



PRODUCER PRICE INDEX

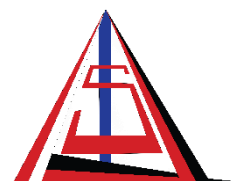
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PERCENTAGE CHANGE FOR MINING & QUARRYING INDUSTRY: 2019 - 2020

MONTH	YEAR	(%)
DECEMBER	2020	1.3
November	2020	1.1
October	2020	-1.1 ^r
September	2020	3.2 ^r
August	2020	2.7 ^r
July	2020	0.4
June	2020	4.4
May	2020	2.3
April	2020	-16.2
March	2020	2.6
February	2020	2.1
January	2020	-4.4
December	2019	1.6

PERCENTAGE CHANGE FOR MANUFACTURING INDUSTRY: 2019 - 2020

MONTH	YEAR	(%)
DECEMBER	2020	0.9
November	2020	0.0
October	2020	-0.5 ^r
September	2020	-0.3 ^r
August	2020	1.3 ^r
July	2020	0.4
June	2020	1.0
May	2020	-0.1
April	2020	-2.3
March	2020	-1.0
February	2020	1.2
January	2020	-0.1
December	2019	0.2

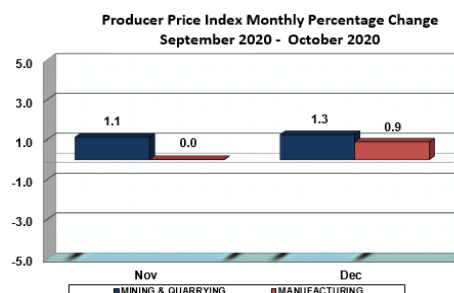
^r= These figures have been revised

HIGHLIGHTS: DECEMBER 2020

The Producer Price Index for the **Mining and Quarrying** industry increased by 1.3 per cent for December 2020. The main contributor to this upward movement was a similar increase of 1.3 per cent in the index for the major group 'Bauxite Mining & Alumina Processing'.

The index for the other major group within this industry, 'Other Mining & Quarrying', increased by 0.3 per cent.

For the period under review, the index for the **Manufacturing** industry rose by 0.9 per cent. This movement was attributed mainly to increases in the index for the major groups 'Refined Petroleum Products' which moved up by 5.3 per cent, 'Food, Beverages & Tobacco' up by 0.1 per cent and 'Other Non-Metallic Mineral Products' up by 0.5 per cent. (Table II)



POINT-TO-POINT

For the period **December 2019 - December 2020**, the index for the **Mining & Quarrying** industry fell by 3.3 per cent. This decline was attributed to a decrease of 3.5 per cent in the index for the major group 'Bauxite Mining & Alumina Processing'. The point-to-point index for the **Manufacturing** industry increased by 1.1 per cent. (Table II)

FISCAL YEAR

For the 2020/2021 fiscal year-to-date, **April 2020 - December 2020**, the index for the **Mining & Quarrying** industry increased by 15.1 per cent, while the index for the **Manufacturing** industry recorded an upward movement of 3.0 per cent. (Table III)

CALENDAR YEAR

The 2020 mean annual Producer Price Index for the **Mining and Quarrying** Industry declined by 7.9 per cent while, the mean annual index for the **Manufacturing** industry increased by 1.2 per cent.

In calculating the PPI for the current period, the average exchange rate for the previous month is used. The assumption is that producers would not have purchased their raw materials in the current month.

Main Findings

MINING & QUARRYING

The index for the *Mining and Quarrying* industry increased by 1.3 per cent for December 2020. This movement was mainly attributed to a similar increase of 1.3 per cent in the index for the major group '*Bauxite Mining & Alumina Processing*'. The index for the other major group, '*Other Mining and Quarrying*', rose by 0.3 per cent. These increases were due to the depreciation of the Jamaican dollar against the United States dollar. (Table II)

MANUFACTURING

For December 2020, the index for the *Manufacturing* industry increased by 0.9 per cent. The main contributors to this movement were increases in the index for the following major groups: '*Refined Petroleum Products*' which moved up by 5.3 per cent, '*Food, Beverages & Tobacco*' up by 0.1 per cent and '*Other Non-Metallic Mineral Products*' up by 0.5 per cent. (Table II)

