September 16, 2015

Decline in industrial producer prices deepened

Producer price indices – August 2015

In August 2015 compared with the previous month, agricultural producer prices decreased by 0.4% and industrial producer prices were lower by 0.8%. Prices of market services grew by 0.1% and construction work prices stayed unchanged. In comparison to August 2014, agricultural producer prices went down by 7.0%, industrial producer prices decreased by 3.7% and prices of market services fell by 0.2%. Construction work prices were higher by 1.2%.

# Month-on-month comparison:

**Agricultural producer** prices fell by 0.4%. Prices of fruit (-14.7%), potatoes (-9.3%), fresh vegetables (-4.0%), milk (-2.9%) and pigs for slaughter (-1.1%) decreased. Prices of poultry (+3.9%), eggs (+3.2%) and cattle for slaughter (+0.9%) went up.

Prices of **industrial producers** went down by 0.8%. Prices were lower particularly in ‘coke, refined petroleum products’. Prices fell in ‘chemicals and chemical products’ (-3.1%), ‘mining and quarrying’ (-0.8%) and ‘food products, beverages, tobacco’ (-0.3%). Prices rose only in ‘textiles, clothes, leather and leather products’ (+0.5%) and ‘machinery and equipment n.e.c.’ (+0.1%).

According to an estimate, **construction work** prices stayed unchanged and construction material input prices fell by 0.4%.

**Market services** prices **in the business sphere** rose by 0.1% due to the price increasing of ‘advertising and market research services’ (+0.3%) and ‘architectural and engineering services’ (+0.2%). Market services prices excluding advertising services stayed unchanged.

# Year-on-year comparison:

**Agricultural producer** prices fell by 7.0% (-9.0% in July). After twenty four months of falling, prices of crop products went up by 0.2%. Higher were prices of fresh vegetables (+29.9%), potatoes (+20.0%) and fruit (+8.2%). Prices of cereals were lower by 4.7%. Prices of animal products went down by 14.0% due to decreasing prices of milk (-23.2%), pigs for slaughter (-16.2%) and poultry (-0.6%). On the increase were prices of cattle for slaughter (+3.4%) and eggs (+8.4%).

Pricesof **industrial producers** went down by 3.7% (-3.0% in July). Prices decreased primarily in ‘coke, refined petroleum products’. Prices fell in ‘chemicals and chemical products’ (-11.1%) and ‘basic metals, fabricated metal products’ (-2.3%). Lower were prices in ‘food products, beverages, tobacco’ (-2.6%), thereof ‘dairy products’ (-10.4%), ‘other food products’ (-4.1%) and ‘preserved meat and meat products’ (-4.0%). Prices rose in ‘water supply, sewerage, waste management and remediation services’ (+3.4%) and ‘furniture, other manufactured products’ (+1.3%).

Among the main industrial groupings, prices of ‘energy’ (-8.6%) decreased the most, y-o-y.

According to an estimate, **construction work** prices increased by 1.2% (+1.3% in July) and construction material input prices fell by 0.6% (-0.2% in July).

Prices of **market services** **in the business sphere** went down by 0.2% (like in July). Decreasing were prices in ‘land transport services and transport services via pipelines’ (-1.8%), ‘information services’ (-1.6%), ‘real estate services’ (-1.3%) and ‘insurance, reinsurance and pension funding services’ (-0.5%). On the increase were prices of ‘postal and courier services’ (+6.9%) and ‘publishing services’ (+3.5%). Market services prices excluding advertising services were lower by 0.4% (-0.2% in July).

# Industrial producer prices in the EU – July 2015\*

According to the Eurostat News Releases, industrial producer prices decreased in July by 0.2% (-0.1% in June) in EU28, **month-on-month.** Among the Member States for which data are available, the largest decreases were observed in Denmark (-2.6%), Estonia (-1.5%) and Greece (-1.4%). Prices fell in the Czech Republic and Poland (-0.4% both), Austria (-0.2%), remained stable in Germany and went up in Slovakia (+0.2%). Prices rose the most in Ireland (+1.3%), Cyprus (+0.6%).

Industrial producer prices decreased in July by 2.7% (like in June) in EU28, **year-on-year**. The largest decreases were observed in Denmark (-9.0%), Lithuania (-8.3%) and the United Kingdom (-7.0%). Prices fell in Slovakia (-4.3%), the Czech Republic (-3.0%), Poland (-2.1%), Austria (-1.8%), and Germany (-1.3%). Prices rose only in Luxembourg (+0.5%).

*\* Preliminary data*

Notes:

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*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 - 15**Price Indices of Constructions Works, Price Indices of Constructions and Indices of Construction Costs*

*011039 - 15 Producer Price Indices – Basic Information*

*011044 - 15 Industrial Producer Price Indices*

*011045 - 15 Agricultural Producer Price Indices*

*011046 - 15 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)

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***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)