

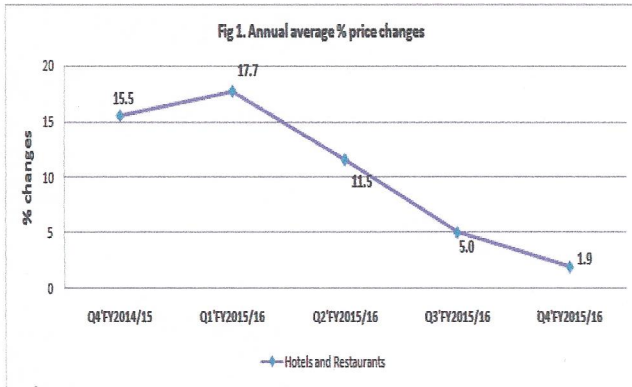


HIGHLIGHTS

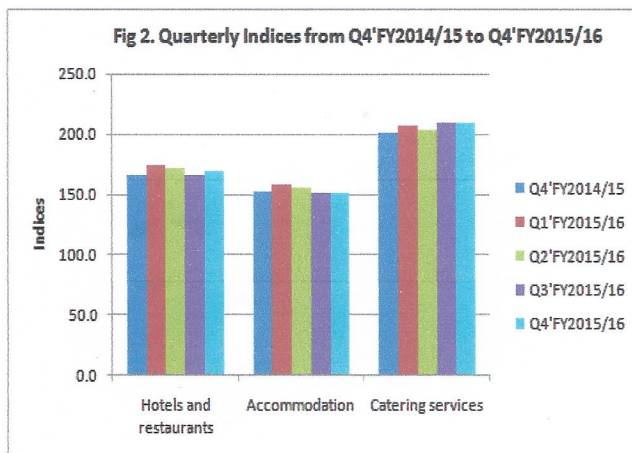
Annual change (1.9%)

The Annual Producer Prices for the Hotels & Restaurants sector on average rose by 1.9% in quarter 4 of FY2015/16 compared to 5.0% rise in quarter 3 of FY2015/16. This was due to the rise in prices of Catering Services by 3.9%.

Figure 1 shows fluctuation of prices from Quarter 4, FY2014/15 to Quarter 4, FY2015/16.



The graph below shows the price index level changes for the period under review:

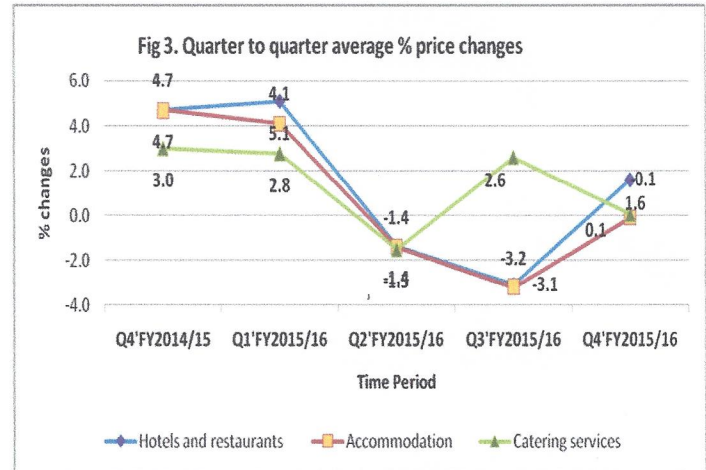


Quarter to Quarter Change

Quarter to quarter changes showed that the overall average Producer Prices for the Hotels & Restaurants sector rose by 1.6% in quarter 4 of FY2015/16, following a previous decrease of 3.1% in Quarter 3 of FY2015/16. This rise in prices recorded in quarter 4 was mainly due to a rise in prices of Catering Services by 0.1%.

The rise in prices for Catering Services recorded in quarter 4 was attributed to increases in prices of Wines and Spirits by 0.6%, Soft drinks by 0.3% and a 0.1% increase in Beer prices. However, the fall in prices for Accommodation Services recorded in quarter 4 was driven by a decrease in prices of Hotel Accommodation (rooms, suites etc.) and Other Hotel Services (Conference Halls) by 0.2% and 0.6% respectively.

Figure 3 below shows price changes across the quarters under review for the overall Hotels & Restaurants sector. It can be observed that prices for the entire Hotel and Restaurant sector and Accommodation Sub-sector follow the same trend throughout the period under review.



