

Statistical release

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Producer Price Index (PPI)

January 2013

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Key findings for January 2013

Final manufactured goods – headline PPI

The annual percentage change in the PPI for final manufactured goods was 5,8% in January 2013. From December 2012 to January 2013 the PPI for final manufactured goods increased by 0,5%.

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

The main contributors to the monthly increase of 0,5% were transport equipment (1,6% and contributing 0,2 of a percentage point) and metals, machinery, equipment and computing equipment (1,0% and contributing 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 5,8% in January 2013. From December 2012 to January 2013 the PPI for intermediate manufactured goods increased by 1,4%.

The main contributors to the annual rate of 5,8% were chemicals, rubber and plastic products (4,4% and contributing 1,8 percentage points) and textiles and leather goods (21,6% and contributing 1,5 percentage points) (see Figure 2.2).

The main contributor to the monthly increase of 1,4% was basic and fabricated metals (2,8% and contributing 0,8 of a percentage point) (see Figure 2.1).

Electricity and water

The annual percentage change in the PPI for electricity and water was 12,3% in January 2013. From December 2012 to January 2013 the PPI for electricity and water increased by 1,1%.

Electricity increased by 1,3% month-on-month and by 13,0% year-on-year. Water was unchanged month-on-month and increased by 8,5% year-on-year. For contributions to the annual and monthly rates, see Figures 3.1 and 3.2.

Mining

The annual percentage change in the PPI for mining was 7,2% in January 2013. From December 2012 to January 2013 the PPI for mining increased by 2,5%.

The main contributors to the annual rate of 7,2% were non-ferrous metal ores (8,9% and contributing 4,1 percentage points) and gold and other metal ores (9,4% and contributing 2,2 percentage points) (see Figure 4.2).

The main contributors to the monthly rate of 2,5% were non-ferrous metal ores (3,6% and contributing 1,7 percentage points) and gold and other metal ores (3,6% and contributing 0,8 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 3,0% in January 2013. From December 2012 to January 2013 the PPI for agriculture, forestry and fishing decreased by 1,4%.

The main contributor to the annual rate of 3,0% was agriculture (3,5% and contributing 2,7 percentage points) (see Figure 5.2).

The main contributor to the monthly rate of -1,4% was agriculture (-1,6% 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	
		Jan 2012	Dec 2012	Jan 2013	Jan 2013 vs. Dec 2012	Jan 2013 vs. Jan 2012
Final manufactured goods	100,00	97,1	102,2	102,7	0,5	5,8
Intermediate manufactured goods	100,00	97,9	102,2	103,6	1,4	5,8
Electricity and water	100,00	81,8	90,9	91,9	1,1	12,3
Mining	100,00	98,1	102,6	105,2	2,5	7,2
Agriculture, forestry and fishing	100,00	101,3	105,8	104,3	-1,4	3,0

Table B - Analytical series

Product	Weight	Index (2012=100)			Percentage change	
		Jan 2012	Dec 2012	Jan 2013	Jan 2013 vs. Dec 2012	Jan 2013 vs. Jan 2012
Final manufactured goods excluding petroleum products	92,72	97,3	102,0	102,5	0,5	5,3
Final manufactured goods excluding food	76,01	97,0	101,8	102,6	0,8	5,8
Intermediate manufactured goods excluding basic metals	88,06	96,6	103,1	104,2	1,1	7,9
Mining excluding precious metals and stones	54,32	98,8	100,9	101,8	0,9	3,0
Precious metals and stones	45,68	97,2	104,5	109,2	4,5	12,3

P J 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	..	..	..	..	..	..	..	..	..	..	..	..
	Rate	5,8	..	..	..	..	..	..	..	..	..	..	..	..

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	..	..	..	..	..	..	..	..	..	..	..	..
	Rate	5,8	..	..	..	..	..	..	..	..	..	..	..	..

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	..	..	..	..	..	..	..	..	..	..	..	..
	Rate	12,3	..	..	..	..	..	..	..	..	..	..	..	..

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	..	..	..	..	..	..	..	..	..	..	..	..
	Rate	7,2	..	..	..	..	..	..	..	..	..	..	..	..

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	..	..	..	..	..	..	..	..	..	..	..	..
	Rate	3,0	..	..	..	..	..	..	..	..	..	..	..	..

