

Statistical release

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Producer Price Index (PPI)

February 2014

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Key findings for February 2014

Final manufactured goods – headline PPI

The annual percentage change in the PPI for final manufactured goods was 7,7% in February 2014 (compared with 7,0% in January 2014). From January 2014 to February 2014 the PPI for final manufactured goods increased by 1,3%.

The main contributors to the annual rate of 7,7% were food products, beverages and tobacco products (6,7% year-on-year and contributing 2,5 percentage points), coke, petroleum, chemical, rubber and plastic products (8,9% year-on-year and contributing 1,5 percentage points) and metals, machinery, equipment and computing equipment (8,9% year-on-year and contributing 1,3 percentage points) (see Figure 1.2).

The main contributors to the monthly increase of 1,3% were food products, beverages and tobacco products (1,3% month-on-month and contributing 0,5 of a percentage point) and coke, petroleum, chemical, rubber and plastic products (2,1% month-on-month and contributing 0,4 of a percentage point) (see Figure 1.1).

Intermediate manufactured goods

The annual percentage change in the PPI for intermediate manufactured goods was 10,5% in February 2014 (compared with 9,3% in January 2014). From January 2014 to February 2014 the PPI for intermediate manufactured goods increased by 1,7%.

The main contributors to the annual rate of 10,5% were chemicals, rubber and plastic products (11,4% year-on-year and contributing 3,4 percentage points) and basic and fabricated metals (7,5% year-on-year and contributing 3,0 percentage points) (see Figure 2.2).

The main contributors to the monthly increase of 1,7% were basic and fabricated metals (1,9% month-on-month and contributing 0,7 of a percentage point) and chemicals, rubber and plastic products (1,4% month-on-month and contributing 0,4 of a percentage point) (see Figure 2.1).

Electricity and water

The annual percentage change in the PPI for electricity and water was 14,5% in February 2014 (compared with 14,5% in January 2014). From January 2014 to February 2014 the PPI for electricity and water increased by 1,3%.

The contributors to the annual rate of 14,5% were electricity (15,4% year-on-year and contributing 12,7 percentage points) and water (10,5% year-on-year and contributing 1,9 percentage points) (see Figure 3.2).

The monthly increase of 1,3% was the result of electricity (1,6% month-on-month and contributing 1,4 percentage points) (see Figure 3.1).

Mining

The annual percentage change in the PPI for mining was 5,3% in February 2014 (compared with 4,8% in January 2014). From January 2014 to February 2014 the PPI for mining increased by 1,6%.

The main contributors to the annual rate of 5,3% were non-ferrous metal ores (7,8% year-on-year and contributing 3,4 percentage points) and coal and gas (8,5% year-on-year and contributing 2,3 percentage points) (see Figure 4.2).

The main contributors to the monthly increase of 1,6% were non-ferrous metal ores (2,2% month-on-month and contributing 1,0 percentage point) and gold and other metal ores (3,4% month-on-month and contributing 0,7 of a percentage point) (see Figure 4.1).

Agriculture, forestry and fishing

The annual percentage change in the PPI for agriculture, forestry and fishing was 8,0% in February 2014 (compared with 5,6% in January 2014). From January 2014 to February 2014 the PPI for agriculture, forestry and fishing decreased by 1,1%.

The main contributor to the annual rate of 8,0% was agriculture (8,4% year-on-year and contributing 6,7 percentage points) (see Figure 5.2).

The main contributor to the monthly decrease of 1,1% was agriculture (-1,5% month-on-month and contributing -1,2 percentage points) (see Figure 5.1).

Key figures and analytical series

Table A - Key figures

Product	Weight	Index (2012=100)			Percentage change	
		Feb 2013	Jan 2014	Feb 2014	Feb 2014 vs. Jan 2014	Feb 2014 vs. Feb 2013
Final manufactured goods	100,00	103,3	109,9	111,3	1,3	7,7
Intermediate manufactured goods	100,00	104,2	113,2	115,1	1,7	10,5
Electricity and water	100,00	93,1	105,2	106,6	1,3	14,5
Mining	100,00	106,4	110,2	112,0	1,6	5,3
Agriculture, forestry and fishing	100,00	100,8	110,1	108,9	-1,1	8,0

Table B - Analytical series

Product	Weight	Index (2012=100)			Percentage change	
		Feb 2013	Jan 2014	Feb 2014	Feb 2014 vs. Jan 2014	Feb 2014 vs. Feb 2013
Final manufactured goods excluding petroleum products	93,65	102,9	109,5	110,8	1,2	7,7
Final manufactured goods excluding food	73,67	103,2	109,9	111,3	1,3	7,8
Intermediate manufactured goods excluding basic metals	76,75	104,7	113,2	115,3	1,9	10,1
Mining excluding precious metals and stones	62,84	103,2	111,9	113,6	1,5	10,1
Precious metals and stones	37,16	110,0	109,2	111,2	1,8	1,1

