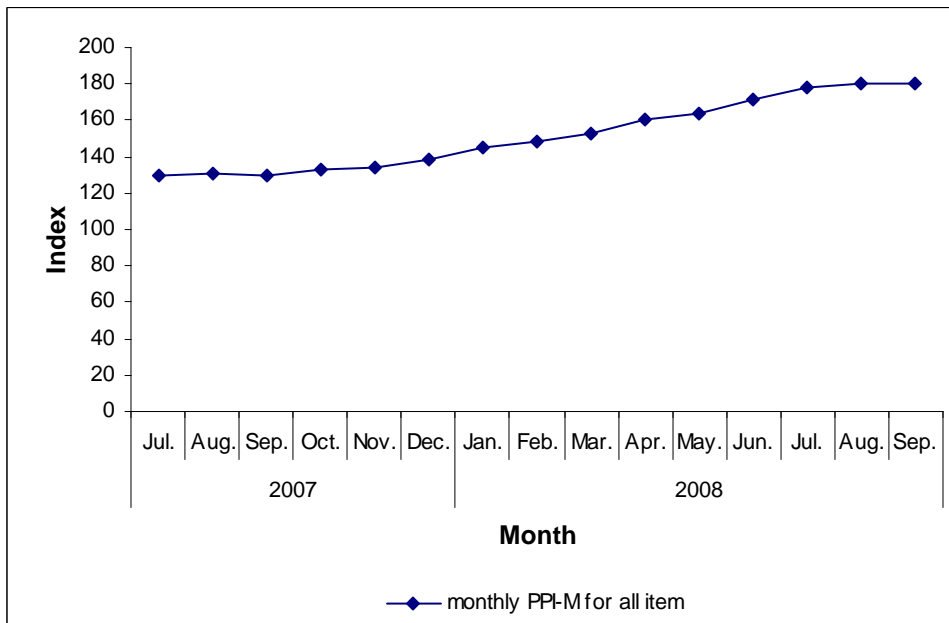


# CENTRAL STATISTICAL AGENCY

## PRODUCER PRICE INDEX FOR MANUFACTURING (PPI-M)

$$I_c = \frac{\sum W_i * \left( \frac{P_{ci}}{P_{oi}} \right)}{\sum W_i} * 100$$



December 2008  
Addis Ababa

**CENTRAL STATISTICAL AGENCY**  
**PRODUCER PRICE INDICES FOR MANUFACTURING (PPI-M)**

*July 2008 to September 2008*

**PPI – Total Manufacturing**

In the Third quarter of 2008, Producer Price Index for Total Manufacturing has increased by 3.7 percent in July, 1.3 percent in August and decreased by 0.2 percent in September, as shown in Table 2 and the corresponding figure (Figure 1). Compared to the previous year’s same quarter, Total Producer Price Indices increased by 37.0 percent, 38.0 and 39.2 percent in July, August and September, respectively. As depicted in Table 3, this increase in producer prices of manufactured products was caused mainly by the rise in producer prices of food products as the same as the previous quarter. As compared to previous year’s same quarter, Producer Price Index increased by 38.0 percent in the Third quarter of 2008 (Table 4).

Figure 1: Monthly Producer Price Indices for all items (compared to the previous month)

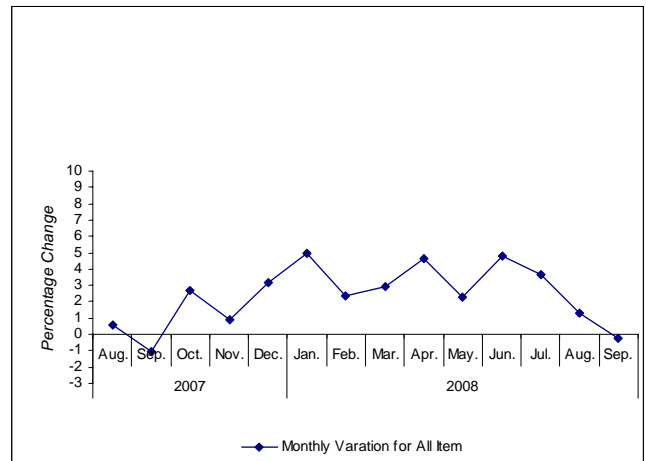
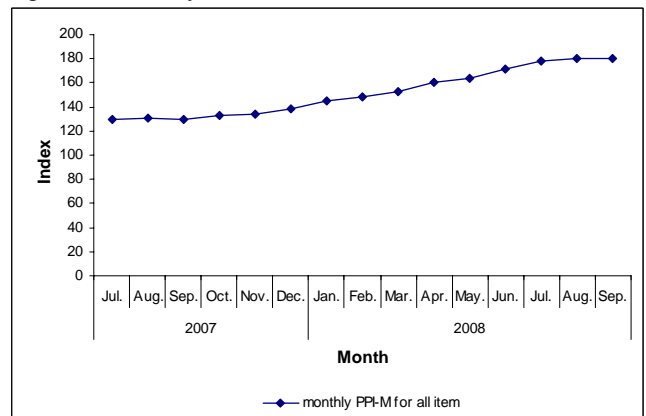


