



Kenya National Bureau of Statistics

PRODUCER PRICE INDEX

SECOND QUARTER 2022 RELEASE

JUNE 2022

PRODUCER PRICE INDEX FOR SECOND QUARTER 2022

The Kenya National Bureau of Statistics hereby releases the Producer Price Index (PPI) for the second quarter 2022. The quarterly producer prices are denoted by the last month of the quarter and are collected as at the middle of the quarter. The second quarter year on year producer inflation was 16.74 per cent in June 2022 compared to 6.43 per cent in June 2021. The index rose from 108.11 in June 2021 to 126.21 in June 2022. Trends in the year on year Producer Price Index (PPI) and producer inflation from June 2019 to June 2022 are depicted in Figure 1 and Table 1. Over the period, inflation was highest in June 2022.

Figure 1: Producer Price Index and Year on Year Inflation Rates

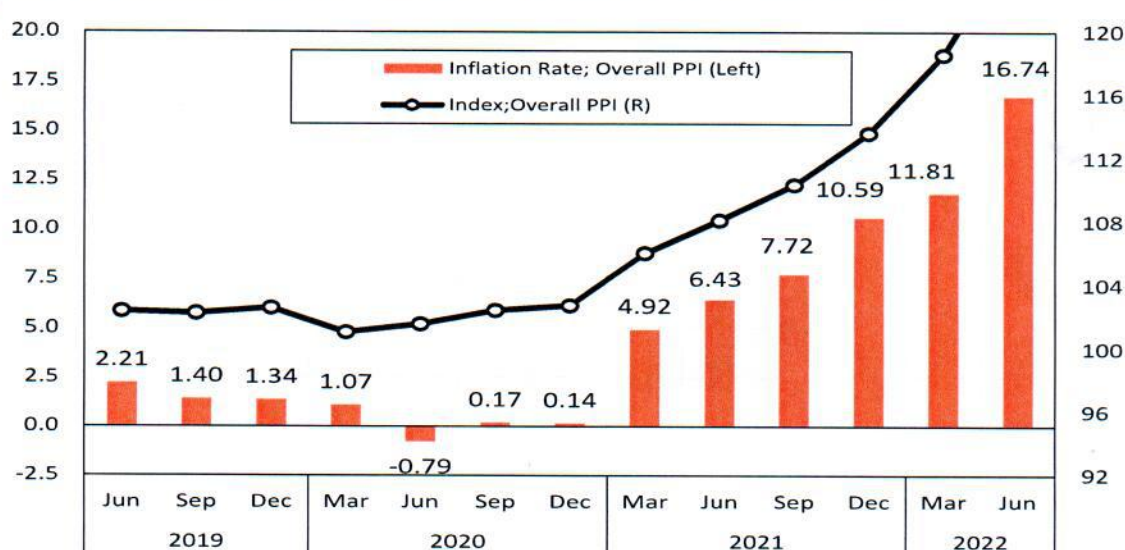


Table 1: Overall PPI and Inflation Rates, June 2019 – June 2022

March 2019 = 100

Year	Quarter ¹ Ending	Producer Price Indices	PPI-Inflation Rate (%)
2019	June	102.39	2.21
	September	102.26	1.40
	December	102.58	1.34
2020	March	101.07	1.07
	June	101.58	-0.79
	September	102.43	0.17
	December	102.73	0.14
2021	March	106.04	4.92
	June	108.11	6.43
	September	110.34	7.72
	December	113.60	10.59
2022	March	118.56	11.81
	June	126.21	16.74

¹ Prices are collected as at the mid of the quarter

The year on year industrial producer inflations from June 2021 to June 2022 by quarter are shown in Table 2. Over the year, the industrial sectors namely: Mining and quarrying; Manufacturing; Electricity, Gas, Steam and Air Conditioning Supply; and Water Supply, Sewerage, Waste Management and Remediation Activities recorded varying changes in production prices. The Mining and Quarrying sector recorded the highest price increase at 32.6 per cent in June 2022 followed by Manufacturing with 18.6 per cent rise. Electricity recorded a price decrease of 3.7 per cent during the same period.

Table 2: Year on Year Industrial Producer Inflation by Sector

Sector	June 2021 / June 2020	Sept 2021 / Sept 2020	Dec 2021 / Dec 2020	Mar 2022 / Mar 2021	June 2022 / June 2021
Mining and quarrying	6.1	7.5	14.6	26.3	32.6
Manufacturing	6.7	7.9	10.9	13.0	18.6
Electricity, gas, steam and air conditioning supply	4.8	6.6	7.5	-2.5	-3.7
Water supply, sewerage, waste management and remediation activities	0.2	1.0	3.2	3.2	2.1

Table 3 shows the quarter to quarter rate of change in producer price indices for the four industrial sectors. Over the second quarter ending June 2022, Mining and Quarrying reported a price increase of 7.9 per cent while Manufacturing increased by 7.1 per cent rise. Water Supply and electricity supply prices remained unchanged during the same period.

