



Kenya National Bureau of Statistics

PRODUCER PRICE INDICES

SECOND QUARTER 2026 RELEASE

JUNE 2026

PRODUCER PRICE INDICES FOR THE FIRST QUARTER, 2026

Presented herein by the Kenya National Bureau of Statistics (KNBS) are the Producer Price Indices (PPI) for the second quarter of 2026. The PPI measures changes over time in the prices received by domestic producers for their output and serves as a key indicator of producer-level inflation within the economy.

In June 2026, the year-on-year producer inflation rate was 1.43 per cent, while the Producer Price Index (PPI) stood at 140.19. Figure 1 and Table 1 provide a detailed overview of producer inflation trends and corresponding PPI values spanning March 2023 to June 2026. Within this period, the lowest inflation rate was recorded in March 2025, at -5.67 per cent.

Figure 1: Producer Price Indices and Year on Year Inflation Rates March 2023-June 2026

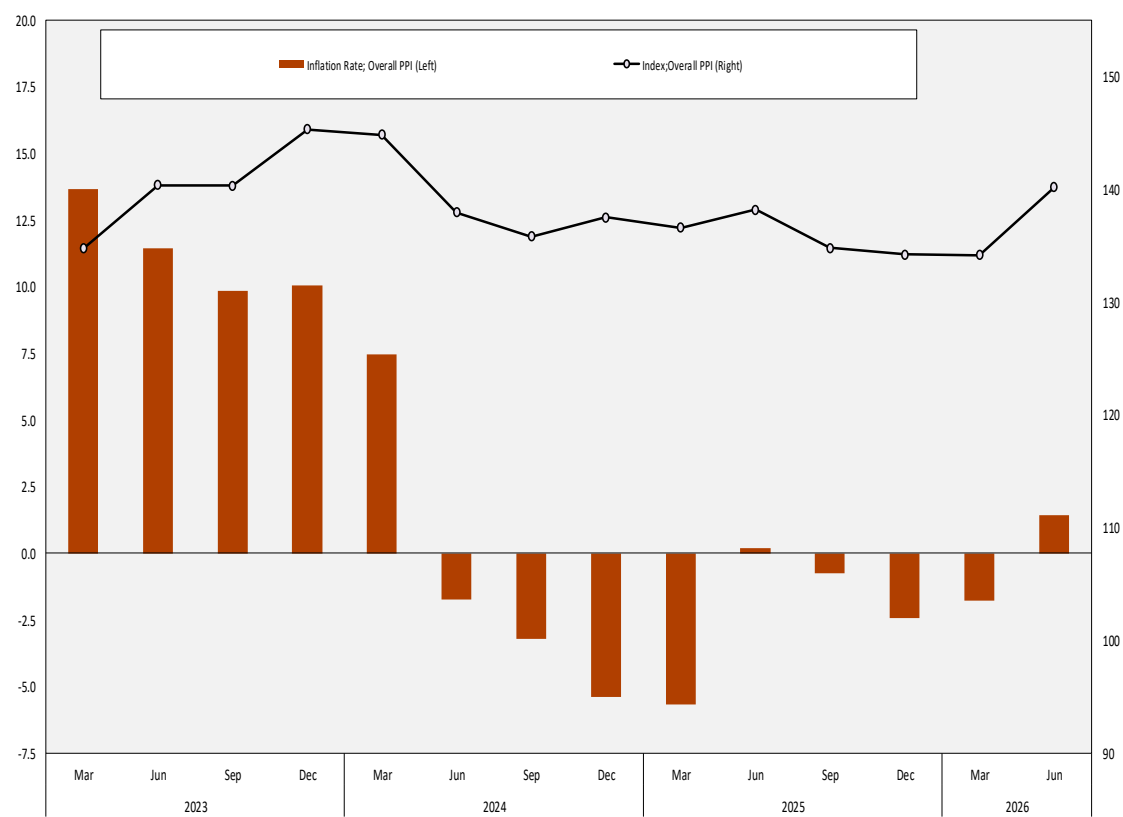


Table 1: Overall PPI and Inflation Rates, March 2023-June 2026

March 2019 = 100			
Year	Quarter ¹ Ending	Producer Price Indices	PPI-YOY Inflation Rate (%)
2023	March	134.76	13.66
	June	140.39	11.44
	September	140.35	9.83
	December	145.32	10.03
2024	March	144.84	7.48
	June	137.95	-1.73
	September	135.85	-3.21
	December	137.56	-5.34
2025	March	136.62	-5.67
	June	138.16	0.15
	September	134.78	-0.79
	December	134.16	-2.44
2026	March	134.15	-1.81
	June	140.19	1.43

¹ Prices are collected as at the mid of the quarter

Table 2 presents the year-on-year industrial producer inflation rates across selected sectors from September 2024 to June 2026. For the year ending June 2026, producer prices rose by 11.86 per cent in the Water Supply; Sewerage, Waste Management, and Remediation Activities sector, 5.52 per cent in Mining and Quarrying, and 2.08 per cent in Manufacturing. In contrast, the Electricity, Gas, Steam, and Air Conditioning Supply sector registered a decline of 7.58 per cent during the review period.

Table 2: Year-on-Year Industrial Producer Inflation rates by Sectors

Sector	Sept 2025 / Sept 2024	December 2025 / December 2024	March 2026 / March 2025	June 2026 / June 2025
Mining and quarrying	-4.48	-3.56	0.00	5.52