Figure 2: Monthly Producer Price Indices for all items



### **PPI – Food, Beverage and Tobacco**

The producer price indices of food, beverage and tobacco stood at 198.8, 203.4 and 201.1 in July, August and September as depicted in Table 1. Compared to the previous month the index increased at a rate of 3.7 percent in July, 2.3 percent in August and decrease by 1.1 percent in September, respectively (Table 2). As shown in Table 3, compared to the same quarter in 2007, producer price indices exhibited a hike of around 43.3 percent in July, 46.2 percent in August and 48.8 percent in September, respectively. This was mainly attributed to the rise in Grain Mill products and Beer and malt products. The percentage change in producer price indices revealed that there was a 46.1 percent rise in prices of food, beverage and tobacco products in this quarter compared to the previous year's same quarter as shown in Table 4.

### **PPI – Other than Food, Beverage and Tobacco**

The monthly producer price indices for manufacturing products other than food, beverage and tobacco products stood at 164.5, 165.2 and 166.2 in July, August and September, respectively as shown in Table 1. Table 2 shows that, producer price indices increased by 3.8 percent in July, followed by a 0.4 percent in August, and a 0.6 percent increase in September. On the other hand, compared to previous year's same period, producer price indices exhibited a 32.2 percent, 31.9 percent and 32.3 percent rise in July, August and September, respectively (Refer to Table 3). This rise was mainly due to the increase in prices of fabricated metal products except machinery & equipment and basic iron and steel. The percentage change in producer price indices between the corresponding quarters also indicated that there was a 32.1 percent increase in prices of products other than food, beverage and tobacco products as shown in Table 4.

Table 1: Monthly Producer Price indices for Manufacturing, July 2007 to September 2008

