

STATISTICAL RELEASE
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Producer Price Index

February 2018

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Key findings for February 2018

Final manufactured goods – headline PPI

The annual percentage change in the PPI for final manufactured goods was 4,2% in February 2018 (compared with 5,1% in January 2018). From January 2018 to February 2018 the PPI for final manufactured goods decreased by 0,3%.

The main contributor to the annual rate of 4,2% was coke, petroleum, chemical, rubber and plastic products (1,6 percentage points) (see Figure 1.2).

The main contributor to the monthly decrease of 0,3% was coke, petroleum, chemical, rubber and plastic products (-0,2 of a percentage point) (see Figure 1.1).

Intermediate manufactured goods

The annual percentage change in the PPI for intermediate manufactured goods was 0,4% in February 2018 (compared with 1,5% in January 2018). From January 2018 to February 2018 the PPI for intermediate manufactured goods decreased by 0,4%.

The main contributors to the annual rate of 0,4% were recycling and manufacturing n.e.c. (0,8 of a percentage point) and sawmilling and wood (0,7 of a percentage point) (see Figure 2.2).

The main contributor to the monthly decrease of 0,4% was sawmilling and wood (-0,3 of a percentage point) (see Figure 2.1).

Electricity and water

The annual percentage change in the PPI for electricity and water was 3,5% in February 2018 (compared with 3,0% in January 2018). From January 2018 to February 2018 the PPI for electricity and water increased by 1,3%.

The contributors to the annual rate of 3,5% were water (1,5 percentage points) and electricity (2,1 percentage points) (see Figure 3.2).

The contributor to the monthly increase of 1,3% was electricity (1,4 percentage points) (see Figure 3.1).

Mining

The annual percentage change in the PPI for mining was -4,3% in February 2018 (compared with -0,1% in January 2018). From January 2018 to February 2018 the PPI for mining decreased by 1,1%.

The main contributors to the annual rate of -4,3% were stone quarrying, clay and diamonds (-3,5 percentage points) and gold and other metal ores (-3,1 percentage points) (see Figure 4.2).

The main contributors to the monthly decrease of 1,1% were coal and gas (-0,8 of a percentage point) and gold and other metal ores (-0,4 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 5,7% in February 2018 (compared with 8,7% in January 2018). From January 2018 to February 2018 the PPI for agriculture, forestry and fishing decreased by 1,5%.

The main contributor to the annual rate of 5,7% was agriculture (4,3 percentage points) (see Figure 5.2).

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

Key figures and analytical series

Table A - Key figures

Product	Weight	Index (Dec 2016=100)			Percentage change	
		Feb 2017	Jan 2018	Feb 2018	Feb 2018 vs. Jan 2018	Feb 2018 vs. Feb 2017
Final manufactured goods	100,00	101,0	105,5	105,2	-0,3	4,2
Intermediate manufactured goods	100,00	102,1	102,9	102,5	-0,4	0,4
Electricity and water	100,00	102,4	104,6	106,0	1,3	3,5
Mining	100,00	107,9	104,4	103,3	-1,1	-4,3
Agriculture, forestry and fishing	100,00	98,1	105,3	103,7	-1,5	5,7

Table B - Analytical series

Product	Weight	Index (Dec 2016=100)			Percentage change	
		Feb 2017	Jan 2018	Feb 2018	Feb 2018 vs. Jan 2018	Feb 2018 vs. Feb 2017
Final manufactured goods excluding petroleum products	89,91	100,4	104,5	104,4	-0,1	4,0
Final manufactured goods excluding food	74,22	101,1	107,3	107,0	-0,3	5,8
Intermediate manufactured goods excluding basic metals	80,87	101,6	103,0	103,0	0,0	1,4
Mining excluding precious metals and stones	62,28	100,4	104,3	104,0	-0,3	3,6
Precious metals and stones	37,72	122,8	104,9	102,5	-2,3	-16,5

Risenga Maluleke
Statistician-General

Main index numbers and annual percentage changes

Table C - Main index numbers (Dec 2016=100)

