

ANALYSIS

16 January 2020

Trends in producer price indices in Q4 2019 and in the year 2019

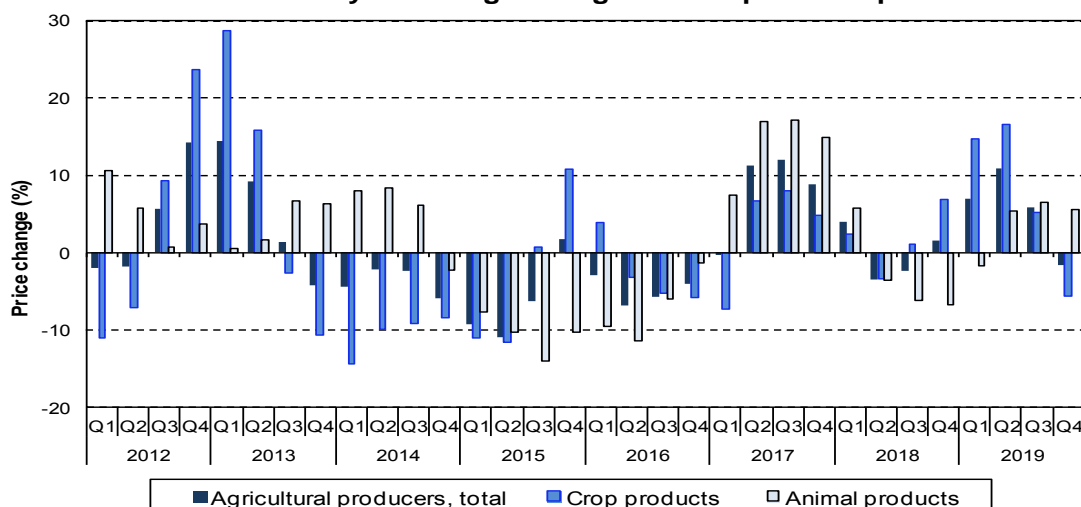
In Q4 2019, compared to Q3 2019, agricultural producer prices (-2.9%) and industrial producer prices (-0.2%) fell. Service producer prices in the business sphere (+0.9%) and construction work prices, according to an estimate (+1.2%) both grew. In Q4 2019, agricultural producer prices went down by 1.6%, year-on-year (y-o-y). Industrial producer prices (+1.3%), construction work prices, according to an estimate (+4.7%), and service producer prices in the business sphere (+2.3%) all went up.

In comparison with the year 2018, on average for the whole year 2019 prices of agricultural producers (+4.9%) and construction works, according to an estimate (+4.6%) rose. Industrial producer prices and service producer prices in the business sphere were both higher by 2.6%.

In Q4 2019, compared to Q3 2019, agricultural producer prices fell by 2.9%. On the decrease were prices of vegetables (-30.8%), potatoes (-9.0%), cereals (-3.4%) and cattle for slaughter (-2.4%). Prices of eggs (+14.6%), pigs for slaughter (+4.4%), fruit (+2.9%) and oleaginous crops (+1.7%) rose.

Agricultural producer prices decreased by 1.6%, y-o-y, in Q4 2019. Prices in crop production dropped by 5.6% and prices in animal production grew by 5.6%. A price decrease in crop production was affected by a decrease in prices of vegetables (-22.9%), cereals (-9.5%) and oleaginous crops (-4.5%). Prices of fruit (+48.3%) and potatoes (+9.4%) grew. In animal production prices that increased were those of pigs for slaughter (+31.4%), eggs (+3.4%) and poultry (+0.6%). Prices of cattle for slaughter decreased by 1.6%.

Graph 1 Year-on-year changes of agricultural producer prices



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In **Q4 2019**, compared to Q3 2019, **industrial producer prices** were lower by 0.2%. Prices decreased in ‘chemicals and chemical products’ (-2.4%), ‘mining and quarrying’ (-2.1%) and ‘basic metals, fabricated metal products’ (-1.3%). Lower were also prices in ‘coke, refined petroleum products’. The growing prices were in ‘electricity, gas, steam and air conditioning’ (+0.8%), ‘food products, beverages, tobacco’ (+0.9%) and ‘furniture, other manufactured products’ (+0.6%).

