



STATISTICAL RELEASE

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EXPORT AND IMPORT PRICE INDICES FOR THE QUARTER ENDING MARCH 2024

Background notes

Definition

The Export and Import Price Indices (XMPI) are average measures of price changes of goods exported outside or imported into the country. The XMPI are used in various areas to do analysis such as Terms of Trade (ToT) which is the ratio of Export Price Index (XPI) to the Import Price Index (MPI).

The Export and Import Price Indices, which are compiled on a quarterly basis, cover both exports and imports of merchandise trade. These quarterly specifications based on XMPI have been compiled and disseminated since the first quarter of 2013 up to the last quarter of 2022 with reference base period being the quarter ending December 2017. The updated XMPI has the first quarter of 2023 as the reference base period. The updated weights and the product sample for the XMPI used customs data for the years 2019 to 2021. Price collection for the updated XMPI was carried out during the period November -December 2023. This allowed for the compilation of the XMPI for the first quarter of 2023 using the new product and enterprise samples.

Weights and a reference period

The XMPI weights are based on values of imported and exported commodities for the period 2019 to 2021. A top-down approach was taken in the determination of the index structure, composition and the allocation of the weights. The aim was to maximise the indirect representation of un-priced commodities in the index, through a chain of representation. The price reference period is the quarter ending March 2023.

Product Classification

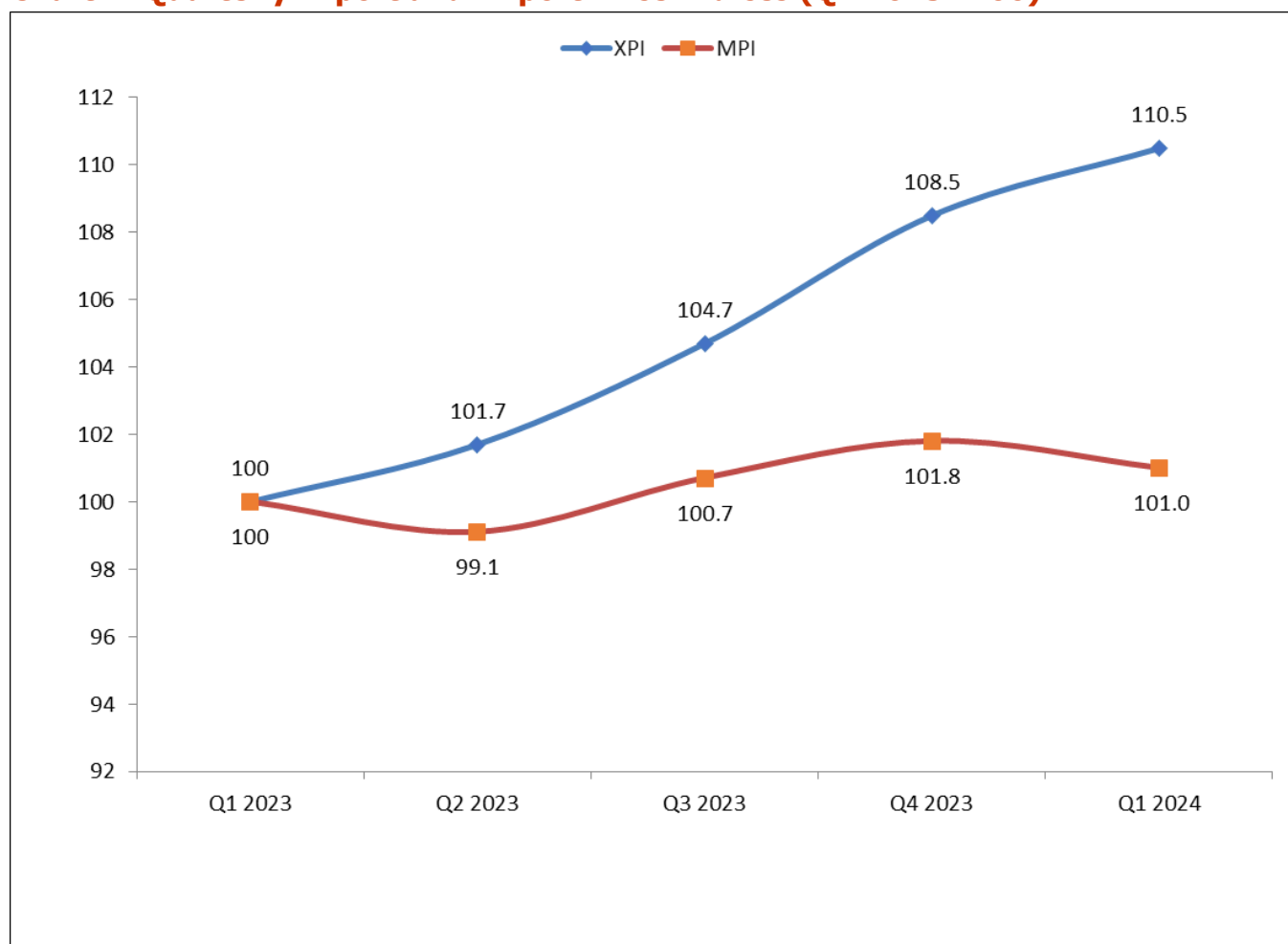
The products are classified according to the United Nations Harmonized Commodity Description and Coding System (HS). The HS is an international nomenclature for the classification of products.

