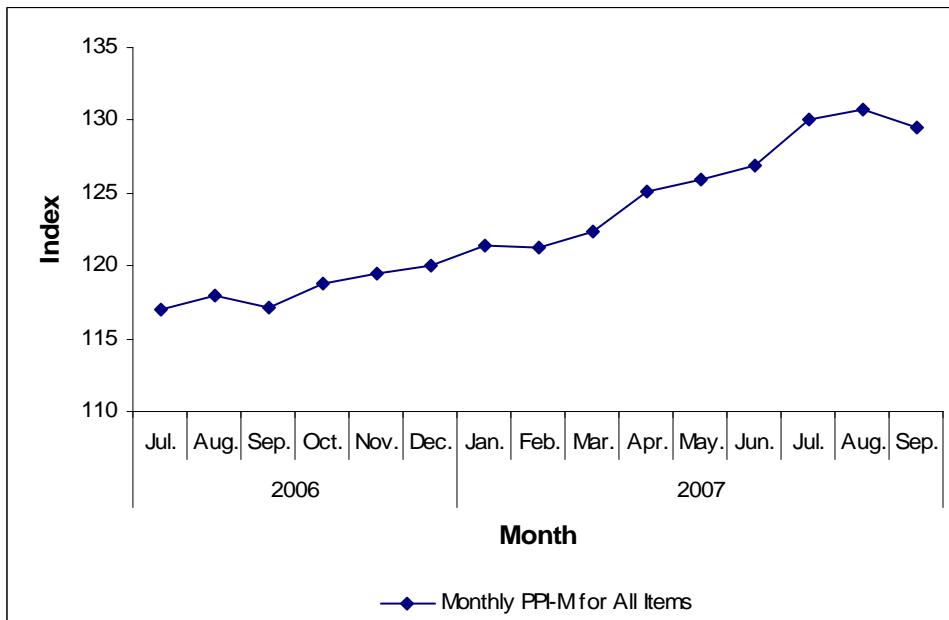


# CENTRAL STATISTICAL AGENCY

## 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 2007  
Addis Ababa

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

*July 2007 to September 2007*

**PPI – Total Manufacturing**

In the Third quarter of 2007, Producer Price Index for Total Manufacturing has increased by 2.6 percent in July, followed by a 0.5 percent increase in August, and it shows a decrease by -1.0 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 11.2 percent, and 10.9 percent in July and August, followed by 10.6 percent increase in September. As depicted in Table 3, this increase in producer prices of manufactured products was contributed mainly by the rise in producer prices of food products. As compared to previous year’s same quarter, Producer Price Index increased by 10.9 percent in the first quarter of 2007 (Table 4).

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

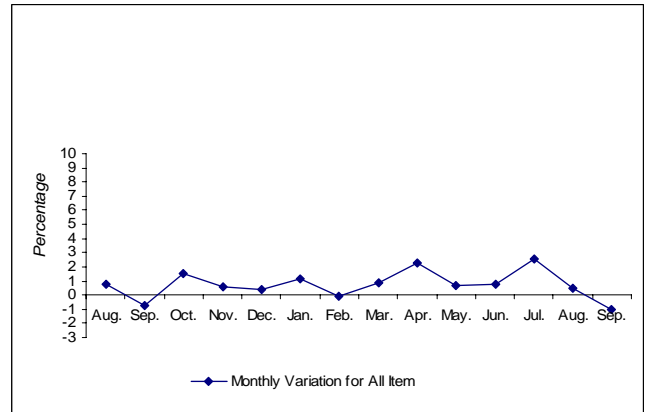
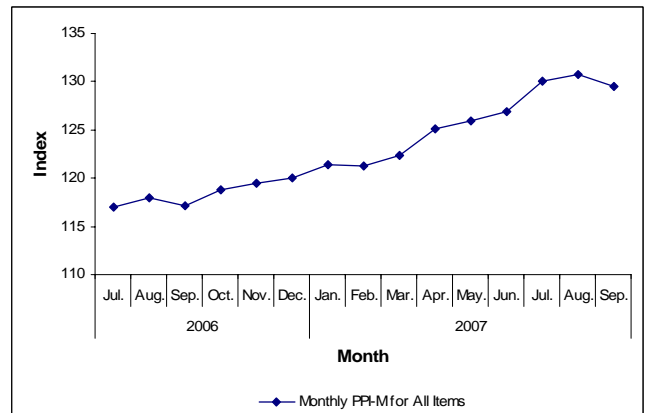