Table 1: Industrial producer price indices, quarter-on-quarter comparison

Code	Name	Year			
		2019			
		Q1	Q2	Q3	Q4
	TOTAL	100.6	101.2	99.7	99.8
B	Mining and quarrying	105.5	100.8	99.6	97.9
C	Manufactured products	99.4	101.3	99.6	99.6
CA	Food products, beverages, tobacco products	100.9	101.4	100.6	100.9
CB	Textiles, clothes, leather and leather products	101.5	101.6	100.5	99.7
CC	Wood, wood product, paper, printing	100.2	99.9	99.2	98.6
CD	Coke, refined petroleum products	i.d.	i.d.	i.d.	i.d.
CE	Chemicals and chemical products	94.2	103.7	98.6	97.6
CF	Basic pharmaceutical products	100.7	100.5	100.0	100.2
CG	Rubber and plastic prod., other non-metallic min. prod.	101.2	100.8	99.8	99.6
CH	Basic metals, fabricated metal products	100.2	99.9	99.6	98.7
CI	Computer, electronic and optical products	99.7	100.2	100.7	100.1
CJ	Electrical equipments	99.3	100.5	100.0	100.0
CK	Machinery and equipment n.e.c.	101.4	100.5	100.0	100.0
CL	Transport equipment	99.7	99.7	100.1	99.6
CM	Furniture, other manufactured product	102.4	101.1	100.5	100.6
D	Electricity, gas, steam and air conditioning	106.4	100.8	100.3	100.8
E	Water supply, sewerage, waste manag. and rem. serv.	102.9	100.0	100.0	100.0

Notes: *i.d.* refers to individual data.

n.e.c. denotes not elsewhere classified.

In **Q4 2019**, **industrial producer prices** increased by 1.3% **y-o-y** (+2.0% in Q3 2019). Prices grew in ‘electricity, gas, steam and air conditioning supply’ (+8.3%), thereof ‘electricity, transmission and distribution services’ (+11.0%). Prices were higher in ‘furniture, other manufactured products’ (+4.6%) and ‘mining and quarrying’ (+3.7%). Prices rose in ‘food products, beverages, tobacco’ (+3.7%), thereof ‘preserved meat and meat products’ (+12.0%). Lower were prices in ‘coke, refined petroleum products’. Prices decreased in ‘chemicals and chemical products’ (-6.0%) and ‘basic metals, fabricated metal products’ (-1.6%).

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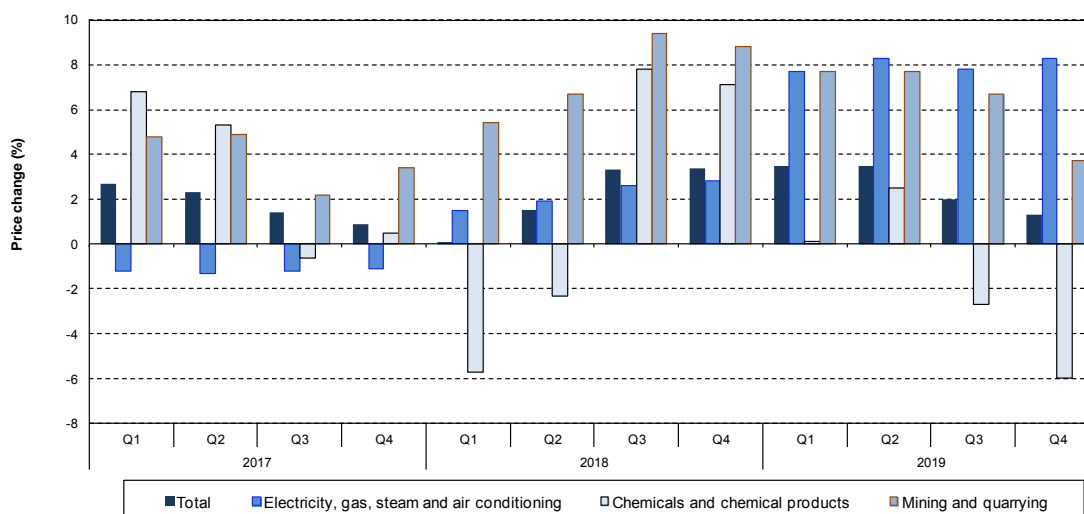
Table 2: Industrial producer price indices, year-on-year comparison

