October 16, 2014

The decrease in industrial producer prices

Producer price indices – September 2014

In September 2014 compared with the previous month, prices of agricultural producer decreased by 3.4% and industrial producer prices went down by 0.3%. Construction work prices and prices of market services were both higher by 0.1% and 0.9%, respectively. In comparison to September 2013, prices of agricultural producers were lower by 2.7%. Industrial producer prices fell by 0.3%. Higher were construction work prices by 0.6% and prices of market services by 0.8%.

# Month-on-month comparison:

**Agricultural producer** prices decreased by 3.4%. Prices of oil plants (-4.0%), cereals (-2.6%), fresh vegetables (-2.6%), pigs for slaughter (-2.6%), milk (-1.9%), poultry (-1.7%). Prices of fruit (+7.3%) and eggs (+3.2%) increased.

Prices of **industrial producers** went down by 0.3%. Prices fell in ‘chemicals and chemical products’ (-1.8%) and ‘transport equipment’ and ‘food products, beverages, tobacco’ (-0.4% both). From ‘food products, beverages, tobacco’, prices fell more significantly in ‘dairy products’ (-1.2%), ‘prepared animal feeds’ (-2.1%) and ‘bakery and farinaceous products’ (-0.9%), on the other hand prices increased in ‘beverages’ (+0.8%). Prices were higher in ‘basic pharmaceutical products’ (+0.8%).

According to an estimate, **construction work** prices went up by 0.1% and construction material input prices stayed unchanged.

**Market services** prices **in the business sphere** went up by 0.9% due to the price increasing of ‘advertising and market research services’ (+13.2%). Prices of ‘insurance services’ were higher by 0.5%. Decreasing were prices of ‘land transport services and transport services via pipelines’ (-0.4%). Market services prices excluding advertising services stayed unchanged.

# Year-on-year comparison:

**Agricultural producer** prices went down by 2.7% (-1.0% in August). Prices of crop products fell by 7.2%. Lower were prices of potatoes by 38.1%, fresh vegetables (-13.2%), oil plants
(-8.0%), fruit (-6.0%) and cereals (-3.2%). Prices of animal products went up by 3.4% due to increasing prices of milk (+9.8%) and eggs (+12.4%). Prices of cattle for slaughter were higher by 1.4%. On the decrease were prices of poultry by 3.3%. Prices of pigs for slaughter were lower by 3.9% (first time after nine months of growth).

**Industrial producer** prices decreased by 0.3% (no change in August). Prices went down in ‘electricity, gas, steam and air conditioning’ (-8.6%) and ‘mining and quarrying’ (-1.9%). Lower prices were recorded in ‘food products, beverages, tobacco’ (-0.8%), thereof in ‘grain mill products, starches and starch products’ (-7.0%), ‘prepared animal feeds’ (-4.2%) and ‘bakery and farinaceous products’ (-2.0%). On the other hand, prices rose in ‘dairy products’ (+2.2%). Prices increased in ‘basic metals, fabricated metal products’ (+3.7%), ‘transport equipment’ (+4.0%) and ‘wood, wood products, paper, printing’ (+4.1%).

Among the main industrial groupings prices of ‘energy’ (-5.2%) only decreased, y-o-y.

According to an estimate, **construction work** prices increased by 0.6% (+0.5% in August) and construction material input prices grew by 1.5% (+1.7% in August).

Prices of **market services** **in the business sphere** grew by 0.8% (+1.4% in August). Increasing were prices in ‘financial services, except insurance and pension funding’ (+7.2%), prices of ‘insurance services’ (+3.0%), prices of ‘land transport services and transport services via pipelines’ (+1.4%). On the decrease were prices of ‘advertising and market research services’ (-4.6%). Market services prices excluding advertising services increased by 1.3% (+1.6% in August).

# Industrial producer prices in the EU – August 2014\*

According to the Eurostat News Releases, industrial producer prices decreased in August by 0.1% (-0.2 in July) in EU28, **month-on-month**. Among the Member States for which data are available, the largest decreases in industrial producer prices were in Denmark (-0.7%), Croatia (-0.6%) and Estonia (-0.5%). Prices fell in Slovakia (-0.4%), Austria (-0.3%), Germany (-0.1%), remained stable in the Czech Republic and were higher in Poland (+0.1%).The highest increases were recorded in Sweden (+0.3%) and Hungary (+0.2%).

Industrial producer prices decreased in August by -1.5% (-1.4% in July) in EU28, **year-on-year.** Prices decreased the most in Lithuania (-5.1%), Belgium (-4.7%) and Slovakia (-3.8%). Prices were lower in Austria (-1.4%), Poland (-1.1%) and Germany (-0.8%) and remained stable in the Czech Republic. The only increases were recorded in Romania (+0.8%), Latvia and Sweden (+0.3% both).

*\* 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: 011041-14**Price Indices of Constructions Works, Price Indices of Constructions and Indices of Construction Costs*

*011039-14 Producer Price Indices – Basic Information*

*011044-14 Industrial Producer Price Indices*

*011045-14 Agricultural Producer Price Indices*

*011046-14 Market Services Price Indices in the Business Sphere*

*Internet:* [*http://www.czso.cz/csu/produkty.nsf/engpodskupina?openform&:2014-011*](http://www.czso.cz/csu/produkty.nsf/engpodskupina?openform&:2014-011)

[*http://www.czso.cz/eng/edicniplan.nsf/aktual/ep-7?opendocument#70*](http://www.czso.cz/eng/edicniplan.nsf/aktual/ep-7?opendocument#70)

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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 2005)

Graph 5: Industrial producer price indices – international comparison (changes on base year 2010)