



REPUBLIC OF RWANDA



PRODUCER PRICE INDEX (PPI)

THIRD QUARTER 2016

NOVEMBER 2016

1. SUMMARY

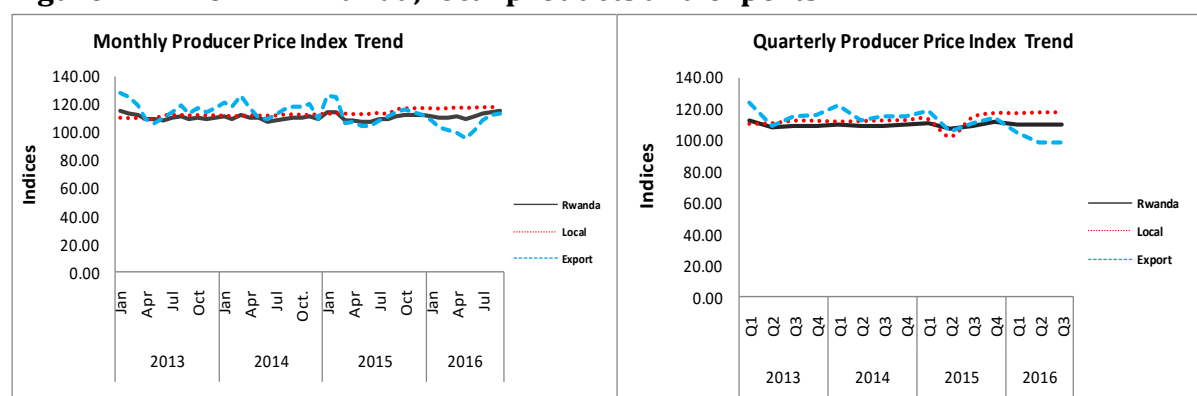
- The annual change in PPI for all Rwanda, third quarter 2016, is 3.78 percent
- The annual change in PPI for local products, third quarter 2016, is 3.05 percent
- The annual change in PPI for exports, third quarter 2016, is 0.02 percent
- The quarterly change in PPI for all Rwanda, third quarter 2016, is 3.29 percent
- The quarterly change in PPI for local products, third quarter 2016, is 0.37 percent
- The quarterly change in PPI for exports, third quarter 2016, is 12.87 percent

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

	Quarterly change (Q3.16-Q2.16)	Annual change (Q3.16-Q3.15)
PPI for All Rwanda	3.29	3.78
PPI for local products	0.37	3.05
PPI for export products	12.87	0.02

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.

Table 2. Monthly, quarterly and annual changes for PPI for All Rwanda

	2016			Q3
	July	August	September	
Monthly change	1.83	0.85	1.00	
Quarterly change				3.29
Annual change	3.58	4.32	3.46	3.78

Source: NISR

As the table 2 shows, on a monthly basis, the index increased by 1.83, 0.85 and 1.00 percent in July, August and September 2016 respectively.

On a quarterly basis, the index for the third quarter 2016 increased by 3.29 percent.

On an annual basis, the index for the third quarter 2016 increased by 3.78 percent.

Main contributors to change

On a monthly basis,

In July 2016 (1.83%):

- Manufacturing contributed positively by 1.21 percentage points of which food products contributed positively by 1.12 percentage points.
- Mining and quarrying contributed positively by 0.63 percentage points.

In August 2016 (0.85%):

- Manufacturing contributed positively by 0.54 percentage points of which food products contributed positively by 0.52 percentage points.
- Mining and quarrying contributed positively by 0.31 percentage points.

In September 2016 (1.00%)

- Manufacturing contributed positively by 0.50 percentage points of which food products contributed positively by 0.46 percentage points.
- Mining and quarrying contributed positively by 0.50 percentage points.

On a quarterly basis, the main contributors to the index change of the third quarter 2016 (3.29%) are:

- Manufacturing contributed positively by 1.85 percentage points of which food products contributed positively by 1.71 percentage points.
- Mining and quarrying contributed positively by 1.45 percentage points.

On an annual basis, the main contributors to the index change of the third quarter 2016 (3.78%) are:

- Mining and quarrying ores contributed positively by 2.67 percentage points.

