



The South Africa I know, the home I understand

Statistical release

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Producer Price Index (PPI)

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Key findings for February 2016

Final manufactured goods – headline PPI

The annual percentage change in the PPI for final manufactured goods was 8,1% in February 2016 (compared with 7,6% in January 2016). From January 2016 to February 2016 the PPI for final manufactured goods increased by 0,8%.

The main contributors to the annual rate of 8,1% were food products, beverages and tobacco products (8,4% year-on-year and contributing 2,9 percentage points), coke, petroleum, chemical, rubber and plastic products (8,6% year-on-year and contributing 1,6 percentage points), transport equipment (13,1% year-on-year and contributing 1,1 percentage points) and metals, machinery, equipment and computing equipment (7,5% year-on-year and contributing 1,1 percentage points) (see Figure 1.2).

The main contributor to the monthly increase of 0,8% was food products, beverages and tobacco products (1,3% 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 4,4% in February 2016 (compared with 3,8% in January 2016). From January 2016 to February 2016 the PPI for intermediate manufactured goods increased by 0,4%.

The main contributors to the annual rate of 4,4% were sawmilling and wood (7,5% year-on-year and contributing 1,6 percentage points), chemicals, rubber and plastic products (3,9% year-on-year and contributing 1,2 percentage points) and textiles and leather goods (10,2% year-on-year and contributing 1,0 percentage point) (see Figure 2.2).

The main contributors to the monthly increase of 0,4% were sawmilling and wood (0,5% month-on-month and contributing 0,1 of a percentage point), chemicals, rubber and plastic products (0,2% month-on-month and contributing 0,1 of a percentage point), glass and glass products (1,7% month-on-month and contributing 0,1 of a percentage point), basic and fabricated metals (0,3% month-on-month and contributing 0,1 of a percentage point) and recycling and manufacturing n.e.c. (3,5% month-on-month and contributing 0,1 of a percentage point) (see Figure 2.1).

Electricity and water

The annual percentage change in the PPI for electricity and water was 12,6% in February 2016 (compared with 11,6% in January 2016). From January 2016 to February 2016 the PPI for electricity and water increased by 1,4%.

The contributors to the annual rate of 12,6% were electricity (12,8% year-on-year and contributing 10,8 percentage points) and water (11,3% year-on-year and contributing 1,8 percentage points) (see Figure 3.2).

The contributor to the monthly increase of 1,4% was electricity (1,7% month-on-month and contributing 1,5 percentage points) (see Figure 3.1).

Mining

The annual percentage change in the PPI for mining was 6,8% in February 2016 (compared with 2,5% in January 2016). From January 2016 to February 2016 the PPI for mining increased by 1,9%.

The main contributors to the annual rate of 6,8% were gold and other metal ores (18,5% year-on-year and contributing 5,6 percentage points) and stone quarrying, clay and diamonds (55,0% year-on-year and contributing 4,0 percentage points) (see Figure 4.2).

The main contributor to the monthly increase of 1,9% was gold and other metal ores (6,5% month-on-month and contributing 2,1 percentage points) (see Figure 4.1).

Agriculture, forestry and fishing

The annual percentage change in the PPI for agriculture, forestry and fishing was 24,9% in February 2016 (compared with 23,6% in January 2016). From January 2016 to February 2016 the PPI for agriculture, forestry and fishing increased by 1,5%.

The main contributor to the annual rate of 24,9% was agriculture (27,2% year-on-year and contributing 23,2 percentage points) (see Figure 5.2).

The main contributor to the monthly increase of 1,5% was agriculture (1,7% month-on-month and contributing 1,5 percentage points) (see Figure 5.1).

