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# Statistical release

## P0142.1

# Producer Price Index (PPI)

## March 2014

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**Enquiries:**

Marais Kleu  
(012) 310 8170

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## Key findings for March 2014

### Final manufactured goods – headline PPI

The annual percentage change in the PPI for final manufactured goods was 8,2% in March 2014 (compared with 7,7% in February 2014). From February 2014 to March 2014 the PPI for final manufactured goods increased by 1,3%.

The main contributors to the annual rate of 8,2% were food products, beverages and tobacco products (8,0% year-on-year and contributing 2,9 percentage points), coke, petroleum, chemical, rubber and plastic products (8,7% year-on-year and contributing 1,5 percentage points) and metals, machinery, equipment and computing equipment (8,4% year-on-year and contributing 1,2 percentage points) (see Figure 1.2).

The main contributors to the monthly increase of 1,3% were food products, beverages and tobacco products (2,0% month-on-month and contributing 0,7 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 10,1% in March 2014 (compared with 10,5% in February 2014). From February 2014 to March 2014 the PPI for intermediate manufactured goods increased by 0,8%.

The main contributors to the annual rate of 10,1% were chemicals, rubber and plastic products (11,3% year-on-year and contributing 3,4 percentage points) and basic and fabricated metals (8,7% year-on-year and contributing 3,4 percentage points) (see Figure 2.2).

The main contributors to the monthly increase of 0,8% were basic and fabricated metals (0,6% month-on-month and contributing 0,2 of a percentage point) and chemicals, rubber and plastic products (1,7% month-on-month and contributing 0,5 of a percentage point) (see Figure 2.1).

### Electricity and water

The annual percentage change in the PPI for electricity and water was 14,6% in March 2014 (compared with 14,5% in February 2014). From February 2014 to March 2014 the PPI for electricity and water decreased by 1,6%.

The contributors to the annual rate of 14,6% 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 decrease of 1,6% was the result of electricity (-2,0% month-on-month and contributing -1,7 percentage points) (see Figure 3.1).

### Mining

The annual percentage change in the PPI for mining was 3,7% in March 2014 (compared with 5,3% in February 2014). From February 2014 to March 2014 the PPI for mining decreased by 1,2%.

The main contributors to the annual rate of 3,7% were non-ferrous metal ores (6,0% year-on-year and contributing 2,6 percentage points) and coal and gas (5,3% year-on-year and contributing 1,5 percentage points) (see Figure 4.2).

The main contributors to the monthly decrease of 1,2% were non-ferrous metal ores (-1,9% month-on-month and contributing -0,9 of a percentage point), stone quarrying, clay and diamonds (-3,0% month-on-month and contributing -0,2 of a percentage point) and coal and gas (-1,0% month-on-month and contributing -0,3 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 11,7% in March 2014 (compared with 8,0% in February 2014). From February 2014 to March 2014 the PPI for agriculture, forestry and fishing increased by 2,2%.

The main contributor to the annual rate of 11,7% was agriculture (13,3% year-on-year and contributing 10,5 percentage points) (see Figure 5.2).

The main contributor to the monthly increase of 2,2% was agriculture (2,6% month-on-month and contributing 2,0 percentage points) (see Figure 5.1).

## Key figures and analytical series

**Table A - Key figures**

Product	Weight	Index (2012=100)			Percentage change	
		Mar 2013	Feb 2014	Mar 2014	Mar 2014 vs. Feb 2014	Mar 2014 vs. Mar 2013
Final manufactured goods	100,00	104,2	111,3	112,7	1,3	8,2
Intermediate manufactured goods	100,00	105,4	115,1	116,0	0,8	10,1
Electricity and water	100,00	91,5	106,6	104,9	-1,6	14,6
Mining	100,00	106,8	112,0	110,7	-1,2	3,7
Agriculture, forestry and fishing	100,00	99,6	108,9	111,3	2,2	11,7

**Table B - Analytical series**

Product	Weight	Index (2012=100)			Percentage change	
		Mar 2013	Feb 2014	Mar 2014	Mar 2014 vs. Feb 2014	Mar 2014 vs. Mar 2013
Final manufactured goods excluding petroleum products	93,65	103,7	110,8	112,2	1,3	8,2
Final manufactured goods excluding food	73,67	104,3	111,3	112,5	1,1	7,9
Intermediate manufactured goods excluding basic metals	76,75	105,8	115,3	116,1	0,7	9,7
Mining excluding precious metals and stones	62,84	105,4	113,6	113,1	-0,4	7,3
Precious metals and stones	37,16	108,4	111,2	108,5	-2,4	0,1

**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	112,7	..	..	..	..	..	..	..	..	..	..
	Rate	7,0	7,7	8,2	..	..	..	..	..	..	..	..	..	..