- Electricity, gas, steam and air conditioning supply contributed positively by 0.62 percentage points.
- Manufacturing contributed positively by 0.49 percentage points of which food products contributed positively by 0.24 and beverages contributed positively by 0.12 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

	2016			Q3
	July	August	September	
Monthly change	0.20	0.07	0.25	
Quarterly change				0.37
Annual change	3.47	4.06	1.65	3.05

Source: NISR

As the table 3 shows, on a monthly basis, in July, August and September the index increased by 0.20, 0.07 and 0.25 respectively.

On a quarterly basis, the index for the third quarter 2016 increased by 0.37 percent.

On an annual basis, the index for the third quarter 2016 increased by 3.05 percent.

Main contributors to change

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

In July 2016 (0.20%):

- Manufacturing contributed positively by 0.20 percentage point in which chemicals and chemical products contributed positively by 0.07, metal products, except machinery and equipment by 0.05 and food products by 0.04 percentage points.

In August 2016 (0.07%):

- Manufacturing contributed positively by 0.07 percentage point in which Beverages contributed positively by 0.09 and metal products, except machinery and equipment contributed positively by 0.04 percentage points.

In September 2016 (0.25%):

- Manufacturing contributed positively by 0.25 percentage points in which food products contributed positively by 0.18 and metal products, except machinery and equipment contributed positively by 0.06 percentage points.

On a quarterly basis, the main contributors to the index change (0.37%):

- Manufacturing contributed positively by 0.38 percentage points in which metal products, except machinery and equipment contributed positively by 0.11, chemicals and chemical products contributed positively by 0.08, beverages contributed positively by 0.06, and food products contributed positively by 0.06 percentage points.

On an annual basis, the main contributors to the index change (3.05%):

- Electricity, gas, steam and air conditioning supply contributed positively by 2.05 percentage points
- Manufacturing contributed positively by 1.00 percentage points in which Beverages contributed positively by 0.39, food products contributed positively by 0.27 and printing and production of recorded media contributed positively by 0.20 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

	2016			Q3
	July	August	September	
Monthly change	7.54	2.95	1.31	
Quartely change				12.87
Annual change	0.24	0.51	-0.68	0.02

Source: NISR

The table 4 shows that on a monthly basis, in July, August and September 2016 the index increased by 7.54, 2.95, 1.31 percent respectively.

On a quarterly basis, the index for the third quarter 2016 increased by 12.87 percent.

On an annual basis, the index for the third quarter 2016 increased by 0.02 percent.

Main contributors to change

On a monthly basis,

In July 2016 (7.54%):

- Coffee products contributed positively by 4.12 percentage points.
- Non-ferrous metal ores contributed positively by 2.39 percentage points.

In August 2016 (2.95%):

- Non-ferrous metal ores contributed positively by 1.30 percentage points
- Tea products contributed positively by 1.00 percentage points.

In September 2016 (1.31 %):

- Non-ferrous metal ores contributed positively by 2.97 percentage points.
- Tea products contributed positively by 0.91 percentage points.
- Coffee products contributed negatively by 2.56 percentage points.

On a quarterly basis, the main contributors to the index change of the third quarter 2016 (12.87%) are:

- Coffee products contributed positively by 5.90 percentage points.
- Non-ferrous metal ores contributed positively by 5.33 percentage points.

On an annual basis, the main contributors to the index change of third quarter 2016 (0.02%) are:

- Non-ferrous metal ores contributed positively by 0.02 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 (June 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.