Manufacturing	-0.52	-2.89	-2.21	2.08
Electricity, gas, steam and air conditioning supply	-2.03	2.20	1.28	-7.58
Water supply, sewerage, waste management and remediation activities	-2.69	-1.51	0.92	11.86

Between June 2025 and June 2026, producer prices showed varied quarter-on-quarter movements across sectors, as illustrated in Table 3. The Water Supply, Sewerage, Waste Management, and Remediation Activities sector recorded no change between the first and second quarters. The Manufacturing sector registered an increase of 5.46 per cent, while the Mining and Quarrying sector rose by 5.52 per cent between March and June 2026. In contrast, the Electricity, Gas, Steam, and Air Conditioning Supply sector experienced a decline of 4.77 per cent during the review period.

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

Sector	September 2025/ June 2025	December 2025/ September 2025	March 2026/ December 2025	June 2026/ March 2026
Mining and quarrying	0.00	0.00	0.00	5.52
Manufacturing	-2.45	-0.88	0.10	5.46
Electricity, gas, steam and air conditioning supply	-3.50	3.12	-2.47	-4.77
Water supply, sewerage, waste management and remediation activities	0.00	2.60	9.03	0.00

During the first quarter of 2026 and the preceding quarter, producer price changes varied across sectors, as shown in Table 4. Overall, quarter-on-quarter prices rose by 4.47 per cent between March and June 2026. The Manufacture of Rubber and Plastics Products recorded the highest increase at 16.59 per cent, followed by the Other Mining and Quarrying sub-sector at 13.17 per cent. A sharp rise was also observed in the Manufacture of Pharmaceuticals, Medicinal Chemicals, and Botanical Products sector, which surged by 12.60 per cent. In contrast, the Electricity sector registered the largest decline, with producer prices falling by 4.77 per cent during the same period.

On a year-on-year basis, between June 2025 and June 2026, overall producer prices increased by 1.43 per cent. The most significant rise was recorded in the Manufacture of Paper and Paper Products sector, at 15.73 per cent, while the Electricity sector again posted a decline, with prices dropping by 7.58 per cent over the review period.

