## **REPUBLIC OF RWANDA**



## NATIONAL INSTITUTE OF STATISTICS OF RWANDA

# CONSUMER PRICE INDEX (C.P.I.) Kigali – June 2008

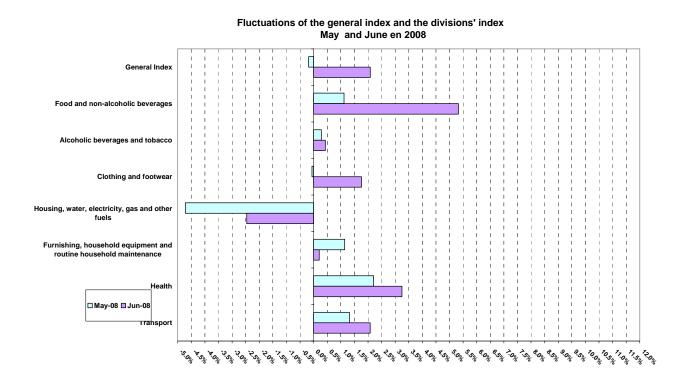
## **CAUTION**

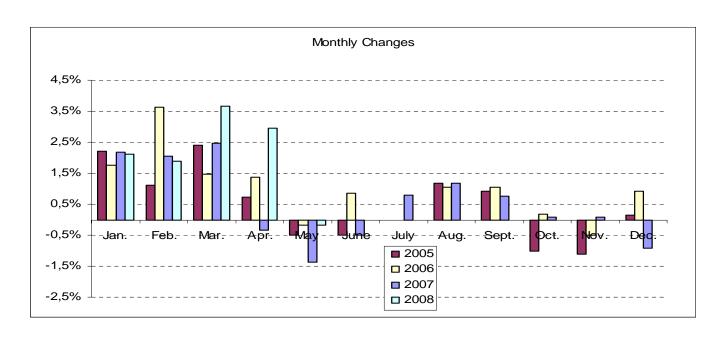
The National Institute of Statistics of Rwanda is very pleased to deliver to users the new Consumer Price Index (CPI) based in 2003 that replaces the previous one which was based in 1989. The Index is published every month by the 15th.

