



PRODUCER PRICE INDEX

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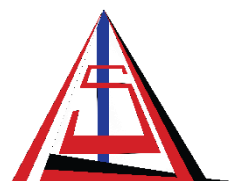
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PERCENTAGE CHANGE FOR MINING & QUARRYING INDUSTRY: 2019 - 2020

MONTH	YEAR	(%)
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
November	2019	0.4
October	2019	0.9
September	2019	0.1
August	2019	3.5
July	2019	-9.4

PERCENTAGE CHANGE FOR MANUFACTURING INDUSTRY: 2019 - 2020

MONTH	YEAR	(%)
JULY	2020	0.7
June	2020	0.9
May	2020	0.2
April	2020	-2.3
March	2020	-1.0
February	2020	1.2
January	2020	-0.1
December	2019	0.2
November	2019	0.5
October	2019	-0.6
September	2019	1.0
August	2019	-0.9
July	2019	1.5

HIGHLIGHTS: JULY 2020

The Producer Price Index for

the **Mining and Quarrying**

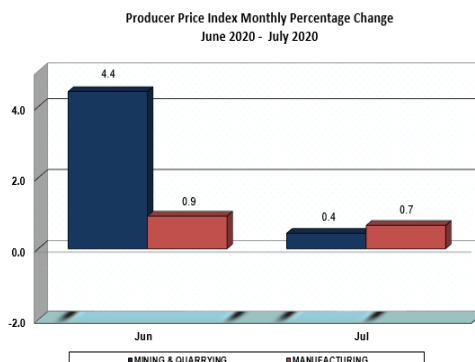
industry increased by 0.4 per cent for July 2020. This upward movement was

mainly attributed to an increase of 0.5 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', decreased by 0.7 per cent.

For the review period, the index for the **Manufacturing** industry increased by 0.7 per cent. The main contributors to this increase in the index were the major groups 'Refined Petroleum Products' which moved up by 4.1 per cent, 'Food, Beverages & Tobacco' which moved up by 0.1 per cent and 'Paper and Paper Products' up by 1.0 per cent. (Table II)



POINT-TO-POINT

For the period July 2019 - July 2020, the index for the **Mining & Quarrying** industry decreased by 3.9 per cent. This decline was

attributed to a 4.0 per cent fall in the index for the major group 'Bauxite Mining & Alumina Processing'. The point-to-point index for the **Manufacturing** industry declined by 0.2 per cent. (Table II).

FISCAL YEAR

For the 2020/2021 fiscal year to-date, April 2020 - July 2020, the index for the **Mining & Quarrying** industry increased by 7.3 per cent, while the index for the **Manufacturing** industry recorded an upward movement of 1.8 per cent. (Table III)

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 0.4 per cent, for July 2020. This upward movement was mainly impacted by an increase of 0.5 per cent in the index for the major group '*Bauxite Mining & Alumina Processing*', mainly as a result of an increase in the price for Alumina. The index for the other major group, '*Other Mining and Quarrying*', recorded a fall of 0.7 per cent due to the appreciation of the Jamaican dollar against the United States of America dollar. (Table II)

MANUFACTURING

For July 2020, the index for the **Manufacturing** industry rose by 0.7 per cent. The main contributors to this increase were the major groups; '*Refined Petroleum Products*' which increased by 4.1 per cent, '*Food, Beverage & Tobacco*' which moved up by 0.1 per cent and '*Paper and Paper Products*' which moved up by 1.0 per cent. (Table II)

Food, Beverages & Tobacco

The index for the major group '*Food, Beverages & Tobacco*' increased by 0.1 per cent. The index for the group '*Manufacture of Grain Mill Products, Starches and Starch Products*' increased by 1.4 per cent due to higher prices for raw materials. The index for the group '*Production, Processing & Preserving of Meats, Fish, Vegetables, Oils and Fats*' increased by 0.2 per cent. This upward movement was mainly due to an increase of 0.3 per cent in the sub-group '*Meat & Meat Products and Fish & Fish Products*' due to higher prices for raw materials. Tempering the movement of the group was the sub-group '*Fruits & Vegetables and Animal & Vegetable Oils and Fats*' which fell by 0.1 per cent as a result of the appreciation of the Jamaican dollar against its United States counterpart.

The index for the group '*Manufacture of Beverages and Tobacco*' decreased by 0.2 per cent while the group '*Manufacture of Dairy Products*' fell by 0.1 per cent. The index for the group '*Manufacture of Other Food Products*' decreased by 0.5 per cent. Within this group, the index for the sub-group '*Bakery Products*' fell by 0.1 per cent, '*Sugar, Cocoa, Coffee, Chocolate & Sugar Confectionery*' fell by 2.1 per cent, and '*Seasoning, Spices, Sauces and Condiments*' moved downwards by 0.2 per cent. These decreases were mainly as a result of the appreciation of the Jamaican dollar against the United States dollar. (Table II)

OTHER MAJOR GROUPS IN MANUFACTURING

The index for the major group '*Refined Petroleum Products*' increased by 4.1 per cent due to higher prices for fuel on the international market.