**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	116,0	..	..	..	..	..	..	..	..	..	..
	Rate	9,3	10,5	10,1	..	..	..	..	..	..	..	..	..	..

**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	104,9	..	..	..	..	..	..	..	..	..	..
	Rate	14,5	14,5	14,6	..	..	..	..	..	..	..	..	..	..

**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	110,7	..	..	..	..	..	..	..	..	..	..
	Rate	4,8	5,3	3,7	..	..	..	..	..	..	..	..	..	..

**Table C5 - Agriculture, forestry and fishing**

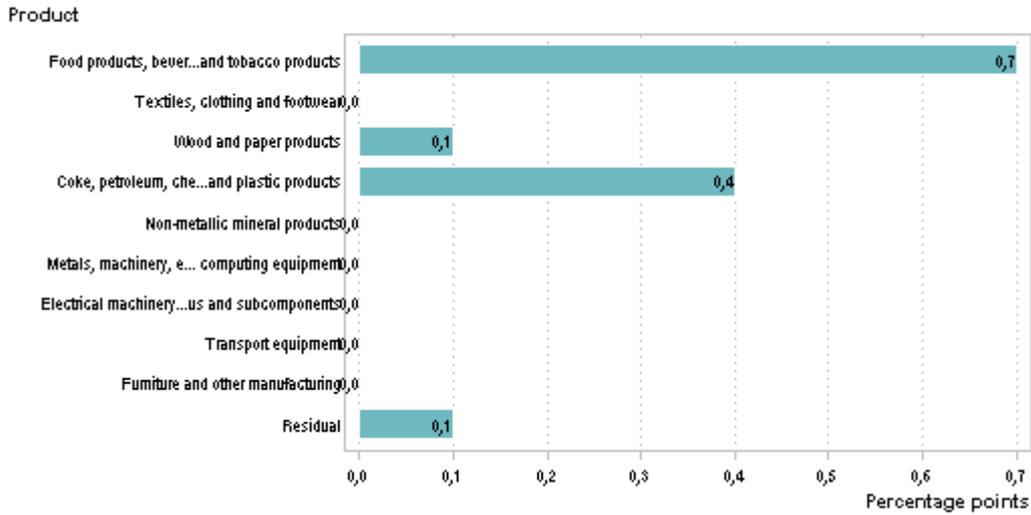
Year and type	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Average	
2012	Index	101,3	99,6	99,2	98,0	96,7	96,3	98,0	97,0	98,7	104,0	105,5	105,8	100,0
	Rate	..	..	..	..	..	..	..	..	..	..	..	..	..
2013	Index	104,3	100,8	99,6	99,7	99,5	99,4	99,4	100,4	103,1	105,9	108,5	110,1	102,6
	Rate	3,0	1,2	0,4	1,7	2,9	3,2	1,4	3,5	4,5	1,8	2,8	4,1	2,6
2014	Index	110,1	108,9	111,3	..	..	..	..	..	..	..	..	..	..
	Rate	5,6	8,0	11,7	..	..	..	..	..	..	..	..	..	..

