

**Palestinian Central Bureau of Statistics
(PCBS)**

**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 Price¹ Index
(PPI) during July 2020**

The overall Producer Price Index (PPI) for Palestine with its base year (2018 = 100) reached 93.10 in July 2020, as it decreased by 0.51% compared to June 2020.

PPI for locally consumed products

Producer Price Index for locally consumed products (2018 = 100) reached 92.76 in July 2020, which indicates a decrease of 0.52% compared to June 2020.

PPI for local exported products

Producer Price Index for local exported products (2018 = 100) reached 96.14 in July 2020, which indicates a decrease of 0.41% compared to June 2020.

The changes of PPI for July 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	- 2.48%
Manufacturing	- 0.19%
Mining and quarrying	- 0.06%
Electricity, gas, steam and air conditioning supply	+ 3.39%
Water supply; sewerage, waste management and remediation activities	+ 2.09%

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.

Notice for Users:

1. Due to COVID-19 pandemic and inability to conduct face-to-face interview, data for PPI has been collected using mobile phones.
2. The process of collecting data of agricultural commodities that is collected from the farm gate was complete.
3. The number of Industrial facilities, from which Producer Prices are collected in Palestine, reached 365 facilities. Thus, 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:

Region	Number of Collected Outlets	Number of Non-Collected Outlets	Percentage of Collected Outlets
Palestine	360	5	99%

4. The number of price observations collected to compile the Palestinian Producer Price index is 1,475 price observations; where 97% were collected in July 2020. Hence, the observations collected are as follows:

Region	Number of Actual Collected Observations	Estimated Number of Observations	Percentage of Actual Collected Observation
Palestine	1434	41	97%

5. 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, 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.

6. 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.

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