Base: First quarter2005=100

SIC code	Description	Weight	2007						2008								
			Jul.	Aug.	Sep.	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<b>15-36</b>	<b>Total Manufacturing-PPI</b>	<b>1000</b>	<b>130.1</b>	<b>130.8</b>	<b>129.5</b>	<b>133.0</b>	<b>134.2</b>	<b>138.4</b>	<b>145.4</b>	<b>148.8</b>	<b>153.1</b>	<b>160.3</b>	<b>163.9</b>	<b>171.8</b>	<b>178.2</b>	<b>180.5</b>	<b>180.2</b>
<b>15</b>	<b>Food , Beverage and Tobacco</b>	<b>401</b>	<b>138.7</b>	<b>139.1</b>	<b>135.2</b>	<b>139.0</b>	<b>141.3</b>	<b>149.2</b>	<b>154.8</b>	<b>160.9</b>	<b>160.2</b>	<b>170.5</b>	<b>176.6</b>	<b>191.7</b>	<b>198.8</b>	<b>203.4</b>	<b>201.1</b>
1514	Vegetable and Animal Oils and Fats	10	146.3	168.0	173.7	176.2	179.8	179.1	187.5	189.6	199.4	201.2	200.5	206.0	205.0	198.7	198.7
1520	Dairy Products	6	147.1	157.7	165.9	170.0	170.0	180.8	180.8	180.8	180.8	189.1	193.2	199.4	207.8	209.2	221.7
1531	Grain Mill Products	49	145.5	145.8	147.8	148.6	154.5	157.5	171.4	190.6	209.1	245.9	276.4	304.1	323.3	300.6	267.8
1541	Bakery Products	21	122.2	122.2	122.2	130.5	131.8	136.4	157.3	157.3	173.5	182.2	184.7	184.7	182.8	171.7	181.2
1542	Sugar	116	173.7	171.2	149.3	151.5	149.3	156.8	170.6	183.3	166.0	170.5	176.7	182.6	176.4	196.7	198.3
1544	Macaroni and Pasta	17	114.9	117.0	117.2	122.8	124.2	128.3	138.7	145.9	158.9	160.9	172.1	181.5	185.2	185.2	185.2
1549	Other Food Products	17	115.8	122.3	127.6	130.3	130.3	130.7	131.2	124.5	124.9	128.8	129.1	130.6	130.6	130.6	131.4
1551	Liquors	8	108.4	108.4	108.4	108.3	108.3	108.3	108.3	108.8	109.8	137.6	137.6	151.2	140.5	140.5	143.7
1553	Beer And Malt	74	122.1	122.1	124.6	136.7	143.4	169.7	158.0	158.0	160.0	176.8	176.8	215.9	247.7	254.8	257.2
1554	Soft drinks and Mineral Water	50	114.6	115.0	124.3	124.2	130.4	130.4	132.7	132.7	132.7	132.7	132.7	139.8	146.0	146.0	146.0
1600	Tobacco	34	117.4	117.4	117.4	117.4	117.4	117.4	117.4	117.4	117.4	117.4	117.4	128.1	128.1	138.8	138.8
<b>17-36</b>	<b>Other than Food, Beverage and Tobacco</b>	<b>599</b>	<b>124.4</b>	<b>125.2</b>	<b>125.7</b>	<b>128.9</b>	<b>129.4</b>	<b>131.2</b>	<b>139.1</b>	<b>140.7</b>	<b>148.4</b>	<b>153.5</b>	<b>155.4</b>	<b>158.4</b>	<b>164.5</b>	<b>165.2</b>	<b>166.2</b>
17	Spinning ,Weaving and Finishing of Textiles	87	106.8	107.3	107.3	112.7	114.5	117.1	122.7	129.9	134.3	135.9	137.5	138.2	142.5	143.1	144.3
18	Wearing Apparel Except Fur Apparel	9	99.2	100.1	100.1	100.1	101.0	101.0	112.4	115.9	117.9	123.1	124.1	124.1	119.8	121.6	121.6
19	Leather and Footwear	79	114.4	116.9	116.7	119.0	117.5	118.4	121.2	122.0	123.4	131.6	130.0	130.4	123.9	122.1	124.4
21-22	Paper , Paper Products and Printing	56	114.2	115.3	116.2	116.8	115.3	120.1	123.1	123.9	124.1	129.5	131.9	133.9	134.6	133.9	136.2
24	Chemical and Chemical Products	67	107.0	108.4	110.1	114.2	115.2	116.9	121.2	122.1	124.5	127.4	127.8	132.2	138.8	139.6	140.7
25	Rubber and Plastic Products	50	120.9	121.9	121.9	126.7	126.7	128.5	132.7	132.7	137.1	139.6	144.6	153.9	163.0	163.1	163.5
26	Other Non-Metallic Mineral products	107	166.4	166.4	166.4	166.6	166.6	166.8	191.2	186.0	214.8	214.5	214.5	215.3	215.2	215.3	215.5
27	Basic Iron and Steel	69	133.2	133.1	134.8	141.5	143.3	147.6	151.5	158.3	164.4	181.8	188.9	191.5	220.7	227.8	227.9
28	Fabricated Metal Products Except Machinery and Equipment	30	126.5	126.5	126.5	131.9	136.6	136.6	144.3	152.6	152.6	161.0	168.5	186.9	214.1	213.3	216.6
34	Bodies for Motor Vehicles ,Trailers and Semi-Trailers	25	107.2	107.2	107.3	109.2	109.2	109.2	112.3	112.3	120.6	123.5	123.5	122.8	122.8	122.8	122.8
20 & 36	Wood and Furniture	21	112.1	115.8	115.9	117.4	117.4	117.4	120.3	120.3	121.1	124.3	124.5	128.5	132.0	132.0	132.6

Table 2: Percentage Change In the PPI-M Over Previous Month ,Aug 2007 to Sep 2008

