



PRODUCER PRICE INDEX

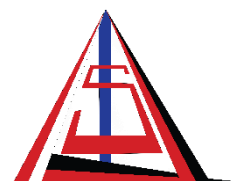
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PERCENTAGE CHANGE FOR MINING & QUARRYING INDUSTRY: 2018-2019

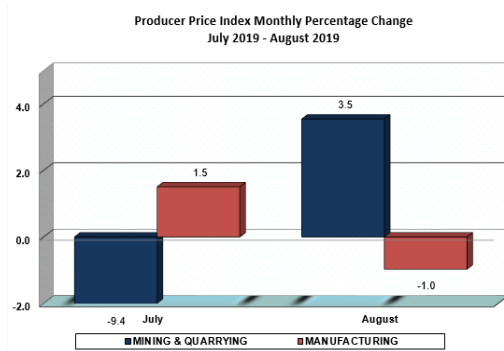
MONTH	YEAR	(%)
AUGUST	2019	3.5
July	2019	-9.4 ^r
June	2019	-0.5
May	2019	4.3
April	2019	-9.4
March	2019	2.1
February	2019	2.1
January	2019	-14.9
December	2018	-3.4
November	2018	-3.2
October	2018	0.5
September	2018	3.3
August	2018	1.2

PERCENTAGE CHANGE FOR MANUFACTURING INDUSTRY: 2018-2019

MONTH	YEAR	(%)
AUGUST	2019	-1.0
July	2019	1.5
June	2019	-1.5
May	2019	0.9
April	2019	0.5
March	2019	0.6
February	2019	2.2
January	2019	-0.8
December	2018	-2.3
November	2018	-1.1
October	2018	1.3
September	2018	1.6
August	2018	0.5

HIGHLIGHTS: AUGUST 2019

The August 2019 Producer Price Index for the **Mining and Quarrying** industry increased by 3.5 per cent. The main contributor to this increase was an upward movement in the index for the major group, 'Bauxite Mining & Alumina Processing' up by 3.7 per cent.



The index for the **Manufacturing** industry fell by 1.0 per cent. The main contributors to the decline in the index for this industry were the major groups 'Refined Petroleum Products' decreasing by 4.8 per cent and 'Food, Beverages & Tobacco', down by 0.3 per cent. (Table II)

POINT-TO-POINT

For the period **August 2018 - August 2019**, the index for the **Mining & Quarrying** industry decreased by 23.9 per cent, due to the reduction in the index for the major group 'Bauxite & Alumina Processing' of 25.0 per cent. The point-to-point index for the **Manufacturing** industry recorded an increase of 1.6 per cent. This was largely attributed increases in the major groups 'Food, Beverages & Tobacco' moving up by 3.6 per cent and 'Chemical and Chemical Products' increasing by 5.0 per cent. This was however, tempered by a fall of 9.3 per cent in the major group 'Refined Petroleum Products'. (Table II).

FISCAL YEAR

For the 2019/2020 fiscal year-to-date **April 2019 - August 2019**, the index for the **Mining & Quarrying** industry fell by 2.5 per cent. The index for the **Manufacturing** industry recorded a decline of 0.2 per cent. (Table III).

Main Findings

MINING & QUARRYING

For August, the index for the *Mining and Quarrying* industry increased by 3.5 per cent. This movement was mainly as a result of a 3.7 per cent increase in the higher weighted major group '*Bauxite Mining & Alumina Processing*'. The other major group "Other Mining and Quarrying" moved upwards by 0.9 per cent. These increases were due to the depreciation of the Jamaican dollar vis-à-vis the United States of America dollar. (Table II).

MANUFACTURING

The index for the Manufacturing industry declined by 1.0 per cent. This was as a result of decreases in the index for the major groups '*Refined Petroleum Products*' down by 4.8 per cent and '*Food, Beverages & Tobacco*' down by 0.3 per cent.

