



UGANDA BUREAU OF STATISTICS

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PRESS RELEASE

PRODUCER PRICE INDICES AND INFLATION MANUFACTURING AND UTILITIES - DECEMBER 2022

1.0 Annual Headline Inflation

The inflation as measured by the producer price index for manufactured goods and utilities for the 12 months to December 2022 increased to 9.8 percent compared to 9.4 percent registered for the year ended November 2022. This was mainly attributed to 10.1 percent increase in inflation of the manufacturing sector for the year ending December 2022 compared to 9.7 percent registered for the year ended November 2022 as shown in Figure 1.

The main drivers in the manufacturing sector were the manufacture of food products whose inflation increased to 8.7 percent for the year ending December 2022 compared to 7.2 percent registered for the year ended November 2022. Particularly, manufacture of grain milling products inflation increased to 58.2 percent for the year ending December 2022 compared to 31.5 percent registered for the year ended November 2022.

Manufacture of pharmaceuticals, medicinal chemical & botanical products increased to 8.7 percent for the year ending December 2022 compared to 6.6 percent registered for the year ended November 2022 and manufacture of electrical equipment increased to 3.9 percent for the year ending December 2022 compared to 2.3 percent registered for the year ended November 2022.

However, the inflation for utilities slowed down to 3.0 percent for the year ending December 2022 compared to 4.1 percent registered for the year ended November 2022. This was attributed to 2.6 percent slow down in the inflation of electricity power generation registered in December 2022 compared to 3.9 percent registered in November 2022.

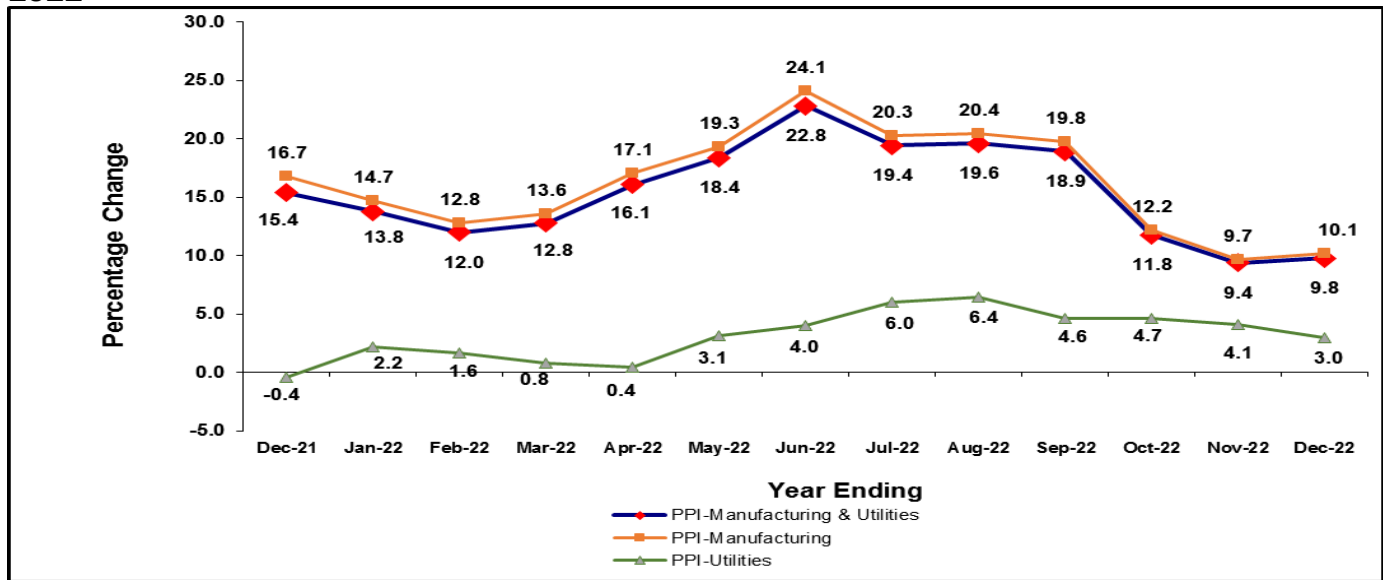
Table 1: Overall PPI-Manufacturing & Utilities and Rates of Inflation (Base: 2009/10)