Methodology

Selection of items: In the selection of items, a top - down procedure was applied in three steps. First, the major 2-digit HS chapters contributing to the total value of imports in terms of the sum of values for the year 2019 to 2021 were selected for direct inclusion in the indices. As a result, 16 chapters (2-digit HS codes) were selected for imports and 12 chapters for exports out of 99 chapters representing 80 percent or more depending on the degree of concentration. Secondly, the process was repeated at 4-digit level of HS; 76 items were selected for imports and 19 items were selected for exports. Finally, the procedure was repeated at the 8-digit level of the HS by selecting 165 items for imports and 25 items for exports. The result of these procedures was the derivation of the structure and composition of the indices.

The XMPI has incorporated a number of methodological improvements including the use of geometric means for compiling elementary index aggregates, the use of an improved index compilation system, and improved procedures for collecting and processing prices data. The Laspeyres index formula was used to compute higher level aggregates for the XMPI. **Chart 1** depicts trends of XPI and MPI in the selected quarters.

Chart 1: Quarterly Export and Import Price Indices (Q1 2023=100)



Note: Q1=January-March, Q2=April-June, Q3=July-September, Q4=October-December

Export Price Index

Structure of the XPI

The XPI covers 12 chapters out of 99 chapters, namely; (i) Fish and crustaceans, molluscs and other aquatic invertebrates, (ii) Edible vegetables and certain roots and tubers, (iii) Edible fruits and nuts, peel of citrus fruit or melons, (iv) Coffee, tea, mate and spices, (v) Cereals, (vi) Oil seed, oleaginous fruits; miscellaneous grains, seeds and fruit; industrial or medicinal plants; straw and fodder, (vii) Tobacco and manufactured tobacco substitutes, (viii) Ores, slag and ash, (ix) Salt; sulphur; earths and stone; plastering materials; lime and cement, (x) Cotton, (xi) Wadding, felt & nonwoven; yarns; twine, cordage, etc and (xii) Natural or cultured pearls, precious stones and metals, coin, etc. The sample of twelve chapters constitutes 80 percent of the total value of exports, aggregated from 2019 to 2021.

Quarterly Export Price Index

The overall Export Price Index during the quarter ending March 2024 increased by 1.9 percent to 110.5 from 108.5 recorded in the previous quarter. This development was largely attributed to the increase in prices of gold and edible vegetables. Likewise, when compared to the similar quarter in 2023, the index increased by 10.5 percent (**Table 1**).