Key figures and analytical series

Table A - Key figures

Product	Weight	Index (2012=100)			Percentage change	
		Feb 2015	Jan 2016	Feb 2016	Feb 2016 vs. Jan 2016	Feb 2016 vs. Feb 2015
Final manufactured goods	100,00	114,2	122,5	123,5	0,8	8,1
Intermediate manufactured goods	100,00	116,8	121,4	121,9	0,4	4,4
Electricity and water	100,00	115,3	128,0	129,8	1,4	12,6
Mining	100,00	105,9	111,0	113,1	1,9	6,8
Agriculture, forestry and fishing	100,00	108,6	133,6	135,6	1,5	24,9

Table B - Analytical series

Product	Weight	Index (2012=100)			Percentage change	
		Feb 2015	Jan 2016	Feb 2016	Feb 2016 vs. Jan 2016	Feb 2016 vs. Feb 2015
Final manufactured goods excluding petroleum products	89,62	117,2	125,4	126,6	1,0	8,0
Final manufactured goods excluding food	74,80	112,4	120,6	121,2	0,5	7,8
Intermediate manufactured goods excluding basic metals	84,18	116,8	123,8	124,1	0,2	6,3
Mining excluding precious metals and stones	62,32	107,4	102,6	103,0	0,4	-4,1
Precious metals and stones	37,68	105,1	126,2	131,5	4,2	25,1

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	113,8	114,0	114,3	114,9	114,9	115,0	115,3	115,3	115,1	113,9
	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	113,8	114,2	116,2	117,2	118,1	118,5	118,7	118,8	119,1	120,2	120,3	120,6	118,0
	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	122,5	123,5	..	..	..	..	..	..	..	..	..	..	..
	Rate	7,6	8,1	..	..	..	..	..	..	..	..	..	..	..

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	116,5	117,1	117,3	117,5	117,8	117,9	117,7	116,9	117,2	116,7
	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	117,0	116,8	117,1	116,3	116,6	116,8	117,1	117,3	118,8	118,8	119,1	119,1	117,6
	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	121,4	121,9	..	..	..	..	..	..	..	..	..	..	..
	Rate	3,8	4,4	..	..	..	..	..	..	..	..	..	..	..

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	108,1	109,6	145,7	158,8	157,4	119,3	114,2	114,6	113,1	121,5
	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	114,7	115,3	113,9	119,3	120,4	162,3	178,1	175,3	132,8	129,6	129,4	129,0	135,0
	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	128,0	129,8	..	..	..	..	..	..	..	..	..	..	..
	Rate	11,6	12,6	..	..	..	..	..	..	..	..	..	..	..

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	109,9	109,6	111,1	112,2	112,1	110,7	107,0	104,2	107,0	109,7
	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	108,3	105,9	105,8	104,7	105,4	106,4	102,4	100,0	104,9	106,1	106,7	106,3	105,2
	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	111,0	113,1	..	..	..	..	..	..	..	..	..	..	..
	Rate	2,5	6,8	..	..	..	..	..	..	..	..	..	..	..

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	107,3	106,2	103,9	103,3	104,6	107,6	109,1	111,0	112,6	108,0
	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	108,1	108,6	110,2	112,1	109,5	108,6	109,9	112,4	113,2	116,5	121,7	125,9	113,1
	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	133,6	135,6	..	..	..	..	..	..	..	..	..	..	..
	Rate	23,6	24,9	..	..	..	..	..	..	..	..	..	..	..

