

PRODUCER PRICE INDEX FIRST QUARTER 2013

Kenya National Bureau of Statistics hereby releases the Producer Price Indices (PPI) for the first quarter of 2013. Producer Price Indices measure the gross changes in the producer prices of products on the domestic and the non-domestic markets, at all stages of processing. The price changes are measured from the perspective of the seller. The PPIs are used as an aspect of output for the seller. The producer prices are collected as at 15th February, 15th May, 15th August and 15th November of the year. These dates corresponds to the first, second, third and fourth quarters respectively.

The PPI data are widely used by both the business community and government, and enable monitoring of prices at different stages of the industrial process.

As shown in Table 1, the Producer Price Indices are grouped according to the International Standards of Industrial Classifications of All Economic Activities (ISIC). In the first quarter of 2013 that is from January 2013 to March 2013, the overall producer prices increased by 1.31 per cent. The ‘year on year’ PPI inflation, i.e. from 1st quarter 2012 to 1st quarter 2013 was 2.6 per cent. In the last three months, Mining and Quarrying index increased by 3.99 per cent while food products rose by 2.77 per cent.

Table 1: Percentage changes over a year and a Quarter ago

2-Digit ISIC			(Year on Year - Percentage change (Mar2013/Mar2 012)	(Quarter 1 Percentage change (Mar 2013/Dec 2012)
	Descriptions	Weights		
10	Manufacture of food products	31.20	5.65	2.77
11	Manufacture of beverages	6.02	-0.43	0.00
12	Manufacture of tobacco products	1.27	3.05	0.39
13	Manufacture of textiles	2.09	3.15	0.90
14	Manufacture of wearing apparel	2.69	0.15	0.00
15	Manufacture of leather and related products	1.13	-0.95	0.30
16	Manufacture of wood and of products of wood and cork except furniture	2.02	2.06	0.00
17	Manufacture of paper and paper products	2.85	-5.28	-1.43
18	Printing and reproduction of recorded media	5.23	0.00	0.00
19	Manufacture of coke and refined petroleum products	8.03	9.67	0.63
20	Manufacture of chemicals and chemical products	5.46	-0.22	-0.20
22	Manufacture of rubber and plastics products	5.04	-0.79	1.75
23	Manufacture of other non-metallic mineral products	4.00	3.54	0.76
24	Manufacture of basic metals	6.01	-5.27	0.41
25	Manufacture of fabricated metal products except machinery and equipment	3.04	-4.83	0.16
29	Manufacture of motor vehicles	1.07	2.09	0.69
35	Electricity	7.95	5.30	1.98
36	Water	0.42	8.59	3.52
08	Mining and Quarrying	1.48	1.16	3.99
31	Manufacture of Furniture	1.69	0.00	0.00
33	Repair and installation of machinery and equipment	1.31	0.00	0.00
	Total	100.00	2.60	1.31

As shown in Table 2, the overall PPI increased from 106.03 recorded in 4th Quarter 2012 to 107.42 in the 1st quarter of 2013 while the year on year index rose by 2.6 per cent from 104.69 in 1st quarter 2012. The Mining and Quarrying index increased from 103.93 recorded in 4th quarter 2012 to 108.08 in 1st quarter 2013 due to rise in the prices of ballast. Food products index increased from 111.45 in 4th quarter 2012 to 114.54 in 1st quarter 2013 mainly due to high producer prices of milk.

Table 2: Producer Price Indices at Division level, Base period June 2011=100

2-Digit ISIC										
	Descriptions	Weights	Jun-11	Sep-11	Dec-11	Mar-12	Jun-12	Sep-12	Dec-12	Mar-13
10	Manufacture of food products	31.20	100.00	106.43	114.43	108.42	110.79	109.68	111.45	114.54
11	Manufacture of beverages	6.02	100.00	109.53	110.56	107.62	108.33	106.52	107.16	107.16
12	Manufacture of tobacco products	1.27	100.00	116.11	115.35	113.52	113.80	116.06	116.53	116.98
13	Manufacture of textiles	2.09	100.00	101.76	105.93	104.37	107.16	107.48	106.70	107.66
14	Manufacture of wearing apparel	2.69	100.00	100.98	101.12	99.56	99.71	99.71	99.71	99.71
15	Manufacture of leather and related products	1.13	100.00	103.46	104.72	103.02	101.78	101.58	101.73	102.04
16	Manufacture of wood and of products of wood and cork except furniture	2.02	100.00	100.00	101.52	102.09	102.66	102.66	104.20	104.20
17	Manufacture of paper and paper products	2.85	100.00	106.08	108.90	107.46	104.62	103.44	103.27	101.79
18	Printing and reproduction of recorded media	5.23	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
19	Manufacture of coke and refined petroleum products	8.03	100.00	101.32	103.30	97.02	102.85	102.85	105.74	106.40
20	Manufacture of chemicals and chemical products	5.46	100.00	104.24	106.51	107.73	105.79	106.70	107.71	107.50
22	Manufacture of rubber and plastics products	5.04	100.00	104.71	107.11	103.33	106.73	104.40	100.75	102.52
23	Manufacture of other non-metallic mineral products	4.00	100.00	104.87	113.16	109.47	111.76	111.76	112.49	113.34
24	Manufacture of basic metals	6.01	100.00	105.55	104.41	104.41	104.41	100.71	98.50	98.91
25	Manufacture of fabricated metal products except machinery and equipment	3.04	100.00	105.30	108.62	103.46	103.15	99.52	98.30	98.46
29	Manufacture of motor vehicles	1.07	100.00	104.73	105.68	110.69	103.38	104.90	112.24	113.01
35	Electricity	7.95	100.00	107.90	108.86	96.32	97.51	97.49	99.46	101.43
36	Water	0.42	100.00	100.00	100.00	100.00	102.51	104.90	104.90	108.59
08	Mining and Quarrying	1.48	100.00	101.51	110.42	106.85	112.24	107.51	103.93	108.08
31	Manufacture of Furniture	1.69	100.00	102.45	102.45	102.45	102.45	102.45	102.45	102.45
33	Repair and installation of machinery and equipment	1.31	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
	Total	100.00	100.00	105.07	108.82	104.69	106.18	105.28	106.03	107.42