Table 1: Quarterly Export Price Indices by Chapter (Q1 2023= 100)

HS Code	Description	Weight	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	% Change Previous Quarter	% Change same quarter last year
			Overall						
		100.0	100.0	101.7	104.7	108.5	110.5	1.9	10.5
03	Fish & crustacean, mollusk & other	3.4	100.0	101.9	110.6	120.8	124.1	2.8	24.1
07	Edible vegetables and certain roots and	4.8	100.0	113.0	109.6	112.5	119.2	6.0	19.2
08	Edible fruit and nuts; peel of citrus fruit or	6.6	100.0	98.4	101.7	106.1	102.5	-3.4	2.5
09	Coffee, tea, mate and spices	4.8	100.0	97.9	96.9	111.3	112.0	0.6	12.0
10	Cereals	4.7	100.0	101.2	102.5	105.8	107.7	1.8	7.7
12	Oil seed, oleagi fruits; miscell grain, seed,	4.7	100.0	102.2	103.9	106.5	108.4	1.8	8.4
24	Tobacco and manufactured tobacco	3.5	100.0	107.1	111.8	118.3	113.7	-3.9	13.7
25	Salt; sulphur; earth & ston; plastering mat;	2.2	100.0	102.4	103.8	112.8	115.0	2.0	15.0
26	Ores, slag and ash	3.6	100.0	99.7	103.8	107.2	109.1	1.8	9.1
52	Cotton	2.0	100.0	99.1	104.4	88.7	90.5	2.0	-9.5
56	Wadding, felt & nonwoven; yarns; twine,	0.6	100.0	92.8	102.7	106.0	107.8	1.7	7.8
71	Natural/cultured pearls, prec stones &	59.0	100.0	105.2	104.5	105.9	116.0	9.5	16.0

Note: Q1=January-March, Q2=April-June, Q3=July-September, Q4=October-December

Sub-indices by Chapter

This section gives detailed analysis on the movements of export price indices by chapter:

Chapter 03: Fish and crustacean, molluscs and other aquatic invertebrate

The index for "Fish and crustacean, molluscs and other aquatic invertebrates" which accounts for 3.4 percent of the total weight, increased by 2.8 percent to 124.1 in the first quarter of 2024 from 120.8 recorded in the fourth quarter of 2023. The performance was largely attributed to the increase in the prices of Nile perch and frozen fillets in the world market, on account of increased demand in the European market during Easter festivities. Similarly, when compared to the similar quarter in 2023, the index increased by 24.1 percent.

Chapter 07: Edible vegetables and certain roots and tubers

This chapter contributed 4.8 percent of the total weight of exported commodities. During the first quarter of 2024, the index increased by 6.0 percent to 119.2 from 112.5 that was recorded in the previous quarter. The performance was largely attributed to the increase in world market prices of pigeon peas, due to increased demand (consumption requirements) from India.

Likewise, when compared to the similar quarter of 2023, the index has increased by 19.2 percent.

Chapter 08: Edible fruits and nuts, peel of citrus fruit or melons

During the first quarter of 2024, the export price index for "Edible fruits and nuts", which accounts for 6.6 percent of the total weight, decreased by 3.4 percent to 102.5 from 106.1 recorded in the previous quarter. The performance was largely associated with the decrease in prices of cashew nuts in the world market, largely influenced by the sharp rise in raw cashew nuts production in Africa and Cambodia. However, when compared to the similar quarter in the previous year, the index has increased by 2.5 percent.

Chapter 09: Coffee, tea, mate and spices

This chapter contributed 4.8 percent of the total weight of exported commodities. During the first quarter of 2024, the index for "coffee, tea, mate and spices" increased slightly by 0.6 percent to 112.0 from 111.3 recorded in the previous quarter. The performance was partly attributed to the increase in coffee prices in the world market owing to poor weather conditions hindering production. Likewise, when compared with the similar index in 2023, the index has increased by 12.0 percent.