The index for the major group '*Paper and Paper Products*' recorded an increase of 1.0 per cent due to higher costs for raw materials.

All other major groups recorded declines in their index for the review period; '*Fabricated Metal Products excl. Machinery & Equipment*' decreased by 0.5 per cent, '*Textile, Wearing Apparel and Leather Products*' decreased by 1.1 per cent, '*Chemicals and Chemical Products*' fell by 0.1 per cent, and '*Rubber & Plastic Products*' fell by 0.2 per cent. These decreases were due to the appreciation 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 2019 – JULY 2020

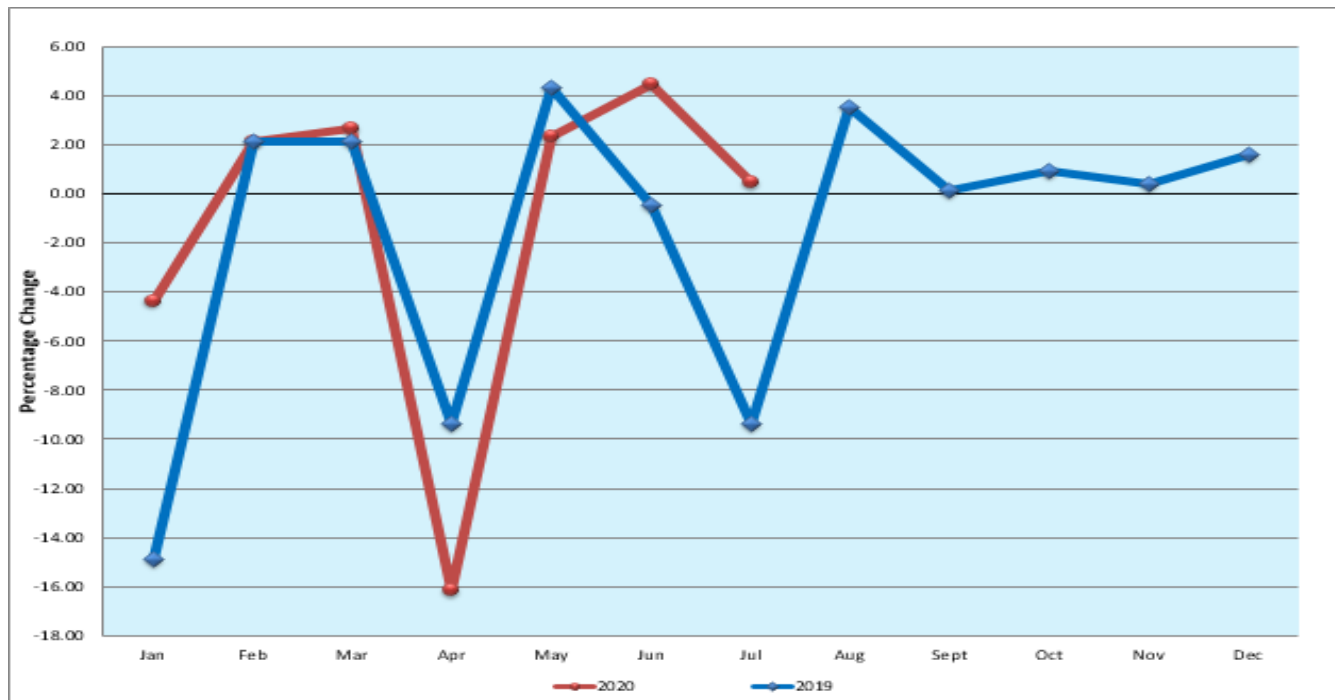


Figure II. MONTHLY PERCENTAGE CHANGE IN THE PPI FOR MANUFACTURING
JANUARY 2019 – JULY 2020

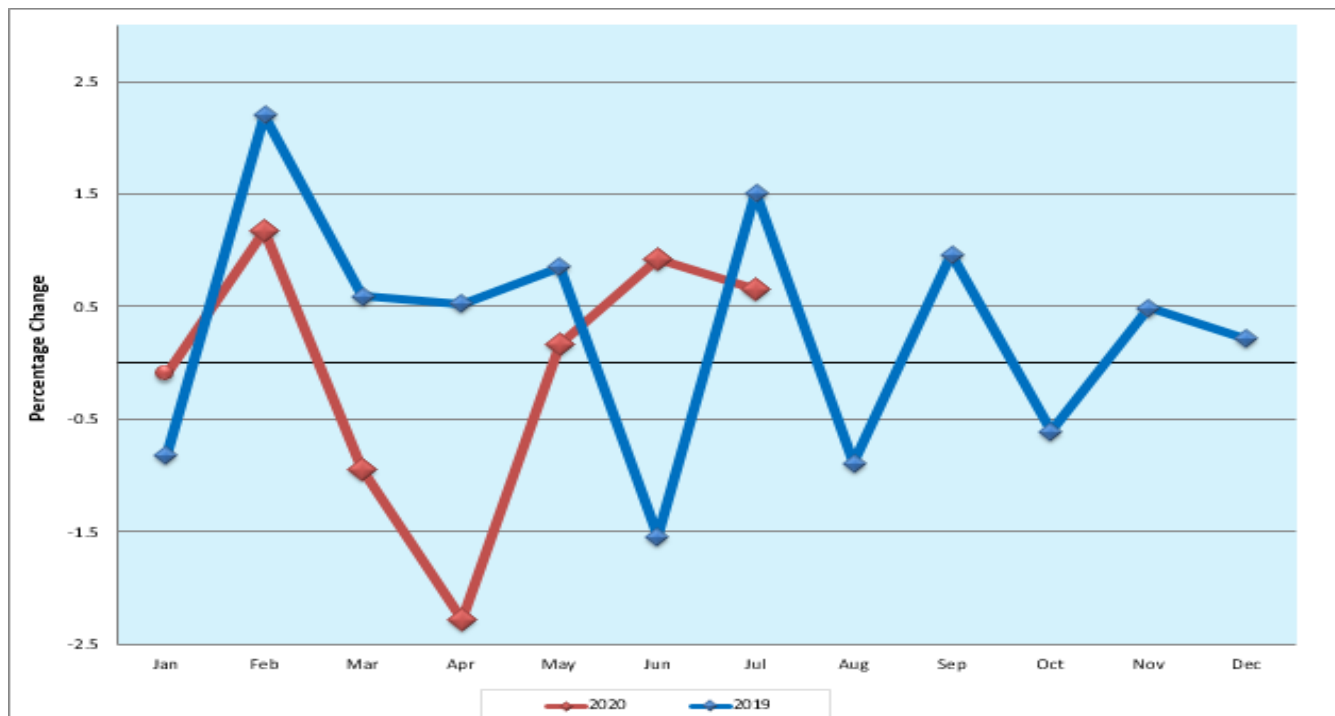


**Table I. MONTHLY PRODUCER PRICE INDEX BY INDUSTRY
MAY 2020 – JULY 2020**

INDUSTRY	Months		
	Jul-20	Jun-20	May-20
MINING & QUARRYING	137.1	136.5	130.7
Bauxite Mining & Alumina Processing	133.6	133.0	127.2
Other Mining & Quarrying	248.1	249.9	246.6
MANUFACTURING	195.6	194.3	192.5
Food, Beverages & Tobacco	204.5	204.3	203.5
Production, Processing & Preserving of Meats, Fish, Vegetables, Oils and Fats	192.0	191.5	190.9
