

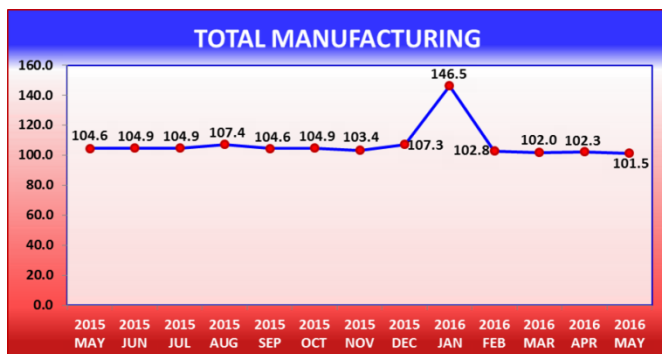
PRODUCER PRICE INDEX (MANUFACTURING)

MAY 2016

The **Producer Price Index**¹ (PPI) measures the average change over time in the prices of goods and services produced by businesses as they leave the producer (i.e. Manufacturer). PPIs can be used to provide better deflators for national accounts and estimating Gross Domestic Product (GDP). The measurement is related to a fixed period, which is referred to as the base-period. The base-period is May 2011 and can be expressed as May 2011 =100. The indicators are obtained from a selected number of establishments, representative of each industry group. The source of the data for the Index is the monthly *Survey of Producer Prices*.

Performance of the Producer Price Index

The **Producer Price Index (Manufacturing)** for May 2016 recorded a decrease of **0.8%** when compared to April 2016.



Decreases in the indices for Beverages (**3.6%**); Petroleum and Chemical Products (**2.9%**); Fabricated Metal Products, except Machinery and Equipment (**1.3%**) and Other Non-metallic Mineral Products (**0.2%**) contributed to the overall drop in the index. Over this same period the index for Other Manufacturing saw a notable increase of **3.7%**.

The indices for five industries remained unchanged from April 2016 to May 2016. These industries are: Food Products; Wearing Apparel; Printing and Reproduction of Recorded Media; Rubber and Plastics Products; and Furniture.

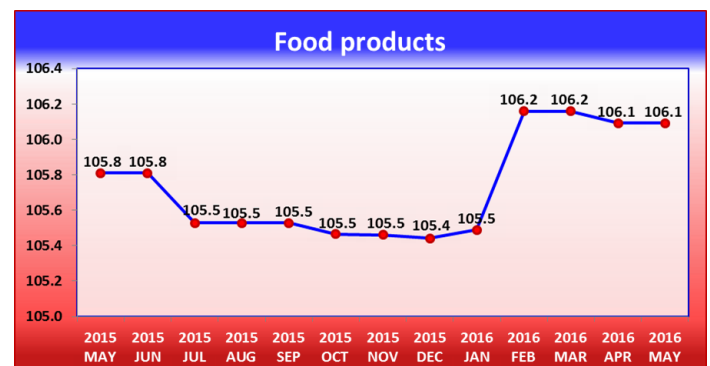
The year-on-year comparison of the PPI showed a decline of **2.9%**. The main sources of this decrease continue to be the indices of Other Non-metallic Mineral Products (**18.4%**) and Fabricated Metal Products, except Machinery and Equipment (**12.2%**). The other indices contributing to the decrease are Rubber and Plastics Products (**9.3%**); Furniture (**7.3%**); Petroleum and Chemical Products (**4.6%**) and Other Manufacturing (**4.6%**).

Indices recording increases over this period were Beverages (**7.2%**); Printing and Reproduction of Recorded Media (**2.5%**); Wearing Apparel (**1.3%**) and Food Products (**0.3%**).

Performance of selected major industries:

Food Production

The index for the Food Production sector was unchanged in May 2016.



¹A detailed methodology on the Producer Price Index is available on our website:

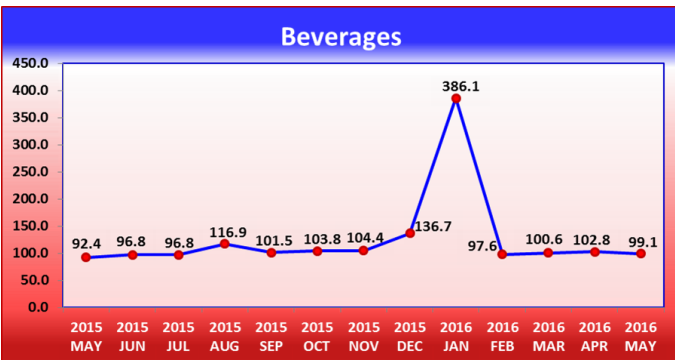
http://www.barstats.gov.bb/files/documents/Producer_Price_Index_Manufacturing_Methodology.pdf

²“Other manufacturing industries” in this Index is a combination of ISIC Rev. 4 groups 16, 26 and 27. 16- Manufacture of wood and products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials 26-Manufacture of paper and paper products 27-Manufacture of electrical equipment

The year-on-year index for May 2016 rose by **0.3%** above the index for April 2016. This increase can be credited to the sub-group indices for Dairy Products (**6.7%**) and Other food products n.e.c. (**0.3%**). Decreases were recorded in the sub-group indices for Sugar (**21.9%**) and Processing and preserving of fish, crustaceans and molluscs (**0.9%**).

