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Percentage Change for Mining & Quarrying Industry

• July 2018	4.4 %
• June 2018	0.7 %
• May 2018	-1.8%
• April 2018	0.6%
• March 2018	1.3%
• February 2018	-0.4%
• January 2018	-9.9%
• December 2017	-1.2%
• November 2017	-1.5%
• October 2017	2.0%
• September 2017	0.1%
• August 2017	-0.8%
• July 2017	1.3%

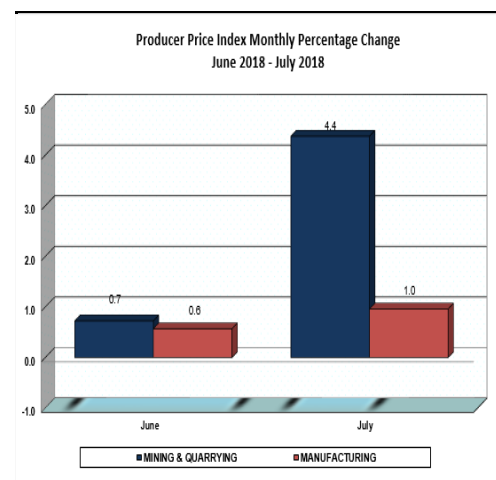
Percentage Change for Manufacturing Industry

• July 2018	1.0 %
• June 2018	0.6 %
• May 2018	1.7%
• April 2018	0.7%
• March 2018	-0.3%
• February 2018	-0.1%
• January 2018	0.8%
• December 2017	-0.1%
• November 2017	1.3%
• October 2017	-0.1%
• September 2017	1.3%
• August 2017	0.9%
• July 2017	0.2%

HIGHLIGHTS: JULY 2018

The Producer Price Index for the Mining and Quarrying industry increased by 4.4 per cent for July 2018. This movement was as a result of the 4.5 per cent increase in the index for the major group, 'Bauxite Mining and Alumina Processing'. The other major group 'Other Mining and Quarrying' recorded an increase of 0.7 per cent in its index. The index for the Manufacturing industry registered an increase of 1.0 per cent. This was mainly attributed to the increase in the index for the major group 'Refined Petroleum Products'. The highest

weighted major group 'Food Beverages & Tobacco' moved up by 0.1 per cent while 'Chemicals and Chemical Products' increased by 0.9 per cent. (See Table 2).



POINT-TO-POINT

For the **point to point** period, **July 2017 — July 2018**, the Mining and Quarrying industry recorded a decline of 7.0 per cent in its index. For the corresponding period the index for the Manufacturing industry increased by 8.5 per cent. The two major groups influencing the movement in the manufacturing industry were, 'Refined Petroleum Products' up by 39.4 per cent and 'Food, Beverages and Tobacco' going up by 2.3 per cent.

FISCAL YEAR-TO-DATE

For the fiscal year-to-date, **April 2018 to July 2018**, the producer prices for the Mining & Quarrying industry increased by 3.3 per cent in its index, while the producer price index for the Manufacturing industry moved up by 3.7 per cent. (See Table 3).

MAIN FINDINGS

Mining & Quarrying

For July, the movement recorded in the index for the industry was a positive 4.4 per cent. This was due mainly to the increase of 4.5 per cent for the major group 'Bauxite Mining and Alumina Processing'. Higher prices for Alumina was the main contributor to the movement as well as the depreciation of the Jamaican dollar vis-à-vis the United States dollar. The second of the two major groups 'Other Mining & Quarrying' recorded an increase of 0.7 per cent in its index. (See Table 2).

Manufacturing

For the period under review, the Manufacturing industry recorded an increase of 1.0 per cent in its index. This was due mainly to the increases in the index for the major groups: 'Food Beverages & Tobacco' moving up by 0.1 per cent, 'Refined Petroleum Products' up by 4.1 per cent and 'Chemicals and Chemical Products' going up by 0.9 per cent.