PJ Lehohla
Statistician-General

Main index numbers and annual percentage changes

Table C - Main index numbers (2012=100)

Table C1 - Final manufactured goods

Year and type		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Average
2012	Index	97,1	98,0	98,6	99,2	100,0	99,8	99,8	100,5	100,8	101,7	102,4	102,2	100,0
	Rate	..	..	..	..	..	..	..	..	..	..	..	..	..
2013	Index	102,7	103,3	104,2	104,6	104,9	105,7	106,4	107,2	107,6	108,1	108,3	108,8	106,0
	Rate	5,8	5,4	5,7	5,4	4,9	5,9	6,6	6,7	6,7	6,3	5,8	6,5	6,0
2014	Index	109,9	111,3	..	..	..	..	..	..	..	..	..	..	..
	Rate	7,0	7,7	..	..	..	..	..	..	..	..	..	..	..

Table C2 - Intermediate manufactured goods

Year and type		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Average
2012	Index	97,9	98,3	97,9	98,6	98,9	99,6	99,0	99,4	102,1	102,9	103,2	102,2	100,0
	Rate	..	..	..	..	..	..	..	..	..	..	..	..	..
2013	Index	103,6	104,2	105,4	105,7	106,6	107,6	108,3	110,4	110,2	110,8	110,9	110,5	107,9
	Rate	5,8	6,0	7,7	7,2	7,8	8,0	9,4	11,1	7,9	7,7	7,5	8,1	7,9
2014	Index	113,2	115,1	..	..	..	..	..	..	..	..	..	..	..
	Rate	9,3	10,5	..	..	..	..	..	..	..	..	..	..	..

Table C3 - Electricity and water

Year and type		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Average
2012	Index	81,8	82,4	82,1	86,7	88,0	127,1	139,5	139,8	98,4	92,2	91,3	90,9	100,0
	Rate	..	..	..	..	..	..	..	..	..	..	..	..	..
2013	Index	91,9	93,1	91,5	97,9	99,9	134,6	147,3	144,9	111,1	105,7	105,7	103,9	110,6
	Rate	12,3	13,0	11,4	12,9	13,5	5,9	5,6	3,6	12,9	14,6	15,8	14,3	10,6
2014	Index	105,2	106,6	..	..	..	..	..	..	..	..	..	..	..
	Rate	14,5	14,5	..	..	..	..	..	..	..	..	..	..	..

Table C4 - Mining

Year and type		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Average
2012	Index	98,1	99,8	98,3	98,7	98,9	98,1	97,3	98,0	101,2	104,6	104,5	102,6	100,0
	Rate	..	..	..	..	..	..	..	..	..	..	..	..	..
2013	Index	105,2	106,4	106,8	103,1	104,5	105,0	104,1	108,2	105,3	104,4	106,0	105,1	105,3
	Rate	7,2	6,6	8,6	4,5	5,7	7,0	7,0	10,4	4,1	-0,2	1,4	2,4	5,3
2014	Index	110,2	112,0	..	..	..	..	..	..	..	..	..	..	..
	Rate	4,8	5,3	..	..	..	..	..	..	..	..	..	..	..

Table C5 - Agriculture, forestry and fishing

Year and type		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Average
2012	Index	101,3	99,6	99,2	98,0	96,7	96,3	98,0	97,0	98,7	104,0	105,5	105,8	100,0
	Rate	..	..	..	..	..	..	..	..	..	..	..	..	..
2013	Index	104,3	100,8	99,6	99,7	99,5	99,4	99,4	100,4	103,1	105,9	108,5	110,1	102,6
	Rate	3,0	1,2	0,4	1,7	2,9	3,2	1,4	3,5	4,5	1,8	2,8	4,1	2,6
2014	Index	110,1	108,9	..	..	..	..	..	..	..	..	..	..	..
	Rate	5,6	8,0	..	..	..	..	..	..	..	..	..	..	..