Figure 2: Monthly Producer Price Indices for all items



**PPI – Food, Beverage and Tobacco**

The producer price indices of food, beverage and tobacco stood at 130.1, 130.8 and 129.5 in July, August and September as depicted in Table 1. Compared to the previous month the index increased at a rate of 4.5 percent in July, 0.3 percent in August and decreased by -2.9 percent in September respectively (Table 2). As shown in Table 3 compared to the same quarter in 2006, producer price indices exhibited a hike of around 10.6 percent in July, 10.6 percent in August and 9.9 percent in September, respectively. This was mainly attributed to the rise in prices vegetable and animal oil and Dairy products. The percentage change in producer price indices revealed that there was a 10.4 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 124.4, 125.2 and 125.7 in July, August, and September, as shown in Table 1. Table 2 shows that, producer price indices increased by 1.1 percent in July, followed by a 0.7 percent in August, and a 0.4 percent increase in September. On the other hand, compared to previous year's same period, producer price indices exhibited a 11.6 percent, 11.1 percent and 11.1 percent rise in July, August, and September, respectively (Refer to Table 3). This rise was mainly due to the increase in prices of non-metallic mineral products mainly cement. The percentage change in producer prices indices between the corresponding quarters also indicated that there was a 11.3 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 2006 to September 2007

Base: First quarter 2005=100

SIC code	Description	Weight	2006						2007								
			Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May.	Jun.	Jul.	Aug.	Sep.
15-36	Total Manufacturing-PPI	1000	117.0	118.0	117.1	118.8	119.5	120.0	121.4	121.2	122.3	125.1	125.9	126.9	130.1	130.8	129.5
15	Food , Beverage and Tobacco	401	125.4	125.8	123.0	124.8	125.4	125.8	126.9	127.4	129.5	131.9	132.4	132.7	138.7	139.1	135.2
1514	Vegetable and Animal Oils and Fats	10	94.4	98.2	101.0	102.2	102.3	108.8	109.7	111.4	115.8	127.1	134.7	139.6	146.3	168.0	173.7
1520	Dairy Products	6	117.8	120.7	120.7	122.3	122.3	122.3	123.2	123.2	123.2	145.4	145.4	147.1	147.1	157.7	165.9
1531	Grain Mill Products	49	129.9	131.4	131.4	131.2	131.5	132.1	135.1	138.5	138.4	141.2	142.9	142.9	145.5	145.8	147.8
1541	Bakery Products	21	105.6	106.7	106.7	108.5	108.5	108.5	111.9	112.4	114.7	112.8	112.8	112.8	122.2	122.2	122.2
1542	Sugar	116	163.7	163.6	153.8	158.4	157.1	157.4	152.2	152.1	154.4	157.9	158.2	158.3	173.7	171.2	149.3
1544	Macaroni and Pasta	17	104.7	104.7	104.7	105.4	105.4	106.4	108.4	109.5	111.5	123.6	123.8	123.8	114.9	117.0	117.2
1549	Other Food Products	17	108.2	108.2	108.6	108.3	108.5	108.5	105.9	105.9	111.3	111.3	111.3	114.5	115.8	122.3	127.6
1551	Liquors	8	100.8	102.0	102.0	103.0	104.7	105.0	105.0	105.0	105.0	105.0	105.0	105.0	108.4	108.4	108.4
1553	Beer And Malt	74	106.6	106.6	106.6	108.0	108.0	108.0	114.1	114.1	117.7	117.9	117.9	117.9	122.1	122.1	124.6
1554	Soft drinks and Mineral Water	50	108.5	108.5	108.5	108.5	108.5	108.5	112.2	112.2	114.1	114.5	114.5	114.5	114.6	115.0	124.3
1600	Tobacco	34	100.5	100.5	100.5	100.5	112.0	112.0	117.4	117.4	117.4	117.4	117.4	117.4	117.4	117.4	117.4
17-36	Other than Food, Beverage and Tobacco	599	111.4	112.8	113.1	114.9	115.6	116.0	117.7	117.1	117.5	120.5	121.6	123.0	124.4	125.2	125.7
17	Spinning ,Weaving and Finishing of Textiles	87	101.7	101.7	101.6	102.8	102.2	102.6	102.4	102.4	102.4	106.8	106.6	106.5	106.8	107.3	107.3
18	Wearing Apparel Except Fur Apparel	9	104.8	104.8	104.8	104.2	104.2	104.7	94.0	94.1	95.0	95.5	95.5	95.5	99.2	100.1	100.1
19	Leather and Footwear	79	103.7	103.3	103.8	106.4	106.5	106.3	107.0	106.7	108.7	111.1	111.1	111.1	114.4	116.9	116.7
21-22	Paper , Paper Products and Printing	56	108.7	108.4	108.5	109.1	109.9	111.9	110.8	111.0	111.3	110.4	109.1	110.9	114.2	115.3	116.2
24	Chemical and Chemical Products	67	101.8	102.0	102.4	101.6	103.1	102.8	102.5	102.7	102.4	103.3	103.5	104.1	107.0	108.4	110.1
25	Rubber and Plastic Products	50	108.4	110.8	112.3	113.9	115.4	115.4	115.9	115.9	115.9	116.6	119.7	119.7	120.9	121.9	121.9
26	Other Non-Metallic Mineral products	107	136.2	143.9	144.5	149.6	151.7	151.7	164.9	159.0	158.4	162.4	162.4	165.9	166.4	166.4	166.4
27	Basic Iron and Steel	69	113.3	111.4	111.4	111.9	111.9	114.5	115.1	115.9	117.6	123.9	131.7	133.7	133.2	133.1	134.8
28	Fabricated Metal Products Except Machinery and Equipment	30	107.0	107.4	108.0	109.1	110.0	110.0	110.0	110.0	113.6	117.3	118.5	124.8	126.5	126.5	126.5
34	Bodies for Motor Vehicles ,Trailers and Semi-Trailers	25	107.9	107.9	107.9	108.2	108.4	108.4	93.5	103.1	100.6	107.6	107.6	107.6	107.2	107.2	107.3
20 & 36	Wood and Furniture	21	108.0	108.3	108.3	110.9	110.1	110.1	110.3	110.3	110.3	110.3	110.3	110.6	112.1	115.8	115.9