Detailed index numbers and percentage changes, and contributions

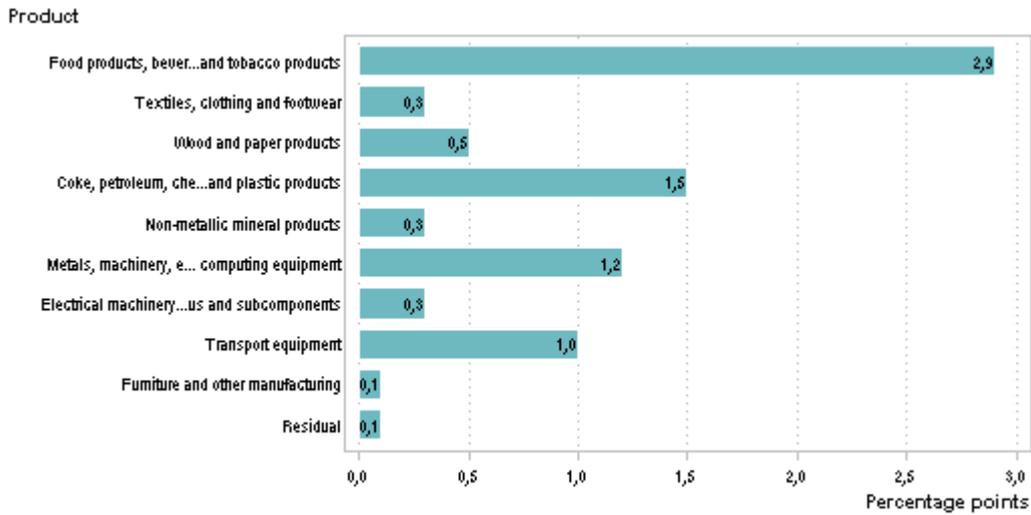
Table 1 - PPI for final manufactured goods

Product		Weight	Index (2012=100)			Percentage change		
			Mar 2013	Feb 2014	Mar 2014	Mar 2014 vs. Feb 2014	Mar 2014 vs. Mar 2013	
<b>Final manufactured goods</b>		100,00	104,2	111,3	112,7	1,3	8,2	
<b>Food products, beverages and tobacco products</b>		36,80	104,2	110,3	112,5	2,0	8,0	
<b>Food products</b>	<b>All</b>	26,33	104,1	111,7	113,6	1,7	9,1	
	<b>Meat, fish, fruit, vegetables, oils and fats</b>	<b>All</b>	8,99	103,1	112,3	114,6	2,0	11,2
		<b>Meat and meat products</b>	4,53	103,7	111,7	113,9	2,0	9,8
		<b>Fish and fish products</b>	1,59	103,6	122,8	125,9	2,5	21,5
		<b>Fruit and vegetables</b>	2,41	101,6	107,3	109,7	2,2	8,0
		<b>Oils and fats</b>	0,46	107,2	113,4	112,4	-0,9	4,9
	<b>Dairy products</b>	3,27	104,9	110,8	113,6	2,5	8,3	
	<b>Grain mill products, starches and starch products and animal feeds</b>	<b>All</b>	3,43	104,7	113,5	115,7	1,9	10,5
		<b>Grain mill products</b>	1,82	103,1	110,8	114,3	3,2	10,9
		<b>Starches, starch products and animal feeds</b>	1,61	107,2	117,3	117,9	0,5	10,0
	<b>Other food products</b>	<b>All</b>	10,64	104,4	110,8	112,1	1,2	7,4
		<b>Bakery products</b>	6,91	106,6	115,5	116,0	0,4	8,8
		<b>Sugar</b>	1,97	102,2	100,5	105,2	4,7	2,9
		<b>Other food</b>	1,76	97,7	103,4	104,2	0,8	6,7
<b>Beverages</b>		8,48	104,6	107,5	110,2	2,5	5,4	
<b>Tobacco products</b>		1,99	104,8	105,4	109,4	3,8	4,4	
<b>Textiles, clothing and footwear</b>	<b>All</b>	4,08	101,7	109,5	110,6	1,0	8,8	
	<b>Textiles</b>	0,33	104,2	107,6	107,7	0,1	3,4	
	<b>Clothing</b>	3,22	101,7	110,5	111,6	1,0	9,7	
	<b>Footwear</b>	0,53	101,0	105,5	106,8	1,2	5,7	
<b>Wood and paper products</b>	<b>All</b>	8,76	105,4	110,1	111,0	0,8	5,3	
	<b>Paper and printed products</b>	8,52	105,6	110,3	111,2	0,8	5,3	
	<b>Other wood products</b>	0,24	101,8	106,4	106,4	0,0	4,5	
<b>Coke, petroleum, chemical, rubber and plastic products</b>	<b>All</b>	16,84	106,6	113,5	115,9	2,1	8,7	
	<b>Coke and petroleum products</b>	<b>All</b>	6,53	110,4	119,4	119,8	0,3	8,5
		<b>Petrol</b>	3,37	113,2	119,3	119,9	0,5	5,9
		<b>Diesel</b>	2,11	111,0	120,8	120,6	-0,2	8,6
		<b>Other</b>	1,05	107,3	114,1	115,3	1,1	7,5
	<b>Chemical products</b>	8,60	103,8	108,5	111,9	3,1	7,8	
	<b>Rubber and plastic products</b>	1,71	102,0	112,9	117,8	4,3	15,5	
<b>Non-metallic mineral products</b>		3,87	104,9	113,2	112,9	-0,3	7,6	
<b>Metals, machinery, equipment and computing equipment</b>	<b>All</b>	14,75	102,7	111,1	111,3	0,2	8,4	
	<b>Structural and fabricated metal products</b>	7,58	100,7	104,4	104,9	0,5	4,2	
	<b>General and special purpose machinery</b>	6,43	104,8	118,9	118,8	-0,1	13,4	
	<b>Household appliances and office machinery</b>	0,74	104,4	111,0	111,0	0,0	6,3	
<b>Electrical machinery and apparatus and subcomponents</b>		3,04	102,3	110,9	111,0	0,1	8,5	
<b>Transport equipment</b>	<b>All</b>	9,51	103,3	113,9	114,0	0,1	10,4	
	<b>Motor vehicles</b>	4,90	103,5	109,8	110,1	0,3	6,4	
	<b>Bodies for motor vehicles</b>	0,71	104,0	112,9	113,5	0,5	9,1	
	<b>Parts and accessories for motor vehicles and their engines</b>	3,90	103,0	119,8	119,5	-0,3	16,0	
<b>Furniture and other manufacturing</b>		2,35	101,9	106,1	106,5	0,4	4,5	

