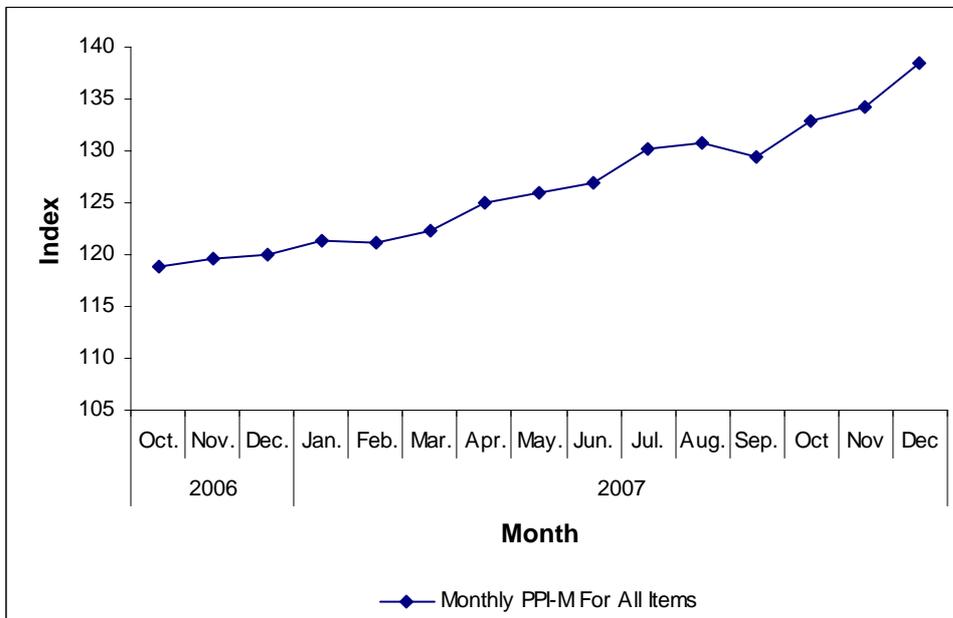


CENTRAL STATISTICAL AGENCY

PRODUCER PRICE INDEX FOR MANUFACTURING (PPI-M)

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



April 2008
Addis Ababa

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

October 2007 to December 2007

PPI – Total Manufacturing

In the Fourth quarter of 2007, Producer Price Index for Total Manufacturing has increased by 2.7 percent in October, 0.9 percent increase in November, and 3.2 percent in December, 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 11.9 percent, 12.3 and 15.4 percent in October, November and December respectively. 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 13.2 percent in the fourth quarter of 2007 (Table 4).

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

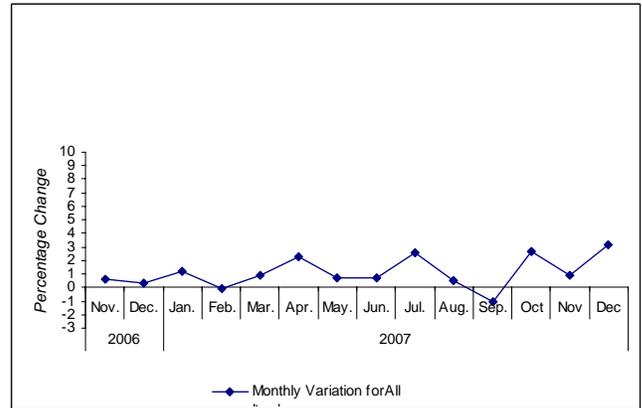
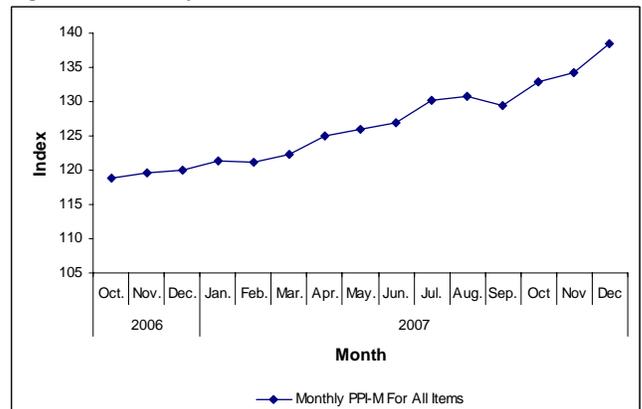


