

PRODUCER PRICE INDEX - MANUFACTURING (PPI-M)

1st Quarter 2022

(Base year: 2018 =100)

1. Introduction

The Producer Price Index of the Manufacturing sector (PPI-M) measures pure price changes in the effective prices received by producers for that part of their output, which is sold on the domestic market (in Mauritian rupees) and therefore excludes Export Oriented Enterprises.

In order to reflect the changes in the production pattern of manufacturing products, a new set of weights has been calculated with 2018 as base period; the previous one being 2013. The weights for the PPI-M have been derived from the results of the 2018 Census of Economic Activities. The methodology used and changes in the weights from 2013 to 2018 as well as main explanations for the changes are given in the annex to this publication.

This issue of the Economic and Social Indicators (ESI) presents a new series of monthly PPI-M for the period April 2021 to March 2022 and quarterly indices from the first quarter of 2019 to the first quarter of 2022 with year 2018 as base period. These new indices are not strictly comparable with previously published ones because of the different weight structure in the base period. To facilitate analysis, chain-linked indices with base year 2018 have been worked out for the period January 2013 to March 2022 and are given in Tables 4(a) and 4(b).

Detailed indices on the new base for the period January 2018 to March 2022 will be posted on Statistics Mauritius website in the historical series of manufacturing statistics. Indices prior to April 2021 will also be posted on Statistics Mauritius website in the historical series of manufacturing statistics accessible at:

https://statsmauritius.govmu.org/Pages/Statistics/By_Subject/Indices/SB_Indices.aspx

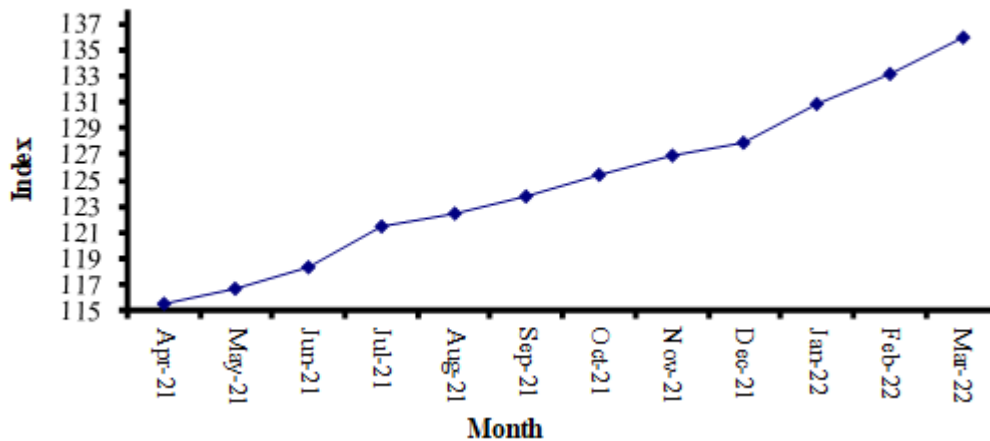
2. Changes during first quarter 2022

2.1 Manufacturing Sector

The Producer Price Index for the manufacturing sector registered an increase of 8.2 points (+6.4%) from 127.8 in December 2021 to 136.0 in March 2022. The main reason for the net increase was higher prices of “Food products and beverages” (+4.2%), “Fabricated metal products” (+11.7%), “Chemicals and chemical products” (+9.5%), “Furniture” (+10.0%), “Wood and products of wood & cork; articles of straw and plaiting materials/ Paper and paper products” (+13.2%) and, “Wearing apparel” (+6.8%).

On a monthly basis, the PPI-M increased by 3.0 points (+2.3%) in January, by 2.3 points (+1.8%) in February and, by 2.9 points (+2.2%) in March (Table 1a).

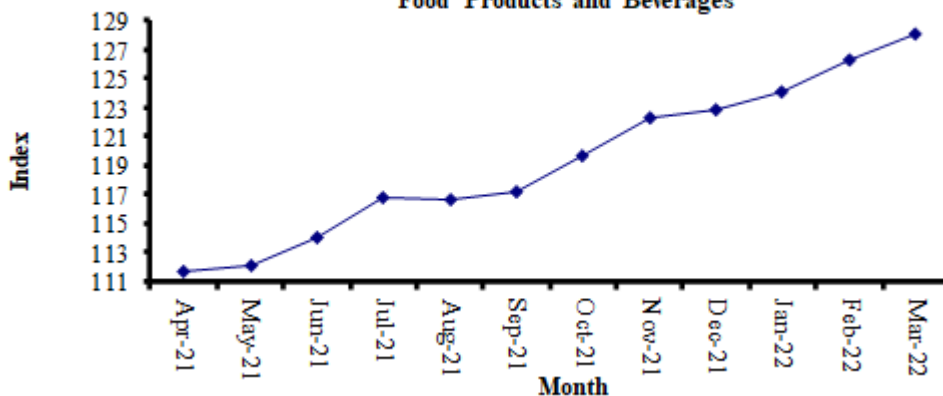
**Fig 1: Overall monthly indices: April 2021 - March 2022
Manufacturing Sector**



2.2 Manufacture of Food Products and Beverages

The Producer Price Index for “Food products and beverages”, which accounts for 44.7% of the total weight, registered a net increase of 5.2 points (+4.2%) from 122.8 in December 2021 to 128.0 in March 2022. This increase was mainly attributable to higher prices of “Grain mill products” (+19.3%), “Processing and preserving of meat” (+5.5%), “Malt liquors and malt including non-alcoholic beer” (+2.6%), “Animal feed” (+7.6%) and, “Bakery products” (+5.0%).

**Fig 2: Monthly indices: April 2021- March 2022
Food Products and Beverages**

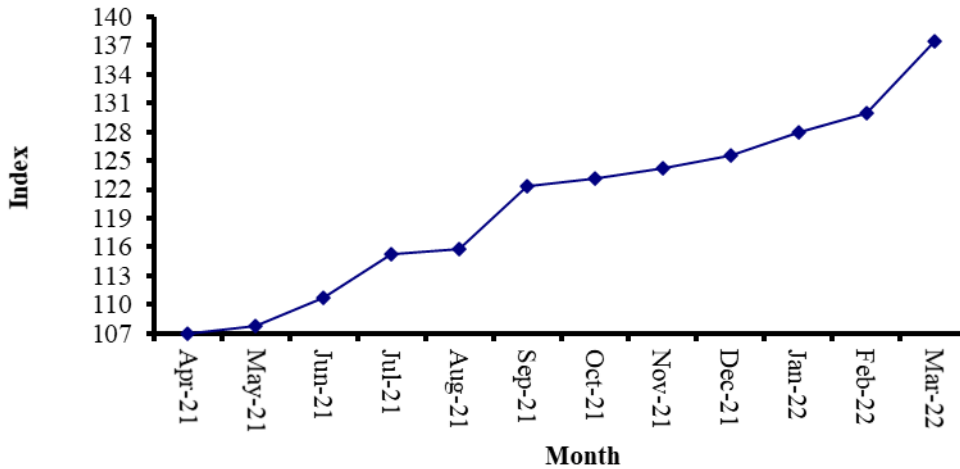


On a monthly basis, this index increased by 1.3 points (+1.1%) in January, by 2.1 points (+1.7%) in February and, by 1.8 points (+1.4%) in March (Table 1b).

2.3 Manufacture of Chemicals and Chemical Products

The Producer Price Index for “Chemicals and Chemical Products”, which accounts for 8.9% of the total weight, registered a net increase of 11.9 points (+9.5%) from 125.6 in December 2021 to 137.5 in March 2022. This increase was mainly attributable to higher prices of “Fertilizers and nitrogen compounds” (+28.3%), “Paints, varnishes and similar coatings, printing ink and mastics” (+12.0%) and, “Soap and detergents, cleaning and polishing preparations, perfumes and toilet preparations” (+6.4%).