Chapter 10: Cereals

The export price index for "cereal" accounts for 4.7 percent of the total weight for exports. During the first quarter of 2024, the index increased by 1.8 percent to 107.7 from 105.8 recorded in the preceding quarter. The performance was largely attributed to the increase in the price of rice in the world market resulting from high cost of production and transport, as well as trade disruptions following the export restrictions imposed by India. Likewise, when compared to a similar quarter in the previous year, the index has increased by 7.7 percent.

Chapter 12: Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial or medicinal plants; straw and fodder

This chapter accounts for 4.7 percent of the total weight. During the first quarter of 2024, the index for "Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial or medicinal plants; straw and fodder" increased by 1.8 percent to 108.4 from 106.5 recorded in the previous quarter. The performance was mainly explained by the increase in prices of sesame seeds in the world market, due to increased demand from the European Union and China. Similarly, when compared with a correspondent quarter in the previous year, the index has increased by 8.4 percent.

Chapter 24: Tobacco and manufactured tobacco substitutes

This chapter accounts for 3.5 percent of the total weight. During the first quarter of 2024, the index decreased by 3.9 percent to 113.7 from 118.3 recorded in the previous quarter. The performance was associated with the decrease in the prices of the US Virginia Flue Cured (VFC lamina tobacco leaf) in the global market. Nonetheless, when compared to the index in the similar quarter in 2023, the index has increased by 13.7 percent.

Chapter 25: Salt; sulphur; earth and stone; plastering material; lime and cement

The export price index for "Salt; sulphur; earth and stone; plastering material; lime and cement", accounting for 2.2 percent of the total weight, increased by 2.0 percent to 115.0 in the first quarter of 2024 from 112.8 recorded in the previous quarter. The performance was largely driven by the increase in overall prices of cement and limestone. Likewise, when compared with the index in the similar quarter of 2023, the index has increased by 15.0 percent.

Chapter 26: Ores, slag and ash

The export price index for "Ores, slag and ash", which accounts for 3.6 percent of the total weight, increased by 1.8 percent to 109.1 in the first quarter of 2024 from 107.2 recorded in the preceding quarter. The performance was largely attributed to the increase in prices of silver ores and concentrates in the world market. Likewise, when compared to the similar quarter in the previous quarter, the index has increased by 9.1 percent.

Chapter 52: Cotton

During the first quarter of 2024, the export price index for "Cotton", which accounts for 2.0 percent of the total weight, increased by 2.0 percent to 90.5 compared to 88.7 recorded in the fourth quarter of 2023. The performance was mainly explained by the increase in the world market price of cotton amid subdued global consumption and rising stocks. However, when compared to the index in the similar quarter in previous year, the index has decreased by 9.5 percent.

Chapter 56: Wadding, felt & nonwoven; yarns; twine, cordage, etc.

The chapter contributes 0.6 percent of the total weight of exported commodities. During the first quarter of 2024, the index increased by 1.7 percent to 107.8 from 106.0 recorded in the previous quarter. The performance resulted from the increase in prices of sisal rope and yarn in the global market. Likewise, when compared to the similar quarter in 2023, the index has increased by 7.8 percent.

Chapter 71: Natural or cultured pearls, precious stones and metals, coin etc.

The export price index for "Natural or cultured pearls, precious stones and metals, coin etc", which accounts for 59.0 percent of the total weight of exported commodities, increased by 9.5 percent to 116.0 in the first quarter of 2024 from 105.9 recorded in the preceding quarter. The performance was largely associated with the increase in the world-market prices of gold mostly driven by the increased safe-haven demands amid continued geo-political conflicts and interest policy uncertainty of the Federal Reserve. Correspondingly when compared to the similar quarter in 2023, the index has increased by 16.0 percent.