Beverages

The Beverages index for May 2016 registered a decrease of **3.6%** over April 2016. This can be attributed to the sub-group index for Distilling, rectifying and blending of spirits which registered a decrease of **7.6%**.

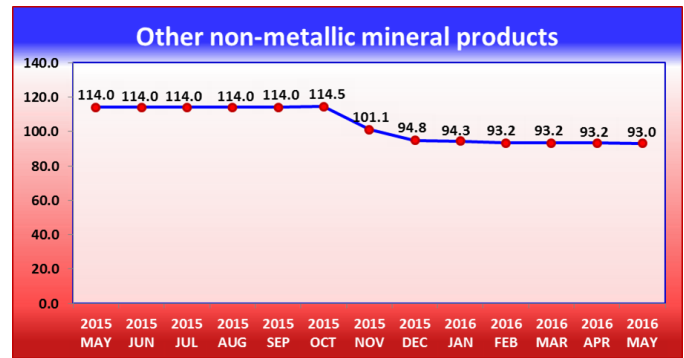


A comparison of the indices for May 2016 and May 2015 presented an increase of **7.2%**. The sub-group index for Soft drinks: production of mineral waters and other bottled waters (**26.6%**) contributed to this increase. There was however a decrease of **0.4%** in the index for Distilling, rectifying and blending of spirits.

Other Non-Metallic Mineral Products

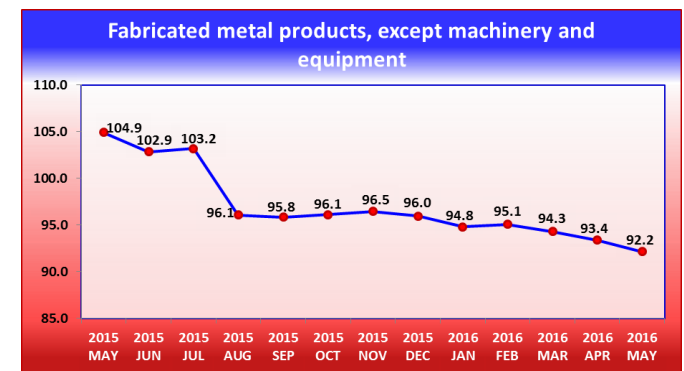
The index for Other Non-Metallic Mineral Products registered a slight decrease of **0.2%** in May 2016 under the Index for April 2016. A decrease in the Sub-group index of Articles of concrete, cement and plaster (**0.3%**) contributed to this decline.

The year-on-year index for May 2016 recorded a notable decrease of **18.4%**. The sub-group indices for Cement, lime and plaster (**37.8%**) and Articles of concrete, cement and plaster (**2.7%**) contributed to this decline.



Fabricated Metal Products, except machinery and equipment

The index of Fabricated Metal Products, except machinery and equipment registered a decrease of **1.3%** in May 2016, when compared to April 2016. This decrease is attributed to a **3.3%** fall in the subgroup index for Forging, pressing, stamping, and roll-forming of metal; powder metallurgy.



The year-on-year index for Fabricated Metal Products, except machinery and equipment recorded a **12.2%** decrease. The main contributors of this decline were the sub-group indices for Forging, pressing, stamping, and roll-forming of metal; powder metallurgy (**17.5%**) and Structural Metal Products (**14.1%**). An increase of **9.9%** was recorded in Other fabricated metal products n.e.c..

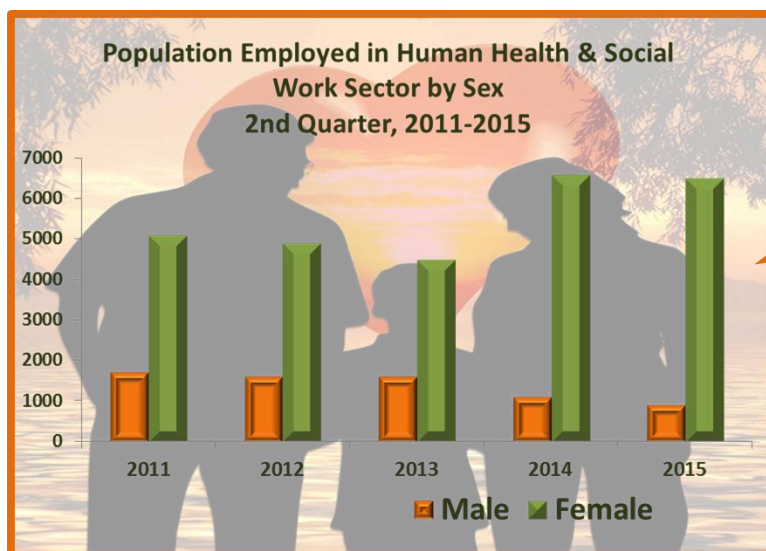
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(May 2011=100)
May 2016

Table 1A: PPI (Manufacturing) by Industry for the period May 2015 to May 2016.