Annex 1: PPI, All Rwanda			Weights	Index (December 2010=100)							Monthly Contribution			Quarterly Contribution	Annual Contribution	
LVL	AGG	Index ID	ISIC rev. 4 Description	Jun-16	Jul-16	Aug-16	Sep-16	Q3 2015	Q2 2016	Q3 2016	Jul-16	Aug-16	Sep-16	Q3 2016	Q3 2016	
1	0 R		Rwanda	1000	110.67	112.70	113.66	114.80	109.57	110.09	113.72	1.83	0.85	1.00	3.29	3.78
2	R	RB	Mining and quarrying	96	99.77	107.08	110.93	116.97	85.06	95.24	111.66	0.63	0.31	0.50	1.45	2.67
4	RB	RB07	Mining of metal ores	96	99.77	107.08	110.93	116.97	85.06	95.24	111.66	0.63	0.31	0.50	1.45	2.67
5	RB07	RB072	Mining of non-ferrous metal ores	96	99.77	107.08	110.93	116.97	85.06	95.24	111.66	0.63	0.31	0.50	1.45	2.67
2	R	RC	Manufacturing	714	109.57	111.65	112.57	113.39	111.67	109.31	112.54	1.21	0.54	0.50	1.85	0.49
4	RC	RC10	Manufacture of food products	376	104.53	108.37	110.19	111.67	109.30	104.17	110.08	1.12	0.52	0.46	1.71	0.24
5	RC10	RC105	Manufacture of dairy products	11	87.74	87.74	87.74	87.74	87.05	87.74	87.74	0.00	0.00	0.00	0.00	0.01
5	RC10	RC106	Manufacture of grain mill products	42	93.09	92.56	91.80	92.01	98.06	93.98	92.13	-0.02	-0.03	0.01	-0.07	-0.40
5	RC10	RC107	Manufacture of other food products	299	106.56	111.32	113.48	115.16	111.83	106.00	113.32	1.14	0.56	0.45	1.78	0.63
6	RC107	RC1072	Manufacture of sugar	148	108.98	111.53	113.28	118.17	94.44	109.13	114.33	0.27	0.21	0.65	0.56	1.31
6	RC107	RC1079	Manufacture of other food products n.e.c. (coffee and tea)	146	101.26	109.08	111.97	110.46	124.21	100.02	110.50	0.87	0.35	-0.20	1.22	-0.68
8	RC1079	RC107980	Manufacture of coffee products	66	84.04	99.63	102.40	95.34	97.44	77.47	99.13	0.71	0.14	-0.31	0.96	0.07
8	RC1079	RC107990	Manufacture of tea products	80	110.97	114.93	118.75	121.13	140.35	111.32	118.27	0.17	0.21	0.11	0.26	-0.74
4	RC	RC11	Manufacture of beverages	174	120.48	120.48	120.76	120.79	119.77	120.48	120.68	0.00	0.03	0.00	0.02	0.12
4	RC	RC18	Printing and reproduction of recorded media	19	107.89	108.59	108.59	108.59	104.70	107.43	108.59	0.01	0.00	0.00	0.02	0.06
4	RC	RC20	Manufacture of chemicals and chemical products	29	112.09	114.45	114.21	114.20	111.46	112.30	114.29	0.05	-0.01	0.00	0.04	0.06
4	RC	RC23	Manufacture of other non-metallic mineral products	31	101.49	101.47	101.48	101.49	100.31	101.48	101.48	0.00	0.00	0.00	0.00	0.03
4	RC	RC25	Manufacture of fabricated metal products, except machinery and equipment	29	107.93	108.92	108.23	109.52	112.14	106.97	108.89	0.02	-0.02	0.03	0.04	-0.08
4	RC	RC31	Manufacture of furniture	9	107.97	111.80	111.80	111.80	108.91	107.97	111.80	0.02	0.00	0.00	0.02	0.02
2	R	RD	Electricity, gas, steam and air conditioning supply	58	143.07	143.07	143.07	143.07	127.55	143.07	143.07	0.00	0.00	0.00	0.00	0.62
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	193.53	191.16	191.87	191.87	191.40	192.24	191.63	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		Jun-16	Jul-16	Aug-16	Sep-16	Q3 2015	Q2 2016	Q3 2016	Jul-16	Aug-16	Sep-16	Q3 2016	Q3 2016
1	R	Rwanda	1000	117.64	117.87	117.95	118.25	114.53	117.58	118.02	0.20	0.07	0.25	0.37	3.05
