24 February 2020

Industrial producer prices rose

Producer price indices – January 2020

Agricultural producer prices (+2.3%), industrial producer prices (+1.3%) and construction work prices (+0.4%) went up, month-on-month (m-o-m). Service producer prices in the business sphere went down by 0.6%. From the year-on-year perspective, agricultural producer prices decreased by 2.9%. Industrial producer prices (+2.4%), construction work prices (+4.2%) and service producer prices in the business sphere (+2.4%) increased.

# Month-on-month comparison

**Agricultural producer prices** rose by 2.3%. Prices of potatoes (+6.0%), poultry (+1.3%), pigs for slaughter and oleaginous crops (+1.1% both) grew. On the increase were also prices
of cereals and milk (+0.6% both). Prices of eggs (-3.9%) and fruit (-12.3%) went down.

Prices of **industrial producers** were higher by 1.3%. This was the fastest rate of growth since January 2011. Prices rose particularly in ‘electricity, gas, steam and air conditioning’ (+6.3%), thereof ‘electricity, transmission and distribution services’ (+6.9%). Prices were higher in ‘food products, beverages, tobacco’ (+1.4%), thereof ‘beverages’ (+2.6%) and ‘preserved meat and meat products’ (+1.0%). On the increase were also prices in ‘furniture, other manufactured products’ (+1.4%) and ‘water supply; sewerage, waste management and remediation services’ (+5.4%). Lower were prices in ‘basic metals, fabricated metal products’ (-0.7%), ‘mining and quarrying’ (-1.4%) and ‘wood, wood products, paper, printing’ (-0.7%).

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

**Service producer prices in the business sphere** fell by 0.6%. Prices for ‘advertising and market research services’ (-18.9%) and ‘architectural and engineering services’ (-0.6%) decreased. On the increase were prices of ‘warehousing and support services for transportation’ (+4.9%), ‘employment services’ (+3.5%), ‘management consulting services’ (+2.9%), ‘postal and courier services’ (+1.3%) and ‘security and investigation services’ (+0.8%). Prices of ‘rental and leasing services’ 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 0.8%.

# Year-on-year comparison

**Agricultural producer prices** fell by 2.9% (in December 2019 they decreased by 3.7%). Prices in the crop production dropped by 9.3%. On the decrease were prices of vegetables by 38.7%, cereals by 11.3% and oleaginous crops by 4.1%. Prices of fruit (+44.3%) and potatoes (+3.4%) grew. Prices of animal products rose by 5.5%. Prices of pigs for slaughter (+38.8%), poultry (+3.2%) and eggs (+2.3%) went up. Prices for cattle for slaughter (-2.6%) and milk (-2.2%) went down.

Prices of **industrial producers** were higher by 2.4% (+2.1% in December 2019). Prices increased in ‘electricity, gas, steam and air conditioning’ (+9.3%), thereof ‘electricity, transmission and distribution services’ (+11.2%). Prices grew in ‘food products, beverages, tobacco’ (+5.1%), thereof ‘preserved meat and meat products’ (+15.1%). Prices rose also in ‘coke, refined petroleum products’. Prices increased in ‘furniture, other manufactured products’ (+4.6%) and ‘water supply; sewerage, waste management and remediation services’ (+5.4%).

Lower were prices in ‘basic metals, fabricated metal products’ and ‘wood, wood products, paper, printing’ (-3.2% both). On the decrease were also prices in ‘transport equipment’ (-1.1%) and ‘mining and quarrying’ (-2.1%).

Among the main industrial groupings, prices of ‘energy’ (+7.8%) were higher particularly.

According to an estimate, **construction work prices** rose by 4.2% (in December 2019 they increased by 4.3% after specification) and prices for construction material and products input grew by 0.6% (in December 2019 they increased by 1.2%).

**Service producer prices in the business sphere**were higher by 2.4% (the same way as in December 2019). Prices for ‘employment services’ (+8.3%), ‘warehousing and support services for transportation’ (+5.7%), ‘rental and leasing services’ (+4.2%), ‘postal and courier services’ (+4.0%) and ‘computer programming, consultancy and related services’ (+3.4%) went up. Furthermore, prices were higher for ‘information services’ (+3.1%) and ‘land transport services’ (+2.2%). Prices of ‘management consulting services’ were lower by 0.2%. Service producer prices in the business sphere, excluding advertising services, grew by 2.5% (in December 2019 they increased by 2.2%).

# Industrial producer prices in the EU – December 2019 (preliminary data)

According to the Eurostat News Releases, industrial producer prices remained stable in December (+0.2% in November) in EU27, **month-on-month.** The highest increases were recorded in the Netherlands and Romania (+0.5% both). Prices were higher in the Czech Republic and Germany (+0.1% both), stayed unchanged in Austria and Poland and were lower in Slovakia (-0.1%). Prices decreased the most in Estonia (-1.3%).

Industrial producer prices decreased in December by 0.4% (-1.1% in November) in EU27, **year-on-year**. Prices decreased the most in Italy (-3.1%). Prices were lower in Austria (-0.5%) and increased in the Czech Republic (+2.1%), Slovakia (+1.9%), Poland (+1.6%) and Germany (+0.1%). The highest increase was recorded in Greece (+4.7%).

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 – 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: 16 March 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)