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



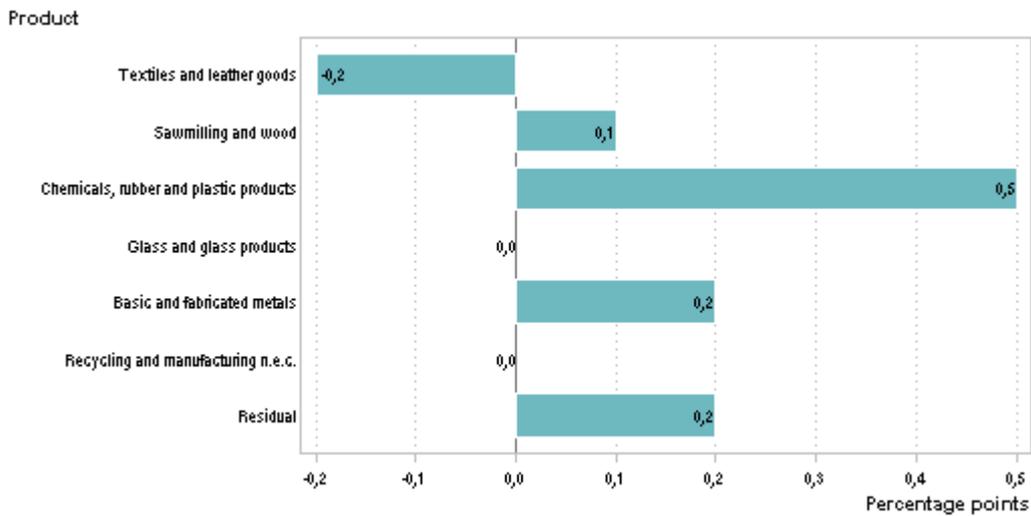
**Figure 1.2 - Contributions to the annual percentage change in PPI for final manufactured goods**



