

STATISTICAL RELEASE

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Our ref: NBS/S.40/21/488

Date: February 2025.

EXPORT AND IMPORT PRICE INDICES FOR THE QUARTER ENDING DECEMBER 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, 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 of November to 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

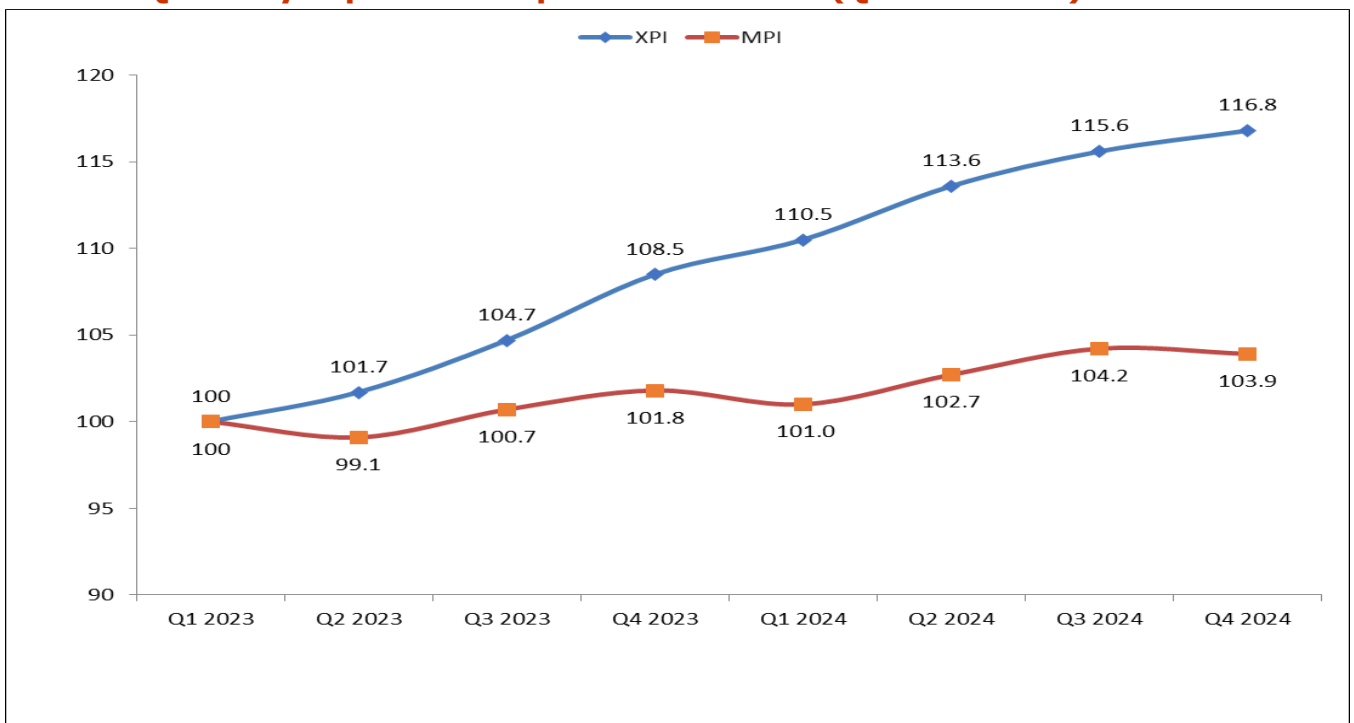
The products are classified according to the United Nations Harmonized Commodity Description and Coding System (HS). The HS is an international nomenclature for the classification of products.

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 December 2024 increased by 1.0 percent to 116.8 from 115.6 recorded in the preceding quarter. This development was largely attributed to the increase in prices of gold and cashew nuts. Likewise, when compared to the similar quarter in 2023, the index increased by 7.6 percent (**Table 1**).