Detailed index numbers and percentage changes, and contributions

Table 1 - PPI for final manufactured goods

Product	Weight	Index (2012=100)			Percentage change	
		Feb 2015	Jan 2016	Feb 2016	Feb 2016 vs. Jan 2016	Feb 2016 vs. Feb 2015
Final manufactured goods	100,00	114,2	122,5	123,5	0,8	8,1
Food products, beverages and tobacco products	33,92	118,0	126,3	127,9	1,3	8,4
Food products	25,20	119,7	128,3	130,5	1,7	9,0
Meat, fish, fruit, vegetables, oils and fats	9,41	122,1	129,3	132,3	2,3	8,4
Meat and meat products	5,03	125,7	127,3	131,4	3,2	4,5
Fish and fish products	1,87	127,4	138,6	142,0	2,5	11,5
Fruit and vegetables	1,53	114,1	120,4	120,3	-0,1	5,4
Oils and fats	0,98	109,2	140,0	140,4	0,3	28,6
Dairy products	2,26	123,3	122,5	124,1	1,3	0,6
Grain mill products, starches and starch products, and animal feeds	3,14	113,5	129,9	132,3	1,8	16,6
Grain mill products	1,32	110,7	130,3	131,4	0,8	18,7
Starches, starch products and animal feeds	1,82	117,8	132,0	135,3	2,5	14,9
Other food products	10,39	118,7	128,2	129,7	1,2	9,3
Bakery products	7,62	124,2	134,3	134,5	0,1	8,3
Sugar	1,44	107,0	115,5	121,6	5,3	13,6
Other food	1,33	110,6	118,5	122,7	3,5	10,9
Beverages	7,62	113,6	121,2	121,4	0,2	6,9
Tobacco products	1,10	116,2	122,9	122,9	0,0	5,8
Textiles, clothing and footwear	3,96	115,5	122,8	123,6	0,7	7,0
Textiles	0,34	111,8	118,4	118,4	0,0	5,9
Clothing	3,16	117,0	123,7	124,6	0,7	6,5
Footwear	0,46	110,4	122,1	122,7	0,5	11,1
Wood and paper products	10,31	118,0	125,9	126,1	0,2	6,9
Paper and printed products	9,98	118,3	126,3	126,5	0,2	6,9
Other wood products	0,33	107,9	113,3	113,3	0,0	5,0
Coke, petroleum, chemical, rubber and plastic products	20,60	99,9	108,1	108,5	0,4	8,6
Coal and petroleum products	10,73	80,8	89,1	87,8	-1,5	8,7
Petrol	5,51	78,5	92,3	92,9	0,7	18,3
Diesel	3,45	74,1	77,2	72,4	-6,2	-2,3
Other	1,77	99,9	100,9	100,7	-0,2	0,8
Chemical products	8,13	114,8	123,2	125,2	1,6	9,1
Rubber and plastic products	1,74	117,4	121,2	124,4	2,6	6,0
Non-metallic mineral products	3,98	116,3	119,3	123,3	3,4	6,0
Metals, machinery, equipment and computing equipment	14,89	117,1	124,9	125,9	0,8	7,5
Structural and fabricated metal products	6,91	110,1	115,2	115,3	0,1	4,7
General and special purpose machinery	6,98	124,9	133,8	135,7	1,4	8,6
Household appliances and office machinery	1,00	118,1	136,9	137,0	0,1	16,0
Electrical machinery and apparatus and subcomponents	2,01	113,3	116,6	117,5	0,8	3,7
Transport equipment	8,24	116,7	132,3	132,0	-0,2	13,1
Motor vehicles	3,57	113,7	132,4	131,4	-0,8	15,6
Bodies for motor vehicles	0,64	111,1	117,9	114,2	-3,1	2,8
Parts and accessories for motor vehicles and their engines	4,03	121,9	136,5	137,4	0,7	12,7
Furniture and other manufacturing	2,09	117,2	122,8	122,6	-0,2	4,6

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

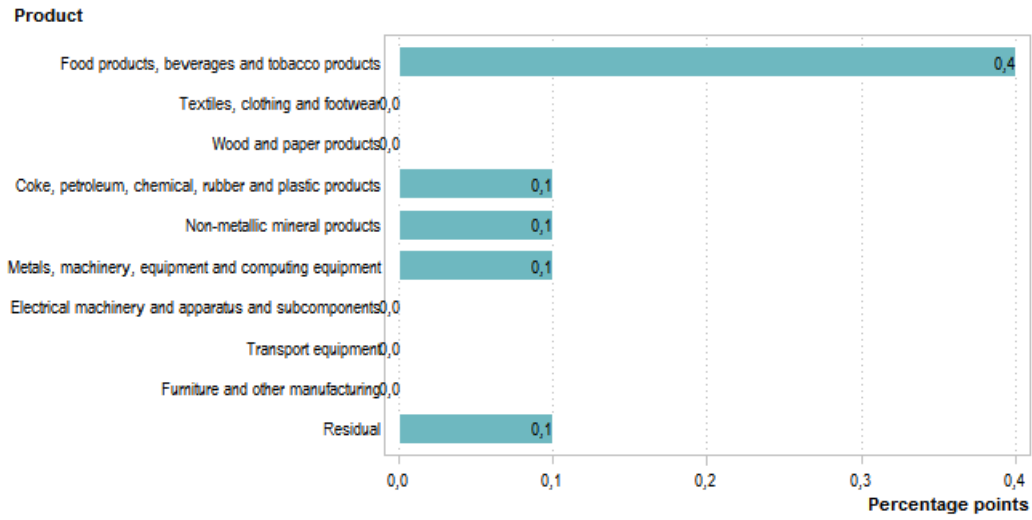


Figure 1.2 - Contributions to the annual percentage change in PPI for final manufactured goods

