

STATISTICAL NEWS

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PRODUCER PRICE INDEX (SERVICES)

Experimental Series

March Quarter 2018

[Base: March Quarter 2011 = 100.0]

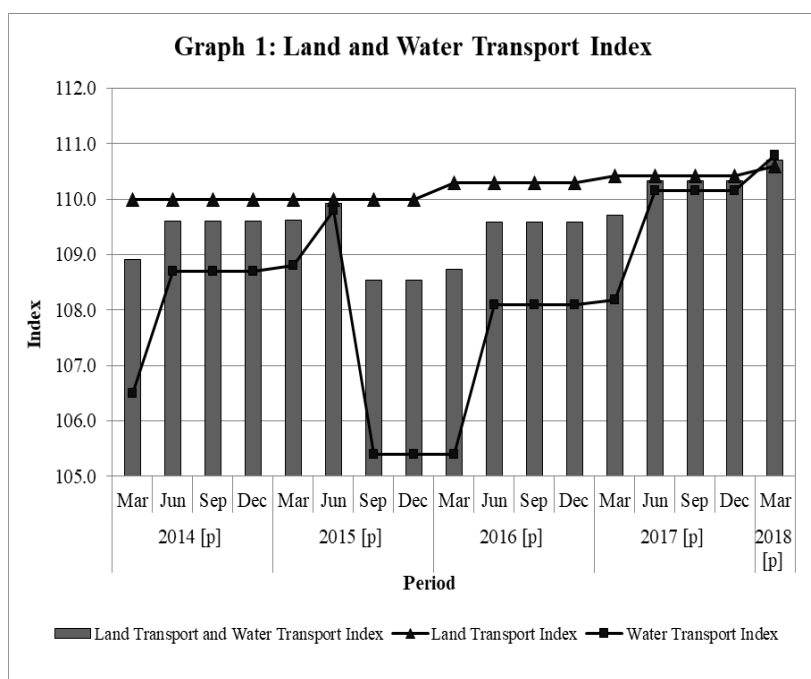
The Producer Price Index (PPI) Services reported in this release covers price changes in the activities of land and water transport services, as we progress our development of the index.

The Producer Price Index (Services) measures changes in the average prices of a selected range of services sold as they leave the producer. The main uses of the Index are as follows:

- 1) Deflator in the compilation of Real Gross Domestic Product (GDP) estimates;
- 2) To provide an indicator of business inflation; and
- 3) As an indicator of the business cycles.

The Fiji Standard Industrial Classification (FSIC) 2010 has been used for classifying industries and services.

March Quarter Highlights



The Land and Water transport index stood at 110.7 for the March quarter of 2018, representing an increase of 0.9 percent when compared to a year earlier and 0.4 percent when compared to the December quarter of 2017.

Contributing to the increase were higher prices recorded for freight transport by road and water transport as a result of movement in the fuel price and other operational costs.

Please find attached the following:

Table 1: Yearly & Quarterly SPPI series; and

Appendix I: Technical notes.

For further enquiries, please contact Ms. Komal Devi on email kdevi@statsfiji.gov.fj or telephone 331 5822 (ext. 386 239) or direct line 323 0839.

The Producer Price Index for June Quarter 2018 will be released in September, 2018.



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APPENDIX I

Technical Notes

Service Producer Price Index (SPPI)

Measures the changes in the average prices received by domestic service producers for a selected range of services in Fiji. It is a fixed weighted index with March Quarter 2011 = 100.0 and is calculated on a quarterly basis using the Fiji Standard Industrial Classification (FSIC).

Index Formula

The Producer Price Index is compiled using the Laspeyres index formula with March Quarter 2011 = 100.0 as the reference base period.

FSIC

Fiji Standard Industrial Classification.

GDP

Gross Domestic Product.