Table C1 - Final manufactured goods

Year and type	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Average	
2014	Index	85,1	86,1	87,2	88,1	88,2	88,5	88,9	88,9	89,0	89,2	89,2	89,1	88,1
	Rate	7,0	7,7	8,2	8,8	8,7	8,1	8,0	7,2	6,9	6,7	6,5	5,8	7,5
2015	Index	88,1	88,4	89,9	90,7	91,4	91,7	91,9	92,0	92,2	93,0	93,1	93,3	91,3
	Rate	3,5	2,6	3,1	3,0	3,6	3,7	3,3	3,4	3,6	4,2	4,3	4,8	3,6
2016	Index	94,8	95,6	96,3	97,1	97,4	97,9	98,7	98,6	98,3	99,1	99,5	100,0	97,8
	Rate	7,6	8,1	7,1	7,0	6,5	6,8	7,4	7,2	6,6	6,6	6,9	7,1	7,0
2017	Index	100,4	101,0	101,3	101,6	102,1	101,8	102,3	102,7	103,4	104,1	104,6	105,2	102,5
	Rate	5,9	5,6	5,2	4,6	4,8	4,0	3,6	4,2	5,2	5,0	5,1	5,2	4,8
2018	Index	105,5	105,2	..	..	..	..	..	..	..	..	..	..	..
	Rate	5,1	4,2	..	..	..	..	..	..	..	..	..	..	..

Table C2 - Intermediate manufactured goods

Year and type	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Average	
2014	Index	88,6	90,1	90,8	91,2	91,6	91,8	91,9	92,2	92,3	92,1	91,5	91,7	91,3
	Rate	9,3	10,5	10,1	10,2	9,8	9,0	8,5	6,7	7,0	6,2	5,4	6,1	8,2
2015	Index	91,5	91,4	91,6	91,0	91,2	91,4	91,6	91,8	93,0	93,0	93,2	93,2	92,0
	Rate	3,4	1,5	0,9	-0,2	-0,4	-0,4	-0,3	-0,4	0,8	0,9	1,9	1,6	0,8
2016	Index	95,0	95,4	96,5	97,4	99,5	99,8	99,5	99,3	99,3	98,7	99,4	100,0	98,3
	Rate	3,8	4,4	5,3	7,1	9,0	9,2	8,5	8,2	6,8	6,2	6,6	7,3	6,8
2017	Index	101,4	102,1	103,1	102,3	102,6	101,9	101,0	101,3	101,4	102,7	103,6	103,2	102,2
	Rate	6,7	7,0	6,8	5,0	3,1	2,1	1,5	2,0	2,1	4,1	4,2	3,2	4,0
2018	Index	102,9	102,5	..	..	..	..	..	..	..	..	..	..	..
	Rate	1,5	0,4	..	..	..	..	..	..	..	..	..	..	..

Table C3 - Electricity and water

Year and type	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Average	
2014	Index	75,9	76,9	75,7	78,0	79,1	105,1	114,6	113,6	86,1	82,4	82,7	81,6	87,6
	Rate	14,5	14,5	14,6	10,4	9,7	8,2	7,8	8,6	7,4	8,0	8,4	8,9	9,9
2015	Index	82,8	83,2	82,2	86,1	86,9	117,1	128,5	126,5	95,8	93,5	93,4	93,1	97,4
	Rate	9,0	8,2	8,6	10,4	9,9	11,4	12,2	11,4	11,3	13,5	12,9	14,1	11,1
2016	Index	92,4	93,7	91,7	96,7	96,8	130,5	139,2	141,1	106,6	101,4	101,2	100,0	107,6
	Rate	11,6	12,6	11,6	12,3	11,5	11,5	8,4	11,5	11,2	8,5	8,3	7,4	10,4
2017	Index	101,6	102,4	101,6	102,4	103,0	138,6	144,1	144,8	113,0	105,0	105,2	103,3	113,8
	Rate	10,0	9,3	10,8	5,9	6,4	6,2	3,5	2,6	6,0	3,6	4,0	3,3	5,8
2018	Index	104,6	106,0	..	..	..	..	..	..	..	..	..	..	..
	Rate	3,0	3,5	..	..	..	..	..	..	..	..	..	..	..

Table C4 - Mining

Year and type	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Average	
2014	Index	93,7	95,2	94,1	93,5	93,2	94,5	95,4	95,3	94,1	91,0	88,6	91,0	93,3
	Rate	4,8	5,3	3,7	6,6	4,9	5,8	7,8	3,6	5,1	2,5	-1,7	1,8	4,2
2015	Index	92,1	90,1	90,0	89,0	89,6	90,5	87,1	85,0	89,2	90,2	90,7	90,4	89,5
	Rate	-1,7	-5,4	-4,4	-4,7	-3,8	-4,2	-8,7	-10,8	-5,2	-0,8	2,4	-0,7	-4,1
2016	Index	94,4	96,2	97,4	98,2	102,7	101,2	101,0	102,9	103,7	100,8	98,0	100,0	99,7
	Rate	2,5	6,8	8,2	10,3	14,6	11,8	16,0	21,0	16,2	11,7	8,1	10,6	11,5
2017	Index	104,5	107,9	103,2	103,8	99,6	99,7	100,1	104,0	113,6	109,9	109,1	106,1	105,1
	Rate	10,7	12,2	6,0	5,7	-3,0	-1,5	-0,9	1,1	9,5	9,0	11,3	6,1	5,4
2018	Index	104,4	103,3	..	..	..	..	..	..	..	..	..	..	..
	Rate	-0,1	-4,3	..	..	..	..	..	..	..	..	..	..	..