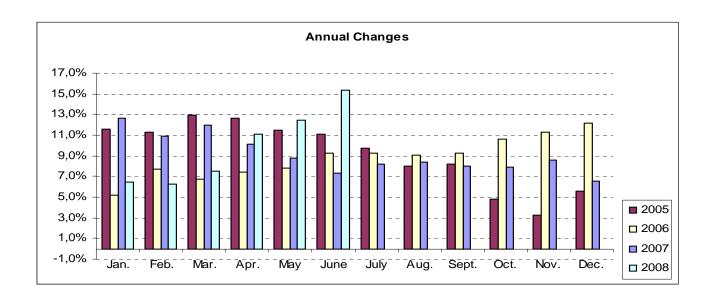
Base 100: 2003

	Divisions		Indice	s for th	e follow	ving mo	nths:	Chan	ges in %	over
	❖ Groups	Weights	June 07	Mar 08	April 08	May 08	June 08		3 months	12 months
	GENERAL INDEX	10 000	143.2	157.4	162.1	161.8	165.2	2.08	4.93	15.37
01	Food and non-alcoholic beverages	3 709	148.8	162.3	166.9	168.7	177.7	5.33	9.48	19.46
0111	❖ Bread and cereals	625	147.9	164.3	171.0	175.0	187.1	6.94	13.91	26.51
0112	❖ Meat	345	119.5	134.6	141.7	149.5	153.7	2.80	14.25	28.63
0113	❖ Fish	114	153.7	168.0	184.5	185.3	192.7	3.99	14.72	25.42
0117	❖ Vegetables	1 332	164.3	167.1	161.8	161.8	176.9	9.38	5.87	7.69
012	❖ Non-alcoholic beverages	180	131.9	136.9	137.5	140.6	140.4	-0.16	2.54	6.43
02	Alcoholic beverages and tobacco	221	127.9	142.6	144.2	144.6	145.2	0.43	1.82	13.51
03	Clothing and footwear	500	104.6	111.0	110.2	110.1	112.1	1.76	0.93	7.19
04	Housing, water, electricity, gas and other fuels	1 579	191.3	216.5	230.8	219.9	214.5	-2.46	-0.92	12.17
05	Furnishing, household equipment and routine household maintenance	764	118.9	133.9	140.1	141.7	142.0	0.21	6.08	19.37
06	Health	708	122.2	124.8	126.1	128.9	133.1	3.25	6.60	8.86
07	Transport	987	123.5	143.9	144.7	146.6	149.7	2.08	4.01	21.17
08	Communication	37	135.3	121.4	121.4	121.3	121.2	-0.08	-0.15	-10.45
09	Recreation and culture	206	107.6		108.1	108.3	108.4		0.42	0.70
10	Education	432	155.9	175.8	176.5	175.8			-0.14	12.59
11	Restaurants and hotels	273	148.6		149.0	154.4	159.2			7.11
12	Miscellaneous goods and services	584	107.9	116.4	116.3	117.8	118.5	0.60	1.80	9.84

Month	Jun 07	Jul 07	Aug 07	Sep 07	Oct 07	Nov 07	Dec 07	Jan 08	Feb 08	Mar 08	Apr 08	May 08	Jun 08
Index (2003=100)	143,2	144,3	146,0	147,1	147,2	147,4	146,0	149,0	151,9	157,4	162,1	161,8	165.2
Annual changes	7,3	8,2	8,4	8,0	7,9	8,6	6,6	6,5	6,3	7,5	11,1	12,4	15.37







### CONSUMER PRICE INDEX (CPI), JUNE 2008 (Base 100 = 2003)

In June 2008, the general consumer prices index is established at 165.2 this stands for an increase of 2.08% over the previous month which was 161.8. In annual change, the general index is 15.37% instead of 12.43% from the previous month. This gives a general inflation rate by an annual average of 8.9% during the month of June 2008.

The underlying inflation rate (excluding fresh food and energy) is +1.23% if compared to the previous month and +17.42% on annual change. The annual average underlying inflation rate is 11.9% in June 2008, up from the previous month (11.3%).

The increase in the consumer prices index of 2.08% is attributable primarily to the increase in prices of Food and non-alcoholic beverages (5.33%), Health (3.25%) and Transport (+2.08%).

It is noted that the increase of 5.33% in prices of Food and non-alcoholic beverages is quietly attributable to the respective increase of 6.94%, 2.80%, 3.99%, and 9.38% of prices indices of Bread and Cereals, Meat, Fish and Vegetables.

In annual change, the increase in the general index of 15.37% is mainly due to the rising prices of Food and non-alcoholic beverages (+19.46%), Alcoholic beverages and tobacco (+13.51%), housing, water, electricity, gas and other fuels (+12.17%), furnishing, household equipment and routine household maintenance index (+19.37%), transport (+21.17%) due to increasing fuel prices and education index rise of (12.59%) due to the increase in school fees recorded at the beginning of the year 2008.

The 'local goods' are more responsible for inflation than 'imported goods. In terms of annual change, the prices of the local products have increased by 13.48% with a monthly variation of 2.07%, while prices of the imported products have risen by 21.88% with a monthly change of +2.28%.

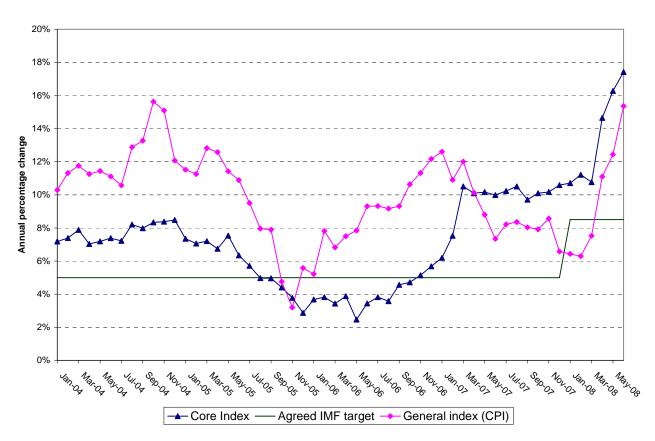
The prices of the fresh products had a positive annual change of 10.57% between June 2008 and June 2007.