FOOD, BEVERAGES & TOBACCO

The index for the major group '*Food, Beverages & Tobacco*' moved up by 0.1 per cent. The main contributor to this upward movement in the index was the group '*Manufacture of Other Food Products*' which increased by 0.3 per cent. The following sub-groups within this group recorded increases in their index: '*Sugar, Cocoa, Coffee, and Chocolate & Sugar Confectionery*' (0.9%), '*Macaroni, Noodles, Couscous & Other Food Products n.e.c*' (0.8%) and '*Seasoning, Spices, Sauces and Condiments*' (0.3%). The index for the group '*Manufacture of Dairy Products*' rose by 0.5 per cent while the group '*Manufacture of Beverages and Tobacco*' increased by 0.1 per cent. These upward movements were due to increased operational costs namely raw material and labour costs, as well as, the depreciation of the Jamaican dollar against the United States dollar.

Tempering the increase of the major group was the fall in the index for the group '*Production, Processing & Preserving of Meats, Fish, Vegetables, Oils and Fats*' which declined by 0.1 per cent. Within this major group the index for the sub-group '*Meat & Meat Products and Fish and Fish Products*' decreased by 0.2 per cent, while the other sub-group '*Fruits & Vegetables and Animal & Vegetable Oils & Fats*' recorded a negligible movement. (Table II)

OTHER MAJOR GROUPS IN MANUFACTURING

The index for the '*Refined Petroleum Products*' major group, increased by 5.3 per cent due to higher prices for crude oil on the international market.

The index for the major group '*Other Non-Metallic Mineral Products*' rose by 0.5 per cent, due to the increase in raw material costs. The index for the major groups, '*Chemical and Chemical Products*' and '*Rubber & Plastic Products*' each increased by 0.1 per cent due to the depreciation of the Jamaican dollar.

The index for the major group '*Fabricated Metal Products excl. Machinery & Equipment*' moved up by 0.2 per cent, while the index for '*Textile, Wearing Apparel and Leather Products*' rose by 0.5 per cent. These increases were as a result of the depreciation of the Jamaican dollar against the United States dollar. (Table II)