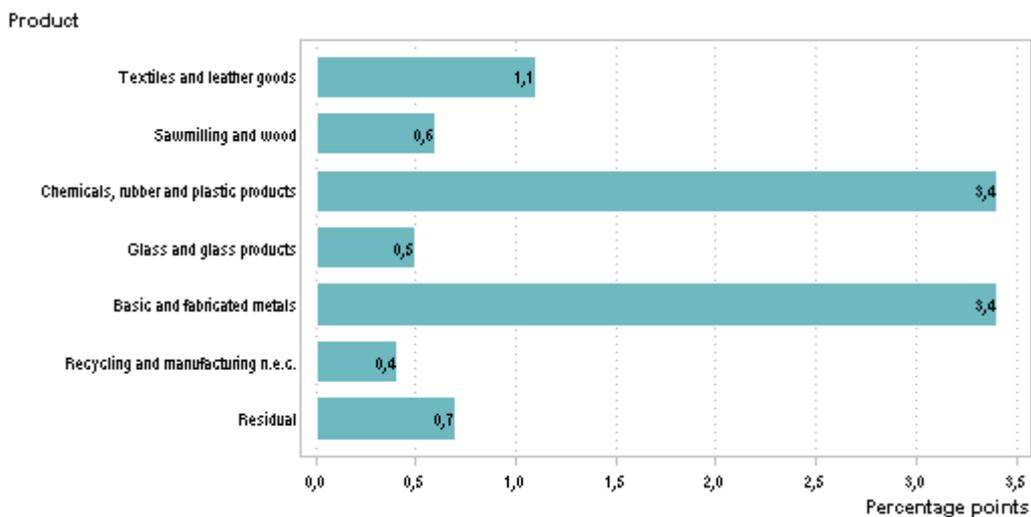
**Table 2 - PPI for intermediate manufactured goods**

Product		Weight	Index (2012=100)			Percentage change		
			Mar 2013	Feb 2014	Mar 2014	Mar 2014 vs. Feb 2014	Mar 2014 vs. Mar 2013	
Intermediate manufactured goods	All	100,00	105,4	115,1	116,0	0,8	10,1	
	Textiles and leather goods	7,64	111,6	129,0	126,6	-1,9	13,4	
	Sawmilling and wood	14,18	103,9	107,9	108,4	0,5	4,3	
	Chemicals, rubber and plastic products	All	30,69	104,6	114,4	116,4	1,7	11,3
		Basic and other chemicals	7,21	107,4	117,1	119,5	2,0	11,3
		Plastic products	21,03	103,2	112,1	114,3	2,0	10,8
		Rubber products	2,45	108,3	130,5	130,5	0,0	20,5
	Glass and glass products	4,07	104,6	116,3	117,5	1,0	12,3	
	Basic and fabricated metals	All	39,52	105,9	114,4	115,1	0,6	8,7
		Basic iron and steel	23,26	105,2	116,4	117,5	0,9	11,7
		Basic precious and non-ferrous metals	16,26	108,4	115,7	115,8	0,1	6,8
Recycling and manufacturing n.e.c.	3,90	101,1	110,3	111,3	0,9	10,1		

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



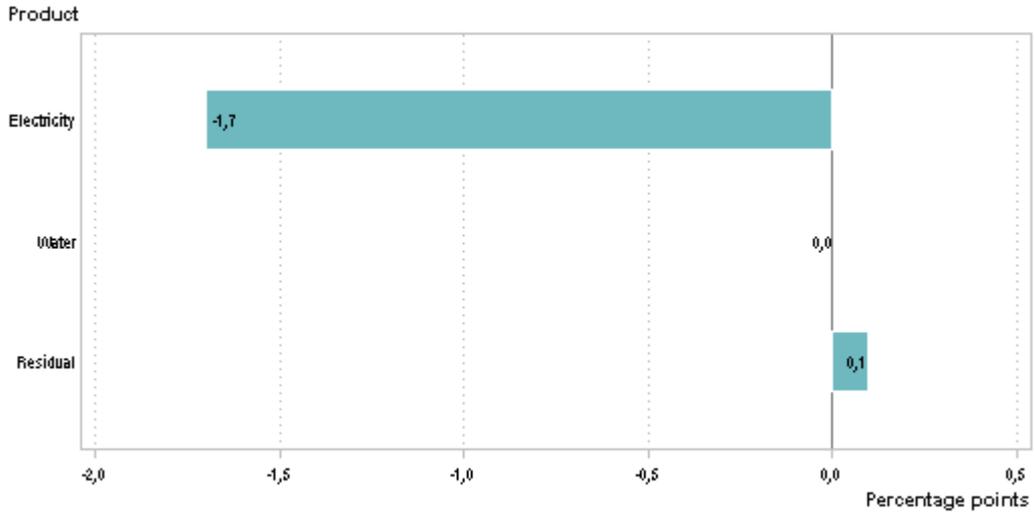
**Figure 2.2 - Contributions to the annual percentage change in PPI for intermediate manufactured goods**



