16 August 2019

**Y-o-y growth of industrial producer prices slowed down again**

Producer price indices – July 2019

Agricultural producer prices (-1.5%), industrial producer prices (-0.1%) and service producer prices in the business sphere (-0.9%) went down, month-on-month (m-o-m). Construction work prices went up by 0.2%. From the year-on-year perspective, agricultural producer prices (+12.1%), industrial producer prices (+2.1%), construction work prices (+3.9%) and service producer prices in the business sphere (+2.5%)increased.

# Month-on-month comparison

**Agricultural producer prices** fell by 1.5%. Prices of potatoes (-20.9%), eggs (-4.8%), cereals (-4.5%), milk (-1.8%) and poultry (-1.6%) decreased. Prices of pigs for slaughter increased by 2.7%.

Prices of **industrial producers** fell by 0.1%. Prices decreased in ‘chemicals and chemical products’ (-1.6%), ‘basic metals, fabricated metal products’ (-0.3%) and in ‘wood, wood products, paper, printing’ and ‘mining and quarrying’ identically by 0.4%. Lower were also prices in ‘coke, refined petroleum products’. Prices rose in ‘food products, beverages, tobacco’ (+0.2%), thereof ‘preserved meat and meat products’ (+0.8%). Prices in ‘electricity, gas, steam and air conditioning’ were higher by 0.2%.

According to an estimate, **construction work prices** were higher by 0.2% and prices of construction material and products input grew by 0.1%.

**Service producer prices in the business sphere**went down by 0.9%. Prices for ‘advertising and market research services’ (-14.9%), ‘management consulting services’ (-3.6%) and ‘land transport services’ (-0.2%) were all lower. Prices for ‘insurance, reinsurance and pension funding services, except compulsory social security’ (+1.3%), ‘employment services’ (+0.7%) and ‘warehousing and support services for transportation’ (+0.2%) rose. Service producer prices in the business sphere, excluding advertising services, remained stable.

# Year-on-year comparison

**Agricultural producer prices** rose by 12.1% (in June they increased by 12.9%). Prices in the crop production grew by 16.7%. Prices of potatoes (+58.8%), oleaginous crops (+14.8%), cereals (+10.8%), fruit (+40.5%) and vegetables (+27.8%) went up. Prices of animal products grew by 7.3%. Prices of pigs for slaughter (+24.1%), milk (+6.1%) and poultry (+4.6%) increased. Prices for eggs (-5.8%) and cattle for slaughter (-2.4%) decreased.

Prices of **industrial producers** rose by 2.1% (+2.5% in June). Prices grew particularly in ‘electricity, gas, steam and air conditioning’ (+8.0%), thereof ‘electricity, transmission and distribution services’ (+10.5%). Prices were higher in ‘food products, beverages, tobacco’ (+4.0%), thereof ‘preserved meat and meat products’ (+9.3%). Prices increased in ‘furniture, other manufactured products’ (+4.2%), thereof ‘repair services of fabricated metal products, machinery and equipment’ (+3.6%) and ‘installation services of industrial machinery and equipment’ (+7.2%). On the increase were also prices in ‘rubber and plastic products, other non-metallic mineral products’ (+2.8%), thereof ‘articles of concrete, cement and plaster’ (+7.4%). Prices went up in ‘mining and quarrying’ (+6.9%). Prices decreased significantly in ‘coke, refined petroleum products’. Lower were prices also in ‘chemicals and chemical products’ (-3.5%).

Among the main industrial groupings, prices of ‘energy’ (+4.1%) and ‘non-durable consumer goods’ (+3.7%) were higher especially.

According to an estimate, **construction work prices** rose by 3.9% (in June they increased by 4.2% after specification) and prices for construction material and products input grew by 3.1% (in June they increased by 3.9%).

**Service producer prices in the business sphere**were higher by 2.5% (the same way as in June). Prices for ‘management consulting services’ (+10.2%), ‘insurance, reinsurance and pension funding services, except compulsory social security’ (+6.6%) and ‘management consulting services’ (+5.8%) grew. Furthermore, prices were higher for ‘advertising and market research services’ (+4.6%) and ‘land transport services’ (+2.5%). Prices of ‘warehousing and support services for transportation’ were lower by 1.5%. Service producer prices in the business sphere, excluding advertising services, increased by 2.4% (in June they increased by 2.5%).

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

According to the Eurostat News Releases, industrial producer prices decreased in June by 0.6% (in May remained stable) in EU28, **month-on-month.** The largest decrease was recorded in Lithuania (-2.0%). Prices fell in the Czech Republic (-0.7%), Poland (-0.6%), Slovakia and Austria (-0.4% both) and Germany (-0.3%). Prices increased the most in Latvia (+1.7%).

Industrial producer prices were higher in June by 0.9% (+1.9% in May) in EU28, **year-on-year**.

The highest increase in industrial producer prices was recorded in Latvia (+5.6%). Prices rose in Slovakia (+3.0%), the Czech Republic (+2.5%), Germany (+1.4%) and Poland (+1.1%) and fell in Austria (-0.1%). The largest decrease was observed in Denmark (-2.6%).

*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 September 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)