Table 2: Percentage Change In the PPI-M Over Previous Month ,August 2006 to September 2007

Base: First Quarter 2005 =100

SIC code	Description	Weight	2006				2007									
			Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May.	Jun.	Jul.	Aug.	Sep.
15-36	Total Manufacturing-PPI	1000	0.8	-0.8	1.5	0.6	0.4	1.2	-0.1	0.9	2.2	0.7	0.8	2.6	0.5	-1.0
15	Food , Beverage and Tobacco	401	0.3	-2.2	1.4	0.5	0.3	0.9	0.4	1.6	1.9	0.4	0.2	4.5	0.3	-2.9
1514	Vegetable and Animal Oils	10	4.1	2.8	1.2	0.0	6.4	0.8	1.5	3.9	9.8	6.0	3.7	4.8	14.8	3.4
1520	Dairy Products	6	2.5	0.0	1.3	0.0	0.0	0.7	0.0	0.0	18.0	0.0	1.2	0.0	7.2	5.2
1531	Grain Mill Products	49	1.1	0.0	-0.1	0.2	0.5	2.3	2.5	-0.1	2.0	1.2	0.0	1.8	0.2	1.4
1541	Bakery Products	21	1.1	0.0	1.6	0.0	0.0	3.2	0.4	2.1	-1.7	0.0	0.0	8.4	0.0	0.0
1542	Sugar	116	-0.1	-6.0	3.0	-0.8	0.2	-3.3	-0.1	1.5	2.3	0.2	0.0	9.7	-1.4	-12.8
1544	Macaroni and Pasta	17	0.0	0.0	0.7	0.0	0.9	1.9	1.0	1.8	10.9	0.2	0.0	-7.1	1.8	0.2
1549	Other Food Products	17	0.0	0.4	-0.3	0.2	0.0	-2.4	0.0	5.0	0.0	0.0	2.9	1.1	5.6	4.3
1551	Liquors	8	1.2	0.0	1.0	1.6	0.3	0.0	0.0	0.0	0.0	0.0	0.0	3.2	0.0	0.0
1553	Beer And Malt	74	0.0	0.0	1.3	0.0	0.0	5.7	0.0	3.1	0.2	0.0	0.0	3.5	0.0	2.1
1554	Soft drinks and Mineral Water	50	0.0	0.0	0.0	0.0	0.0	3.4	0.0	1.7	0.4	0.0	0.0	0.1	0.4	8.1
1600	Tobacco	34	0.0	0.0	0.0	11.4	0.0	4.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
17-36	Other than Food, Beverage and Tobacco	599	1.2	0.3	1.5	0.6	0.4	1.4	-0.5	0.4	2.5	0.9	1.1	1.1	0.7	0.4
17	Spinning ,Weaving and Finishing of Textiles	87	0.0	-0.1	1.2	-0.6	0.3	-0.1	0.0	0.0	4.3	-0.1	-0.1	0.3	0.4	0.0
18	Wearing Apparel Except Fur Apparel	9	0.0	0.0	-0.6	0.0	0.5	-10.2	0.1	1.0	0.5	0.0	0.0	4.0	0.9	0.0
19	Leather and Footwear	79	-0.4	0.5	2.5	0.1	-0.2	0.6	-0.2	1.8	2.2	0.0	0.0	2.9	2.2	-0.1
21-22	Paper , Paper Products and Printing	56	-0.3	0.1	0.6	0.7	1.8	-1.0	0.1	0.2	-0.7	-1.2	1.6	2.9	1.0	0.8
24	Chemical and Chemical Products	67	0.2	0.4	-0.8	1.4	-0.3	-0.3	0.2	-0.3	0.8	0.2	0.6	2.8	1.3	1.5
25	Rubber and Plastic Products	50	2.2	1.4	1.3	1.4	0.0	0.4	0.0	0.0	0.6	2.7	0.0	1.0	0.8	0.0
26	Other Non-Metallic Mineral products	107	5.7	0.4	3.6	1.4	0.0	8.7	-3.5	-0.4	2.5	0.0	2.1	0.3	0.0	0.0
27	Basic Iron and Steel	69	-1.7	0.0	0.5	0.0	2.3	0.6	0.7	1.5	5.3	6.3	1.5	-0.4	-0.1	1.3
28	Fabricated Metal Products Except Machinery and Equipment	30	0.3	0.6	1.0	0.8	0.0	0.0	0.0	3.2	3.3	1.0	5.3	1.4	0.0	0.0
34	Bodies for Motor Vehicles ,Trailers and Semi-Trailers	25	0.0	0.0	0.3	0.2	0.0	-13.7	10.3	-2.4	6.9	0.0	0.0	-0.3	0.0	0.1
20 & 36	Wood and Furniture	21	0.2	0.0	2.4	-0.7	0.0	0.2	0.0	0.0	0.0	0.0	0.2	1.4	3.3	0.1

