# Palestinian Central Bureau of Statistics (PCBS)

**Palestinian Producer Price Index, March, 2020/03**

**Palestinian Central Bureau of Statistics continues to work on data collection and production of Palestinian Producer Price Index in light of COVID-19 (CORONA VIRUS) pandemic**

**Decrease in the Producer Price[[1]](#footnote-1) Index (PPI) during March, 03/2020**

The overall Producer Price Index (PPI) for Palestine with its base year (2018 = 100) reached 95.87 in March 2020, as it decreased by 0.91% compared to February 2020.

**PPI for local exported products**

Producer Price Index for local exported products (2018 = 100) reached 96.23 in March 2020, which indicates a decrease of 1.54% compared to February 2020.

**PPI for locally consumed products**

Producer Price Index for locally consumed products (2018 = 100) reached 95.83 in March 2020, which indicates a decrease of 0.84% compared to February 2020.

The changes of PPI for March 2020 were traced

 back to changes in prices of the following major activities compared to the previous month:

|  |  |
| --- | --- |
| **­­­­­­­Major Activities** | **% Change** |
| Agriculture, forestry and fishing goods |  - 2.91% |
| Electricity, gas, steam and air conditioning supply |  - 0.83% |
| Water supply; sewerage, waste management and remediation activities |  - 0.69% |
| Mining and quarrying |  + 0.72%  |
| Manufacturing | + 0.16% |

 **Notice for Users:**

1. As a result of CORONAVIRUS (COVID-19) outbreak, and the implemented measures to limit its spread, the data collection process for Producer Price Index has been replaced with data collection via phone and websites for all Industrial facilities in all of the Palestinian Governorates instead of collecting data face to face from the field.
2. The process of collecting data of agricultural commodities that is collected from the farm gate was complete.
3. The number of Industrial establishments, from which Producer Prices are collected in Palestine, reached 365 facilities. Thus and in light of the temporary closure of many outlets due to applying the Palestinian emergency plan, the completion of data collection process is as follows:

| **Percentage of Collected Outlets** | **Number of Non-Collected Outlets** | **Number of Collected Outlets** | **Region** |
| --- | --- | --- | --- |
| **90%** | **35** | **330** | **Palestine** |

1. The number of price observations collected to compile the Palestinian Producer Price index is 1,475 price observations; where 84% was collected in March 2020. Hence, the observations collected are as follows:

| **Percentage of Actual Collected Observation** | **Estimated Number of Observations** | **Number of Actual Collected Observations** | **Region** |
| --- | --- | --- | --- |
| 84% | 242 | 1,233 | 84% |

1. International recommendations were followed in estimating the missing data, which are mentioned in Price Index guide. Moreover, the **(Group Relative Method)** is one of the best methods used to estimate the missing data, which is the process of estimating the prices based on the change in the prices of the remaining sources for the same category. Accordingly and in case of the closure of an entire source on a temporary basis, all the prices of that source are estimated based on the change in the prices of the sources that share the same items which are collected from that source.
2. The estimate is also used at the **(Next Level Up in Aggregation)** in case of the disappearance of the index for a whole sub-group or a higher group reaching up to the major groups that constitute the index.
1. 1 The producer’s price is the amount receivable by the producer from the purchaser for a unit of a good or service produced as output minus any VAT, or similar deductible tax, invoiced to the purchaser. The producer’s prices exclude any transport charges invoiced separately by the producer. [↑](#footnote-ref-1)