FOOD, BEVERAGES & TOBACCO

The index for the 'Food, Beverages & Tobacco' major group fell by 0.3 per cent due, largely to a fall of 2.6 per cent in the index for the group '*Manufacture of Grain Mill Products, Starches and Starch Products*', due to lower prices for wheat. The index for the group '*Production Processing & Preserving of Meats, Fish, Vegetables, Oils and Fats*' increased by 0.1 per cent; due to the sub-groups '*Meat & Meat Products and Fish & Fish Products*' and '*Fruits & Vegetables and Animal & Vegetable Oils and Fats*' each registering increases of 0.1 per cent. The index for the group '*Manufacture of Dairy Products*' also increased by 0.1 per cent, while the index for the group '*Manufacture of Beverages and Tobacco*' recorded an increase of 0.3 per cent. The depreciation of the Jamaican dollar against the United States dollar was the main contributor to these increases. The index for the group '*Manufacture of Other Food Products*' moved up by 0.2 per cent. This was largely due to the upward movement of 1.3 per cent in the sub-group 'Seasoning, Spices, Sauces and Condiments', as a result of an increase in administrative fees. '*Bakery Products*' recorded an increase of 0.1 per cent due to the depreciation of the Jamaican dollar against the United States dollar. These increases were however, tempered by the decrease of 0.1 per cent in the index for the sub-group '*Sugar, Cocoa, Coffee, Chocolate & Sugar Confectionery*' attributed to lower packaging costs.

(Table II).

OTHER MAJOR GROUPS IN MANUFACTURING

Lower prices for crude oil on the international market resulted in the index for the major group '*Refined Petroleum Products*' decreasing by 4.8 per cent.

The index for the major group '*Chemicals and Chemical Product*' increased by 0.2 per cent. The index for the major group '*Fabricated Metal Products excl. Machinery & Equipment*' increased by 0.6 per cent. The index for the 'Textile, Wearing Apparel and Leather Products' major group moved up by 1.2 per cent while the 'Rubber & Plastic Products' major group increased by 0.2 per cent. These increases were due to the depreciation of the Jamaican dollar vis-à-vis the United States of America dollar. (Table II)

