



Republika e Kosovës
Republika Kosova-Republic of Kosovo
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Agjencia e Statistikave të Kosovës - Agencija za Statistike Kosova - Kosovo Agency of Statistics

Series 3: Economic Statistics

Import Price Index (Q4 – 2015)



Foreword

Kosovo Agency of Statistics (KAS), the Department of Economics and National Accounts, has started to publish the Import Price Index (IMPI) in June 2009. Import prices started to be collected in the beginning of 2006. Prices are collected quarterly and cover the most representative import companies which were active in the most of the municipalities for the period first quarter 2006 – fourth quarter 2015.

This publication contains the table of Import Price Index in Kosovo on a quarterly basis Q1 2006 – Q4 2015, annual average 2006 - 2015 (2010 = 100) with quarterly and annual changes in percentage, graphic presentation, the table for weights, quarter index for Q4 2015, quarterly changes (Q3 2015 – Q4 2015) and annual changes (Q4 2014 – Q4 2015) for sectors according to Harmonised System.

IMPI is developed in compliance with European standards and methodologies, in cooperation with experts from Statistics Sweden and Swedish International Development Cooperation Agency (SIDA). IMPI is under development and more price observations will be added in the future.

Suggestions, comments and remarks can be sent to e-mail: economic@ks-gov.net

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March, 2015

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Symbols and abbreviations

IMPI	Import Price Index
WCO	World Customs Organization
KSA	Kosovo Statistical Agency
Q1	Quarter 1
Q2	Quarter 2
Q3	Quarter 3
Q4	Quarter 4
:	Figure not available
0	Less than half the unit used
-	Not applicable
%	Percentage
W	Statistical weight
Ø	Average

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Import Price Index (IMPI) for fourth quarter 2015

Import price index in Kosovo decreased by -1.8 % between Q3 2015 and Q4 2015. Compared to Q4 2014, the import prices decreased by an average of -2.3 %.

Third quarter 2015 – Fourth 2015 -1.8 %

Import prices in Kosovo decreased by an average -1.8 % between the Q3 of 2015 and the Q4 of 2015. The largest decreases by sectors were by mineral products (-11.5 %), paper and articles thereof (-2.0 %), metals and articles of base metals (-1.7 %), live animals; animal products (-1.6 %), plastics, rubber and articles thereof (-1.5 %), textile and textile articles (-0.7 %), machinery appliances and electrical appliances (-0.4 %), optical, photo, measuring, medical & musical instruments, & timepieces (-0.3 %), products of chemical industries (-0.2 %) and miscellaneous manufactured articles (-0.2 %)

The decrease was counteracted mainly by increases of price vegetable products (10.8 %), edible oil (3.7 %), wood and articles thereof (2.2 %), footwear (2.0 %), leather and articles thereof (1.8 %), prepared foodstuffs beverages and tobacco (0.4 %).

Fourth quarter 2014 – Fourth quarter 2015 - 2.3 %

Import prices in Kosovo decreased by an average -2.3 % between the Q4 of 2014 and the Q4 of 2015. The largest decreases by sectors were mineral products (-8.6 %), live animals; animal products (-3.0 %), footwear (-2.9 %), metals and articles of base metals (-2.5 %), plastics, rubber and articles thereof (-2.1 %), prepared foodstuffs beverages and tobacco (-0.8 %), wood and articles thereof (-0.8 %) and transport means (-0.6 %).

The decrease was counteracted mainly by increases of prices of edible oil (11.6 %), vegetable products (11.0 %), miscellaneous manufactured articles (7.8 %), optical, photo, measuring, medical & musical instruments, & timepieces (4.2 %), machinery appliances and electrical appliances (3.5 %), paper and articles thereof (2.3 %), textile and textile articles (1.7 %), products of chemical industries (1.4 %) and stone, plaster, ceramic products and glass (0.8 %).

