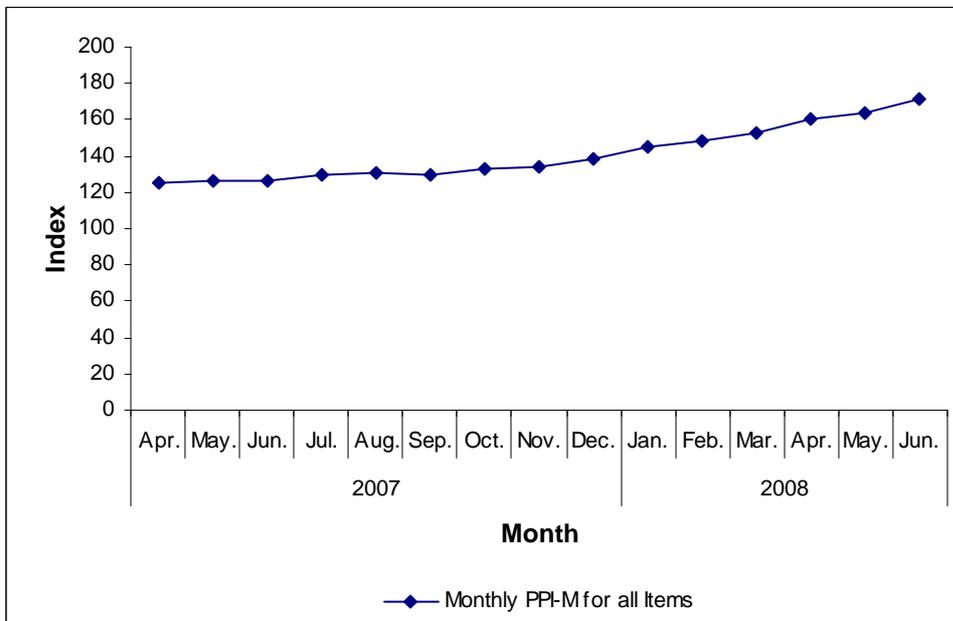


CENTRAL STATISTICAL AGENCY

PRODUCER PRICE INDEX FOR MANUFACTURING (PPI-M)

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



September 2008
Addis Ababa

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

April 2008 to June 2008

PPI – Total Manufacturing

In the Second quarter of 2008, Producer Price Index for Total Manufacturing has increased by 4.7 percent in April, 2.3 percent in May and 4.8 percent in June, 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 28.1 percent, 30.1 and 35.4 percent in April, May and June, 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 compared to previous year’s same quarter, Producer Price Index increased by 31.2 percent in the Second quarter of 2008 (Table 4).

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

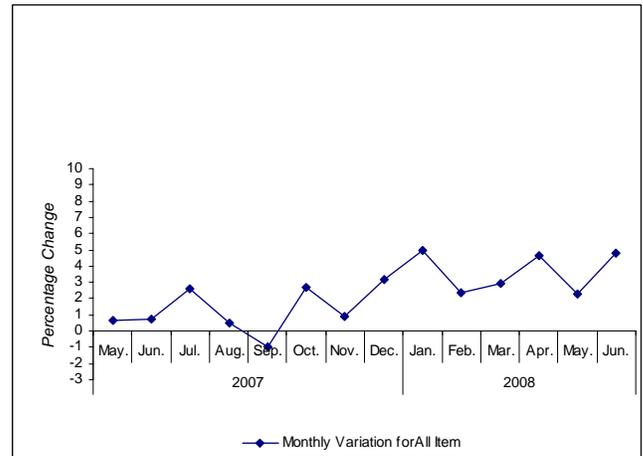
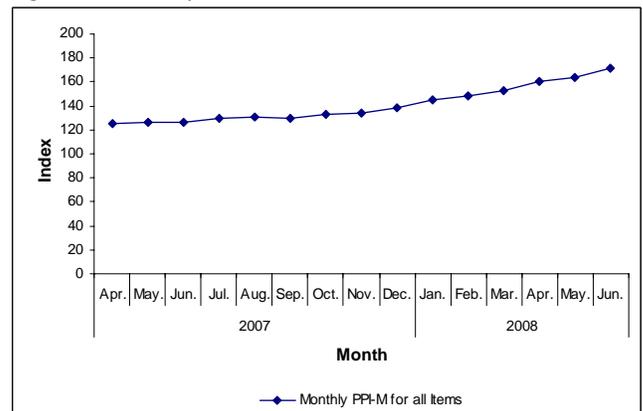


