

PRODUCER PRICE INDEX

Statistical Institute of Jamaica

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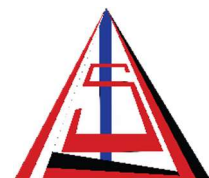
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PERCENTAGE CHANGE FOR MINING & QUARRYING INDUSTRY: 2022 - 2023

MONTH	YEAR	(%)
March	2023	+0.7
February	2023	-0.0
January	2023	+2.5
December	2022	+0.6
November	2022	+0.7
October	2022	+1.4
September	2022	-0.1
August	2022	-0.4
July	2022	-9.7
June	2022	+0.3
May	2022	+0.6
April	2022	-11.3
March	2022	+0.7

PERCENTAGE CHANGE FOR MANUFACTURING INDUSTRY: 2022 - 2023

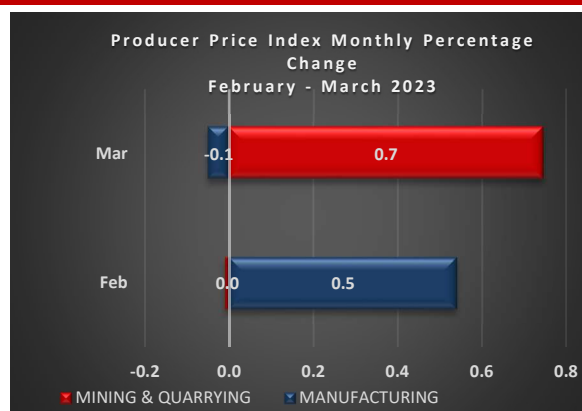
MONTH	YEAR	(%)
March	2023	-0.1
February	2023	+0.5
January	2023	+0.6
December	2022	-1.6
November	2022	-0.2
October	2022	-1.0
September	2022	-0.3
August	2022	-0.4
July	2022	-0.8
June	2022	+3.0
May	2022	+2.6
April	2022	+1.7
March	2022	+2.6

HIGHLIGHTS: MARCH 2023

The index for producer prices in March 2023 increased by 0.7 per cent for the **Mining and Quarrying** industry. This was mainly attributed to a similar increase of 0.7 per cent in the

index for the major group, '*Bauxite Mining & Alumina Processing*'. The index for the other major group '*Other Mining & Quarrying*', moved up by 1.6 per cent for the same period (**Table II**).

The index for the **Manufacturing** industry fell by 0.1 per cent. The main contributor to this movement was a decline of 1.8 per cent in the index for the major group '*Refined Petroleum Products*'. The industry's decrease was however tempered by an increase of 0.2 per cent in the index for the heaviest weighted major group '*Food, Beverages & Tobacco*'.



POINT-TO-POINT

For the point-to-point period **March 2022 - March 2023**, the index for the '**Mining & Quarrying**' industry decreased by 14.7 per cent. Contributing to this decline was a fall of 15.3 per cent in the index for the major group '*Bauxite Mining & Alumina Processing*'. Conversely, the index for the '**Manufacturing**' industry increased by 4.2 per cent due to upward movements in the index for the major groups; '*Food, Beverages & Tobacco*' (8.9%) and '*Chemicals and Chemical Products*' (7.2%). These increases were tempered by a decline of 11.4 per cent in the index for the major group '*Refined Petroleum Products*' (**Table II**).

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 dollars.

Main Findings

MINING & QUARRYING

In March, the index for this industry increased by 0.7 per cent. This was a result of a similar increase of 0.7 per cent in the index for the heavier-weighted major group '*Bauxite Mining & Alumina Processing*'. This increase was due mainly to the depreciation of the Jamaican dollar against the United States dollar. The index for the other major group '*Other Mining & Quarrying*' went up by 1.6 per cent, due to operational costs (**Table II**).

MANUFACTURING

For the period under review, the index for the **Manufacturing** industry declined marginally by 0.1 per cent. This was attributed to a decrease in the index for the major group '*Refined Petroleum Products*', which moved down by 1.8 per cent. The increase in the index for the major group '*Food, Beverages & Tobacco*' by 0.2 per cent, tempered the fall in the industry's index (**Table II**).