2	R	RC Manufacturing	842	112.31	112.62	112.73	113.10	111.84	112.26	112.82	0.20	0.07	0.25	0.38	1.00
4	RC	RC10 Manufacture of food products	169	103.30	103.56	103.65	104.99	102.84	103.68	104.06	0.04	0.01	0.18	0.06	0.27
5	RC10	RC105 Manufacture of dairy products	23	87.74	87.74	87.74	87.74	87.05	87.74	87.74	0.00	0.00	0.00	0.00	-0.06
5	RC10	RC106 Manufacture of grain mill products	90	93.09	92.56	91.80	92.01	98.06	93.98	92.13	-0.20	0.03	0.02	0.20	1.74
5	RC10	RC107 Manufacture of other food products	47	120.96	122.48	123.48	126.80	113.68	121.10	124.25	0.24	-0.02	0.15	-0.14	-1.41
4	RC	RC11 Manufacture of beverages	374	120.48	120.48	120.76	120.79	119.77	120.48	120.68	0.00	0.09	0.01	0.06	0.39
4	RC	RC12 Manufacture of tobacco products	7	107.92	100.00	100.00	100.00	107.92	107.92	100.00	-0.04	0.00	0.00	-0.04	-0.07
4	RC	RC13 Manufacture of textiles	10	73.62	73.62	73.62	73.62	73.62	73.62	73.62	0.00	0.00	0.00	0.00	0.00
4	RC	RC18 Printing and reproduction of recorded media	40	107.89	108.59	108.59	108.59	104.70	107.43	108.59	0.02	0.00	0.00	0.04	0.20
4	RC	RC20 Manufacture of chemicals and chemical products	57	112.14	113.86	113.95	113.95	112.05	112.14	113.92	0.07	0.00	0.00	0.08	0.13
4	RC	RC22 Manufacture of rubber and plastics products	24	94.37	94.36	94.37	94.37	94.37	94.37	94.37	0.00	0.00	0.00	0.00	0.00
4	RC	RC23 Manufacture of other non-metallic mineral products	67	101.49	101.47	101.48	101.49	100.31	101.48	101.48	0.00	0.00	0.00	0.00	0.11
4	RC	RC25 Manufacture of fabricated metal products, except machinery and equipment	63	107.93	108.92	108.23	109.52	112.14	106.97	108.89	0.05	-0.04	0.06	0.11	-0.25
4	RC	RC27 Manufacture of electrical equipment	3	131.58	142.11	142.11	142.11	102.63	131.58	142.11	0.02	0.00	0.00	0.02	0.14
4	RC	RC31 Manufacture of furniture	18	107.97	111.80	111.80	111.80	108.91	107.97	111.80	0.05	0.00	0.00	0.06	0.07
2	R	RD Electricity, gas, steam and air conditioning supply	123	143.07	143.07	143.07	143.07	127.55	143.07	143.07	0.00	0.00	0.00	0.00	2.05
2	R	RE Water supply; sewerage, waste management and remediation activities	28	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	7	193.53	191.16	191.87	191.87	191.40	192.24	191.63	-0.01	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	
LVL AGG	Index ID	ISIC rev. 4 Description		Jun-16	Jul-16	Aug-16	Sep-16	Q3 2015	Q2 2016	Q3 2016	Jul-16	Aug-16	Sep-16	Q3 2016	Q3 2016
1	R	Exports	1000	100.82	108.42	111.62	113.08	105.00	98.38	111.04	7.54	2.95	1.31	12.87	0.02
		Mining of other non-ferrous metal													
6	RB072	RB0729 ores	393	99.77	107.08	110.93	116.97	97.36	95.24	111.66	2.39	1.30	2.97	5.33	0.02
		Manufacture of coffee products	268	84.04	99.63	102.40	95.34	101.65	77.47	99.13	4.12	0.68	-2.56	5.90	
8	RC107	RC107980													0.00
8	RC107	RC107990 Manufacture of tea products	328	110.97	114.93	118.75	121.13	115.94	111.32	118.27	0.97	1.00	0.91	1.61	-0.01
		Manufacture of other chemical products n.e.c.	10	111.59	120.87	116.78	116.78	101.15	114.02	118.14	0.07	-0.03	0.00	0.03	0.00
6	RC202	RC2029 products n.e.c.													

Source: NISR

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