

PRODUCER PRICE INDEX (MINING AND UTILITIES)

QUARTER 1,2,3,4 of 2020

Private Bag 0024, Gaborone
Tel: 3671300 **Fax:** 3952201
Toll Free: 0800 600 200

Private Bag F193,
Francistown
Tel. 241 5848, **Fax.** 241 7540

Private Bag 32
Ghanzi
Tel: 371 5723 **Fax:** 659 7506

Private Bag 47
Maun
Tel: 371 5716 **Fax:** 686 4327

E-mail: info@statsbots.org.bw
Website: <http://www.statsbots.org.bw>



STATISTICS BOTSWANA



PRODUCER PRICE INDEX (MINING AND UTILITIES) -
QUARTER 1,2,3,4 of 2020

Copyright 2021 © Statistics Botswana

Contact Unit:

Daniel Magogwe
Prices Statistics

Tel: 367 1300

Fax: 395 2201

Table of Contents

1.0 COMMENTARY.....	1
Table 1: Percentage change (Mining).....	2
Table 2.1: Mining Producer Price Index (2017=100.0) for Quarter 1, 2020.....	3
Table 2.2: Mining Producer Price Index (2017=100.0) for Quarter 2, 2020.....	3
Table 2.3: Mining Producer Price Index (2017=100.0) for Quarter 3, 2020.....	3
Table 2.4: Mining Producer Price Index (2017=100.0) for Quarter 4, 2020.....	3
Table 3: Percentage change Utilities (Water and Electricity).....	4

1.0 COMMENTARY

1.1 Mining Producer Price Index (Quarter 1, 2020)

The Mining Producer Price Index moved from 75.2 in Quarter 4 of 2019, registering a drop of 1.1 percent to 74.4, recorded in Quarter 1 of 2020. The decline was due to a fall in section indices of Salt, Coal and Diamond by 14.7, 1.6 and 1.6 percent respectively. Other Minerals, Gold and Soda Ash, recorded an increase of 34.7 and 2.6 respectively. [See Table 2.1.](#)

The Mining Producer Price Annual Inflation for the first quarter of 2020 stood at -11.5, a rise of 6.2 percentage points on the fourth quarter of 2019 rate of -17.7 percent. The rise in the first quarter 2020 inflation was due to the increase in Gold and Soda Ash indices. [Refer to Table 1.](#)

1.2 Mining Producer Price Index(Quarter 2, 2020)

The Mining Producer Price Index for Quarter 2 of 2020 stood at 82.2, registering an increase of 10.5 percent from the index of 74.4 recorded in Quarter 1 of 2020. The rise was mainly attributable to the increase in section indices of Coal, Gold, Diamond and Soda Ash by 23.1, 19.1, 10.7 and 1.7 percent respectively, which outweighed the drop of 1.1 percent for the Salt section index. [Refer to Table 2.2.](#)

The Mining Producer Price Annual Inflation for the second quarter of 2020 was -2.8 percent compared to -11.5 percent registered in the first quarter of 2020. The rise in the annual inflation of the second quarter of 2020 was due to the increase in the indices of Coal, Gold, Diamond and Soda Ash. [See Table 1.](#)

1.3 Mining Producer Price Index(Quarter 3, 2020)

The Mining Producer Price Index recorded an increase of 3.6 percent, from 82.2 in Quarter 2 of 2020 to 85.1 registered in Quarter 3 of 2020. The increase was due to the rise in section indices of Diamond and Soda Ash, which recorded a growth of 4.4 and 1.2 percent respectively. Indices of other minerals such as Coal, Gold and Salt, registered a drop of 13.6, 12.0 and 4.5 respectively. [See Table 2.3.](#)

The Mining Producer Price Annual Inflation for the third quarter of 2020 was 0.4 percent, a rise of 3.2 percentage points on the second quarter rate of -2.8 percent. The rise in the third quarter was due to an increase in Diamond and Soda Ash indices. [Refer to Table 1.](#)