**Fig 3: Monthly indices: April 2021 - March 2022
Chemical and Chemical Products**



On a monthly basis, this index increased by 2.4 points (+1.9%) in January, by 1.9 points (+1.5%) in February and, by 7.6 points (+5.9%) in March (Table 1c).

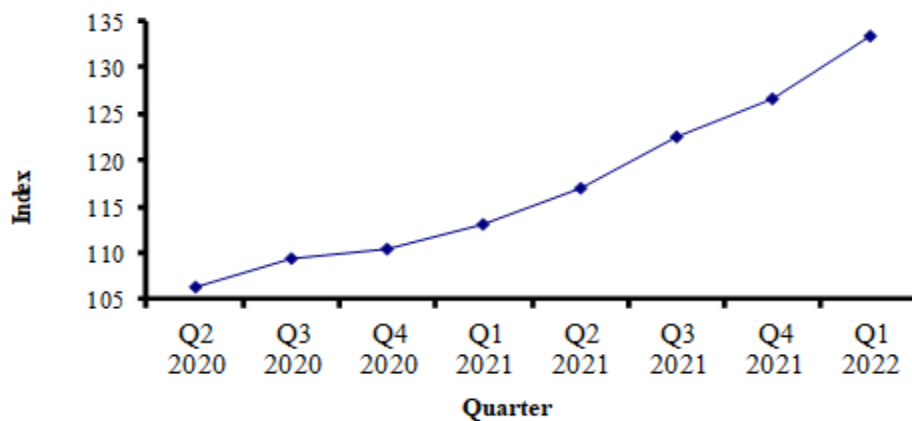
3. Change in quarterly PPI-M

3.1 Manufacturing Sector

The average PPI-M for the first quarter of 2022 stood at 133.3, i.e. an increase of 6.6 points (+5.2%) from 126.7 in the fourth quarter of 2021. This increase was mainly attributable to higher prices of “Food products and beverages” (+3.8%), “Fabricated metal products” (+11.3%), “Furniture” (+8.0%), Chemicals and chemical products” (+6.0%) and, “Wearing apparel” (+6.8%) (Table 2a).

Compared to the corresponding quarter of 2021, the average PPI-M for the first quarter of 2022 increased by 20.2 points (+17.9%), mainly explained by higher prices of “Food products and beverages” (+13.9%), “Fabricated metal products” (+28.9%), “Chemicals and chemical products” (+25.9%), “Furniture” (+24.9%), “Wood and products of wood & cork; articles of straw and plaiting materials/ Paper and paper products” (+28.0%) and, “Other products”(+15.6%).

**Fig 4: Overall quarterly indices:
2nd Quarter 2020 to 1st Quarter 2022
Manufacturing Sector**

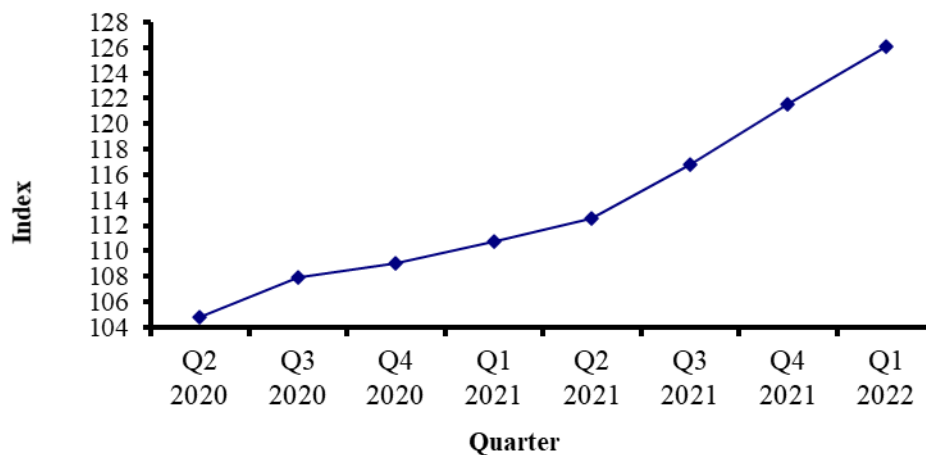


3.2 Manufacture of Food Products and Beverages

Compared to the previous quarter, the index for “Food products and beverages” increased by 4.6 points (+3.8%) in the first quarter of 2022. The index for “Food products” increased by 6.3 points (+5.0%), mainly explained by higher prices of “Processing and preserving of meat” (+6.2%), “Grain mill products” (+8.4%), “Other food products n.e.c” (+4.5%) of which “Spices, sauces, condiments and other food products n.e.c” (+4.2%), “Bakery products” (+5.0%) of which “Bread/Pastries and cakes” (+5.6%) and, “Animal feed” (+5.6%). The index for “Beverages” increased by 1.7 points (+1.5%) in the first quarter of 2022, mainly due to higher prices of “Malt liquors and malt including non alcoholic beer” (+2.6%).

Compared to the first quarter of 2021, the index for “Food products and beverages” increased by 15.4 points (+13.9%). The index for “Food products” increased by 19.8 points (+17.6%), mainly due to higher prices of “Processing and preserving of meat (+19.1%), “Animal Feed” (+32.6%), “Other food products n.e.c” (+14.4%) of which “Spices, sauces, condiments and other food products n.e.c” (+22.2%) and, “Grain mill products” (+16.7%). The index for “Beverages” increased by 7.9 points (+7.3%), mainly due to higher prices of “Malt liquors and malt including non alcoholic beer” (+5.1%) and “Distilled potable alcoholic beverages” (+9.2%).

**Fig 5: Quarterly indices:
2nd Quarter 2020 to 1st Quarter 2022
Food Products and Beverages**

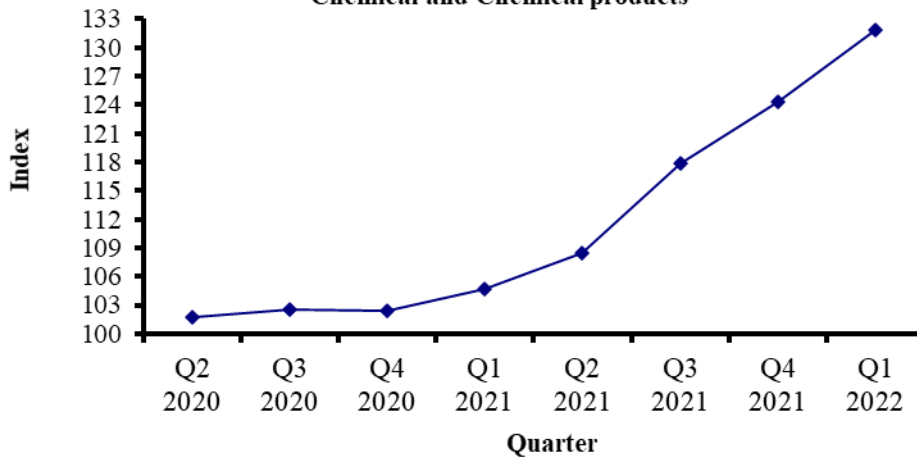


3.3 Manufacture of Chemicals and Chemical Products

Compared to the previous quarter, the index for “Chemicals and Chemical Products” increased by 7.5 points (+6.0%) in the first quarter of 2022. This increase was mainly explained by higher prices of “Paints, varnishes and similar coatings, printing ink and mastics” (+9.8%), “fertilizers and nitrogen compounds” (+13.2%) and, “Soap and detergents, cleaning and polishing preparations, perfumes and toilet preparations” (+4.5%).

