



PRODUCER PRICE INDEX

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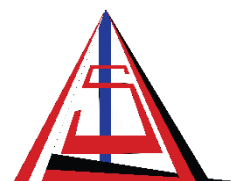
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PERCENTAGE CHANGE FOR MINING & QUARRYING INDUSTRY: 2020 - 2021

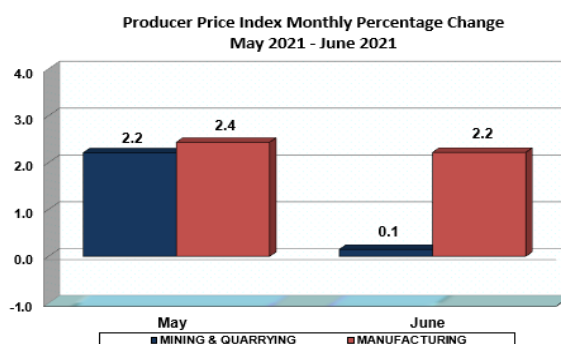
MONTH	YEAR	(%)
JUNE	2021	0.1
May	2021	2.2
April	2021	4.6
March	2021	3.7
February	2021	0.8
January	2021	2.3
December	2020	1.3
November	2020	1.1
October	2020	-1.1
September	2020	3.2
August	2020	2.7
July	2020	0.4
June	2020	4.4

PERCENTAGE CHANGE FOR MANUFACTURING INDUSTRY: 2020 - 2021

MONTH	YEAR	(%)
JUNE	2021	2.2
May	2021	2.4
April	2021	0.6
March	2021	2.9
February	2021	2.5
January	2020	0.9
December	2020	0.9
November	2020	0.0
October	2020	-0.5
September	2020	-0.3
August	2020	1.3
July	2020	0.4
June	2020	1.0

HIGHLIGHTS: JUNE 2021

The Producer Price Index for the *Mining and Quarrying* industry increased by 0.1 per cent for June 2021. The main contributor to this movement was a 0.2 per cent upward movement in the index for the major group 'Bauxite Mining & Alumina Processing'.



For the period under review, the index for the *Manufacturing* industry moved upwards by 2.2 per cent. Contributing to this movement were the major groups 'Food, Beverages & Tobacco' up by 2.1 per cent, 'Refined Petroleum Products' up by 4.6 per cent, and 'Other Manufacturing n.e.c.' which increased by 6.8 per cent. (Table II)

POINT-TO-POINT

For the period June 2020 – June 2021, the Mining & Quarrying industry index rose by 36.7 per cent. This upward movement was mainly attributed to an increase of 38.1 per cent in the index for the major group 'Bauxite Mining & Alumina Processing'. The point-to-point index for the *Manufacturing* industry moved up by 14.5 per cent. (Table II)

FISCAL YEAR

For the 2021/2022 fiscal year-to-date, April 2021 – June 2021, the index for the *Mining & Quarrying* industry increased by 2.4 per cent, while the index for the *Manufacturing* industry advanced by 4.7 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. The exchange rate is used to convert prices that are quoted in US\$.

Main Findings

MINING & QUARRYING

The index for the *Mining and Quarrying* industry increased by 0.1 per cent in June 2021. This movement was mainly attributed to the 0.2 per cent increase in the index for the major group '*Bauxite Mining & Alumina Processing*'. This upward movement resulted from the depreciation of the Jamaican dollar against the United States dollar. (Table II)

MANUFACTURING

During the period under review, the index for the **Manufacturing** industry rose by 2.2 per cent. The main contributors to this movement were increases in the index for the following major groups: '*Food, Beverages & Tobacco*' (2.1%), '*Refined Petroleum Products*' (4.6%) and '*Other Manufacturing n.e.c*' (6.8%). (Table II)

FOOD, BEVERAGES & TOBACCO

The 2.1 per cent increase in the index for this major group was attributed to the 5.1 per cent increase in the index for the group '*Production, Processing & Preserving of Meats, Fish, Vegetables, Oils and Fats*'. This was largely due to a 6.3 per cent increase in the index for the sub-group '*Meat & Meat Products and Fish and Fish Products*', due to higher costs for grains such as corn, and the depreciation of the Jamaican dollar against the United States dollar. Also contributing to the overall increase in the index for the major group was the '*Manufacture of Beverages and Tobacco*' group, which moved up by 0.5 per cent, due to higher costs for raw materials.

