



REPUBLIC OF RWANDA



PRODUCER PRICE INDEX (PPI)

**Producer Price
Index
(PPI)**

September 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 September 2019.

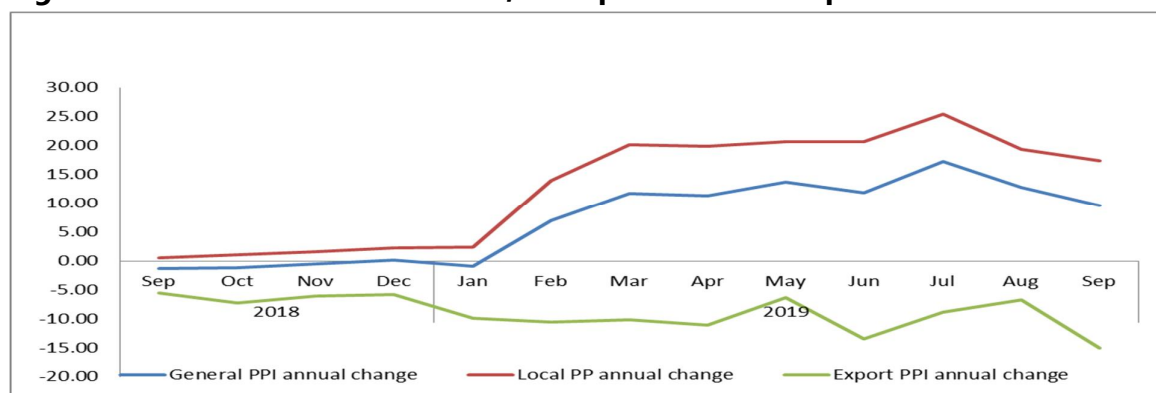
- General Producer Price Index increased by 9.64 percent on annual basis
- Local Producer Price Index increased by 17.48 percent on annual basis
- Export Producer Price Index decreased by 15.06 percent on annual basis
- General Producer Price Index decreased by 2.47 percent on monthly basis
- Local Producer Price Index decreased by 0.75 percent on monthly basis
- Export Producer Price Index decreased by 9.53 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							
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Sep
General PPI annual change	-1.29	-1.21	-0.48	0.13	-0.92	7.01	11.80	11.38	13.75	11.85	17.25	9.64
Local PP annual change	0.55	1.02	1.59	2.28	2.38	13.93	20.24	19.87	20.72	20.65	25.48	17.48
Export PPI annual change	-5.52	-7.25	-6.10	-5.85	-9.85	-10.57	-10.12	-11.04	-6.29	-13.46	-8.80	-15.06
General PPI monthly change	0.37	0.03	0.09	-0.15	-0.98	8.22	4.26	0.06	0.63	-0.96	2.84	-2.47
Local PP monthly change	0.88	0.25	-0.34	0.31	-0.24	11.06	5.06	-0.02	0.65	0.03	3.22	-0.75
Export PPI monthly change	-0.66	-0.53	1.34	-1.43	-2.95	0.12	0.93	0.52	0.66	-4.67	0.21	-9.53

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 Sept.2019		
Level	Index ID	ISIC rev. 4 Description	Weights	on Aug.2019	on Sept.2018
1	R	Rwanda	100	-2.47	9.64
2	RB	Mining and quarrying	96	-5.59	-19.29
2	RC	Manufacturing	714	-3.97	-100
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

In September 2019, General PPI increased by 9.64 percent when compared to the same month of 2018. This is mainly due to an increase of 90.59 percent in price of water supply activities. Prices in manufacturing activities decreased by 1 percent while prices in mining & quarrying decreased by of 19.29 percent.

The monthly general PPI decreased by 2.47 percent compared to August 2019. This was mainly due to a decrease of 5.59 percent and 3.97 percent in prices of 'mining & quarrying' and manufacturing respectively.

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 Sept.2019		
Level	Index ID	ISIC rev. 4 Description	Weights	on Aug.2019	on Sept.2018
1	R	Rwanda	100	-0.75	17.48
2	RC	Manufacturing	749	-1.83	2.27
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 17.48 percent in September 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 2.27 percent in prices of manufacturing.

The monthly local PPI decreased by 0.75 percent compared to August 2019, mainly due to a decrease of 1.83 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.