Compared to the corresponding quarter of 2021, the index for “Chemicals and Chemical Products” increased by 27.1 points (+25.9%) in the first quarter of 2022. This increase was mainly explained by higher prices of “fertilizers and nitrogen compounds” (+104.4%), “basic metals” (+36.6%) and, “Soap and detergents, cleaning and polishing preparations, perfumes and toilet preparations” (+12.8%).

**Fig 6: Quarterly indices:
2nd Quarter 2020 to 1st Quarter 2022
Chemical and Chemical products**



4. Yearly Index

The average yearly index for the manufacturing sector as a whole was 119.8 in 2021, i.e. 12.2 points (+11.3%) higher than the figure of 107.6 in 2020. The index for the “Manufacture of food products and beverages” was 115.4 in 2021 compared to 106.3 in 2020, showing an increase of 9.1 points (+8.6%). The index for the “Manufacture of chemicals and chemical products” stood at 113.8 in 2021, higher by 11.8 points (+11.6%) compared to 102.0 in 2020. The index for “Manufacture of rubber and plastic products” was 113.8 in 2021 compared to 101.3 in 2020, i.e. an increase of 12.5 points (+12.3%).

Fig 7: Yearly indices: 2018 - 2021

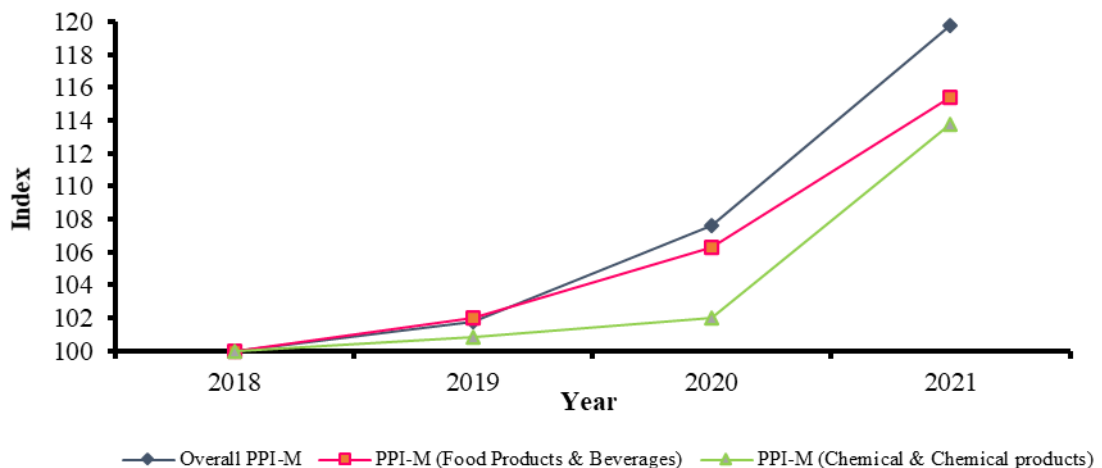


Figure 7 shows that the yearly indices for the manufacturing sector as a whole and that for “Manufacture of food products and beverages had an upward increasing trend from 2018 to 2021. As for the “Manufacture of chemicals and chemical products”, from 2018 till 2019, the index remained nearly constant, then from 2019 till 2020, the index picked up slightly. It was as from 2020 till 2021, that the index for “Manufacture of chemicals and chemical products” increased steadily.

Statistics Mauritius

Ministry of Finance, Economic Planning & Development

Port Louis

16 June 2022

Contact Persons:

Ms. A. D. Soobhug
Statistician
asoobhug@govmu.org

Mr. H. Ramma
Senior Statistical Officer
hramma@govmu.org

Statistics Mauritius
L.I.C Centre
J. Kennedy Street
Port Louis

Telephone: (230) 208 1800
Fax: (230) 211 4150

Table 1(a) - Monthly indices of the Manufacturing Sector by industry group, April 2021 - March 2022

Base period: Year 2018=100

NSIC	Industry group	Weight	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Percentage changes from		
															Dec 21	Jan 22	Feb 22
															to Jan 22	to Feb 22	to Mar 22
10-33	Total manufacturing	1000	115.6	116.7	118.3	121.4	122.5	123.7	125.4	126.9	127.8	130.8	133.1	136.0	2.3	1.8	2.2
10/11	Food products and beverages	447	111.7	112.0	114.0	116.7	116.6	117.1	119.6	122.2	122.8	124.1	126.2	128.0	1.1	1.7	1.4
13	Textiles	14	112.6	112.6	118.0	119.9	119.9	124.0	124.4	125.5	125.5	127.7	139.9	139.9	1.8	9.6	0.0
14	Wearing apparel	47	126.7	126.7	128.1	134.4	134.5	134.5	134.6	134.6	134.6	143.7	143.8	143.8	6.8	0.1	0.0
15	Leather and related products	4	118.6	118.6	120.4	120.4	120.4	126.8	126.8	126.8	126.8	126.8	126.8	126.8	0.0	0.0	0.0
16/17	Wood and products of wood & cork; articles of straw and plaiting materials/ Paper and paper products	33	113.2	118.0	120.8	121.1	121.8	122.0	128.7	128.7	136.7	138.0	139.8	154.7	1.0	1.3	10.7
18	Printing and reproduction of recorded media	27	169.3	115.6	114.7	122.8	126.8	127.8	127.4	127.4	125.2	125.7	125.6	134.8	0.4	-0.1	7.3
20	Chemicals and chemical products	89	107.0	107.7	110.7	115.2	115.8	122.3	123.2	124.2	125.6	128.0	129.9	137.5	1.9	1.5	5.9
22	Rubber and plastic products	28	111.7	112.7	114.5	115.7	117.9	117.9	118.2	119.2	119.2	119.2	119.2	128.6	0.0	0.0	7.9
23	Other non-metallic mineral products	50	107.3	107.6	107.7	110.0	110.5	110.5	110.5	110.8	111.0	112.5	112.5	112.5	1.4	0.0	0.0
24	Basic metals	11	127.5	131.7	148.4	150.8	152.5	167.5	175.2	177.8	183.5	184.1	186.3	192.4	0.3	1.2	3.3
25	Fabricated metal products	79	121.3	132.8	133.2	134.9	139.2	139.4	139.8	139.8	139.8	155.3	155.3	156.1	11.1	0.0	0.5
26	Manufacture of Computer, Electronic and Optical	5	112.6	112.6	112.6	112.6	112.6	112.6	112.6	112.6	112.6	112.6	112.6	112.6	0.0	0.0	0.0
27	Electrical equipment	2	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	0.0	0.0	0.0
28	Machinery and equipment, n.e.c	10	113.6	113.6	117.0	144.6	175.6	175.6	175.6	175.6	175.6	175.6	184.1	184.1	0.0	4.8	0.0
29	Motor vehicles, trailers and semi-trailers	5	115.6	115.6	115.6	123.9	142.5	142.5	142.5	163.9	173.7	173.7	173.7	191.1	0.0	0.0	10.0
30	Other transport equipment	21	127.9	129.1	126.8	128.9	128.8	129.9	128.6	127.3	130.2	130.6	127.8	126.8	0.3	-2.1	-0.8
31	Furniture	81	113.2	124.1	124.1	124.8	125.5	126.7	127.8	130.0	130.0	134.7	141.2	143.0	3.6	4.8	1.3
32	Other products	47	127.4	134.3	134.3	137.8	138.9	138.9	140.4	140.4	141.9	141.8	148.8	151.4	-0.1	4.9	1.7