Table 1: Import Price Index (IMPI) First quarter 2006 – Fourth quarter 2015 (2010=100), quarterly and annual changes in percentage

Quarter	Quarter	Index (2010 = 100)	Quarterly change in per cent	Annual change in per cent
2006	Q 1	86.2	:	:
	Q 2	88.7	2.9	:
	Q 3	89.1	0.5	:
	Q 4	87.7	-1.6	:
	Annual average 2006	87.9	:	:
2007	Q 1	89.4	1.9	3.7
	Q 2	92.1	3.1	3.9
	Q 3	91.1	-1.1	2.2
	Q 4	91.6	0.6	4.5
	Annual average 2007	91.1	:	3.6
2008	Q 1	95.0	3.6	6.3
	Q 2	100.9	6.2	9.5
	Q 3	102.5	1.6	12.5
	Q 4	96.9	-5	5.8
	Annual average 2008	98.8	:	8.5
2009	Q 1	93.7	-3.3	-1.3
	Q 2	94.2	0.5	-6.6
	Q 3	94.0	-0.2	-8.3
	Q 4	94.3	0.4	-2.7
	Annual average 2009	94.1	:	-4.8
2010	Q 1	95.7	1.5	2.1
	Q 2	99.0	3.4	5.1
	Q 3	101.4	2.5	7.9
	Q 4	103.9	2.5	10.2
	Annual average 2010	100.0	:	6.3
2011	Q 1	107.8	3.7	12.6
	Q 2	108.4	0.5	9.5
	Q 3	109.9	1.4	8.3
	Q 4	111.0	1.0	6.8
	Annual average 2011	109.3	:	9.3
2012	Q 1	113.9	2.6	5.6
	Q 2	114.9	0.9	6.0
	Q 3	115.4	0.5	5.0
	Q 4	115.8	0.3	4.3
	Annual average 2012	115.0	:	5.2
2013	Q 1	116.1	0.3	2.0
	Q 2	115.0	-1.0	0.1
	Q 3	114.8	-0.1	-0.5
	Q 4	114.8	0.0	-0.8
	Annual average 2013	115.2	:	0.2
2014	Q 1	115.5	0.6	-0.6
	Q 2	114.3	-1.0	-0.6
	Q 3	114.8	0.5	0.0
	Q 4	114.4	-0.4	-0.3
	Annual average 2014	114.7	:	-0.4
2015	Q 1	113.8	-0.5	-1.4
	Q 2	114.1	0.3	-0.2
	Q 3	113.9	-0.2	-0.8
	Q 4	111.8	-1.8	-2.3
	Annual average 2015	113.4	:	-1.2

Figure 1: IMPI development, Q1 2006 – Q4 2015 (2010=100)

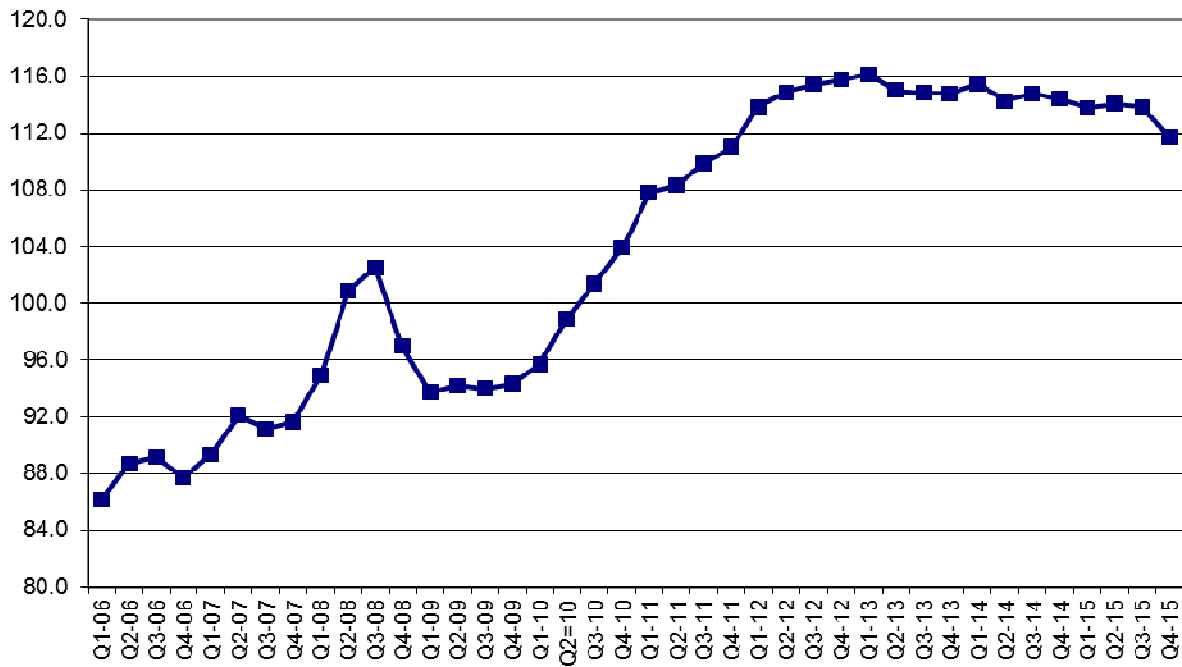


Table 2: Weight, index numbers, monthly and annual changes in percentage by sector according to Harmonised System (HS)