Table C5 - Agriculture, forestry and fishing

Year and type	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Average	
2014	Index	82,2	81,3	83,1	80,1	79,3	77,6	77,1	78,1	80,4	81,5	82,9	84,1	80,6
	Rate	5,6	8,0	11,7	7,6	6,7	4,5	3,9	4,2	4,4	3,0	2,3	2,3	5,3
2015	Index	80,7	81,1	82,3	83,7	81,8	81,1	82,1	83,9	84,5	87,0	90,9	94,0	84,4
	Rate	-1,8	-0,3	-1,0	4,5	3,1	4,5	6,4	7,5	5,2	6,8	9,6	11,8	4,7
2016	Index	99,8	101,3	99,5	97,8	96,7	97,5	97,5	97,5	96,8	96,6	98,3	100,0	98,3
	Rate	23,6	24,9	20,9	16,9	18,3	20,2	18,8	16,1	14,5	11,1	8,1	6,4	16,4
2017	Index	96,9	98,1	95,3	96,2	96,2	96,1	97,8	96,6	98,7	101,3	105,1	106,4	98,7
	Rate	-2,9	-3,2	-4,2	-1,6	-0,5	-1,4	0,3	-0,9	2,0	4,9	6,9	6,4	0,4
2018	Index	105,3	103,7	..	..	..	..	..	..	..	..	..	..	..
	Rate	8,7	5,7	..	..	..	..	..	..	..	..	..	..	..

Detailed index numbers and percentage changes, and contributions

Table 1 - PPI for final manufactured goods

Product	Weight	Index (Dec 2016=100)			Percentage change	
		Feb 2017	Jan 2018	Feb 2018	Feb 2018 vs. Jan 2018	Feb 2018 vs. Feb 2017
Final manufactured goods	100,00	101,0	105,5	105,2	-0,3	4,2
Food products, beverages and tobacco products	34,77	100,5	101,4	101,3	-0,1	0,8
Food products	25,78	100,6	100,3	99,8	-0,5	-0,8
Meat, fish, fruit, vegetables, oils and fats	10,06	101,5	106,0	105,0	-0,9	3,4
Meat and meat products	5,41	103,6	111,6	109,8	-1,6	6,0
Fish and fish products	1,94	97,9	99,0	99,6	0,6	1,7
Fruit and vegetables	1,86	100,2	102,5	101,5	-1,0	1,3
Oils and fats	0,84	99,9	94,4	94,4	0,0	-5,5
Dairy products	2,27	100,5	101,9	102,2	0,3	1,7
Grain mill products, starches and starch products, and animal feeds	3,54	98,6	86,2	85,2	-1,2	-13,6
Grain mill products	2,06	97,6	82,5	80,8	-2,1	-17,2
Starches, starch products and animal feeds	1,48	99,2	89,2	89,4	0,2	-9,9
Other food products	9,92	100,3	98,8	98,9	0,1	-1,4
Bakery products	7,02	100,0	100,9	101,1	0,2	1,1
Sugar	1,55	100,9	87,4	85,9	-1,7	-14,9
Other food	1,35	100,9	101,5	103,1	1,6	2,2
Beverages	7,68	100,2	104,9	105,6	0,7	5,4
Tobacco products	1,31	100,0	104,6	104,6	0,0	4,6
Textiles, clothing and footwear	5,04	101,3	104,4	104,6	0,2	3,3
Textiles	0,81	101,6	106,1	106,2	0,1	4,5
Clothing	3,67	101,4	103,8	103,8	0,0	2,4
Footwear	0,56	100,9	108,2	110,0	1,7	9,0
Paper and printed products	7,53	100,3	108,1	108,2	0,1	7,9
Coke, petroleum, chemical, rubber and plastic products	20,99	104,0	112,8	111,8	-0,9	7,5
Coal and petroleum products	10,51	105,9	112,6	110,7	-1,7	4,5
Petrol	3,25	106,8	113,4	110,8	-2,3	3,7
Diesel	4,01	105,4	115,6	114,0	-1,4	8,2
Other	3,25	104,0	103,3	101,9	-1,4	-2,0
Chemical products	7,94	101,7	114,0	114,2	0,2	12,3
Rubber and plastic products	2,54	101,4	106,3	105,7	-0,6	4,2
Non-metallic mineral products	3,21	100,3	102,7	102,5	-0,2	2,2
Metals, machinery, equipment and computing equipment	14,66	99,5	103,1	103,1	0,0	3,6
Structural and fabricated metal products	6,71	100,6	105,5	105,7	0,2	5,1
General and special purpose machinery	7,03	98,7	101,5	101,4	-0,1	2,7
Household appliances and office machinery	0,92	98,0	98,8	98,5	-0,3	0,5
Electrical machinery and communication and metering equipment	3,78	101,0	106,5	107,2	0,7	6,1
Transport equipment	7,89	99,4	107,2	106,8	-0,4	7,4
Motor vehicles	2,92	97,0	108,6	109,3	0,6	12,7
Parts for transport equipment	4,96	99,4	104,6	102,7	-1,8	3,3
Furniture and other manufacturing	2,13	99,4	103,6	103,7	0,1	4,3