Table 1(b) - Monthly indices for Manufacture of Food Products & Beverages by industry group, April 2021 - March 2022

Base period: Year 2018=100

NSIC	Industry group	Weight	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Percentage changes from		
															Dec 21 to Jan 22	Jan 22 to Feb 22	Feb 22 to Mar 22
10-11	Total food products & beverages	447	111.7	112.0	114.0	116.7	116.6	117.1	119.6	122.2	122.8	124.1	126.2	128.0	1.1	1.7	1.4
101-108	Food products	283	113.8	114.2	116.1	118.8	118.6	119.2	122.8	126.7	127.7	128.8	132.2	135.0	0.9	2.6	2.1
1010	Processing and preserving of meat	61	107.2	107.3	108.8	112.2	113.8	113.9	115.6	121.6	123.5	123.5	129.2	130.3	0.0	4.6	0.9
1020	Processing and preserving of fish, crustaceans & molluscs	3	109.2	109.2	109.2	109.2	109.2	109.2	110.8	114.1	114.1	114.1	114.1	114.1	0.0	0.0	0.0
1030	Processing and preserving of fruits and vegetables	11	116.2	116.2	117.5	116.9	117.8	117.8	117.8	121.3	122.6	124.8	126.7	126.7	1.8	1.5	0.0
1040	Vegetable and animal oils and fats	21	127.0	129.7	131.8	138.6	130.1	130.1	130.1	130.1	130.3	130.3	132.7	132.7	0.0	1.8	0.0
1050	Dairy products	22	111.3	112.5	112.5	119.0	119.0	119.0	119.9	123.4	125.5	125.5	125.5	125.5	0.0	0.0	0.0
1061	Grain mill products	28	129.4	129.7	132.1	136.5	136.2	136.3	136.4	137.6	138.3	138.6	143.5	165.0	0.2	3.5	15.0
1071	Bakery products	43	103.7	103.7	104.7	106.9	107.8	107.8	107.8	107.8	107.8	113.2	113.2	113.2	5.0	0.0	0.0
10711/ 10712	<i>Bread/Pastries and cakes</i>	18	103.8	103.8	104.8	106.8	107.2	107.2	107.2	107.2	107.2	113.2	113.2	113.2	5.6	0.0	0.0
10713	<i>Biscuits and other dry bakery products</i>	4	103.3	103.3	103.3	108.6	113.4	113.4	113.4	113.4	113.4	113.4	113.4	113.4	0.0	0.0	0.0
1074	Macaroni, noodles, couscous and similar farinaceous products	7	100.7	100.7	100.7	101.4	101.4	101.4	101.4	101.4	101.4	102.5	102.5	102.5	1.1	0.0	0.0
1075	Prepared meals and dishes	2	108.7	108.7	108.7	108.7	108.7	108.7	113.2	117.0	117.0	117.0	122.4	122.4	0.0	4.6	0.0
1079	Other food products n.e.c	46	111.0	111.0	113.0	114.2	114.5	116.2	117.2	122.4	123.3	125.9	126.0	127.3	2.1	0.1	1.0
10791	<i>Tea</i>	6	129.6	129.6	129.6	129.6	129.6	129.6	129.6	129.6	137.6	140.4	140.4	140.4	2.0	0.0	0.0
10793/ 10799	<i>Spices, sauces, condiments and other food products n.e.c</i>	22	117.7	117.7	121.5	121.8	121.8	125.7	128.0	140.5	141.2	141.2	141.4	144.5	0.0	0.1	2.2
1080	Animal feed	39	114.3	114.3	118.1	118.6	118.6	118.6	138.8	140.2	140.2	140.8	150.8	150.8	0.4	7.1	0.0
110	Beverages	164	108.0	108.1	110.4	113.1	113.1	113.4	114.0	114.3	114.3	115.9	115.9	115.9	1.4	0.0	0.0
1101	Distilled potable alcoholic beverages	48	101.4	101.7	106.3	110.4	110.4	110.4	110.7	110.7	110.7	110.7	110.7	110.7	0.0	0.0	0.0
1102	Wines	7	108.0	108.0	111.9	113.2	113.2	119.3	119.3	119.3	119.3	119.3	119.3	119.3	0.0	0.0	0.0
1103	Malt liquors and malt including non alcoholic beer	88	110.6	110.6	110.6	113.3	113.3	113.3	113.3	113.3	113.3	116.2	116.2	116.2	2.6	0.0	0.0
1104	Soft drinks, mineral waters and other bottled waters	21	113.0	113.0	118.7	118.7	118.7	118.7	122.9	125.3	125.3	125.3	125.3	125.3	0.0	0.0	0.0

Table 1(c) - Monthly indices for Manufacture of Chemicals and Chemical Products & Rubber and Plastic Products by industry group, April 2021 - March 2022

Base period: Year 2018=100

NSIC	Industry group	Weight	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Percentage changes from		
															Dec 21 to Jan 22	Jan 22 to Feb 22	Feb 22 to Mar 22
20	Chemicals and chemical products	89	107.0	107.7	110.7	115.2	115.8	122.3	123.2	124.2	125.6	128.0	129.9	137.5	1.9	1.5	5.9
2011	Basic chemicals	16	110.7	113.7	119.0	122.5	124.6	127.9	129.3	132.3	134.3	138.2	138.2	141.5	2.9	0.0	2.4
2012	Manufacture of fertilizers and nitrogen compounds	9	100.0	100.0	100.0	129.2	129.2	177.4	177.4	177.4	186.8	186.8	186.8	239.7	0.0	0.0	28.3
2022	Paints, varnishes and similar coatings, printing ink and mastics	24	103.6	103.6	106.3	108.2	108.2	108.2	108.2	108.2	108.2	114.0	121.2	121.2	5.4	6.3	0.0
2023	Soap and detergents, cleaning and polishing preparations, perfumes and toilet preparations	40	107.1	107.2	110.1	111.3	111.7	113.1	114.0	114.6	114.8	117.1	119.8	122.1	2.0	2.3	1.9
22	Rubber and plastic products	28	111.7	112.7	114.5	115.7	117.9	117.9	118.2	119.2	119.2	119.2	119.2	128.6	0.0	0.0	7.9
2220	Plastic products	28	100.0	100.0	100.0	100.0	106.7	106.7	106.7	106.7	106.7	106.7	106.7	120.0	0.0	0.0	12.5

Table 2(a) - Quarterly & yearly indices of the Manufacturing sector by industry group, 2nd Quarter 2020 - 1st Quarter 2022