Imelda Atai Musana
for : Executive Director

**Table 1a: Annual Change: Quarter 4 FY2014/15 to Quarter 4 FY2015/16;
(Base period Jan-Mar 2008)**

Industry Group	FY2014/15	FY2015/16			
	Q4	Q1	Q2	Q3	Q4
Hotels and Restaurants	15.5	17.7	11.5	5.0	1.9
Accommodation	16.2	18.2	12.0	4.0	-0.7
Catering services	5.1	7.5	5.1	6.9	3.9
Accommodation	16.5	18.2	12.0	4.0	-0.7
Hotel Accommodation (Rooms, Suites etc.)	16.3	18.3	12.1	4.0	-0.8
Other hotel services (e.g. Conference halls)	1.4	10.5	6.0	10.4	6.3
Catering Services	5.1	7.5	5.1	6.9	3.9
Food and Snacks	7.0	6.1	5.1	6.0	1.7
Buffet	16.2	5.4	3.0	-1.6	-8.6
A la carte (Specific foods)	5.1	7.1	6.4	8.7	5.0
Snacks (light bites, coffee, tea)	3.6	0.0	0.6	1.1	-0.8
Drinks	0.2	10.4	6.0	9.9	10.3
Beer	2.8	5.8	4.4	5.3	3.0
Soft drinks (sodas) & mineral water	0.5	3.5	2.7	6.4	6.3
Wines & spirits	-1.7	23.8	11.4	17.4	20.8

**Table 1b: Quarter to Quarter change: Quarter 4 FY2014/15 to Quarter 4 FY2015/16;
(Base period Jan-Mar 2008).**

Industry Group	FY2014/15	FY2015/16			
	Q4	Q1	Q2	Q3	Q4
Hotels and Restaurants	4.7	5.1	-1.4	-3.1	1.6
Accommodation	4.7	4.1	-1.4	-3.2	-0.1
Catering services	3.0	2.8	-1.5	2.6	0.1
Accommodation	4.7	4.1	-1.4	-3.2	-0.1
Hotel accommodation (rooms, suites etc.)	4.7	4.1	-1.4	-3.2	-0.2
Other hotel services (e.g. conference halls)	3.2	10.0	-1.7	-1.0	-0.6
Catering Services	3.0	2.8	-1.5	2.6	0.1
Food and Snacks	4.1	-0.3	0.1	2.0	-0.2
Buffet	10.0	-9.1	-2.0	0.4	2.1
A la carte (specific foods)	2.7	2.4	0.5	2.8	-0.8
Snacks (light bites, coffee, tea)	1.9	-0.4	3.1	-3.5	0.0
Drinks	0.0	10.4	-3.9	3.5	0.4
Beer	2.3	2.3	-1.1	1.8	0.1
Soft drinks (sodas) & mineral water	0.4	3.4	-0.6	3.0	0.3
Wines & spirits	-2.3	26.6	-9.8	5.1	0.6

**Table 1c: Quarter to Quarter Producer Price Indices for Hotels & Restaurants: Quarter 4
FY2014/15 to Quarter 4 FY2015/16;
(Base period Jan-Mar 2008).**

Industry Group	FY2014/15	FY2015/16			
	Q4	Q1	Q2	Q3	Q4
Hotels and restaurants	165.8	174.2	171.8	166.4	169.0
Accommodation	151.6	157.8	155.6	150.7	150.5
Catering services	201.4	206.9	203.7	209.1	209.2
Accommodation	151.9	157.8	155.6	150.7	150.5
Hotel accommodation (rooms, suites etc.)	151.9	158.2	155.9	151.0	150.7
Other hotel services (e.g. conference halls)	156	171.6	168.6	166.9	165.9
Catering services	201.4	206.9	203.7	209.1	209.2
Food and snacks	217.4	216.9	217.1	221.5	221.1
Buffet	231.7	210.7	206.5	207.3	211.7
A la carte (specific foods)	211.4	216.4	217.5	223.7	221.9
Snacks (light bites, coffee, tea)	255.8	254.8	262.7	253.7	253.7
Drinks	166.1	183.4	176.3	182.6	183.3
Beer	171.2	175.1	173.1	176.2	176.4
Soft drinks (sodas) & mineral water	165.1	170.8	169.8	174.9	175.5
Wines & spirits	163.9	207.5	187.2	196.8	198.0