

PRODUCER PRICE INDEX

Statistical Institute of Jamaica

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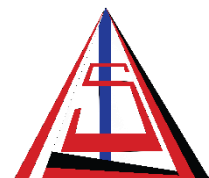
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Release Date: Thursday, July 25, 2024

PERCENTAGE CHANGE FOR MINING & QUARRYING INDUSTRY: 2023 - 2024

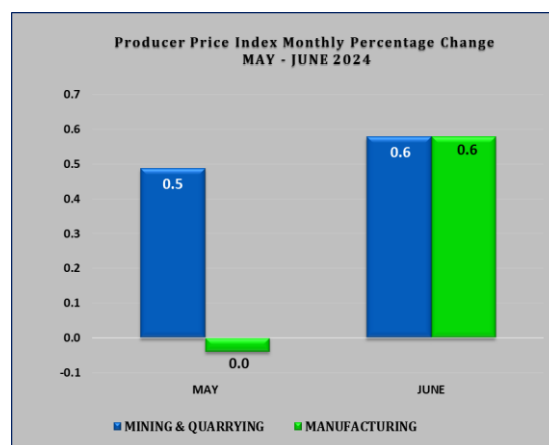
MONTH	YEAR	(%)
JUNE	2024	+0.6
May	2024	+0.5
April	2024	-1.1
March	2024	+0.8
February	2024	+0.1
January	2024	-0.4
December	2023	+0.3
November	2023	+0.4
October	2023	-2.0
September	2023	+0.1
August	2023	+0.0
July	2023	-2.0
June	2023	+1.2

PERCENTAGE CHANGE FOR MANUFACTURING INDUSTRY: 2023 - 2024

MONTH	YEAR	(%)
JUNE	2024	+0.6
May	2024	-0.0
April	2024	+0.4
March	2024	+0.1
February	2024	+0.3
January	2024	+0.2
December	2023	-0.8
November	2023	-0.7
October	2023	-0.3
September	2023	+1.2
August	2023	+2.1
July	2023	+0.4
June	2023	+0.2

HIGHLIGHTS: JUNE 2024

In June 2024, the Producer Price Index (PPI) for the **Mining & Quarrying** industry increased by 0.6 per cent. This was primarily driven by a corresponding 0.6 per cent increase in the index for the major group 'Bauxite Mining & Alumina Processing'. Additionally, the other major group, 'Other Mining & Quarrying', increased by 0.1 per cent.



Output prices for the **Manufacturing** industry also rose by 0.6 per cent. This was chiefly due to an increase in the index for the major groups: 'Food, Beverages & Tobacco' (1.2%), 'Chemicals and Chemical Products' (0.6%), and 'Paper and Paper Products' (1.5%). However, tempering the industry's overall increase was a 1.1 per cent fall in the index for the major group 'Refined Petroleum Products' (**Table II**).

POINT-TO-POINT

For the period **June 2023 – June 2024**, the point-to-point index for the **Mining & Quarrying** industry decreased by 2.9 per cent. This was due to a fall of 3.2 per cent in the index for the major group 'Bauxite Mining & Alumina Processing'.

The point-to-point index for the **Manufacturing** industry increased by 3.4 per cent. This was primarily attributed to a 10.8 per cent increase in the index for the major group 'Refined Petroleum Products' and a 2.6 per cent increase in the index for the major group 'Food, Beverages & Tobacco' (**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

The PPI for the **Mining & Quarrying** industry rose by 0.6 per cent in June 2024. The index for the major group 'Bauxite Mining & Alumina Processing' also increased by 0.6 per cent, while the index for the 'Other Mining & Quarrying' major group went up by 0.1 per cent. The contributing factor to these increases was the depreciation of the Jamaican dollar relative to the United States dollar (**Table II**).

MANUFACTURING

In June 2024, producer prices within the **Manufacturing** industry increased by 0.6 per cent. The main contributors were the major groups: 'Food, Beverages & Tobacco' (1.2%), 'Chemicals and Chemical Products' (0.6%) and 'Paper and Paper Products' (1.5%) (**Table II**).