Base period: Year 2018=100

NSIC	Industry group	Weight	2020				2021					2022
			2nd Qr.	3rd Qr.	4th Qr.	Year Average	1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	Year Average	1st Qr.
10-33	Total manufacturing	1000	106.4	109.5	110.4	107.6	113.1	116.9	122.5	126.7	119.8	133.3
10/11	Food products and beverages	447	104.8	107.9	109.0	106.3	110.7	112.6	116.8	121.5	115.4	126.1
13	Textiles	14	107.6	109.6	112.6	109.2	112.6	114.4	121.3	125.1	118.4	135.8
14	Wearing apparel	47	113.4	118.0	118.5	115.8	126.7	127.2	134.5	134.6	130.8	143.8
15	Leather and related products	4	111.2	114.1	114.1	112.6	118.6	119.2	122.5	126.8	121.8	126.8
16/17	Wood and products of wood & cork; articles of straw and plaiting materials/ Paper and paper products	33	106.0	109.2	110.3	107.3	112.7	117.3	121.6	131.4	120.8	144.2
18	Printing and reproduction of recorded media	27	106.1	106.9	107.3	103.3	123.3	133.2	125.8	126.7	127.3	128.7
20	Chemicals and chemical products	89	101.7	102.5	102.4	102.0	104.7	108.5	117.8	124.3	113.8	131.8
22	Rubber and plastic products	28	100.1	102.3	102.6	101.3	106.2	113.0	117.2	118.9	113.8	122.3
23	Other non-metallic mineral products	50	106.4	106.8	107.3	106.1	107.3	107.5	110.3	110.8	109.0	112.5
24	Basic metals	11	99.4	99.6	105.7	101.0	118.7	135.9	156.9	178.8	147.6	187.6
25	Fabricated metal products	79	112.9	119.7	119.9	113.3	120.7	129.1	137.8	139.8	131.9	155.6
26	Manufacture of Computer, Electronic and Optical Products	5	109.3	109.3	109.3	109.3	112.6	112.6	112.6	112.6	112.6	112.6
27	Electrical equipment	2	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
28	Machinery and equipment, n.e.c	10	100.0	101.3	102.9	101.1	109.9	114.7	165.3	175.6	141.4	181.3
29	Motor vehicles, trailers and semi- trailers	5	123.9	115.6	115.6	119.4	115.6	115.6	136.3	160.0	131.9	179.5
30	Other transport equipment	21	111.4	117.3	121.9	114.3	125.5	127.9	129.2	128.7	127.8	128.4
31	Furniture	81	107.5	108.3	109.0	107.6	111.8	120.5	125.7	129.3	121.8	139.6
32	Other products	47	114.7	123.8	123.8	118.1	127.4	132.0	138.5	140.9	134.7	147.3

Table 2(b) - Quarterly & yearly indices for the Manufacturing of Food Products & Beverages by industry group, 2nd Quarter 2020 - 1st Quarter 2022

Base period: Year 2018=100

NSIC	Industry group	Weight	2020				2021					2022
			2nd Qr.	3rd Qr.	4th Qr.	Year Average	1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	Year Average	1st Qr.
10-11	Total food products & beverages	447	104.8	107.9	109.0	106.3	110.7	112.6	116.8	121.5	115.4	126.1
101-108	Food products	283	106.2	108.4	109.6	107.3	112.2	114.7	118.9	125.7	117.9	132.0
1010	Processing and preserving of meat	61	102.4	106.2	107.1	104.5	107.2	107.8	113.3	120.2	112.1	127.7
1020	Processing and preserving of fish, crustaceans & molluscs	3	107.3	109.2	109.2	106.4	109.2	109.2	109.2	113.0	110.2	114.1
1030	Processing and preserving of fruits and vegetables	11	105.7	110.1	111.7	107.6	114.6	116.6	117.5	120.6	117.3	126.1
1040	Vegetable and animal oils and fats	21	95.5	96.7	103.3	97.6	119.0	129.5	132.9	130.2	127.9	131.9
1050	Dairy products	22	105.1	106.5	105.3	105.3	108.6	112.1	119.0	122.9	115.7	125.5
1061	Grain mill products	28	127.9	128.0	127.4	125.9	127.7	130.4	136.3	137.4	133.0	149.0
1071	Bakery products	43	103.0	103.6	103.7	103.0	103.7	104.0	107.5	107.8	105.8	113.2
10711/ 10712	<i>Bread/Pastries and cakes</i>	18	<i>103.0</i>	<i>103.7</i>	<i>103.8</i>	<i>103.2</i>	<i>103.8</i>	<i>104.1</i>	<i>107.1</i>	<i>107.2</i>	<i>105.6</i>	<i>113.2</i>
10713	<i>Biscuits and other dry bakery products</i>	4	<i>103.2</i>	<i>103.3</i>	<i>103.3</i>	<i>102.3</i>	<i>103.3</i>	<i>103.3</i>	<i>111.8</i>	<i>113.4</i>	<i>108.0</i>	<i>113.4</i>
1074	Macaroni, noodles, couscous and similar farinaceous products	7	100.4	100.7	100.7	100.5	100.7	100.7	101.4	101.4	101.1	102.5
1075	Prepared meals and dishes	2	100.0	105.8	108.7	103.6	108.7	108.7	108.7	115.7	110.5	120.6
1079	Other food products n.e.c	46	106.0	108.9	109.7	107.4	110.5	111.7	115.0	121.0	114.6	126.4
10791	<i>Tea</i>	6	<i>125.0</i>	<i>125.0</i>	<i>128.1</i>	<i>125.6</i>	<i>129.6</i>	<i>129.6</i>	<i>129.6</i>	<i>132.3</i>	<i>130.3</i>	<i>140.4</i>
10793/ 10799	<i>Spices, sauces, condiments and other food products n.e.c</i>	22	<i>107.5</i>	<i>113.4</i>	<i>114.9</i>	<i>110.6</i>	<i>116.5</i>	<i>119.0</i>	<i>123.1</i>	<i>136.6</i>	<i>123.8</i>	<i>142.4</i>
1080	Animal feed	39	103.5	103.5	105.5	104.0	111.2	115.6	118.6	139.7	121.3	147.5
110	Beverages	164	102.3	107.0	108.0	104.7	108.0	108.8	113.2	114.2	111.1	115.9
1101	Distilled potable alcoholic beverages	48	101.3	101.3	101.3	101.2	101.4	103.1	110.4	110.7	106.4	110.7
1102	Wines	7	102.7	103.9	108.0	104.3	108.0	109.3	115.2	119.3	113.0	119.3
1103	Malt liquors and malt including non alcoholic beer	88	102.8	109.3	110.6	106.2	110.6	110.6	113.3	113.3	112.0	116.2
1104	Soft drinks, mineral waters and other bottled waters	21	101.9	111.7	112.9	106.6	113.0	114.9	118.7	124.5	117.8	125.3

Table 2(c) - Quarterly & yearly indices for the Manufacture of Chemicals and Chemical Products & Rubber and Plastic products, by industry group, 2nd Quarter 2020 - 1st Quarter 2022

Base period: Year 2018=100

NSIC	Industry group	Weight	2020				2021					2022
			2nd Qr.	3rd Qr.	4th Qr.	Year Average	1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	Year Average	1st Qr.
20	Chemicals and chemical products	89	101.7	102.5	102.4	102.0	104.7	108.5	117.8	124.3	113.8	131.8
2011	Basic chemicals	16	95.8	92.9	92.3	94.1	102.0	114.5	125.0	132.0	118.4	139.3
2012	Manufacture of fertilizers and nitrogen compounds	9	100.0	100.0	100.0	100.0	100.0	100.0	145.3	180.5	131.5	204.4
2022	Paints, varnishes and similar coatings, printing ink and mastics	24	102.5	103.6	103.6	103.1	103.6	104.5	108.2	108.2	106.1	118.8
2023	Soap and detergents, cleaning and polishing preparations, perfumes and toilet preparations	40	103.5	105.3	105.3	104.4	106.1	108.1	112.0	114.5	110.2	119.7
22	Rubber and plastic products	28	100.1	102.3	102.6	101.3	106.2	113.0	117.2	118.9	113.8	122.3
2220	Plastic products	28	100.0	100.0	100.0	100.0	100.0	100.0	104.5	106.7	102.8	111.1

Table 3(a) - Quarterly percentage change of the Manufacturing Sector by industry group, 2nd Quarter 2020 - 1st Quarter 2022