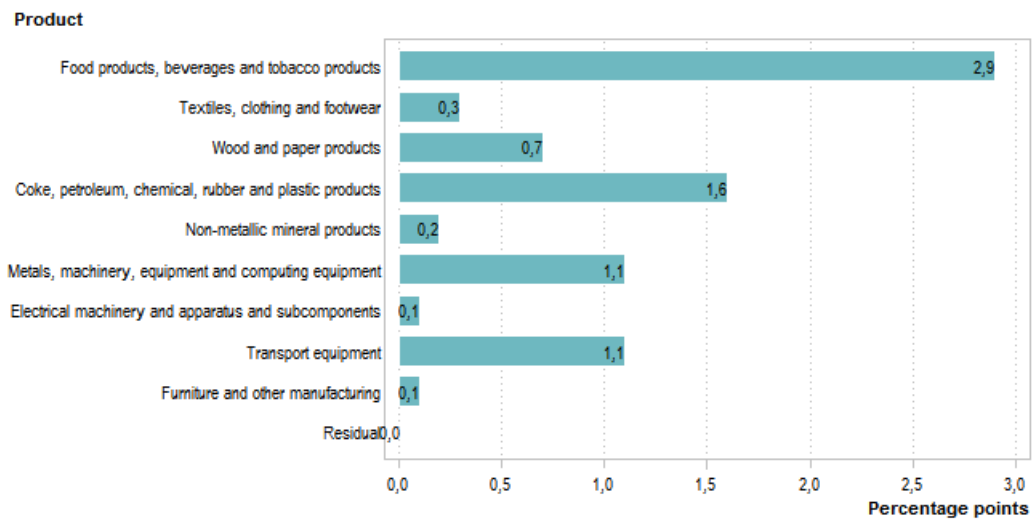


Table 2 - PPI for intermediate manufactured goods

Product	Weight	Index (2012=100)			Percentage change		
		Feb 2015	Jan 2016	Feb 2016	Feb 2016 vs. Jan 2016	Feb 2016 vs. Feb 2015	
Intermediate manufactured goods	100,00	116,8	121,4	121,9	0,4	4,4	
Textiles and leather goods	9,39	127,3	140,0	140,3	0,2	10,2	
Sawmilling and wood	21,14	114,5	122,5	123,1	0,5	7,5	
Chemicals, rubber and plastic products	31,18	115,6	119,9	120,1	0,2	3,9	
	Basic and other chemicals	8,19	106,8	109,7	109,4	-0,3	2,4
	Plastic products	20,13	117,5	123,1	123,4	0,2	5,0
Rubber products	2,86	130,3	129,4	129,4	0,0	-0,7	
Glass and glass products	4,01	118,7	122,8	124,9	1,7	5,2	
Basic and fabricated metals	30,82	115,9	118,0	118,3	0,3	2,1	
	Basic iron and steel	15,82	118,8	110,9	112,1	1,1	-5,6
Basic precious and non-ferrous metals and castings	15,00	115,5	128,1	127,4	-0,5	10,3	
Recycling and manufacturing n.e.c.	3,46	102,6	90,8	94,0	3,5	-8,4	