FOOD, BEVERAGES & TOBACCO

The increase in the index for the 'Food, Beverages & Tobacco' major group was primarily attributed to upward movements in the index for the groups 'Manufacture of Beverages and Tobacco' (4.5%) and 'Manufacture of Other Food Products' (0.9%). The sub-groups that contributed to the upward movement in 'Manufacture of Other Food Products' were, 'Bakery Products' (1.0%), 'Sugar, Cocoa, Coffee, Chocolate & Sugar Confectionery' (0.4%) and 'Seasoning, Spices, Sauces and Condiments' (2.3%). These group increases were largely the result of general price increases due to inflation, as well as the depreciation of the Jamaican dollar against the United States dollar.

There was, however, a decline of 0.3 per cent in the index for the group 'Manufacture of Grain Mill Products, Starches and Starch Products', primarily due to the lower cost of cassava-based products.

OTHER MAJOR GROUPS IN THE MANUFACTURING INDUSTRY

The index for the major group, 'Chemicals and Chemical Products' rose by 0.6 per cent, as a result of the increased cost of raw materials. There was an increase of 1.5 per cent in the index for the major group 'Paper and Paper Products', chiefly attributed to higher production and labour costs.

There were also increases in the index for the major groups, 'Textile, Wearing Apparel and Leather Products' (0.2%) and 'Fabricated Metal Products excl. Machinery & Equipment' (0.1%). This was due mainly to the depreciation of the Jamaican dollar vis-à-vis the United States dollar.

Tempering the movement in the index for the Manufacturing industry was a decline in the major group 'Refined Petroleum Products' (1.1%) due to lower prices for crude oil on the international market. There was also a decrease in the index for the major group 'Rubber & Plastic Products' (0.2%).