Base period: Year 2018=100

NSIC	Industry group	Weight	Percentage changes from previous quarter				Percentage changes from corresponding quarter of previous year			
			1st Qr 21 to 2nd Qr 21	2nd Qr 21 to 3rd Qr 21	3rd Qr 21 to 4th Qr 21	4th Qr 21 to 1st Qr 22	2nd Qr 20 to 2nd Qr 21	3rd Qr 20 to 3rd Qr 21	4th Qr 20 to 4th Qr 21	1st Qr 21 to 1st Qr 22
10-33	Total manufacturing	1000	+ 3.4	+ 4.8	+ 3.4	+ 5.2	+ 9.9	+ 11.9	+ 14.8	+ 17.9
10/11	Food products and beverages	447	+ 1.7	+ 3.7	+ 4.0	+ 3.8	+ 7.4	+ 8.2	+ 11.5	+ 13.9
13	Textiles	14	+ 1.6	+ 6.0	+ 3.1	+ 8.6	+ 6.3	10.7	+ 11.1	+ 20.6
14	Wearing apparel	47	+ 0.4	+ 5.7	+ 0.1	+ 6.8	+ 12.2	+ 14.0	+ 13.6	+ 13.5
15	Leather and related products	4	+ 0.5	+ 2.8	+ 3.5	0.0	+ 7.2	+ 7.4	+ 11.1	+ 6.9
16/17	Wood and products of wood & cork; articles of straw and plaiting materials/ Paper and paper products	33	+ 4.1	+ 3.7	+ 8.1	+ 9.7	+ 10.7	+ 11.4	+ 19.1	+ 28.0
18	Printing and reproduction of recorded media	27	+ 8.0	- 5.6	+ 0.7	+ 1.6	+ 25.5	+ 17.7	+ 18.1	+ 4.4
20	Chemicals and chemical products	89	+ 3.6	+ 8.6	+ 5.5	+ 6.0	+ 6.7	+ 14.9	+ 21.4	+ 25.9
22	Rubber and plastic products	28	+ 6.4	+ 3.7	+ 1.5	+ 2.9	+ 12.9	+ 14.6	+ 15.9	+ 15.2
23	Other non-metallic mineral products	50	+ 0.2	+ 2.6	+ 0.5	+ 1.5	+ 1.0	+ 3.3	+ 3.3	+ 4.8
24	Basic metals	11	+ 14.5	+ 15.5	+ 14.0	+ 4.9	+ 36.7	+ 57.5	+ 69.2	+ 58.0
25	Fabricated metal products	79	+ 7.0	+ 6.7	+ 1.5	+ 11.3	+ 14.3	+ 15.1	+ 16.6	+ 28.9
26	Manufacture of Computer, Electronic and Optical Products	5	0.0	0.0	0.0	0.0	+ 3.0	+ 3.0	+ 3.0	0.0
27	Electrical equipment	2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
28	Machinery and equipment, n.e.c	10	+ 4.4	+ 44.1	+ 6.2	+ 3.2	+ 14.7	+ 63.2	+ 70.7	+ 65.0
29	Motor vehicles, trailers and semi-trailers	5	0.0	+ 17.9	+ 17.4	+ 12.2	- 6.7	+ 17.9	+ 38.4	+ 55.3
30	Other transport equipment	21	+ 1.9	+ 1.0	- 0.4	- 0.2	+ 14.8	+ 10.1	+ 5.6	+ 2.3
31	Furniture	81	+ 7.8	+ 4.3	+ 2.9	+ 8.0	+ 12.1	+ 16.1	+ 18.6	+ 24.9
32	Other products	47	+ 3.6	+ 4.9	+ 1.7	+ 4.5	+ 15.1	+ 11.9	+ 13.8	+ 15.6

Table 3(b) - Quarterly percentage change for Manufacture of Food Products & Beverages by industry group, 2nd Quarter 2020 - 1st Quarter 2022

Base period: Year 2018=100

NSIC	Industry group	Weight	Percentage changes from previous quarter				Percentage changes from corresponding quarter of previous year			
			1st Qr 21 to 2nd Qr 21	2nd Qr 21 to 3rd Qr 21	3rd Qr 21 to 4th Qr 21	4th Qr 21 to 1st Qr 22	2nd Qr 20 to 2nd Qr 21	3rd Qr 20 to 3rd Qr 21	4th Qr 20 to 4th Qr 21	1st Qr 21 to 1st Qr 22
			10-11	Total food products & beverages	447	+ 1.7	+ 3.7	+ 4.0	+ 3.8	+ 7.4
101-108	Food products	283	+ 2.2	+ 3.7	+ 5.7	+ 5.0	+ 8.0	+ 9.7	+ 14.7	+ 17.6
1010	Processing and preserving of meat	61	+ 0.6	+ 5.1	+ 6.1	+ 6.2	+ 5.3	+ 6.7	+ 12.2	+ 19.1
1020	Processing and preserving of fish, crustaceans & molluscs	3	0.0	0.0	+ 3.5	+ 1.0	+ 1.8	0.0	+ 3.5	+ 4.5
1030	Processing and preserving of fruits and vegetables	11	+ 1.7	+ 0.8	+ 2.6	+ 4.6	+ 10.3	+ 6.7	+ 8.0	+ 10.0
1040	Vegetable and animal oils and fats	21	+ 8.8	+ 2.6	- 2.0	+ 1.3	+ 35.6	+ 37.4	+ 26.0	+ 10.8
1050	Dairy products	22	+ 3.2	+ 6.2	+ 3.3	+ 2.1	+ 6.7	+ 11.7	+ 16.7	+ 15.6
1061	Grain mill products	28	+ 2.1	+ 4.5	+ 0.8	+ 8.4	+ 2.0	+ 6.5	+ 7.8	+ 16.7
1071	Bakery products	43	+ 0.3	+ 3.4	+ 0.3	+ 5.0	+ 1.0	+ 3.8	+ 4.0	+ 9.2
10711/ 10712	<i>Bread/Pastries and cakes</i>	18	+ 0.3	+ 2.9	+ 0.1	+ 5.6	+ 1.1	+ 3.3	+ 3.3	+ 9.1
10713	<i>Biscuits and other dry bakery products</i>	4	0.0	+ 8.2	+ 1.4	0.0	+ 0.1	+ 8.2	+ 9.8	+ 9.8
1074	Macaroni, noodles, couscous and similar farinaceous products	7	0.0	+ 0.7	0.0	+ 1.1	+ 0.3	+ 0.7	+ 0.7	+ 1.8
1075	Prepared meals and dishes	2	0.0	0.0	+ 6.4	+ 4.2	+ 8.7	+ 2.7	+ 6.4	+ 10.9
1079	Other food products n.e.c	46	+ 1.1	+ 3.0	+ 5.2	+ 4.5	+ 5.4	+ 5.6	+ 10.3	+ 14.4
10791	<i>Tea</i>	6	+ 0.0	0.0	+ 2.1	+ 6.1	+ 3.7	+ 3.7	+ 3.3	+ 8.3
10793/ 10799	<i>Spices, sauces, condiments and other food products n.e.c</i>	22	+ 2.1	+ 3.4	+ 11.0	+ 4.2	+ 10.7	+ 8.6	+ 18.9	+ 22.2
1080	Animal feed	39	+ 4.0	+ 2.6	+ 17.8	+ 5.6	+ 11.7	+ 14.6	+ 32.4	+ 32.6
110	Beverages	164	+ 0.7	+ 4.0	+ 0.9	+ 1.5	+ 6.4	+ 5.8	+ 5.7	+ 7.3
1101	Distilled potable alcoholic beverages	48	+ 1.7	+ 7.1	+ 0.3	0.0	+ 1.8	+ 9.0	+ 9.3	+ 9.2
1102	Wines	7	+ 1.2	+ 5.4	+ 3.6	0.0	+ 6.4	+ 10.9	+ 10.5	+ 10.5
1103	Malt liquors and malt including non alcoholic beer	88	0.0	+ 2.4	0.0	+ 2.6	+ 7.6	+ 3.7	+ 2.4	+ 5.1
1104	Soft drinks, mineral waters and other bottled waters	21	+ 1.7	+ 3.3	+ 4.9	+ 0.6	+ 12.8	+ 6.3	+ 10.3	+ 10.9

