



UGANDA BUREAU OF STATISTICS

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PRESS RELEASE

PRODUCER PRICE INDICES AND INFLATION MANUFACTURING AND UTILITIES - JANUARY 2023

1.0 Annual Headline Inflation

The inflation as measured by the producer price index for manufactured goods and utilities for the 12 months to January 2023 slowed down to 7.0 percent compared to 9.8 percent registered for the year ended December 2022. This was mainly attributed to the 7.3 percent slow down in inflation of the manufacturing sector for the year ending January 2023 compared to 10.1 percent registered for the year ended December 2022 as shown in Figure 1.

The main drivers in the manufacturing sector were the manufacture of food products whose inflation decreased to 5.9 percent for the year ending January 2023 compared to 8.7 percent registered for the year ended December 2022. Particularly, inflation of manufacture of grain milling products decreased to 29.2 percent for the year ending January 2023 compared as to 58.2 percent registered for the year ended December 2022.

Manufacture of chemicals & chemical products decreased to 18.7 percent for the year ending January 2023 compared to 28.6 percent registered for the year ended December 2022 and manufacture of paper and paper products further decreased to minus 15.4 percent for the year ending January 2023 compared to minus 2.0 percent registered for the year ended December 2022.

In addition, the inflation for utilities also slowed down to 1.0 percent for the year ending January 2023 compared to 3.0 percent registered for the year ended December 2022. This was attributed to 0.2 percent slow down in the inflation of electricity power generation registered in January 2023 compared to 2.6 percent registered in December 2022.

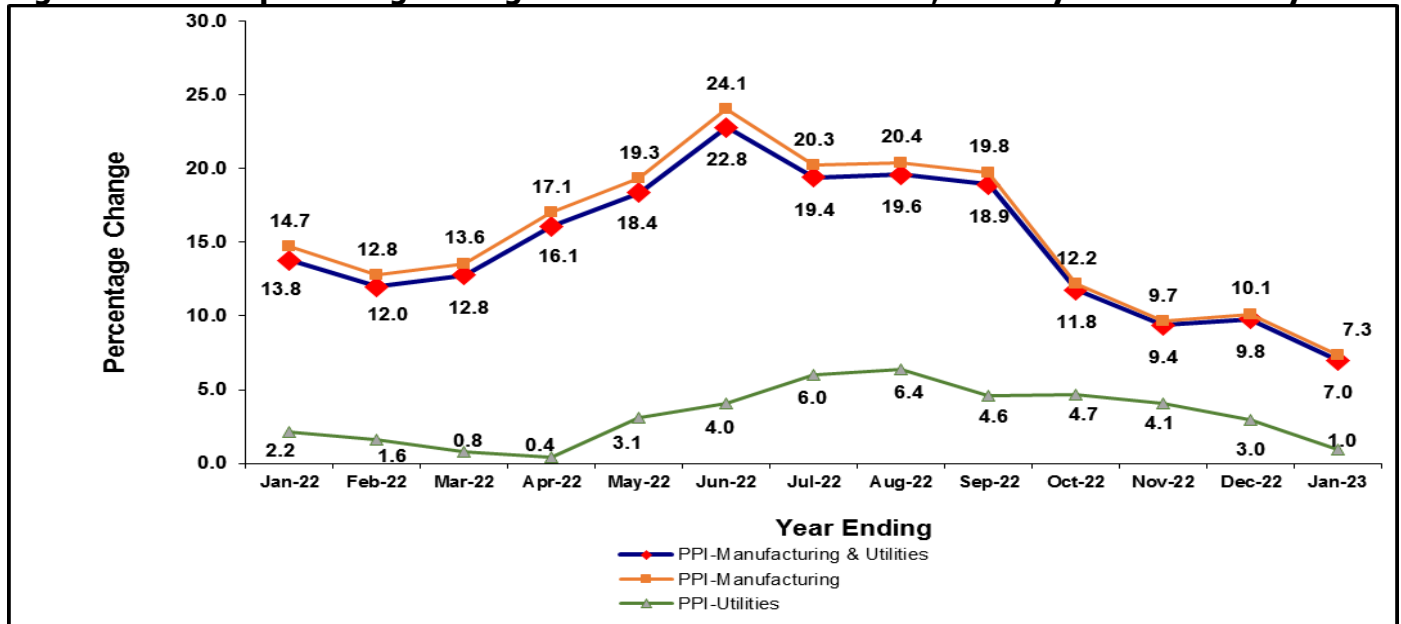
Table 1: Overall PPI-Manufacturing & Utilities and Rates of Inflation (Base: 2009/10)

Month	Overall Index (PPI-M&U)	Inflation
January-2023	233.46	7.0
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

