



Kenya National Bureau of Statistics

PRODUCER PRICE INDEX

FIRST QUARTER 2022 RELEASE

MARCH 2022

PRODUCER PRICE INDEX FOR FIRST QUARTER 2022

The Kenya National Bureau of Statistics hereby releases the Producer Price Index (PPI) for the first 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 first quarter year on year producer inflation was 11.21 per cent in March 2022 compared to 4.92 per cent in March 2021. The index rose from 106.04 in March 2021 to 117.93 in March 2022. The year on year Producer Price Index (PPI) and producer inflation from March 2019 to March 2022 are presented in Figure 1 and Table 1. Over the period, inflation was highest in March 2022.

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

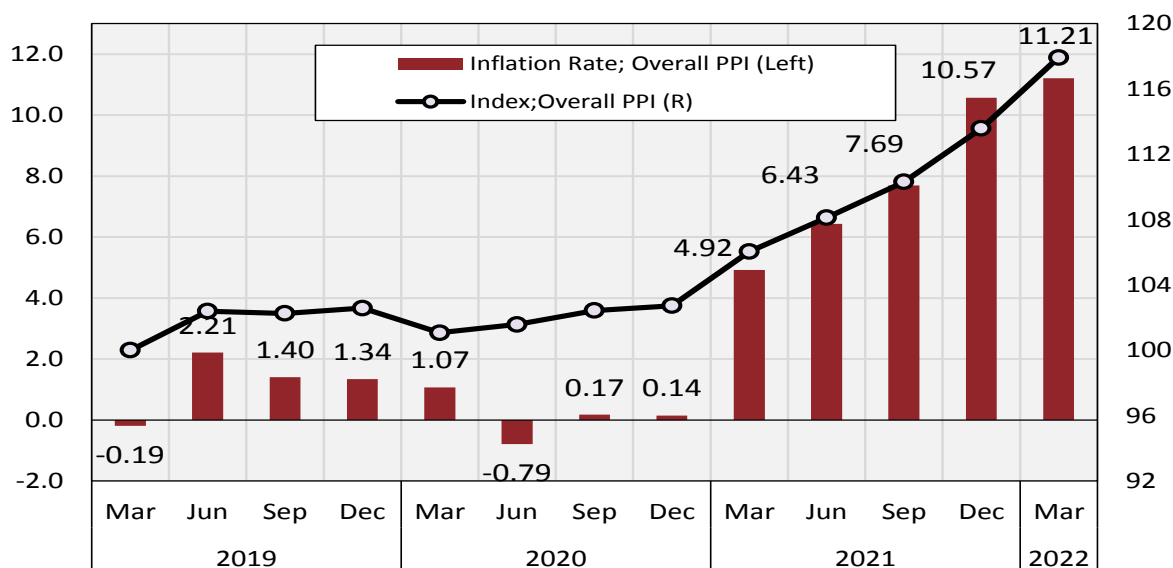


Table 1: Overall PPI and Inflation Rates, March 2019 – March 2022

March 2019 = 100

Year	Quarter ¹ Ending	Producer Price Indices	PPI-Inflation Rate (%)
2019	March	100.00	-0.19
	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	110.32	7.69
	December	113.59	10.57
2022	March	117.93	11.21

¹ Prices are collected as at the mid of the quarter

The year on year industrial producer inflations from March 2021 to March 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 26.3 per cent in March 2022 followed by Manufacturing with a 12.4 per cent rise. Electricity recorded a price decrease of 2.5 per cent during the same period.

Table 2: Year on Year Industrial Producer Inflation by Sector

Sector	Mar 2021 / Mar 2020	June 2021 / June 2020	Sept 2021 / Sept 2020	Dec 2021 / Dec 2020	Mar 2022 / Mar 2021
MINING AND QUARRYING	1.5	6.1	7.5	14.6	26.3
MANUFACTURING	5.2	6.7	7.9	10.9	12.4
ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY	3.6	4.8	6.6	7.5	-2.5
WATER SUPPLY, SEWERAGE, WASTE MANAGEMENT AND REMEDIATION ACTIVITIES	0.5	0.2	1.0	3.2	3.2

Table 3 shows the quarter to quarter rate of change in producer price indices for the four industrial sectors. Over the first quarter ending March 2022, Mining and Quarrying reported the highest increase in producer price of 6.4 per cent followed by Manufacturing with a 5.1 per cent rise. Water Supply price remained unchanged while electricity supply registered a price decrease of 8.5 per cent during the same period.