Code	Group	Weight	Q4 - 2015	Q4 - 2015	Q4 - 2015
			2010=100	Q3 - 2015	Q4 - 2014
01-21	TOTAL IMPI	1000	111.8	-1.8	-2.3
01	Live animals; animal products	46	120.3	-1.6	-3.0
02	Vegetable products	52	164.7	10.8	11.0
03	Edible oils	10	152.7	3.7	11.6
04	Prepared foodstuffs, beverages, and tobacco	137	111.3	0.4	-0.8
05	Mineral products	185	104.0	-11.5	-8.6
06	Products of chemical industries	78	107.3	-0.2	1.4
07	Plastics, rubber and articles thereof	58	111.4	-1.5	-2.1
08	Leather and articles thereof	2	101.0	1.8	:
09	Wood and articles thereof	22	120.9	2.2	-0.8
10	Paper and articles thereof	16	114.0	-2.0	2.3
11	Textile and textile articles	42	114.7	-0.7	1.7
12	Footwear	12	155.2	2.0	-2.9
13	Articles of stone, plaster, ceramic products and glass	40	109.1	0.1	0.8
14	Pearls, precious stones, metals etc.	:	:	:	:
15	Base metals and articles of base metals	90	94.5	-1.7	-2.5
16	Machinery appliances and electrical appliances	112	108.9	-0.4	3.5
17	Transport means	56	110.2	0.0	-0.6
18	Optical, photo, measuring, medical & musical instruments, & timepieces	12	107.9	-0.3	4.2
19	Arms and ammunition	:	:	:	:
20	Miscellaneous manufactured articles	28	114.8	-0.2	7.8
21	Works of art	:	:	:	:

Methodology

Prices were collected quarterly in seven regional centers of Kosovo: Gjakova, Gjilan, Mitrovica, Peja, Prizren, Prishtina and Ferizaj and which cover the most representative import companies which were active in most of the municipalities.

Starting from first quarter 2006, prices for around 180 items from seventy companies have been collected on quarterly basis. During 2006 many new price observations were added and for the period 2007-2008 the number of prices collected was around 250. Since 2009 the number of prices collected was around 300 and from 2015 the number of prices is about 500.

The results are presented in accordance with the Harmonized System of the World Customs Organization (WCO).

Price data is collected for a sample of typical transactions relating to goods imported in Kosovo.

Sampling and calculation of weights

The sample is drawn from external trade data. Those data have been also used for the calculation of weights. The weights are based on information from trade data from Y-1 (previous year) and are updated annually. By updating the weights each year, the IMPI basket will reflect changes in trade patterns. The IMPI will be affected by both price changes and changes in the import structure.

Variables

The main variable is the price; it can be reported in any currency. Prices reported in foreign currencies are converted into EUR. The invoice currency and the reporting currency are, therefore, complementary variables. Where prices are reported in foreign currencies, the Swedish Central Bank's quarterly average exchange rates are used for converting into EURO.

Index formulas

The Import price index can be described as a Laspeyres-type chain index with annual links. A Laspeyres index is defined as

$$I^t = \frac{\sum_{i=1}^n P_i^t Q_i^0}{\sum_{i=1}^n P_i^0 Q_i^0} = \sum_{i=1}^n \frac{P_i^0 Q_i^0}{\sum_{i=1}^n P_i^0 Q_i^0} \times \frac{P_i^t}{P_i^0}$$

Where P^0 and P^t are the price per unit in the base period (0) and the comparison period (t), respectively, and Q^0 is the quantity in the base period. Summation is across the n products. In the centre element above, the index is expressed as the ratio between the summated value of the baseperiod quantities at the comparison-period and base-period price level, respectively. The index can also be expressed, as in the final element, as an average of the goods' price relatives weighted with the base-period values.