Table 3(c) - Quarterly percentage change for Manufacture of Chemicals and Chemical Products & Rubber and Plastic Products by industry group, 2nd Quarter 2020 - 1st Quarter 2022

Base period: Year 2018=100

NSIC	Industry group	Weight	Percentage changes from previous quarter				Percentage changes from corresponding quarter of previous year			
			1st Qr 21 to 2nd Qr 21	2nd Qr 21 to 3rd Qr 21	3rd Qr 21 to 4th Qr 21	4th Qr 21 to 1st Qr 22	2nd Qr 20 to 2nd Qr 21	3rd Qr 20 to 3rd Qr 21	4th Qr 20 to 4th Qr 21	1st Qr 21 to 1st Qr 22
20	Chemicals and chemical products	89	+ 3.6	+ 8.6	+ 5.5	+ 6.0	+ 6.7	+ 14.9	+ 21.4	+ 25.9
2011	Basic chemicals	16	+ 12.3	+ 9.2	+ 5.6	+ 5.5	+ 19.5	+ 34.6	+ 43.0	+ 36.6
2012	Manufacture of fertilizers and nitrogen compounds	9	0.0	+ 45.3	+ 24.2	+ 13.2	0.0	+ 45.3	+ 80.5	+ 104.4
2022	Paints, varnishes and similar coatings, printing ink and mastics	24	+ 0.9	+ 3.5	0.0	+ 9.8	+ 2.0	+ 4.4	+ 4.4	+ 14.7
2023	Soap and detergents, cleaning and polishing preparations, perfumes and toilet preparations	40	+ 1.9	+ 3.6	+ 2.2	+ 4.5	+ 4.4	+ 6.4	+ 8.7	+ 12.8
22	Rubber and plastic products	28	+ 6.4	+ 3.7	+ 1.5	+ 2.9	+ 12.9	+ 14.6	+ 15.9	+ 15.2
2220	Plastic products	28	0.0	+ 4.5	+ 2.1	+ 4.1	0.0	+ 4.5	+ 6.7	+ 11.1

Table 4(a) - Comparative monthly and quarterly indices of the Manufacturing Sector, January 2013 - March 2022

Base period: Year 2018=100

Month	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
January	91.0	92.4	93.8	93.8	96.3	98.8	101.0	103.2	111.9	130.8
February	92.2	92.4	93.7	93.7	96.1	99.1	101.2	104.0	112.8	133.1
March	92.3	92.6	94.2	94.2	96.4	99.7	101.4	104.4	114.7	136.0
Average 1st Quarter	91.8	92.5	93.9	93.9	96.3	99.2	101.2	103.9	113.1	133.3
April	92.3	92.7	94.0	94.1	96.3	99.6	101.2	104.6	115.6	
May	92.2	92.7	94.1	94.2	96.3	99.7	101.3	106.8	116.7	
June	92.1	92.9	94.3	94.3	97.0	99.9	101.9	107.9	118.3	
Average 2nd Quarter	92.2	92.8	94.1	94.2	96.5	99.7	101.5	106.4	116.9	
July	92.4	92.8	94.4	94.9	97.1	100.0	102.1	109.0	121.4	
August	92.4	92.6	95.1	94.9	97.1	100.3	102.2	109.6	122.5	
September	92.3	92.6	95.4	95.1	97.2	100.6	102.1	109.9	123.7	
Average 3rd Quarter	92.4	92.7	95.0	95.0	97.1	100.3	102.1	109.5	122.5	
October	92.4	92.7	95.5	95.7	97.3	100.7	102.2	110.2	125.4	
November	93.2	92.6	95.6	96.3	98.1	100.6	102.3	110.3	126.9	
December	92.7	92.3	95.5	96.3	98.0	100.8	102.4	110.7	127.8	
Average 4th Quarter	92.8	92.5	95.5	96.1	97.8	100.7	102.3	110.4	126.7	
Yearly average	92.3	92.6	94.6	94.8	96.9	100.0	101.8	107.6	119.8	
Annual change (%)		+0.3	+2.2	+0.2	+2.2	+3.2	+1.8	+5.7	+11.3	

Table 4(b) - Comparative monthly and quarterly indices for Manufacture of Food Products & Beverages, January 2013 - March 2022

Base period: Year 2018=100

Month	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
January	90.1	93.0	93.1	93.1	96.0	98.2	101.0	103.0	109.6	124.1
February	92.2	92.5	92.8	92.9	95.9	98.9	101.5	103.7	110.7	126.2
March	92.4	92.5	93.5	93.6	95.9	99.3	101.9	104.1	111.7	128.0
Average 1st Quarter	91.6	92.7	93.1	93.2	95.9	98.8	101.5	103.6	110.7	126.1
April	92.6	92.6	93.5	92.6	95.9	99.5	101.7	104.4	111.7	
May	92.6	92.6	93.4	92.7	96.0	99.7	101.9	104.6	112.0	
June	92.6	92.9	93.7	93.0	97.3	99.8	102.0	105.3	114.0	
Average 2nd Quarter	92.6	92.7	93.5	92.8	96.4	99.7	101.9	104.8	112.6	
July	92.8	92.9	93.8	93.4	97.0	100.2	102.1	107.3	116.7	
August	92.7	92.7	94.4	93.7	97.1	100.5	102.1	108.1	116.6	
September	92.6	92.9	94.9	94.1	97.2	100.9	102.2	108.4	117.1	
Average 3rd Quarter	92.7	92.8	94.4	93.7	97.1	100.5	102.1	107.9	116.8	
October	92.3	93.0	95.0	95.3	97.3	101.0	102.3	108.7	119.6	
November	93.9	93.0	95.2	96.2	97.3	101.0	102.4	108.9	122.2	
December	93.5	92.4	95.1	96.2	97.1	101.0	102.4	109.4	122.8	
Average 4th Quarter	93.3	92.8	95.1	95.9	97.3	101.0	102.4	109.0	121.5	
Yearly average	92.5	92.8	94.0	93.9	96.7	100.0	102.0	106.3	115.4	
Annual change (%)		+0.3	+1.3	-0.1	+3.0	+3.4	+2.0	+4.2	+8.6	

Producer Price Index – Manufacturing (PPI-M)

Methodology for the computation of the PPI-M

1. Definition

The Producer Price Index (PPI-M) measures changes in the effective prices received by producers in the manufacturing sector for that part of their output, which is sold on the domestic market. It reflects the price trends of a fixed basket of goods representative of the output of Non-Export Oriented Enterprises (Non EOE).

The concepts and definitions of the PPI-M largely follow the guidelines provided in the “IMF Producer Price Index Manual Theory and Practice”.

2. Scope

The PPI-M covers both large and small manufacturing establishments falling within divisions 10 to 33 of the National Standard Industrial Classification Rev.2 (NSIC Rev.2), which is an adapted version of the International Standard Industrial Classification (ISIC) Rev.4. The establishments are classified under 24 divisions, 71 groups, 137 classes and 240 sub-classes.