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

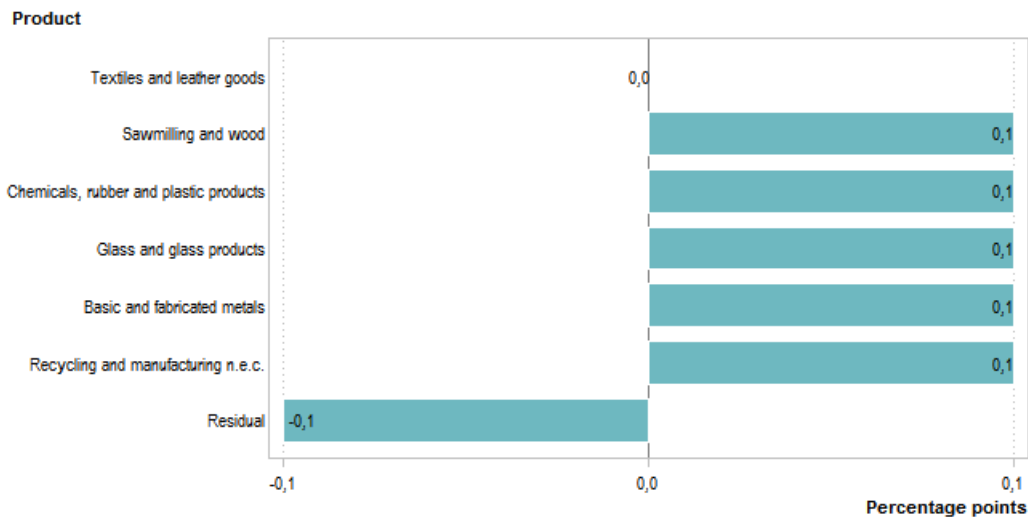


Figure 2.2 - Contributions to the annual percentage change in PPI for intermediate manufactured goods

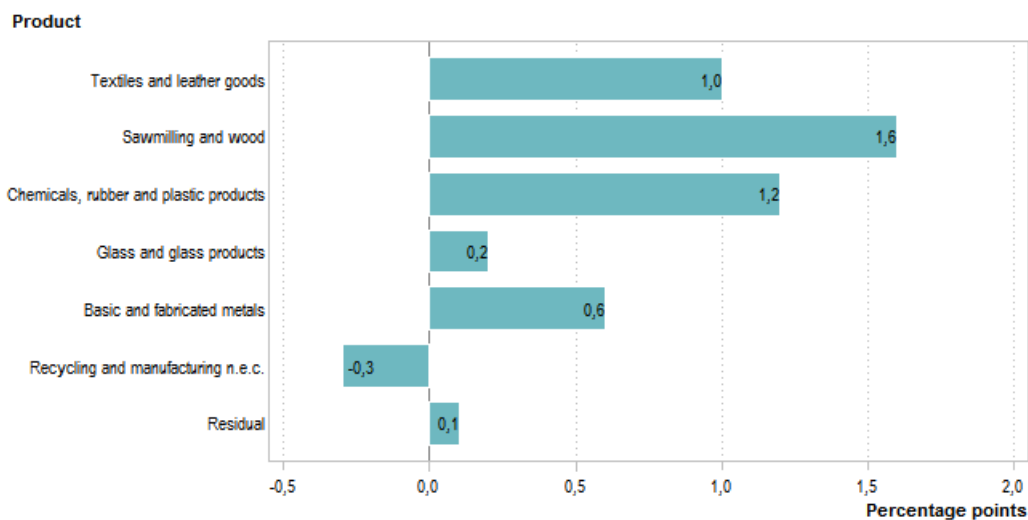


Table 3 - PPI for electricity and water

Product	Weight	Index (2012=100)			Percentage change	
		Feb 2015	Jan 2016	Feb 2016	Feb 2016 vs. Jan 2016	Feb 2016 vs. Feb 2015
Electricity and water	100,00	115,3	128,0	129,8	1,4	12,6
Electricity	85,11	114,4	126,8	129,0	1,7	12,8
Water	14,89	122,4	136,2	136,2	0,0	11,3

