

**Namibia Statistics  
Agency**



**NAMIBIA PRODUCER PRICE INDEX BULLETIN**  
SECOND QUARTER 2024



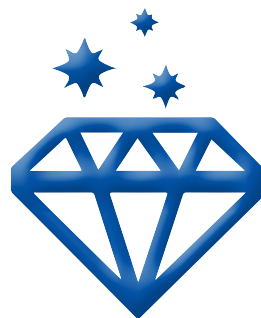
## Mission Statement

*“Leveraging on partnerships and innovative technologies, to produce and disseminate relevant, quality, timely statistics and spatial data that are fit-for-purpose in accordance with international standards and best practice”*



## Vision Statement

*“To be a high performing and sustainable institution in quality statistics and spatial data delivery for research, planning and decision-making”*



## Core Values

*Integrity  
Excellent Performance  
Professionalism  
Accountability  
Partnership  
Customer-focused*

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## PREFACE



This bulletin provides updates on the quarterly Producer Price Indices (PPI) for ten specific industries: Mining of uranium and thorium ores; Mining of other non-ferrous metal ores; Other mining and quarrying not elsewhere classified; Processing and preserving of meat; Manufacture of malt liquors and malt; Manufacture of soft drinks; Production of mineral water and other bottled waters; Manufacture of basic precious and other non-ferrous metals; Manufacture of cement, lime, and plaster; Electric power generation, transmission, and distribution; and Water collection, treatment, and supply. It details the Producer Price Index for the second quarter of 2024, covering the months from April to June.

The Producer Price Index (PPI) measures the rate of change in the prices of goods and services bought and sold by local producers. The PPI is designed to measure the average change in the price of goods and services either as they leave the place of production or as they enter the production process, and it does not include imported products. Thus, the prices for monitoring changes in the PPI behavior are measured from the perspective of the local producer.

The PPI is part of a suite of price indices in Economic Statistics, Consumer Price Indices included, which are key and important price monitoring macroeconomic indicators. Price instability introduces uncertainty into economic analysis and decision making, so the main use of the PPI is to minimize such uncertainty. The other significant uses of PPI inter-alia include monitor short-term inflationary trends; deflator in the compilation of the National Accounts; and contract price adjustments as well as wage negotiations.

It is the intention of the Namibia Statistics Agency (NSA) to expand this publication by including more industries as and when the data becomes available. It is at this juncture that I would like to extend my gratitude and appreciation to all stakeholders who assisted in the production of this bulletin. In the same vein, I would like to urge our users of statistical information to send to us any comments that may enhance the quality of this report at [info@nsa.org.na](mailto:info@nsa.org.na)

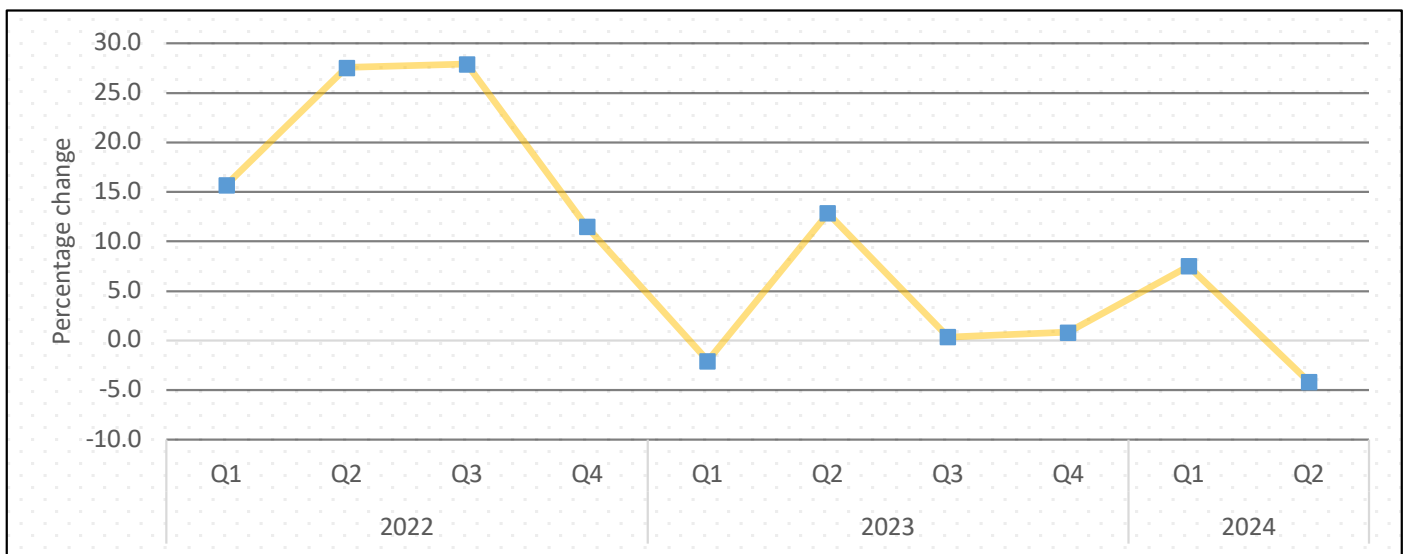
A handwritten signature in black ink, appearing to read 'Alex Shimuafeni', written over a horizontal line.