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

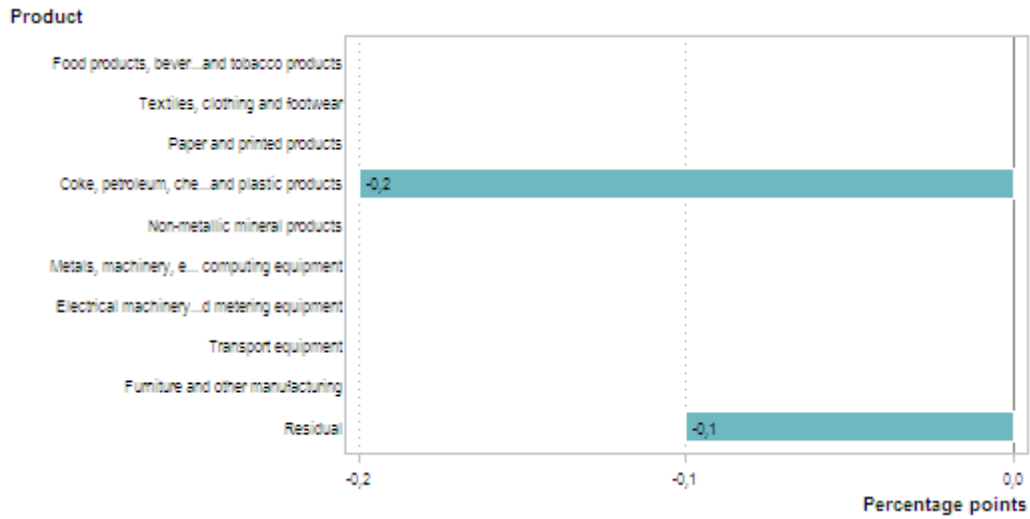


Figure 1.2 - Contributions to the annual percentage change in PPI for final manufactured goods