Month	Overall Index (PPI-M&U)	Inflation
December-2022	235.64	9.8
November-2022	235.21	9.4
October-2022	237.34	11.8
September-2022	245.82	18.9
August-2022	243.85	19.6
July-2022	242.62	19.4
June-2022	244.28	22.8
May-2022	240.67	18.4
April-2022	238.23	16.1
March-2022	230.22	12.8
February-2022	221.99	12.0
January-2022	218.17	13.8
December-2021	214.64	15.4

Aliziki K. Lubega

For: EXECUTIVE DIRECTOR

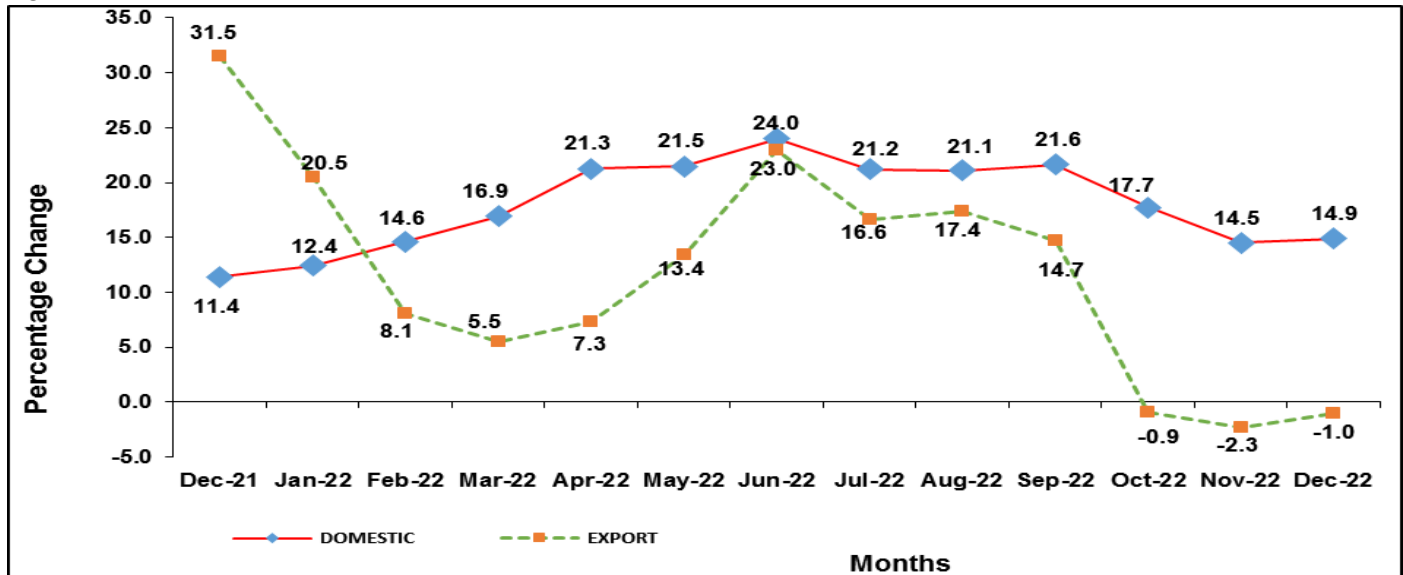
Figure 1: Annual percentage changes in Producer Price Indices, December 2021 – December 2022



The producer price index for manufactured goods is further disaggregated into goods produced for the local market (domestic) and for export. For the domestic market, the inflation as measured by the producer price index for the 12 months to December 2022 increased to 14.9 percent compared to 14.5 percent registered in November 2022. This was mainly attributed to 18.6 percent increase in inflation for manufacture of food products in December 2022 compared to 16.8 percent registered in November 2022, manufacture of beverages increased to 4.0 percent in December 2022 compared to 3.2 percent registered in November 2022 as shown in Figure 2.