1.4 Mining Producer Price Index (Quarter 4, 2020)

The Mining Producer Price Index for Quarter 4 of 2020 was 79.5, registering a drop of 6.6 percent compared to 85.1 in Quarter 3 of 2020. The decrease was due to a fall in section indices of Diamond and Coal which recorded a decline of 7.6 and 6.2 percent respectively. Other Minerals which include Gold, Salt and Soda Ash, recorded an increase of 27.2, 1.0 and 0.4 percent, respectively. [Refer to table 2.4.](#)

The Mining Producer Price Annual Inflation for the fourth quarter of 2020 stood at 5.7 percent compared to 0.4 percent registered in the third quarter of 2020. The rise in inflation during the fourth quarter was attributed to the increase in the section indices of Gold, Coal, Salt and Soda Ash. [See Table 1.](#)

Chart 1: Quarter on Quarter Percentage Change for Mining Producer Price Index(PPI)

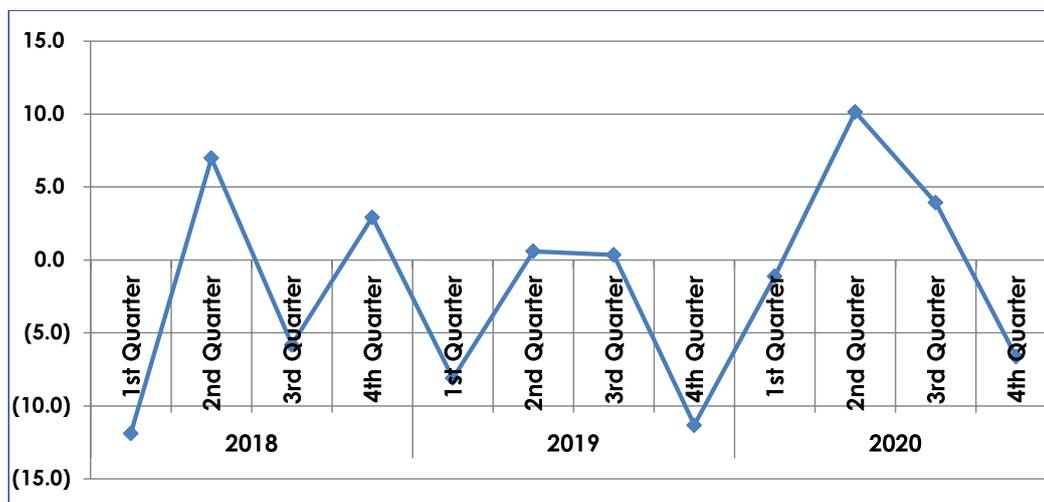


Table 1: Percentage change (Mining)

Year	Quarter	PPI Index	Quarter on Quarter Change	Year on Year Change
2017	Base Period	100.00	-	-
2018	Quarter 1	88.1	(11.9)	-
	Quarter 2	94.3	7.0	-
	Quarter 3	88.8	(5.8)	-
	Quarter 4	91.4	5.4	-
2019	Quarter 1	84.0	(8.1)	(4.7)
	Quarter 2	84.5	0.6	(10.4)
	Quarter 3	84.8	0.4	(4.5)
	Quarter 4	75.2	(11.3)	(17.7)
2020	Quarter 1	74.4	(1.1)	(11.5)
	Quarter 2	82.2	10.5	(2.8)
	Quarter 3	85.1	3.9	0.4
	Quarter 4	79.5	(6.6)	5.7

Table 2.1: Mining Producer Price Index (2017=100.0) for Quarter 1, 2020

Group	Weights	4th Quarter 2019	1st Quarter 2020	% Change on: Last Quarter
1 Mining	100.00	75.2	74.4	-1.1
1.0 Diamond Index	94.67	73.0	71.8	-1.6
2.0 Coal Index	0.93	118.4	116.5	-1.6
3.0 Gold Index	1.05	99.9	134.5	34.7
4.0 Soda Ash Index	1.94	119.4	122.5	2.6
5.0 Salt Index	0.74	120.9	103.1	-14.7
6.0 Quarry Index	0.67	116	116	0.0