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

| HS Code | Description | Weight | Q4 | Q1 | Q2 | Q3 | Q4 | % Change Previous Quarter | % Change same quarter last year |
|---------|---|--------------|----------------|--------------|--------------|--------------|--------------|---------------------------------|---|
| | | | 2023 | 2024 | 2024 | 2024 | 2024 | | |
| | | | Overall | | | | | | |
| | | 100.0 | 108.5 | 110.5 | 113.6 | 115.6 | 116.8 | 1.0 | 7.6 |
| 03 | Fish & crustacean, mollusk & other | 3.4 | 120.8 | 124.1 | 129.8 | 131.9 | 128.2 | -2.8 | 6.2 |
| 07 | Edible vegetables and certain roots and | 4.8 | 112.5 | 119.2 | 121.3 | 120.2 | 119.8 | -0.3 | 6.5 |
| 08 | Edible fruit and nuts; peel of citrus fruit | 6.6 | 106.1 | 102.5 | 105.9 | 107.1 | 113.2 | 5.7 | 6.6 |
| 09 | Coffee, tea, mate and spices | 4.8 | 111.3 | 112.0 | 113.3 | 118.9 | 120.8 | 1.6 | 8.5 |
| 10 | Cereals | 4.7 | 105.8 | 107.7 | 110.8 | 113.4 | 110.2 | -2.8 | 4.2 |
| 12 | Oil seed, oleagi fruits; miscell grain, seed, | 4.7 | 106.5 | 108.4 | 111.7 | 114.8 | 113.4 | -1.2 | 6.5 |
| 24 | Tobacco and manufactured tobacco | 3.5 | 118.3 | 113.7 | 117.9 | 120.7 | 122.6 | 1.6 | 3.7 |
| 25 | Salt; sulphur; earth & ston; plastering | 2.2 | 112.8 | 115.0 | 116.2 | 119.5 | 122.0 | 2.1 | 8.2 |
| 26 | Ores, slag and ash | 3.6 | 107.2 | 109.1 | 111.0 | 111.9 | 112.8 | 0.8 | 5.2 |
| 52 | Cotton | 2.0 | 88.7 | 90.5 | 88.9 | 83.5 | 84.7 | 1.4 | -4.5 |
| 56 | Wadding, felt & nonwoven; yarns; twine, | 0.6 | 106.0 | 107.8 | 111.9 | 114.5 | 116.0 | 1.3 | 9.4 |
| 71 | Natural/cultured pearls, prec stones & | 59.0 | 105.9 | 116.0 | 123.8 | 130.7 | 137.5 | 5.2 | 29.8 |

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, decreased by 2.8 percent to 128.2 in the fourth quarter of 2024 from 131.9 recorded in the third quarter. The performance was largely attributed to the decrease in the prices of seafood, resulting from both increased production and declining demand from major importing countries, including the United States of America (USA). Nonetheless, when compared to the corresponding quarter in 2023, the index increased by 6.2 percent.

Chapter 07: Edible vegetables and certain roots and tuber

This chapter contributed 4.8 percent of the total weight of exported commodities. During the fourth quarter of 2024, the index decreased slightly by 0.3 percent to 119.8 from 120.2 that was recorded in the previous quarter. However, when compared to the similar quarter in 2023, the index increased by 6.5 percent.

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

During the fourth quarter 2024, the export price index for "Edible fruits and nuts", which accounts for 6.6 percent of the total weight, increased by 5.7 percent to 113.2 from 107.1 recorded in the previous quarter. This was largely associated with the increase in prices of cashew nuts in the world market due to surge in demand for the festive season, especially in regions like India, China, USA and Europe. Likewise, when compared to the similar quarter in 2023, the index has increased by 6.6 percent.

Chapter 09: Coffee, tea, mate and spices

This chapter contributed 4.8 percent of the total weight of exported commodities. During the fourth quarter of 2024, the index for "coffee, tea, mate and spices" increased by 1.6 percent to 120.8 from 118.9 recorded in the previous quarter. The performance was attributed to the increase in the world market prices of both coffee and tea, driven by supply constraints (for coffee) and low tea production from the South Asia producers. Likewise, when compared to the similar quarter in 2023, the index increased by 8.5 percent.