Food, Beverages & Tobacco

All groups within this major group registered increases in their index. The index for the groups, 'Production, Processing and Preserving of Meats, Fish, Vegetables, Oils and Fats' and 'Manufacture of Dairy Products' increased by 0.1 per cent each. This was attributed to higher meat prices and the depreciation of the Jamaican dollar against the United States dollar. The upward movement in the index for the sub-groups; 'Bakery Products' (0.1 per cent), 'Sugar, Cocoa, Coffee, Chocolate

& Sugar Confectionary' (2.3 per cent) and 'Seasoning, Spices, Sauces and Condiments' (0.7 per cent) contributed to the major group 'Manufacture of Other Food Products' recording an increase of 0.6 per cent in its index. While the 'Manufacture of Beverages and Tobacco' moved up by 0.3 per cent. The depreciation of the Jamaican dollar against its United States counterpart was the main reason for these increases. (See Table 2). These movements were however tempered by the fall in the index for the major group 'Manufacture of Grain Mill Products, Starches and Starch Products' of 0.3 per cent, due to lower prices for wheat on the international market. (See Table 2).

Other Major Groups in Manufacturing

Higher prices for crude oil on the international market resulted in the increase of 4.1 per cent for the major group 'Refined Petroleum Products'.

There were upward movements in the index for the major groups: 'Chemicals and Chemical Products', 0.9 per cent, 'Rubber and Plastic Products', 0.6 per cent, 'Fabricated Metal Products excl. Machinery & Equipment', 0.2 per cent and 'Textile, Wearing Apparel and Leather Products', 1.2 per cent. These increases were as a result of higher raw material costs and the depreciation of the Jamaican dollar.

All other major groups recorded negligible movements for the month.

FIGURE 1

Monthly Percentage Change in the PPI for Mining & Quarrying
January 2017 – July 2018