<i>Meat & Meat products and Fish & Fish Products</i>	193.7	193.1	192.4
<i>Fruits & Vegetables and Animal & Vegetable Oils & Fats</i>	181.0	181.1	180.9
Manufacture of Dairy Products	230.2	230.5	229.9
Manufacture of Grain Mill Products, Starches and Starch Products	222.7	219.7	219.7
Manufacture of Other Food Products	207.3	208.3	206.7
<i>Bakery Products</i>	180.4	180.6	180.3
<i>Sugar, Cocoa, Coffee, Chocolate & Sugar Confectionery</i>	262.3	267.9	259.8
<i>Seasoning, Spices, Sauces and Condiments</i>	228.9	229.4	227.0
<i>Macaroni, Noodles, Couscous & Other Food Products, n.e.c</i>	253.8	253.9	253.8
Manufacture of Beverages and Tobacco	186.6	187.0	186.4
Textile, Wearing Apparel and Leather Products	192.8	194.9	191.9
Wood, Wood Products and Furniture	198.3	198.3	193.7
Paper and Paper Products	158.5	156.8	156.9
Chemicals and Chemical Products	203.1	203.4	202.9
Refined Petroleum Products	141.1	135.6	130.5
Rubber & Plastic Products	164.0	164.3	163.9
Other Non-Metallic Mineral Products¹	199.6	199.6	199.6
Fabricated Metal Products excl. Machinery & Equipment	196.9	198.0	196.2
Other Manufacturing n.e.c.	158.9	158.9	158.9

¹ Other Non-Metallic Mineral Products include cement and concrete.
n.e.c. = Not elsewhere classified.