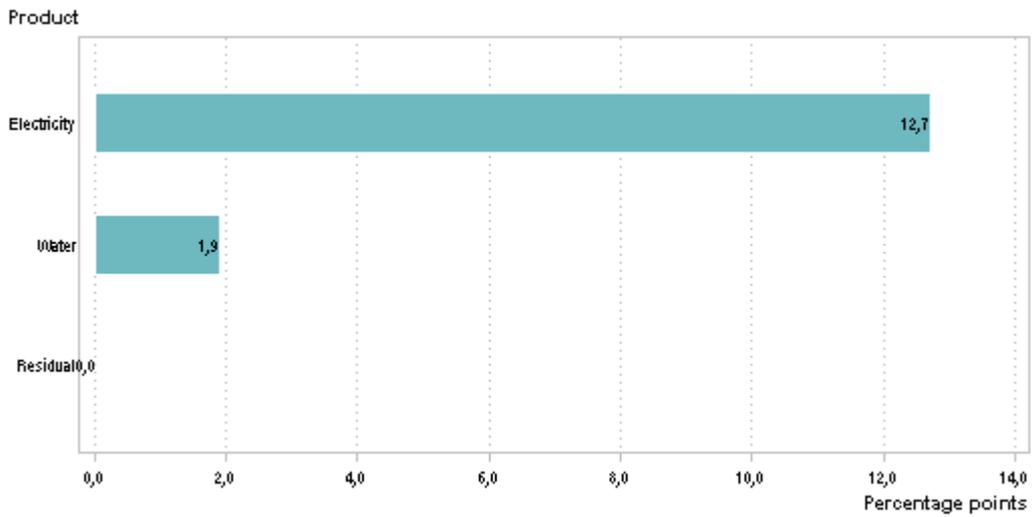
**Table 3 - PPI for electricity and water**

Product	Weight	Index (2012=100)			Percentage change		
		Mar 2013	Feb 2014	Mar 2014	Mar 2014 vs. Feb 2014	Mar 2014 vs. Mar 2013	
Electricity and water	All	100,00	91,5	106,6	104,9	-1,6	14,6
	Electricity	83,95	89,6	105,5	103,4	-2,0	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**



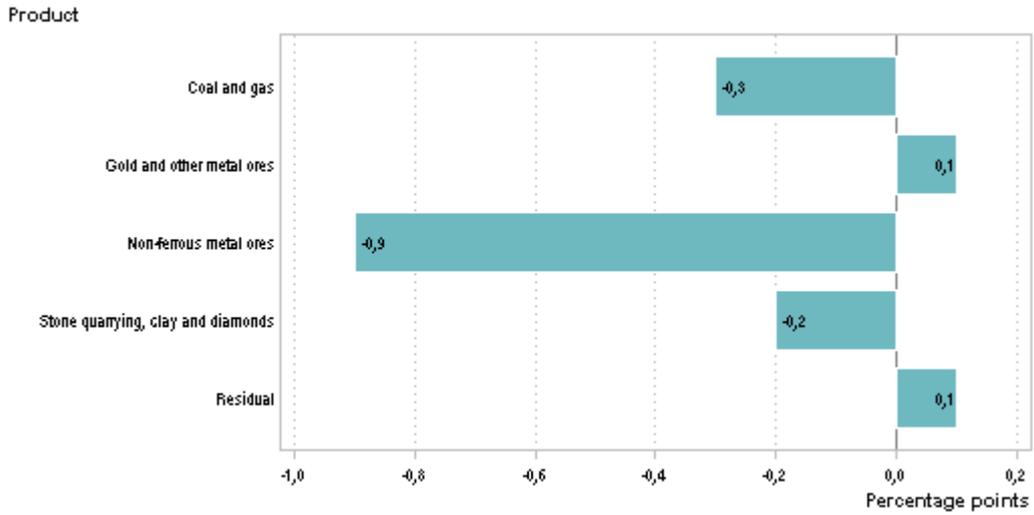
**Figure 3.2 - Contributions to the annual percentage change in PPI for electricity and water**