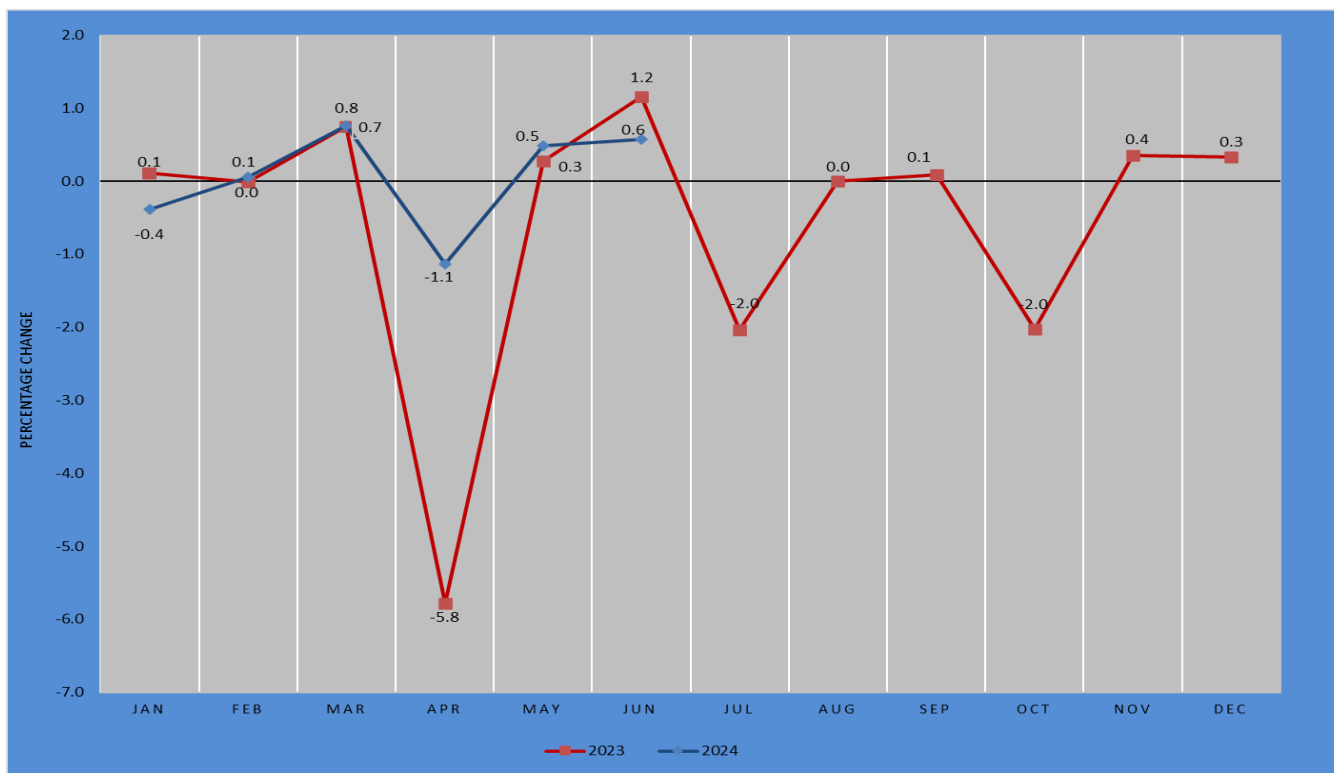


FIGURE II. MONTHLY PERCENTAGE CHANGE IN THE PPI FOR MINING & QUARRYING, JUNE 2023 – JUNE 2024

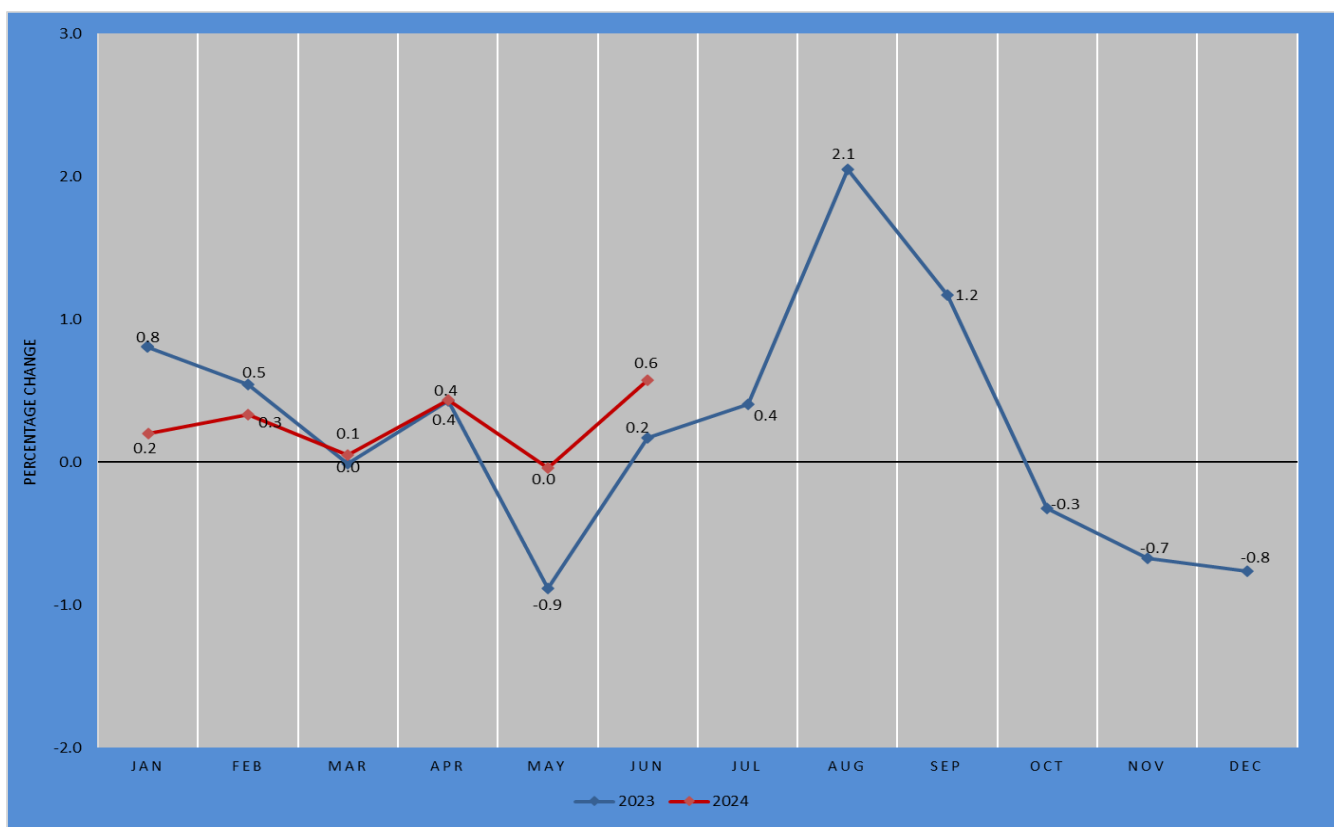


FIGURE III. MONTHLY PERCENTAGE CHANGE IN THE PPI FOR MANUFACTURING, JUNE 2023 – JUNE 2024

Table I. MONTHLY PRODUCER PRICE INDEX BY INDUSTRY, APRIL–JUNE 2024

INDUSTRY	Months		
	Apr-24	May-24	Jun-24
MINING & QUARRYING	178.1	179.0	180.0
Bauxite Mining & Alumina Processing	173.9	174.8	175.8
Other Mining & Quarrying	284.3	284.6	285.0
MANUFACTURING	276.5	276.4	278.0
Food, Beverages & Tobacco	274.7	275.0	278.4
Production, Processing & Preserving of Meats, Fish, Vegetables, Oils and Fats	295.0	294.9	295.0
<i>Meat & Meat Products and Fish & Fish Products</i>	294.2	294.2	294.2
<i>Fruits & Vegetables and Animal & Vegetable Oils & Fats</i>	290.9	290.9	290.9
Manufacture of Dairy Products	255.5	255.6	255.6
Manufacture of Grain Mill Products, Starches and Starch Products	339.2	338.2	337.3
Manufacture of Other Food Products	281.4	282.2	284.7
<i>Bakery Products</i>	256.1	256.9	259.4
<i>Sugar, Cocoa, Coffee, Chocolate & Sugar Confectionery</i>	313.5	314.5	315.8
<i>Seasoning, Spices, Sauces, and Condiments</i>	296.3	296.1 ^r	302.9
<i>Macaroni, Noodles, Couscous & Other Food Products, n.e.c</i>	347.2	347.2	347.2
Manufacture of Beverages and Tobacco	207.5	208.1	217.4
Textile, Wearing Apparel and Leather Products	228.1	228.5	229.0
Wood, Wood Products and Furniture	299.1	299.1	299.1
Paper and Paper Products	182.4	183.0	185.8
Chemicals and Chemical Products	243.3	244.1	245.4
Refined Petroleum Products	274.8	272.6	269.5
Rubber & Plastic Products	168.1	168.1	167.7
Other Non-Metallic Mineral Products¹	259.6	259.6	259.6
Fabricated Metal Products excl. Machinery & Equipment	221.1	221.2^r	221.4
Other Manufacturing n.e.c.	262.7	262.7	262.7