Detailed index numbers and percentage changes, and contributions

Table 1 - PPI for final manufactured goods

Product			Weight	Index (2012=100)			Percentage change	
				Feb 2013	Jan 2014	Feb 2014	Feb 2014 vs. Jan 2014	Feb 2014 vs. Feb 2013
Final manufactured goods			100,00	103,3	109,9	111,3	1,3	7,7
Food products, beverages and tobacco products			36,80	103,4	108,9	110,3	1,3	6,7
Food products	All		26,33	103,8	110,2	111,7	1,4	7,6
	Meat, fish, fruit, vegetables, oils and fats	All	8,99	102,9	110,9	112,3	1,3	9,1
		Meat and meat products	4,53	103,6	109,4	111,7	2,1	7,8
		Fish and fish products	1,59	103,9	122,1	122,8	0,6	18,2
		Fruit and vegetables	2,41	101,3	107,2	107,3	0,1	5,9
		Oils and fats	0,46	106,1	110,7	113,4	2,4	6,9
	Dairy products		3,27	104,7	110,5	110,8	0,3	5,8
	Grain mill products, starches and starch products and animal feeds	All	3,43	104,5	110,7	113,5	2,5	8,6
		Grain mill products	1,82	103,3	106,8	110,8	3,7	7,3
		Starches, starch products and animal feeds	1,61	106,5	115,9	117,3	1,2	10,1
	Other food products	All	10,64	103,9	109,4	110,8	1,3	6,6
		Bakery products	6,91	106,7	114,2	115,5	1,1	8,2
		Sugar	1,97	99,2	99,3	100,5	1,2	1,3
		Other food	1,76	98,1	101,7	103,4	1,7	5,4
Beverages			8,48	102,8	106,1	107,5	1,3	4,6
Tobacco products			1,99	101,1	105,4	105,4	0,0	4,3
Textiles, clothing and footwear	All		4,08	102,1	108,8	109,5	0,6	7,2
	Textiles		0,33	103,0	106,7	107,6	0,8	4,5
	Clothing		3,22	101,6	110,2	110,5	0,3	8,8
	Footwear		0,53	105,7	102,4	105,5	3,0	-0,2
Wood and paper products	All		8,76	104,3	109,6	110,1	0,5	5,6
	Paper and printed products		8,52	104,5	109,8	110,3	0,5	5,6
	Other wood products		0,24	101,8	106,4	106,4	0,0	4,5
Coke, petroleum, chemical, rubber and plastic products	All		16,84	104,2	111,2	113,5	2,1	8,9
	Coke and petroleum products	All	6,53	107,2	116,2	119,4	2,8	11,4
		Petrol	3,37	108,1	115,6	119,3	3,2	10,4
		Diesel	2,11	106,6	117,7	120,8	2,6	13,3
		Other	1,05	106,6	112,2	114,1	1,7	7,0
	Chemical products		8,60	102,1	107,5	108,5	0,9	6,3
	Rubber and plastic products		1,71	100,8	107,0	112,9	5,5	12,0
Non-metallic mineral products			3,87	104,6	111,6	113,2	1,4	8,2
Metals, machinery, equipment and computing equipment	All		14,75	102,0	109,7	111,1	1,3	8,9
	Structural and fabricated metal products		7,58	101,2	103,0	104,4	1,4	3,2
	General and special purpose machinery		6,43	102,4	117,5	118,9	1,2	16,1
	Household appliances and office machinery		0,74	104,5	109,1	111,0	1,7	6,2
Electrical machinery and apparatus and subcomponents			3,04	101,8	109,7	110,9	1,1	8,9
Transport equipment	All		9,51	103,1	113,0	113,9	0,8	10,5
	Motor vehicles		4,90	103,4	109,4	109,8	0,4	6,2
	Bodies for motor vehicles		0,71	104,1	108,0	112,9	4,5	8,5
	Parts and accessories for motor vehicles and their engines		3,90	102,7	119,0	119,8	0,7	16,7
Furniture and other manufacturing			2,35	101,8	104,2	106,1	1,8	4,2

