February 23, 2016

Prices of petroleum products, electricity and coal dropped again

Producer price indices – January 2016

In January 2016 compared with the previous month, agricultural producer prices went down by 1.2%. Industrial producer prices and prices of market services were both lower by 1.6% and 0.5%, respectively. Construction work prices were higher by 0.1%. In comparison to January 2015, agricultural producer prices fell by 1.2%, industrial producer prices decreased by 3.4% and prices of market services also went down by 0.2%. Construction work prices went up by 1.3%.

# Month-on-month comparison:

**Agricultural producer** prices decreased by 1.2%. Prices of pigs for slaughter (-3.8%), poultry
(-3.4%) and eggs (-1.9%) went down. Prices of vegetables (+4.3%), potatoes (+1.3%) and milk (+0.8%) went up.

Prices of **industrial producers** went down by 1.6%. This is the most significant decline since November 2008. Lower were prices particularly in ‘coke, refined petroleum products’. Prices decreased significantly in ‘electricity, gas, steam and air conditioning’ (-4.0%), thereof ‘electricity, transmission and distribution services’ (-6.1%). Prices went down in ‘mining and quarrying’ (-5.1%). Prices rose in ‘machinery and equipment n.e.c.’ (+0.6%), ‘water supply, sewerage, waste management and remediation services’ (+0.5%) and ‘food products, beverages, tobacco’ (+0.1%).

According to an estimate, **construction work** prices and construction material input prices were both higher by 0.1%.

**Market services** prices **in the business sphere** were lower by 0.5% due to the price decreasing of ‘advertising and market research services’ (-7.5%) and ‘warehousing and support services for transportation’ (-1.2%). On the increase were prices of ‘land transport services and transport services via pipelines’ and ‘architectural and engineering services’ (+0.4% both). Market services prices excluding advertising services grew by 0.1%.

# Year-on-year comparison:

**Agricultural producer** prices fell by 1.2% (+1.1% in December). Prices of crop products went up by 7.8%. Higher were prices of vegetables (+93.5%), potatoes (+66.1%), oil plants (+8.3%) and cereals (+2.4%). Prices of animal products went down by 9.7% due to decreasing prices of milk (-16.3%), eggs (-8.1%), pigs for slaughter (-7.0%) and poultry (-2.7%). On the increase were prices of cattle for slaughter by 1.5%.

Pricesof **industrial producers** went down by 3.4% (-2.9% in December). Lower were prices primarily in ‘coke, refined petroleum products’. Prices decreased in ‘electricity, gas, steam and air conditioning’ (-4.0%), thereof ‘electricity, transmission and distribution services’ (-6.2%). Prices fell in ‘basic metals, fabricated metal products’ (-5.1%), ‘mining and quarrying’ (-6.6%) and ‘food products, beverages, tobacco’ (-1.6%). On the decrease were prices the most in ‘dairy products’ (-6.2%), ‘preserved meat and meat products’ (-3.7%) and ‘bakery and farinaceous products’ (-2.3%). On the increase were prices in ‘water supply, sewerage, waste management and remediation services’ (+0.5%), ‘machinery and equipment n.e.c’ and ‘textiles, clothes, leather and leather products’ (+0.3% both).

Among the main industrial groupings, prices of ‘energy’ (-8.3%) decreased the most, y-o-y.

According to an estimate, **construction work** prices rose by 1.3% (+1.4% in December after specification) and construction material input prices fell by 1.2% (-1.4% in December).

Prices of **market services** **in the business sphere** were lower by 0.2% (-0.3% in December). Decreasing were prices in ‘information services’ (-2.6%), ‘land transport services and transport services via pipelines’ (-1.9%), ‘real estate services’ (-1.3%) and ‘insurance, reinsurance and pension funding services’ (-0.9%). On the increase were prices of ‘postal and courier services’ (+6.9%) and ‘architectural and engineering services’ (+3.1%). Market services prices excluding advertising services went down by 0.1% (-0.4% in December).

# Industrial producer prices in the EU – December 2015\*

According to the Eurostat News Releases, industrial producer prices decreased in December by 0.8% (-0.2% in November) in EU28, **month-on-month.** Among the Member States for which data are available, the largest decreases were observed in the Netherlands (-3.0%), Denmark and Greece (-2.4% both). On the decrease were prices in the Czech Republic, Austria and Germany (-0.4% all), Slovakia (-0.3%) and Poland (-0.2%). Prices rose only in Malta and Sweden (+0.1% both).

Industrial producer prices decreased in December by 3.2% (-3.5% in November) in EU28, **year-on-year.** Prices fell in all Member States, the most in Lithuania (-8.1%), the Netherlands (-7.7%) and Cyprus (-7.0%). Prices decreased in Slovakia (-4.6%), the Czech Republic (-2.9%), Austria (-2.6%), Germany (-2.2%) and Poland (-0.8%).

*\* Preliminary data*

Notes:

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*Data source: CZSO surveys*

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

*Agricultural producer price indices: 24th calendar day of reference month / 8th calendar day of the following month*

*Industrial producer price indices: 20th calendar day of reference month / 7th calendar day of the following month*

*Construction work price indices: last calendar day of reference month / 5th working day of the following month*

*Market services price indices: 15th calendar day of reference month / 7th calendar day of the following month*

*Except for the construction work price indices, the published data are finalised. Estimates of the construction work price indices are carrying out on the 9th calendar day of the following day. Construction work price indices are updated using the finished quarterly survey and the finalised data are released on the 45th calendar day of the following quarter.*

*Related publications: 011041 - 16**Price Indices of Constructions Works, Price Indices of Constructions and Indices of Construction Costs*

*011039 - 16 Producer Price Indices – Basic Information*

*011044 - 16 Industrial Producer Price Indices*

*011045 - 16 Agricultural Producer Price Indices*

*011046 - 16 Market Services Price Indices in the Business Sphere*

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

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***Text not edited for language.***

Annexes:

Table 1: Producer prices (indices)

Table 2: Industrial producer prices (main industrial groupings, indices)

Table 3: Industrial producer prices (decomposition of increases – month-on-month, year-on-year)

Graph 1: Industrial producer prices (year-on-year changes, changes on base year 2005)

Graph 2: Construction work prices (year-on-year changes, changes on base year 2005)

Graph 3: Prices of market services for the business sphere (year-on-year changes, changes on base year 2005)

Graph 4: Agricultural producer prices (year-on-year changes, changes on base year 2010)

Graph 5: Industrial producer price indices – international comparison (changes on base year 2010)