FOOD, BEVERAGES & TOBACCO

In March 2023, the largest increase in the PPI within this major group, was for the group '*Manufacture of Beverages and Tobacco*' which rose by 0.4 per cent. This was primarily due to higher raw material costs. The index for the group '*Manufacture of Grain Mill Products, Starches and Starch Products*' recorded an upward movement of 0.2 per cent, due to higher prices for cassava. The index for the group '*Manufacture of Other Food Products*' increased by 0.1 per cent. This was largely the result of increases in the index for the sub-groups: '*Sugar, Cocoa, Coffee, Chocolate & Sugar Confectionery*' (0.5%) and '*Seasoning, Spices, Sauces and Condiments*' (0.1%). These increases were a result of the depreciation of the Jamaican dollar vis-à-vis the United States dollar.

OTHER MAJOR GROUPS IN THE MANUFACTURING INDUSTRY

Lower prices for crude oil on the international market resulted in the index for the major group '*Refined Petroleum Products*' declining by 1.8 per cent.

The index for the major group '*Chemicals and Chemical Products*', increased by 0.7 per cent in March due to an increase in the cost of raw materials.

For the '*Paper and Paper Products*' major group, the index advanced by 0.9 per cent. This was attributable to higher costs for overheads and raw materials.

Other notable increases in the index for the major groups within the industry were: '*Textile, wearing Apparel and Leather Products*' (2.7%), due to higher costs for leather and '*Other Non-Metallic Mineral Products*' (0.9%), resulting from increased costs for cement.