Figure 2: Monthly Producer Price Indices for all items



PPI – Food, Beverage and Tobacco

The producer price indices of food, beverage and tobacco stood at 170.5, 176.6 and 191.7 in April, May and June as depicted in Table 1. Compared to the previous month the index increased at a rate of 6.4 percent in April, 3.6 percent in May and 8.5 percent in June, respectively (Table 2). As shown in Table 3, compared to the same quarter in 2007, producer price indices exhibited a hike of around 29.2 percent in April, 33.4 percent in May and 44.4 percent in June, respectively. This was mainly attributed to the rise in Grain Mill products and Bakery products. The percentage change in producer price indices revealed that there was a 35.7 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 153.5, 155.4 and 158.4 in April, May and June, as shown in Table 1. Table 2 shows that, producer price indices increased by 3.4 percent in April, followed by a 1.3 percent in May, and a 2.0 percent increase in June. On the other hand, compared to previous year's same period, producer price indices exhibited a 27.4 percent, 27.8 percent and 28.8 percent rise in April, May and June, respectively (Refer to Table 3). This rise was mainly due to the increase in prices of basic iron and steel and fabricated metal products except machinery & equipment. The percentage change in producer price indices between the corresponding quarters also indicated that there was a 28.0 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, April 2007 to June 2008

Base: First quarter2005=100

SIC code	Description	Weight	2007									2008					
			Apr.	May.	Jun.	Jul.	Aug.	Sep.	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
15-36	Total Manufacturing-PPI	1000	125.1	125.9	126.9	130.1	130.8	129.5	133.0	134.2	138.4	145.4	148.8	153.1	160.3	163.9	171.8
15	Food , Beverage and Tobacco	401	131.9	132.4	132.7	138.7	139.1	135.2	139.0	141.3	149.2	154.8	160.9	160.2	170.5	176.6	191.7
1514	Vegetable and Animal Oils and Fats	10	127.1	134.7	139.6	146.3	168.0	173.7	176.2	179.8	179.1	187.5	189.6	199.4	201.2	200.5	206.0
1520	Dairy Products	6	145.4	145.4	147.1	147.1	157.7	165.9	170.0	170.0	180.8	180.8	180.8	180.8	189.1	193.2	199.4
1531	Grain Mill Products	49	141.2	142.9	142.9	145.5	145.8	147.8	148.6	154.5	157.5	171.4	190.6	209.1	245.9	276.4	304.1
1541	Bakery Products	21	112.8	112.8	112.8	122.2	122.2	122.2	130.5	131.8	136.4	157.3	157.3	173.5	182.2	184.7	184.7
1542	Sugar	116	157.9	158.2	158.3	173.7	171.2	149.3	151.5	149.3	156.8	170.6	183.3	166.0	170.5	176.7	182.6
1544	Macaroni and Pasta	17	123.6	123.8	123.8	114.9	117.0	117.2	122.8	124.2	128.3	138.7	145.9	158.9	160.9	172.1	181.5
1549	Other Food Products	17	111.3	111.3	114.5	115.8	122.3	127.6	130.3	130.3	130.7	131.2	124.5	124.9	128.8	129.1	130.6
1551	Liquors	8	105.0	105.0	105.0	108.4	108.4	108.4	108.3	108.3	108.3	108.3	108.8	109.8	137.6	137.6	151.2
1553	Beer And Malt	74	117.9	117.9	117.9	122.1	122.1	124.6	136.7	143.4	169.7	158.0	158.0	160.0	176.8	176.8	215.9
1554	Soft drinks and Mineral Water	50	114.5	114.5	114.5	114.6	115.0	124.3	124.2	130.4	130.4	132.7	132.7	132.7	132.7	132.7	139.8
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	117.4	117.4	117.4	128.1
17-36	Other than Food, Beverage and Tobacco	599	120.5	121.6	123.0	124.4	125.2	125.7	128.9	129.4	131.2	139.1	140.7	148.4	153.5	155.4	158.4
17	Spinning ,Weaving and Finishing of Textiles	87	106.8	106.6	106.5	106.8	107.3	107.3	112.7	114.5	117.1	122.7	129.9	134.3	135.9	137.5	138.2
18	Wearing Apparel Except Fur Apparel	9	95.5	95.5	95.5	99.2	100.1	100.1	100.1	101.0	101.0	112.4	115.9	117.9	123.1	124.1	124.1
19	Leather and Footwear	79	111.1	111.1	111.1	114.4	116.9	116.7	119.0	117.5	118.4	121.2	122.0	123.4	131.6	130.0	130.4
21-22	Paper , Paper Products and Printing	56	110.4	109.1	110.9	114.2	115.3	116.2	116.8	115.3	120.1	123.1	123.9	124.1	129.5	131.9	133.9
24	Chemical and Chemical Products	67	103.3	103.5	104.1	107.0	108.4	110.1	114.2	115.2	116.9	121.2	122.1	124.5	127.4	127.8	132.2
25	Rubber and Plastic Products	50	116.6	119.7	119.7	120.9	121.9	121.9	126.7	126.7	128.5	132.7	132.7	137.1	139.6	144.6	153.9
26	Other Non-Metallic Mineral products	107	162.4	162.4	165.9	166.4	166.4	166.4	166.6	166.6	166.8	191.2	186.0	214.8	214.5	214.5	215.3
27	Basic Iron and Steel	69	123.9	131.7	133.7	133.2	133.1	134.8	141.5	143.3	147.6	151.5	158.3	164.4	181.8	188.9	191.5
28	Fabricated Metal Products Except Machinery and Equipment	30	117.3	118.5	124.8	126.5	126.5	126.5	131.9	136.6	136.6	144.3	152.6	152.6	161.0	168.5	186.9
34	Bodies for Motor Vehicles ,Trailers and Semi-Trailers	25	107.6	107.6	107.6	107.2	107.2	107.3	109.2	109.2	109.2	112.3	112.3	120.6	123.5	123.5	122.8
20 & 36	Wood and Furniture	21	110.3	110.3	110.6	112.1	115.8	115.9	117.4	117.4	117.4	120.3	120.3	121.1	124.3	124.5	128.5