Figure I. MONTHLY PERCENTAGE CHANGE IN THE PPI FOR MINING & QUARRYING
JANUARY 2019 – DECEMBER 2020

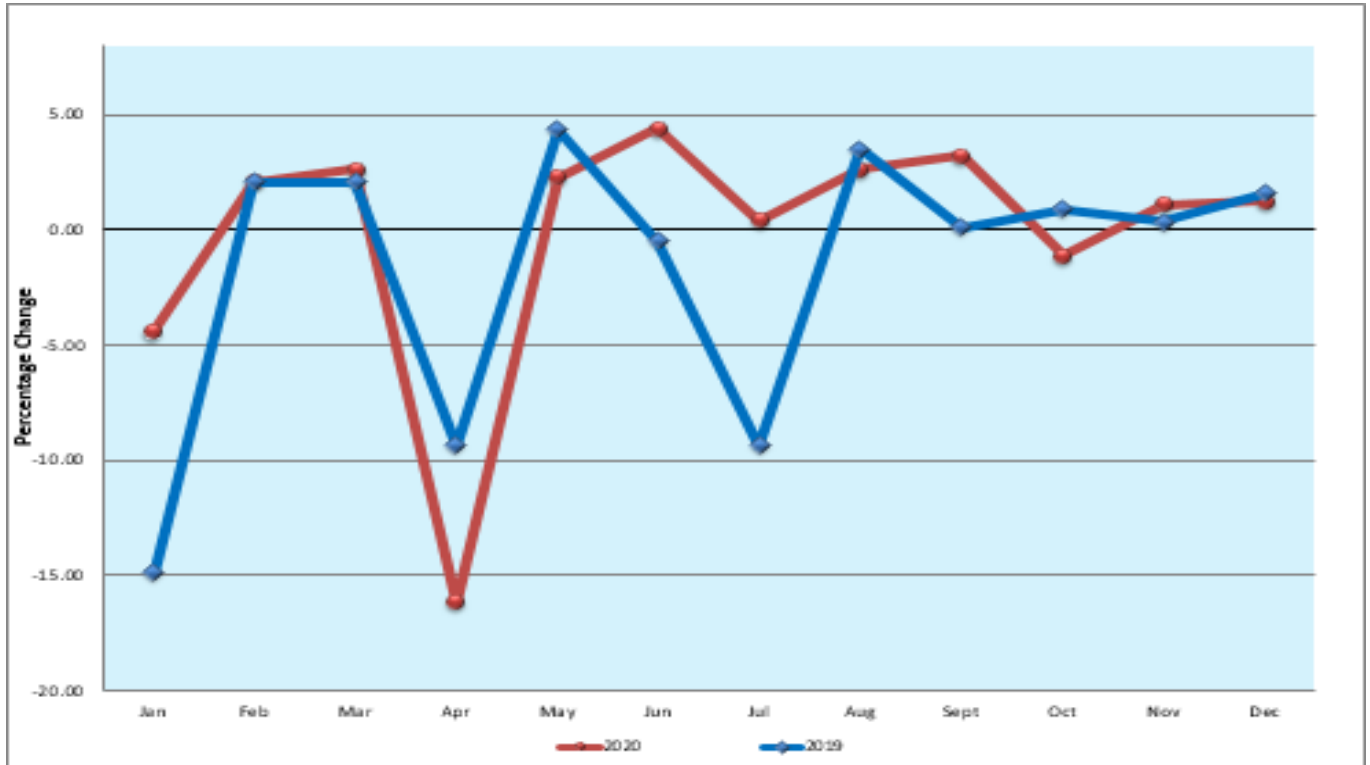


Figure II. MONTHLY PERCENTAGE CHANGE IN THE PPI FOR MANUFACTURING
JANUARY 2019 – DECEMBER 2020

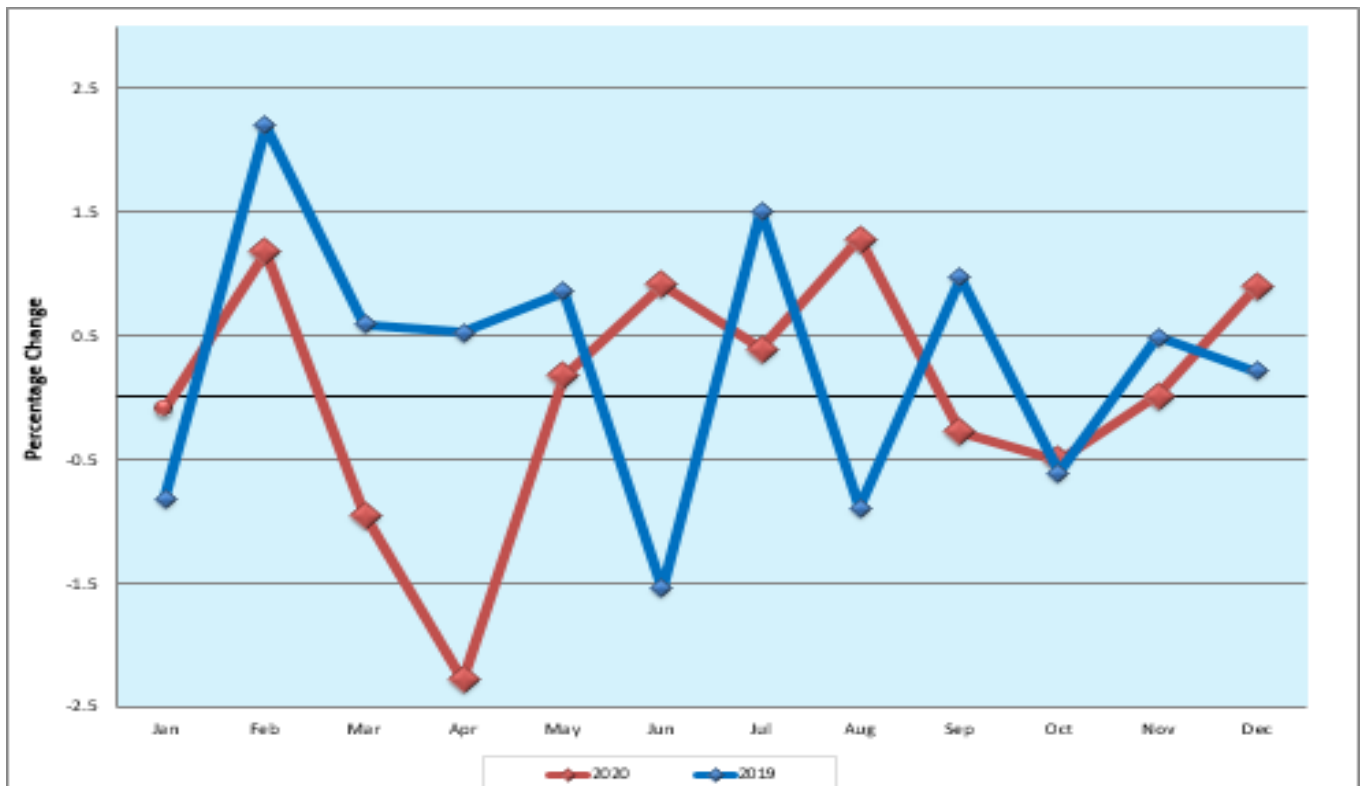


Table I. MONTHLY PRODUCER PRICE INDEX BY INDUSTRY
OCTOBER 2020 — DECEMBER 2020

INDUSTRY	Months		
	Dec-20	Nov-20	Oct-20
MINING & QUARRYING	147.1	145.3	143.6^r
Bauxite Mining & Alumina Processing	143.7	141.8	140.2 ^r
Other Mining & Quarrying	250.8	250.0	249.3 ^r
MANUFACTURING	198.6	196.9	196.9^r
Food, Beverages & Tobacco	208.8	208.5	207.2^r
Production, Processing & Preserving of Meats, Fish, Vegetables, Oils and Fats	196.2	196.5	192.9
<i>Meat & Meat products and Fish & Fish Products</i>	199.0	199.3	194.8
<i>Fruits & Vegetables and Animal & Vegetable Oils & Fats</i>	181.4	181.3	181.3 ^r
Manufacture of Dairy Products	231.7	230.5	230.4 ^r
Manufacture of Grain Mill Products, Starches and Starch Products	220.3	220.3	219.3
Manufacture of Other Food Products	214.2	213.6	212.7 ^r
<i>Bakery Products</i>	186.6	186.6	186.5 ^r
<i>Sugar, Cocoa, Coffee, Chocolate & Sugar Confectionery</i>	272.2	269.8	267.6 ^r
<i>Seasoning, Spices, Sauces and Condiments</i>	237.8	237.1	230.6 ^r
<i>Macaroni, Noodles, Couscous & Other Food Products, n.e.c</i>	256.9	254.9	254.9
Manufacture of Beverages and Tobacco	192.7	192.5	192.4 ^r
Textile, Wearing Apparel and Leather Products	198.2	197.3	196.5^r
Wood, Wood Products and Furniture	208.7	208.7	208.6
Paper and Paper Products	158.5	158.5	158.5
Chemicals and Chemical Products	204.8	204.7	204.6^r
Refined Petroleum Products	140.9	133.8	136.9
Rubber & Plastic Products	164.4	164.3	164.2^r
Other Non-Metallic Mineral Products¹	201.0	200.1	200.1
Fabricated Metal Products excl. Machinery & Equipment	202.1	201.8	201.4^r
Other Manufacturing n.e.c.	163.2	163.2	163.2

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
OCTOBER 2020 – DECEMBER 2020**