The index links are calculated with the current quarter q in year y as the comparison period, and with the fourth quarter in year **y-1** as price reference period. The weighting period is the year **y-1**. A link is thus defined as:

$$I_{y-1,q4}^{y,q} = \sum_{s=1}^k \frac{V_s}{\sum_{s=1}^k V_s} \times \frac{P_s^{y,q}}{P_s^{y-1,q4}}$$

Where the value weight V_s is the value of the transactions in year $y-1$ that are represented by the specification s . Summation is across the k specifications.

Calculating the chained index of IMPI

The chained index number is calculated for quarters and indicates the particular quarter's price level compared with the average price level in 2008 (2008=100).

$$I_{2010}^{y,q} = \frac{100}{\frac{1}{4} \sum_{q=1}^4 I_{2009,q4}^{2010,q}} \times \prod_{Y=2010}^{y-1} I_{Y-1,q4}^{Y,q4} \times I_{y-1,q4}^{y,q}$$

Calculating changes

The quarterly change is calculated as:

$$\left[\left(\frac{IMPI_0^{Y,q}}{IMPI_0^{Y,q-1}} \right) - 1 \right] * 100 = \text{Quarterly percentage change}$$

$IMPI_0^{Y,q}$ = Import price index for the current quarter q

$IMPI_0^{Y,q-1}$ = Import price index for the previous quarter q-1

The yearly change is calculated as:

$$\left[\left(\frac{IMPI_{2010}^{Y,q}}{IMPI_{2010}^{Y-1,q}} \right) - 1 \right] * 100 = \text{Yearly percentage change}$$

$IMPI_{2010}^{Y,q}$ = The chained Import price index for the current quarter q

$IMPI_{2010}^{Y-1,q}$ = The chained Import price index for the previous year and quarter q

Kosovo Agency of Statistics

short description

Kosovo Agency of Statistics is a professional institution which deals with collection, processing and publication of official statistical data. As such acts since 1948 and has passed through several historical stages, structured according to state regulation of those times.

On 2 August 1999, the Agency has resumed his professional work (after nine years of interruption of all statistical series detrimental to the interest of Kosovo), as an independent institution under the Ministry of Public Administration. Since 12.12.2011 the Agency operates in the frames of the Prime Minister's Office. Office is funded by the Kosovo Consolidated Budget, but also by donors for specific projects and for technical professional support.

Kosovo Agency of Statistics acts according to the Law No. 04/L-036 which entered into force on 12.12.2011. Strategic development plan 2009-2013 is the middle term implementation for the development of statistical system in correlation with the European Union statistics (EUROSTAT).

Kosovo Agency of Statistics has this organizational structure: production departments; (Department of Economic statistics and National Accounts, Department of Agriculture and Environment statistics and Department of Social statistics. **Support Departments**; Department of Methodology and Information Technology, Department of Policy Planning, Coordination and Communication, Department of Census and survey and Department of Administration.

In ASK are employed in total 139 workers, of them 104 (74,8 %) at the headquarters of the Agency, while in the Regional Offices, 35 (25,2%), with qualifying structure, 70,5% with university education to 29,5% with secondary education.

We have professional and technical cooperation with all Ministries of the Government of Kosovo, especially with the Ministry of Economy and Finance, Central Bank of Kosovo, with international institutions, EUROSTAT, International Monetary Fund, World Bank, Sweden's SIDA, DFID, UNFPA, UNDP, UNICEF, and with the statistical institutions of the countries in the region.

Kosovo Agency of Statistics almost completely covers the territory of Kosovo, based on the statistical structure of the enumeration areas as the basic unit and sole in the country from which it gets first hand information. All surveys conducted in the field use the extension of the samples in these enumeration areas but also a statistical methodology according to international recommendations. During the collection of statistical data and reports from reporting entities are involved professionals, technicians, administrators, servants of the country offices, field enumerators from regional offices, etc.

We have successfully implemented the project of Population Census, Households and Dwellings in 2011, Census that was not carried out since 1981. Results obtained from the Census will have an important role in compiling the development policies.

The mission of the Agency; to meet the needs of users with qualitative statistical data, objective, in time and space so that users have reliable base to conduct regular analysis in the interest of planning and project development at the municipal and country level. To support government institutions, scientific institutes, research academies, businesses in order to provide proper information for decision-makers and other users in Kosovo.

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