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

Sector	March 2021 / Dec 2020	June 2021 / March 2021	Sept 2021 / June 2021	Dec 2021 / Sept 2021	Mar 2022 / Dec 2021
Mining and quarrying	-3.4	2.8	4.3	10.8	6.4
Manufacturing	3.7	2.0	1.9	3.0	5.1
Electricity, gas, steam and air conditioning supply	0.9	1.3	3.4	1.8	-8.5
Water supply, sewerage, waste management and remediation activities	0.0	1.0	0.0	2.1	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 March 2022 increased by 3.82 per cent relative to December 2021 prices. Over the same period, mining and quarrying recorded

the highest price rise of 12.90 per cent while electricity had the highest price decline of 8.51 per cent. Over the last one year, the highest price increase was in the manufacture of chemical and chemical products at 35.04 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 (Mar 2022/Dec 2021)	% Change over a year ago (Mar 2021/Mar 2021)
	Mining and Quarrying			
07	Mining of metal ores	1.52	3.23	24.65
08	Mining and Quarrying	0.81	12.90	29.52
	Manufacturing			
10	Manufacture of food products	37.30	5.67	11.26
11	Manufacture of beverages	5.61	0.00	3.86
12	Manufacture of tobacco products	1.01	5.07	17.11
13	Manufacture of textiles	1.34	4.03	15.00
14	Manufacture of wearing apparel	2.47	-0.46	11.60
15	Manufacture of leather and related products	1.10	-0.35	6.48
16	Manufacture of wood and of products of wood and cork except furniture	1.02	-1.76	0.85
17	Manufacture of paper and paper products	3.74	12.32	19.06
18	Printing and reproduction of recorded media	2.64	5.07	8.11
20	Manufacture of chemicals and chemical products	6.41	12.20	35.04
21	Manufacture of pharmaceuticals, medicinal chemical and botanical products	1.52	11.38	23.15
22	Manufacture of rubber and plastics products	4.41	2.64	7.20
23	Manufacture of other non-metallic mineral products	5.91	-5.18	0.35
24	Manufacture of basic metals	6.99	10.00	17.40
25	Manufacture of fabricated metal products except machinery and equipment	2.02	-3.95	12.00
27	Manufacture of electrical equipment	1.30	4.00	16.73
29	Manufacture of motor vehicles	1.92	4.45	-0.67
	Electricity, Gas, Steam and Air Conditioning Supply			
35	Electricity	9.23	-8.51	-2.51
	Water Supply, Sewerage, Waste Management and Remediation Activities			
36	Water	1.72	0.00	3.17
	Total	100.00	3.82	11.21

Table 5 presents the quarterly Producer Price Indices from March 2021 to March 2022. The overall producer index increased from 106.04 in March 2021 to 117.93 in March 2022.

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

March 2019 = 100							
2-Digit ISIC	Descriptions	Weights	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22
07	Mining of metal ores	1.52	107.01	110.04	113.93	129.22	133.39
08	Mining and Quarrying	0.81	102.80	105.55	111.60	117.92	133.14
10	Manufacture of food products	37.30	109.49	109.87	109.06	115.28	121.82
11	Manufacture of beverages	5.61	103.50	102.69	106.68	107.50	107.50
12	Manufacture of tobacco products	1.01	104.44	112.73	113.14	116.42	122.32
13	Manufacture of textiles	1.34	103.32	109.83	109.20	114.21	118.81
14	Manufacture of wearing apparel	2.47	94.50	104.19	105.29	105.94	105.45
15	Manufacture of leather and related products	1.10	113.00	113.87	116.30	120.76	120.33
16	Manufacture of wood and of products of wood and cork except furniture	1.02	96.52	96.78	94.81	99.09	97.34
17	Manufacture of paper and paper products	3.74	97.48	96.83	98.68	103.33	116.06
18	Printing and reproduction of recorded media	2.64	106.47	106.47	106.47	109.55	115.10
20	Manufacture of chemicals and chemical products	6.41	105.28	112.45	121.79	126.71	142.16
21	Manufacture of pharmaceuticals, medicinal chemical and botanical products	1.52	117.47	115.55	118.48	129.88	144.65
22	Manufacture of rubber and plastics products	4.41	100.22	103.33	103.88	104.67	107.43
23	Manufacture of other non-metallic mineral products	5.91	108.32	109.59	110.18	114.63	108.70
24	Manufacture of basic metals	6.99	111.55	119.05	130.96	119.05	130.96
25	Manufacture of fabricated metal products except machinery and equipment	2.02	100.75	108.60	114.25	117.49	112.84
27	Manufacture of electrical equipment	1.30	100.39	106.11	113.22	112.68	117.18
29	Manufacture of motor vehicles	1.92	94.14	92.79	93.14	89.52	93.50
35	Electricity	9.23	102.28	103.56	107.05	108.98	99.70
36	Water	1.72	100.48	101.52	101.52	103.67	103.67
	Total	100.00	106.04	108.11	110.32	113.59	117.93

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