INDUSTRY	Percentage Change					
	Month-to-Month			Point-to-Point		
	Dec-20	Nov-20	Oct-20	Dec-19 to Dec-20	Nov-19 to Nov-20	Oct-19 to Oct-20
MINING & QUARRYING	1.3	1.1	-1.1r	-3.3	-3.0	-3.7^r
Bauxite Mining & Alumina Processing	1.3	1.2	-1.1r	-3.5	-3.2	-3.9 ^r
Other Mining & Quarrying	0.3	0.3	-0.9 r	1.3	1.5	1.3 ^r
MANUFACTURING	0.9	0.0	-0.5 r	1.1	0.4	0.9^r
Food, Beverages & Tobacco	0.1	0.6	0.3 r	4.0	4.3	4.1^r
Production, Processing & Preserving of Meats, Fish, Vegetables, Oils and Fats	-0.1	1.8	0.0	2.8	3.0	2.9
Meat & Meat products and Fish & Fish Products	-0.2	2.3	0.0	3.4	3.6	3.5
Fruits & Vegetables and Animal & Vegetable Oils & Fats	0.0	0.0	-0.1 r	0.3	0.4	0.4 ^r
Manufacture of Dairy Products	0.5	0.0	-0.1 r	1.7	1.3	1.2 ^r
Manufacture of Grain Mill Products, Starches and Starch Products	0.0	0.5	0.0	5.3	5.9	5.4
Manufacture of Other Food Products	0.3	0.4	1.2 r	4.6	5.3	4.9 ^r
Bakery Products	0.0	0.0	2.9 r	4.2	5.2	5.2 ^r
Sugar, Cocoa, Coffee, Chocolate & Sugar Confectionery	0.9	0.8	-2.5 r	5.3	5.6	5.0 ^r
Seasoning, Spices, Sauces and Condiments	0.3	2.8	-0.9 r	6.3	6.4	3.6 ^r
Macaroni, Noodles, Couscous & Other Food Products, n.e.c	0.8	0.0	0.4	4.4	3.6	3.6
Manufacture of Beverages and Tobacco	0.1	0.1	-0.3 r	4.2	4.2	4.6
Textile, Wearing Apparel and Leather Products	0.5	0.4	-1.4	3.9	4.0	3.7^r
Wood, Wood Products and Furniture	0.0	0.0	0.0	12.9	12.9	16.9
Paper and Paper Products	0.0	0.0	0.0	2.0	2.0	3.1
Chemicals and Chemical Products	0.1	0.1	-0.2	1.0	1.0	1.0
Refined Petroleum Products	5.3	-2.3	-4.3	-10.4	-15.2	-12.8
Rubber & Plastic Products	0.1	0.1	-0.2	0.3	0.3	0.3
Other Non-Metallic Mineral Products²	0.5	0.0	0.1	0.7	0.2	0.2
Fabricated Metal Products excl. Machinery & Equipment	0.2	0.2	1.4	2.9	3.0	2.9^r
Other Manufacturing n.e.c.	0.0	0.0	0.0	7.0	7.0	9.6

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 2020/2021 FISCAL YEAR

INDUSTRY	Year-to-Date (Fiscal)	
	Apr-20 to Dec-20	Apr-20 to Nov-20
MINING & QUARRYING	15.1	13.7
Bauxite Mining & Alumina Processing	15.7	14.2
Other Mining & Quarrying	2.0	1.6
MANUFACTURING	3.0	2.1
Food, Beverages & Tobacco	2.6	2.4
Production, Processing & Preserving of Meats, Fish, Vegetables, Oils and Fats	2.5	2.7
<i>Meat & Meat products and Fish & Fish Products</i>	3.1	3.2
<i>Fruits & Vegetables and Animal & Vegetable Oils & Fats</i>	0.3	0.3
Manufacture of Dairy Products	0.7	0.2
Manufacture of Grain Mill Products, Starches and Starch Products	2.2	2.2
Manufacture of Other Food Products	4.3	4.0
<i>Bakery Products</i>	3.5	3.5
<i>Sugar, Cocoa, Coffee, Chocolate & Sugar Confectionery</i>	6.8	5.8
<i>Seasoning, Spices, Sauces and Condiments</i>	6.9	6.6
<i>Macaroni, Noodles, Couscous & Other Food Products, n.e.c</i>	1.3	0.5
Manufacture of Beverages and Tobacco	1.3	1.2
Textile, Wearing Apparel and Leather Products	4.2	3.7
Wood, Wood Products and Furniture	11.2	11.2
Paper and Paper Products	1.0	1.0
Chemicals and Chemical Products	1.0	1.0
Refined Petroleum Products	6.0	0.6
Rubber & Plastic Products	0.5	0.4
Other Non-Metallic Mineral Products³	0.7	0.2
Fabricated Metal Products excl. Machinery & Equipment	3.3	3.1
Other Manufacturing n.e.c.	2.7	2.7

³ Other Non-Metallic Mineral Products include cement and concrete.
n.e.c. = Not elsewhere classified.

GLOSSARY OF IMPORTANT PPI TERMS

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 the producer receives 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.

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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