

فــركــز الإحــصــاء STATISTICS CENTRE

# **Producer Price Index (PPI)**

# Manufacturing (2012=100)

Fourth Quarter 2017

Preliminary

Release Date: March 2018



## **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 2017 increased by 15.2% compared with the same quarter in 2016, rising to 79.6% in the fourth quarter of 2017 from 69.0% in the fourth quarter of 2016.
- 2. In the fourth quarter of 2017, the PPI increased by 9.9% compared with the third quarter of 2017, rising to 79.6% compared with 72.4% in the third quarter of 2017.
- 3. The key activity that recorded an increase in its price, during the fourth quarter of 2017 compared with the corresponding quarter in 2016 was the 'Manufacture of coke and refined petroleum products' for which prices increased by 37.0%, contributing 54.3% to the overall change. The activity of 'Manufacture of fabricated metal products, except machinery and equipment' prices' increased by 22.1% and contributed 16.2% to the overall change.
- 4. Comparing the figures of the fourth quarter of 2017 with the third quarter 2017, the activity of 'Manufacture of other transport equipment' contributed 44.5% to the overall change, its prices rose by 125.0% through the comparison period. In addition, the activity "Manufacture of coke and refined petroleum products" contributed 39.7% to the overall change, for which prices increased by 15.5%.



Figure 1: Quarterly Producer Price Index for 2016, 2017 (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.

## 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

The PPI for Q1 2018 will be released during June 2018. For more information about the PPI and other official statistics, please visit the statistics link on the SCAD website at <u>http://www.scad.ae</u>

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