Import Price Index

Structure of the MPI

The MPI covers 16 chapters out of 99 chapters, namely; (i) Cereals, (ii) Animal fats and oil & their cleavage product, (iii) Sugars and sugar confectionery, (iv) Mineral fuels, oils and product of their distillation, (v) Pharmaceutical products, (vi) Fertilisers, (vii) Miscellaneous chemical products, (viii) Plastics and articles thereof, (ix) Rubber and articles thereof, (x) Other made up textile articles; sets; worn clothing etc, (xi) Iron and steel, (xii) Articles of iron and steel, (xiii) Nuclear reactors, boilers, machinery and machinery appliance, parts, (xiv) Electrical machinery equipment parts thereof; sound recorder etc, (xv) Vehicles other than railway or transport way roll-stock, parts and accessories and (xvi) Optical, photographic, cinematographic, measuring, checking, precision, etc. The sampled sixteen chapters constitute 80 percent of total value of imports aggregated from 2019 to 2022.

Quarterly Import Price Index

The overall Import Price Index for the quarter ending March 2024 decreased by 0.7 percent to 101.0 from 101.8 recorded in the previous quarter. The decrease was contributed by a fall in global market prices of Mineral fuels, fertilisers and Iron and steel. However, when compared to the same quarter last year the index increased marginally by 1.0 percent. (**Table 2**).

Table 2: Quarterly Import Price Indices by Chapter (Q1 2023= 100)

HS Code	Description	Weight	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	% Change Previous Quarter	% Change same quarter last year
		Overall							
		100.0	100.0	99.1	100.7	101.8	101.0	-0.7	1.0
10	Cereals	3.2	100.0	94.0	90.6	95.6	91.0	-4.8	-9.0
15	Animal/veg fats & oil & their cleavage products; etc	2.7	100.0	100.2	104.4	107.8	109.8	1.8	9.8
17	Sugars and sugar confectionery	1.6	100.0	101.1	111.3	109.6	118.2	7.9	18.2
27	Mineral fuels, oils & product of their distillation; etc	23.8	100.0	89.7	99.4	95.3	85.4	-10.4	-14.6
30	Pharmaceutical products	5.3	100.0	100.9	106.4	109.8	111.8	1.8	11.8
31	Fertilisers	2.4	100.0	95.8	96.4	99.1	82.2	-17.0	-17.8
38	Miscellaneous chemical products	3.3	100.0	96.3	82.7	86.8	84.4	-2.7	-15.6
39	Plastics and articles thereof	7.1	100.0	100.2	100.6	80.7	87.9	9.0	-12.1
40	Rubber and articles thereof	2.5	100.0	97.1	96.8	98.9	100.6	1.7	0.6
63	Other made up textile articles; sets; worn clothing etc	1.9	100.0	106.6	103.9	106.9	107.2	0.2	7.2
72	Iron and steel	7.0	100.0	101.6	102.2	113.6	105.9	-6.7	5.9
73	Articles of iron and steel	4.4	100.0	97.2	102.3	105.7	106.0	0.3	6.0
84	Nuclear reactors, boilers, mchy & mech appliance; parts	13.6	100.0	103.5	107.0	107.2	108.5	1.2	8.5
85	Electrical mchy equip parts thereof; sound recorder etc	8.3	100.0	107.0	104.5	105.2	106.4	1.1	6.4
87	Vehicles o/t railw/tranw rool-stock, pts & accessories	10.8	100.0	95.5	101.2	103.7	106.5	2.7	6.5
90	Optical, photo, cine, meas, checking, precision, etc	2.1	100.0	98.5	101.3	103.0	104.9	1.8	4.9

Note: Q1=January-March, Q2=April-June, Q3=July-September, Q4=October-December

Sub-indices by Chapter

This section analyses movements of import price indices for each chapter.