In addition, the inflation for exported manufactured products increased to minus 1.0 percent for the 12 months to December 2022 compared to minus 2.3 percent registered in November 2022 as shown in Figure 2. The main drivers were manufacture of food products inflation which was registered at minus 3.3 percent compared to minus 5.4 percent registered in November 2022 and manufacture of paper and paper products inflation that increased minus 10.6 percent in December 2022 compared to minus 11.0 percent in November 2022 as shown in Figure 2.

Figure 2: Annual Inflation in PPI-Manufacturing for Domestic and Export, December 2021 – December 2022



2.0 Monthly Inflation

The monthly inflation for manufactured goods and utilities rose by 0.2 percent in December 2022 compared to 0.9 percent drop registered in November 2022. This was mainly attributed to a 0.2 percent rise in the commodities under the manufacturing sector in December 2022 compared to 0.9 percent drop in November 2022.

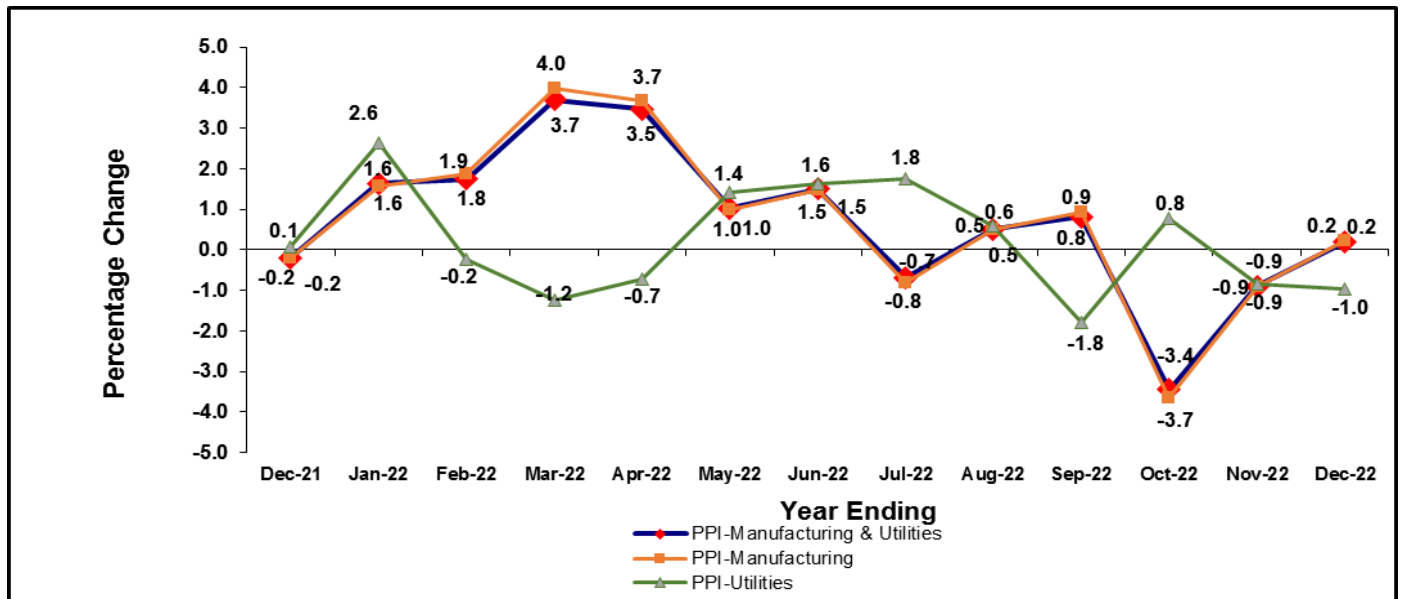
Inflation for commodities under manufacture of food products rose by 1.1 percent in December 2022 compared to 1.3 percent drop registered in November 2022. Specifically, inflation for processing and preserving of fish, crustaceans and molluscs rose by 25.6 percent in December 2022 compared to 12.5 percent drop registered in November 2022, coffee processing rose by 4.3 percent in December 2022 compared to 1.0 percent drop registered in November 2022 and manufacture of sugar rose by 2.3 percent in December 2022 compared to 1.2 percent drop registered in November 2022.