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

MONTH	June 07	Jul. 07	Aug. 07	Sep. 07	Oct. 07	Nov. 07	Dec. 07	Jan 08	Feb. 08	March 08	April 08	May 08	June 08
General index	10,3	10,2	10,1	10,0	9,8	9,5	9,1	8,6	8,2	7,8	7,9	8,3	8.9
Core / Underlying	6,9	7,4	8,0	8,4	8,8	9,3	9,7	10,0	10,3	10,4	10,8	11,3	11.9

<sup>(1)</sup> In June 2008 the average index of the last twelve months (July 2007 to June 2008) increased by 8.9% (general index) and 11.3% (core index) compared to the average index of the previous twelve months (July 2006 to June 2007).

### Annual changes (Comparison with the same month of the previous year)



## **Other Indices**

		Indice	es for the f	ollowing m	Changes in % over:					
	Weights	June 07	March 08	April 08	May 08	June 08	1 month	3 months	12 months	
General Index	10 000	143,2	157,4	162,1	161,8	165,2	2,08	4,93	15,37	
Local Goods Index	6 956	151,6	165,7	170,1	168,5	172,0	2,07	3,81	13,48	
Food and non-alcoholic beverages	2 627	153,3	162,1	163,5	164,9	176,0	6,73	8,58	14,77	
Housing, water, electricity, gas and other fuels	1 501	191,1	216,3	231,1	217,9	212,0	-2,71	-2,01	10,90	
Transport	698	114,2	136,4	136,7	136,6	136,7	0,04	0,20	19,70	
Imported Goods Index	3 044	122,7	138,1	143,4	146,2	149,5	2,28	8,27	21,88	
Food and non-alcoholic beverages	1 082	136,8	165,0	177,4	180,2	184,4	2,31	11,77	34,82	
Furnishing, household equipment	533	118,3	120,1	122,7	123,0	125,0	1,57	4,06	5,65	
Transport	289	145,7	161,5	163,9	170,6	180,9	6,06	12,07	24,16	
Kigali Index	7 679	141,6	156,4	160,9	159,7	162,8	1,93	4,13	14,98	
Provinces Index <sup>(1)</sup>	2 321	148,4	161,0	166,0	168,7	173,1	2,60	7,53	16,63	
Fresh Products index <sup>(2)</sup>	2 186	161,9	167,3	164,4	164,7	179,0	8,65	7,01	10,57	
Energy index	761	228,5	270,9	289,5	264,3	256,4	-3,01	-5,37	12,21	
General Index excluding fresh Products and energy <sup>(3)</sup>	7 053	129,8	143,3	148,5	150,6	152,4	1,23	6,33	17,42	

<sup>(1)</sup> This is the index for the country without Kigali

<sup>(2)</sup> Fresh products are food products which have seasonal fluctuations

<sup>(3)</sup> Proxy for underlying inflation

### **METHODOLOGICAL NOTICE**

The Consumer Price Index is a Laspeyres index that covers household consumption as it is used by national accounts. The reference population for the CPI consists of all households living in urban areas in Rwanda.

The household basket includes 438 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 25,000 prices are collected every month by enumerators of the National Institute of Statistics of Rwanda and of the National Bank of Rwanda.

The base year for the CPI is the year 2003.

The weights used for this new index are the result of the Household Living Conditions Survey (EICV) conducted in 2000-2001 with a sample of 6,450 households.

The splicing with the old index is feasible using the splicing coefficient of 3.889. If you divide the old index by this coefficient, you will be able to make comparisons with the new index based in 2003.

Additional methodological documentation can be obtained at the National Institute of Statistics of Rwanda, Economic Statistics Department.

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