Detailed index numbers and percentage changes, and contributions

Table 1 - PPI for final manufactured goods

Product		Weight	Index (2012=100)			Percentage change	
			Jan 2012	Dec 2012	Jan 2013	Jan 2013 vs. Dec 2012	Jan 2013 vs. Jan 2012
Final manufactured goods		100,00	97,1	102,2	102,7	0,5	5,8
Food products, beverages and tobacco products		33,47	96,5	102,9	102,8	-0,1	6,5
Food products		24,00	97,5	103,4	103,3	-0,1	5,9
All		8,16	98,8	104,0	103,5	-0,5	4,8
Meat, fish, fruit, vegetables, oils and fats							
All		3,69	101,3	105,9	104,4	-1,4	3,1
Meat and meat products		1,49	98,1	102,1	103,6	1,5	5,6
Fish and fish products		2,66	96,2	101,7	101,5	-0,2	5,5
Fruit and vegetables		0,32	92,8	110,3	110,1	-0,2	18,6
Oils and fats		2,81	92,2	103,5	102,8	-0,7	11,5
Dairy products		3,45	96,3	104,7	104,6	-0,1	8,6
Grain mill products, starches and starch products and animal feeds		2,13	98,0	104,8	104,2	-0,6	6,3
All		1,32	93,7	104,6	105,3	0,7	12,4
Starches, starch products and animal feeds		9,58	98,3	102,3	102,6	0,3	4,4
Other food products		6,12	98,2	104,5	104,7	0,2	6,6
All		1,79	97,4	99,5	99,4	-0,1	2,1
Bakery products		1,67	99,6	96,7	97,6	0,9	-2,0
Sugar		7,70	93,4	101,8	101,9	0,1	9,1
Other food		1,77	96,8	101,1	101,1	0,0	4,4
Beverages		4,30	99,1	101,2	102,2	1,0	3,1
Tobacco products		0,34	99,2	103,0	103,0	0,0	3,8
Textiles, clothing and footwear		3,40	99,2	100,6	101,6	1,0	2,4
All		0,56	98,1	104,3	106,3	1,9	8,4
Textile		8,23	96,0	103,1	103,4	0,3	7,7
Clothing		8,04	95,9	103,2	103,5	0,3	7,9
Footwear		0,19	98,4	101,4	101,4	0,0	3,0
Wood and paper products		17,22	95,8	102,8	103,3	0,5	7,8
All		7,47	95,2	104,0	104,8	0,8	10,1
Paper and printed products		2,24	92,8	103,7	104,1	0,4	12,2
Other wood products		2,46	95,7	105,3	104,4	-0,9	9,1
Coke, petroleum, chemical, rubber and plastic products		2,77	96,5	103,0	105,5	2,4	9,3
Coke and petroleum products		8,49	96,3	101,9	102,3	0,4	6,2
All		1,26	95,9	100,4	100,7	0,3	5,0
Chemical products		4,09	95,9	102,1	103,3	1,2	7,7
Rubber and plastic products		15,65	99,1	100,6	101,6	1,0	2,5
Non-metallic mineral products		8,04	99,6	100,2	101,0	0,8	1,4
Metals, machinery, equipment and computing equipment		6,76	98,5	100,9	102,5	1,6	4,1
All		0,85	99,8	101,5	99,8	-1,7	0,0
Structural and fabricated metal products		4,62	97,6	101,2	101,8	0,6	4,3
General and special purpose machinery		10,55	99,1	101,2	102,8	1,6	3,7
Household appliances and office machinery		5,76	97,3	101,7	103,4	1,7	6,3
Electrical machinery and apparatus and subcomponents		0,69	97,2	103,4	103,4	0,0	6,4
Transport equipment		4,10	101,6	100,3	102,1	1,8	0,5
All		1,87	99,4	101,4	101,9	0,5	2,5
Motor vehicles							
Bodies for motor vehicles							
Parts and accessories for motor vehicles and their engines							
Furniture and other manufacturing							

