

# Office of the Chief Government Statistician



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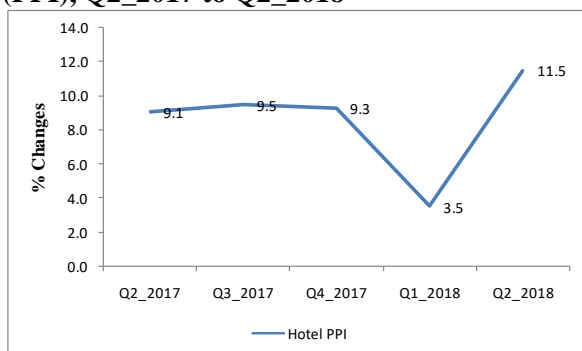
## HOTEL PRODUCER PRICE INDEX FOR SECOND QUARTER (APR- JUN, 2018)

### HIGHLIGHT

#### The Annual Producer Price increased by 11.5 percent

The Annual Producer Prices for Hotels increased by 11.5 percent compared with an increase of 9.1 percent in the same period 2017.

**Fig 1: Annual Changes in Hotel Price Index (PPI), Q2\_2017 to Q2\_2018**



#### Major Contributors to the 11.5 percent Annual Increase

The 11.5 percentage increase was attributed by the prices of following product:

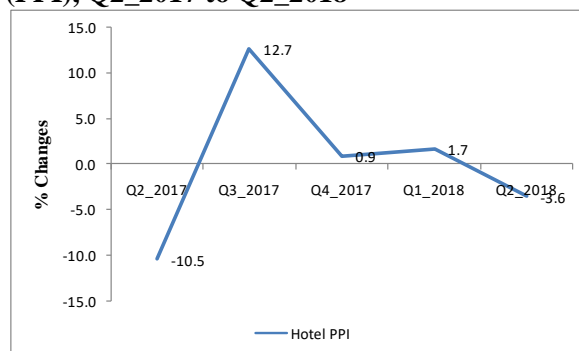
- Accommodation increased by 16.6 percent mainly due to a rise in prices of accommodation categories C (52.7percent), D (79.4 percent), E (62.5 percent) and FB (16.0 percent)
- Other Services increased by 0.2 percent mainly due to a rise in price of Manicure by 3.0 percent.

However, Prices of Food and Beverages decreased by 15.2 percent and 22.4 percent respectively,(Table 2).

### Quarter to Quarter Change

Fig 2. Shows that Producer Prices Index for the Hotels in second quarter 2018 decreased by 3.6 percent compared with an increase of 1.7 percent recorded in previous quarter.

**Fig 2: Quarterly Changes in Hotel Price Index (PPI), Q2\_2017 to Q2\_2018**



#### Major Contributors to the 3.6 percent Quarterly Decrease

This was attributed by the prices of the following products:

- The Accommodation decreased by 3.2 percent mainly due to the decrease in prices for Accommodation categories A (3.9 percent) and C (28.9 percent).
- Beverages decreased by 8.8 percent mainly due to the decrease Beverages-Salama (19.3 percent) and Hard Drink Vodka (18.9 percent)
- Food and Other services prices decreased by 5.9 percent and 2.9 percent respectively, (Table 2).

**Table 1: Hotel Producer Index in Q2\_2017-Q2\_2018: Base Price (Q2, 2013 = 100)**

Producer Price Index -Hotel Base Period = 2013		2017			2018	
	Weight	Q2	Q3	Q4	Q 1	Q2
Hotels PPI	100	106.1	119.6	120.6	122.7	118.3
Accommodation	86.6	102.2	118.2	119.7	123.1	119.1
A	6.8	194.0	195.7	190.7	185.6	178.3
B	2.1	102.0	126.8	97.4	101.7	105.1
C	6.4	65.8	101.3	66.4	141.3	100.4
D	5.1	61.2	69.0	88.0	99.3	109.9
E	1.7	56.7	61.7	62.1	77.2	92.2
FB (Full Board)	64.3	100.6	116.7	122.3	118.5	116.7
Food	6.7	123.7	122.6	120.3	111.4	104.9
Beverages	4.2	127.6	120.3	116.6	108.6	99.0
Other Services	2.5	156.5	158.7	161.2	161.5	156.8