**Alex Shimuafeni**  
Statistician-General & CEO

## SECTION 1: MINING AND QUARRYING

The Mining and quarrying sector includes indices for Uranium, Non-ferrous metals (such as Copper, Gold, Lead, and Zinc), as well as Other mining activities (including Diamonds). In the second quarter of 2024, the Producer Price Index for Mining and quarrying decreased to 142.9 basis points, down from 149.1 basis points in the same quarter of the previous year, representing a decline of 6.2 basis points. This reduction resulted in a deflation rate of 4.2 percent, contrasting with an inflation rate of 12.9 percent recorded during the second quarter of 2023.

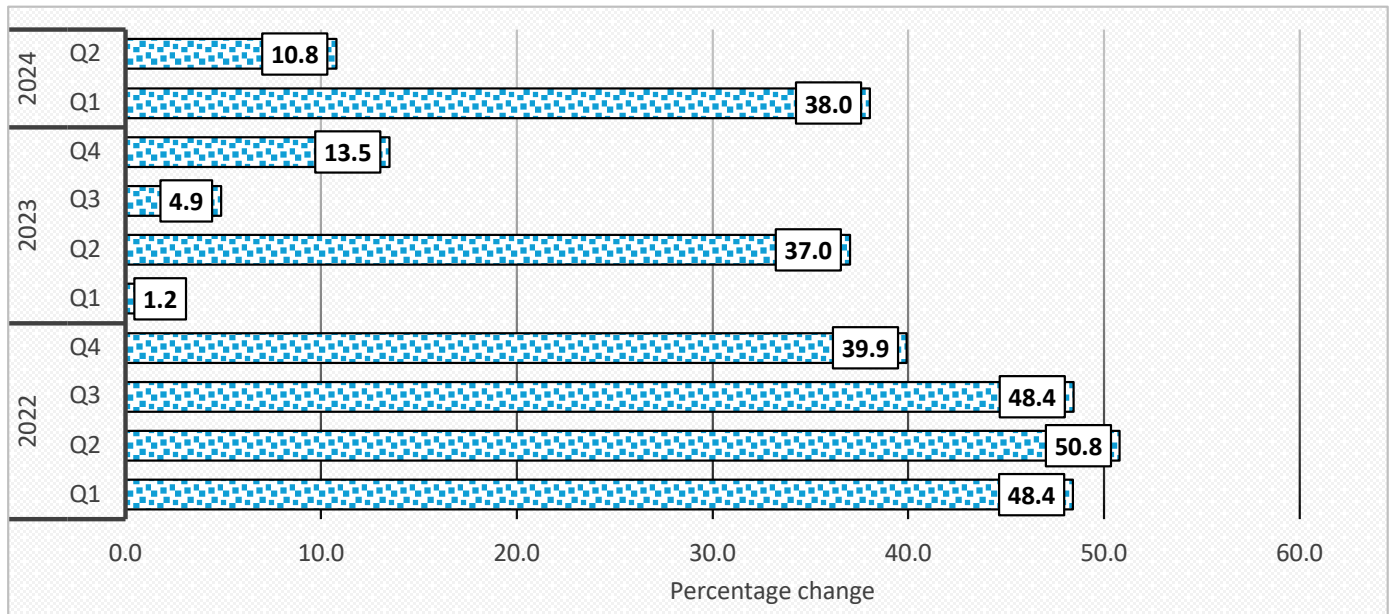
**Chart 1: Annual percentage change in PPI for Mining and quarrying**



### 1.1 PPI for Mining of uranium and thorium ores (ISIC 0721)

The index for the Mining of uranium and thorium ores (ISIC 0721) rose by 13.3 basis points, increasing from 123.6 basis points in the second quarter of 2023 to 136.9 basis points in the same quarter this year. This represents a slower growth rate in inflation of 10.8 percent, compared to the 37.0 percent recorded during the same period last year.

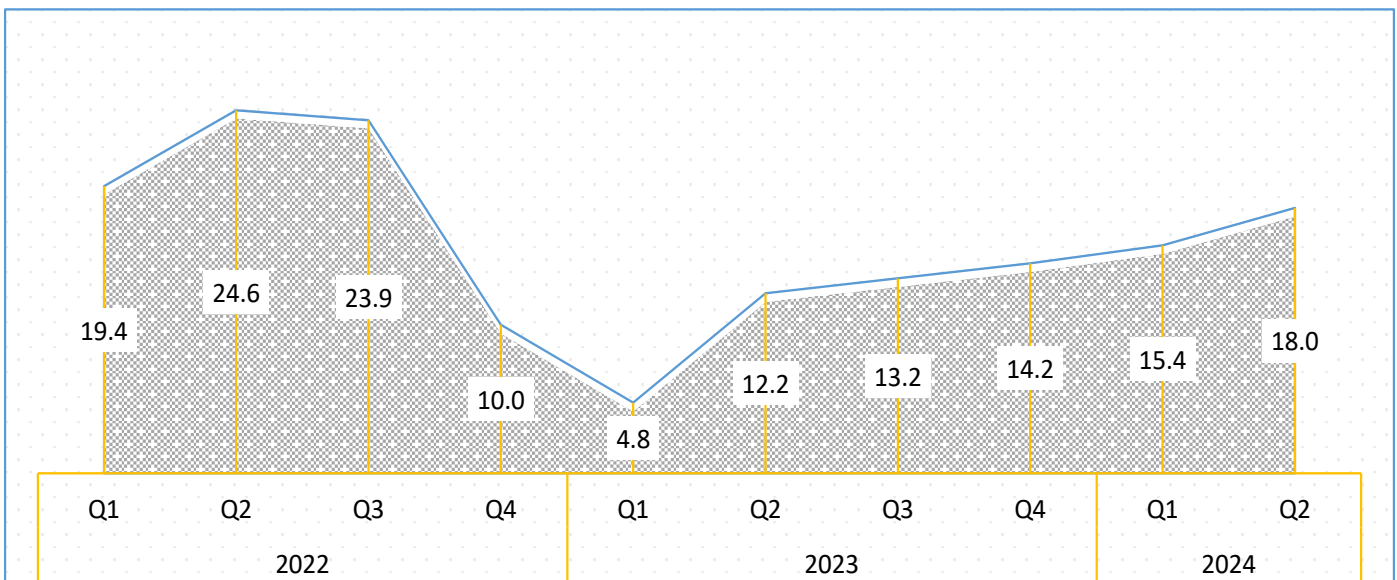
**Chart 2: Annual percentage change in PPI for Mining of uranium and thorium ores**