Chapter 10: Cereals

This chapter accounts for 3.2 percent of the total weight. During the first quarter of 2024, the import price index for "Cereals" decreased by 4.8 percent to 91.0 from 95.6 recorded in the fourth quarter in 2023. This development was attributed to an increase in supply and production levels in major wheat producing countries supported by positive weather conditions. Similarly, when compared to the corresponding quarter last year, the index decreased by 9.0 percent.

Chapter 15: Animal fats and oil and their cleavage product

This chapter contributes 2.7 percent of the total weight of the imported commodities. During the first quarter of 2024, the index increased by 1.8 percent to 109.8 from 107.8 that was recorded in the previous quarter. Prices have shown a significant increase amid demand supply imbalances, as major oil producing countries of palm oil such as Malaysia and Indonesia have shown supply and production constraints while demand continued to increase with the holiday festivities. Likewise, compared to the similar quarter of 2023, the index increased by 9.8 percent.

Chapter 17: Sugars and sugar confectionery

This chapter contributes 1.6 percent of the total weight of the imported commodities. During the first quarter of 2024, the index increased by 7.9 percent to 118.2 from 109.6 that was recorded in the previous quarter. This was mainly due to increased ethanol production in major sugar producing countries such as Brazil and India. Ethanol is a renewable fuel produced from sugarcane which is produced in the place of sugar hindering its supply. Similarly, compared to the corresponding quarter of 2023, index has increased by 18.2 percent

Chapter 27: Mineral fuels, oils and product of their distillation

During the first quarter of 2024, import price index for "Mineral fuels, oils and product of their distillation" which contributes 23.8 percent to the total weight of the imported commodities, decreased by 10.4 percent to 85.4 from 95.3 recorded in the fourth quarter of 2023. Prices fell on account of an increase in supply despite supply disruptions caused by the Middle Eastern conflict. Russia has also increased its oil supply as the major producer despite the agreement on voluntary supply cuts by the OPEC+ in the November 2023 meeting contributing to the price fall of crude oil. Likewise, when compared with the same quarter last year, the index decreased by 14.6 percent.

Chapter 30: Pharmaceutical products

The index for "Pharmaceutical products," which constitutes approximately 5.3 percent of the total weight, increased by 1.8 percent to 111.8 in the first quarter of 2024, up from 109.8 in the previous quarter. This growth was driven by global health concerns boosting demand and use of generic drugs. Similarly, when compared to the similar quarter in 2023, the index increased by 11percent.

Chapter 31: Fertilisers

The "Fertilisers" index, which accounts for 2.4 percent of the total weight of imported commodities, decreased by 17 percent to 82.2 from 99.1 recorded in the previous quarter. This decline was attributed to global fertiliser price fluctuations driven by the decrease in crude oil prices in the world market. Correspondingly, when compared with the same quarter last year, the index decreased by 17.8 percent.

Chapter 38: Miscellaneous chemical products

The index for "Miscellaneous chemical products" which accounts for 3.3 percent of the total weight, decreased by 2.7 percent to 84.4 from 86.8 recorded in the fourth quarter of 2023. This decline was attributed to a decrease in production costs, influenced by lower energy costs, particularly in electricity and fuel prices. Similarly, when compared to the similar quarter of 2023, the index decreased by 15.6 percent.

Chapter 39: Plastics and articles thereof

In the first quarter of 2024, the index for "Plastic and articles thereof" which contributes 7.1 percent to the total weight of imported commodities increased by 9.0 percent to 87.9 from 80.7 recorded in the preceding quarter. The increase was attributed to the rise in the prices of polyethylene in the world market. Nonetheless, when compared to the similar quarter last year, the index decreased by 12.1 percent.

Chapter 40: Rubber and articles thereof

This chapter contributes 2.5 percent to the total weight of imported commodities. During the first quarter of 2024, the index increased by 1.7 percent to 100.6 from 98.9 recorded in the fourth quarter 2023. The increase was attributed to the increase in prices of tyres. When compared to the same quarter in the preceding year, the index slightly increased by 0.6 percent.