Chapter 10: Cereals

The export price index for "cereal" accounts for 4.7 percent of the total weight of exports. During the fourth quarter of 2024, the index decreased by 2.8 percent to 110.2 from 113.4

recorded in the preceding quarter. The performance was largely attributed to the decrease in the price of wheat in the world market resulting from solid harvests and favorable growing conditions. However, when compared to a similar quarter in 2023, the index increased by 4.2 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 fourth quarter of 2024, the index for "Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial or medicinal plants; straw and fodder" decreased by 1.2 percent to 113.4 from 114.8 recorded in the previous quarter. The decline was mainly explained by the fall in prices of sesame seeds in the world market, driven by oversupply in the market due to increased production in Brazil, India and Pakistan. However, when compared to the corresponding quarter in the previous year, the index has increased by 6.5 percent.

Chapter 24: Tobacco and manufactured tobacco substitutes

This chapter accounts for 3.5 percent of the total weight. During the fourth quarter 2024, the index increased by 1.6 percent to 122.6 from 120.7 recorded in the previous quarter. The performance was associated with the rise in the prices of tobacco in the world market, driven by supply chain disruptions and increased cost of raw materials. Similarly, when compared to the similar quarter in 2023, the index increased by 3.7 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 2.1 percent to 122.0 in the fourth quarter of 2024 from 119.5 recorded in the previous quarter. The performance was largely driven by the increase in overall prices of limestone, attributed to the surge in demand from the construction industry. Likewise, when compared to the corresponding quarter in 2023, the index increased by 8.2 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 marginally by 0.8 percent to 112.8 in the fourth quarter 2024 from 111.9 recorded in the preceding quarter. Likewise, when compared to the similar quarter in 2023, the index increased by 5.2 percent.

Chapter 52: Cotton

During the fourth quarter 2024, the export price index for "Cotton", which accounts for 2.0 percent of the total weight, increased by 1.4 percent to 84.7 compared to 83.5 recorded in the third quarter 2024. The performance was mainly explained by the increase in the world market price of cotton due to supply constraints associated with weather disruptions, especially in the United States of America, the major cotton producer. Nonetheless, when compared to the similar quarter in 2023, the index decreased by 4.5 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 fourth quarter 2024, the index increased by 1.3 percent to 116.0 from 114.5 recorded in the previous quarter. The performance resulted from the increase in prices of sisal rope attributed to rising demand for sustainable products. Likewise, when compared to the similar quarter in 2023, the index increased by 9.4 percent.

Chapter 71: Natural or cultured pearls, precious stones and metals, coins 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 5.2 percent to 137.5 in the fourth quarter of 2024 from 130.7 recorded in the preceding quarter. The performance was largely associated with the increase in the global prices of gold, amid geopolitical conflicts, which increased its safe-haven appeal and increased demand from central banks. Correspondingly when compared to the similar quarter in 2023, the index increased by 29.8 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 December 2024 decreased marginally by 0.4 percent to 103.9 from 104.2 recorded in the preceding quarter. This development was mainly driven by decrease in the global market prices of mineral fuels and cereals. Nonetheless, when compared to the same quarter in 2023 the index increased by 2.0 percent. (**Table 2**).