**Table 2: Changes of Hotel Index in Q2\_2017-Q2\_2018: Base Price (Q2, 2013 = 100)**

PPI Hotels - Percentage Change - Annual		2017			2018	
	Weight	Q2	Q3	Q4	Q1	Q2
Hotels PPI	100	9.1	9.5	9.3	3.5	11.5
Accommodation	86.6	10.5	10.4	9.8	5.7	16.6
A	6.8	48.1	28.3	5.6	-4.6	-8.1
B	2.1	23	24	-12.4	-18.9	3
C	6.4	-16.2	14.6	-22.9	58.6	52.7
D	5.1	-26.4	-33	-9.3	44.9	79.4
E	1.7	-28.2	-34.2	-37.9	25.4	62.5
FB (Full Board)	64.3	10.3	11.4	16.7	2.2	16
Food	6.7	-0.4	14	9.1	-10	-15.2
Beverages	4.2	6.1	-2.3	3.8	-15.9	-22.4
Other Services	2.5	3.7	-5	3.7	3.6	0.2
PPI Hotels - Percentage Change- Quarter to Quarter		2017			2018	
	Weight	Q2	Q3	Q4	Q1	Q2
Hotels PPI	100	-10.5	12.7	0.9	1.7	-3.6
Accommodation	86.6	-12.2	15.6	1.3	2.9	-3.2
A	6.8	-0.3	0.9	-2.5	-2.7	-3.9
B	2.1	-18.6	24.3	-23.2	4.4	3.3
C	6.4	-26.2	54	-34.4	112.8	-28.9
D	5.1	-10.6	12.7	27.5	12.8	10.7
E	1.7	-7.9	8.7	0.8	24.3	19.4
FB (Full Board)	64.3	-13.2	16	4.8	-3.1	-1.5
Food	6.7	-0.1	-0.9	-1.9	-7.3	-5.9
Beverages	4.2	-1.2	-5.7	-3.1	-6.9	-8.8
Other Services	2.5	0.4	1.4	1.6	0.2	-2.9

**Table 3: Weighted Average Price**

Product	Unit	Values in TZS			% Change (Q2_2018/ Q1_2018)	% Change (Q2_2018/ Q2_2017)
		Q2_2017	Q1_2018	Q2_2018		
<b>Accommodation (BB)</b>						
A	Per night	200,250	191,616	184,092	-3.9	-8.1
B	Per night	198,320	197,690	204,266	3.3	3.0
C	Per night	155,333	333,788	237,195	-28.9	52.7
D	Per night	246,450	399,530	442,129	10.7	79.4
E	Per night	310,035	422,075	503,854	19.4	62.5
<b>Food</b>						
Lunch (Z Burger)	Per dish	22,385	26,724	26,688	-0.1	19.2
Dinner (Catch of the day)	Per dish	26,863	26,724	26,688	-0.1	-0.7
Swahili Food	Per person	33,605	21,000	23,000	9.5	-31.6
Buffet	Per person	33,326	35,000	35,000	0.0	5.0
<b>Beverage</b>						
Soft Drink - Water	1.5litre	4,477	4,454	4,448	-0.1	-0.7
Beer - Kilimanjaro	Per bottle	6,716	8,908	8,896	-0.1	32.5
Wine - KWV Chardonnay	Per glass	11,120	11,135	11,120	-0.1	0.0
Spirits - Gordon's Gin	Per tot	6,716	6,681	6,672	-0.1	-0.7
Cocktail - Monkey Business	Per glass	13,431	13,362	13,344	-0.1	-0.7
Cocktail	Per glass	17,922	17,816	17,816	0.0	-0.6
Beverages-Salama	Per bottle	17,093	20,607	16,624	-19.3	-2.7
Beverages-Pool	Per bottle	9,043	7,745	11,031	42.4	22.0
Beverages-Breakers	Per bottle	11,406	6,072	5,644	-7.1	-50.5
Hard Drink Vodka	Per bottle	6,665	8,963	7,268	-18.9	9.1
<b>Other Services</b>						
Massage (Full Body)	60 min	111,927	111,350	111,199	-0.1	-0.7
Facial	60 min	134,313	133,619	133,439	-0.1	-0.7
Pedicure	45 min	89,447	89,080	88,960	-0.1	-0.5
Manicure	30 min	64,776	66,810	66,720	-0.1	3.0
Hot stone massage	30 min	112,015	111,350	111,850	0.4	-0.1
Body scrub	45 min	168,023	167,024	134,855	-19.3	-19.7
Internet Facilities	60 min	10,750	10,750	10,750	0.0	0.0

## **Glossary**

- **Introduction**

The Hotel Producer Price Index (PPI) covers prices of Accommodations, Food, Beverages and Other Hotel Services. The index measures the quarter-to-quarter changes in prices of goods and services produced in Hotels. The Index is used for economic policy and analysis purposes and to assist in compilation of national accounts volume estimates. The accommodation covers two components Bed and Breakfast (Non Holiday Package) which categorized into five grouped points *A(0 - 149,000TZS)*, *B(150,000 - 249,000TZS)*, *C(250,000 - 349,000TZS)*, *D(350,000 - 449,000TZS)*, *E( 450,000 and above)* and Full Board (Holiday Package).