INDUSTRY	ISIC REV. 4	WEIGHTS	2016 JAN	2016 FEB	2016 MAR	2016 APR	2016 MAY	2015 MAY	2015 JUN	2015 JUL	2015 AUG	2015 SEP	2015 OCT	2015 NOV	2015 DEC
Food Products	10	50.1	105.5	106.2	106.2	106.1	106.1	105.8	105.8	105.5	105.5	105.5	105.5	105.5	105.4
Beverages	11	15.1	386.1	97.6	100.6	102.8	99.1	92.4	96.8	96.8	116.9	101.5	103.8	104.4	136.7
Wearing Apparel	14	0.7	110.1	110.1	111.6	111.6	111.6	110.1	110.1	110.1	110.1	110.1	110.1	110.1	110.1
Printing and Reproduction of Recorded Media	18	2.6	109.6	109.6	109.6	112.3	112.3	109.6	109.6	109.6	109.6	109.6	109.6	109.6	109.6
Petroleum and Chemical Products	19,20	5.1	103.3	103.5	101.9	101.3	98.3	103.0	102.3	105.5	105.7	99.7	99.4	98.7	97.8
Rubber and Plastics Products	22	1.5	90.7	90.7	90.7	90.7	90.7	100.0	100.0	100.0	100.0	100.0	90.7	90.7	90.7
Other Non-metallic Mineral Products	23	11.5	94.3	93.2	93.2	93.2	93.0	114.0	114.0	114.0	114.0	114.0	114.5	101.1	94.8
Fabricated Metal Products, except Machinery and Equipment	25	10.0	94.8	95.1	94.3	93.4	92.2	104.9	102.9	103.2	96.1	95.8	96.1	96.5	96.0
Furniture	31	1.7	95.9	95.9	95.9	95.9	95.9	103.5	96.3	96.3	96.3	96.3	96.3	95.9	95.9
Other Manufacturing	16,26,27	1.8	182.8	161.7	99.8	101.0	104.7	109.8	108.9	107.5	116.9	110.0	114.4	108.0	103.8
TOTAL MANUFACTURING	10 - 31	100.0	146.5	102.8	102.0	102.3	101.5	104.6	104.9	104.9	107.4	104.6	104.9	103.4	107.3



DID YOU KNOW ... ?

The involvement of males in the Human Health & Social Work Sector is far lower than that of females and appears to be on the decline over the years 2011 through 2015.

Source: Barbados Statistical Service
Continuous Household Labour Force Survey

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(May 2011=100)
May 2016

Table 1B: PPI (Manufacturing) Comparison of May 2016 to April 2016 and May 2015.

INDUSTRY	ISIC REV. 4	WEIGHTS	2016 MAY	2016 APR	CHANGE		2016 MAY	2015 MAY	CHANGE	
					POINTS	%			POINTS	%
Food Products	10	50.1	106.1	106.1	0.0	0.0	106.1	105.8	0.3	0.3
Beverages	11	15.1	99.1	102.8	-3.7	-3.6	99.1	92.4	6.7	7.2
Wearing Apparel	14	0.7	111.6	111.6	0.0	0.0	111.6	110.1	1.4	1.3
Printing and Reproduction of Recorded Media	18	2.6	112.3	112.3	0.0	0.0	112.3	109.6	2.8	2.5
Petroleum and Chemical Products	19,20	5.1	98.3	101.3	-3.0	-2.9	98.3	103.0	-4.7	-4.6
Rubber and Plastics Products	22	1.5	90.7	90.7	0.0	0.0	90.7	100.0	-9.3	-9.3
Other Non-metallic Mineral Products	23	11.5	93.0	93.2	-0.2	-0.2	93.0	114.0	-21.0	-18.4
Fabricated Metal Products, except Machinery and Equipment	25	10.0	92.2	93.4	-1.2	-1.3	92.2	104.9	-12.8	-12.2
Furniture	31	1.7	95.9	95.9	0.0	0.0	95.9	103.5	-7.5	-7.3
Other Manufacturing	16,26,27	1.8	104.7	101.0	3.7	3.7	104.7	109.8	-5.0	-4.6
TOTAL MANUFACTURING	10 - 31	100.0	101.5	102.3	-0.8	-0.8	101.5	104.6	-3.0	-2.9

*The BSS wishes to
acknowledge the
cooperation of the
business community in
supplying the required
data.*

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