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

| HS Code | Description | Weight | Q4 2023 | Q1 2024 | Q2 2024 | Q3 2024 | Q4 2024 | % Change Previous Quarter | % Change same quarter last year |
|---------|--|--------|---------|---------|---------|---------|---------|---------------------------|---------------------------------|
| | | | | | | | | | |
| | | 100.0 | 101.8 | 101.0 | 102.7 | 104.2 | 103.9 | -0.4 | 2.0 |
| 10 | Cereals | 3.2 | 95.6 | 91.0 | 91.4 | 90.0 | 86.7 | -3.6 | -9.3 |
| 15 | Animal/veg fats & oil & their cleavage products; etc | 2.7 | 107.8 | 109.8 | 112.7 | 114.1 | 113.9 | -0.2 | 5.7 |
| 17 | Sugars and sugar confectionery | 1.6 | 109.6 | 118.2 | 120.3 | 121.5 | 123.8 | 1.9 | 12.9 |
| 27 | Mineral fuels, oils & product of their distillation; etc | 23.8 | 95.3 | 85.4 | 89.7 | 80.1 | 74.4 | -7.1 | -21.9 |
| 30 | Pharmaceutical products | 5.3 | 109.8 | 111.8 | 113.4 | 114.1 | 113.0 | -1.0 | 2.9 |
| 31 | Fertilisers | 2.4 | 99.1 | 82.2 | 81.7 | 86.0 | 91.1 | 5.9 | -8.0 |
| 38 | Miscellaneous chemical products | 3.3 | 86.8 | 84.4 | 86.0 | 88.8 | 87.1 | -1.9 | 0.4 |
| 39 | Plastics and articles thereof | 7.1 | 80.7 | 87.9 | 89.0 | 88.0 | 85.9 | -2.4 | 6.5 |
| 40 | Rubber and articles thereof | 2.5 | 98.9 | 100.6 | 102.2 | 107.0 | 106.2 | -0.7 | 7.4 |
| 63 | Other made up textile articles; sets; worn clothing etc | 1.9 | 106.9 | 107.2 | 109.3 | 113.7 | 110.8 | -2.6 | 3.6 |
| 72 | Iron and steel | 7.0 | 113.6 | 105.9 | 106.4 | 110.5 | 112.0 | 1.4 | -1.4 |
| 73 | Articles of iron and steel | 4.4 | 105.7 | 106.0 | 106.1 | 109.1 | 111.4 | 2.2 | 5.4 |
| 84 | Nuclear reactors, boilers, mchy & mech appliance; parts | 13.6 | 107.2 | 108.5 | 112.8 | 118.8 | 117.8 | -0.9 | 9.9 |
| 85 | Electrical mchy equip parts thereof; sound recorder etc | 8.3 | 105.2 | 106.4 | 105.6 | 103.4 | 101.9 | -1.4 | -3.2 |
| 87 | Vehicles o/t railw/tranw rool-stock, pts & accessories | 10.8 | 103.7 | 106.5 | 109.5 | 115.2 | 117.8 | 2.3 | 13.6 |
| 90 | Optical, photo, cine, meas, checking, precision, etc | 2.1 | 103.0 | 104.9 | 106.7 | 107.7 | 108.3 | 0.5 | 5.1 |

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 fourth quarter of 2024, the import price index for "Cereals" decreased by 3.6 percent to 86.7 from 90.0 recorded in the previous quarter 2024. The performance was largely associated with the decrease in prices of wheat owing to increased production in major importing countries including China, the United States of America and Russia. Similarly, when compared to the corresponding quarter last year, the index decreased by 9.3 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 fourth quarter 2024, the index decreased slightly by 0.2 percent to 113.9 from 114.1 that was recorded in the previous quarter. However, when compared to the similar quarter in 2023, the index increased by 5.7 percent.

Chapter 17: Sugars and sugar confectionery

This chapter contributes 1.6 percent of the total weight of the imported commodities. During the fourth quarter 2024, the index increased by 1.9 percent to 123.8 from 121.5 recorded in the third quarter 2024. The rise in sugar prices was attributed to unfavorable weather conditions in major sugar-producing countries in Brazil and India. Likewise, when compared to the corresponding quarter of 2023, the index increased by 12.9 percent.

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

During the fourth quarter 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 7.1 percent to 74.4 from 80.1 recorded in the previous quarter. The decrease was attributed to increased global supply by non-OPEC+ countries and reduced demand in major consuming countries particularly China. Similarly, when compared to the same quarter last year, the index decreased by 21.9 percent.

Chapter 30: Pharmaceutical products

The index for "Pharmaceutical products", which constitutes approximately 5.3 percent of the total weight, slightly decreased by 1.0 percent to 113.0 in the fourth quarter of 2024, up from 114.1 in the previous quarter. Similarly, when compared to the similar quarter in 2023, the index increased by 2.9 percent.

Chapter 31: Fertilisers

The "Fertilisers" index, accounting for 2.4 percent of the total weight, increased by 5.9 percent from 86.0 to 91.1 in the fourth quarter of 2024. The performance was attributed to the increase in prices of Urea resulting from supply dynamics and higher energy cost, particularly natural gas, which is used in the production of Urea. Nonetheless, when compared to the similar quarter last year, the index decreased by 8.0 percent.