The following divisions have been excluded for reasons given in brackets:

- a) Division 12: Manufacture of tobacco products (no longer manufactured in Mauritius)
- b) Division 19: Manufacture of coke and refined petroleum products (weight in the overall index is not significant)
- c) Division 21: Manufacture of basic pharmaceutical products and pharmaceutical preparations (weight in the overall index is not significant and change of products is too dynamic)
- d) Division 33: Repair and installation of machinery and equipment (weight in the overall index is not significant and change of products is too dynamic)

However, Division 26: Manufacture of computer, electronic and optical products has been included in the current basket mainly because its weight in the overall index is significant.

The activities covered by the index represent around 97% of the gross output generated by the Non-EOE manufacturing sector during year 2018.

3. Frame

A list of all large establishments (engaging 10 or more persons) falling under the scope of the PPI-M was obtained from the 2018 Census of Economic Activities (CEA 2018). For small

establishments (engaging less than 10 persons), the list of respondents at the CEA 2018 was used.

4. Selection of establishments (producers)

A sample of 126 large establishments was selected from the list of large manufacturing establishments. Those establishments were the most important ones in terms of Gross Output (GO) in their respective 5-digit sub-class.

Small establishments selected for price collection were those engaged in the manufacture of wearing apparel, fabricated metal products and wooden furniture, as these activities were the most important ones performed by small manufacturing establishments. A sample of 5 establishments was selected from the list of small manufacturing establishments.

Output of the selected establishments represented around 63% of the total GO generated by all establishments falling within the scope of the PPI-M.

5. Selection of products to be priced

Some 500 products have been selected for pricing. These are the most important ones in terms of contribution to the gross output or turnover of the selected establishments.

6. Price collection

Prices collected refer to the prices received by producers for the sale of their products on the local market. The prices exclude all taxes on products, namely excise duty and value added tax (VAT).

As from January 2018, prices are collected on a monthly basis and provisional monthly indices are compiled. The overall PPI-M on a monthly basis is published according to SDDS requirements.

For revised monthly and quarterly indices at division level and in some specific cases at even lower level, the selected establishments are visited on a quarterly basis and prices of the selected products are collected for each month of the reference quarter.

7. Updating of weights

7.1 Historical background

Statistics Mauritius first published a Producers Price Index limited to the “Manufacturing of food products, beverages and tobacco” in March 1994 with 1993 as base period (1993 = 100). The index was revised in June 2002 to cover all relevant industry groups of the former Non-EPZ manufacturing sector, based on the results of the 1997 Census of Economic Activities. The base period was 1998. The base year was subsequently revised to 2003, 2007 and 2013, based on the results of the 2002, 2007 and 2013 rounds of the Census of Economic Activities.

The current basket of goods has been updated based on the results of the 2018 Census of Economic Activities and the index is computed with year 2018 as base period.

7.2 Evolution of weights from 2013 to 2018.

It is to be noted that output of small establishments has been considered in the updating of the weights from 2013 to 2018. The share of the small establishments was estimated at around 32% of the total Non EOE manufacturing sector in 2018.

The weights for the current PPI-M have been calculated from the gross output figures derived from the 2018 Census of Economic Activities. Gross output is valued at basic prices, and thus excludes all taxes on products, namely excise duties and value added tax. The weight of a product group represents the share of its gross output out of the total output of the manufacturing sector.

The changes in the weights by division from 2013 to 2018 are given in Table A.

The main changes are explained below:

- a) The following activities have gained more importance in the basket of products:
 - (i) Manufacture of textiles (from 0.6% to 1.4%)
 - (ii) Manufacture of wearing apparel (from 3.4% to 4.7%)
 - (iii) Manufacture of paper and paper products (from 1.1% and 2.4%)
 - (iv) Manufacture of chemical and chemical products (from 6.9% to 8.9%)
 - (v) Manufacture of fabricated metal products, except machinery (from 7.6% to 7.9%)
 - (vi) Manufacture of furniture (from 6.5% to 8.1%).

- b) The weight of some divisions has decreased mainly due to a reduction in the number of large establishments in that specific division. The main changes are:
 - (i) Manufacture of food products and beverages (from 55.2% to 44.7%)
 - (ii) Manufacture of rubber and plastics products (from 3.1% to 2.8%)
 - (iii) Manufacture of other non-metallic mineral products (from 5.2% to 5.0%)

Table A - Distribution of weights by division, 2013 and 2018

NSIC Division	Description	Weight 2013	Weight 2018
10	Manufacture of food products	374	283
11	Manufacture of beverages	178	164
13	Manufacture of textiles	6	14
14	Manufacture of wearing apparel	34	47
15	Manufacture of leather and related products	3	4
16	Manufacture of wood/wood products/cork, excl. furniture	5	9
17	Manufacture of paper and paper products	11	24
18	Manufacture of printing and reproduction of recorded media	28	27
20	Manufacture of chemicals and chemical products	69	89
22	Manufacture of rubber and plastics products	31	28
23	Manufacture of other non-metallic mineral products	52	50
24	Manufacture of basic metals	11	11
25	Manufacture of fabricated metal products, except machinery	76	79
26	Manufacture of computer, electronic and optical products	-	5
27	Manufacture of electrical equipment	2	2
28	Manufacture of machinery and equipment n.e.c	9	10
29	Manufacture of motor vehicle, trailers and semi-trailers	5	5
30	Manufacture of other transport equipment	16	21
31	Manufacture of furniture	65	81
32	Manufacture of other manufacturing	25	47
	Overall Index	1000	1000

8. Index calculation

The PPI-M is computed according to the Laspeyres Formula.

The formula used is given below

$$I_c = \frac{\sum W_i * \left(\frac{P_{ci}}{P_{oi}}\right)}{\sum W_i} * 100$$

Where I_c = Index for current month

W_i = Weight associated with product i

P_{ci} = Price of product i for the current month

P_{oi} = Price for product i for the base period (2018)

The PPI-M is calculated at the 5-digit sub-class level of the NSIC Rev.2 by the above formula. The lowest level indices are determined as a geometric average of the price relatives of the basic observations. Indices at the division level (2-digit code) are then derived as a weighted average of the indices of the products falling within each division. Finally, the overall index is obtained as a weighted average of the division indices.

9. Uses of PPI

- a) The PPI is a leading indicator of the future status of inflation. Movement of PPI is usually indicative of a similar change of part of the Consumer Price Index (CPI). PPI can also be used in the economic analysis of inflation transmission process.
- b) It provides specific price deflators for the computation of national accounts at constant prices in order to measure real growth
- c) It is helpful in the formulation of contract agreement. It can be used as an escalation clause to protect buyers and sellers against inflation or deflation.
- d) PPI is also used in econometric models, in forecasting and in inventory accounting.

10. Missing prices

In case of temporarily missing prices for products, imputation is carried out as per International Monetary Fund's recommendations.

11. Treatment of product permanently disappeared

Products may disappear permanently for various reasons. The products may disappear from the market because new products have been introduced or the establishments from which the

price has been collected have stopped selling the product. When a product disappears permanently, a replacement product of a similar nature will be included in the index.

12. Treatment of quality change

The index is a measure of only “PURE” price changes and should as far as possible measure the price changes of the same products. Hence, the products must not be affected by quality change. If the change is due to quality, an estimate of the proportion of the change attributed to the quality element is made and adjustment done accordingly.

13. Reliability of the PPI-M

The statistical accuracy of the PPI-M depends heavily on the quality of information provided by the selected establishments (respondents). This office places great emphasis on the need for reporting effective selling prices, i.e. prices after discounts and other price deductions rather than the list or catalogue prices.

Standard editing procedures are used to validate the accuracy and reliability of the data. Collected prices are validated during the field work and inconsistencies discussed with the respondents and corrected.

Further computer checks are made at office level when compiling the indices. Comparison is also made with the CPI and with the import/export price indices. Systematic analyzes of the source data are made in the context of weight and base year revisions that occur every five years.