Table 2.2: Mining Producer Price Index (2017=100.0) for Quarter 2, 2020

Group	Weights	1st Quarter 2020	2nd Quarter 2020	% Change on: Last Quarter
1 Mining	100.00	74.4	82.2	10.5
1.0 Diamond Index	94.67	71.8	79.4	10.7
2.0 Coal Index	0.93	116.5	143.4	23.1
3.0 Gold Index	1.05	134.5	160.3	19.1
4.0 Soda Ash Index	1.94	122.5	124.7	1.7
5.0 Salt Index	0.74	103.1	102.0	-1.1
6.0 Quarry Index	0.67	115.6	115.6	0.0

Table 2.3: Mining Producer Price Index (2017=100.0) for Quarter 3, 2020

Group	Weights	2nd Quarter 2020	3rd Quarter 2020	% Change on: Last Quarter
1 Mining	100.00	82.2	85.1	3.6
1.0 Diamond Index	94.67	79.4	83.0	4.4
2.0 Coal Index	0.93	143.4	124.0	-13.6
3.0 Gold Index	1.05	160.3	141.1	-12.0
4.0 Soda Ash Index	1.94	124.7	126.1	1.2
5.0 Salt Index	0.74	102.0	97.4	-4.5
6.0 Quarry Index	0.67	115.6	115.6	0.0

Table 2.4 :Mining Producer Price Index (2017=100.0) for Quarter 4, 2020

Group	Weights	2nd Quarter 2020	3rd Quarter 2020	% Change on: Last Quarter
1 Mining	100.00	85.1	79.5	-6.6
1.0 Diamond Index	94.67	83.0	76.7	-7.6
2.0 Coal Index	0.93	124.0	116.3	-6.2
3.0 Gold Index	1.05	141.1	179.4	27.2
4.0 Soda Ash Index	1.94	126.1	126.5	0.4
5.0 Salt Index	0.74	97.4	98.3	1.0
6.0 Quarry Index	0.67	115.6	115.6	0.0

1.2 Utilities (Water and Electricity) Producer Price Index

The Utilities Producer Price Index in the first Quarter of 2020 remained constant at 111.2, the same index as in the Fourth Quarter of 2019. The Utilities index recorded an increase of 0.7 percent to 112.0, in the second quarter of 2020. This was due to the annual increase of Electricity tariffs in the second quarter of 2020.

The year on year Utilities Producer Price inflation for the first quarter of 2020 remained the same as in the fourth quarter of 2019. From the second to the fourth quarter of 2020, the utilities recorded an annual inflation of 0.7 percent (**Refer to table 3**).

Table 3: Percentage change Utilities (Water and Electricity)

Year	Quarter	PPI Index	Quarter on Quarter change	Year on Year change
2017	Base Period	100.00	-	-
2018	Quarter 1	-	-	-
	Quarter 2	111.2	11.2	-
	Quarter 3	111.2	0.0	-
	Quarter 4	111.2	0.0	-
2019	Quarter 1	111.2	0.0	11.2
	Quarter 2	111.2	(0.0)	(0.0)
	Quarter 3	111.2	0.0	(0.0)
	Quarter 4	111.2	0.0	0.0
2020	Quarter 1	111.2	0.0	0.0
	Quarter 2	112.0	0.7	0.7
	Quarter 3	112.0	0.0	0.7
	Quarter 4	112.0	0.0	0.7



Dr. Burton S. Mguni
Statistician General
August 2021

Private Bag 0024, Gaborone
Tel: 3671300 Fax: 3952201
Toll Free: 0800 600 200

Private Bag F193,
Francistown
Tel: 241 5848, Fax: 241 7540

Private Bag 32
Ghanzi
Tel: 371 5723 Fax: 659 7506

Private Bag 47
Maun
Tel: 371 5716 Fax: 686 4327

E-mail: info@statsbots.org.bw
Website: <http://www.statsbots.org.bw>



STATISTICS BOTSWANA