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

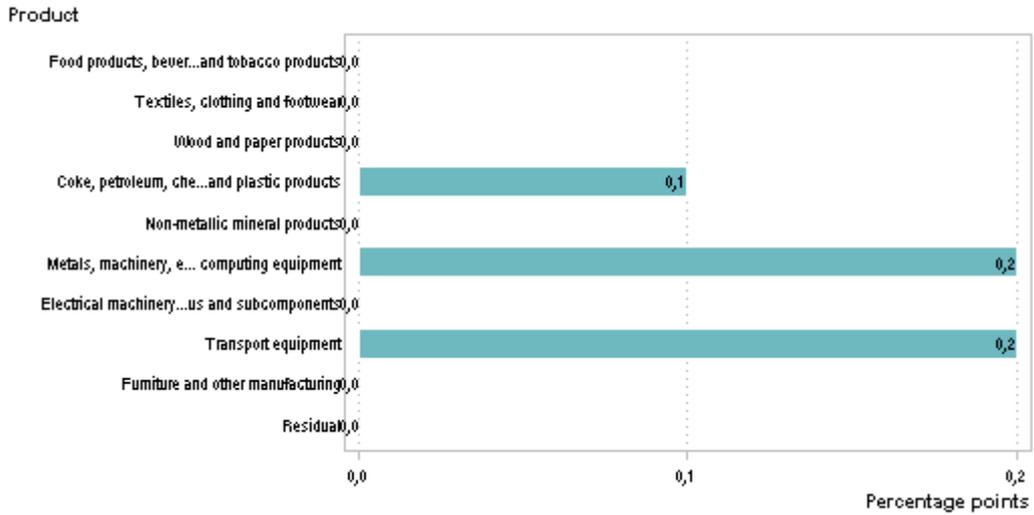


Figure 1.2 - Contributions to the annual percentage change in PPI for final manufactured goods

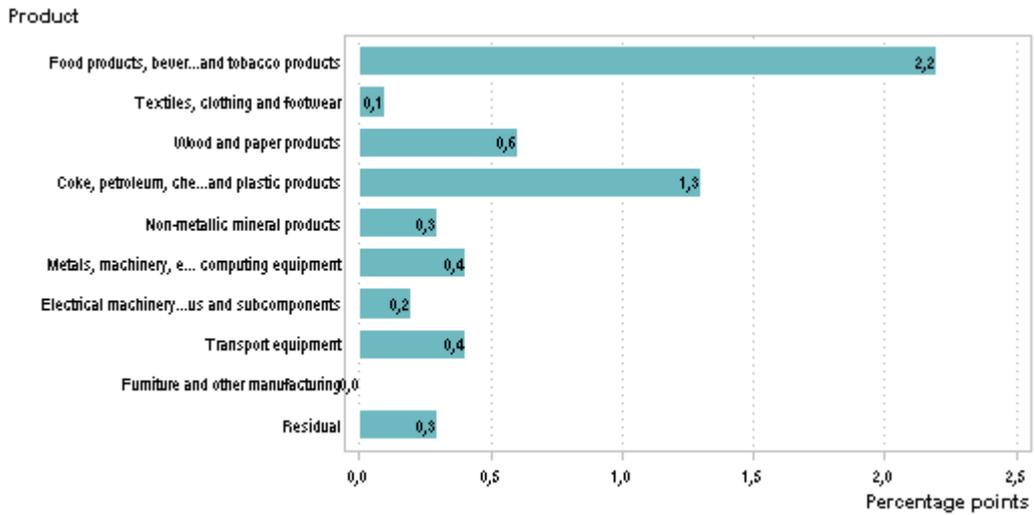


Table 2 - PPI for intermediate manufactured goods

Product		Weight	Index (2012=100)			Percentage change		
			Jan 2012	Dec 2012	Jan 2013	Jan 2013 vs. Dec 2012	Jan 2013 vs. Jan 2012	
Intermediate manufactured goods	All	100,00	97,9	102,2	103,6	1,4	5,8	
	Textiles and leather goods	7,79	89,8	108,0	109,2	1,1	21,6	
	Sawmilling and wood	15,26	95,6	103,3	102,7	-0,6	7,4	
	Chemicals, rubber and plastic products	All	40,69	98,1	101,4	102,4	1,0	4,4
		Basic and other chemicals	10,57	97,0	102,1	104,7	2,5	7,9
		Plastic products	27,97	98,4	101,3	101,7	0,4	3,4
		Rubber products	2,15	100,9	99,8	100,1	0,3	-0,8
	Glass and glass products	4,54	92,0	100,1	101,1	1,0	9,9	
	Basic and fabricated metals	All	29,31	100,7	101,8	104,6	2,8	3,9
		Basic iron and steel	11,94	103,1	98,7	102,1	3,4	-1,0
		Basic precious and non - ferrous metals	17,37	97,6	105,8	108,3	2,4	11,0
	Recycling and manufacturing n.e.c.	2,41	99,1	98,3	101,1	2,8	2,0	

