16 January 2020

Industrial producer prices grew by 2.6% y-o-y in 2019

Producer price indices – December 2019

Agricultural producer prices (+0.6%), industrial producer prices (+0.1%) and construction work prices (+0.2%) went up, month-on-month (m-o-m). Service producer prices in the business sphere went down by 0.2%. From the year-on-year perspective, agricultural producer prices decreased by 3.7%. Industrial producer prices (+2.1%), construction work prices (+4.6%) and service producer prices in the business sphere (+2.4%) increased.

In comparison with the year 2018, on average for the whole year 2019 prices of agricultural producers (+4.9%) and construction works (+4.6%) grew. Prices of industrial producers and market services for businesses were both higher by 2.6%.

# Month-on-month comparison

**Agricultural producer prices** rose by 0.6%. Prices of fruit (+8.7%), pigs for slaughter and eggs (+4.9% both), oleaginous crops (+1.5%) and milk (+1.4%) went up. Prices of vegetables (-4.8%) and poultry (-2.7%) went down.

Prices of **industrial producers** were higher by 0.1%. Prices rose in ‘food products, beverages, tobacco’ (+0.7%), thereof ‘preserved meat and meat products’ (+3.4%). On the increase were also prices in ‘chemicals and chemical products’ (+0.8%) and ‘mining and quarrying’ (+0.4%). Prices fell in ‘basic metals, fabricated metal products’ and ‘rubber and plastic products, other non-metallic mineral products’ (-0.2% both).

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

**Service producer prices in the business sphere** fell by 0.2%. Prices for ‘advertising and market research services’ (-4.6%) and ‘employment services’ (-1.8%) decreased. On the increase were price of ‘architectural and engineering services’ (+1.3%) and ‘management consulting services’ (+0.9%). Prices of ‘financial services, except insurance and pension funding’ and ‘computer programming, consultancy and related services’ were both higher by 0.6%. Service producer prices in the business sphere, excluding advertising services rose by 0.2%.

# Year-on-year comparison

**Agricultural producer prices** fell by 3.7% (in November they decreased by 2.1%). Prices in the crop production dropped by 10.2%. On the decrease were prices of vegetables by 31.5%, cereals by 11.2% and oleaginous crops by 4.1%. Prices of fruit (+62.7%) and potatoes (+0.7%) grew. Prices of animal products rose by 5.8%. Prices of pigs for slaughter (+38.1%) and eggs (+6.3%) went up. Prices for cattle for slaughter (-1.1%) and milk (-1.5%) went down.

Prices of **industrial producers** were higher by 2.1% (+0.9% in November). Prices grew in ‘electricity, gas, steam and air conditioning’ (+8.8%), thereof ‘electricity, transmission and distribution services’ (+11.7%). Prices were higher in ‘food products, beverages, tobacco’ (+4.2%), thereof ‘preserved meat and meat products’ (+14.5%). Prices increased in ‘furniture, other manufactured products’ (+4.7%) and ‘mining and quarrying’ (+4.3%). Prices rose also in ‘coke, refined petroleum products’. Lower were prices in ‘basic metals, fabricated metal products’ (-2.3%), ‘transport equipment’ (-1.1%) and ‘chemicals and chemical products’ (-3.5%).

Among the main industrial groupings, prices of ‘energy’ (+6.8%) were higher especially.

According to an estimate, **construction work prices** rose by 4.6% (in November they increased by 4.7%) and prices for construction material and products input grew by 1.2% (the same way as in November).

**Service producer prices in the business sphere**were higher by 2.4% (in November they increased by 2.2%). Prices for ‘employment services’ (+7.7%), ‘computer programming, consultancy and related services’ (+5.2%), ‘advertising and market research services’ (+4.6%), ‘information services’ (+3.9%) and ‘rental and leasing services’ (+3.7%) went up. Furthermore, prices were higher for ‘management consulting services’ (+2.9%) and ‘land transport services’ (+2.3%). Prices of ‘warehousing and support services for transportation’ were lower by 1.2%. Service producer prices in the business sphere, excluding advertising services, grew by 2.2% (in November they increased by 2.0%).

**Producer prices in 2019**

In comparison to 2018, **agricultural producer** prices in 2019 were higher by 4.9% on average
(+0.1% in 2018). Prices of crop products grew by 5.9% and prices of animal products went up by 3.9%. Prices of potatoes (+37.3%), fruit (+12.2%), fresh vegetables (+7.1%), cereals (+6.4%) and oleaginous crops (+5.4%) were higher. Among animal products prices increases were recorded in pigs for slaughter (+16.6%), milk (+2.7%) and poultry (+2.2%). On the decrease were prices of cattle for slaughter (-2.7%) and eggs (-6.6%).

Prices of **industrial producers** increased on average by 2.6% in 2019 y-o-y (+2.0% in 2018). Prices rose in ‘electricity, gas, steam and air conditioning’ (+8.0%), thereof ‘electricity, transmission and distribution services’ (+10.6%). Prices were higher in ‘mining and quarrying’ (+6.4%), ‘furniture, other manufactured products’ (+4.3%) and ‘rubber and plastic products, other non-metallic mineral products’ (+2.9%). Prices went up in ‘food products, beverages, tobacco’ (+3.5%), thereof ‘preserved meat and meat products’ (+7.0%) and ‘grain mill products, starches and starch products’ (+6.4%). Lower were prices in ‘coke, refined petroleum’. On the decrease were also prices in ‘chemicals and chemical products’ (-1.6%).

According to an estimate, **construction work** prices went up by 4.6% y-o-y (+3.2% in 2018 after the specification). Construction material input prices rose by 3.4% on average for the whole year 2019 (+3.5% in 2018).

Prices of **market services for businesses** went up by 2.6% (+1.8% in 2018). Increasing were prices of ‘employment services’ (+9.2%), ‘insurance, reinsurance and pension funding services, except compulsory social security’ (+6.5%), ‘advertising and market research services’ (+4.5%), ‘postal and courier services’ (+3.8%), ‘land transport services’ (+2.4%) and ‘architectural and engineering services’ (+1.2%). On the decrease were prices in ‘warehousing and support services for transportation’ (-1.5%). Market services prices excluding advertising services increased by 2.4% (+1.8% in 2018).

**Industrial producer prices in the EU – November 2019 (preliminary data)**

According to the Eurostat News Releases, industrial producer prices increased in November by 0.1% (remained stable in October) in EU28, **month-on-month.** The highest increase was recorded in Greece (+3.4%). Prices were higher in Austria (+0.3%) and Slovakia (+0.1%), remained stable in Germany and Poland and fell in the Czech Republic (-0.1%). The largest decrease was observed in Portugal (-0.9%).

Industrial producer prices were lower in November by 1.0% (-1.6% in October) in EU28, **year-on-year**. The largest decrease was observed in Denmark (-4.8%). Prices were lower in Austria (-1.5%) and Germany (-0.4%) and were higher in Slovakia (+1.2%), the Czech Republic (+0.9%) and Poland (+0.5%). The highest increase was recorded in Bulgaria (+4.0%).

Notes:

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*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 – 19 Price Indices of Constructions Works, Price Indices of Constructions, and Indices of Construction Costs*

 *011044 – 19 Industrial Producer Price Indices*

 *011045 – 19 Agricultural Producer Price Indices*

 *011046 – 19 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: 24 February 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)