Base: First Quarter 2005 =100

SIC code	Description	Weight	2007					2008								
			Aug.	Sep.	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<b>15-36</b>	<b>Total Manufacturing-PPI</b>	<b>1000</b>	<b>0.5</b>	<b>-1.0</b>	<b>2.7</b>	<b>0.9</b>	<b>3.2</b>	<b>5.0</b>	<b>2.4</b>	<b>2.9</b>	<b>4.7</b>	<b>2.3</b>	<b>4.8</b>	<b>3.7</b>	<b>1.3</b>	<b>-0.2</b>
<b>15</b>	<b>Food , Beverage and Tobacco</b>	<b>401</b>	<b>0.3</b>	<b>-2.9</b>	<b>2.8</b>	<b>1.6</b>	<b>5.6</b>	<b>3.7</b>	<b>3.9</b>	<b>-0.5</b>	<b>6.4</b>	<b>3.6</b>	<b>8.5</b>	<b>3.7</b>	<b>2.3</b>	<b>-1.1</b>
1514	Vegetable and Animal Oils	10	14.8	3.4	1.5	2.1	-0.4	4.7	1.1	5.2	0.9	-0.4	2.7	-0.5	-3.1	0.0
1520	Dairy Products	6	7.2	5.2	2.5	0.0	6.3	0.0	0.0	0.0	4.6	2.2	3.2	4.2	0.7	6.0
1531	Grain Mill Products	49	0.2	1.4	0.5	3.9	1.9	8.9	11.1	9.7	17.6	12.4	10.0	6.3	-7.0	-10.9
1541	Bakery Products	21	0.0	0.0	6.8	1.0	3.5	15.4	0.0	10.3	5.0	1.4	0.0	-1.0	-6.1	5.5
1542	Sugar	116	-1.4	-12.8	1.5	-1.4	5.0	8.8	7.4	-9.4	2.7	3.6	3.4	-3.4	11.5	0.8
1544	Macaroni and Pasta	17	1.8	0.2	4.7	1.2	3.3	8.1	5.2	8.9	1.2	7.0	5.5	2.0	0.0	0.0
1549	Other Food Products	17	5.6	4.3	2.1	0.0	0.3	0.4	-5.2	0.4	3.1	0.2	1.2	0.0	0.0	0.6
1551	Liquors	8	0.0	0.0	0.0	0.0	0.0	0.0	0.4	0.9	25.3	0.0	9.9	-7.1	0.0	2.3
1553	Beer And Malt	74	0.0	2.1	9.7	4.9	18.4	-6.9	0.0	1.3	10.4	0.0	22.2	14.7	2.9	1.0
1554	Soft drinks and Mineral Water	50	0.4	8.1	-0.1	4.9	0.0	1.8	0.0	0.0	0.0	0.0	5.4	4.4	0.0	0.0
1600	Tobacco	34	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	9.2	0.0	8.3	0.0
<b>17-36</b>	<b>Other than Food, Beverage and Tobacco</b>	<b>599</b>	<b>0.7</b>	<b>0.4</b>	<b>2.6</b>	<b>0.4</b>	<b>1.4</b>	<b>6.0</b>	<b>1.2</b>	<b>5.5</b>	<b>3.4</b>	<b>1.3</b>	<b>2.0</b>	<b>3.8</b>	<b>0.4</b>	<b>0.6</b>
17	Spinning ,Weaving and Finishing of Textiles	87	0.4	0.0	5.0	1.5	2.3	4.7	5.9	3.4	1.2	1.2	0.5	3.1	0.5	0.9
18	Wearing Apparel Except Fur Apparel	9	0.9	0.0	0.0	0.9	0.0	11.3	3.1	1.8	4.4	0.8	0.0	-3.5	1.5	0.0
19	Leather and Footwear	79	2.2	-0.1	1.9	-1.3	0.7	2.4	0.7	1.1	6.7	-1.2	0.3	-5.0	-1.4	1.8
21-22	Paper , Paper Products and Printing	56	1.0	0.8	0.5	-1.3	4.2	2.5	0.7	0.1	4.3	1.9	1.5	0.5	-0.5	1.7
24	Chemical and Chemical Products	67	1.3	1.5	3.8	0.9	1.4	3.6	0.7	2.0	2.3	0.3	3.4	5.0	0.6	0.8
25	Rubber and Plastic Products	50	0.8	0.0	3.9	0.0	1.4	3.3	0.0	3.3	1.8	3.5	6.5	5.9	0.0	0.2
26	Other Non-Metallic Mineral products	107	0.0	0.0	0.2	0.0	0.1	14.6	-2.7	15.5	-0.1	0.0	0.4	-0.1	0.1	0.1
27	Basic Iron and Steel	69	-0.1	1.3	4.9	1.3	3.0	2.6	4.5	3.9	10.5	3.9	1.4	15.2	3.2	0.0
28	Fabricated Metal Products Except Machinery and Equipment	30	0.0	0.0	4.3	3.5	0.0	5.7	5.8	0.0	5.5	4.6	10.9	14.5	-0.4	1.5
34	Bodies for Motor Vehicles ,Trailers and Semi-Trailers	25	0.0	0.1	1.8	0.0	0.0	2.8	0.0	7.4	2.4	0.0	-0.5	0.0	0.0	0.0
20 & 36	Wood and Furniture	21	3.3	0.1	1.3	0.0	0.0	2.5	0.0	0.7	2.6	0.2	3.2	2.7	0.0	0.5