**1.2 PPI for Mining of other non-ferrous metal ores (ISIC 0729)**

The index for Mining of other non-ferrous metal ores, which includes the extraction of Copper, Lead, Zinc, and Gold, experienced an increase of 18.0 percent in the second quarter of 2024, up from 12.2 percent in the same quarter of the previous year. For this component, the index rose to 247.7 basis points in the second quarter of 2024, compared to 210.0 basis points recorded during the same period in 2023.

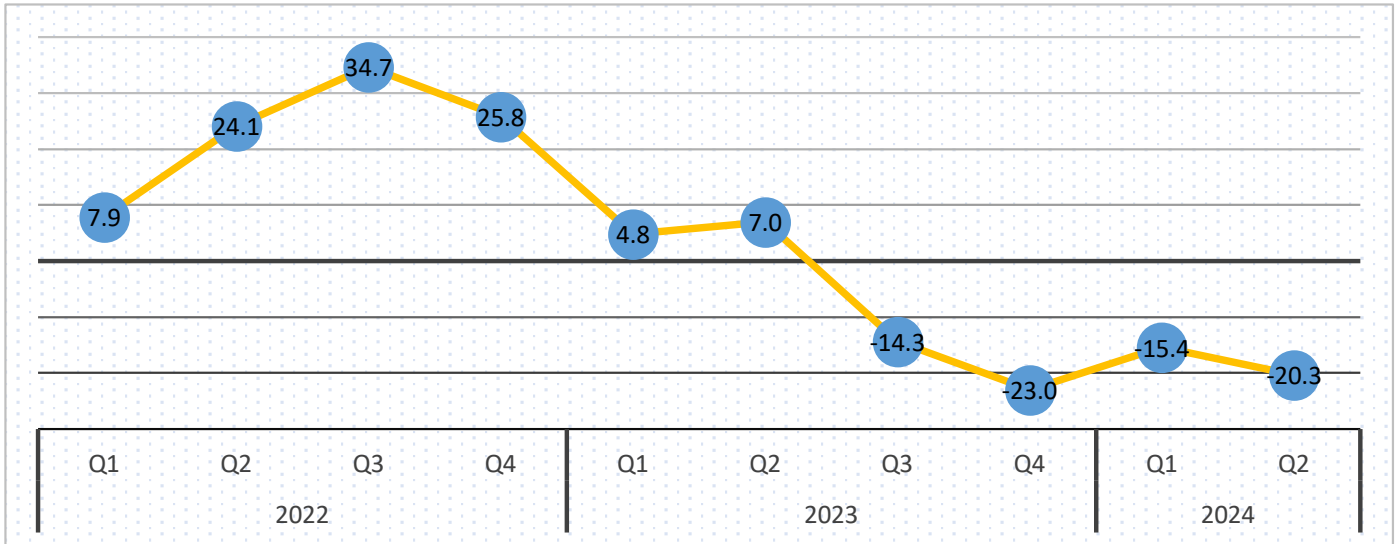
**Chart 3: Annual percentage change in PPI for Mining of other non-ferrous metal ores**



### 1.3 PPI for Other mining and quarrying (ISIC 0899)

The index for other Mining and quarrying, which encompasses the mining and extraction of Diamonds—an essential economic activity in Namibia’s mining sector—declined by 28.0 basis points, falling to 109.9 basis points from 137.9 basis points in the same quarter of the previous year. This category experienced a deflation of 20.3 percent in price levels during the second quarter of 2024, compared to an inflation of 7.0 percent recorded a year earlier.