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

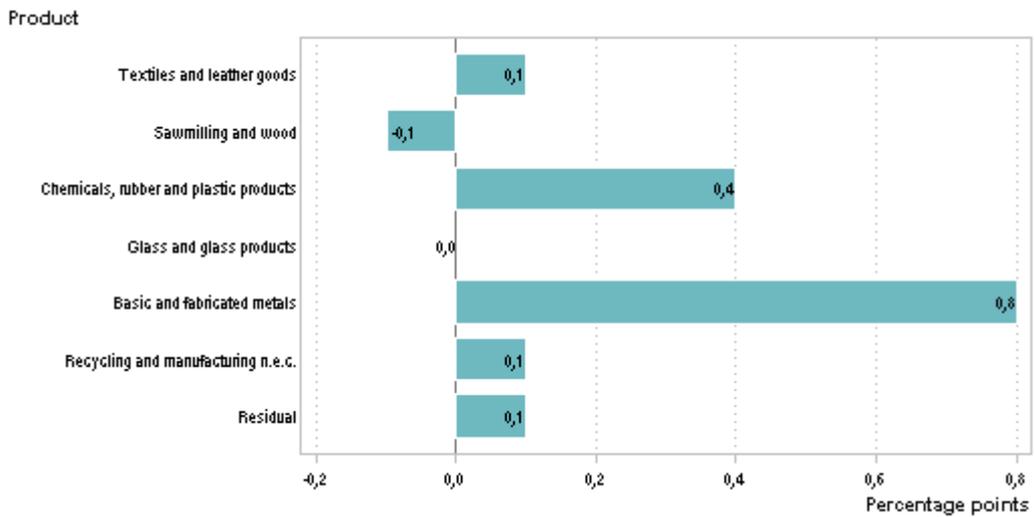


Figure 2.2 - Contributions to the annual percentage change in PPI for intermediate manufactured goods

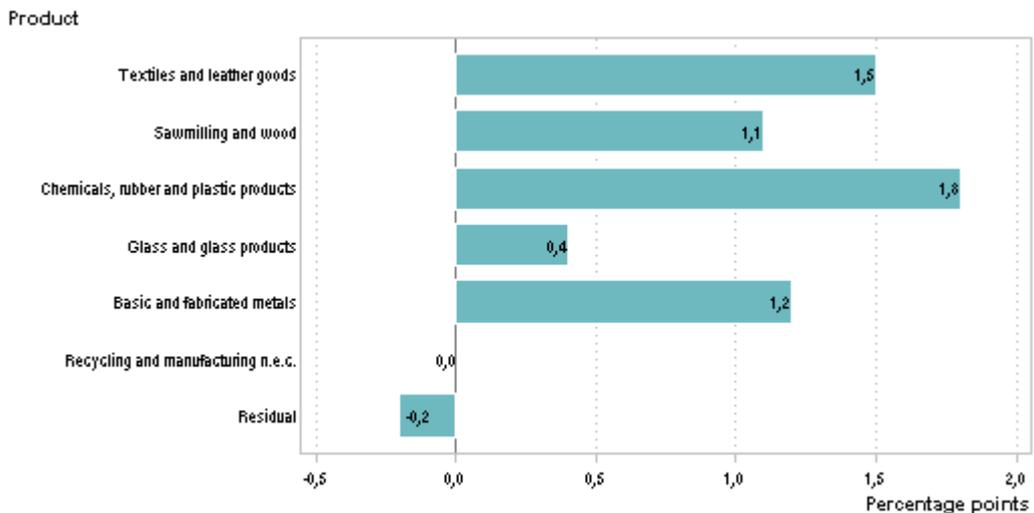


Table 3 - PPI for electricity and water

Product		Weight	Index (2012=100)			Percentage change	
			Jan 2012	Dec 2012	Jan 2013	Jan 2013 vs. Dec 2012	Jan 2013 vs. Jan 2012
Electricity and water	All	100,00	81,8	90,9	91,9	1,1	12,3
	Electricity	84,06	79,7	88,9	90,1	1,3	13,0
	Water	15,94	95,4	103,5	103,5	0,0	8,5