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

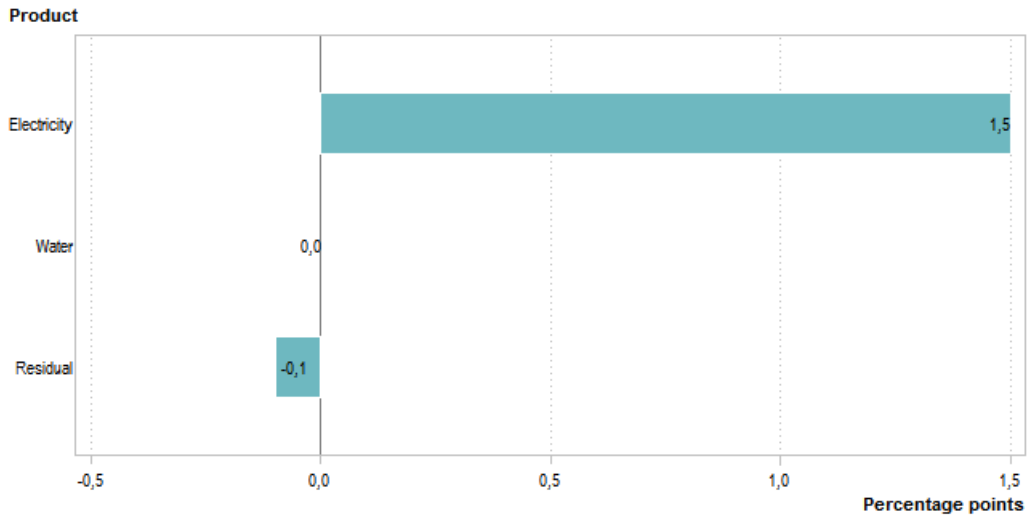


Figure 3.2 - Contributions to the annual percentage change in PPI for electricity and water

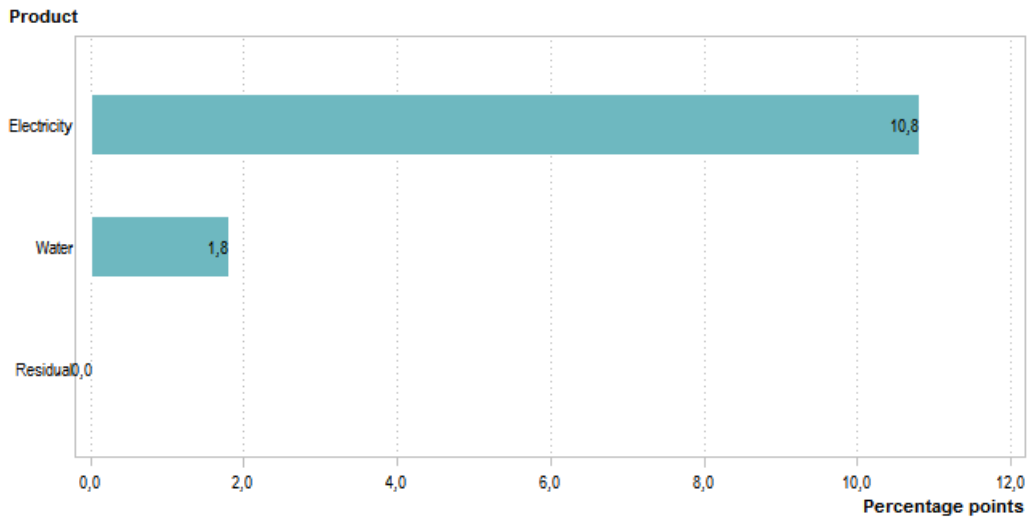


Table 4 - PPI for mining

Product	Weight	Index (2012=100)			Percentage change	
		Feb 2015	Jan 2016	Feb 2016	Feb 2016 vs. Jan 2016	Feb 2016 vs. Feb 2015
Mining	100,00	105,9	111,0	113,1	1,9	6,8
Coal and gas	25,97	105,2	107,2	107,9	0,7	2,6
Gold and other metal ores	33,83	94,3	104,9	111,7	6,5	18,5
Non-ferrous metal ores	32,70	113,4	103,0	102,5	-0,5	-9,6
Stone quarrying, clay and diamonds	7,50	102,4	160,1	158,7	-0,9	55,0