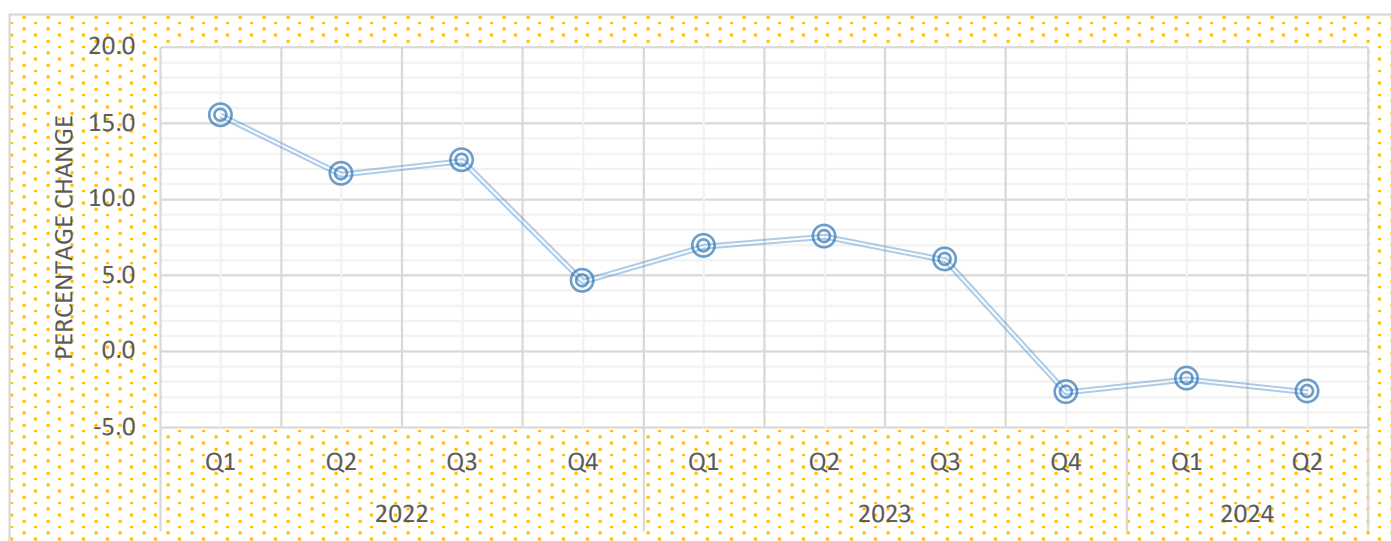
**Chart 4: Annual percentage change in PPI for Other Mining and quarrying**



## SECTION 2: MANUFACTURING

The Manufacturing index includes the Processing and preservation of meat, the Production of malt liquors and malt, the Manufacture of soft drinks, the Production of mineral and other bottled waters, as well as the Manufacture of cement, lime, plaster, and Basic precious and other non-ferrous metals. The index decreased from 184.6 basis points in the second quarter of the previous year to 179.7 basis points in the same quarter of the current year, leading to a price decline of 2.7 percent.

**Chart 5: Annual percentage change in PPI for Manufacturing**

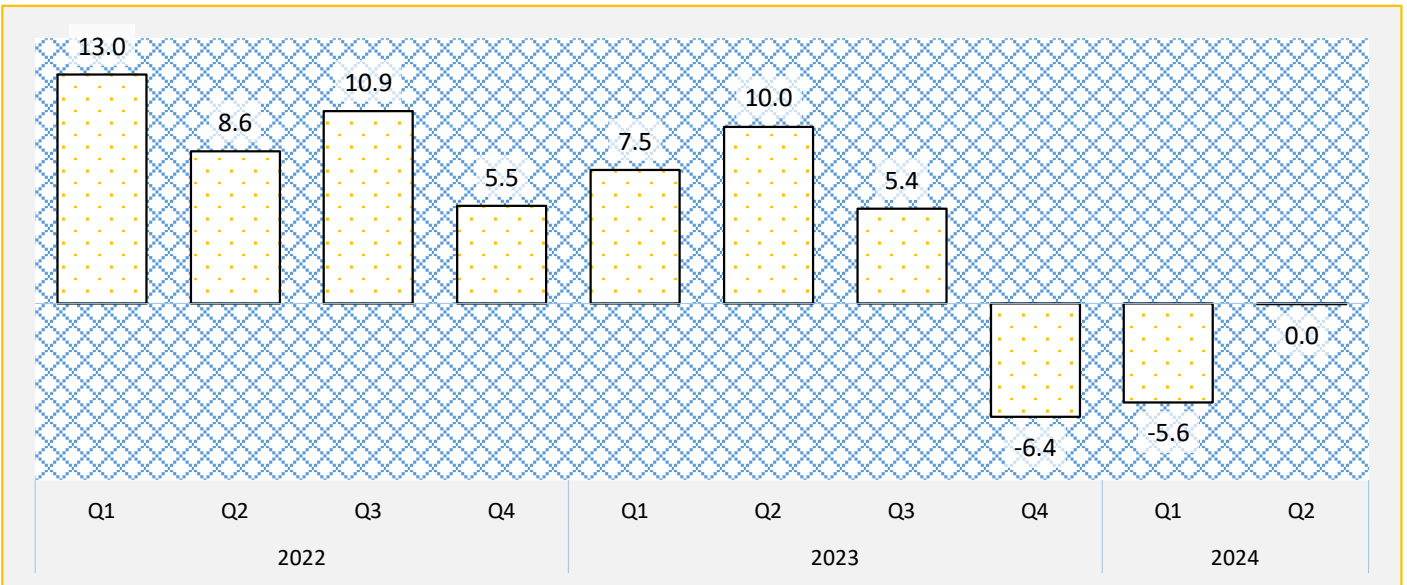


### 2.1 PPI for Processing and preserving of meat (ISIC 1010)

The PPI for this category covers output by producers in the Processing and preserving of meat sector. This sector includes the operation of slaughterhouses including Slaughtering, Dressing, Packing of meat and the Production of fresh, chilled or frozen meat. It also includes the Production of dried, salted or smoked meat and other meat products, for example, Sausages, Salami, Pâtés, and Boiled ham.

The PPI for Processing and preserving of meat slightly dropped to 206.9 basis points in the quarter under review from 207.0 basis points recorded in the same quarter of 2023. The annual inflation rate for this category dropped by 0.0 percent compared to 10.0 percent recorded in the same quarter of the preceding year.