Table 3: Percentage Change In the PPI-M Relative to Same Month of Previous Year Third quarter 2006 to Third quarter 2007

Base: First Quarter 2005 =100

SIC code	Description	Weight	2006			2007			percentage change (%) from		
			Jul.	Aug.	Sep.	Jul.	Aug.	Sep.	Jul.-07 / Jul.-06	Aug.-07 / Aug.-06	Sep.-07 / Sep.-06
15-36	Total Manufacturing-PPI	1000	117.0	118.0	117.1	130.1	130.8	129.5	11.2	10.9	10.6
15	Food , Beverage and Tobacco	401	125.4	125.8	123.0	138.7	139.1	135.2	10.6	10.6	9.9
1514	Vegetable and Animal Oils	10	94.4	98.2	101.0	146.3	168.0	173.7	54.9	71.0	71.9
1520	Dairy Products	6	117.8	120.7	120.7	147.1	157.7	165.9	24.8	30.6	37.4
1531	Grain Mill Products	49	129.9	131.4	131.4	145.5	145.8	147.8	12.0	11.0	12.5
1541	Bakery Products	21	105.6	106.7	106.7	122.2	122.2	122.2	15.8	14.5	14.5
1542	Sugar	116	163.7	163.6	153.8	173.7	171.2	149.3	6.1	4.6	-2.9
1544	Macaroni and Pasta	17	104.7	104.7	104.7	114.9	117.0	117.2	9.8	11.8	12.0
1549	Other Food Products	17	108.2	108.2	108.6	115.8	122.3	127.6	7.0	13.0	17.5
1551	Liquors	8	100.8	102.0	102.0	108.4	108.4	108.4	7.6	6.3	6.3
1553	Beer And Malt	74	106.6	106.6	106.6	122.1	122.1	124.6	14.5	14.5	16.9
1554	Soft drinks and Mineral Water	50	108.5	108.5	108.5	114.6	115.0	124.3	5.6	6.0	14.5
1600	Tobacco	34	100.5	100.5	100.5	117.4	117.4	117.4	16.7	16.7	16.7
17-36	Other than Food, Beverage and Tobacco	599	111.4	112.8	113.1	124.4	125.2	125.7	11.6	11.1	11.1
17	Spinning ,Weaving and Finishing of Textiles	87	101.7	101.7	101.6	106.8	107.3	107.3	5.1	5.5	5.6
18	Wearing Apparel Except Fur Apparel	9	104.8	104.8	104.8	99.2	100.1	100.1	-5.3	-4.5	-4.5
19	Leather and Footwear	79	103.7	103.3	103.8	114.4	116.9	116.7	10.3	13.2	12.5
21-22	Paper , Paper Products and Printing	56	108.7	108.4	108.5	114.2	115.3	116.2	5.0	6.3	7.1
24	Chemical and Chemical Products	67	101.8	102.0	102.4	107.0	108.4	110.1	5.1	6.3	7.5
25	Rubber and Plastic Products	50	108.4	110.8	112.3	120.9	121.9	121.9	11.6	10.0	8.5
26	Other Non-Metallic Mineral products	107	136.2	143.9	144.5	166.4	166.4	166.4	22.2	15.6	15.2
27	Basic Iron and Steel	69	113.3	111.4	111.4	133.2	133.1	134.8	17.5	19.5	21.0
28	Fabricated Metal Products Except Machinery and Equipment	30	107.0	107.4	108.0	126.5	126.5	126.5	18.2	17.8	17.1
34	Bodies for Motor Vehicles ,Trailers and Semi-Trailers	25	107.9	107.9	107.9	107.2	107.2	107.3	-0.6	-0.6	-0.6
20 & 36	Wood and Furniture	21	108.0	108.3	108.3	112.1	115.8	115.9	3.8	6.9	7.0