Chapter 63: Other made-up Textile Articles; Sets; worn Clothing etc

In the first quarter of 2024, the index for "Other made-up Textile Articles; Sets; worn Clothing etc" which contributes 1.9 percent to the total weight of imported commodities, had marginally increased by 0.2 percent to 107.2 from 106.9 recorded in the preceding quarter. Similarly, when compared to the same quarter of 2023, the index increased by 7.2 percent.

Chapter 72: Iron and steel

During the first quarter of 2024, the index for “Iron and steel”, which accounts for 7.0 percent of the total weight, decreased by 6.7 percent to 105.9 from 113.6 recorded in the fourth quarter of 2023. The decline was due to fall in levels of demand and abundant supply in the world market, accompanied with a slow in economic activity in major advanced economies like China. However, the index increased by 5.9 percent when compared to the similar quarter of 2023.

Chapter 73: Articles of iron and steel

This chapter contributes 4.4 percent of the total weight. In the first quarter of 2024, the index for “Articles of iron and steel” increased marginally by 0.3 percent to 106.0 from 105.7 recorded in the preceding quarter. Similarly, when compared to the corresponding quarter last year the index increased by 6.0 percent.

Chapter 84: Nuclear reactors, boilers, machinery and mechanical appliance and parts

The chapter accounts for 13.6 percent of the total weight of imported commodities. During the first quarter of 2024, the index for this chapter increased slightly by 1.2 percent to 108.5 from 107.2 recorded in the preceding quarter. Similarly, when compared with the corresponding quarter of 2023 the index has increased by 8.5 percent.

Chapter 85: Electrical machinery equipment and parts thereof

The index for “Electrical machinery equipment and parts thereof”, which accounts for 8.3 percent of the total weight, increased by 1.1 percent to 106.4 in the first quarter of 2024 from 105.2 attained in the previous quarter. This development was driven by supply chain constraints, general inflation and strong demand for equipment globally. Likewise, when compared with the same quarter in 2023, the index increased by 6.4 percent.

Chapter 87: Vehicles other than railway/transport ways roll-stock

The index for “Vehicles other than railway/transport ways roll-stock” which accounts for 10.8 percent of total weight increased by 2.7 percent to 106.5 in the first quarter of 2024 from 103.7 recorded in the previous quarter. The performance was largely explained by the increase in prices of private vehicles, public buses and trucks amid high freight costs. Similarly, when compared to the same quarter in the previous year the index increased by 6.5 percent

Chapter 90: Optical, photographic, cinematographic, measuring, checking, precision, etc.

This chapter accounts for 2.1 percent of the total weight. During the first quarter of 2024, the index increased by 1.8 percent to 104.9 from 103.0 recorded in the fourth quarter of 2023, largely on account of increase in prices of medical equipment. Correspondingly, when compared to the similar quarter last year, the index has increased by 4.9 percent.

Terms of Trade

The Terms of Trade Index is the ratio of Export Price Index to Import Price Index. The Exports Price Index was mostly influenced by prices of gold and edible vegetables while the Imports Price Index was driven by prices of Mineral fuel, fertilizer, Iron and steel. Overall, during the first quarter of 2024, Terms of Trade remained favourable, increasing by 2.8 points to 109.4 from 106.6 recorded in the fourth quarter of the 2023 implying that for every unit of goods exported, the country can obtain more units of imports (**Table 3**).

Table 3: Quarterly Terms of Trade (Q1 2023 = 100)

Indices	2023				2024
	Q1	Q2	Q3	Q4	Q1
EXPI	100.0	101.7	104.7	108.5	110.5
MPI	100.0	99.1	100.7	101.8	101.0
TOT	100.0	102.6	104.0	106.6	109.4

Q1=January-March, Q2=April-June, Q3=July-September, Q4=October-December

XPI = Export Price Index

MPI = Import Price Index

ToT = Terms of Trade

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