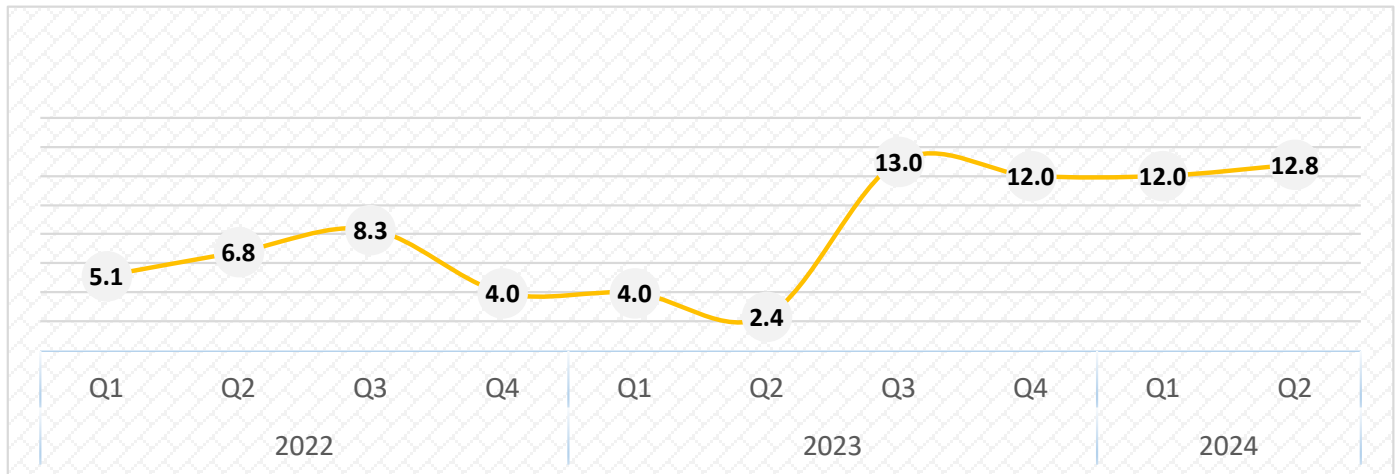
**Chart 6: Annual percentage change in PPI for Processing and preserving of meat**



**2.2 PPI for Manufacture of malt liquors and malt (ISIC 1103)**

The index for the Manufacturing of malt liquors and malt increased by 17.5 basis points, reaching 153.9 basis points in the second quarter of 2024, compared to 136.4 basis points in the same quarter of 2023. This increase led to an annual inflation rate growth of 12.8 percent in the prices of goods produced within this sector, in contrast to the 2.4 percent recorded in the corresponding quarter of the previous year.

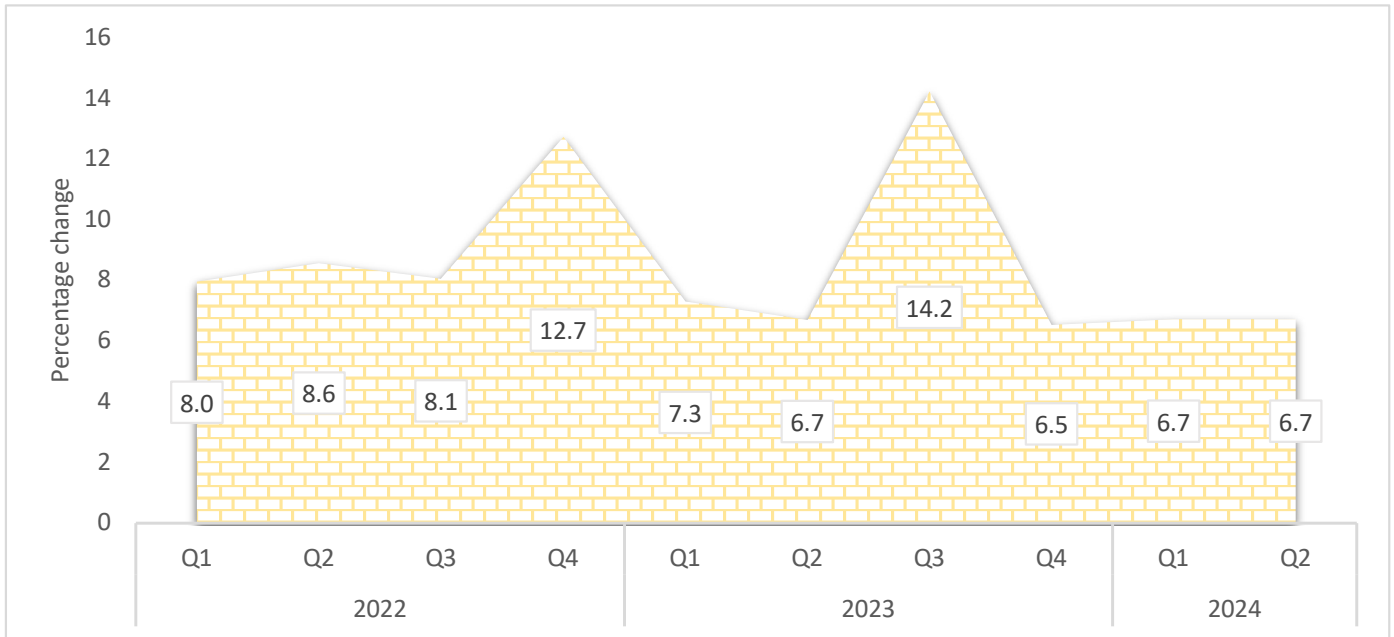
**Chart 7: Annual percentage change in PPI for manufacture of malt liquors and malt.**