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

Base: First Quarter 2005 =100

SIC code	Description	Weight											2008					
			May.	Jun.	Jul.	Aug.	Sep.	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun		
15-36	Total Manufacturing-PPI	1000	0.7	0.8	2.6	0.5	-1.0	2.7	0.9	3.2	5.0	2.4	2.9	4.7	2.3	4.8		
15	Food , Beverage and Tobacco	401	0.4	0.2	4.5	0.3	-2.9	2.8	1.6	5.6	3.7	3.9	-0.5	6.4	3.6	8.5		
1514	Vegetable and Animal Oils	10	6.0	3.7	4.8	14.8	3.4	1.5	2.1	-0.4	4.7	1.1	5.2	0.9	-0.4	2.7		
1520	Dairy Products	6	0.0	1.2	0.0	7.2	5.2	2.5	0.0	6.3	0.0	0.0	0.0	4.6	2.2	3.2		
1531	Grain Mill Products	49	1.2	0.0	1.8	0.2	1.4	0.5	3.9	1.9	8.9	11.1	9.7	17.6	12.4	10.0		
1541	Bakery Products	21	0.0	0.0	8.4	0.0	0.0	6.8	1.0	3.5	15.4	0.0	10.3	5.0	1.4	0.0		
1542	Sugar	116	0.2	0.0	9.7	-1.4	-12.8	1.5	-1.4	5.0	8.8	7.4	-9.4	2.7	3.6	3.4		
1544	Macaroni and Pasta	17	0.2	0.0	-7.1	1.8	0.2	4.7	1.2	3.3	8.1	5.2	8.9	1.2	7.0	5.5		
1549	Other Food Products	17	0.0	2.9	1.1	5.6	4.3	2.1	0.0	0.3	0.4	-5.2	0.4	3.1	0.2	1.2		
1551	Liquors	8	0.0	0.0	3.2	0.0	0.0	0.0	0.0	0.0	0.0	0.4	0.9	25.3	0.0	9.9		
1553	Beer And Malt	74	0.0	0.0	3.5	0.0	2.1	9.7	4.9	18.4	-6.9	0.0	1.3	10.4	0.0	22.2		
1554	Soft drinks and Mineral Water	50	0.0	0.0	0.1	0.4	8.1	-0.1	4.9	0.0	1.8	0.0	0.0	0.0	0.0	5.4		
1600	Tobacco	34	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	9.2		
17-36	Other than Food, Beverage and Tobacco	599	0.9	1.1	1.1	0.7	0.4	2.6	0.4	1.4	6.0	1.2	5.5	3.4	1.3	2.0		
17	Spinning ,Weaving and Finishing of Textiles	87	-0.1	-0.1	0.3	0.4	0.0	5.0	1.5	2.3	4.7	5.9	3.4	1.2	1.2	0.5		
18	Wearing Apparel Except Fur Apparel	9	0.0	0.0	4.0	0.9	0.0	0.0	0.9	0.0	11.3	3.1	1.8	4.4	0.8	0.0		
19	Leather and Footwear	79	0.0	0.0	2.9	2.2	-0.1	1.9	-1.3	0.7	2.4	0.7	1.1	6.7	-1.2	0.3		
21-22	Paper , Paper Products and Printing	56	-1.2	1.6	2.9	1.0	0.8	0.5	-1.3	4.2	2.5	0.7	0.1	4.3	1.9	1.5		
24	Chemical and Chemical Products	67	0.2	0.6	2.8	1.3	1.5	3.8	0.9	1.4	3.6	0.7	2.0	2.3	0.3	3.4		
25	Rubber and Plastic Products	50	2.7	0.0	1.0	0.8	0.0	3.9	0.0	1.4	3.3	0.0	3.3	1.8	3.5	6.5		
26	Other Non-Metallic Mineral products	107	0.0	2.1	0.3	0.0	0.0	0.2	0.0	0.1	14.6	-2.7	15.5	-0.1	0.0	0.4		
27	Basic Iron and Steel	69	6.3	1.5	-0.4	-0.1	1.3	4.9	1.3	3.0	2.6	4.5	3.9	10.5	3.9	1.4		
28	Fabricated Metal Products Except Machinery and Equipment	30	1.0	5.3	1.4	0.0	0.0	4.3	3.5	0.0	5.7	5.8	0.0	5.5	4.6	10.9		
34	Bodies for Motor Vehicles ,Trailers and Semi-Trailers	25	0.0	0.0	-0.3	0.0	0.1	1.8	0.0	0.0	2.8	0.0	7.4	2.4	0.0	-0.5		
20 & 36	Wood and Furniture	21	0.0	0.2	1.4	3.3	0.1	1.3	0.0	0.0	2.5	0.0	0.7	2.6	0.2	3.2		