Table 4: Quarterly Producer Price Indices for Manufacturing ,July 2006 to September 2007

Base: First Quarter 2005 =100

SIC code	Description	Weight	2006		2007			percentage change (%) from	
			3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	3rd Qtr/07 to 2nd Qtr/07	3rd Qtr/07 to 3rd Qtr/06
15-36	Total Manufacturing-PPI	1000	117.4	119.4	121.6	126.0	130.1	3.3	10.9
15	Food , Beverage and Tobacco	401	124.7	125.3	127.9	132.4	137.7	4.0	10.4
1514	Vegetable and Animal Oils	10	97.9	104.4	112.3	133.8	162.6	21.6	66.2
1520	Dairy Products	6	119.8	122.3	123.2	146.0	156.9	7.5	31.0
1531	Grain Mill Products	49	130.9	131.6	137.3	142.3	146.4	2.8	11.8
1541	Bakery Products	21	106.3	108.5	113.0	112.8	122.2	8.4	14.9
1542	Sugar	116	160.4	157.6	152.9	158.1	164.7	4.2	2.7
1544	Macaroni and Pasta	17	104.7	105.7	109.8	123.7	116.4	-5.9	11.2
1549	Other Food Products	17	108.3	108.4	107.7	112.3	121.9	8.5	12.5
1551	Liquors	8	101.6	104.2	105.0	105.0	108.4	3.2	6.7
1553	Beer And Malt	74	106.6	108.0	115.3	117.9	122.9	4.2	15.3
1554	Soft drinks and Mineral Water	50	108.5	108.5	112.8	114.5	118.0	3.0	8.7
1600	Tobacco	34	100.5	108.2	117.4	117.4	117.4	0.0	16.7
17-36	Other than Food, Beverage and Tobacco	599	112.4	115.5	117.4	121.7	125.1	2.8	11.3
17	Spinning ,Weaving and Finishing of Textiles	87	101.7	102.5	102.4	106.7	107.2	0.5	5.4
18	Wearing Apparel Except Fur Apparel	9	104.8	104.3	94.4	95.5	99.8	4.6	-4.8
19	Leather and Footwear	79	103.6	106.4	107.5	111.1	116.0	4.4	12.0
21-22	Paper , Paper Products and Printing	56	108.6	110.3	111.0	110.2	115.2	4.6	6.1
24	Chemical and Chemical Products	67	102.1	102.5	102.5	103.6	108.5	4.7	6.3
25	Rubber and Plastic Products	50	110.5	114.9	115.9	118.7	121.6	2.4	10.0
26	Other Non-Metallic Mineral products	107	141.5	151.0	160.8	163.6	166.4	1.7	17.6
27	Basic Iron and Steel	69	112.0	112.8	116.2	129.7	133.7	3.0	19.3
28	Fabricated Metal Products Except Machinery and Equipment	30	107.5	109.7	111.2	120.2	126.5	5.2	17.7
34	Bodies for Motor Vehicles ,Trailers and Semi-Trailers	25	107.9	108.3	99.1	107.6	107.2	-0.3	-0.6
20 & 36	Wood and Furniture	21	108.2	110.3	110.3	110.4	114.6	3.8	5.9