**2.3 PPI for Manufacture of soft drinks; production of mineral waters and other bottled waters (ISIC 1104)**

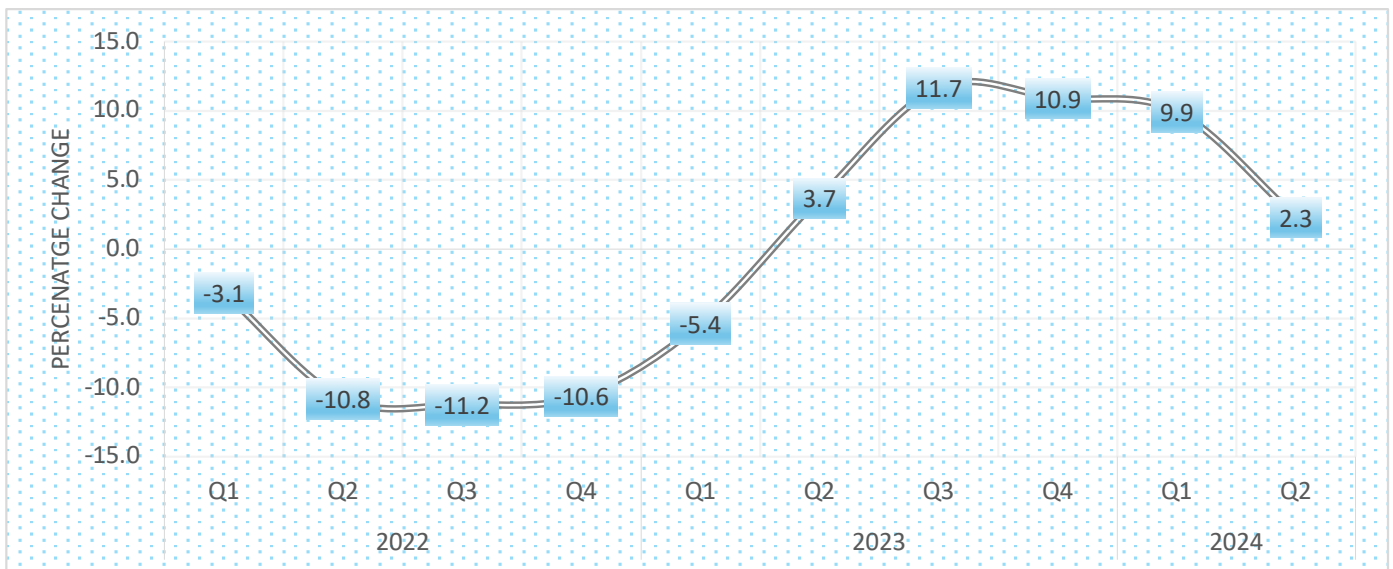
This category pertains to the Producer Price Index (PPI) for the Manufacturing of soft drinks, as well as the Production of mineral waters and other bottled waters (ISIC 1104). The index for this category rose to 142.7 basis points in the second quarter of 2024, up from 133.7 basis points recorded in the same quarter of 2023. Meanwhile, the annual inflation rate for this category remained stable at 6.7 percent.

**Chart 8: Annual percentage change in PPI for Manufacture of soft drinks; Production of mineral waters and other bottled waters**



**2.4 PPI for Manufacture of cement, lime and plaster (ISIC 2394)**

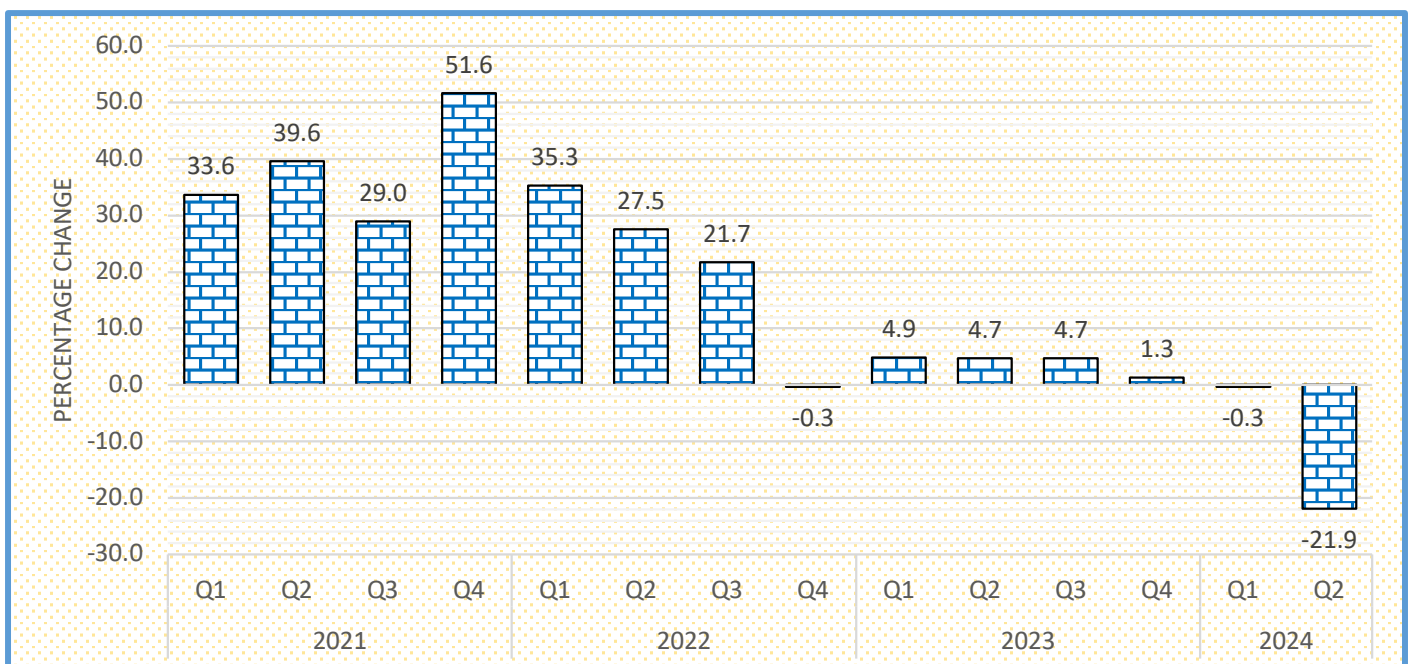
In the second quarter of 2024, the Producer Price Index for the Manufacture of cement, lime, and plaster rose to 94.4 basis points, reflecting a modest price growth of 2.3 percent compared to the 92.3 basis points recorded in the same quarter of the previous year.