Aliziki K.Lubega

For: EXECUTIVE DIRECTOR

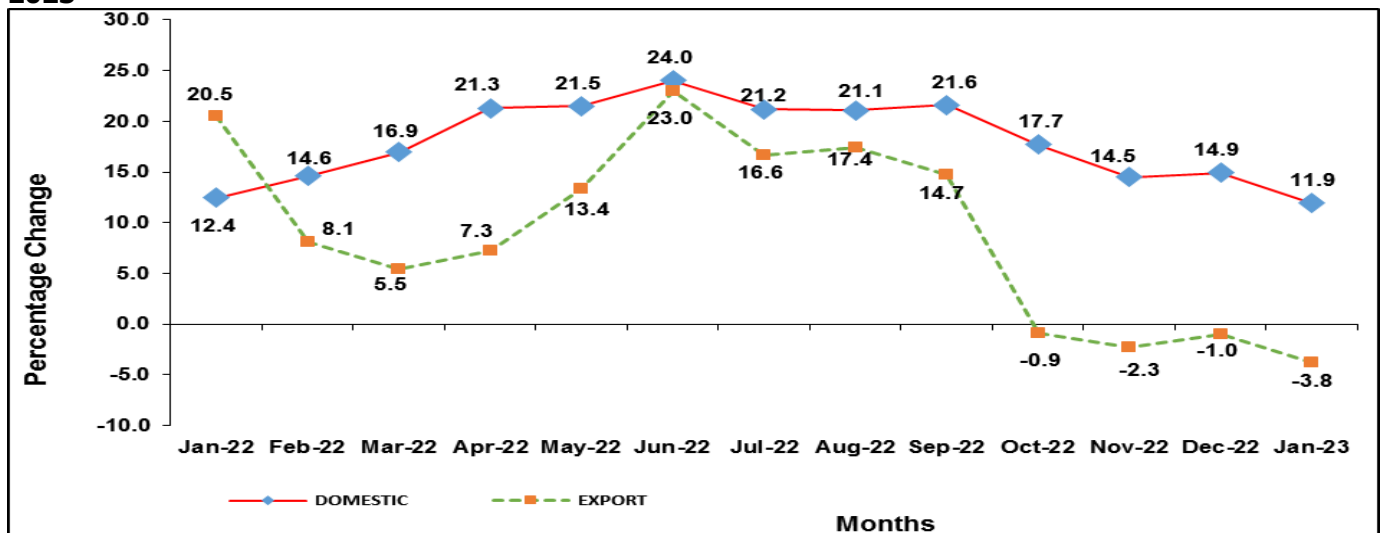
Figure 1: Annual percentage changes in Producer Price Indices, January 2022 – January 2023



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 January 2023 decreased to 11.9 percent compared to 14.9 percent registered in December 2022. This was mainly attributed to 14.6 percent decrease in inflation for manufacture of food products in January 2023 compared to 18.6 percent registered in December 2022 and manufacture of chemicals & chemical products that registered 18.7 percent in January 2023 compared to 27.4 percent recorded in December 2022 as shown in Figure 2.

In addition, the inflation for exported manufactured products decreased to minus 3.8 percent for the 12 months to January 2023 compared to minus 1.0 percent registered in December 2022 as shown in Figure 2. The main drivers were manufacture of food products inflation which was registered at minus 5.4 percent compared to minus 3.3 percent registered in December 2022 and manufacture of chemicals & chemical products inflation that decreased 19.1 percent in January 2023 compared to 35.9 percent in December 2022 as shown in Figure 2.

Figure 2: Annual Inflation in PPI-Manufacturing for Domestic and Export, January 2022 – January 2023



2.0 Monthly Inflation

The monthly inflation for manufactured goods and utilities dropped by 0.9 percent in January 2023 compared to 0.2 percent rise registered in December 2022. This was mainly attributed to a 1.0 percent drop in the commodities under the manufacturing sector in January 2023 compared to 0.2 percent rise in December 2022.