The major group '*Food, Beverage & Tobacco*' was also impacted by the 2.9 per cent increase in the index for the group '*Manufacture of Other Food Products*'. This increase was mainly attributable to upward movements in the index for the sub-groups: '*Bakery Products*' (4.3 %), '*Seasoning, Spices, Sauces and Condiments*' (1.8%) and '*Sugar, Cocoa, Coffee and Chocolate & Sugar Confectionery*' (0.1%). (Table II) These increases were due to higher prices for raw materials, packaging, increased overheads, and the depreciation of the Jamaican dollar against the United States dollar.

OTHER MAJOR GROUPS IN MANUFACTURING

The index for the '*Refined Petroleum Products*' major group increased by 4.6 per cent due to higher prices for crude oil on the international market.

Other notable increases were recorded for the major groups: '*Other Manufacturing n.e.c*' (6.8 %), '*Paper and Paper Products*' (0.7 %), '*Other Non-Metallic Mineral Products*' (0.1%) and '*Textile, Wearing Apparel and Leather Products*' (0.1%). These upward movements were due to higher costs for imported raw materials, overheads and the depreciation of the Jamaican dollar against the United States dollar.

Figure I. MONTHLY PERCENTAGE CHANGE IN THE PPI FOR MINING & QUARRYING
JANUARY 2020 – JUNE 2021

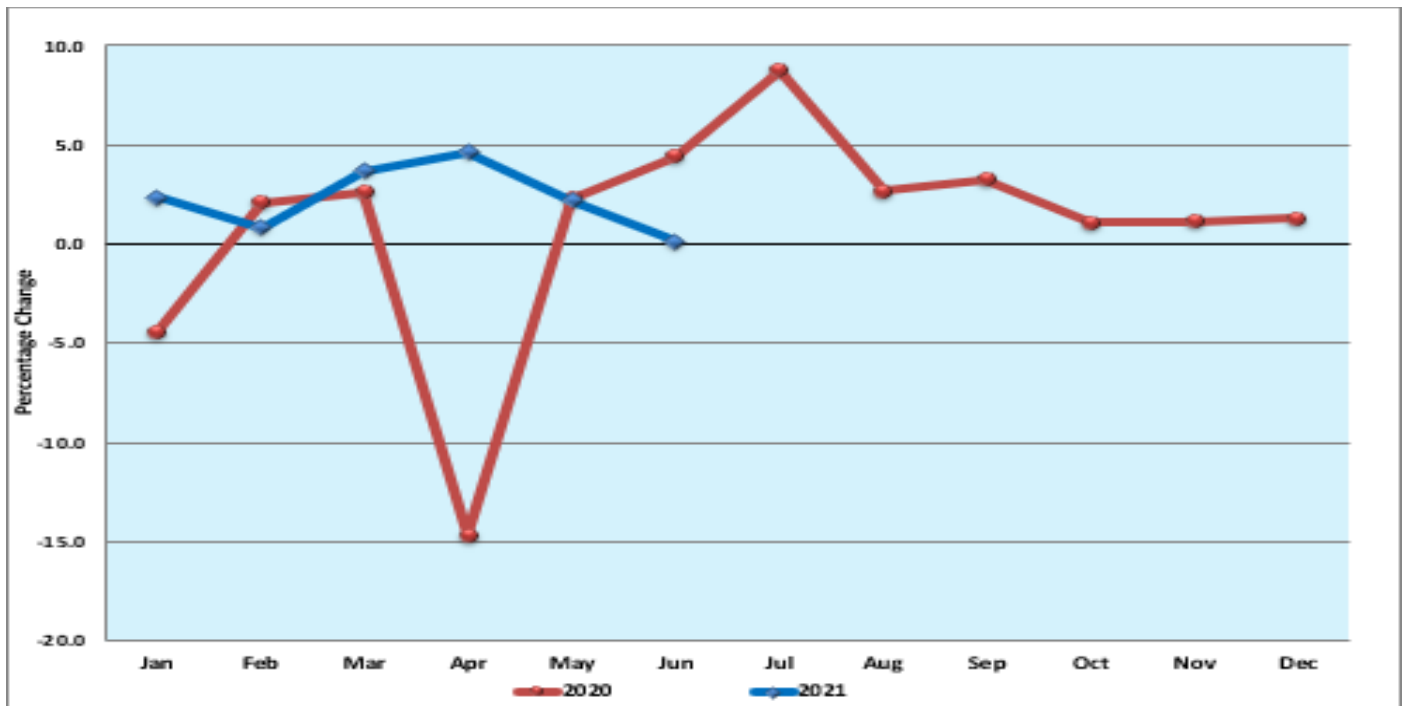


Figure II. MONTHLY PERCENTAGE CHANGE IN THE PPI FOR MANUFACTURING
JANUARY 2020 – JUNE 2021

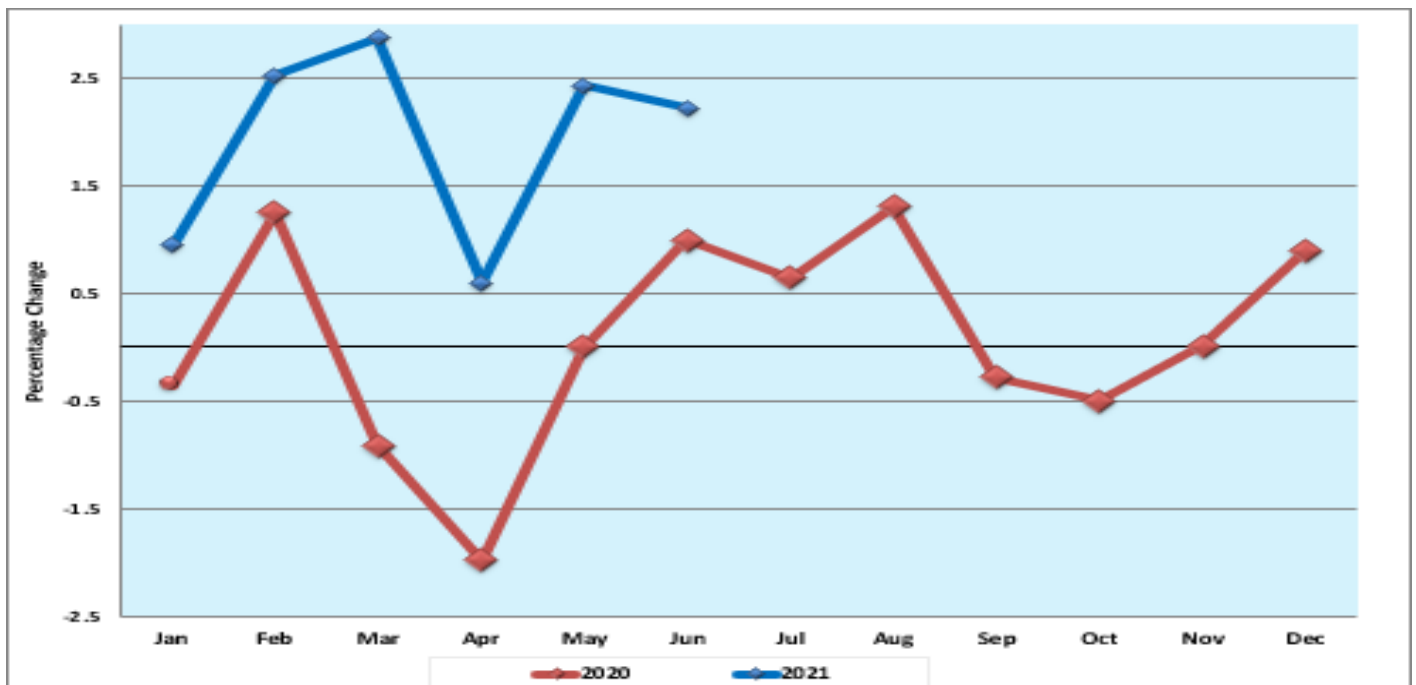


Table I. MONTHLY PRODUCER PRICE INDEX BY INDUSTRY
APRIL 2021 – JUNE 2021

INDUSTRY	Months		
	Jun-21	May-21	Apr-21
MINING & QUARRYING	189.8	189.5	185.4
Bauxite Mining & Alumina Processing	186.9	186.6	182.5
Other Mining & Quarrying	255.9	255.8	254.5
MANUFACTURING	221.9	217.1	212.0
Food, Beverages & Tobacco	221.5	216.9	214.0
Production, Processing & Preserving of Meats, Fish, Vegetables, Oils and Fats	218.2	207.6	203.4
<i>Meat & Meat products and Fish & Fish Products</i>	226.4	212.9	207.7
<i>Fruits & Vegetables and Animal & Vegetable Oils & Fats</i>	182.7	182.7	182.6