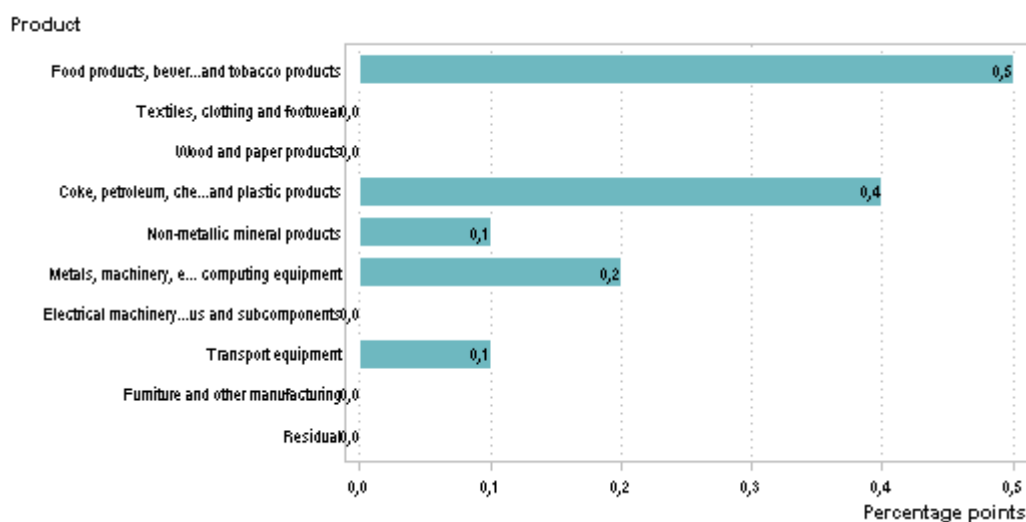
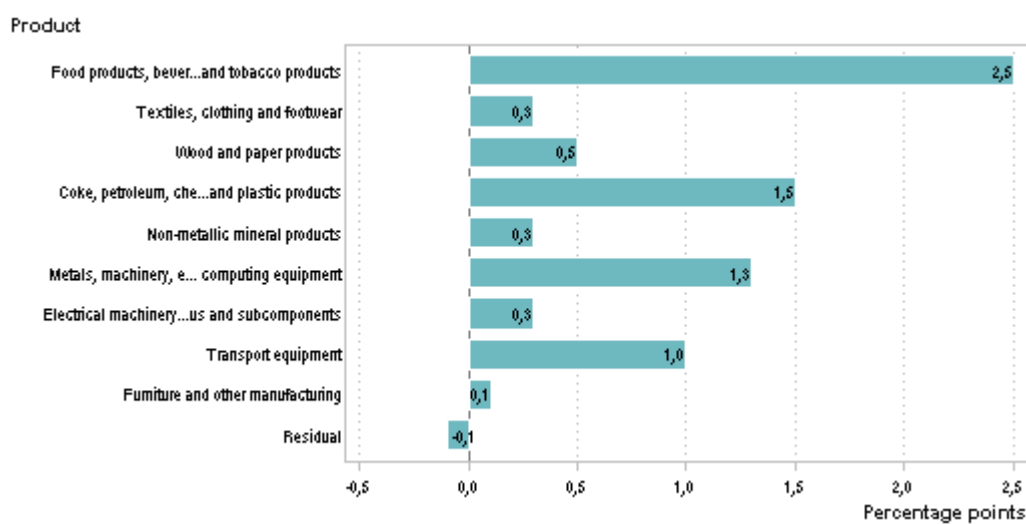
Figure 1.1 - Contributions to the monthly percentage change in PPI for final manufactured goods**Figure 1.2 - Contributions to the annual percentage change in PPI for final manufactured goods**

Table 2 - PPI for intermediate manufactured goods

Product			Weight	Index (2012=100)			Percentage change	
				Feb 2013	Jan 2014	Feb 2014	Feb 2014 vs. Jan 2014	Feb 2014 vs. Feb 2013
Intermediate manufactured goods	All		100,00	104,2	113,2	115,1	1,7	10,5
	Textiles and leather goods		7,64	108,9	123,9	129,0	4,1	18,5
	Sawmilling and wood		14,18	102,5	107,4	107,9	0,5	5,3
	Chemicals, rubber and plastic products	All	30,69	102,7	112,8	114,4	1,4	11,4
		Basic and other chemicals	7,21	104,7	116,8	117,1	0,3	11,8
		Plastic products	21,03	102,0	109,9	112,1	2,0	9,9
		Rubber products	2,45	101,6	130,5	130,5	0,0	28,4
	Glass and glass products		4,07	102,6	115,2	116,3	1,0	13,4
	Basic and fabricated metals	All	39,52	106,4	112,3	114,4	1,9	7,5
		Basic iron and steel	23,26	103,5	114,8	116,4	1,4	12,5
		Basic precious and non-ferrous metals	16,26	110,4	112,7	115,7	2,7	4,8
	Recycling and manufacturing n.e.c.		3,90	98,3	108,0	110,3	2,1	12,2

Figure 2.1 - Contributions to the monthly percentage change in PPI for intermediate manufactured goods