Figure I. MONTHLY PERCENTAGE CHANGE IN THE PPI FOR MINING & QUARRYING
JANUARY 2018 – AUGUST 2019

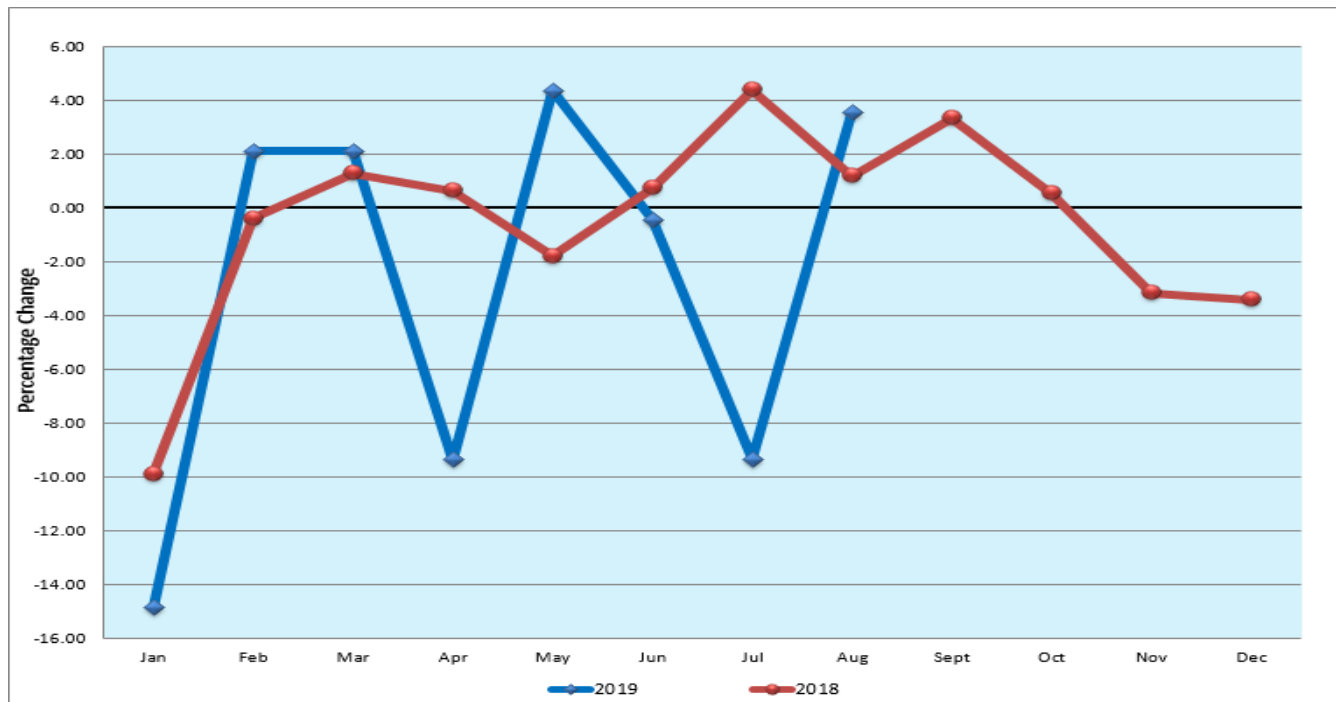


Figure II. MONTHLY PERCENTAGE CHANGE IN THE PPI FOR MANUFACTURING
JANUARY 2018 – AUGUST 2019

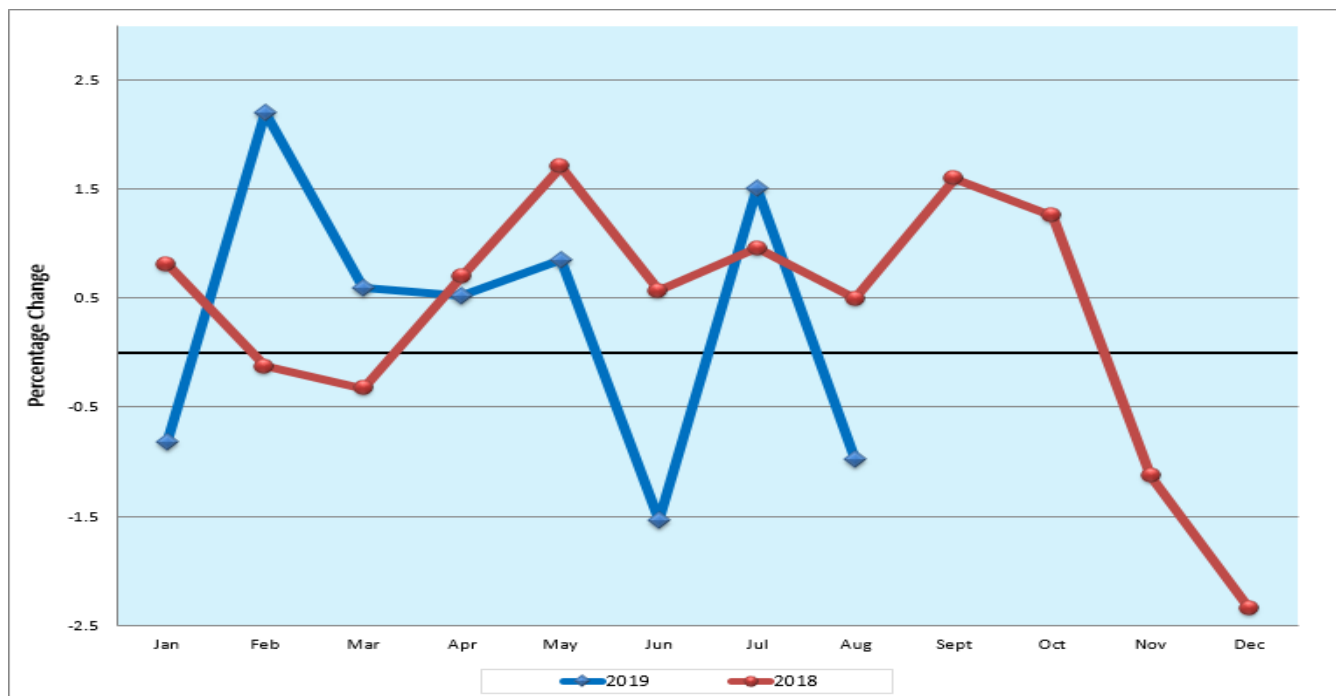


Table I. MONTHLY PRODUCER PRICE INDEX BY INDUSTRY
JUNE 2019 – AUGUST 2019

INDUSTRY	Months		
	Aug-19	Jul-19	Jun-19
MINING & QUARRYING	147.7	142.6^r	157.3
Bauxite Mining & Alumina Processing	144.3	139.2 ^r	154.3
Other Mining & Quarrying	245.7	243.6	243.7
MANUFACTURING	194.1	196.0^r	193.1
Food, Beverages & Tobacco	196.8	197.4^r	195.9
Production, Processing & Preserving of Meats, Fish, Vegetables, Oils and Fats	187.6	187.4	186.4
<i>Meat & Meat products and Fish & Fish Products</i>	188.4	188.2	186.9
<i>Fruits & Vegetables and Animal & Vegetable Oils & Fats</i>	180.2	180.0	180.0
Manufacture of Dairy Products	227.6	227.3	226.7
Manufacture of Grain Mill Products, Starches and Starch Products	197.9	203.2 ^r	198.7
Manufacture of Other Food Products	201.1	200.8	200.0
<i>Bakery Products</i>	176.8	176.6	176.6
<i>Sugar, Cocoa, Coffee, Chocolate & Sugar Confectionery</i>	247.3	247.5	247.7
<i>Seasoning, Spices, Sauces and Condiments</i>	222.2	219.3	219.4
<i>Macaroni, Noodles, Couscous & Other Food Products, n.e.c</i>	244.9	244.8	234.2
Manufacture of Beverages and Tobacco	183.9	183.4	182.4
Textile, Wearing Apparel and Leather Products	189.1	186.8	186.9
Wood, Wood Products and Furniture	178.5	178.5	178.5
Paper and Paper Products	152.4	152.4	152.4
Chemicals and Chemical Products	202.2	201.7	201.8
Refined Petroleum Products	158.6	166.6	157.1
Rubber & Plastic Products	163.7	163.4	163.4
Other Non-Metallic Mineral Products¹	199.6	199.6	199.6
Fabricated Metal Products excl. Machinery & Equipment	195.5	194.3	194.4
Other Manufacturing n.e.c.	148.9	148.9	144.8

¹ Other Non-Metallic Mineral Products include cement and concrete.

n.e.c. = Not elsewhere classified.