Table 4: Producer Price Index, Exports Index summary			Percentage change in Sept.2019		
Level	Index ID	ISIC rev. 4 Description	Weights	on Aug.2019	on Sept.2018
1	R	Exports	1000	- 9.53	- 15.06
4	RB0729	Mining of other non-ferrous metal ores	393	- 5.59	- 19.29
6	RC107980	Manufacture of coffee products	268	- 15.13	- 29.57
6	RC107990	Manufacture of tea products	328	- 12.67	- 8.96
4	RC2029	Manufacture of other chemical products n.e.c.	10	- 9.11	4.67
Source: NISR					

Export PPI decreased by 15.06 percent in September 2019 compared to the same month of 2018. This was due to a decrease of 19.29 percent in prices of mining of other non-ferrous metal ores, 29.57 percent in price of manufacturing of coffee and 8.96 percent in price of manufacturing tea.

The monthly export PPI decreased by 9.53 percent compared to August 2019. This was due to a general monthly decrease in prices of main export products.

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 Sep-2019 Contributions 1:				
Level	Categories	Weights	Sep-18	Aug-19	Sep-19	on Aug-2019	on Sep-2018	1 month	12 months
General Index									
1	Rwanda	1000	122.81	141.20	138.56	-2.47	9.64	-2.47	9.64
2	Mining and quarrying	96	138.70	122.99	110.91	-5.59	-19.29	-0.39	-1.95
4	Mining of metal ores	96	138.70	122.99	110.91	-5.59	-19.29	-0.39	-1.95
2	Manufacturing	714	120.24	126.82	125.12	-3.97	-1.00	-2.07	-0.75
4	Manufacture of food products	376	118.29	128.81	125.31	-7.42	-3.63	-2.05	-1.25
4	Manufacture of beverages	174	127.70	127.70	127.70	0.00	0.00	0.00	0.00
4	Manufacture of tobacco products	3	100.00	100.00	100.00	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	Manufacture of leather and related products	24	89.31	89.31	89.31	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	-0.97	0.84	-0.02	0.02
4	Manufacture of rubber and plastics products	11	170.63	174.77	174.77	0.00	2.43	0.00	0.02
4	Manufacture of other non-metallic mineral products	31	110.00	110.45	110.45	0.00	0.41	0.00	0.01
4	equipment	29	124.41	143.48	143.48	0.00	15.32	0.00	0.41
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	12.34
4	Water collection, treatment and supply	129	100.00	190.59	190.59	0.00	90.59	0.00	12.34
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 1: Producer Price Index, Local		Index (Dec 2010=100)			Percentage change in Sep.2019		Contributions 1	
Level	Categories	Weights	Sep- 18	Aug- 19	Sep- 19	on Aug- 2019	on Sep- 2018	1 month 12 months
Local Index								
1 Rwanda		1000	120.40	142.52	141.46	- 0.75	17.48	- 0.75 17.48
2	Manufacturing	749	118.31	123.25	121.00	- 1.83	2.27	- 0.75 1.73
4	Manufacture of food products	305	115.24	124.16	118.77	- 4.34	3.06	- 0.75 0.99
4	Manufacture of beverages	231	127.70	127.70	127.70	0.00	0.00	0.00 0.00
4	Manufacture of tobacco products	4	100.00	100.00	100.00	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	Manufacture of leather and related products	31	89.31	89.31	89.31	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	120.57	120.57	0.00	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 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 15.75
4	Water collection, treatment and supply	171	100.00	190.59	190.59	0.00	90.59	0.00 15.75
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: INSR								
(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, General		Index (Dec 2010=100)			Percentage change in Sep.2019		Contributions to	
Level	Categories	Weights	Sep- 18	Aug- 19	Sep- 2019	on Aug- 2019	on Sep- 2018	1 month 12 months
	General Index							
	1 Exports	1000	128.75	120.88	109.36	- 9.53	- 15.06	- 9.53 - 15.06
	6 Mining of other non-ferrous metal ores	393	129.75	110.91	104.72	- 5.59	- 19.29	- 1.99 - 6.20
	8 Manufacture of coffee products	268	103.44	85.84	72.86	- 15.13	- 29.57	- 3.68 - 6.49
	8 Manufacture of tea products	328	142.65	148.71	129.86	- 12.67	- 8.96	- 3.77 - 2.40
	Manufacture of other chemical products							
	6 n.e.c.	10	132.06	152.08	138.23	- 9.11	4.67	- 0.08 0.04

Source: NISR

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

Contacts:

National Institute of Statistics of Rwanda (NISR),

P.O. BOX 6139 Kigali,

Tel.: +250-788383103 Hot line: 4321,

Web site: www.statistics.gov.rw

E-mail: info@statistics.gov.rw