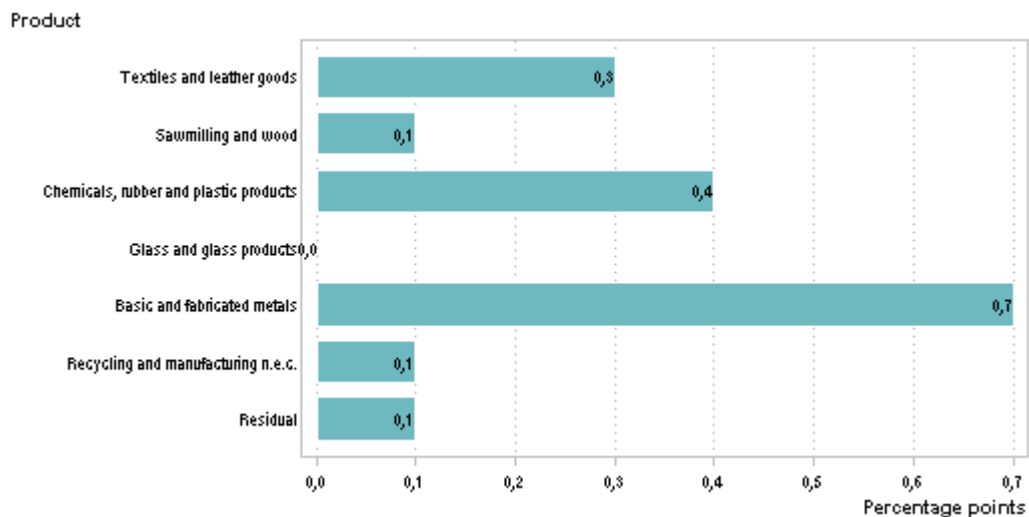


Figure 2.2 - Contributions to the annual percentage change in PPI for intermediate manufactured goods

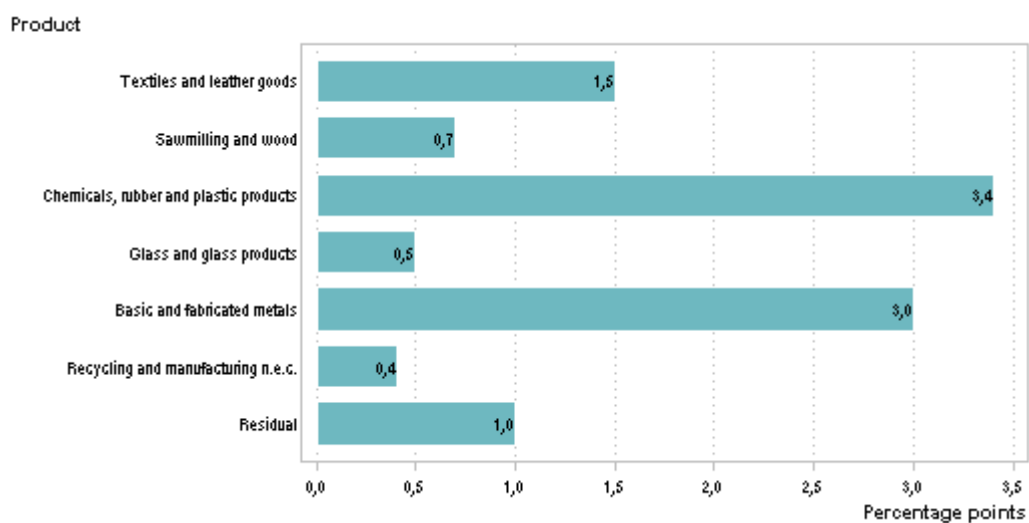


Table 3 - PPI for electricity and water

Product		Weight	Index (2012=100)			Percentage change	
			Feb 2013	Jan 2014	Feb 2014	Feb 2014 vs. Jan 2014	Feb 2014 vs. Feb 2013
Electricity and water	All	100,00	93,1	105,2	106,6	1,3	14,5
	Electricity	83,95	91,4	103,8	105,5	1,6	15,4
	Water	16,05	103,5	114,4	114,4	0,0	10,5

Figure 3.1 - Contributions to the monthly percentage change in PPI for electricity and water

