

PRODUCER PRICE INDEX (MINING AND UTILITIES) QUARTER 2, 2021

Private Bag 0024, Gaborone.
Tel: 3671 300 **Fax:** 3952201 **Toll Free:** 0800 600 200
E-mail: info@statsbots.org.bw
Website: <http://www.statsbots.org.bw>



STATISTICS BOTSWANA

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Contact Unit:

Prices Statistics

Tel: 367 1300

Fax: 395 2201

Private Bag 0024,
Gaborone.

Tel: 3671300 **Fax:** 3952201

Toll Free: 0800 600 200

E-mail: info@statsbots.org.bw

Website: <http://www.statsbots.org.bw>

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1.0 COMMENTARY

1.1 Mining Producer Price Index

The Mining Producer Price Index for Quarter 2 of 2021 was 89.8 recording a growth of 24.3 percent as opposed to 72.2 in Quarter 1 of 2021. The rise was mainly due to the increases in section indices of Diamond, Gold and Salt, which registered growths of 27.0, 7.4, and 5.6 percent respectively. Coal and Soda Ash recorded a decrease of 15.8 and 3.1 percent respectively. [Refer to Table 2.](#)

The Mining Producer Price Annual Inflation for the second quarter of 2021 stood at 9.3 percent compared to -2.8 percent in the first quarter of 2021, registering an increase of 11.6 percentage points. The main drivers of the increase in the Mining Producer Price annual inflation were the section indices of Diamond, Gold and Salt. [See Table 1.](#)

1.2 Utilities (Water and Electricity) Producer Price Index

The Utilities Producer Price Index recorded an increase of 3.5 percent from 112 in the first quarter to 115.9 in the second Quarter. This was due to the hike in the electricity tariffs by 3 percent, as well as the increase in Value Added Tax (VAT) from 12 percent to 14 percent, both effected on 1st April 2021. The increase was also attributed to the revised water tariffs, which were effected on 1st June 2021. [Refer to Table 3.](#)

The annual Producer Price Inflation (Utilities) was 3.5 percent in quarter 2, 2021, compared to zero (0,0) percent recorded in quarter 1, 2021.



Dr. Lucky Mokgatlhe
For Statistician General
August 2022

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

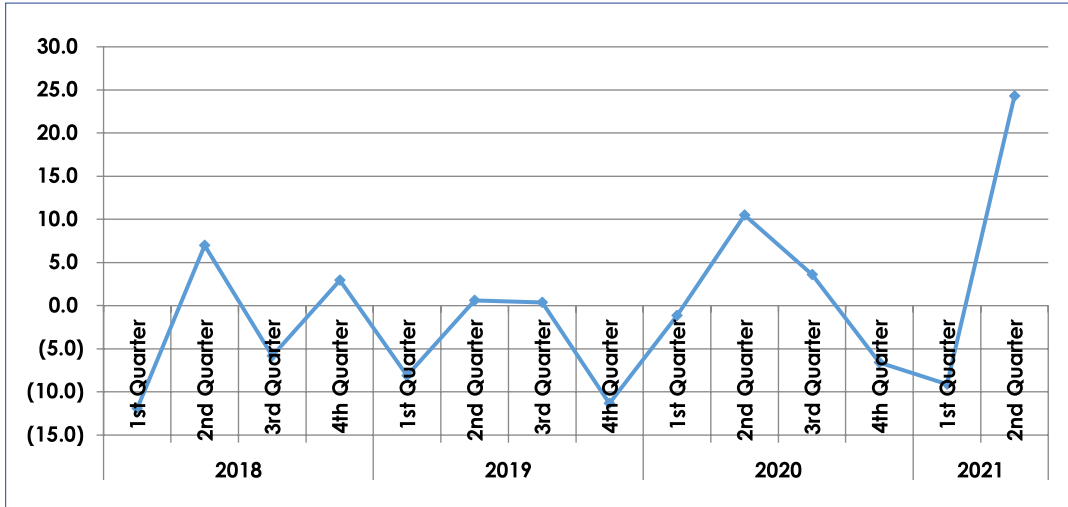


Table 1: Percentage Change (Mining)

Year	Quarter	PPI (Mining) Index	Quarter on Quarter change	Year on Year change
2017	Jan-Dec	100.0	-	-
2018	Quarter 1	88.1	-11.9	-
	Quarter 2	94.3	7	-
	Quarter 3	88.8	-5.8	-
	Quarter 4	91.4	5.4	-8.6
2019	Quarter 1	84	-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
2021	Quarter 1	72.2	-9.1	-2.8
	Quarter 2	89.8	24.3	9.3

Note: Figures may vary slightly due to the rounding up

Table 2 :National Mining Producer Price Index (2017=100.0)

Group	Weights	First Quarter 2021	Second Quarter 2021	% Change on: Last
1 Mining	100.00	72.2	89.8	24.3
1.0 Diamond	94.67	69.3	87.9	27.0
2.0 Coal	0.93	128.0	107.8	-15.8
3.0 Gold	1.05	152.5	163.8	7.4
4.0 Soda Ash	1.94	123.9	120.0	-3.1
5.0 Salt	0.74	96.1	101.6	5.6
6.0 Quarry	0.67	115.6	115.6	0.0

Note: Figures may vary slightly due to the rounding up

Table 3: Percentage change in Utilities (Water and Electricity)

Year	Quarter	PPI (Utilities) Index	Quarter on Quarter change	Year on Year change
2017	Jan - Dec	100.0	-	-
2018	Quarter 1	100.0	-	-
	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	0.0
	Quarter 4	112.0	0.0	0.0
2021	Quarter 1	112.0	0.0	0.0
	Quarter 2	115.0	3.5	3.5

Note: Figures may vary slightly due to the rounding up





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