



# Producer Price Index (PPI)

Manufacturing (2012=100)

# Fourth Quarter 2018

Preliminary

Release Date: March 2019



### **Briefing**

In the light of the rapid economic and social development in the Emirate of Abu Dhabi, price indices and indicators are considered key tools that express changes in the prices of industrial and commercial production and services. Indices are also considered important economic indicators that provide accurate data to decision makers, economists, researchers, policy makers and other users of official statistics. The remarkable economic development witnessed by Abu Dhabi Emirate has called for the construction of a statistical index that reflects the growth of the economic production sectors. Therefore, Statistics Centre – Abu Dhabi constructed the industrial producer price index for the Emirate of Abu Dhabi.

The Producer Price Index (PPI), which is calculated on a quarterly basis, cover the manufacturing sector. The PPI design is based on the main list of products of the industrial manufacturing activities in the International Standard Industrial Classification-revision 4 (ISIC4) which covers all manufacturing economic activities.

The calculated figures represent a time series that measures the changes in the production prices during a specific period compared with the base year 2012. SCAD follows the best international practices and methodologies for the calculation of the PPI and the processing of data. Further development of the PPI will cover more activities such as mining and quarrying, and water and electricity.



## **Key Points**

- 1. The PPI in the fourth quarter of 2018 increased by 8.2% compared with the same quarter in 2017, rising to 81.4% in the fourth quarter of 2018 from 75.3% in the fourth quarter of 2017.
- 2. In the fourth quarter of 2018, the PPI decreased by 4.9% compared with the third quarter of 2018 to 81.4% from 85.6%.
- 3. The key activity that recorded an decrease in its price, during the fourth quarter of 2018 compared with the corresponding quarter in 2017 was the 'Manufacture of coke and refined petroleum products' for which prices increased by 11.9%, contributing 40.9% to the overall change. The activity of 'Manufacture of fabricated metal products, except machinery and equipment' increased by 26.0% and contributed 39.8% to the overall change.
- 4. Comparing the figures of the fourth quarter of 2018 with the third quarter 2018, the activity of 'Manufacture of coke and refined petroleum products' contributed 42.8% to the overall change, its prices drop by 7.1% through the comparison period. In addition, the activity "Manufacture of fabricated metal products, except machinery and equipment" contributed 41.4% to the overall change, for which prices decreased by 12.8%.



Figure 1: Quarterly Producer Price Index for 2017, 2018 (2012=100)

Source: Statistics Centre - Abu Dhabi



#### **Notes**

#### **Technical notes**

For better understanding of the statistical indicators mentioned in this summary, please refer to the accompanied technical notes on the SCAD website. The figures in this publication are preliminary until the next publication.

#### **Data sources**

Data are collected from 65 establishments at the 2-digit level of the International Standard Industrial Classification. The sample distribution covers 52 establishments in the Abu Dhabi region and 13 establishments in the Al Ain region.

#### More information and detailed release

For more information about the PPI and other official statistics, please visit the statistics link on the SCAD website at www.scad.gov.abudhabi

#### **Revision statement**

The Producer Price Index PPI is prepared on a quarterly basis and the publication is issued within three months of the reference quarter. The figures of the PPI are considered preliminary until the next publication. Due to delayed access to prices data from the source (Establishments), if there is any adjustment to the previous quarter's data, the direct adjustment will be made and the results of this adjustment will be presented in the following quarter.

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