16 June 2020

Y-o-y decrease of industrial producer prices deepened

Producer price indices – May 2020

Agricultural producer prices (-0.1%) and service producer prices in the business sphere (-0.3%) both went down. Industrial producer prices (+0.4%) and construction work prices (+0.2%) both went up, month-on-month (m-o-m). From the year-on-year perspective, agricultural producer prices decreased by 2.7% and industrial producer prices fell by 0.9%. Construction work prices (+4.1%) and service producer prices in the business sphere (+2.0%) increased.

# Month-on-month comparison

**Agricultural producer prices** fell by 0.1%. Prices of pigs for slaughter (-6.5%), eggs (-3.6%), cattle for slaughter (-2.9%) and milk (-1.5%) were lower. On the increase were prices of fruit (+8.4%), cereals (+1.6%), potatoes (+0.8%), oleaginous crops (+0.6%) and poultry (+0.5%).

Prices of **industrial producers** were higher by 0.4 %. Prices grew in ‘coke, refined petroleum products’. Prices went up in ‘transport equipment’ (+1.4%) and ‘basic metals, fabricated metal products’ (+1.0%). Lower were prices in ‘food products, beverages, tobacco’ (-1.0%) thereof ‘preserved meat and meat products’ (-2.5%) and ‘dairy products’ (-1.9%). On the decrease were also prices in ‘chemicals and chemical products’ (-2.1%) and ‘electricity, gas, steam and air conditioning’ (-0.2%).

According to an estimate, **construction work prices** were higher by 0.2% and prices of construction material and products input rose by 0.4%.

**Service producer prices in the business sphere** fell by 0.3%. Prices for ‘employment services’ (-3.1%) and ‘warehousing and support services for transportation’ (-1.0%) decreased. On the decrease were also prices of ‘legal and accounting services’ and ‘insurance, reinsurance and pension funding services, except compulsory social security’ (-0.2% both). Service producer prices in the business sphere, excluding advertising services went down by 0.2%.

# Year-on-year comparison

**Agricultural producer prices** fell by 2.7% (-2.5% in April). Prices in the crop production dropped by 4.9%. On the decrease were prices of potatoes (-9.4%), cereals (-7.5%) and oleaginous crops (-2.6%). Prices of fruit (+91.3%) and fresh vegetables (+0.8%) went up. Prices of animal products dropped by 0.4%. Prices of cattle for slaughter (-6.9%) and milk (-3.3%) went down. Prices for pigs for slaughter (+10.5%) and eggs (+5.9%) were higher.

Prices of **industrial producers** were lower by 0.9% (in April they decreased by 0.8%). It was the deepest fall since November 2016. Prices fell particularly in ‘coke, refined petroleum products’. Lower were prices in ‘chemicals and chemical products’ (-15.6%) and ‘mining and quarrying’ (-3.1%). Prices increased in ‘electricity, gas, steam and air conditioning’ (+8.0%), thereof ‘electricity, transmission and distribution services’ (+9.5%). Prices increased in ‘transport equipment’ (+4.2%) and ‘furniture, other manufactured products’ (+4.8%). Prices were higher in ‘food products, beverages, tobacco’ (+2.7%), thereof ‘preserved meat and meat products’ (+6.2%).

Among the main industrial groupings, prices of ‘energy’ (-6.9%) were lower particularly.

According to an estimate, **construction work prices** rose by 4.1% (the same way as in April) and prices for construction material and products input grew by 0.2% (in April they decreased by 0.3%).

**Service producer prices in the business sphere**were higher by 2.0% (+2.3% in April). Prices for ‘employment services’ (+7.5%), ‘warehousing and support services for transportation’ (+4.8%), ‘security and investigation services’ (+3.8%) and ‘insurance, reinsurance and pension funding services, except compulsory social security’ (+3.0%) rose. Service producer prices in the business sphere, excluding advertising services, grew by 2.2% (+2.4% in April).

**Industrial producer prices in the EU – April 2020 (preliminary data)**

According to the Eurostat News Releases, industrial producer prices fell in April by 1.9% (-1.4% in March) in EU27, **month-on-month.** The largest decrease was observed in Lithuania (-3.6%). Price were lower in Poland (-1.1%), Austria and Slovakia (-1.0% both), Germany (-0.6%) and the Czech Republic (-0.5%). The highest increase was recorded in Malta (+0.5%).

Industrial producer prices decreased in April by 4.3% (-2.5% in March) in EU27, **year-on-year**.

The largest decrease was observed in Lithuania (-10.3%). Prices were lower in Austria (-3.0%), Poland (-2.3%), Germany (-1.5%) and the Czech Republic (-0.8%) and were higher in Slovakia (+1.2%). The highest increase was recorded in Cyprus (+3.5%).

Notes:

*Responsible head at the CZSO: Jiří Mrázek, Director of Prices Statistics Department,
phone (+420) 274 052 533, e-mail:* *jiri.mrazek@czso.cz*

*Contact person: Jiří Šulc, Head of Agricultural, Construction, and Services Prices Statistics Unit, phone (+420) 274 052 148,
e-mail:* *jiri.sulc@czso.cz*

*Miloslav Beránek, Industrial and International Trade Prices Statistics Unit, phone (+420) 274 052 665,
e-mail:* *miloslav.beranek@czso.cz*

*Method of data acquisition: CZSO direct surveys*

*End of data collection / End of data processing:*

*Agricultural producer price indices: 26th calendar day of reference month / 8th calendar day of the following month*

*Industrial producer price indices: 20th calendar day of reference month / 9th calendar day of the following month*

*Service producer prices in the business sphere: 20th calendar day of reference month / 9th calendar day of the following month*

*Except for the construction work price indices, the published figures are final data. Estimates of the construction work price indices are carried out on the 9th calendar day of the following month. Then, construction work price indices are made more precise using results of the finished quarterly survey and the finalised data are released on the 46th calendar day of the following quarter.*

*Related publications: 011041 – 20 Price Indices of Constructions Works, Price Indices of Constructions, and Indices of Construction Costs*

 *011044 – 20 Industrial Producer Price Indices*

 *011045 – 20 Agricultural Producer Price Indices*

 *011046 – 20 Service Producer Prices in the Business Sphere*

*Following outcomes:* [*https://www.czso.cz/csu/czso/producer-prices-publications*](https://www.czso.cz/csu/czso/producer-prices-publications)

*Next News Release will be published on: 17 July 2020*

Annexes:

Table 1 Producer Price Indices

Table 2 Industrial Producer Price Index by Main Industrial Grouping

Table 3 Industrial Producer Price Index (breakdown of month-on-month and year-on-year increments)

Graph 1 Industrial Producer Price Indices (year-on-year changes and changes to the base year 2015)

Graph 2 Construction Work Price Indices (year-on-year changes and changes to the base year 2015)

Graph 3 Service Producer Price Indices in the Business Sphere (year-on-year changes and changes to the base year 2015)

Graph 4 Agricultural Producer Price Indices (year-on-year changes and changes to the base year 2015)

Graph 5 Industrial Producer Price Indices, International Comparison (changes to the base year 2015)