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

Base: First Quarter 2005 =100

SIC code	Description	Weight	2007			2008			percentage change (%) from		
			Apr	May	Jun	Apr	May	Jun	Apr.-08/ Apr.-07	May.-08/ May.-07	Jun.-08/ Jun.-07
15-36	Total Manufacturing-PPI	1000	125.1	125.9	126.9	160.3	163.9	171.8	28.1	30.1	35.4
15	Food , Beverage and Tobacco	401	131.9	132.4	132.7	170.5	176.6	191.7	29.2	33.4	44.4
1514	Vegetable and Animal Oils	10	127.1	134.7	139.6	201.2	200.5	206.0	58.3	48.9	47.5
1520	Dairy Products	6	145.4	145.4	147.1	189.1	193.2	199.4	30.0	32.9	35.6
1531	Grain Mill Products	49	141.2	142.9	142.9	245.9	276.4	304.1	74.1	93.5	112.8
1541	Bakery Products	21	112.8	112.8	112.8	182.2	184.7	184.7	61.5	63.8	63.8
1542	Sugar	116	157.9	158.2	158.3	170.5	176.7	182.6	8.0	11.6	15.4
1544	Macaroni and Pasta	17	123.6	123.8	123.8	160.9	172.1	181.5	30.2	39.0	46.6
1549	Other Food Products	17	111.3	111.3	114.5	128.8	129.1	130.6	15.8	16.0	14.1
1551	Liquors	8	105.0	105.0	105.0	137.6	137.6	151.2	31.1	31.1	44.1
1553	Beer And Malt	74	117.9	117.9	117.9	176.8	176.8	215.9	49.9	49.9	83.2
1554	Soft drinks and Mineral Water	50	114.5	114.5	114.5	132.7	132.7	139.8	15.9	15.9	22.1
1600	Tobacco	34	117.4	117.4	117.4	117.4	117.4	128.1	0.0	0.0	9.2
17-36	Other than Food, Beverage and Tobacco	599	120.5	121.6	123.0	153.5	155.4	158.4	27.4	27.8	28.8
17	Spinning ,Weaving and Finishing of Textiles	87	106.8	106.6	106.5	135.9	137.5	138.2	27.3	29.0	29.7
18	Wearing Apparel Except Fur Apparel	9	95.5	95.5	95.5	123.1	124.1	124.1	28.9	30.0	30.0
19	Leather and Footwear	79	111.1	111.1	111.1	131.6	130.0	130.4	18.4	17.0	17.4
21-22	Paper , Paper Products and Printing	56	110.4	109.1	110.9	129.5	131.9	133.9	17.3	20.9	20.7
24	Chemical and Chemical Products	67	103.3	103.5	104.1	127.4	127.8	132.2	23.3	23.5	27.0
25	Rubber and Plastic Products	50	116.6	119.7	119.7	139.6	144.6	153.9	19.8	20.8	28.6
26	Other Non-Metallic Mineral products	107	162.4	162.4	165.9	214.5	214.5	215.3	32.1	32.0	29.7
27	Basic Iron and Steel	69	123.9	131.7	133.7	181.8	188.9	191.5	46.8	43.5	43.2
28	Fabricated Metal Products Except Machinery and Equipment	30	117.3	118.5	124.8	161.0	168.5	186.9	37.3	42.2	49.8
34	Bodies for Motor Vehicles ,Trailers and Semi-Trailers	25	107.6	107.6	107.6	123.5	123.5	122.8	14.8	14.8	14.2
20 & 36	Wood and Furniture	21	110.3	110.3	110.6	124.3	124.5	128.5	12.7	12.9	16.2