Manufacture of Dairy Products	234.3	234.2	232.4
Manufacture of Grain Mill Products, Starches and Starch Products	243.0	243.0	237.4
Manufacture of Other Food Products	224.1	217.9	215.3
<i>Bakery Products</i>	196.8	188.7	186.9
<i>Sugar, Cocoa, Coffee, Chocolate & Sugar Confectionery</i>	279.9	279.6	275.0
<i>Seasoning, Spices, Sauces and Condiments</i>	247.3	242.9	237.8
<i>Macaroni, Noodles, Couscous & Other Food Products, n.e.c</i>	265.4	265.4	262.7
Manufacture of Beverages and Tobacco	196.1	195.1	194.4
Textile, Wearing Apparel and Leather Products	199.8	199.7	198.2
Wood, Wood Products and Furniture	248.2	248.2	227.7
Paper and Paper Products	163.1	162.0	162.0
Chemicals and Chemical Products	213.7	213.7	213.5
Refined Petroleum Products	196.3	187.6	175.1
Rubber & Plastic Products	166.9	166.8	166.6
Other Non-Metallic Mineral Products¹	203.5	203.3	203.3
Fabricated Metal Products excl. Machinery & Equipment	218.0	217.9	217.2
Other Manufacturing n.e.c.	185.0	173.3	171.0