Figure 2: Monthly Producer Price Indices for all items



PPI – Food, Beverage and Tobacco

The producer price indices of food, beverage and tobacco stood at 139.0, 141.3 and 149.2 in October, November and December as depicted in Table 1. Compared to the previous month the index increased at a rate of 2.8 percent in October, 1.6 percent in November and 5.6 percent in December respectively (Table 2). As shown in Table 3 compared to the same quarter in 2006, producer price indices exhibited a hike of around 11.4 percent in October, 12.6 percent in November and 18.6 percent in December, 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 14.2 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 128.9, 129.4 and 131.2 in October, November, and December, as shown in Table 1. Table 2 shows that, producer price indices increased by 2.6 percent in October, followed by a 0.4 percent in November, and a 1.4 percent increase in December. On the other hand, compared to previous year's same period, producer price indices exhibited a 12.2 percent, 12.0 percent and 13.1 percent rise in October, November, and December, 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 prices indices between the corresponding quarters also indicated that there was a 12.4 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, October 2006 to December 2007

Base: First quarter2005=100

SIC code	Description	Weight	2006			2007											
			Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May.	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.
15-36	Total Manufacturing-PPI	1000	118.8	119.5	120.0	121.4	121.2	122.3	125.1	125.9	126.9	130.1	130.8	129.5	133.0	134.2	138.4
15	Food , Beverage and Tobacco	401	124.8	125.4	125.8	126.9	127.4	129.5	131.9	132.4	132.7	138.7	139.1	135.2	139.0	141.3	149.2
1514	Vegetable and Animal Oils and Fats	10	102.2	102.3	108.8	109.7	111.4	115.8	127.1	134.7	139.6	146.3	168.0	173.7	176.2	179.8	179.1
1520	Dairy Products	6	122.3	122.3	122.3	123.2	123.2	123.2	145.4	145.4	147.1	147.1	157.7	165.9	170.0	170.0	180.8
1531	Grain Mill Products	49	131.2	131.5	132.1	135.1	138.5	138.4	141.2	142.9	142.9	145.5	145.8	147.8	148.6	154.5	157.5
1541	Bakery Products	21	108.5	108.5	108.5	111.9	112.4	114.7	112.8	112.8	112.8	122.2	122.2	122.2	130.5	131.8	136.4
1542	Sugar	116	158.4	157.1	157.4	152.2	152.1	154.4	157.9	158.2	158.3	173.7	171.2	149.3	151.5	149.3	156.8
1544	Macaroni and Pasta	17	105.4	105.4	106.4	108.4	109.5	111.5	123.6	123.8	123.8	114.9	117.0	117.2	122.8	124.2	128.3
1549	Other Food Products	17	108.3	108.5	108.5	105.9	105.9	111.3	111.3	111.3	114.5	115.8	122.3	127.6	130.3	130.3	130.7
1551	Liquors	8	103.0	104.7	105.0	105.0	105.0	105.0	105.0	105.0	105.0	108.4	108.4	108.4	108.3	108.3	108.3
1553	Beer And Malt	74	108.0	108.0	108.0	114.1	114.1	117.7	117.9	117.9	117.9	122.1	122.1	124.6	136.7	143.4	169.7
1554	Soft drinks and Mineral Water	50	108.5	108.5	108.5	112.2	112.2	114.1	114.5	114.5	114.5	114.6	115.0	124.3	124.2	130.4	130.4
1600	Tobacco	34	100.5	112.0	112.0	117.4	117.4	117.4	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	114.9	115.6	116.0	117.7	117.1	117.5	120.5	121.6	123.0	124.4	125.2	125.7	128.9	129.4	131.2
17	Spinning ,Weaving and Finishing of Textiles	87	102.8	102.2	102.6	102.4	102.4	102.4	106.8	106.6	106.5	106.8	107.3	107.3	112.7	114.5	117.1
18	Wearing Apparel Except Fur Apparel	9	104.2	104.2	104.7	94.0	94.1	95.0	95.5	95.5	95.5	99.2	100.1	100.1	100.1	101.0	101.0
19	Leather and Footwear	79	106.4	106.5	106.3	107.0	106.7	108.7	111.1	111.1	111.1	114.4	116.9	116.7	119.0	117.5	118.4
21-22	Paper , Paper Products and Printing	56	109.1	109.9	111.9	110.8	111.0	111.3	110.4	109.1	110.9	114.2	115.3	116.2	116.8	115.3	120.1
24	Chemical and Chemical Products	67	101.6	103.1	102.8	102.5	102.7	102.4	103.3	103.5	104.1	107.0	108.4	110.1	114.2	115.2	116.9
25	Rubber and Plastic Products	50	113.9	115.4	115.4	115.9	115.9	115.9	116.6	119.7	119.7	120.9	121.9	121.9	126.7	126.7	128.5
26	Other Non-Metallic Mineral products	107	149.6	151.7	151.7	164.9	159.0	158.4	162.4	162.4	165.9	166.4	166.4	166.4	166.6	166.6	166.8
27	Basic Iron and Steel	69	111.9	111.9	114.5	115.1	115.9	117.6	123.9	131.7	133.7	133.2	133.1	134.8	141.5	143.3	147.6
28	Fabricated Metal Products Except Machinery and Equipment	30	109.1	110.0	110.0	110.0	110.0	113.6	117.3	118.5	124.8	126.5	126.5	126.5	131.9	136.6	136.6
34	Bodies for Motor Vehicles ,Trailers and Semi-Trailers	25	108.2	108.4	108.4	93.5	103.1	100.6	107.6	107.6	107.6	107.2	107.2	107.3	109.2	109.2	109.2
20 & 36	Wood and Furniture	21	110.9	110.1	110.1	110.3	110.3	110.3	110.3	110.3	110.6	112.1	115.8	115.9	117.4	117.4	117.4

