February 28, 2017

Y-o-y price increasing of industrial producers

Producer price indices – January 2017

In January 2017 compared with the previous month, agricultural producer prices were higher by 0.5%, industrial producer prices went up by 0.7% and construction work prices grew by 0.1%. Prices of market services fell by 0.3%. In comparison to January 2016, agricultural producer prices went down by 3.0%. Industrial producer prices went up by 2.1%, construction work prices increased by 1.2% and prices of market services were higher by 0.4%.

# Month-on-month comparison:

**Agricultural producer** prices grew by 0.5%. Prices of milk (+5.6%), poultry (+5.3%), fruit (+4.7%) and fresh vegetables (+3.0%) went up. Prices of potatoes went down by 4.0%.

Prices of **industrial producers** went up by 0.7%. Prices were higher primarily in ‘coke, refined petroleum products’. Prices increased in ‘chemicals and chemical products’ (+4.1%) and ‘mining and quarrying’ (+2.3%). Prices were higher in ‘food products, beverages, tobacco’ (+0.4%). Prices went down in ‘electricity, gas, steam and air conditioning’ (-1.0%), thereof ‘electricity, transmission and distribution services’ (-1.9%).

According to an estimate, **construction work** prices rose by 0.1% and construction material input prices increased by 0.5%.

**Market services** prices **in the business sphere** fell by 0.3% due to the price decreasing of ‘advertising and market research services’ (-6.5%), ‘employment services’ (-2.7%) and ‘telecommunications services’ (-0.4%). On the increase were prices of ‘postal and courier services’ (+2.7%) and ‘publishing services’ (+1.0%). Market services prices excluding advertising services rose by 0.2%.

# Year-on-year comparison:

**Agricultural producer** prices were lower by 3.0% (-4.7% in December). Prices of crop products went down by 10.2%. Lower were prices of fresh vegetables (-36.1%), potatoes (-24.6%), cereals (-12.8%) and oil plants (-2.2%). On the increase were prices of fruit (+6.6%). Prices of animal products grew by 5.0% due to increasing prices of pigs for slaughter (+17.7%), milk (+1.9%) and cattle for slaughter (+0.8%). Higher were also prices of eggs and poultry (+0.5% both).

Firstly since December 2013, pricesof **industrial producers** increased by 2.1% (-0.4% in December 2016). Prices went up the most significantly in ‘coke, refined petroleum products’. Higher were prices in ‘furniture, other manufactured products’ (+2.5%), ‘mining and quarrying’ (+2.3%) and ‘water supply, sewerage, waste management and remediation services’ (+2.1%). On the increase were also prices in ‘food products, beverages, tobacco’ (+0.5%), thereof ‘dairy products’ (+3.7%). Prices went down in ‘electricity, gas, steam and air conditioning’ (-1.1%) and ‘transport equipment’ (-0.9%).

Among the main industrial groupings, prices of ‘energy’ increased (+6.7%) and prices of ‘durable consumer goods’ decreased (-0.3%), y-o-y.

According to an estimate, **construction work** prices rose by 1.2% (like in December) and construction material input prices grew by 0.6% (+0.3% in December).

Prices of **market services** **in the business sphere** grew by 0.4% (+0.2% in December). Increasing were prices in ‘postal and courier services’ (+8.4%) and ‘insurance, reinsurance and pension funding services, except compulsory social security’ (+1.0%). Decreasing were prices in ‘land transport services and transport services via pipelines’ by 0.6%. Market services prices excluding advertising services increased by 0.3% (+0.2% in December).

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

According to the Eurostat News Releases, industrial producer prices increased in December by 0.9% (+0.2% in November) in EU28, **month-on-month.** The highest increase was registered in Greece (+2.7%). Prices increased in Poland (+1.4%), the Czech Republic, Austria and Slovakia (+0.5% all) and Germany (+0.3%). Prices decreased the most in Estonia (-0.6%).

Industrial producer prices were higher in December by 2.4% (+0.7% in November) in EU28, **year-on-year**. Prices rose the most in Belgium (+8.0%). Prices increased in Poland (+4.0%), Germany (+0.8%) and Austria (+0.5%). Prices decreased in Slovakia (-1.8%) and the Czech Republic (-0.4%). Prices went down the most in Luxembourg (-6.1%).

*\* Preliminary data*

**\* \* \***

**Information on the revision of the industrial producer price index**

The industrial producer price indices are calculated with new weights 2015 from January 2017 on the base of a standard revision of the calculations of the price indices. The existing technical (primary) indices with the base December 2010 = 100 were replaced by the new technical indices with the price base December 2015 = 100. Indices calculated that way are chained from the 4-digit level of CZ-CPA to up to the new index base 2015 average = 100 and existing the base 2005 average = 100 and thus continuation of the present time series is ensured. December 2016 is the chaining period.

The source for the calculation of derived indices (month on month, year on year, ratio of rolling averages) is base index 2015 average = 100. The calculation of indices December 2005 = 100 was ended in December 2016. More information on the [CZSO’s](https://www.czso.cz/csu/czso/revision_of_industrial_producer_price_indices) web pages.

*Notes:*

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

*e-mail:* [*jiri.mrazek@czso.cz*](mailto:jiri.mrazek@czso.cz)

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

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

*e-mail:* [*miloslav.beranek@czso.cz*](mailto: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 March 2017*

***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: Industrial producer price index (year-on-year changes, changes on base year 2015)

Graph: Price index of construction works (year-on-year changes, changes on base year 2005)

Graph: Price index of market services for the business sphere (year-on-year changes, changes on base year 2005)

Graph: Agricultural producer price index (year-on-year changes, changes on base year 2010)

Graph: Industrial producer price indices – international comparison (changes on base year 2010)