**Chart 9: Annual percentage change in PPI for Manufacture of cement; lime and plaster**

## 2.5 PPI for Manufacture of basic precious and other non-ferrous metals (ISIC 2420)

The Producer Price Index for the Manufacturing of basic precious metals and other non-ferrous metals includes the production of fundamental precious metals like Gold, Silver, and Platinum from ores and scrap, while the extraction of ores falls under the index for mining other non-ferrous metals. Additionally, it encompasses the Production and semi-manufacturing of Lead, Zinc, Tin, and their alloys from ores and scrap.

In the second quarter of 2024, the index for the Manufacture of basic precious and non-ferrous metals experienced a decline of 53.6 basis points, falling to 190.8 basis points from 244.4 basis points in the same quarter of the previous year. The annual inflation rate for this sector decreased by 21.9 percent for the quarter in question, compared to an increase of 4.7 percent recorded during the corresponding period last year.

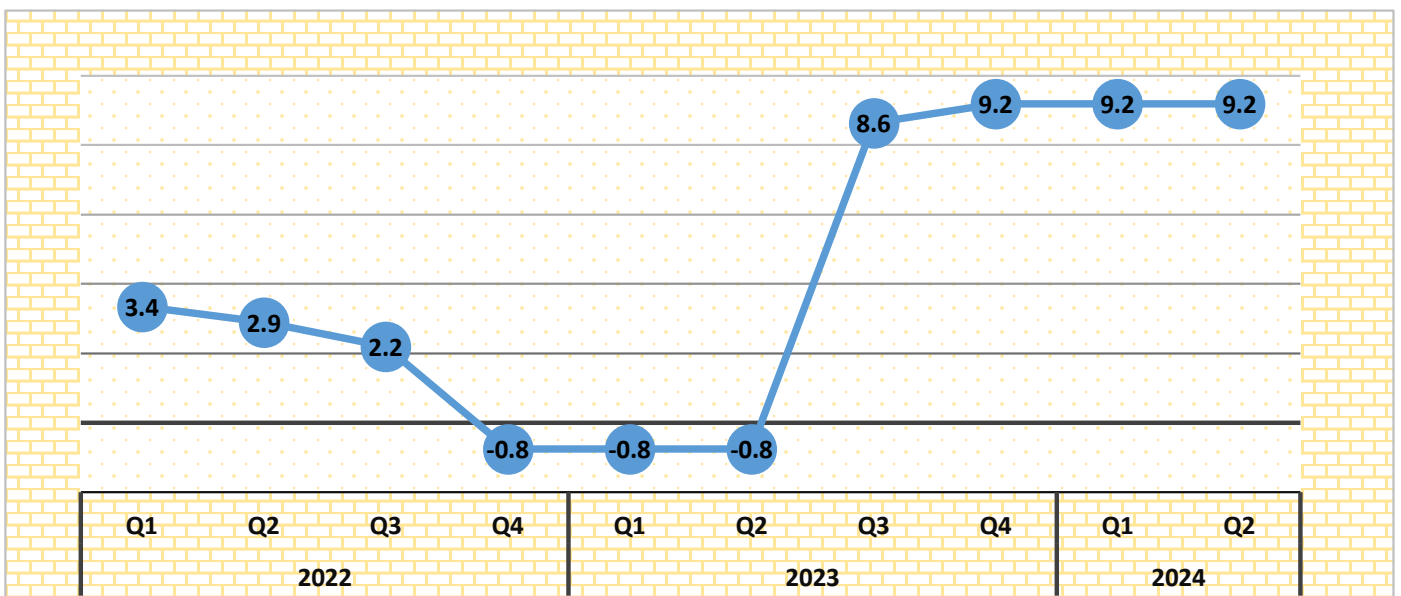
**Chart 10: Annual percentage change in PPI for Manufacture of basic precious and other non-ferrous metals**

# SECTION 3: ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY

## 3.1 PPI for Electric power generation, transmission, and distribution (ISIC 3510)

In the second quarter of 2024, the index for Electric power generation, transmission, and distribution rose to 120.3 basis points, up from 110.2 basis points recorded in the second quarter of 2023. During this quarter, the annual inflation rate for local Electric power generation, transmission, and distribution increased by 9.2 percent, contrasting with a decline of 0.8 percent observed in the same quarter of 2023.