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

Base: First Quarter 2005 =100

SIC code	Description	Weight	2006			2007											
			Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May.	Jun.	Jul.	Aug.	Sep.	Oct	Nov	Dec	
15-36	Total Manufacturing-PPI	1000	0.6	0.4	1.2	-0.1	0.9	2.2	0.7	0.8	2.6	0.5	-1.0	2.7	0.9	3.2	
15	Food , Beverage and Tobacco	401	0.5	0.3	0.9	0.4	1.6	1.9	0.4	0.2	4.5	0.3	-2.9	2.8	1.6	5.6	
1514	Vegetable and Animal Oils	10	0.0	6.4	0.8	1.5	3.9	9.8	6.0	3.7	4.8	14.8	3.4	1.5	2.1	-0.4	
1520	Dairy Products	6	0.0	0.0	0.7	0.0	0.0	18.0	0.0	1.2	0.0	7.2	5.2	2.5	0.0	6.3	
1531	Grain Mill Products	49	0.2	0.5	2.3	2.5	-0.1	2.0	1.2	0.0	1.8	0.2	1.4	0.5	3.9	1.9	
1541	Bakery Products	21	0.0	0.0	3.2	0.4	2.1	-1.7	0.0	0.0	8.4	0.0	0.0	6.8	1.0	3.5	
1542	Sugar	116	-0.8	0.2	-3.3	-0.1	1.5	2.3	0.2	0.0	9.7	-1.4	-12.8	1.5	-1.4	5.0	
1544	Macaroni and Pasta	17	0.0	0.9	1.9	1.0	1.8	10.9	0.2	0.0	-7.1	1.8	0.2	4.7	1.2	3.3	
1549	Other Food Products	17	0.2	0.0	-2.4	0.0	5.0	0.0	0.0	2.9	1.1	5.6	4.3	2.1	0.0	0.3	
1551	Liquors	8	1.6	0.3	0.0	0.0	0.0	0.0	0.0	0.0	3.2	0.0	0.0	0.0	0.0	0.0	
1553	Beer And Malt	74	0.0	0.0	5.7	0.0	3.1	0.2	0.0	0.0	3.5	0.0	2.1	9.7	4.9	18.4	
1554	Soft drinks and Mineral Water	50	0.0	0.0	3.4	0.0	1.7	0.4	0.0	0.0	0.1	0.4	8.1	-0.1	4.9	0.0	
1600	Tobacco	34	11.4	0.0	4.8	0.0	0.0	0.0	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	0.6	0.4	1.4	-0.5	0.4	2.5	0.9	1.1	1.1	0.7	0.4	2.6	0.4	1.4	
17	Spinning ,Weaving and Finishing of Textiles	87	-0.6	0.3	-0.1	0.0	0.0	4.3	-0.1	-0.1	0.3	0.4	0.0	5.0	1.5	2.3	
18	Wearing Apparel Except Fur Apparel	9	0.0	0.5	-10.2	0.1	1.0	0.5	0.0	0.0	4.0	0.9	0.0	0.0	0.9	0.0	
19	Leather and Footwear	79	0.1	-0.2	0.6	-0.2	1.8	2.2	0.0	0.0	2.9	2.2	-0.1	1.9	-1.3	0.7	
21-22	Paper , Paper Products and Printing	56	0.7	1.8	-1.0	0.1	0.2	-0.7	-1.2	1.6	2.9	1.0	0.8	0.5	-1.3	4.2	
24	Chemical and Chemical Products	67	1.4	-0.3	-0.3	0.2	-0.3	0.8	0.2	0.6	2.8	1.3	1.5	3.8	0.9	1.4	
25	Rubber and Plastic Products	50	1.4	0.0	0.4	0.0	0.0	0.6	2.7	0.0	1.0	0.8	0.0	3.9	0.0	1.4	
26	Other Non-Metallic Mineral products	107	1.4	0.0	8.7	-3.5	-0.4	2.5	0.0	2.1	0.3	0.0	0.0	0.2	0.0	0.1	
27	Basic Iron and Steel	69	0.0	2.3	0.6	0.7	1.5	5.3	6.3	1.5	-0.4	-0.1	1.3	4.9	1.3	3.0	
28	Fabricated Metal Products Except Machinery and Equipment	30	0.8	0.0	0.0	0.0	3.2	3.3	1.0	5.3	1.4	0.0	0.0	4.3	3.5	0.0	
34	Bodies for Motor Vehicles ,Trailers and Semi-Trailers	25	0.2	0.0	-13.7	10.3	-2.4	6.9	0.0	0.0	-0.3	0.0	0.1	1.8	0.0	0.0	
20 & 36	Wood and Furniture	21	-0.7	0.0	0.2	0.0	0.0	0.0	0.0	0.2	1.4	3.3	0.1	1.3	0.0	0.0	