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

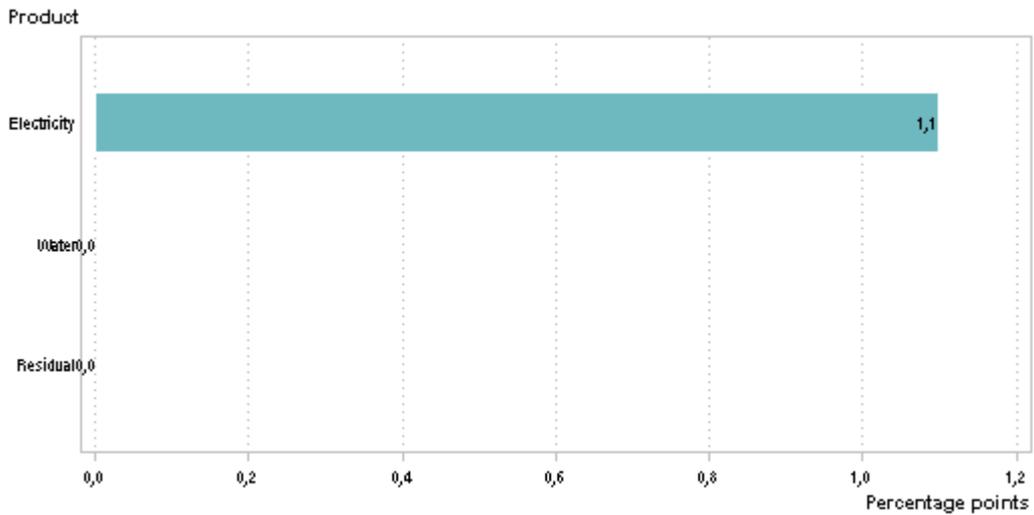


Figure 3.2 - Contributions to the annual percentage change in PPI for electricity and water

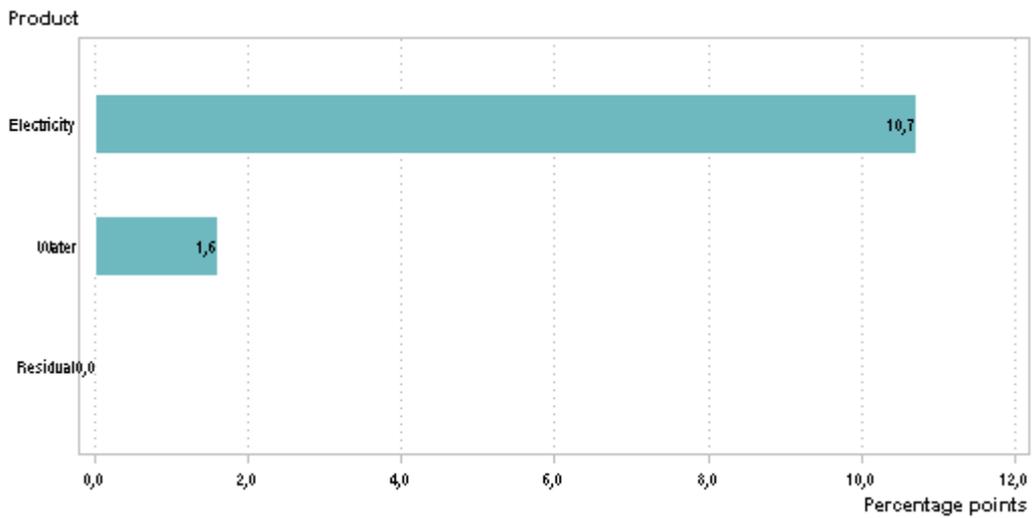


Table 4 - PPI for mining

Product		Weight	Index (2012=100)			Percentage change	
			Jan 2012	Dec 2012	Jan 2013	Jan 2013 vs. Dec 2012	Jan 2013 vs. Jan 2012
Mining	All	100,00	98,1	102,6	105,2	2,5	7,2
	Coal and gas	24,54	97,2	102,0	101,8	-0,2	4,7
	Gold and other metal ores	23,40	97,4	102,9	106,6	3,6	9,4
	Non-ferrous metal ores	45,78	98,4	103,5	107,2	3,6	8,9
	Stone quarrying, clay and diamonds	6,28	101,4	97,0	98,2	1,2	-3,2