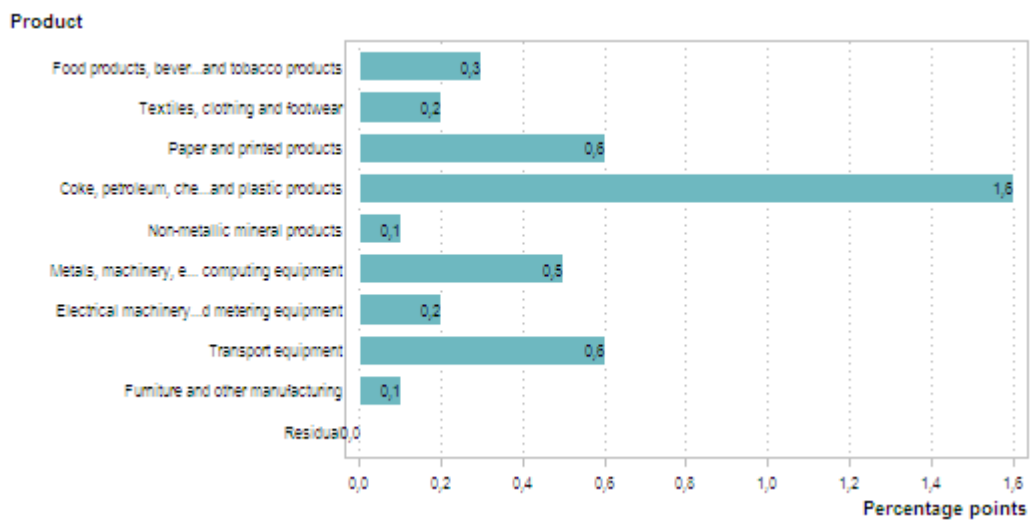


Table 2 - PPI for intermediate manufactured goods

Product	Weight	Index (Dec 2016=100)			Percentage change	
		Feb 2017	Jan 2018	Feb 2018	Feb 2018 vs. Jan 2018	Feb 2018 vs. Feb 2017
Intermediate manufactured goods	100,00	102,1	102,9	102,5	-0,4	0,4
Textiles and leather goods	4,56	99,6	102,5	97,5	-4,9	-2,1
Sawmilling and wood	23,59	101,8	102,3	104,7	2,3	2,8
Chemicals, rubber and plastic products	33,41	102,8	102,4	101,4	-1,0	-1,4
Basic and other chemicals	14,40	105,2	107,0	106,5	-0,5	1,2
Plastic products	15,95	101,3	100,1	98,3	-1,8	-3,0
Rubber products	3,06	104,7	104,4	104,4	0,0	-0,3
Glass and glass products	3,43	100,0	102,2	102,2	0,0	2,2
Basic and fabricated metals	31,24	102,6	100,8	100,1	-0,7	-2,4
Basic iron and steel	19,13	105,1	101,9	100,3	-1,6	-4,6
Basic precious and non-ferrous metals and castings	12,11	99,7	99,0	99,4	0,4	-0,3
Recycling and manufacturing n.e.c.	3,77	103,2	126,5	124,5	-1,6	20,6

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

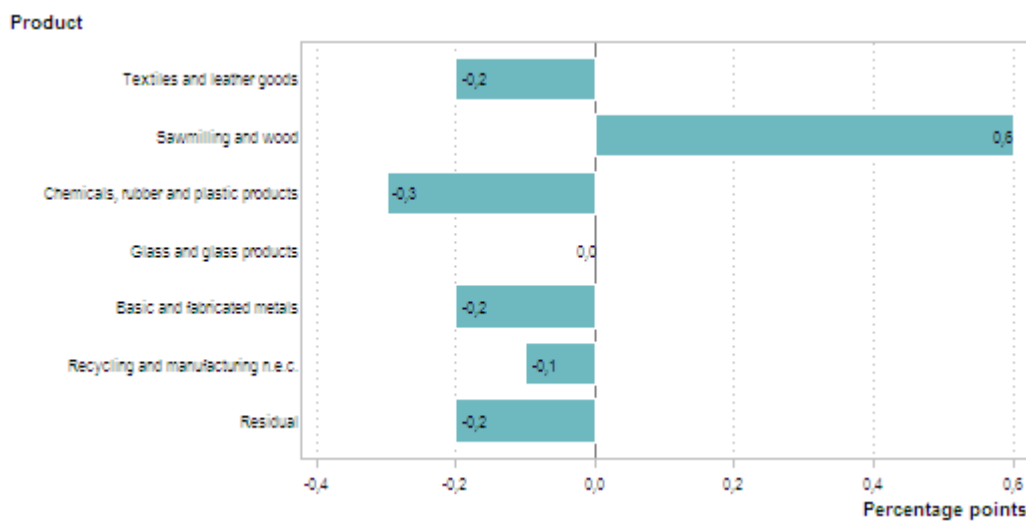


Figure 2.2 - Contributions to the annual percentage change in PPI for intermediate manufactured goods

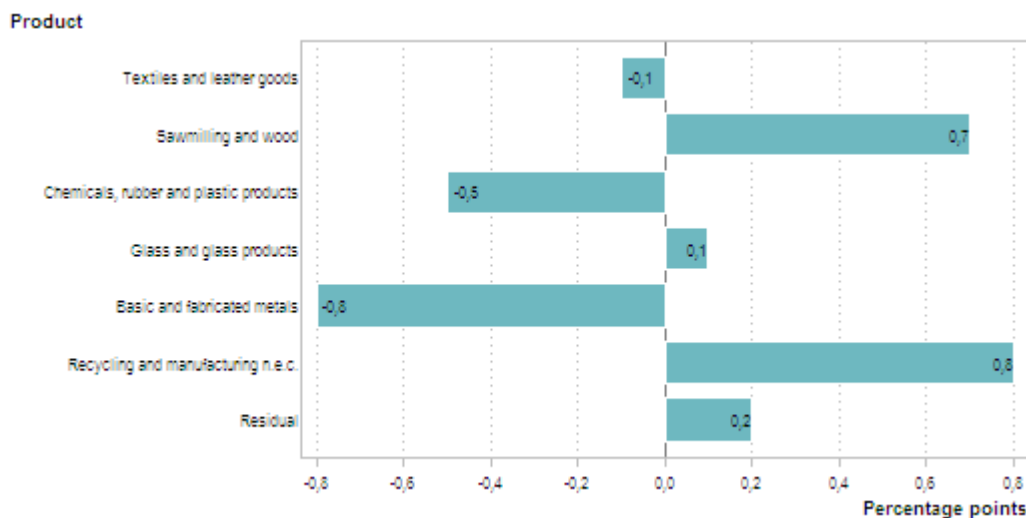


Table 3 - PPI for electricity and water

Product	Weight	Index (Dec 2016=100)			Percentage change	
		Feb 2017	Jan 2018	Feb 2018	Feb 2018 vs. Jan 2018	Feb 2018 vs. Feb 2017
Electricity and water	100,00	102,4	104,6	106,0	1,3	3,5
Electricity	85,86	102,8	103,6	105,3	1,6	2,4
Water	14,14	100,0	110,5	110,5	0,0	10,5