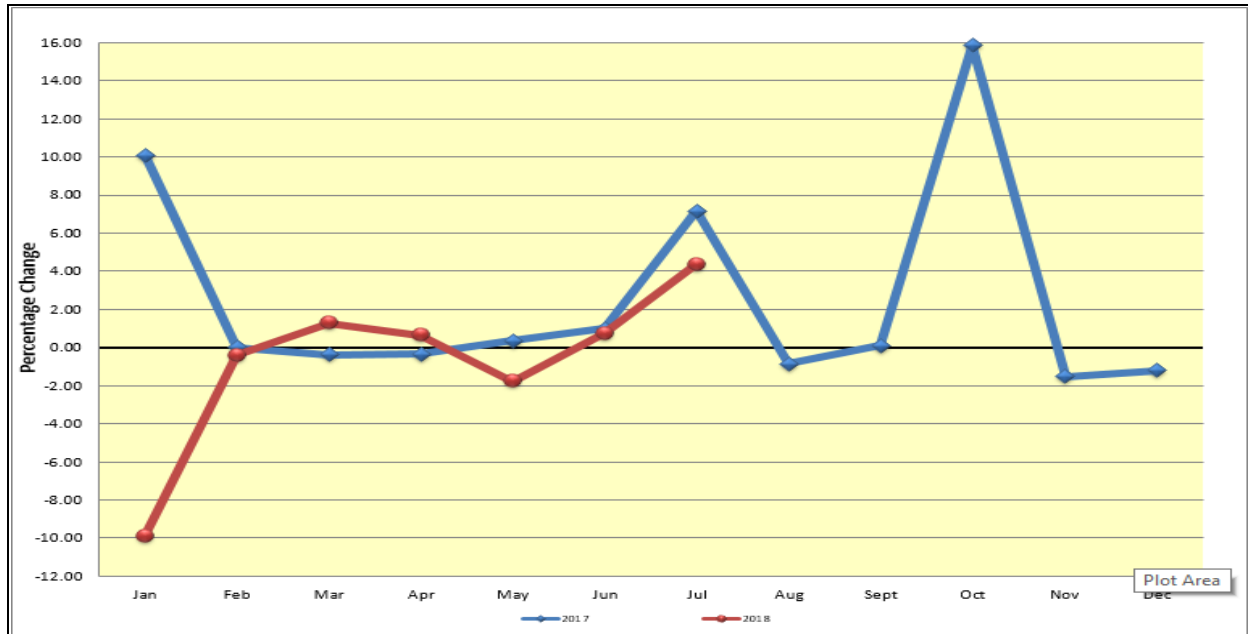


FIGURE 2

Monthly Percentage Change in the PPI for Manufacturing
January 2017 – July 2018



Monthly Producer Price Index by Industry

April 2018 - July 2018

Table 1

INDUSTRY	Months		
	Jul-18	Jun-18	May-18
MINING & QUARRYING	191.7	183.7	182.3
Bauxite Mining & Alumina Processing	190.1	181.8	180.5
Other Mining & Quarrying	227.6	225.9	225.5
MANUFACTURING	190.1	188.3	186.5
Food, Beverages & Tobacco	189.6	189.3	189.3
Production, Processing & Preserving of Meats, Fish, Vegetables, Oils and Fats	179.4	179.3	179.3
<i>Meat & Meat products and Fish & Fish Products</i>	178.5	178.4	178.3
<i>Fruits & Vegetables and Animal & Vegetable Oils & Fats</i>	179.6	179.4	179.4
Manufacture of Dairy Products	224.7	224.5	224.4
Manufacture of Grain Mill Products, Starches and Starch Products	183.2	184.9	185.2
Manufacture of Other Food Products	194.2	193.1	192.8
<i>Bakery Products</i>	172.4	172.3	172.2
<i>Sugar, Cocoa, Coffee, Chocolate & Sugar Confectionery</i>	245.8	240.2	239.0
<i>Seasoning, Spices, Sauces and Condiments</i>	213.9	212.3	211.9
<i>Macaroni, Noodles, Couscous & Other Food Products n.e.c</i>	208.0	208.0	207.9
Manufacture of Beverages and Tobacco	181.6	181.0	180.9
Textile, Wearing Apparel and Leather Products	174.6	172.6	172.1
Wood, Wood Products and Furniture	165.4	165.4	165.3
Paper and Paper Products	150.2	150.2	150.2
Chemicals and Chemical Products	192.2	190.5	190.5
Refined Petroleum Products	171.8	165.1	158.9
Rubber & Plastic Products	132.3	131.5	131.5
*Other Non-Metallic Mineral Products	189.2	189.2	189.2
Fabricated Metal Products excl. Machinery & Equipment	190.6	190.3	180.3
Other Manufacturing n.e.c.	144.7	144.7	144.7

* Other Non-Metallic Mineral Products include cement and concrete.

n.e.c. = Not elsewhere classified. r= These figures have been revised

Percentage Change in the Producer Price Index by Industry

April 2018 - July 2018

Table 2

INDUSTRY	Percentage Change					
	Month-to-Month			Point-to-Point		
	Jul-18	Jun-18	May-18	Jul-17 to Jul-18	Jun-17 to Jun-18	May-17 to May-18
MINING & QUARRYING	4.4	0.7	-1.8	-7.0	-9.7	-9.5
Bauxite Mining & Alumina Processing	4.5	0.7	-1.9	-7.5	-10.3	-10.1
Other Mining & Quarrying	0.7	0.2	0.9	7.0	6.0	7.7
MANUFACTURING	1.0	0.9	1.7	8.5	7.7	6.8
Food, Beverages & Tobacco	0.1	0.0	0.4	2.3	2.2	2.3
Production, Processing & Preserving of Meats, Fish, Vegetables, Oils and Fats	0.1	0.0	1.5	3.0	2.9	2.8
<i>Meat & Meat products and Fish & Fish Products</i>	0.1	0.0	1.8	3.5	3.4	3.2
<i>Fruits & Vegetables and Animal & Vegetable Oils & Fats</i>	0.1	0.0	0.0	1.2	1.1	1.1
Manufacture of Dairy Products	0.1	0.0	-0.1	1.8	2.1	2.1
Manufacture of Grain Mill Products, Starches and Starch Products	-0.9	-0.2	1.0	6.6	8.0	8.2
Manufacture of Other Food Products	0.6	0.1	-0.3	0.9	0.2	0.4
<i>Bakery Products</i>	0.1	0.0	0.0	0.7	0.6	1.0
<i>Sugar, Cocoa, Coffee, Chocolate & Sugar Confectionery</i>	2.3	0.5	-1.3	0.7	-1.9	-1.7
<i>Seasoning, Spices, Sauces and Condiments</i>	0.7	0.2	-0.4	0.2	-0.6	-0.6
<i>Macaroni, Noodles, Couscous & Other Food Products n.e.c</i>	0.0	0.0	0.0	3.3	3.2	3.2
Manufacture of Beverages and Tobacco	0.3	0.1	-0.1	0.6	0.3	0.3
Textile, Wearing Apparel and Leather Products	1.2	0.3	-0.7	0.4	1.1	1.2
Wood, Wood Products and Furniture	0.0	0.0	0.0	4.2	4.3	4.2
Paper and Paper Products	0.0	0.0	1.4	1.4	1.4	2.4
Chemicals and Chemical Products	0.9	0.0	0.0	1.7	0.9	0.7
Refined Petroleum Products	4.1	3.9	8.4	39.4	33.5	28.2
Rubber & Plastic Products	0.6	0.0	-0.1	0.8	0.6	0.7
Other Non-Metallic Mineral Products*	0.0	0.0	0.0	0.3	4.7	4.8
Fabricated Metal Products excl. Machinery & Equipment	0.2	5.5	-0.1	7.5	7.7	2.2
Other Manufacturing n.e.c.	0.0	0.0	0.0	5.3	5.3	5.3

