18 November 2019

Y-o-y growth of industrial producer prices slowed down significantly

Producer price indices – October 2019

Construction work prices went up by 0.3%, month-on-month (m-o-m). Service producer prices in the business sphere remained stable. Agricultural producer prices and industrial producer prices went down by 1.4% and 0.3%, respectively. From the year-on-year perspective, agricultural producer prices (+0.4%), industrial producer prices (+0.9%), construction work prices (+4.8%) and service producer prices in the business sphere (+2.3%)increased.

# Month-on-month comparison

**Agricultural producer prices** fell by 1.4%. Prices of potatoes (-10.2%), poultry (-4.8%), vegetables (-3.0%), cattle for slaughter (-1.2%) and cereals (-0.4%) decreased. Prices of eggs (+6.7%), oleaginous crops (+4.8%) and fruit (+4.5%) increased. Prices of pigs for slaughter and milk both grew by 0.7%.

Prices of **industrial producers** decreased by 0.3%. Prices fell in ‘mining and quarrying’ (-2.1%), ‘basic metals, fabricated metal products’ (-0.6%), ‘chemicals and chemical products’ (-1.5%) and ‘transport equipment’ (-0.4%), thereof ‘parts and accessories for motor vehicles’ (-0.8%). On the decrease were also prices in ‘coke, refined petroleum products’. Prices of ‘food products, beverages, tobacco’ were higher by 0.4%, thereof ‘dairy products’ (+1.6%), on the other hand, prices were lower in ‘grain mill products, starches and starch products’ (-1.9%).

According to an estimate, **construction work prices** were higher by 0.3% and prices of construction material and products input were lower by 0.2%.

**Service producer prices in the business sphere**remained stable. Prices for ‘employment services’ (+3.6%), ‘advertising and market research services’ (+1.0%) and ‘information services’ (+0.8%) rose. Prices of ‘warehousing and support services for transportation’ and ‘financial services, except insurance and pension funding’ were both lower by 0.3%. Prices for ‘management consulting services’ (-1.4%) and ‘architectural and engineering services’ (-2.0%) dropped. Service producer prices in the business sphere, excluding advertising services also remained stable.

# Year-on-year comparison

**Agricultural producer prices** rose by 0.4% (in September they increased by 2.0%). Prices in the crop production fell by 1.6%. On the decrease were prices of vegetables, cereals and oleaginous crops (especially poppy seeds) by 15.4%, 7.6% and 4.1%, respectively. Prices of fruit (+39.3%) and potatoes (+16.2%) grew. Prices of animal products rose by 5.0%. Prices of pigs for slaughter (+26.1%) and milk (+2.0%) went up. Prices for cattle for slaughter (-2.2%) and poultry (-3.6%) went down.

Prices of **industrial producers** were higher by 0.9% (+1.9% in September). Prices grew in ‘electricity, gas, steam and air conditioning’ (+7.5%) and ‘food products, beverages, tobacco’ (+3.3%), thereof ‘preserved meat and meat products’ (+10.4%). Prices increased in ‘furniture, other manufactured products’ (+4.4%), ‘rubber and plastic products, other non-metallic mineral products’ (+1.7%) and ‘mining and quarrying’ (+3.6%). Prices fell significantly in ‘coke, refined petroleum products’. Lower were prices also in ‘chemicals and chemical products’ (-5.5%).

Among the main industrial groupings, ‘non-durable consumer goods’ (+3.7%) were higher especially.

According to an estimate, **construction work prices** rose by 4.8% (in September they increased by 4.9% after specification) and prices for construction material and products input grew by 2.0% (in September they increased by 2.7%).

**Service producer prices in the business sphere**were higher by 2.3% (in September they increased by 2.8%). Prices for ‘employment services’ (+14.2%), ‘insurance, reinsurance and pension funding services, except compulsory social security’ (+6.6%) and ‘advertising and market research services’ (+2.6%) went up. Furthermore, prices were higher for ‘management consulting services’ (+2.4%) and land transport services’ (+2.2%). Prices of ‘warehousing and support services for transportation’ were lower by 1.9%. Service producer prices in the business sphere, excluding advertising services, grew by 2.3% (in September they increased by 2.4%).

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

According to the Eurostat News Releases, industrial producer prices increased in September by 0.1% (-0.4% in August) in EU28, **month-on-month.** The highest increase in prices was recorded in Greece (+1.2%). Prices were higher in Poland (+0.3%), the Czech Republic and Germany (+0.1% both), remained stable in Austria and were lower in Slovakia (-0.2%). The largest decrease was observed in Latvia (-1.3%).

Industrial producer prices were lower in September by 0.7% (-0.3% in August) in EU28, **year-on-year**. The largest decrease in prices was recorded in Denmark (-4.0%). Prices were lower in Austria (-1.5%) and were higher in the Czech Republic (+1.9%), Slovakia (+1.3%), Poland (+0.8%) and Germany (+0.1%). The highest increase was observed in Bulgaria (+4.5%).

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: 16 December 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)