



Palestinian Producer Price Index, 2023 & December 12/2023

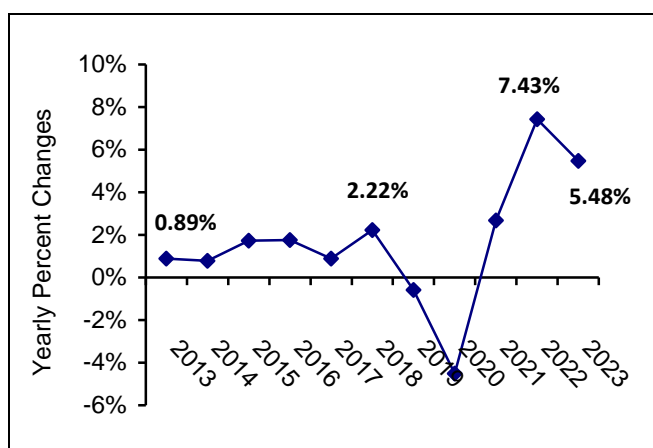
Sharp Increase in the Producer Price¹ Index (PPI) during 2023

The overall PPI in Palestine with its base year (2019=100) reached **111.09 in 2023, which indicates a sharp increase by 5.48% compared to 2022.**

Prices of PPI for 2023 sharply increased due to the increase in the prices of goods in the following major activities: **Agriculture, forestry and fishing activities by 15.75%, Electricity, gas, steam and air conditioning supply activities by 8.40%, Mining and quarrying activities by 2.59%, and Manufacturing activities by 0.51%. While, Water supply; sewerage, waste management and remediation activities decreased by 0.37% in 2023 compared to 2022.**

The prices of **locally consumed products sharply increased by 6.04%** and the prices of **local exported products increased by 0.38%.**

Yearly Percent Changes in PPI in Palestine for 2013 – 2023



Sharp increase in the Producer Price Index (PPI) during December 12/2023

The overall Producer Price Index (PPI) for Palestine with its base year (2019 = 100) reached 127.09 in December 2023, as it sharply increased by 11.22% compared to November 2023.

PPI for locally consumed products during December 2023

Producer Price Index for locally consumed products (2019 = 100) reached 128.63 in December 2023, which indicates a sharp increase of 12.07% compared to November 2023.

PPI for local exported products during December 2023

Producer Price Index for local exported products (2019 = 100) reached 112.74 in December 2023, which indicates an increase of 2.90% compared to November 2023.

The changes of PPI for December 2023 were traced back to changes in prices of the following major activities compared to the previous month:

Major Activities	Percent Change %
Agriculture, forestry and fishing	+ 25.35%
Manufacturing	+ 5.26%
Water supply; sewerage, waste management and remediation activities	+ 0.39%
Electricity, gas, steam and air conditioning supply	+ 0.20%
Mining and quarrying	0.00%

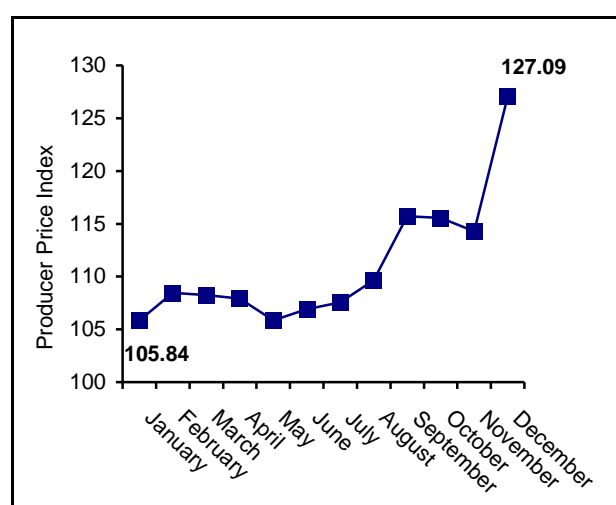
¹ The producer's price is the amount receivable by the producer from the purchaser for a unit of a good or service produced as output minus any VAT, or similar deductible tax, invoiced to the purchaser. The producer's prices exclude any transport charges invoiced separately by the producer.



The table shows monthly percent changes in Palestinian PPI for the months: January – December 2023:

Month	Local Products	Exported Products	All Products
January	-0.79	-0.11	-0.73
February	2.63	1.03	2.47
March	-0.20	0.00	-0.18
April	-0.29	-0.44	-0.31
May	-2.03	-0.74	-1.91
June	1.18	-0.56	1.01
July	0.60	0.33	0.58
August	2.04	1.07	1.95
September	6.04	0.95	5.55
October	-0.14	-0.10	-0.13
November	-1.19	-0.48	-1.12
December	12.07	2.90	11.22
2023 Com. 2022	6.04	0.38	5.48

The trend line of the PPI in Palestine, for the months: January - December 2023
(Base Year 2019 = 100)



Notice for Users:

1. The data collection process for agricultural commodities, which was collected in the same reference month, was complete for the

West Bank, but the data were estimated for Gaza Strip.

- The process of collecting data on industrial goods for the West Bank sample of industrial establishments was complete for December 2023, while in Gaza Strip; the data of all industrial establishments was estimated due to the accelerated Israeli escalation witnessed in Gaza Strip on October 7 during 2023 against all aspects of society.
- 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.
- 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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