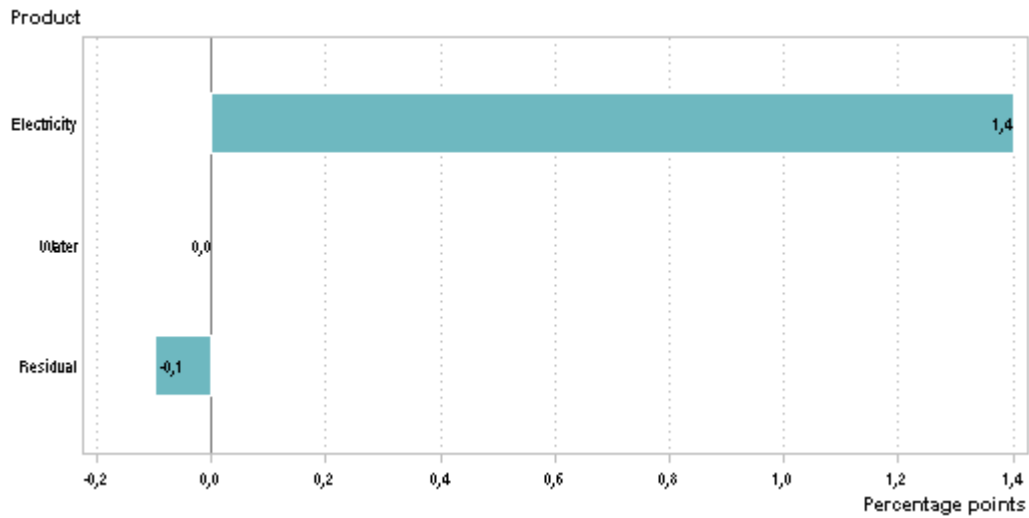


Figure 3.2 - Contributions to the annual percentage change in PPI for electricity and water

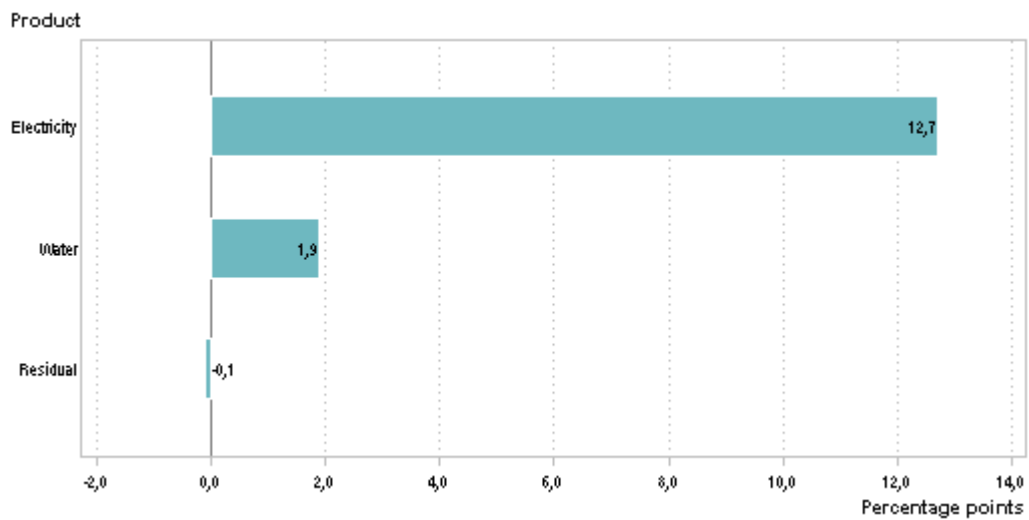


Table 4 - PPI for mining

Product		Weight	Index (2012=100)			Percentage change	
			Feb 2013	Jan 2014	Feb 2014	Feb 2014 vs. Jan 2014	Feb 2014 vs. Feb 2013
Mining	All	100,00	106,4	110,2	112,0	1,6	5,3
	Coal and gas	28,17	103,1	112,1	111,9	-0,2	8,5
	Gold and other metal ores	23,11	104,5	99,9	103,3	3,4	-1,1
	Non-ferrous metal ores	42,08	109,8	115,8	118,4	2,2	7,8
	Stone quarrying, clay and diamonds	6,64	100,8	101,1	101,4	0,3	0,6

