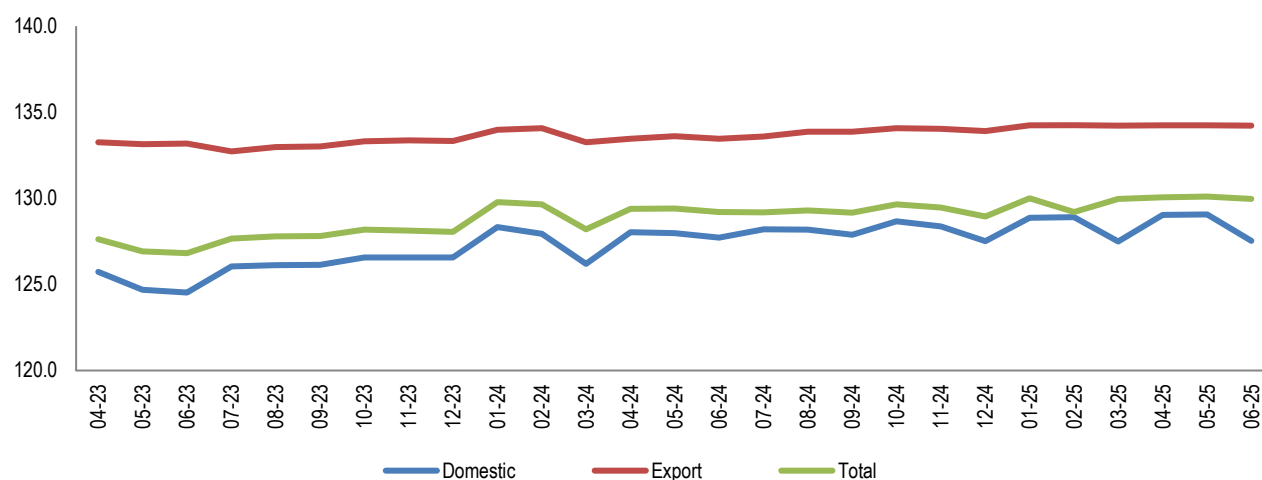


# Producer price Index

## Second quarter, 2025

**Tirana, on 04 September 2025:** In the second quarter 2025, Producer Price Index reached 129.7 against 2021. Compared to the second quarter of 2024 Producer Price Index increased by 0.3 %.

**Fig.1 Producer Price Index**



The highest annual growth was recorded in the section “Water supply, treatment and management activities of waste, waste” with 0.4 %, followed by the sections “The manufacturing industry” with 0.4%, “The manufacturing industry” with 0.4 % and “Mining industry” with 0.2 %. Within this section, the highest price increase is observed in the activity “Manufacture of furniture” with 2.5 %, while the largest price decrease is observed in the activity “Manufacture of chemicals and chemical products” with 1.6 %.

**Producer Price Index for the domestic market:** It recorded an annual increase of 0.5 %. The highest increase is observed in the section “The manufacturing industry” with 1.1 % and the section “Electricity, gas, steam and air conditioning” with 0.01 %, the section while “Mining industry” recorded a decline of 2.1 %.

**Producer Price Index of products for export:** It recorded an annual increase of 0.5 %. The highest increase is observed in the section “Mining industry” with 2.7 %, followed by the section “Electricity, gas, steam and air conditioning” with 0.4 % and section “Water supply, treatment and management activities of waste, waste” with 0.4 %.

**Quarterly change:** Compared to the first quarter Producer Price Index recorded a quarterly increase of 0.1 %, The largest increase is observed in the section "Mining industry" with 0.2 %, followed by the section "Manufacturing industry" with 0.2 %.

**Index of Producer Prices of products for the domestic market:** It recorded a quarterly increase of 0.1 %, with a higher increase in the "Manufacturing industry" 0.2 %. On the other hand, the "Mining industry" section recorded a decline of 0.2 %.

**The Index of Producer Prices of products for export:** It recorded a light increase which is observed in the section "Mining industry" with 0.4 %, On the other hand, the "Manufacturing industry" section recorded a decrease of 0.1 %, followed by section "Electricity, gas, steam and air conditioning" with 0.1 %.

For more information and to view the detailed tables, visit the database on the official INSTAT website: [Producer Price Index](#)

For more information visit INSTAT webpage: <https://www.instat.gov.al/>

# Methodology

INSTAT calculates and publication of Producer Price Index in Albania include:

- Producer Price Index in Total
- Producer Price Index for Domestic Production
- Export Price Index

Covers following economic activities:

- Section B - Extracting industry
- Section C - Manufacturing industry
- Section D - Electric power, water and gas
- Section E - Water supply, treatment activities and waste management

Index calculation

The indices are calculated for each product classified according to the Nomenclature of Products (NP 2008) at the 6-digit level and published by sectors of the economy at the 2-digit level. The renewal of the enterprise sample and the basket of products is carried out every year using the results of the Structural Survey of Non-Agricultural Economic Enterprises. The determination of the weights of products intended for the domestic market is based on the results of this survey, while the weights of products intended for export are based on statistical data from Foreign Trade.

Producer Price Index (PPI) is calculated taking into consideration 2021 as base year (2021 = 100). Calculation's method used in compiling of this index is Laspeyres chain – index. It means that each transaction will be compared with its previous year December price (y -1).

$$I_{Corent}^{y,m} = \frac{100}{\frac{1}{12} \sum^{Dec} I_{Y-1,Dec}^{Y,M}} + \prod_{Y=Base\ year}^{y-1} I_{Y-1,Dec}^{Y,M} * I_{y-1,Dec}^{y,m}$$

- The first part of the formula shows the change in prices for the month of December of the previous year compared to the average prices in the base year.
- The second part of the formula shows the chain movement of the price index from December of the previous year to the period y-1.
- The last part is showing the movement from December y-1 to month m year y.

Measures of index

The annual change measures the price change between the current quarter and the same quarter of the previous year.

This change is a result of annual changes in price levels, but it can also be influenced by the non-recurring effects of any quarter.

The quarterly change compares the price levels of the last two quarters.