Code	Name	Year				
		2019				
		Q3	October	November	December	Q4
	TOTAL	102.0	100.9	100.9	102.1	101.3
B	Mining and quarrying	106.7	103.6	103.2	104.3	103.7
C	Manufactured products	100.8	99.6	99.3	100.8	99.9
CA	Food products, beverages, tobacco	103.7	103.3	103.5	104.2	103.7
CB	Textiles, clothes, leather and leather products	104.0	103.7	103.5	102.8	103.4
CC	Wood, wood product, paper, printing	99.8	98.3	98.1	97.8	98.0
CD	Coke, refined petroleum products	i.d.	i.d.	i.d.	i.d.	i.d.
CE	Chemicals and chemical products	97.3	94.5	91.0	96.5	94.0
CF	Basic pharmaceutical products	102.1	101.5	101.2	101.5	101.4
CG	Rubber and plastic products, other non-metallic min. products	102.7	101.7	101.2	101.3	101.4
CH	Basic metals, fabricated metal products	100.3	99.6	97.8	97.7	98.4
CI	Computer, electronic and optical products	101.5	101.4	100.5	100.2	100.7
CJ	Electrical equipments	100.3	100.0	99.5	99.9	99.8
CK	Machinery and equipment n.e.c.	102.0	102.0	101.7	101.9	101.8
CL	Transport equipment	100.1	99.4	98.6	98.9	99.0
CM	Furniture, other manufactured products	104.2	104.4	104.7	104.7	104.6
D	Electricity, gas, steam and air conditioning	107.8	107.5	108.7	108.8	108.3
E	Water supply, sewerage, waste manag. and remediation serv.	102.9	102.9	102.9	102.9	102.9

Notes: i.d. refers to individual data.

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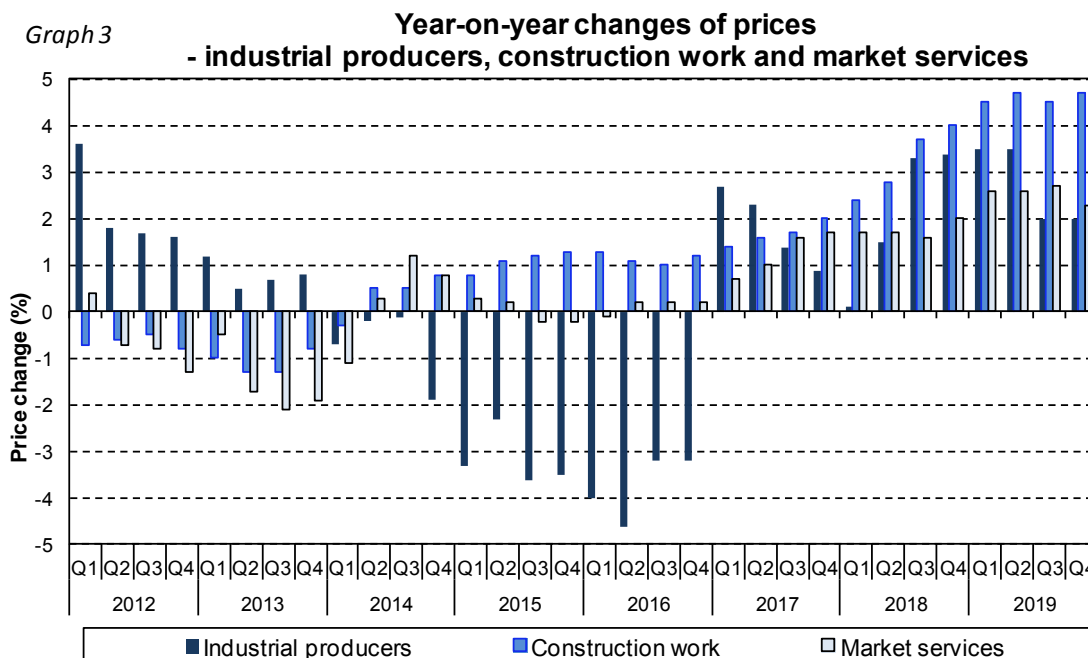
Graph 2 Year-on-year changes of prices of industrial producers



In **Q4 2019**, according to an estimate, **construction work prices** compared to **Q3 2019** (after specification) were higher by 1.2%. Prices of construction material and products input were lower by 0.6%.