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

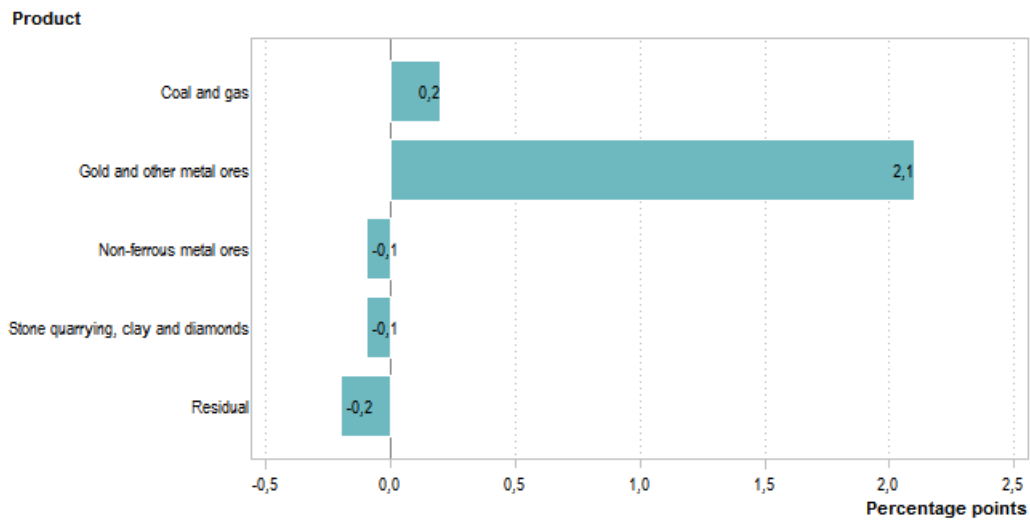


Figure 4.2 - Contributions to the annual percentage change in PPI for mining

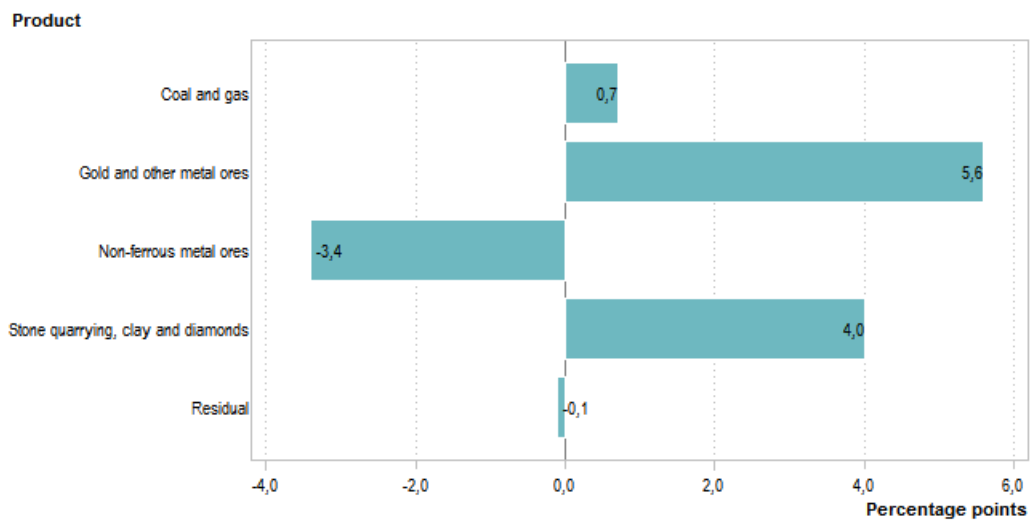


Table 5 - PPI for agriculture, forestry and fishing

Product	Weight	Index (2012=100)			Percentage change	
		Feb 2015	Jan 2016	Feb 2016	Feb 2016 vs. Jan 2016	Feb 2016 vs. Feb 2015
Agriculture, forestry and fishing	100,00	108,6	133,6	135,6	1,5	24,9
Agriculture	85,48	108,4	135,6	137,9	1,7	27,2
Products of crops and horticulture	44,22	109,8	157,6	158,4	0,5	44,3
Cereals and other crops	20,93	110,6	181,5	178,7	-1,5	61,6
Fruit and vegetables	23,29	109,2	136,4	140,7	3,2	28,8
Live animals and animal products	41,26	107,4	112,4	116,2	3,4	8,2
Live animals	29,97	101,7	106,3	109,6	3,1	7,8
Milk and eggs	9,96	123,6	122,8	128,8	4,9	4,2
Other animal products	1,33	109,4	162,8	161,0	-1,1	47,2
Forestry	9,96	105,0	107,9	106,9	-0,9	1,8
Fishing	4,56	131,1	163,1	167,6	2,8	27,8