Table 3: Quarter to Quarter Rate of Change in Producer Price Indices

Sector	June 2021 / March 2021	Sept 2021 / June 2021	Dec 2021 / Sept 2021	Mar 2022 / Dec 2021	June 2022 / March 2022
Mining and quarrying	2.8	4.3	10.8	6.4	7.9
Manufacturing	2.0	1.9	3.0	5.7	7.1
Electricity, gas, steam and air conditioning supply	1.3	3.4	1.8	-8.5	0.0
Water supply, sewerage, waste management and remediation activities	1.0	0.0	2.1	0.0	0.0

Table 4 presents the percentage changes in producer prices over the same quarter a year ago and between the current quarter and previous quarter. The overall producer prices in June 2022 increased by 6.46 per cent relative to March 2022 prices. Over the same period, manufacture of food products recorded the highest price rise of 10.03 per cent while manufacture of paper had the highest price decline of 1.88 per cent. Over the last one year, the highest price increase was in the mining and quarrying at 38.71 per cent.

Table 4: Percentage Changes of PPI over a Quarter and a Year Ago

March 2019 = 100

2-Digit ISIC	ISIC Descriptions	Weights	% Change over three months ago (June 2022/ Mar 2022)	% Change over a year ago (June 2022/June 2021)
	Mining and Quarrying			
07	Mining of metal ores	1.52	6.83	29.50
08	Mining and Quarrying	0.81	9.96	38.71
	Manufacturing			
10	Manufacture of food products	37.30	10.03	22.23
11	Manufacture of beverages	5.61	-0.01	4.68
12	Manufacture of tobacco products	1.01	8.70	18.63
13	Manufacture of textiles	1.34	6.78	15.52
14	Manufacture of wearing apparel	2.47	10.38	13.64
15	Manufacture of leather and related products	1.10	1.72	6.49
16	Manufacture of wood and of products of wood and cork except furniture	1.02	0.31	1.61
17	Manufacture of paper and paper products	3.74	-1.88	17.95
18	Printing and reproduction of recorded media	2.64	7.06	16.41
20	Manufacture of chemicals and chemical products	6.41	5.24	33.07
21	Manufacture of pharmaceuticals, medicinal chemical and botanical products	1.52	10.12	37.87
22	Manufacture of rubber and plastics products	4.41	6.80	11.05
23	Manufacture of other non-metallic mineral products	5.91	5.80	4.94
24	Manufacture of basic metals	6.99	6.48	22.17
25	Manufacture of fabricated metal products except machinery and equipment	2.02	2.85	9.43
27	Manufacture of electrical equipment	1.30	2.76	13.48
29	Manufacture of motor vehicles	1.92	3.70	4.08
	Electricity, Gas, Steam and Air Conditioning Supply			
35	Electricity	9.23	0.00	-3.72
	Water Supply, Sewerage, Waste Management and Remediation Activities			
36	Water	1.72	0.00	2.11
	Total	100.00	6.46	16.71

Table 5 presents the quarterly Producer Price Indices from June 2021 to June 2022. The overall producer index increased from 108.11 in June 2021 to 126.21 in June 2022.

Table 5: Quarterly Producer Price Indices, June 2021 – June 2022

March 2019 = 100							
2-Digit ISIC	Descriptions	Weights	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22
07	Mining of metal ores	1.519	110.04	113.93	129.22	133.39	142.50
08	Mining and Quarrying	0.809	105.55	111.60	117.92	133.14	146.40
10	Manufacture of food products	37.298	109.87	109.06	115.25	122.04	134.29
11	Manufacture of beverages	5.615	102.69	106.68	107.50	107.50	107.49
12	Manufacture of tobacco products	1.013	112.73	113.14	116.40	123.03	133.72
13	Manufacture of textiles	1.344	109.83	111.24	116.25	121.01	129.22
14	Manufacture of wearing apparel	2.469	104.19	105.29	105.94	107.27	118.40
15	Manufacture of leather and related products	1.102	113.87	116.30	120.76	119.21	121.26
16	Manufacture of wood and of products of wood and cork except furniture	1.021	96.78	94.81	99.09	98.03	98.34
17	Manufacture of paper and paper products	3.738	96.83	98.68	103.33	116.40	114.21
18	Printing and reproduction of recorded media	2.638	106.47	106.47	109.54	115.77	123.95
20	Manufacture of chemicals and chemical products	6.411	112.45	121.79	126.71	142.18	149.63
21	Manufacture of pharmaceuticals, medicinal chemical and botanical products	1.524	115.55	118.48	129.88	144.65	159.30
22	Manufacture of rubber and plastics products	4.407	103.33	103.88	104.67	107.43	114.74
23	Manufacture of other non-metallic mineral products	5.907	109.59	110.18	114.63	108.70	115.00
24	Manufacture of basic metals	6.992	119.05	130.96	119.05	136.58	145.44
25	Manufacture of fabricated metal products except machinery and equipment	2.016	108.60	114.25	117.49	115.55	118.84
27	Manufacture of electrical equipment	1.304	106.11	113.22	112.68	117.18	120.42
29	Manufacture of motor vehicles	1.922	92.79	93.14	89.52	93.14	96.58
35	Electricity	9.229	103.56	107.05	108.98	99.70	99.70
36	Water	1.724	101.52	101.52	103.67	103.67	103.67
Total		100.00	108.11	110.34	113.60	118.56	126.21



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