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

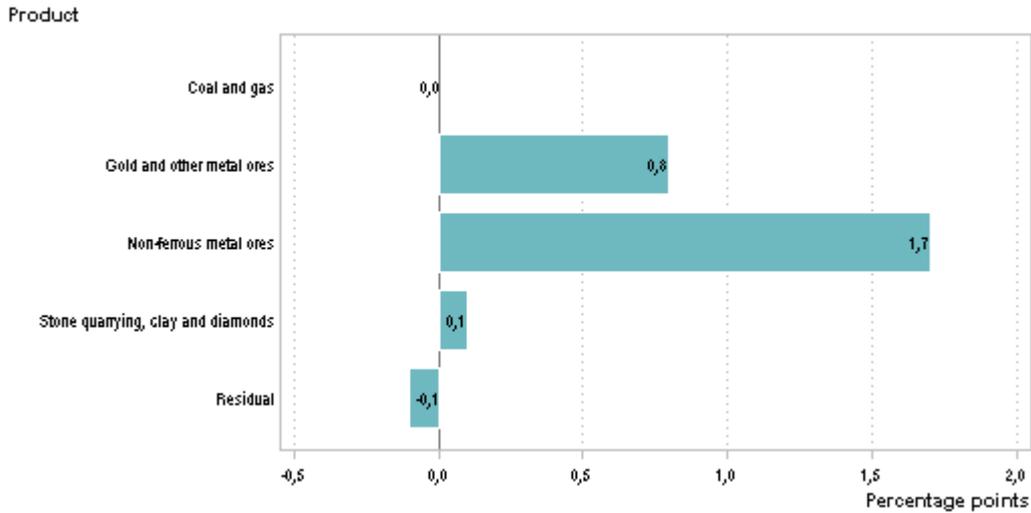


Figure 4.2 - Contributions to the annual percentage change in PPI for mining

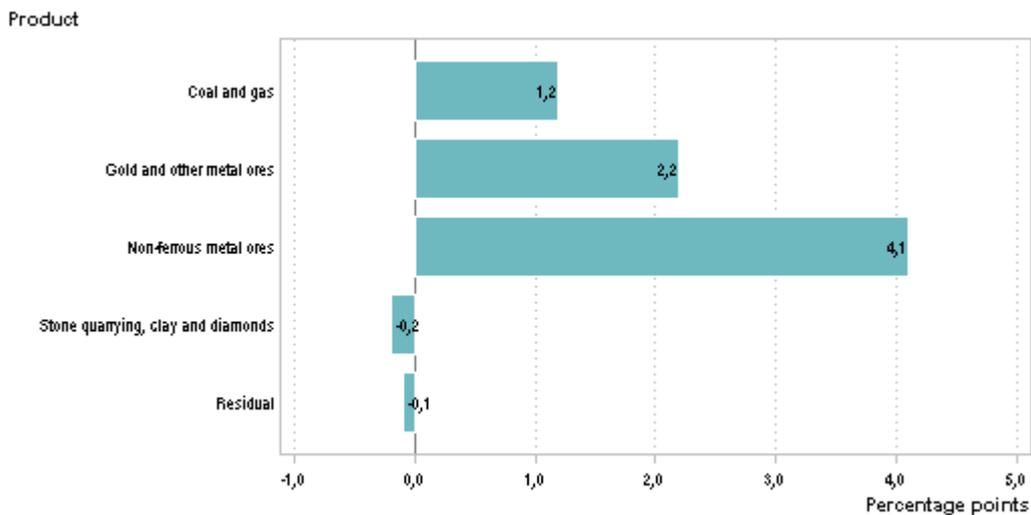


Table 5 - PPI for agriculture, forestry and fishing

Product		Weight	Index (2012=100)			Percentage change		
			Jan 2012	Dec 2012	Jan 2013	Jan 2013 vs. Dec 2012	Jan 2013 vs. Jan 2012	
Agriculture, forestry and fishing		100,00	101,3	105,8	104,3	-1,4	3,0	
Agriculture	All	77,07	101,7	107,0	105,3	-1,6	3,5	
	Products of crops and horticulture	All	38,97	98,1	112,2	112,4	0,2	14,6
		Cereals and other crops	18,73	99,7	99,7	98,7	-1,0	-1,0
		Fruit and vegetables	20,24	96,6	123,0	124,3	1,1	28,7
	Live animals and animal products	All	38,10	105,2	101,9	98,3	-3,5	-6,6
		Live animals	27,69	109,1	100,0	95,3	-4,7	-12,6
		Milk and eggs	9,21	94,2	106,9	105,9	-0,9	12,4
Other animal products		1,20	103,9	107,3	109,4	2,0	5,3	
Forestry		18,76	99,9	100,4	100,4	0,0	0,5	
Fishing		4,17	100,2	104,1	100,7	-3,3	0,5	