Table 2: Monthly and Annual Changes in the Producer Price Indices in December 2022

18 ISIC Divisions	Weight	Monthly % Change December 2022	Annual % Change December 2022/ December 2021
MANUFACTURE OF FOOD PRODUCTS	364.96	1.1	8.7
MANUFACTURE OF BEVERAGES	77.51	0.1	3.9
MANUFACTURE OF TOBACCO PRODUCTS	25.34	-1.1	2.2
MANUFACTURE OF TEXTILES	19.23	0.0	0.0
MANUFACTURE OF WEARING APPAREL	55.24	0.0	5.6
MANUFACTURE OF LEATHER & RELATED PRODUCTS	15.92	-1.5	3.4
MANUFACTURE OF WOOD AND PRODUCTS OF WOOD, CORK, EXCEPT FURNITURE	7.32	-0.1	0.5
MANUFACTURE OF PAPER & PAPER PRODUCTS	15.86	-0.8	-2.0
PRINTING AND REPRODUCTION OF RECORDED MEDIA	25.33	0.1	2.2
MANUFACTURE OF CHEMICALS & CHEMICAL PRODUCTS	72.49	-2.6	28.6
MANUFACTURE OF PHARMACEUTICALS, MEDICINAL CHEMICAL & BOTANICAL PRODUCTS	23.74	-0.5	8.7
MANUFACTURE OF RUBBER & PLASTIC PRODUCTS	26.45	-0.1	3.8
MANUFACTURE OF OTHER NON-METALLIC MINERAL PRODUCTS	137.55	-0.2	9.6
MANUFACTURE OF BASIC METALS	14.53	-2.2	9.8
MANUFACTURE OF FABRICATED METAL PRODUCTS, EXCEPT MACHINERY AND EQUIPMENT	10.83	-0.2	8.1
MANUFACTURE OF ELECTRICAL EQUIPMENT	15.24	1.6	3.9
MANUFACTURE OF FURNITURE	13.87	0.0	0.4
UTILITIES	78.60	-1.0	3.0
Overall	1,000.00	0.2	9.8

In addition, the inflation for utilities dropped by 1.0 percent in December 2022 compared to 0.9 percent drop registered in November 2022 as shown in Table 2 and Figure 2. This was attributed to electricity power generation inflation that dropped by 1.2 percent in December 2022 compared to 1.0 percent drop registered in November 2022.

Figure 3: Monthly percentage changes in Producer Price Indices, December 2021 – December 2022



The monthly inflation for exported manufactured products rose by 1.6 percent in December 2022 compared to 1.9 percent drop registered in November 2022. This was mainly attributed to the rise in inflation of commodities under manufacture of food products by 2.3 percent in December 2022 compared to 1.9 percent drop registered in November 2022.

In addition, the monthly inflation for goods produced for domestic market dropped by 0.2 percent in December 2022 compared to 0.6 percent drop registered in November 2022. This was mainly attributed to a drop in inflation of manufactured chemicals and chemical products by 2.8 percent in December 2022 compared to relatively stable prices registered in November 2022.

Figure 4: Monthly changes in PPI-Manufacturing for Domestic and Export, December 2021 – December 2022