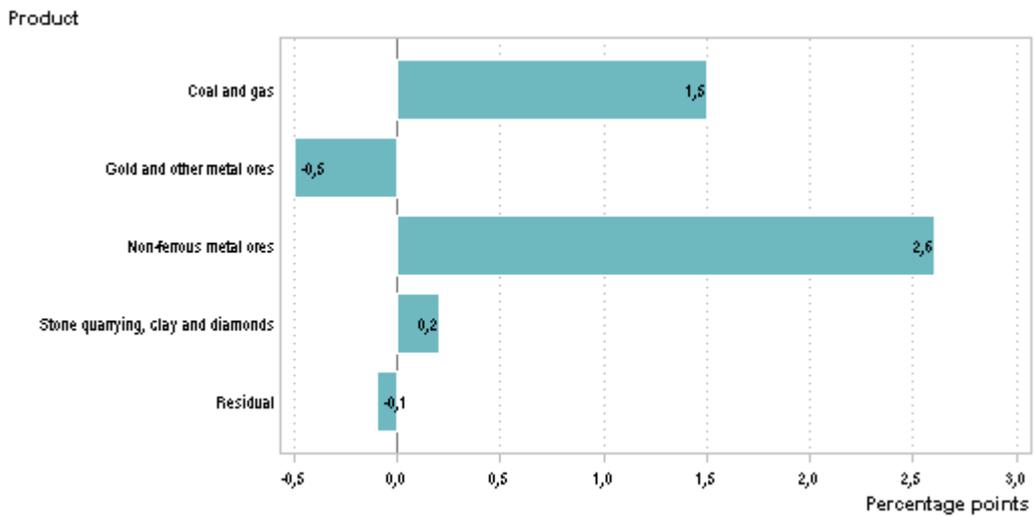
**Table 4 - PPI for mining**

Product		Weight	Index (2012=100)			Percentage change	
			Mar 2013	Feb 2014	Mar 2014	Mar 2014 vs. Feb 2014	Mar 2014 vs. Mar 2013
Mining	All	100,00	106,8	112,0	110,7	-1,2	3,7
	Coal and gas	28,17	105,2	111,9	110,8	-1,0	5,3
	Gold and other metal ores	23,11	106,0	103,3	103,7	0,4	-2,2
	Non-ferrous metal ores	42,08	109,5	118,4	116,1	-1,9	6,0
	Stone quarrying, clay and diamonds	6,64	95,4	101,4	98,4	-3,0	3,1

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



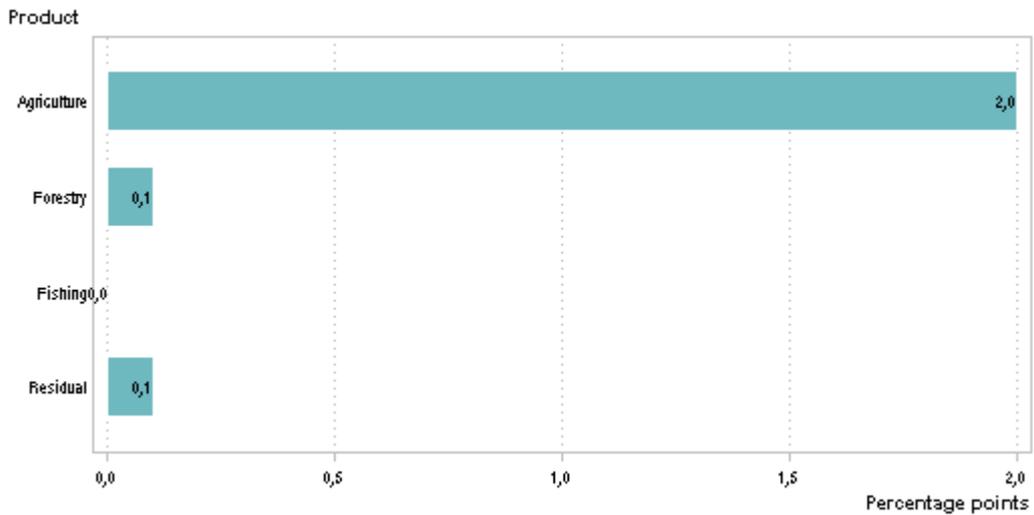
**Figure 4.2 - Contributions to the annual percentage change in PPI for mining**



