3
4	Manufacture of rubber and plastics products	15	95.5	131.3	93.4	-28.9	-2.2	-0.5	0.0
4	Manufacture of other non-metallic mineral products	42	110.4	110.2	110.2	0.0	-0.2	0.0	0.0
4	Manufacture of fabricated metal products, except machinery and equipment	39	143.5	143.7	144.9	0.8	1.0	0.0	0.0
4	Manufacture of furniture	11	113.4	112.1	112.1	0.0	-1.2	0.0	0.0
2	Electricity, gas, steam and air conditioning supply	76	158.9	179.5	179.5	0.0	13.0	0.0	0.7
4	Electricity, gas, steam and air conditioning supply	76	158.9	179.5	179.5	0.0	13.0	0.0	0.7
2	Water supply; sewerage, waste management and remediation activities	171	190.6	190.6	190.6	0.0	0.0	0.0	0.0
4	Water collection, treatment and supply	171	190.6	190.6	190.6	0.0	0.0	0.0	0.0
2	Information and communication	4	197.8	197.8	197.8	0.0	0.0	0.0	0.0
4	Publishing activities	4	197.8	197.8	197.8	0.0	0.0	0.0	0.0

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 1: Producer Price Index, Export		Index (Dec 2010=100)			Percentage change in Jul.2020		Contributions 1:		
Level	Categories	Weights	Jul-19	Jun-20	Jul-20	on Jun-2020	on Jul-2019	1 month	12 months
1	Exports	1000	121.3	118.9	124.3	4.6	2.5	4.6	2.5
6	Mining of other non-ferrous metal ores	393	123.0	116.0	116.1	0.1	-5.6	0.1	-1.2
8	Manufacture of coffee products	268	84.0	93.2	96.6	3.6	15.0	1.3	2.2
8	Manufacture of tea products	328	134.6	136.0	147.1	8.2	9.3	3.5	1.6
6	Manufacture of other chemical products n.e.c.	10	138.9	136.7	114.0	-16.6	-17.9	-0.2	-0.1

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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