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

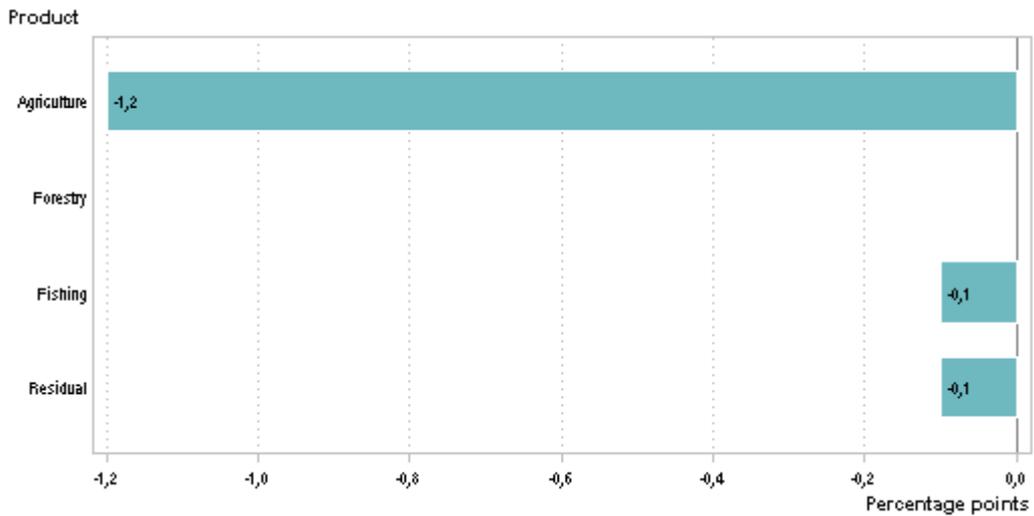
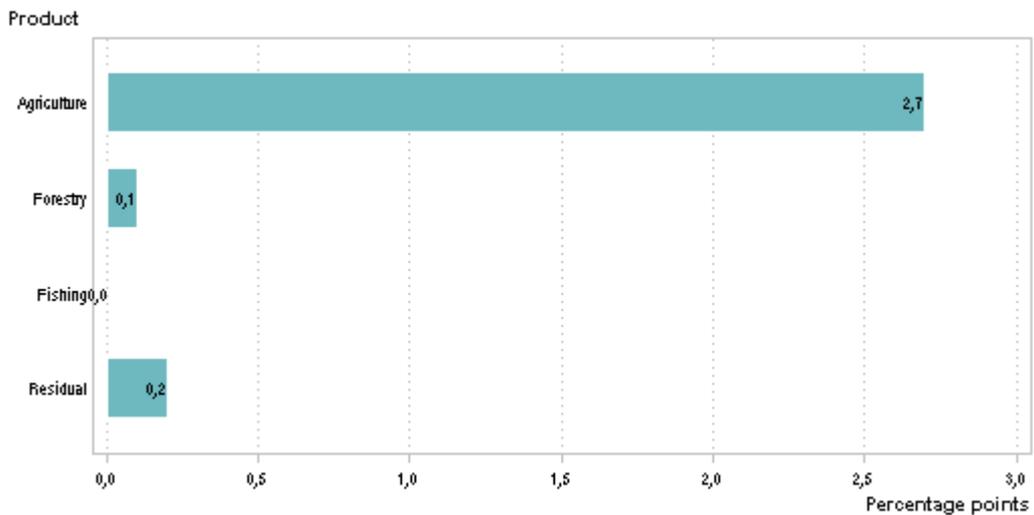


Figure 5.2 - Contributions to the annual percentage change in PPI for agriculture, forestry and fishing



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 “<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>”</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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