Figure 4.1 - Contributions to the monthly percentage change in PPI for mining

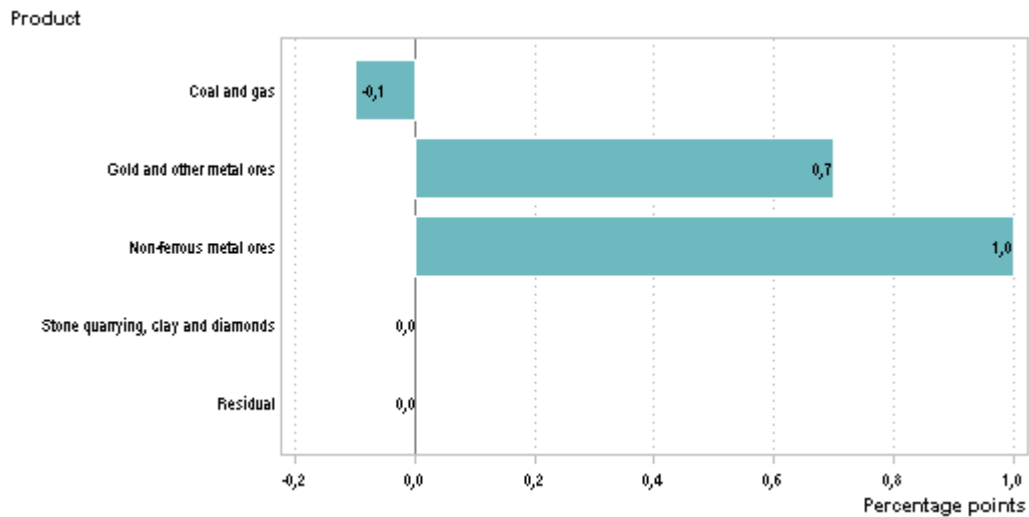


Figure 4.2 - Contributions to the annual percentage change in PPI for mining

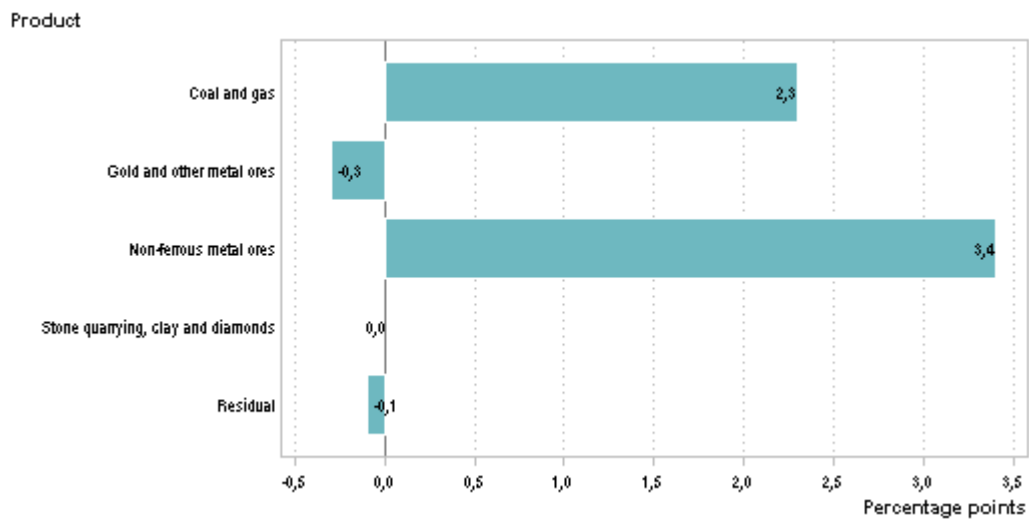


Table 5 - PPI for agriculture, forestry and fishing

Product			Weight	Index (2012=100)			Percentage change	
				Feb 2013	Jan 2014	Feb 2014	Feb 2014 vs. Jan 2014	Feb 2014 vs. Feb 2013
Agriculture, forestry and fishing			100,00	100,8	110,1	108,9	-1,1	8,0
Agriculture	All		79,29	100,8	111,0	109,3	-1,5	8,4
	Products of crops and horticulture	All	40,23	108,1	124,1	122,6	-1,2	13,4
		Cereals and other crops	20,46	96,6	122,8	123,3	0,4	27,6
		Fruit and vegetables	19,77	118,0	123,3	119,6	-3,0	1,4
	Live animals and animal products	All	39,06	93,5	97,9	96,0	-1,9	2,7
		Live animals	28,02	88,7	92,5	89,6	-3,1	1,0
		Milk and eggs	9,81	105,4	111,8	112,4	0,5	6,6
		Other animal products	1,23	112,2	113,2	112,8	-0,4	0,5
Forestry			16,92	100,4	102,3	102,9	0,6	2,5
Fishing			3,79	100,7	123,2	125,5	1,9	24,6

Figure 5.1 - Contributions to the monthly percentage change in PPI for agriculture, forestry and fishing