* Other Non-Metallic Mineral Products include cement and concrete.

n.e.c. = Not elsewhere classified. r= These figures have been revised

Percentage Change in the Producer Price Index by Industry for the 2017/2018 Fiscal Year

Table 3

INDUSTRY	Year-to-Date (Fiscal)	
	Apr-18 to July-18	Apr-18 to June-18
MINING & QUARRYING	3.3	-1.1
Bauxite Mining & Alumina Processing	3.3	-1.2
Other Mining & Quarrying	1.9	1.1
MANUFACTURING	3.7	2.7
Food, Beverages & Tobacco	0.5	0.4
Production, Processing & Preserving of Meats, Fish, Vegetables, Oils and Fats	1.5	1.5
<i>Meat & Meat products and Fish & Fish Products</i>	1.9	1.8
<i>Fruits & Vegetables and Animal & Vegetable Oils & Fats</i>	0.1	0.0
Manufacture of Dairy Products	0.1	0.0
Manufacture of Grain Mill Products, Starches and Starch Products	-0.1	0.8
Manufacture of Other Food Products	0.4	-0.2
<i>Bakery Products</i>	0.1	0.0
<i>Sugar, Cocoa, Coffee, Chocolate & Sugar Confectionery</i>	1.5	-0.8
<i>Seasoning, Spices, Sauces and Condiments</i>	0.5	-0.3
<i>Macaroni, Noodles, Couscous & Other Food Products n.e.c</i>	0.0	0.0
Manufacture of Beverages and Tobacco	0.2	-0.1
Textile, Wearing Apparel and Leather Products	0.8	-0.4
Wood, Wood Products and Furniture	0.0	0.0
Paper and Paper Products	1.4	1.4
Chemicals and Chemical Products	0.9	0.0
Refined Petroleum Products	17.2	12.6
Rubber & Plastic Products	0.5	-0.1
Other Non-Metallic Mineral Products*	0.0	0.0
Fabricated Metal Products excl. Machinery & Equipment	5.6	5.4
Other Manufacturing n.e.c.	0.0	0.0

* Other Non-Metallic Mineral Products include cement and concrete.
n.e.c. = Not elsewhere classified. r= These figures have been revised

Glossary of Important PPI Terms

Base Period: This is the point in time used as a reference period for comparison with other time periods. The base period used for this PPI is 2008. The values of the base period provide the weights for a price index.

Industry: An industry consists of a group of establishments engaged in the same or similar kinds of economic activity, e.g. mining and quarrying, and manufacturing, etc.

Inflation: Inflation is the overall general upward movement of the prices of goods and services in an economy.

Producer's Price: This is the amount received by the producer from the purchaser for a unit of good or service produced as output. It excludes all deductible tax, supplier's retail and wholesale margins and separately invoiced transport and insurance charges.

Producer Price Index (PPI): This is an index designed to measure the average change in the price of goods and services either as they leave the place of production or as they enter the production process. This index can be based on either output or input prices.

Output PPI: An output PPI, (as is computed for Jamaica) is a measure of the change in the prices of finished goods and services that are sold on the domestic market or exported. The prices of finished goods are monitored because they are the best measure of what purchasers will actually have to pay.

'Pure' Price Change: This represents the change in the price of a good or service whose characteristics do not change over time.

Weights: Weights are a set of numbers between zero and one that sum to unity and are used when calculating averages. It is the value assigned to each item that is indicative of its relative importance when combined with all other items. It is used to represent the impact of a particular price change on the overall index.

Further Information

Further information on the PPI can be obtained from the STATIN brochure "Producer Price Index, A Tool for Economic Analysis". Monthly PPI data are available in the Producer Price Index Monthly Bulletin and on the STATIN website at www.statinja.gov.jm. Information on the entire PPI series including revisions are available from STATIN's Library.

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