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

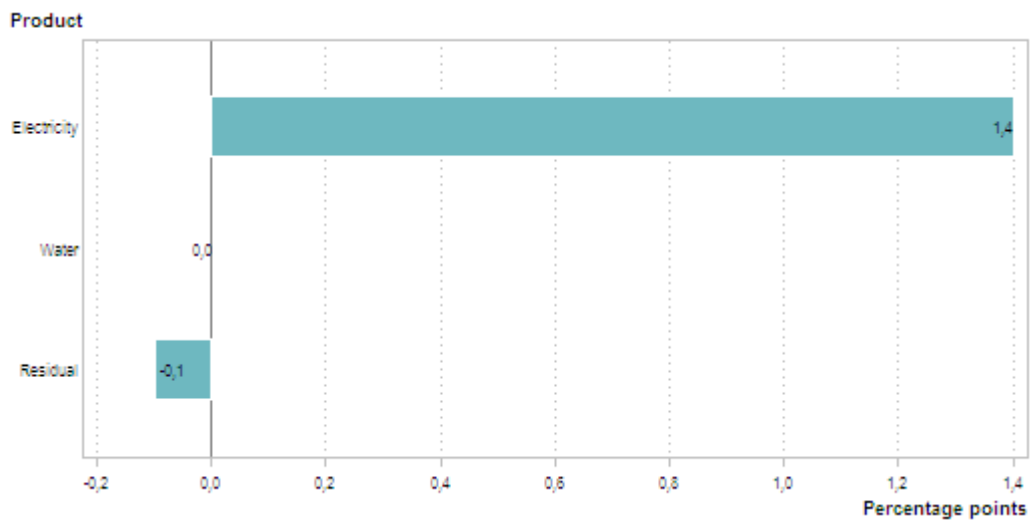


Figure 3.2 - Contributions to the annual percentage change in PPI for electricity and water

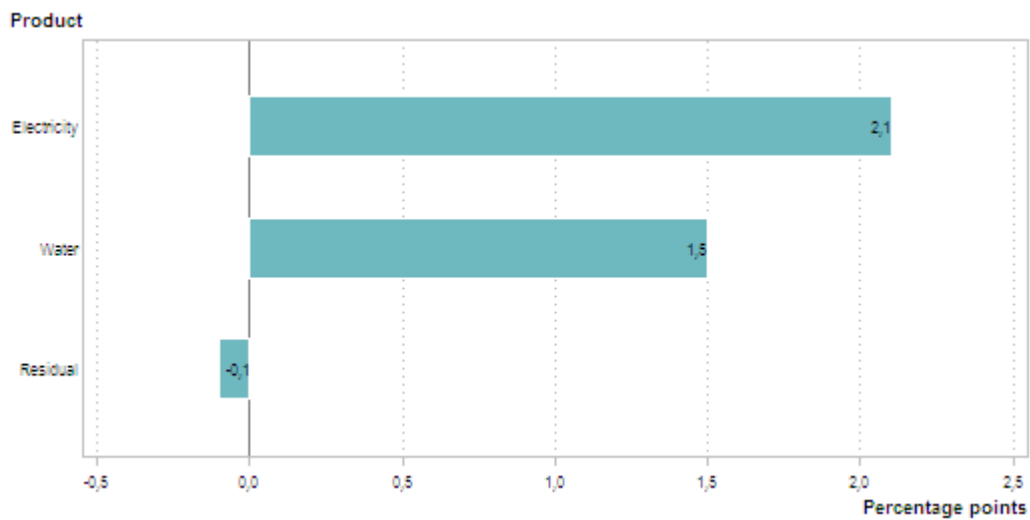


Table 4 - PPI for mining

Product	Weight	Index (Dec 2016=100)			Percentage change	
		Feb 2017	Jan 2018	Feb 2018	Feb 2018 vs. Jan 2018	Feb 2018 vs. Feb 2017
Mining	100,00	107,9	104,4	103,3	-1,1	-4,3
Coal and gas	27,97	98,2	109,9	106,9	-2,7	8,9
Gold and other metal ores	27,00	106,2	95,4	94,0	-1,5	-11,5
Non-ferrous metal ores	37,21	99,3	102,6	103,1	0,5	3,8
Stone quarrying, clay and diamonds	7,82	176,7	128,8	127,7	-0,9	-27,7