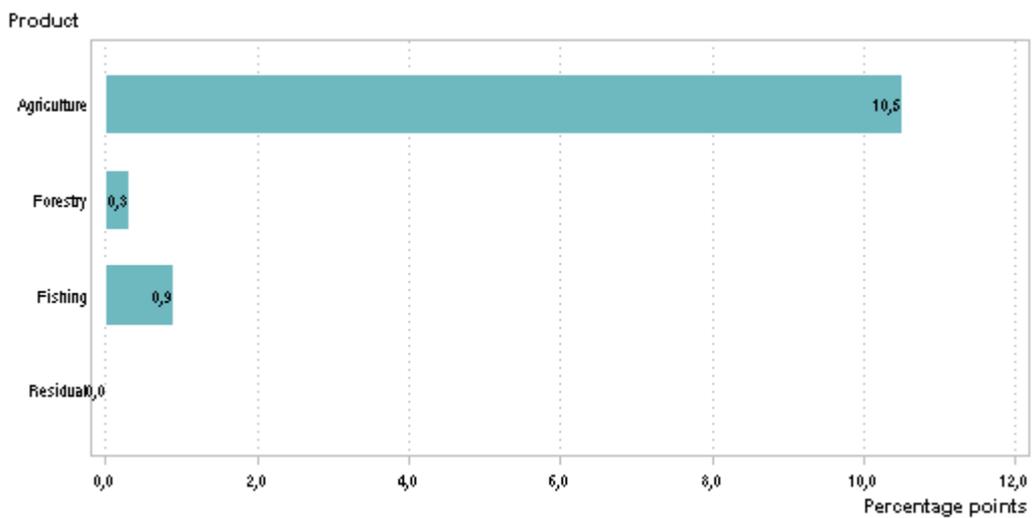
**Table 5 - PPI for agriculture, forestry and fishing**

Product	Weight	Index (2012=100)			Percentage change	
		Mar 2013	Feb 2014	Mar 2014	Mar 2014 vs. Feb 2014	Mar 2014 vs. Mar 2013
<b>Agriculture, forestry and fishing</b>	100,00	99,6	108,9	111,3	2,2	11,7
<b>Agriculture</b>	79,29	98,9	109,3	112,1	2,6	13,3
<b>Products of crops and horticulture</b>	40,23	105,3	122,6	124,4	1,5	18,1
<b>All</b>						
<b>Cereals and other crops</b>	20,46	98,9	123,3	125,1	1,5	26,5
<b>Fruit and vegetables</b>	19,77	110,4	119,6	121,5	1,6	10,1
<b>Live animals and animal products</b>	39,06	92,5	96,0	99,8	4,0	7,9
<b>All</b>	28,02	86,9	89,6	93,6	4,5	7,7
<b>Milk and eggs</b>	9,81	106,9	112,4	115,9	3,1	8,4
<b>Other animal products</b>	1,23	110,5	112,8	113,3	0,4	2,5
<b>Forestry</b>	16,92	101,7	102,9	103,4	0,5	1,7
<b>Fishing</b>	3,79	101,5	125,5	126,0	0,4	24,1

**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><b>Purpose and results of the survey</b></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><b>Producer Price Index</b></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><b>Contributions</b></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><b>Annual inflation rate</b></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><b>Annual percentage change</b></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><b>Average annual inflation rate</b></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><b>Average annual percentage change</b></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><b>Monthly percentage change</b></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><b>Chain linking</b></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 issue	Issue	Expected release date
	April 2014	29 May 2014
	May 2014	26 June 2014
	June 2014	31 July 2014

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### Enquiries

Telephone number: (012) 310 8600/8390/8351/4892/8496/8095 (user information services)  
 (012) 310 8170 (technical enquiries – Marais Kleu)  
 (012) 310 8161 (orders)  
 (012) 310 8490 (library)

Fax number: (012) 310 8332 (technical enquiries)

Email address: [Maraisk@statssa.gov.za](mailto:Maraisk@statssa.gov.za) (technical enquiries)  
[Info@statssa.gov.za](mailto:Info@statssa.gov.za) (user information services)  
[distribution@statssa.gov.za](mailto:distribution@statssa.gov.za) (orders)

Postal address: Private Bag X44, Pretoria, 0001

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