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

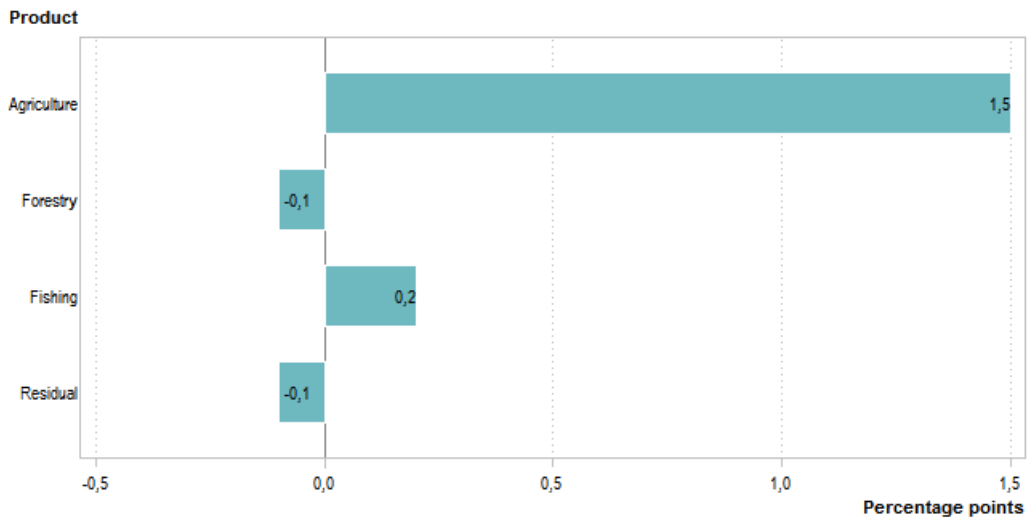
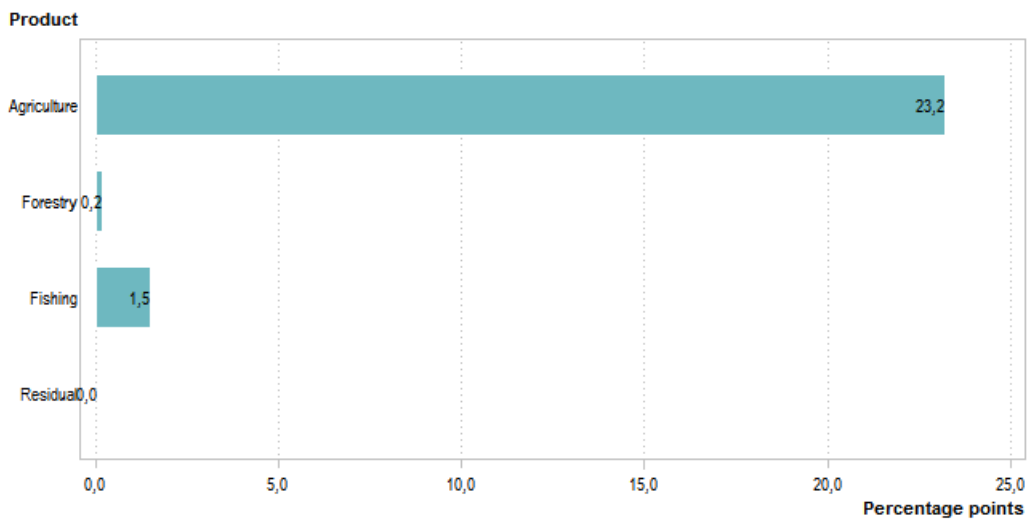


Figure 5.2 - Contributions to the annual percentage change in PPI for agriculture, forestry and fishing



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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Forthcoming issue	Issue	Expected release date
	March 2016	28 April 2016
	April 2016	26 May 2016
	May 2016	30 June 2016

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