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

Base: First Quarter 2005 =100

SIC code	Description	Weight	2006			2007			percentage change (%) from		
			Oct	Nov	Dec	Oct	Nov	Dec	Oct.-07/ Oct.-06	Nov.-07 / Nov.-06	Dec.-07 / Dec-06
			15-36	Total Manufacturing-PPI	1000	118.8	119.5	120.0	133.0	134.2	138.4
15	Food , Beverage and Tobacco	401	124.8	125.4	125.8	139.0	141.3	149.2	11.4	12.6	18.6
1514	Vegetable and Animal Oils	10	102.2	102.3	108.8	176.2	179.8	179.1	72.3	75.8	64.6
1520	Dairy Products	6	122.3	122.3	122.3	170.0	170.0	180.8	38.9	38.9	47.8
1531	Grain Mill Products	49	131.2	131.5	132.1	148.6	154.5	157.5	13.3	17.5	19.2
1541	Bakery Products	21	108.5	108.5	108.5	130.5	131.8	136.4	20.4	21.5	25.8
1542	Sugar	116	158.4	157.1	157.4	151.5	149.3	156.8	-4.3	-4.9	-0.4
1544	Macaroni and Pasta	17	105.4	105.4	106.4	122.8	124.2	128.3	16.5	17.9	20.6
1549	Other Food Products	17	108.3	108.5	108.5	130.3	130.3	130.7	20.3	20.0	20.4
1551	Liquors	8	103.0	104.7	105.0	108.3	108.3	108.3	5.2	3.5	3.2
1553	Beer And Malt	74	108.0	108.0	108.0	136.7	143.4	169.7	26.7	32.8	57.2
1554	Soft drinks and Mineral Water	50	108.5	108.5	108.5	124.2	130.4	130.4	14.5	20.1	20.1
1600	Tobacco	34	100.5	112.0	112.0	117.4	117.4	117.4	16.7	4.8	4.8
17-36	Other than Food, Beverage and Tobacco	599	114.9	115.6	116.0	128.9	129.4	131.2	12.2	12.0	13.1
17	Spinning ,Weaving and Finishing of Textiles	87	102.8	102.2	102.6	112.7	114.5	117.1	9.7	12.0	14.2
18	Wearing Apparel Except Fur Apparel	9	104.2	104.2	104.7	100.1	101.0	101.0	-3.9	-3.0	-3.5
19	Leather and Footwear	79	106.4	106.5	106.3	119.0	117.5	118.4	11.9	10.3	11.3
21-22	Paper , Paper Products and Printing	56	109.1	109.9	111.9	116.8	115.3	120.1	7.0	4.9	7.3
24	Chemical and Chemical Products	67	101.6	103.1	102.8	114.2	115.2	116.9	12.4	11.8	13.7
25	Rubber and Plastic Products	50	113.9	115.4	115.4	126.7	126.7	128.5	11.3	9.8	11.3
26	Other Non-Metallic Mineral products	107	149.6	151.7	151.7	166.6	166.6	166.8	11.4	9.8	10.0
27	Basic Iron and Steel	69	111.9	111.9	114.5	141.5	143.3	147.6	26.4	28.1	28.9
28	Fabricated Metal Products Except Machinery and Equipment	30	109.1	110.0	110.0	131.9	136.6	136.6	20.9	24.2	24.2
34	Bodies for Motor Vehicles ,Trailers and Semi-Trailers	25	108.2	108.4	108.4	109.2	109.2	109.2	0.9	0.7	0.8
20 & 36	Wood and Furniture	21	110.9	110.1	110.1	117.4	117.4	117.4	5.9	6.6	6.6