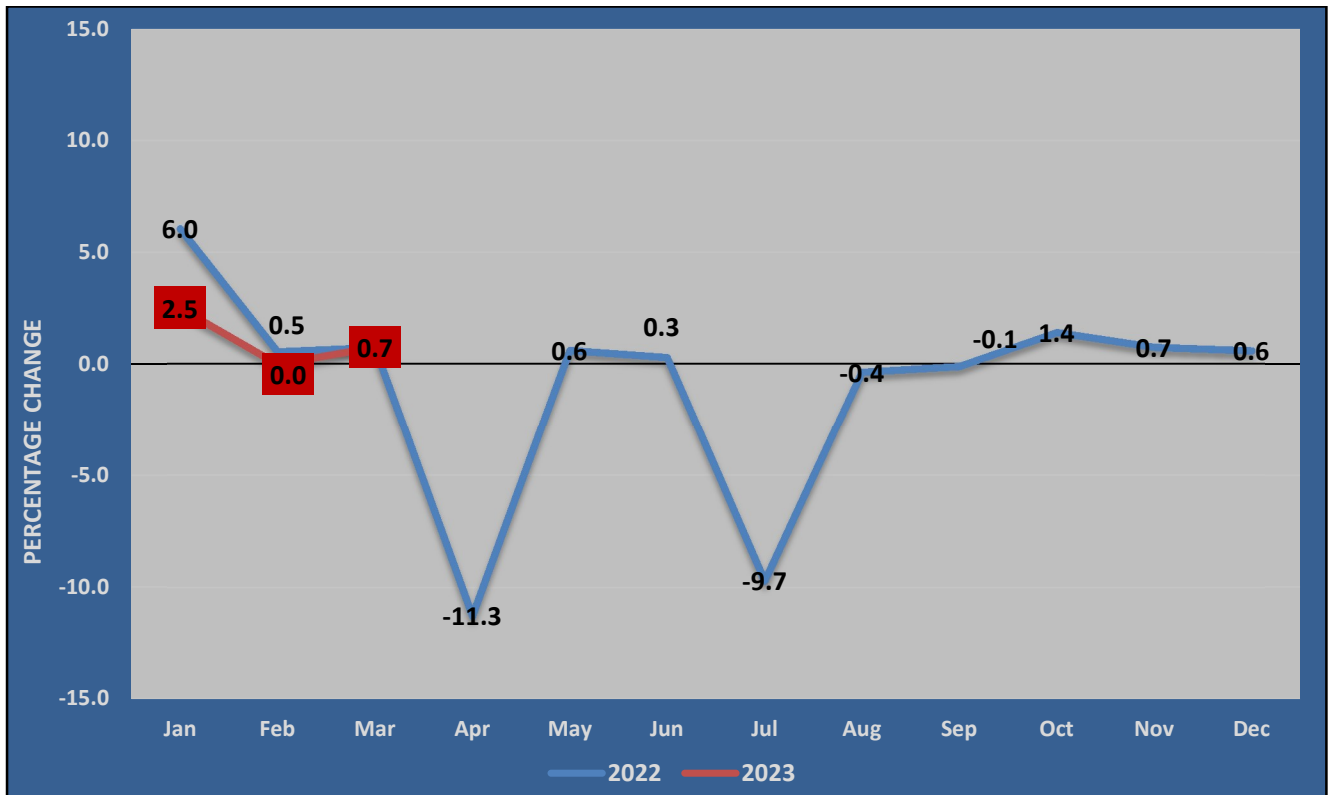


FIGURE II. MONTHLY PERCENTAGE CHANGE IN THE PPI FOR MINING & QUARRYING, MARCH 2022 – MARCH 2023

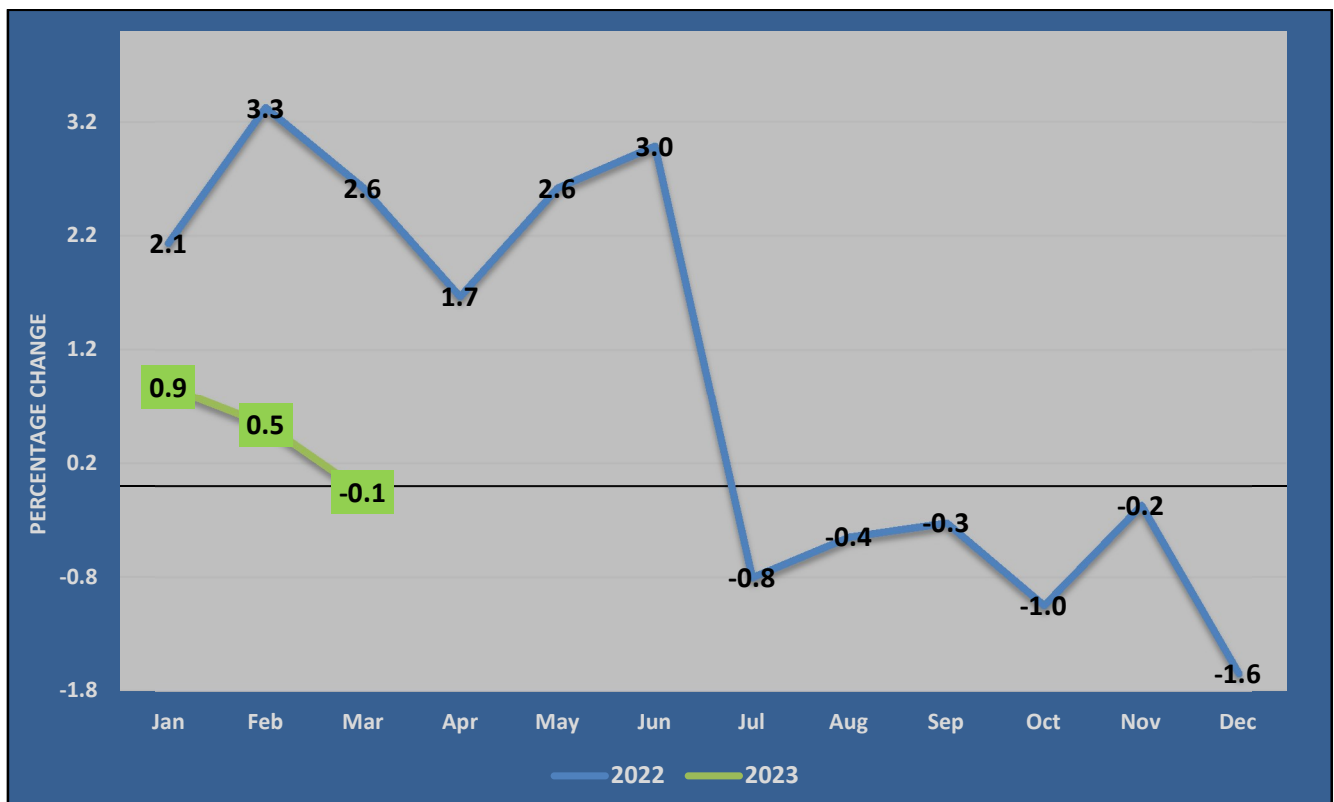


FIGURE III. MONTHLY PERCENTAGE CHANGE IN THE PPI FOR MANUFACTURING, MARCH 2022 – MARCH 2023

Table I. MONTHLY PRODUCER PRICE INDEX BY INDUSTRY, JANUARY 2023 – MARCH 2023

INDUSTRY	Months		
	Mar-23	Feb-23	Jan-23
MINING & QUARRYING	198.7	197.2	197.2
Bauxite Mining & Alumina Processing	195.2	193.8	193.8
Other Mining & Quarrying	272.2	268.0	268.0
MANUFACTURING	269.6	269.8	268.3
Food, Beverages & Tobacco	270.6	270.2	269.0
Production, Processing & Preserving of Meats, Fish, Vegetables, Oils and Fats	289.9	289.9	287.7
<i>Meat & Meat products and Fish & Fish Products</i>	289.1	289.1	286.4
<i>Fruits & Vegetables and Animal & Vegetable Oils & Fats</i>	286.4	286.3	286.3
Manufacture of Dairy Products	249.1	249.0	249.0
Manufacture of Grain Mill Products, Starches and Starch Products	339.8	339.0	338.8
Manufacture of Other Food Products	274.5	274.1	271.6
<i>Bakery Products</i>	248.7	248.6	248.6
<i>Sugar, Cocoa, Coffee, Chocolate & Sugar Confectionery</i>	309.9	308.4	308.4
<i>Seasoning, Spices, Sauces, and Condiments</i>	294.9	294.5	291.9
<i>Macaroni, Noodles, Couscous & Other Food Products, n.e.c</i>	332.1	332.1	302.6
Manufacture of Beverages and Tobacco	206.1	205.2	205.2
Textile, Wearing Apparel and Leather Products	226.8	220.9	218.1
Wood, Wood Products and Furniture	270.7	270.7	270.7
Paper and Paper Products	177.2	175.7	175.7
Chemicals and Chemical Products	251.0	249.3	248.6
Refined Petroleum Products	250.1	254.6	253.9
Rubber & Plastic Products	171.5	171.4	171.4
Other Non-Metallic Mineral Products¹	254.2	252.0	252.0
Fabricated Metal Products excl. Machinery & Equipment	230.8	230.7	230.6
Other Manufacturing n.e.c.	257.7	257.7	234.5