- **Price Collection**

The samples of seventeen Hotels are selected to provide the information about the changes in prices of goods and services produced in Hotels. The prices are collected on 15<sup>th</sup> of each month and comprise of 96 quotations picked to make PPI basket.

The CPI measures the average percentage changes over time (between two time periods) in the prices of a “basket” of consumer goods and services acquired by households (the market basket) in Zanzibar. The Zanzibar CPI covers prices of 343 products collected in 641 outlets in Unguja and Pemba urban Centers. The goods and services included in the ZCPI basket are classified according to the UN COICOP (Classification of Individual Consumption According by Purpose) with 12 divisions.

The ZCPI weights are based on both monetary and non-momentary expenditures relating to consumption for households in Zanzibar for the 2014/15 Household Budget Survey (HBS). The weight is based on expenditures of both urban and rural households. Both base price and index has reference period of January 2017.

The computation of indices at elementary level based on geometric mean of the price relative while at higher level the Laspeyres formula was used to compute the aggregate indices.

**Appendix 1: Hotel Price Indices Q3\_2013 - Q2\_2018; Base Price (Q2, 2013 = 100)**

	<b>Total PPI</b>	<b>Accommodation</b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>FB</b>	<b>Food</b>	<b>Beverage</b>	<b>Other Services</b>
<b>Wt</b>	<b>100</b>	<b>86.6</b>	<b>6.8</b>	<b>2.1</b>	<b>6.4</b>	<b>5.1</b>	<b>1.7</b>	<b>64.3</b>	<b>6.7</b>	<b>4.2</b>	<b>2.5</b>
Q2_2013=100	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Q3_2013	114.7	116.1	118.1	115.2	122.1	108.0	105.9	116.2	104.2	104.2	112.4
Q4_2013	109.1	109.3	138.1	112.2	114.8	102.6	101.9	106.3	103.3	115.2	109.8
Q1_2014	119.8	121.0	155.0	119.7	131.4	105.2	103.9	118.1	103.8	125.5	112.4
Q2_2014	100.9	100.1	117.2	115.4	101.4	92.5	100.0	98.2	106.3	105.5	106.7
Q3_2014	121.1	121.6	123.4	119.3	141.3	96.9	105.9	121.9	123.8	105.2	124.0
Q4_2014	107.0	107.0	116.6	104.9	135.7	93.1	101.9	104.4	107.2	104.0	110.5
Q1_2015	113.8	114.4	123.4	111.3	139.7	96.4	105.6	112.7	107.6	107.0	121.8
Q2_2015	90.7	87.9	121.4	83.2	74.7	89.3	88.0	85.7	107.2	101.0	126.4
Q3_2015	105.7	102.7	114.7	93.3	89.9	102.1	93.2	103.3	124.9	106.7	154.9
Q4_2015	98.4	95.5	113.7	95.5	94.4	109.0	99.1	92.5	107.9	117.4	141.4
Q1_2016	106.8	104.4	135.5	92.8	95.1	90.3	84.2	104.1	108.3	123.8	154.6
Q2_2016	97.3	92.5	131.0	83.0	78.5	83.2	78.9	91.2	124.3	120.2	150.9
Q3_2016	109.2	107.0	152.6	102.3	88.4	103.0	93.7	104.8	107.5	123.1	167.1
Q4_2016	110.4	109.0	180.6	111.1	86.2	97.0	100.1	104.8	110.3	112.3	155.5
Q1_2017	118.5	116.5	194.5	125.3	89.1	68.5	61.6	115.9	123.8	129.1	155.9
Q2_2017	106.1	102.2	194.0	102.0	65.8	61.2	56.7	100.6	123.7	127.6	156.5
Q3_2017	119.6	118.2	195.7	126.8	101.3	69.0	61.7	116.7	122.6	120.3	158.7
Q4_2017	120.6	119.7	190.7	97.4	66.4	88.0	62.1	122.3	120.3	116.6	161.2
Q1_2018	122.7	123.1	185.6	101.7	141.3	99.3	77.2	118.5	111.4	108.6	161.5
Q2_2018	118.3	119.1	178.3	105.1	100.4	109.9	92.2	116.7	104.9	99.0	156.8

**For more clarifications please contact:**  
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