Table 4: Quarterly Producer Price Indices for Manufacturing ,October 2006 to December 2007

Base: First Quarter 2005 =100

SIC code	Description	Weight	2006	2007				percentage change (%) from	
			4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	4thQtr/07 to 3rdQtr/07	4th Qtr/07 to 4th Qtr/06
15-36	Total Manufacturing-PPI	1000	119.4	121.6	126.0	130.1	135.2	3.9	13.2
15	Food , Beverage and Tobacco	401	125.3	127.9	132.4	137.7	143.2	4.0	14.2
1514	Vegetable and Animal Oils	10	104.4	112.3	133.8	162.6	178.4	9.7	70.8
1520	Dairy Products	6	122.3	123.2	146.0	156.9	173.6	10.6	41.9
1531	Grain Mill Products	49	131.6	137.3	142.3	146.4	153.5	4.9	16.7
1541	Bakery Products	21	108.5	113.0	112.8	122.2	132.9	8.7	22.5
1542	Sugar	116	157.6	152.9	158.1	164.7	152.5	-7.4	-3.2
1544	Macaroni and Pasta	17	105.7	109.8	123.7	116.4	125.1	7.5	18.3
1549	Other Food Products	17	108.4	107.7	112.3	121.9	130.4	7.0	20.3
1551	Liquors	8	104.2	105.0	105.0	108.4	108.3	0.0	3.9
1553	Beer And Malt	74	108.0	115.3	117.9	122.9	150.0	22.0	38.9
1554	Soft drinks and Mineral Water	50	108.5	112.8	114.5	118.0	128.3	8.8	18.2
1600	Tobacco	34	108.2	117.4	117.4	117.4	117.4	0.0	8.5
17-36	Other than Food, Beverage and Tobacco	599	115.5	117.4	121.7	125.1	129.9	3.8	12.4
17	Spinning ,Weaving and Finishing of Textiles	87	102.5	102.4	106.7	107.2	114.8	7.1	12.0
18	Wearing Apparel Except Fur Apparel	9	104.3	94.4	95.5	99.8	100.7	0.9	-3.5
19	Leather and Footwear	79	106.4	107.5	111.1	116.0	118.3	2.0	11.2
21-22	Paper , Paper Products and Printing	56	110.3	111.0	110.2	115.2	117.4	1.9	6.4
24	Chemical and Chemical Products	67	102.5	102.5	103.6	108.5	115.4	6.4	12.6
25	Rubber and Plastic Products	50	114.9	115.9	118.7	121.6	127.3	4.7	10.8
26	Other Non-Metallic Mineral products	107	151.0	160.8	163.6	166.4	166.7	0.2	10.4
27	Basic Iron and Steel	69	112.8	116.2	129.7	133.7	144.1	7.8	27.8
28	Fabricated Metal Products Except Machinery and Equipment	30	109.7	111.2	120.2	126.5	135.0	6.7	23.1
34	Bodies for Motor Vehicles ,Trailers and Semi-Trailers	25	108.3	99.1	107.6	107.2	109.2	1.8	0.8
20 & 36	Wood and Furniture	21	110.3	110.3	110.4	114.6	117.4	2.4	6.4