Chapter 38: Miscellaneous chemical products

The index for "Miscellaneous chemical products" which accounts for 3.3 percent of the total weight, decreased by 1.9 percent to 81.1 in the fourth quarter 2024, from 88.8 recorded in the third quarter 2024. The performance was associated with a shift in demand from costly branded pesticides to generic pesticide usage. Similarly, when compared to the same quarter of 2023, the index slightly declined by 0.4 percent.

Chapter 39: Plastics and articles thereof

In the fourth quarter of 2024, the index for "Plastic and articles thereof" which contributes 7.1 percent to the total weight of imported commodities decreased by 2.4 percent to 85.9 from 88.0 recorded in the previous quarter. The performance was associated with the decrease in world-market prices of polyethylene associated with moderating demand from key industries of construction and packaging. Likewise, when compared to the similar quarter last year, the index increased by 6.5 percent.

Chapter 40: Rubber and articles thereof

This chapter contributes 2.5 percent to the total weight of imported commodities. During the fourth quarter 2024, the index decreased slightly by 0.7 percent to 106.2 from 107.0 recorded in the third quarter 2024. Correspondingly, when compared to the same quarter in the preceding year, the index increased by 7.4 percent.

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

In the fourth quarter 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 decreased by 2.6 percent to 110.8 from 113.7 recorded in the preceding quarter. This decrease was largely influenced by oversupply and subdued global economic conditions. However, when compared to the same quarter of 2023, the index increased by 3.6 percent.

Chapter 72: Iron and steel

During the fourth quarter 2024, the index for "Iron and steel", which accounts for 7.0 percent of the total weight, increased by 1.4 percent to 112.0 from 110.5 recorded in the third quarter of 2024. The performance was largely associated with the increase in world-market prices of

iron ore due to supply constraints and tariff threats from the new United States administration. Likewise, when compared to the same quarter last year the index decreased by 1.4 percent.

Chapter 73: Articles of iron and steel

This chapter contributes 4.4 percent of the total weight. In the fourth quarter 2024, the index for "Articles of iron and steel" increased by 2.2 percent to 111.4 from 109.1 recorded in the preceding quarter. The performance was associated with the rise in world market prices due to increased cost of materials used to manufacture steel. Similarly, when compared to the corresponding quarter of 2023 the index increased by 5.4 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 fourth quarter 2024, the index for this chapter dropped slightly by 0.9 percent from 118.8 to 117.8 recorded in the previous quarter. However, when compared to the corresponding quarter in 2023, the index increased by 9.9 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, decreased by 1.4 percent to 101.9 in the fourth quarter 2024 from 103.4 recorded in the previous quarter. The performance was attributed to the decrease in world-market prices of transformers attributed by the stabilization of prices of raw materials that are used in the manufacturing of transformers. Likewise, when compared to the same quarter in 2023, the index decreased by 3.2 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 2.3 percent to 117.8 in the fourth quarter 2024 from 115.2 recorded in the previous quarter. The performance was largely explained by the increase in prices of private vehicles and trucks especially in the element of freight. Similarly, when compared to the same quarter in the previous year the index increased by 13.6 percent.

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

This chapter accounts for 2.1 percent of the total weight. During the fourth quarter 2024, the index increased slightly by 0.5 percent to 108.3 from 107.7 recorded in the third quarter of 2023. Correspondingly, when compared to the similar quarter in 2023, the index increased by 5.1 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 cashew nuts, while the Imports Price Index was driven by prices of mineral fuels and cereals. Overall, during the fourth quarter 2024, Terms of Trade remained favourable, increasing by 1.5 points to 112.4 from 110.9 recorded in the third quarter 2024 (**Table 3**). This implies that for every unit of goods exported, the country can obtain more units of imports.

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

| Indices | 2023 | | | | 2024 | | | |
|---------|-------|-------|-------|-------|-------|-------|-------|-------|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| EXPI | 100.0 | 101.7 | 104.7 | 108.5 | 110.5 | 113.6 | 115.6 | 116.8 |
| MPI | 100.0 | 99.1 | 100.7 | 101.8 | 101.0 | 102.7 | 104.2 | 103.9 |
| TOT | 100.0 | 102.6 | 104.0 | 106.6 | 109.4 | 110.6 | 110.9 | 112.4 |

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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