r= These figures have been revised

**Table II. PERCENTAGE CHANGE IN THE PRODUCER PRICE INDEX BY INDUSTRY
JUNE 2019 – AUGUST 2019**

INDUSTRY	Percentage Change					
	Month-to-Month			Point-to-Point		
	Aug-19	Jul-19	Jun-19	Aug-18 to Aug-19	Jul-18 to Jul-19	Jun-18 to Jun-19
MINING & QUARRYING	3.5	-9.4^r	-0.5	-23.9	-25.6^r	-14.3
Bauxite Mining & Alumina Processing	3.7	-9.8 ^r	-0.5	-25.0	-26.8 ^r	-15.1
Other Mining & Quarrying	0.9	0.0	-0.1	7.7	7.1	7.9
MANUFACTURING	-1.0	1.5	-1.5	1.6	3.1^r	2.6
Food, Beverages & Tobacco	-0.3	0.8	0.1	3.6	4.2^r	3.5
Production, Processing & Preserving of Meats, Fish, Vegetables, Oils and Fats	0.1	0.5	0.0	4.8	4.6	4.0
Meat & Meat products and Fish & Fish Products	0.1	0.7	0.0	5.6	5.4	4.8
Fruits & Vegetables and Animal & Vegetable Oils & Fats	0.1	0.0	0.1	1.7	1.0	1.0
Manufacture of Dairy Products	0.1	0.2	0.0	1.2	1.2	1.0
Manufacture of Grain Mill Products, Starches and Starch Products	-2.6	2.3 ^r	0.6	7.0	10.9 ^r	7.5
Manufacture of Other Food Products	0.2	0.4	0.0	3.2	3.4	3.6
Bakery Products	0.1	0.0	0.0	2.5	2.4	2.5
Sugar, Cocoa, Coffee, Chocolate & Sugar Confectionery	-0.1	-0.1	-0.3	-0.2	0.7	3.1
Seasoning, Spices, Sauces and Condiments	1.3	0.0	0.4	3.8	2.7	3.5
Macaroni, Noodles, Couscous & Other Food Products, n.e.c	0.0	4.5	0.7	15.6	17.7	12.6
Manufacture of Beverages and Tobacco	0.3	0.6	0.0	1.0	1.0	0.8
Textile, Wearing Apparel and Leather Products	1.2	-0.1	-0.2	7.8	7.0	8.3
Wood, Wood Products and Furniture	0.0	0.0	2.1	7.9	7.9	7.9
Paper and Paper Products	0.0	0.0	0.0	1.5	1.5	1.5
Chemicals and Chemical Products	0.2	0.0	0.0	5.0	4.9	5.9
Refined Petroleum Products	-4.8	6.0	-9.9	-9.3	-3.0	-4.8
Rubber & Plastic Products	0.2	0.0	11.2	23.6	23.5	24.3
Other Non-Metallic Mineral Products²	0.0	0.0	0.0	5.5	5.5	5.5
Fabricated Metal Products excl. Machinery & Equipment	0.6	0.0	-0.1	2.5	1.9	2.1
Other Manufacturing n.e.c.	0.0	2.9	0.0	2.9	2.9	0.0

² Other Non-Metallic Mineral Products include cement and concrete.

n.e.c. = Not elsewhere classified.

r= These figures have been revised

Table III. PERCENTAGE CHANGE IN THE PRODUCER PRICE INDEX BY INDUSTRY FOR THE 2019/2020 FISCAL YEAR

INDUSTRY	Year-to-Date (Fiscal)	
	Apr-19 to Aug-19	Apr-19 to Jul-19
MINING & QUARRYING	-2.5	-5.9^r
Bauxite Mining & Alumina Processing	-2.7	-6.2 ^r
Other Mining & Quarrying	1.7	0.9
MANUFACTURING	-0.2	0.8
Food, Beverages & Tobacco	1.0	1.3
Production, Processing & Preserving of Meats, Fish, Vegetables, Oils and Fats	0.4	0.2
<i>Meat & Meat products and Fish & Fish Products</i>	0.4	0.3
<i>Fruits & Vegetables and Animal & Vegetable Oils & Fats</i>	0.3	0.2
Manufacture of Dairy Products	0.5	0.4
Manufacture of Grain Mill Products, Starches and Starch Products	-0.1	2.6 ^r
Manufacture of Other Food Products	2.0	1.8
<i>Bakery Products</i>	0.9	0.8
<i>Sugar, Cocoa, Coffee, Chocolate & Sugar Confectionery</i>	2.6	2.6
<i>Seasoning, Spices, Sauces and Condiments</i>	4.3	2.9
<i>Macaroni, Noodles, Couscous & Other Food Products, n.e.c</i>	6.1	6.1
Manufacture of Beverages and Tobacco	1.1	0.8
Textile, Wearing Apparel and Leather Products	2.6	1.4
Wood, Wood Products and Furniture	2.1	2.1
Paper and Paper Products	0.4	0.4
Chemicals and Chemical Products	2.7	2.4
Refined Petroleum Products	-7.3	-2.6
Rubber & Plastic Products	11.6	11.4
Other Non-Metallic Mineral Products³	0.0	0.0
Fabricated Metal Products excl. Machinery & Equipment	1.3	0.6
Other Manufacturing n.e.c.	2.9	2.9

³ Other Non-Metallic Mineral Products include cement and concrete.

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GLOSSARY OF IMPORTANT PPI TERMS⁴

BASE PERIOD

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, manufacturing, etc.

INFLATION

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

PRODUCER'S PRICE

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)

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 either 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.

⁴ 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 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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