Construction work prices, according to an estimate, grew by 4.7%, y-o-y, in **Q4 2019** compared to **Q4 2018** (after specification). Prices of construction material and products input grew by 1.5%, y-o-y.

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In **Q4 2019**, compared to those in Q3 2019, **service producer prices in the business sphere** went up by 0.9%. On the increase were prices in 'advertising and market research services' (+12.8%), 'employment services' (+2.7%) and 'information services' (+1.4%). On the decrease were prices of 'management consulting services' by 1.8%. Service producer prices in the business sphere, excluding advertising services, grew by 0.1%.

Service producer prices in the business sphere grew in total by 2.3%, y-o-y, in **Q4 2019**. Prices in 'employment services' (+9.3%), 'insurance, reinsurance and pension funding services, except compulsory social security' (+5.6%) and 'advertising and market research services' (+3.6%) went up. Prices for 'management consulting services' (+2.4%), 'security and investigation services' (+4.4%) and 'land transport services' (+2.2%) increased. Lower prices were recorded in 'warehousing and storage services' by 1.7%. Service producer prices in the business sphere, excluding advertising services, grew by 2.2%.

Prices in the year 2019

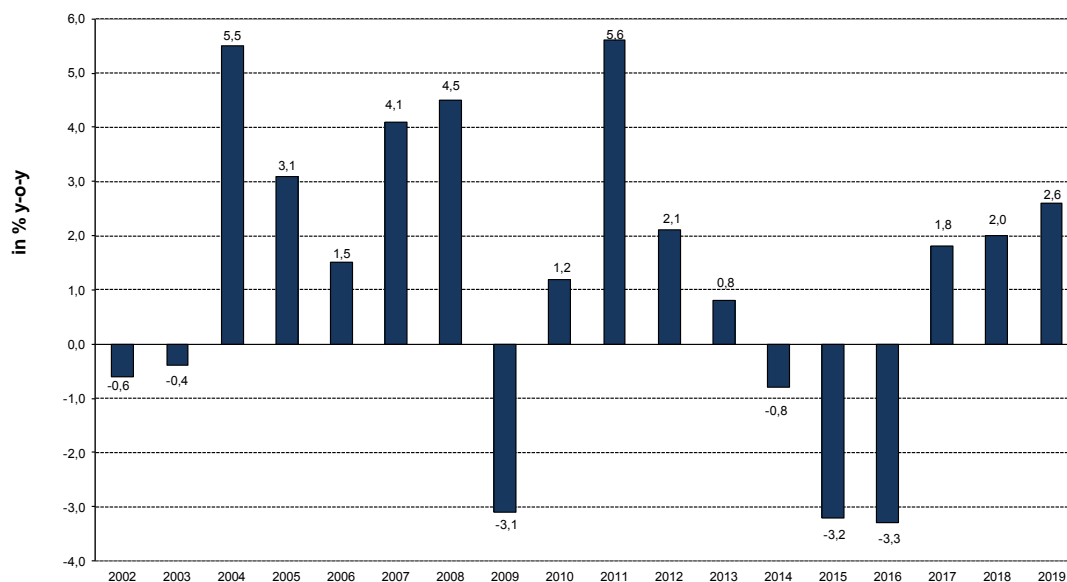
In comparison to 2018, **agricultural producer** prices in 2019 were higher by 4.9% on average (+0.1% in 2018). Prices of crop products grew by 5.9% and prices of animal products went up by 3.9%. Prices of potatoes (+37.3%), fruit (+12.2%), fresh vegetables (+7.1%), cereals (+6.4%) and oleaginous crops (+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%).

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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%).

Graph 4

Y-o-y changes of prices of industrial producers



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 3.5% on average for the whole year 2019 (the same way as 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).

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Contact person

Ing Miloslav Beránek

Industrial and International Trade Prices Statistics Unit

E-mail: miloslav.beranek@czso.cz

Phone: (+420) 274 052 665