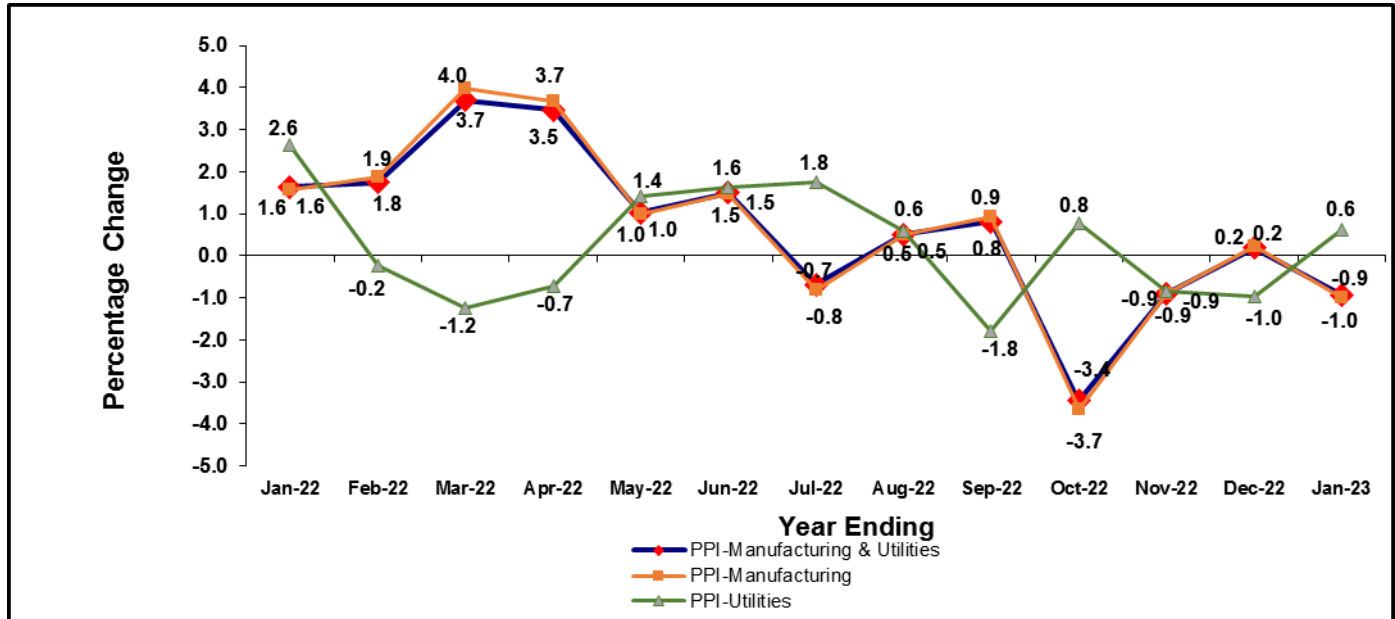
Inflation for commodities under manufacture of food products dropped by 1.5 percent in January 2023 compared to 1.1 percent rise registered in December 2022. Specifically, inflation for Coffee processing dropped by 8.3 percent in January 2023 compared to 4.3 percent rise registered in December 2022, Manufacture of Vegetable and Animal Oils and Fats dropped by 3.1 percent in January 2023 compared to 0.7 percent drop registered in December 2022 and Tea Processing dropped by 2.6 percent in January 2023 compared to 3.1 drop registered in December 2022.

Table 2: Monthly and Annual Changes in the Producer Price Indices in January 2023

18 ISIC Divisions	Weight	Monthly % Change January 2023	Annual % Change January 2022/ January 2023
MANUFACTURE OF FOOD PRODUCTS	364.96	-1.5	5.9
MANUFACTURE OF BEVERAGES	77.51	0.0	4.0
MANUFACTURE OF TOBACCO PRODUCTS	25.34	0.0	2.7
MANUFACTURE OF TEXTILES	19.23	0.0	0.0
MANUFACTURE OF WEARING APPAREL	55.24	1.4	6.7
MANUFACTURE OF LEATHER & RELATED PRODUCTS	15.92	2.0	6.1
MANUFACTURE OF WOOD AND PRODUCTS OF WOOD, CORK, EXCEPT FURNITURE	7.32	0.0	0.6
MANUFACTURE OF PAPER & PAPER PRODUCTS	15.86	-12.9	-15.4
PRINTING AND REPRODUCTION OF RECORDED MEDIA	25.33	0.0	2.2
MANUFACTURE OF CHEMICALS & CHEMICAL PRODUCTS	72.49	-1.5	18.7
MANUFACTURE OF PHARMACEUTICALS, MEDICINAL CHEMICAL & BOTANICAL PRODUCTS	23.74	1.5	9.5
MANUFACTURE OF RUBBER & PLASTIC PRODUCTS	26.45	0.2	3.8
MANUFACTURE OF OTHER NON-METALLIC MINERAL PRODUCTS	137.55	0.0	9.7
MANUFACTURE OF BASIC METALS	14.53	-1.0	8.4
MANUFACTURE OF FABRICATED METAL PRODUCTS, EXCEPT MACHINERY AND EQUIPMENT	10.83	-2.5	3.1
MANUFACTURE OF ELECTRICAL EQUIPMENT	15.24	0.2	3.4
MANUFACTURE OF FURNITURE	13.87	-0.2	-0.7
UTILITIES	78.60	0.6	1.0
Overall	1,000.00	-0.9	7.0

In addition, the inflation for utilities rose by 0.6 percent in January 2023 compared to 1.0 percent drop registered in December 2022 as shown in Table 2 and Figure 2. This was attributed to electricity power generation inflation that rose by 0.8 percent in January 2023 compared to 1.2 percent drop registered in December 2022.

Figure 3: Monthly percentage changes in Producer Price Indices, January 2022 – January 2023



The monthly inflation for exported manufactured products dropped by 2.5 percent in January 2023 compared to 1.6 percent rise registered in December 2022. This was mainly attributed to the drop in inflation of commodities under manufacture of food products by 2.3 percent in January 2023 compared to 2.3 percent rise registered in December 2022.

In addition, the monthly inflation for goods produced for domestic market dropped by 0.5 percent in January 2023 compared to 0.2 percent drop registered in December 2022. This was mainly attributed to a drop in inflation of manufacture of food products by 1.1 percent in January 2023 compared to 0.4 percent rise in December 2022.

Figure 4: Monthly changes in PPI-Manufacturing for Domestic and Export, January 2022 – January 2023