Table 3: Percentage Change in the PPI-M Relative to Same Month of Previous Year Third quarter 2007 to Third quarter 2008

Base: First Quarter 2005 =100

SIC code	Description	Weight	2007			2008			percentage change (%) from		
			Jul	Aug	Sep	Jul	Aug	Sep	Jul.-08/ Jul.- 07	Aug.-08/ Aug.-07	Sep.-08/ Sep.-07
<b>15-36</b>	<b>Total Manufacturing-PPI</b>	<b>1000</b>	<b>130.1</b>	<b>130.8</b>	<b>129.5</b>	<b>178.2</b>	<b>180.5</b>	<b>180.2</b>	<b>37.0</b>	<b>38.0</b>	<b>39.2</b>
<b>15</b>	<b>Food , Beverage and Tobacco</b>	<b>401</b>	<b>138.7</b>	<b>139.1</b>	<b>135.2</b>	<b>198.8</b>	<b>203.4</b>	<b>201.1</b>	<b>43.3</b>	<b>46.2</b>	<b>48.8</b>
1514	Vegetable and Animal Oils	10	146.3	168.0	173.7	205.0	198.7	198.7	40.1	18.3	14.4
1520	Dairy Products	6	147.1	157.7	165.9	207.8	209.2	221.7	41.3	32.7	33.6
1531	Grain Mill Products	49	145.5	145.8	147.8	323.3	300.6	267.8	122.2	106.2	81.1
1541	Bakery Products	21	122.2	122.2	122.2	182.8	171.7	181.2	49.6	40.5	48.2
1542	Sugar	116	173.7	171.2	149.3	176.4	196.7	198.3	1.6	14.9	32.8
1544	Macaroni and Pasta	17	114.9	117.0	117.2	185.2	185.2	185.2	61.1	58.3	57.9
1549	Other Food Products	17	115.8	122.3	127.6	130.6	130.6	131.4	12.8	6.8	3.0
1551	Liquors	8	108.4	108.4	108.4	140.5	140.5	143.7	29.6	29.6	32.6
1553	Beer And Malt	74	122.1	122.1	124.6	247.7	254.8	257.2	102.9	108.7	106.4
1554	Soft drinks and Mineral Water	50	114.6	115.0	124.3	146.0	146.0	146.0	27.4	26.9	17.4
1600	Tobacco	34	117.4	117.4	117.4	128.1	138.8	138.8	9.2	18.3	18.3
<b>17-36</b>	<b>Other than Food, Beverage and Tobacco</b>	<b>599</b>	<b>124.4</b>	<b>125.2</b>	<b>125.7</b>	<b>164.5</b>	<b>165.2</b>	<b>166.2</b>	<b>32.2</b>	<b>31.9</b>	<b>32.3</b>
17	Spinning ,Weaving and Finishing of Textiles	87	106.8	107.3	107.3	142.5	143.1	144.3	33.3	33.4	34.5
18	Wearing Apparel Except Fur Apparel	9	99.2	100.1	100.1	119.8	121.6	121.6	20.7	21.5	21.5
19	Leather and Footwear	79	114.4	116.9	116.7	123.9	122.1	124.4	8.3	4.5	6.5
21-22	Paper , Paper Products and Printing	56	114.2	115.3	116.2	134.6	133.9	136.2	17.9	16.2	17.2
24	Chemical and Chemical Products	67	107.0	108.4	110.1	138.8	139.6	140.7	29.7	28.8	27.8
25	Rubber and Plastic Products	50	120.9	121.9	121.9	163.0	163.1	163.5	34.8	33.8	34.1
26	Other Non-Metallic Mineral products	107	166.4	166.4	166.4	215.2	215.3	215.5	29.3	29.4	29.5
27	Basic Iron and Steel	69	133.2	133.1	134.8	220.7	227.8	227.9	65.7	71.1	69.0
28	Fabricated Metal Products Except Machinery and Equipment	30	126.5	126.5	126.5	214.1	213.3	216.6	69.3	68.7	71.3
34	Bodies for Motor Vehicles ,Trailers and Semi-Trailers	25	107.2	107.2	107.3	122.8	122.8	122.8	14.6	14.6	14.5
20 & 36	Wood and Furniture	21	112.1	115.8	115.9	132.0	132.0	132.6	17.7	14.0	14.4

