February 28, 2018

Y-o-y growth of industrial producer price index is losing at the pace

Producer price indices – January 2018

In January 2018 compared with the previous month, agricultural producer prices and industrial producer prices both went up by 0.5%. Construction work prices went up by 0.3%. Prices of market services went down by 1.1%. In comparison to January 2017, agricultural producer prices rose by 7.2% and industrial producer prices grew by 0.5%. Construction work prices and prices of market services were both higher by 2.2% and 1.1%, respectively.

# Month-on-month comparison

**Agricultural producer** prices grew by 0.5%. Prices of fresh vegetables (+14.5%), fruit (+8.1%), potatoes (+4.8%), cereals (+0.8%) and milk (+0.7%) went up. On the decrease were prices of eggs (-15.0%), pigs for slaughter (-5.1%), oil plants (-1.2%) and cattle for slaughter (-0.4%).

Prices of **industrial producers** went up by 0.5%. Prices rose in ‘mining and quarrying’ (+5.4%), ‘electricity, gas, steam and air conditioning’ (+1.6%) and ‘basic metals, fabricated metal products’ (+0.7%). Higher were also prices in ‘coke, refined petroleum products’. On the increase were prices in ‘water supply, sewerage, waste management and remediation services’ (+1.9%). On the decrease were prices in ‘transport equipment’ (-1.2%) and ‘food products, beverages, tobacco’ (-0.2%), thereof ‘dairy products’ (-2.9%) and ‘preserved meat and meat products’ (-0.4%).

According to an estimate, **construction work** prices increased by 0.3% and construction material input prices rose by 0.7%.

**Market services** prices **in the business sphere** decreased by 1.1% due to the price decreasing of ‘advertising and market research services’ (-15.4%), ‘warehousing and support services for transportation’ (-3.3%) and ‘employment services’ (-3.0%). On the increase were prices of ‘architectural and engineering services’ (+1.0%) and ‘computer programming, consultancy and related services’ (+0.7%). Market services prices excluding advertising services stayed unchanged.

# Year-on-year comparison

**Agricultural producer** prices were higher by 7.2% (+8.1% in December). Prices of crop products grew by 4.6% due to increasing prices of fruit (+76.4%), fresh vegetables (+16.1%), cereals (+8.1%) and potatoes (+3.0%). Lower were prices of oil plants by 2.8%. Prices of animal products went up by 10.0%. Higher were prices of eggs (+33.2%), milk (+22.8%) and cattle for slaughter (+3.0%). Prices of pigs for slaughter (-11.0%) and poultry (-4.1%) went down.

Pricesof **industrial producers** were higher by 0.5% (+0.7% in December). Prices rose the most importantly in ‘basic metals, fabricated metal products’ (+5.0%), ‘mining and quarrying’ (+6.7%) and ‘electricity, gas, steam and air conditioning’ (+1.5%). Prices increased in ‘food products, beverages, tobacco’ (+0.9%), thereof ‘bakery and farinaceous products’ (+4.0%) and ‘dairy products’ (+1.8%). Higher were prices in ‘water supply, sewerage, waste management and remediation services’ (+1.9%). On the decrease were primarily prices in ‘transport equipment’ (-4.5%), thereof ‘parts and accessories for motor vehicles’ (-6.6%). Prices went down in ‘chemicals and chemical products’ (-2.7%). Lower were prices also in ‘coke, refined petroleum products’.

Among the main industrial groupings, prices of ‘energy’ (+1.7%) increased the most and prices of ‘capital goods’ (-1.9%) decreased the most y-o-y.

According to an estimate, **construction work** prices rose by 2.2% (+2.1% in December) and construction material input prices grew by 2.3% (+2.0% in December).

Prices of **market services** **in the business sphere** were higher by 1.1% (+1.9% in December). Increasing were prices in ‘publishing services’ (+4.1%), ‘architectural and engineering services’ (+3.4%) and ‘computer programming, consultancy and related services’ (+2.0%). Lower were prices of ‘advertising and market research services’ (-1.3%) and ‘warehousing and support services for transportation’ (-1.6%). Market services prices excluding advertising services increased by 1.1% (+1.3% in December).

**Industrial producer prices in the EU – December 2017 (preliminary data)**

According to the Eurostat News Releases, industrial producer prices increased in December by 0.1% (+0.7% in November) in EU28, **month-on-month.** The highest increase in prices was observed in Sweden (+1.2%). Prices were higher in Slovakia (+0.6%), Germany and the Czech Republic (+0.3% both). Lower were prices in Poland (-0.2%) and Austria (-0.1%). The largest decrease was recorded in Denmark (-1.0%).

Industrial producer prices were higher in December by 2.4% (+3.2% in November) in EU28, **year-on-year**. Industrial producer prices rose in all Member States, the most in Belgium (+5.3%). Prices were higher in Slovakia (+2.5%), Germany (+2.3%), Poland (+2.0%), Austria (+1.5%) and the Czech Republic (+0.7%).

\* \* \*

**Information on revisions of agricultural producer price indices and price indices of market services**

Based on the standard revision of the price index calculation, since January 2018, agricultural producer price indices and price indices of market services are calculated on new weights and with a new index base.

Price **indices of** **agricultural producers** are calculated for a new index base 2015 average = 100 on new weighting schemes, based on the weighting structure of the average sales for the years 2014, 2015 and 2016. Due to update the weights, the published aggregate base indices for the years 2015, 2016 and 2017 were revised. Time series with the index base 2010 average = 100 were ended by December 2017.

Price **indices of market services** are calculated for a new index base 2015 average = 100 on new weighting schemes, based on the structure of the sales for the year 2015. Time series with the index base 2005 average = 100 were ended by December 2017 and replaced with new time series with the index base 2015 average = 100. The existing published indices haven´t been revised.

More detailed information is available on the [CZSO](https://www.czso.cz/csu/czso/revisions_producer_prices) website.

*Notes:*

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*Data source: CZSO 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*

*Market services price indices: 20th calendar day of reference month / 9th 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 46th calendar day of the following quarter.*

*Related publications: 011041 - 18**Price Indices of Constructions Works, Price Indices of Constructions and Indices of Construction Costs*

*011044 - 18 Industrial Producer Price Indices*

*011045 - 18 Agricultural Producer Price Indices*

*011046 - 18 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 Price Indices

Table 2: Industrial Producer Price Index by Main Industrial Groupings

Table 3: Industrial Producer Price Index (breakdown of the growth - month-on-month, year-on-year)

Chart: Industrial Producer Price Indices (year-on-year changes, changes on base year 2015)

Chart: Construction Output Price Indices (year-on-year changes, changes on base year 2015)

Chart: Price Indices of Market Services for the Business Sphere (year-on-year changes, changes on base year 2015)

Chart: Agricultural Producer Price Indices (year-on-year changes, changes on base year 2015)

Chart: Industrial Producer Price Indices – international comparison (changes on base year 2010)