**Table II. PERCENTAGE CHANGE IN THE PRODUCER PRICE INDEX BY INDUSTRY
MAY 2020 – JULY 2020**

INDUSTRY	Percentage Change					
	Month-to-Month			Point-to-Point		
	Jul-20	Jun-20	May-20	Jul-19 to Jul-20	Jun-19 to Jun-20	May-19 to May-20
MINING & QUARRYING	0.4	4.4	2.3	-3.9	-13.2	-17.3
Bauxite Mining & Alumina Processing	0.5	4.6	2.4	-4.0	-13.8	-18.0
Other Mining & Quarrying	-0.7	1.4	0.3	1.8	2.5	1.1
MANUFACTURING	0.7	0.9	0.2	-0.2	0.6	-1.8
Food, Beverages & Tobacco	0.1	0.4	0.6	3.6	4.3	4.0
Production, Processing & Preserving of Meats, Fish, Vegetables, Oils and Fats	0.2	0.3	-0.2	2.5	2.8	2.5
<i>Meat & Meat products and Fish & Fish Products</i>	0.3	0.3	-0.3	2.9	3.3	2.9
<i>Fruits & Vegetables and Animal & Vegetable Oils & Fats</i>	-0.1	0.1	0.1	0.6	0.6	0.6
Manufacture of Dairy Products	-0.1	0.2	0.0	1.3	1.6	1.4
Manufacture of Grain Mill Products, Starches and Starch Products	1.4	0.0	1.9	9.6	10.5	11.2
Manufacture of Other Food Products	-0.5	0.8	0.6	3.2	4.2	3.4
<i>Bakery Products</i>	-0.1	0.1	0.1	2.2	2.2	2.1
<i>Sugar, Cocoa, Coffee, Chocolate & Sugar Confectionery</i>	-2.1	3.1	1.9	6.0	8.1	4.5
<i>Seasoning, Spices, Sauces and Condiments</i>	-0.2	1.1	2.1	4.4	4.6	3.9
<i>Macaroni, Noodles, Couscous & Other Food Products, n.e.c</i>	0.0	0.0	0.0	3.7	8.4	9.1
Manufacture of Beverages and Tobacco	-0.2	0.3	0.7	1.7	2.5	2.2
Textile, Wearing Apparel and Leather Products	-1.1	1.6	0.8	3.2	4.3	2.5
Wood, Wood Products and Furniture	0.0	2.4	3.2	11.1	11.1	10.8
Paper and Paper Products	1.0	0.0	0.0	4.0	2.9	2.9
Chemicals and Chemical Products	-0.1	0.2	0.1	0.7	0.8	0.6
Refined Petroleum Products	4.1	3.9	-1.8	-15.3	-13.7	-25.1
Rubber & Plastic Products	-0.2	0.2	0.1	0.4	0.5	11.5
Other Non-Metallic Mineral Products²	0.0	0.0	0.0	0.0	0.0	0.0
Fabricated Metal Products excl. Machinery & Equipment	-0.5	0.9	0.3	1.3	1.8	0.9
Other Manufacturing n.e.c.	0.0	0.0	0.0	6.7	9.8	9.8

² Other Non-Metallic Mineral Products include cement and concrete.
n.e.c. = Not elsewhere classified.

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 Jul-20	Apr-20 to Jun-20
MINING & QUARRYING	7.3	6.8
Bauxite Mining & Alumina Processing	7.6	7.0
Other Mining & Quarrying	0.9	1.6
MANUFACTURING	1.8	1.1
Food, Beverages & Tobacco	1.1	1.0
Production, Processing & Preserving of Meats, Fish, Vegetables, Oils and Fats	0.3	0.1
<i>Meat & Meat products and Fish & Fish Products</i>	0.3	0.0
<i>Fruits & Vegetables and Animal & Vegetable Oils & Fats</i>	0.1	0.2
Manufacture of Dairy Products	0.1	0.2
Manufacture of Grain Mill Products, Starches and Starch Products	3.3	1.9
Manufacture of Other Food Products	0.9	1.4
<i>Bakery Products</i>	0.1	0.2
<i>Sugar, Cocoa, Coffee, Chocolate & Sugar Confectionery</i>	2.9	5.1
<i>Seasoning, Spices, Sauces and Condiments</i>	2.9	3.1
<i>Macaroni, Noodles, Couscous & Other Food Products, n.e.c</i>	0.0	0.1
Manufacture of Beverages and Tobacco	0.7	1.0
Textile, Wearing Apparel and Leather Products	1.3	2.4
Wood, Wood Products and Furniture	5.7	5.7
Paper and Paper Products	1.0	0.0
Chemicals and Chemical Products	0.2	0.3
Refined Petroleum Products	6.2	2.0
Rubber & Plastic Products	0.2	0.4
Other Non-Metallic Mineral Products³	0.0	0.0
Fabricated Metal Products excl. Machinery & Equipment	0.6	1.2
Other Manufacturing n.e.c.	0.0	0.0

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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