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 2026/ March 2026)	% Change over a year ago June 2026/June 2025)
	Mining and Quarrying			
7	Mining of metal ores	1.52	0.00	0.00
8	Other Mining and Quarrying	0.81	13.17	13.17
	Manufacturing			
10	Manufacture of food products	37.3	1.59	-1.05
11	Manufacture of beverages	5.61	0.00	-1.74
12	Manufacture of tobacco products	1.01	5.40	2.04
13	Manufacture of textiles	1.34	4.47	3.47
14	Manufacture of wearing apparel	2.47	4.83	9.41
15	Manufacture of leather and related products	1.1	0.00	-3.19
16	Manufacture of wood and of products of wood and cork except furniture	1.02	0.84	-1.71
17	Manufacture of paper and paper products	3.74	10.04	15.73
18	Printing and reproduction of recorded media	2.64	0.00	2.18
20	Manufacture of chemicals and chemical products	6.41	11.21	6.48
21	Manufacture of pharmaceuticals, medicinal chemical and botanical products	1.52	12.60	-1.80
22	Manufacture of rubber and plastics products	4.41	16.59	12.87
23	Manufacture of other non-metallic mineral products	5.91	11.25	8.69
24	Manufacture of basic metals	6.99	11.84	-4.46
25	Manufacture of fabricated metal products except machinery and equipment	2.02	8.33	7.36
27	Manufacture of electrical equipment	1.3	10.61	15.71
29	Manufacture of motor vehicles	1.92	-3.34	-5.53
	Electricity, Gas, Steam and Air Conditioning Supply			
35	Electricity	9.23	-4.77	-7.58
	Water Supply, Sewerage, Waste Management and Remediation Activities			
36	Water	1.72	0.00	11.86
	Total	100	4.47	1.43

The Quarterly Producer Price Indices from June 2025 to June 2026 are as presented in Table 5. Over this period, the overall Producer Price Index increased to 140.19 in the period under review from 134.15 in March 2026, indicating a significant increase in overall producer prices during the period under review.

Table 5: Quarterly Producer Price Indices, June 2025- June 2026

2-Digit ISIC	Descriptions	Weights	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26
7	Mining of metal ores	1.52	127.05	127.05	127.05	127.05	127.05
8	Other Mining and Quarrying	0.81	172.37	172.37	172.37	172.37	195.07
10	Manufacture of food products	37.3	136.60	134.18	131.40	133.04	135.29
11	Manufacture of beverages	5.61	121.80	119.68	119.68	119.68	119.68
12	Manufacture of tobacco products	1.01	154.76	150.99	149.68	149.83	157.91
13	Manufacture of textiles	1.34	125.79	125.59	125.59	124.59	130.16
14	Manufacture of wearing apparel	2.47	119.23	119.23	119.23	124.44	130.46
15	Manufacture of leather and related products	1.1	131.38	128.18	127.06	127.19	127.19
16	Manufacture of wood and of products of wood and cork except furniture	1.02	104.02	101.49	100.60	101.38	102.24
17	Manufacture of paper and paper products	3.74	113.37	118.14	122.58	119.24	131.21
18	Printing and reproduction of recorded media	2.64	123.98	126.56	126.56	126.68	126.68
20	Manufacture of chemicals and chemical products	6.41	209.82	200.92	201.02	200.90	223.41
21	Manufacture of pharmaceuticals, medicinal chemical and botanical products	1.52	127.98	126.30	123.16	111.61	125.68
22	Manufacture of rubber and plastics products	4.41	106.00	103.41	102.51	102.62	119.64
23	Manufacture of other non-metallic mineral products	5.91	165.60	161.62	161.63	161.80	179.99
24	Manufacture of basic metals	6.99	148.97	133.12	133.14	127.27	142.33
25	Manufacture of fabricated metal products except machinery and equipment	2.02	108.11	110.15	107.13	107.13	116.06
27	Manufacture of electrical equipment	1.3	134.01	133.19	134.01	140.19	155.06
29	Manufacture of motor vehicles	1.92	126.76	124.00	124.02	123.90	119.76
35	Electricity	9.23	133.34	128.68	132.69	129.41	123.23
36	Water	1.72	109.50	109.50	112.35	122.49	122.49
	Total	100	138.16	134.78	134.16	134.15	140.19



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