20 May 2019

Industrial Producer Prices Increased Significantly

Producer Price Indices – April 2019

Agricultural producer prices went down by 1.2%. Industrial producer prices (+0.7%), construction work prices (+0.7%) and service producer prices in the business sphere (+0.5%) all grew, month-on-month (m-o-m). From the year-on-year perspective, agricultural producer prices (+9.4%), industrial producer prices (+4.3%), construction work prices (+5.4%) and service producer prices in the business sphere (+2.7%)increased.

# Month-on-Month Comparison

**Agricultural producer prices** decreased by 1.2%. Prices of fruit (-11.9%), potatoes (-5.6%), oleaginous crops (-1.5%), cereals (-1.3%) and milk (-0.8%) fell. Prices of pigs for slaughter (+5.2%), poultry (+2.0%) and eggs (+0.5%) grew.

Prices of **industrial producers** increasedby 0.7%. Prices went up the most in ‘coke, refined petroleum products’. Growing were also prices in ‘chemicals and chemical products’ (+2.5%) and ‘food products, beverages, tobacco’ (+0.6%), thereof ‘preserved meat and meat products’ (+3.5%). On the increase were also prices in ‘rubber and plastic products, other non-metallic mineral products’ (+0.5%). Decreases were recorded only in ‘electricity, gas, steam and air conditioning’ (-0.2%) and ‘transport equipment’ (-0.1%).

According to an estimate, **construction work prices** rose by 0.7% and prices of construction material and products input grew by 0.7%.

**Service producer prices in the business sphere**rose by 0.5%. Prices for ‘advertising and market research services’ (+3.8%), ‘management consulting services’ (+1.4%), ‘computer programming, consultancy and related services’ (+1.1%) and ‘publishing services’ (+0.6%) were all higher. Prices for ‘land transport services’ went down by 0.4%. Service producer prices in the business sphere, excluding advertising services, grew by 0.2%.

# Year-on-Year Comparison

**Agricultural producer prices** rose by 9.4% (in March they increased by 8.1%). Prices in the crop production grew by 16.0%. Prices of vegetables (+57.4%), potatoes (+44.8%), cereals (+17.6%) and oleaginous crops (+13.5%) went up. Fruit prices dropped by 42.7%. Prices of animal products grew by 2.8%. Prices of milk (+4.5%), poultry (+4.4%) and pigs for slaughter (+3.4%) increased. Prices for eggs (-1.9%) and cattle for slaughter (-3.4%) decreased.

Prices of **industrial producers** rose by 4.3%, it was the highest price increasing since December 2011. Prices were higher primarily in ‘electricity, gas, steam and air conditioning’ (+8.2%), thereof ‘electricity, transmission and distribution services’ (+11.0%). On the increase were also prices in ‘coke, refined petroleum products’. Prices went up in ‘food products, beverages, tobacco’ (+3.6%), thereof ‘preserved meat and meat products’ (+4.3%). Prices grew in ‘rubber and plastic products, other non-metallic mineral products’ (+4.2%), thereof ‘articles of concrete, cement and plaster’ (+9.3%).

Among the main industrial groupings, prices of ‘energy’ (+8.9%) increased the most.

According to an estimate, **construction work prices** rose by 5.4% (in March they increased by 5.1% after specification) and prices for construction material and products input grew by 5.2% (in March they increased by 5.0%).

**Service producer prices in the business sphere**were higher by 2.7% (in March they grew by 2.8%). Prices for ‘management consulting services’ (+8.5%), ‘insurance, reinsurance and pension funding services, except compulsory social security‘ (+7.0%), ‘employment services’ (+5.5%), ‘advertising and market research services’ (+4.5%), and ‘security and investigation services’ (+4.0%) grew. Furthermore, prices were higher for ‘postal and courier services’ (+3.9%) and ‘land transport services’ (+2.8%). Prices of ‘warehousing and support services for transportation’ were lower by 1.2%. Service producer prices in the business sphere,excluding advertising services, increased by 2.5% (in March they increased by 2.6%).

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

According to the Eurostat News Releases, industrial producer prices went up in March by 0.1% (+0.2% in February) in EU28, **month-on-month.** The largest increase in industrial producer prices was observed in Greece (+1.1%). Prices rose in the Czech Republic (+0.5%), Slovakia (+0.4%) and Poland (+0.2%) and fell in Germany and Austria (-0.2% both). Prices decreased the most in Denmark (-1.6%).

Industrial producer prices were higher in March by 3.1% (like in February) in EU28, **year-on-year**. The highest increase was observed in Romania (+6.7%). Prices were higher in Slovakia (+4.5%), the Czech Republic (+3.8%), Germany and Poland (+2.5% both) and Austria (+2.1%). No decreases were recorded in EU countries.

*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: 17 June 2019*

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)