July 20, 2016

Prices of milk and dairy products fell again

Producer price indices – June 2016

In June 2016 compared with the previous month, agricultural producer prices went up by 1.0% and industrial producer prices grew by 0.3%. Construction work prices were also higher by 0.2%. Prices of market services went down by 0.3%. In comparison to June 2015, agricultural producer prices were lower by 6.4% and industrial producer prices fell by 4.4%. Construction work prices grew by 1.1% and prices of market services increased by 0.3%.

# Month-on-month comparison:

**Agricultural producer** prices increased by 1.0%. Prices of pigs for slaughter (+7.7%), fresh vegetables (+7.4%), poultry (+2.8%) and cereals (+1.4%) went up. Prices of eggs (-5.1%) and milk (-4.8%) went down.

Prices of **industrial producers** went up by 0.3%. Prices increased particularly in ‘coke, refined petroleum products’. Prices were higher in ‘basic metals, fabricated metal products’ (+0.9%). Prices fell in ‘food products, beverages, tobacco’ (-0.4%), thereof ‘dairy products’ (-2.7%).

According to an estimate, **construction work** prices were higher by 0.2% and construction material input prices grew by 0.3%.

**Market services** prices **in the business sphere** fell by 0.3% due to the price decreasing of ‘advertising and market research services’ (-3.0%) and ‘employment services’ (-3.7%). Market services prices excluding advertising services were lower by 0.1%.

# Year-on-year comparison:

**Agricultural producer** prices went down by 6.4% (-7.1% in May). Prices of crop products decreased by 2.6%. Lower were prices of cereals (-9.3%) and oil plants (-0.7%). Higher were prices of potatoes (+24.7%), fresh vegetables (+8.0%) and fresh fruit (+4.9%). Prices of animal products fell by 10.7% due to decreasing prices of milk (-19.8%), eggs (-9.7%), pigs for slaughter (-4.8%), cattle for slaughter (-2.6%) and poultry (-1.4%).

Pricesof **industrial producers** went down by 4.4% (-4.8% in May). Prices fell particularly in ‘coke, refined petroleum products’. On the decrease were prices in ‘chemicals and chemical products’ (-12.1%), ‘mining and quarrying’ (-7.3%) and ‘basic metals, fabricated metal products’ (-4.3%). Prices went down in ‘electricity, gas, steam and air conditioning’ (-4.1%). Prices were lower in ‘food products, beverages, tobacco’ (-3.2%), thereof ‘dairy products’ (-10.4%). Prices rose in ‘water supply, sewerage, waste management and remediation services’ (+1.6%) and ‘furniture, other manufactured products’ (+0.7%), thereof ‘installation services of industrial machinery and equipment (+1.5%).

Among the main industrial groupings, prices of ‘energy’ (-9.0%) decreased the most, y-o-y.

According to an estimate, **construction work** prices rose by 1.1% (+1.0% in May) and construction material input prices fell by 1.8% (-1.9% in May).

Prices of **market services** **in the business sphere** grew by 0.3% (+0.2% in May). Increasing were prices in ‘postal and courier services’ (+5.6%), ‘advertising and market research services’ (+3.1%) and ‘architectural and engineering services’ (+1.6%). On the decrease were prices of ‘land transport services and transport services via pipelines’ (-1.1%) and ‘insurance, reinsurance and pension funding services, except compulsory social security’ (-4.4%). Market services prices excluding advertising services stayed unchanged (+0.1% in May).

# Industrial producer prices in the EU – May 2016\*

According to the Eurostat News Releases, industrial producer prices increased in May by 0.6% (-0.1% in April) in EU28, **month-on-month.** Among the Member States for which data are available, the highest increases were recorded in Belgium (+2.7%), the Netherlands (+2.0%), Hungary (+1.6%) and Greece (+1.3%). Prices went up in Poland (+1.1%), the Czech Republic (+0.4%), Germany and Slovakia (+0.3% both) and Austria (+0.2%). Prices fell only in Latvia (-0.4%), Sweden (-0.2%) and Bulgaria (-0.1%).

Industrial producer prices went down in May by 3.7% (-4.2% in April) in EU28, **year-on-year.** Prices decreased in all Member States except Malta (+0.9%). The largest decreases were observed in the Netherlands (-8.2%), Greece (-8.1%) and Croatia (-6.3%). Prices were also lower in Slovakia (-5.9%), the Czech Republic (-4.8%), Austria (-3.5%), Germany (-2.7%) and Poland (-0.9%).

*\* Preliminary data*

*Notes:*

*Responsible manager of the CZSO: Jiri Mrazek, Department Director, phone (+420) 274 052 533,*

*e-mail:* *jiri.mrazek@czso.cz*

*Contact: Jiri Sulc, phone (+420) 274 052 148, e-mail:* *jiri.sulc@czso.cz*

 *Miloslav Beranek, phone (+420) 274 052 665,*

 *e-mail:* *miloslav.beranek@czso.cz*

*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*

*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)

*Next News Release: 16 August 2016*

***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)