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, JANUARY 2023 - MARCH 2023

INDUSTRY	Percentage Change					
	Month-to-Month			Point-to-Point		
	Mar-23	Feb-23	Jan-23	Mar-22 to Mar-23	Feb-22 to Feb-23	Jan-22 to Jan-23
MINING & QUARRYING	0.7	0.0	2.5	-14.7	-14.7	-14.2
Bauxite Mining & Alumina Processing	0.7	0.0	2.5	-15.3	-15.3	-14.8
Other Mining & Quarrying	1.6	0.0	1.1	4.7	3.2	3.4
MANUFACTURING	-0.1	0.5	0.9	4.2	7.0	9.9
Food, Beverages & Tobacco	0.2	0.5	0.6	8.9	10.2	12.0
Production, Processing & Preserving of Meats, Fish, Vegetables, Oils and Fats	0.0	0.8	0.4	7.0	8.5	14.3
<i>Meat & Meat products and Fish & Fish Products</i>	0.0	0.9	0.0	6.2	6.2	13.2
<i>Fruits & Vegetables and Animal & Vegetable Oils & Fats</i>	0.0	0.0	1.8	10.0	18.6	18.6
Manufacture of Dairy Products	0.0	0.0	0.0	2.9	4.3	4.4
Manufacture of Grain Mill Products, Starches and Starch Products	0.2	0.0	0.0	17.3	18.5	22.8
Manufacture of Other Food Products	0.1	0.9	1.5	11.3	13.4	12.7
<i>Bakery Products</i>	0.0	0.0	2.5	12.2	15.3	15.5
<i>Sugar, Cocoa, Coffee, Chocolate & Sugar Confectionery</i>	0.5	0.0	-0.3	6.1	6.1	7.2
<i>Seasoning, Spices, Sauces, and Condiments</i>	0.1	0.9	-0.1	10.6	11.5	10.6
<i>Macaroni, Noodles, Couscous & Other Food Products, n.e.c</i>	0.0	9.7	0.0	17.8	17.8	7.3
Manufacture of Beverages and Tobacco	0.4	0.0	0.3	3.5	3.7	3.8
Textile, Wearing Apparel and Leather Products	2.7	1.3	-0.2	9.5	6.9	6.8
Wood, Wood Products and Furniture	0.0	0.0	0.0	4.6	5.5	9.1
Paper and Paper Products	0.9	0.0	0.5	6.7	6.5	6.5
Chemicals and Chemical Products	0.7	0.3	2.0	7.2	8.8	9.3
Refined Petroleum Products	-1.8	0.3	2.0	-11.4	-3.1	5.6
Rubber & Plastic Products	0.0	0.0	0.0	0.0	0.8	1.7
Other Non-Metallic Mineral Products²	0.9	0.0	0.0	9.6	10.3	17.9
Fabricated Metal Products excl. Machinery & Equipment	0.0	0.0	0.0	5.3	5.3	5.3
Other Manufacturing n.e.c.	0.0	9.9	0.0	9.9	16.4	5.9

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 2022/2023 FISCAL YEAR-TO-DATE

INDUSTRY	Fiscal Year-To-Date	
	Apr-22 to Mar-23	Apr-22 to Feb-23
MINING & QUARRYING	-3.8	-4.5
Bauxite Mining & Alumina Processing	-4.2	-4.9
Other Mining & Quarrying	5.1	3.5
MANUFACTURING	2.5	2.5
Food, Beverages & Tobacco	8.1	7.9
Production, Processing & Preserving of Meats, Fish, Vegetables, Oils and Fats	6.9	6.8
<i>Meat & Meat products and Fish & Fish Products</i>	6.1	6.1
<i>Fruits & Vegetables and Animal & Vegetable Oils & Fats</i>	9.9	9.9
Manufacture of Dairy Products	2.9	2.9
Manufacture of Grain Mill Products, Starches and Starch Products	16.5	16.2
Manufacture of Other Food Products	9.0	8.9
<i>Bakery Products</i>	9.0	9.0
<i>Sugar, Cocoa, Coffee, Chocolate & Sugar Confectionery</i>	6.8	6.3
<i>Seasoning, Spices, Sauces, and Condiments</i>	11.0	10.9
<i>Macaroni, Noodles, Couscous & Other Food Products, n.e.c</i>	11.9	11.9
Manufacture of Beverages and Tobacco	3.6	3.2
Textile, Wearing Apparel and Leather Products	10.1	7.2
Wood, Wood Products and Furniture	4.6	4.6
Paper and Paper Products	6.7	5.8
Chemicals and Chemical Products	7.3	6.5
Refined Petroleum Products	-16.6	-15.1
Rubber & Plastic Products	0.1	0.1
Other Non-Metallic Mineral Products³	9.5	8.5
Fabricated Metal Products excl. Machinery & Equipment	5.3	5.3
Other Manufacturing n.e.c.	9.9	9.9

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

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GLOSSARY OF IMPORTANT PPI TERMS

BASE PERIOD

The point in time is used as a reference period for comparison with other 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 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 sums 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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