November 16, 2018

Industrial producer prices grew significantly

Producer price indices – October 2018

In October 2018 compared with the previous month, agricultural producer prices (+0.2%), industrial producer prices (+0.7%), construction work prices (+0.4%) and prices of market services for businesses (+0.5%) all went up. In comparison to October 2017, agricultural producer prices (+0.9%), industrial producer prices (+3.9%), construction work prices (+4.0%) and prices of market services for businesses (+2.0%) were all higher.

# Month-on-month comparison:

**Agricultural producer** prices increased by 0.2%. Prices of poultry (+7.3%), fresh vegetables (+4.8%), cereals (+3.5%), oil plants (+2.9%) and milk (+2.2%) went up. On the decrease were prices of fruit (-9.7%), eggs (-0.4%), cattle for slaughter and pigs for slaughter (-1.0% both).

Prices of **industrial producers** were higher by 0.7% m-o-m. Prices increased particularly in ‘coke, refined petroleum products’. Prices rose in ‘food products, beverages, tobacco’ (+0.6%), thereof ‘beverages’ (+1.4%), ‘dairy products’ (+1.0%) and ‘grain mill products, starches and starch products’ (+3.5%). On the increase were also prices in ‘transport equipment’ (+0.5%), thereof ‘motor vehicles’ (+1.0%). Prices went up in ‘chemicals and chemical products’ (+1.6%). Lower were prices only in ‘basic pharmaceutical products’ (-0.2%).

According to an estimate, **construction work** prices increased by 0.4% and construction material input prices grew by 0.5%.

Pricesof **market services for businesses** were higher by 0.5%. On the increase were prices of ‘advertising and market research services’ (+4.3%), ‘management consulting services’ (+1.7%), ‘architectural and engineering services’ (+1.2%), ‘employment services’ and ‘rental and leasing services’ (+0.5% both). Decreasing were prices of ‘financial services, except insurance and pension funding’ by 0.4%. Prices of market services for businesses excluding advertising services rose by 0.1%.

# Year-on-year comparison:

**Agricultural producer** prices were higher by 0.9% (-0.4% in September). Prices of crop products grew by 4.1% due to increasing prices of fresh vegetables (+42.8%), cereals (+14.0%), potatoes (+7.3%) and oil plants (+3.4%). Lower were prices of fruit by 47.7%. Prices of animal products went down by 5.6%. Lower were prices of eggs (-14.6%), pigs for slaughter (-13.7%), milk (-4.7%) and cattle for slaughter (-3.0%). On the increase were prices of poultry by 5.6%.

Prices of **industrial producers** rose by 3.9% (+3.2% in September) y-o-y. This is the highest increase since January 2012. Higher were prices primarily in ‘coke, refined petroleum products’. On the increase were prices in ‘basic metals, fabricated metal products’ (+3.7%), ‘electricity, gas, steam and air conditioning’ (+2.8%), ‘chemicals and chemical products’ (+8.1%) and ‘mining and quarrying’ (+9.0%). Prices decreased only in ‘food products, beverages, tobacco’ (-0.4%), thereof ‘preserved meat and meat products’ (-3.5%), ‘dairy products’ (-4.2%) and ‘other food products’ (-3.9%).

Among the main industrial groupings, prices of ‘energy’ (+10.4%) increased the most.

According to an estimate, **construction work** prices rose by 4.0% (+3.9% in September after specification) and construction material input prices grew by 4.6% (+4.2% in September).

Pricesof **market services for businesses** were higher by 2.0% (+1.6% in September). Increasing were prices in ‘security and investigation services’ (+9.3%), ‘employment services’ (+6.5%) and ‘advertising and market research services’ (+5.6%). On the increase were also prices of ‘real estate services’ (+3.3%), ‘architectural and engineering services’ (+2.9%) and ‘land transport services’ (+1.4%). Lower were prices of ‘warehousing and support services for transportation’ by 1.9%. Prices of market services for businesses excluding advertising services increased by 1.9% (+1.8% in September).

# Industrial producer prices in the EU – September 2018 (preliminary data)

According to the Eurostat News Releases, industrial producer prices increased in September by 0.6% (+0.4% in August) in EU28, **month-on-month.** The highest increases in prices were recorded in Belgium, Lithuania and the United Kingdom (+0.9% all). Prices went up in Germany (+0.6%), Austria, Poland and Slovakia (+0.5% all) and the Czech Republic (+0.3%). Prices decreased the most in Estonia (-1.3%).

Industrial producer prices were higher in September by 4.9% (+4.8% in August) in EU28, **year-on-year**. The highest increase was observed in Belgium (+9.0%). Prices were higher in Slovakia (+6.4%), Austria (+4.2%), Poland (+3.6%), Germany (+3.4%) and the Czech Republic (+3.2%). The only decrease was recorded in Ireland (-2.8%).

*Notes:*

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*Data source: CZSO 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*

*Market services price indices (business to business): 20th calendar day of reference month / 9th 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 46th calendar day of the following quarter.*

*Related publications: 011041 - 18**Price Indices of Constructions Works, Price Indices of Constructions and Indices of Construction Costs*

*011044 - 18 Industrial Producer Price Indices*

*011045 - 18 Agricultural Producer Price Indices*

*011046 - 18 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 Price Indices

Table 2: Industrial Producer Price Index by Main Industrial Groupings

Table 3: Industrial Producer Price Index (breakdown of the growth - month-on-month, year-on-year)

Chart: Industrial Producer Price Indices (year-on-year changes, changes on base year 2015)

Chart: Construction Output Price Indices (year-on-year changes, changes on base year 2015)

Chart: Price Indices of Market Services for Businesses (year-on-year changes, changes on base year 2015)

Chart: Agricultural Producer Price Indices (year-on-year changes, changes on base year 2015)

Chart: Industrial Producer Price Indices – international comparison (changes on base year 2015)