**Chart 11: Annual percentage change in PPI for Electric generation, transmission, and distribution**

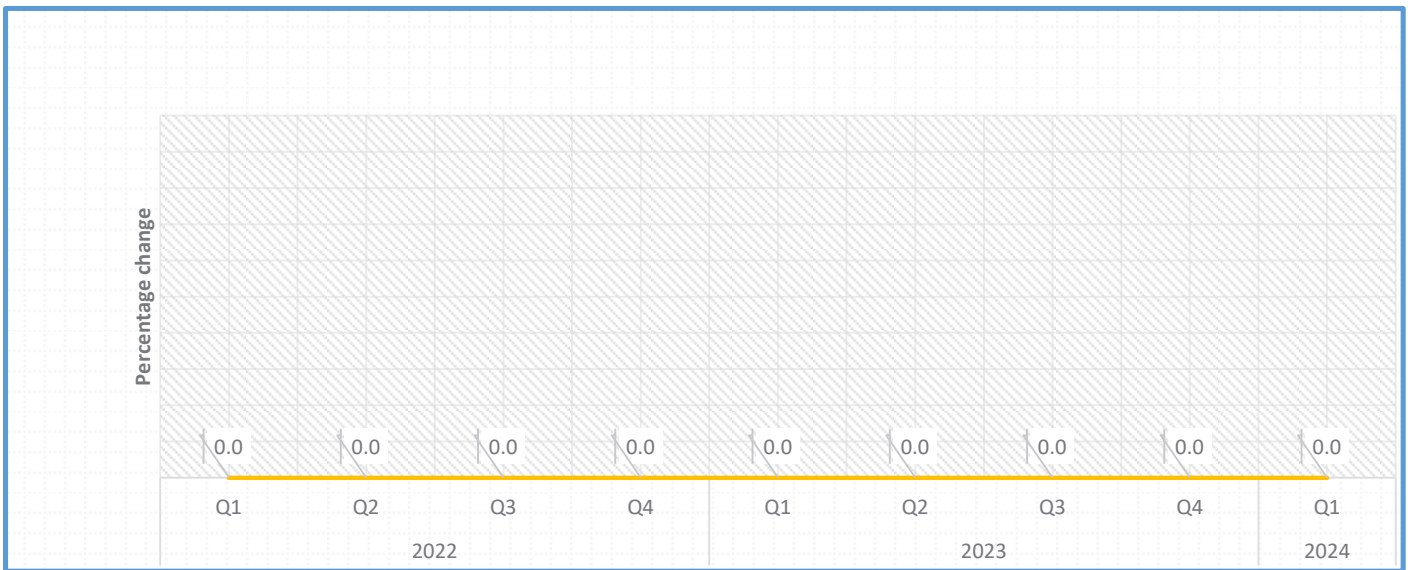


## SECTION 4: WATER SUPPLY; SEWERAGE, WASTE MANAGEMENT AND REMEDIATION ACTIVITIES

### 4.1 PPI for Water collection, treatment, and supply (ISIC 3600)

The Producer Price Index for Water collection, treatment, and supply has remained unchanged at 144.3 basis points since the second quarter of 2019. Similarly, the annual percentage change in the PPI for this category has stayed at 0.0 percent since the second quarter of 2020.

**Chart 12: Annual percentage change in PPI for Water collection, treatment and supply**



## SECTION 5: TECHNICAL NOTES

### 5.1 Definition

The Producer Price Index (PPI) measures the average changes in the prices of goods and services received by domestic producers for the output which is sold on the domestic market as well as on export market. The PPIs that are produced by NSA are based on output indices. The concepts and definitions of the PPI largely follow the guidelines provided in the “IMF Producer Price Index Manual Theory and Practice”.

### 5.2 Scope of PPI

The PPI includes all goods and services produced within Namibia economic territory imports excluded. Prices collected for the compilation and production of the PPI are the basic prices received by the producers for the sale of the products on the local market as well as at international markets (exports). These prices exclude all taxes on products such as excise duty, value added tax (VAT) and transport. Subsidies on products received by the producers are included. In the absence of a Statistical Business Register in Namibia, the selection of establishments was based on a judgmental sample from a list of known businesses maintained by NSA, and experts’ opinion.

### 5.3 Classification of selected industries

Industries are classified according to International Standard Industrial Classification of All Economic Activities (ISIC rev 4).

### 5.4 Determination of the weights and items

Establishment weights are based on 2015 production sales values for the sampled establishments. The selection of items was done using a cut off sampling, products were ranked in order of the value of sales by category and 80% was used to select the products while in the case of establishments producing ten products and below, all products were selected for inclusion in the NPPI compilation.

### 5.5 Base period

The base period is December 2015=100.

### 5.6 Methodology

The NPPI is calculated using a short-term Laspeyres formula. The major advantage of using modified Laspeyres is that it allows for substitution in elementary indices. The short-term Laspeyres index compares the previous period sales revenue for a set of goods to the current period revenue for the same set of goods.

The indices are weighted separately, and it is not possible to combine them to produce an ‘average’ PPI for all three industries.

**Release date:**  
27 August 2024

**Next release date:**  
21 November 2024





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