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–JUNE 2024

INDUSTRY	Percentage Change					
	Month-to-Month			Point-to-Point		
	Apr-24	May-24	Jun-24	Apr-23 to Apr-24	May-23 to May-24	Jun-23 to Jun-24
MINING & QUARRYING	-1.1	0.5	0.6	-2.6	-2.4	-2.9
Bauxite Mining & Alumina Processing	-1.2	0.5	0.6	-2.8	-2.6	-3.2
Other Mining & Quarrying	-0.3	0.1	0.1	3.5	3.6 ^r	3.4
MANUFACTURING	0.4	0.0	0.6	2.1	3.0	3.4
Food, Beverages & Tobacco	0.1	0.1	1.2	1.2	1.2	2.6
Production, Processing & Preserving of Meats, Fish, Vegetables, Oils and Fats	0.3	0.0	0.0	1.8	1.8	1.7
<i>Meat & Meat Products and Fish & Fish Products</i>	0.0	0.0	0.0	1.8	1.8	1.8
<i>Fruits & Vegetables and Animal & Vegetable Oils & Fats</i>	1.7	0.0	0.0	1.6	1.7	1.3
Manufacture of Dairy Products	0.0	0.0	0.0	2.7	2.0	2.0
Manufacture of Grain Mill Products, Starches and Starch Products	0.0	-0.3	-0.3	-1.0	-1.3	-0.3
Manufacture of Other Food Products	0.0	0.3	0.9	1.9	2.1	2.8
<i>Bakery Products</i>	0.0	0.3	1.0	1.5	1.9	2.8
<i>Sugar, Cocoa, Coffee, Chocolate & Sugar Confectionery</i>	-0.8	0.3	0.4	2.1	2.3	1.9
<i>Seasoning, Spices, Sauces, and Condiments</i>	-0.2	-0.1 ^r	2.3	0.8	0.6 ^r	2.7
<i>Macaroni, Noodles, Couscous & Other Food Products, n.e.c</i>	2.6	0.0	0.0	4.6	4.6	4.6
Manufacture of Beverages and Tobacco	-0.1	0.3	4.5	0.8	1.0	5.3
Textile, Wearing Apparel and Leather Products	-0.4	0.2	0.2	1.0	0.6	0.5
Wood, Wood Products and Furniture	0.0	0.0	0.0	10.5	10.5	10.0
Paper and Paper Products	0.0	0.3	1.5	2.8	3.1	2.6
Chemicals and Chemical Products	0.2	0.3	0.6	-2.1	-1.9	-0.8
Refined Petroleum Products	2.0	-0.8	-1.1	7.9	13.0	10.8
Rubber & Plastic Products	0.0	0.0	-0.2	-1.0	-1.0	-1.3
Other Non-Metallic Mineral Products²	0.7	0.0	0.0	2.1	2.1	2.1
Fabricated Metal Products excl. Machinery & Equipment	0.1	0.0	0.1	-4.1	-4.0^r	-4.0
Other Manufacturing n.e.c.	0.0	0.0	0.0	0.0	0.0	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 2023/2024
FISCAL YEAR**

INDUSTRY	Fiscal Year-To-Date	
	Apr-23 to May-24	Apr-23 to Jun-24
MINING & QUARRYING	0.5	1.1
Bauxite Mining & Alumina Processing	0.5	1.1
Other Mining & Quarrying	0.1	0.3
MANUFACTURING	0.0	0.5
Food, Beverages & Tobacco	0.1	1.4
Production, Processing & Preserving of Meats, Fish, Vegetables, Oils and Fats	0.0	0.0
<i>Meat & Meat Products and Fish & Fish Products</i>	0.0	0.0
<i>Fruits & Vegetables and Animal & Vegetable Oils & Fats</i>	0.0	0.0
Manufacture of Dairy Products	0.0	0.0
Manufacture of Grain Mill Products, Starches and Starch Products	-0.3	-0.5
Manufacture of Other Food Products	0.3	1.2
<i>Bakery Products</i>	0.3	1.3
<i>Sugar, Cocoa, Coffee, Chocolate & Sugar Confectionery</i>	0.3	0.8
<i>Seasoning, Spices, Sauces, and Condiments</i>	-0.1	2.2
<i>Macaroni, Noodles, Couscous & Other Food Products, n.e.c</i>	0.0	0.0
Manufacture of Beverages and Tobacco	0.3	4.8
Textile, Wearing Apparel and Leather Products	0.2	0.4
Wood, Wood Products and Furniture	0.0	0.0
Paper and Paper Products	0.3	1.9
Chemicals and Chemical Products	0.3	0.9
Refined Petroleum Products	-0.8	-1.9
Rubber & Plastic Products	0.0	-0.2
Other Non-Metallic Mineral Products³	0.0	0.0
Fabricated Metal Products excl. Machinery & Equipment	0.0	0.1
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.

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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, is available from STATIN's Library.



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