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

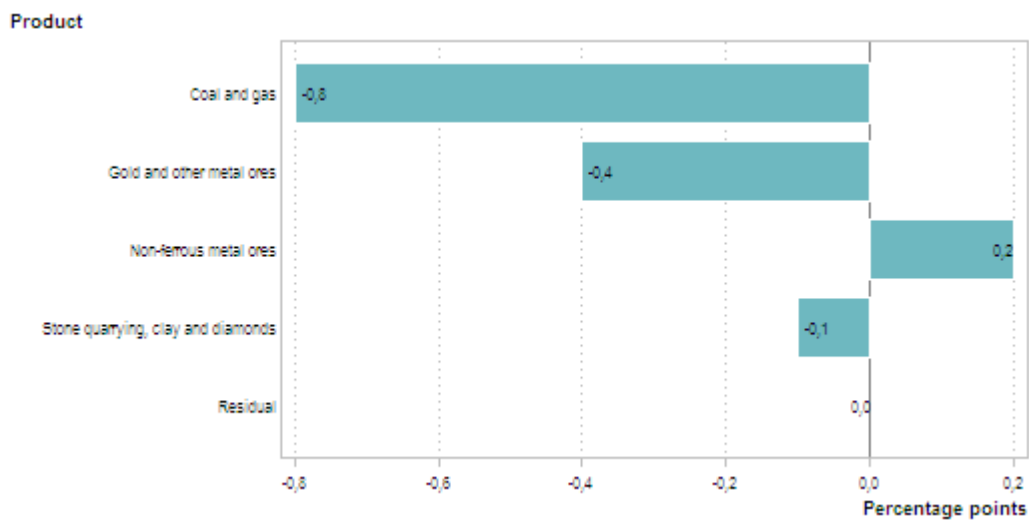


Figure 4.2 - Contributions to the annual percentage change in PPI for mining

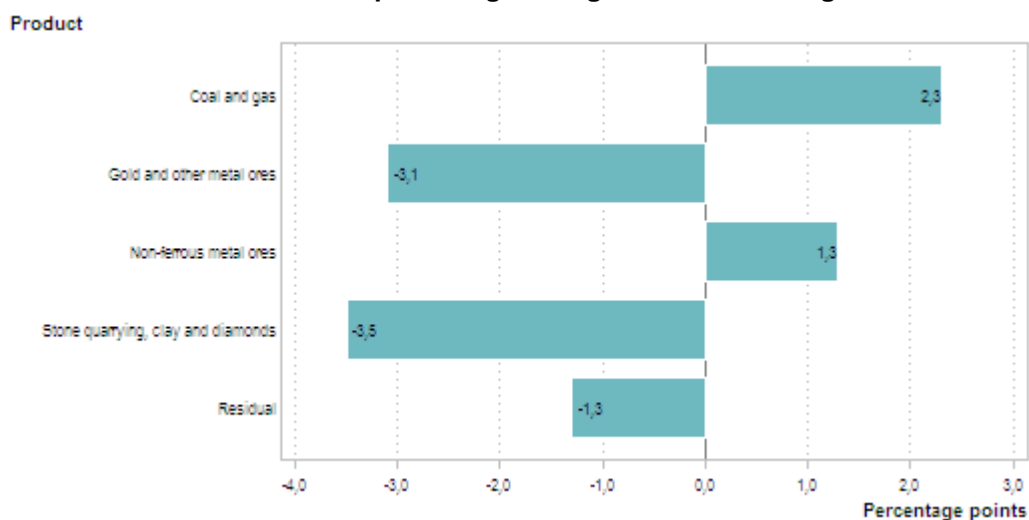


Table 5 - PPI for agriculture, forestry and fishing

Product	Weight	Index (Dec 2016=100)			Percentage change	
		Feb 2017	Jan 2018	Feb 2018	Feb 2018 vs. Jan 2018	Feb 2018 vs. Feb 2017
Agriculture, forestry and fishing	100,00	98,1	105,3	103,7	-1,5	5,7
Agriculture	85,62	97,9	104,7	102,8	-1,8	5,0
Products of crops and horticulture	43,13	94,0	85,5	86,1	0,7	-8,4
Cereals and other crops	20,54	87,0	67,1	64,6	-3,7	-25,7
Fruit and vegetables	22,59	99,5	100,0	103,5	3,5	4,0
Live animals and animal products	42,49	101,5	122,3	117,8	-3,7	16,1
Live animals	31,57	102,4	125,8	120,1	-4,5	17,3
Milk and eggs	9,45	97,9	110,5	109,5	-0,9	11,8
Other animal products	1,47	108,1	123,6	123,1	-0,4	13,9
Forestry	8,20	100,3	109,4	110,5	1,0	10,2
Fishing	6,18	97,4	108,6	108,6	0,0	11,5