Table 4: Quarterly Producer Price Indices for Manufacturing ,July 2007 to Sep 2008

Base: First Quarter 2005 =100

SIC code	Description	Weight	2007			2008		percentage change (%) from	
			3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	3rdQtr/08 to 2ndQtr/08	3rd Qtr/08 to 3rd Qtr/07
<b>15-36</b>	<b>Total Manufacturing-PPI</b>	<b>1000</b>	<b>130.1</b>	<b>135.2</b>	<b>149.1</b>	<b>165.3</b>	<b>179.6</b>	<b>8.7</b>	<b>38.0</b>
<b>15</b>	<b>Food , Beverage and Tobacco</b>	<b>401</b>	<b>137.7</b>	<b>143.2</b>	<b>158.6</b>	<b>179.6</b>	<b>201.1</b>	<b>12.0</b>	<b>46.1</b>
1514	Vegetable and Animal Oils	10	162.6	178.4	192.2	202.6	200.8	-0.9	23.5
1520	Dairy Products	6	156.9	173.6	180.8	193.9	212.9	9.8	35.7
1531	Grain Mill Products	49	146.4	153.5	190.4	275.5	297.2	7.9	103.1
1541	Bakery Products	21	122.2	132.9	162.7	183.9	178.6	-2.9	46.1
1542	Sugar	116	164.7	152.5	173.3	176.6	190.5	7.9	15.6
1544	Macaroni and Pasta	17	116.4	125.1	147.9	171.5	185.2	8.0	59.1
1549	Other Food Products	17	121.9	130.4	126.9	129.5	130.9	1.1	7.4
1551	Liquors	8	108.4	108.3	109.0	142.2	141.5	-0.4	30.6
1553	Beer And Malt	74	122.9	150.0	158.7	189.8	253.2	33.4	106.0
1554	Soft drinks and Mineral Water	50	118.0	128.3	132.7	135.1	146.0	8.1	23.7
1600	Tobacco	34	117.4	117.4	117.4	121.0	135.3	11.8	15.3
<b>17-36</b>	<b>Other than Food, Beverage and Tobacco</b>	<b>599</b>	<b>125.1</b>	<b>129.9</b>	<b>142.7</b>	<b>155.8</b>	<b>165.3</b>	<b>6.1</b>	<b>32.1</b>
17	Spinning ,Weaving and Finishing of Textiles	87	107.2	114.8	128.9	137.2	143.3	4.4	33.7
18	Wearing Apparel Except Fur Apparel	9	99.8	100.7	115.4	123.8	121.0	-2.2	21.2
19	Leather and Footwear	79	116.0	118.3	122.2	130.7	123.5	-5.5	6.4
21-22	Paper , Paper Products and Printing	56	115.2	117.4	123.7	131.8	134.9	2.4	17.1
24	Chemical and Chemical Products	67	108.5	115.4	122.6	129.1	139.7	8.2	28.7
25	Rubber and Plastic Products	50	121.6	127.3	134.2	146.0	163.2	11.7	34.2
26	Other Non-Metallic Mineral products	107	166.4	166.7	197.3	214.8	215.3	0.3	29.4
27	Basic Iron and Steel	69	133.7	144.1	158.1	187.4	225.4	20.3	68.6
28	Fabricated Metal Products Except Machinery and Equipment	30	126.5	135.0	149.8	172.1	214.7	24.7	69.7
34	Bodies for Motor Vehicles ,Trailers and Semi-Trailers	25	107.2	109.2	115.0	123.3	122.8	-0.3	14.5
20 & 36	Wood and Furniture	21	114.6	117.4	120.6	125.8	132.2	5.1	15.3