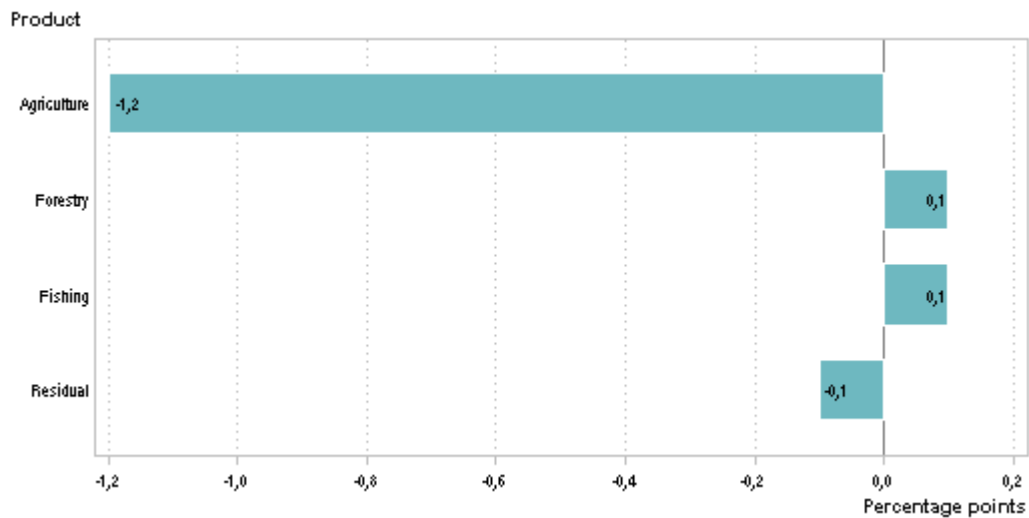
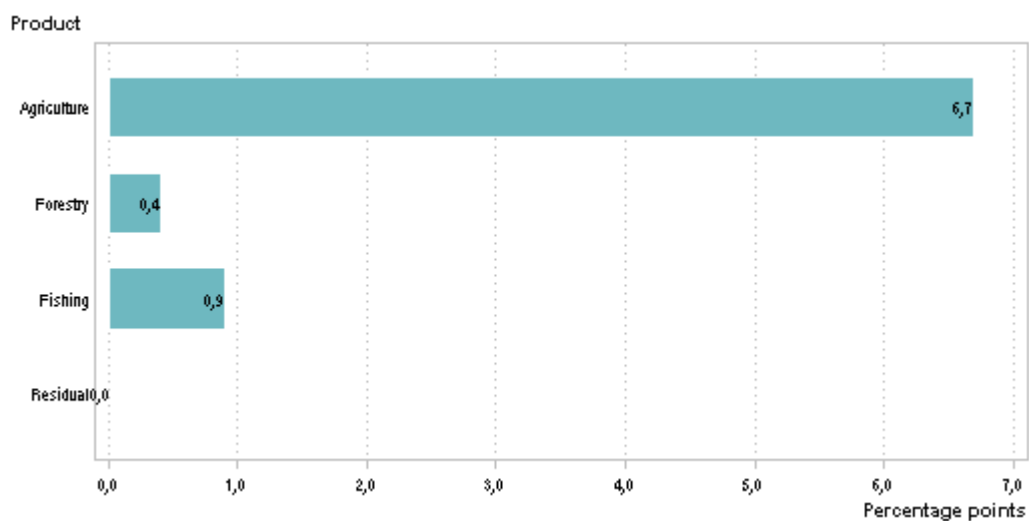


Figure 5.2 - Contributions to the annual percentage change in PPI for agriculture, forestry and fishing



Explanatory notes

Purpose and results of the survey	<p>The Producer Price Index (PPI) measures changes in the prices of locally produced commodities. A sample of producers is surveyed each month and the results of this survey are used to compile the producer price indices for final manufactured goods, intermediate manufactured goods, electricity and water, mining, and agriculture, forestry and fishing. The PPI can be used as an economic indicator of inflation, as an escalator in contracts and as a deflator in the calculation of the national accounts.</p> <p>Further information on the weighting structure, sources of information and methods of compilation of the PPI can be found in the PPI sources and methods document, available on the Stats SA website.</p>
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Glossary

Producer Price Index	The PPI is defined as “ <i>A measure of the change in the prices of goods either as they leave their place of production or as they enter the production process (OECD).</i> ”
Contributions	The monthly (annual) contribution of a specific product or group of products to the specific PPI is calculated by multiplying the weight of this product or group of products with the difference of the current index and the previous month (year) index for this product or group of products, divided by the index for the specific index, for the previous month (year).
Annual inflation rate	The annual inflation rate per specific PPI is the change in the specific PPI for all items of the relevant month of the current year compared with the specific PPI for all items of the same month in the previous year expressed as a percentage.
Annual percentage change	The annual percentage change is the change in the index of the relevant month of the current year compared with the index of the same month in the previous year expressed as a percentage.
Average annual inflation rate	The average annual inflation rate is the change in the average specific PPI for all items of one year compared with the average specific PPI for all items of the previous year expressed as a percentage.
Average annual percentage change	The average annual percentage change is the change in the average index of one year compared with the average index of the previous year expressed as a percentage.
Monthly percentage change	The monthly percentage change is the change in the specific PPI of the relevant month compared with the specific PPI of the previous month expressed as a percentage.
Chain linking	The construction of a continuous price series by multiplying together price indices that have been using different weights reference periods. The resulting index is referred to as a chained index (Practical Guide to producing Consumer Price Indices; 2009). Linking is intended to ensure that the individual indices on all levels show the correct development through time, but leads to non-additivity (IMF,2005).

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