Table 4: Quarterly Producer Price Indices for Manufacturing ,April 2007 to June 2008

Base: First Quarter 2005 =100

SIC code	Description	Weight	2007			2008		percentage change (%) from	
			2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	2nd Qtr/08 to 1stQtr/08	2nd Qtr/08 to 2nd Qtr/07
15-36	Total Manufacturing-PPI	1000	126.0	130.1	135.2	149.1	165.3	10.9	31.2
15	Food , Beverage and Tobacco	401	132.4	137.7	143.2	158.6	179.6	13.2	35.7
1514	Vegetable and Animal Oils	10	133.8	162.6	178.4	192.2	202.6	5.4	51.4
1520	Dairy Products	6	146.0	156.9	173.6	180.8	193.9	7.3	32.8
1531	Grain Mill Products	49	142.3	146.4	153.5	190.4	275.5	44.7	93.5
1541	Bakery Products	21	112.8	122.2	132.9	162.7	183.9	13.0	63.0
1542	Sugar	116	158.1	164.7	152.5	173.3	176.6	1.9	11.7
1544	Macaroni and Pasta	17	123.7	116.4	125.1	147.9	171.5	16.0	38.6
1549	Other Food Products	17	112.3	121.9	130.4	126.9	129.5	2.1	15.3
1551	Liquors	8	105.0	108.4	108.3	109.0	142.2	30.4	35.4
1553	Beer And Malt	74	117.9	122.9	150.0	158.7	189.8	19.6	61.0
1554	Soft drinks and Mineral Water	50	114.5	118.0	128.3	132.7	135.1	1.8	18.0
1600	Tobacco	34	117.4	117.4	117.4	117.4	121.0	3.1	3.1
17-36	Other than Food, Beverage and Tobacco	599	121.7	125.1	129.9	142.7	155.8	9.1	28.0
17	Spinning ,Weaving and Finishing of Textiles	87	106.7	107.2	114.8	128.9	137.2	6.4	28.7
18	Wearing Apparel Except Fur Apparel	9	95.5	99.8	100.7	115.4	123.8	7.2	29.6
19	Leather and Footwear	79	111.1	116.0	118.3	122.2	130.7	6.9	17.6
21-22	Paper , Paper Products and Printing	56	110.2	115.2	117.4	123.7	131.8	6.5	19.6
24	Chemical and Chemical Products	67	103.6	108.5	115.4	122.6	129.1	5.3	24.6
25	Rubber and Plastic Products	50	118.7	121.6	127.3	134.2	146.0	8.8	23.1
26	Other Non-Metallic Mineral products	107	163.6	166.4	166.7	197.3	214.8	8.8	31.3
27	Basic Iron and Steel	69	129.7	133.7	144.1	158.1	187.4	18.5	44.4
28	Fabricated Metal Products Except Machinery and Equipment	30	120.2	126.5	135.0	149.8	172.1	14.9	43.3
34	Bodies for Motor Vehicles ,Trailers and Semi-Trailers	25	107.6	107.2	109.2	115.0	123.3	7.1	14.6
20 & 36	Wood and Furniture	21	110.4	114.6	117.4	120.6	125.8	4.3	13.9