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

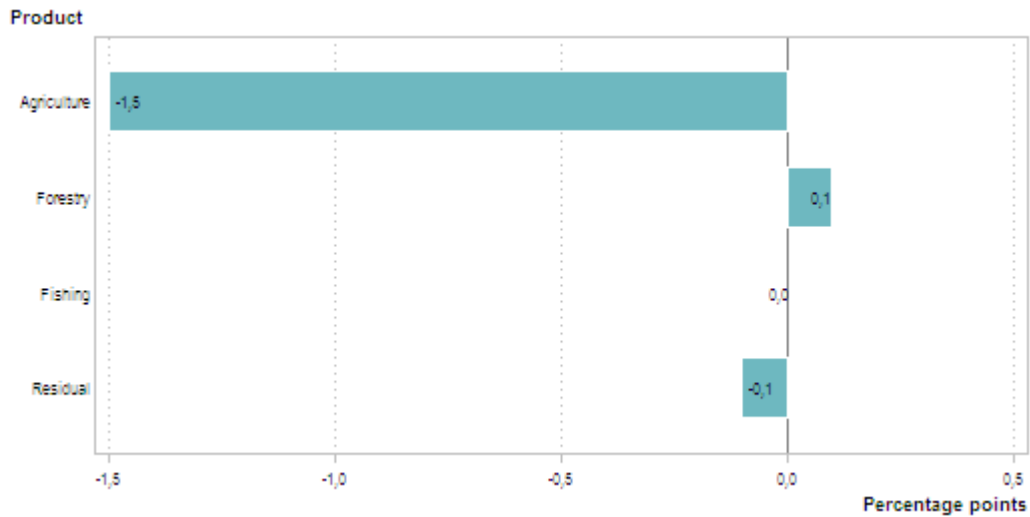
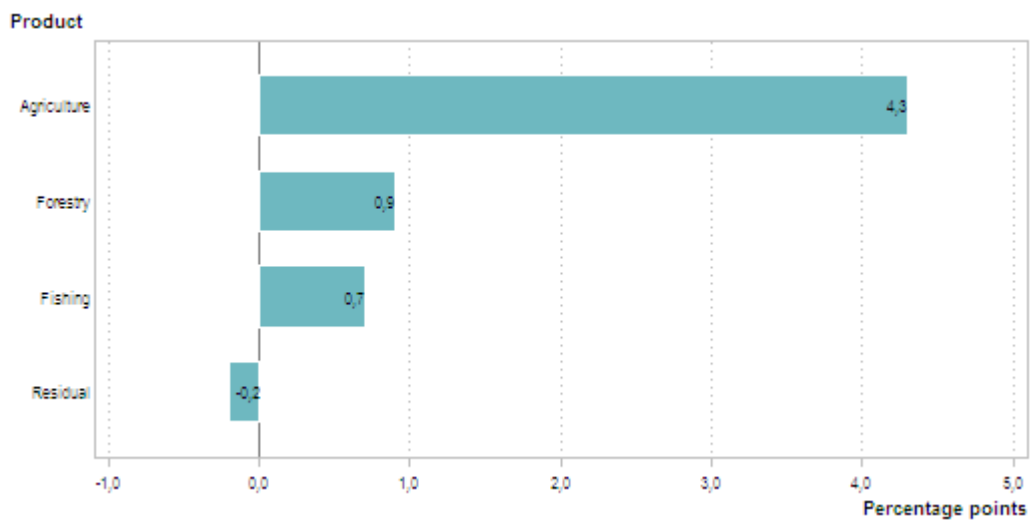


Figure 5.2 - Contributions to the annual percentage change in PPI for agriculture, forestry and fishing



Explanatory notes

<p>Purpose and results of the survey</p>	<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

<p>Producer Price Index</p>	<p>The PPI is defined as “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).”</p>
<p>Contributions</p>	<p>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).</p>
<p>Annual inflation rate</p>	<p>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.</p>
<p>Annual percentage change</p>	<p>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.</p>
<p>Average annual inflation rate</p>	<p>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.</p>
<p>Average annual percentage change</p>	<p>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.</p>
<p>Monthly percentage change</p>	<p>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.</p>
<p>Chain linking</p>	<p>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).</p>

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Forthcoming issues	Issue	Expected release date
	March 2018	26 April 2018
	April 2018	31 May 2018
	May 2018	28 June 2018

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