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
APRIL 2021 – JUNE 2021**

INDUSTRY	Percentage Change					
	Month-to-Month			Point-to-Point		
	Jun-21	May-21	Apr-21	Jun-20 to Jun-21	May-20 to May-21	Apr-20 to Apr-21
MINING & QUARRYING	0.1	2.2	4.6	36.7	42.5	42.6
Bauxite Mining & Alumina Processing	0.2	2.3	4.8	38.1	44.2	44.3
Other Mining & Quarrying	0.0	0.5	-0.5	2.4	3.4	3.5
MANUFACTURING	2.2	2.4	0.6	14.5	13.1	10.4
Food, Beverages & Tobacco	2.1	1.4	0.5	9.1	7.2	6.1
Production, Processing & Preserving of Meats, Fish, Vegetables, Oils and Fats	5.1	2.0	-0.9	14.0	8.7	6.3
<i>Meat & Meat products and Fish & Fish Products</i>	6.3	2.5	-1.0	17.3	10.6	7.6
<i>Fruits & Vegetables and Animal & Vegetable Oils & Fats</i>	0.0	0.1	-0.2	0.9	1.0	1.0
Manufacture of Dairy Products	0.0	0.8	-0.1	1.6	1.8	1.1
Manufacture of Grain Mill Products, Starches and Starch Products	0.0	2.4	3.6	19.1	19.1	16.4
Manufacture of Other Food Products	2.9	1.2	-0.2	7.6	5.4	4.8
<i>Bakery Products</i>	4.3	0.9	0.0	9.0	4.6	3.7
<i>Sugar, Cocoa, Coffee, Chocolate & Sugar Confectionery</i>	0.1	1.7	-1.4	4.5	7.6	7.8
<i>Seasoning, Spices, Sauces and Condiments</i>	1.8	2.2	-0.5	7.8	7.0	6.9
<i>Macaroni, Noodles, Couscous & Other Food Products, n.e.c</i>	0.0	1.0	1.5	4.5	4.6	3.5
Manufacture of Beverages and Tobacco	0.5	0.4	0.7	2.1	1.9	2.2
Textile, Wearing Apparel and Leather Products	0.1	0.8	-0.7	2.5	4.1	4.1
Wood, Wood Products and Furniture	0.0	9.0	3.9	22.5	28.1	21.3
Paper and Paper Products	0.7	0.0	0.0	4.0	3.3	3.3
Chemicals and Chemical Products	0.0	0.1	2.9	4.9	5.3	5.3
Refined Petroleum Products	4.6	7.1	-0.9	44.8	43.7	31.8
Rubber & Plastic Products	0.0	0.1	1.2	1.6	1.8	1.8
Other Non-Metallic Mineral Products²	0.1	0.0	1.0	1.9	1.8	1.8
Fabricated Metal Products excl. Machinery & Equipment	0.0	0.4	-0.3	10.1	11.1	11.0
Other Manufacturing n.e.c.	6.8	1.4	4.8	16.4	9.1	7.6

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 2021/2022 FISCAL YEAR

INDUSTRY	Year-to-Date (Fiscal)	
	Apr-21 to June-21	Apr-21 to May-21
MINING & QUARRYING	2.4	2.2
Bauxite Mining & Alumina Processing	2.4	2.3
Other Mining & Quarrying	0.6	0.5
MANUFACTURING	4.7	2.4
Food, Beverages & Tobacco	3.5	1.4
Production, Processing & Preserving of Meats, Fish, Vegetables, Oils and Fats	7.3	2.0
<i>Meat & Meat products and Fish & Fish Products</i>	9.0	2.5
<i>Fruits & Vegetables and Animal & Vegetable Oils & Fats</i>	0.1	0.1
Manufacture of Dairy Products	0.8	0.8
Manufacture of Grain Mill Products, Starches and Starch Products	2.4	2.4
Manufacture of Other Food Products	4.1	1.2
<i>Bakery Products</i>	5.3	0.9
<i>Sugar, Cocoa, Coffee, Chocolate & Sugar Confectionery</i>	1.8	1.7
<i>Seasoning, Spices, Sauces and Condiments</i>	4.0	2.2
<i>Macaroni, Noodles, Couscous & Other Food Products, n.e.c</i>	1.0	1.0
Manufacture of Beverages and Tobacco	0.9	0.4
Textile, Wearing Apparel and Leather Products	0.9	0.8
Wood, Wood Products and Furniture	9.0	9.0
Paper and Paper Products	0.7	0.0
Chemicals and Chemical Products	0.1	0.1
Refined Petroleum Products	12.1	7.1
Rubber & Plastic Products	0.1	0.1
Other Non-Metallic Mineral Products³	0.1	0.0
Fabricated Metal Products excl. Machinery & Equipment	0.4	0.4
Other Manufacturing n.e.c.	8.2	1.4

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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