

Methodological sheet

Prices of Industrial Producers

I. Definition and content

Industrial producer price indices cover the prices of products produced in the branches B to E of CZ-NACE. Industry total means the sum of B, C, D and E sections. The classification of products in its current version, valid since 1st January 2008, is prepared on the basis of the European standard of CPA 2008 (Classification of Products by Activity).

II. Sources and methodology of ascertainment

The prices of industrial producers are surveyed monthly on the basis of data provided by the selected organizations (about 1100) for the selected representatives (about 4600). The reported prices are those agreed upon between the supplier and the customer inland. They exclude VAT, excise tax, costs of transport to the customer and costs incidental to the transport, and are invoiced for the more important trade cases.

III. Break-down

Since publication of January 2017 data there are available these indices and time series: 2015 average = 100 (basic index), previous period = 100, corresponding period of the preceding year = 100. Besides, the ratio of rolling averages index (ratio of average of last 12 months' indices to average of previous 12 months' indices) and average of m-o-m in a period.

IV. Method of calculation

The base period for the calculation of industrial producer price indices is 2015 average = 100 and the weight structure is based on the structure of domestic sales of the year 2015, since January 2023 on the structure of domestic sales of the year 2020.

The price indices calculations are based on the prices of selective files of representatives and selected reporting units by aggregating simple price indices into an aggregate using a modified Laspeyres formula. The calculation uses constant weights.

$$I = \frac{\sum \frac{p_1}{p_0} p_0 q_0}{\sum p_0 q_0} \cdot 100$$

where:

p_1 the reference period price,

p_0 the basic period price,

$p_0 q_0$ the constant weight – value indicator, in terms of per mill.

Industrial producer price index is still calculated monthly using the prices reported by the national statistical questionnaire Industry Prices 1-12. The questionnaire is filled out

by selected organizations for selected representatives. The prices reported are domestic prices agreed between supplier and customer for domestic market products (excluding VAT, excise tax and transport and incidental costs). The period for price observation was extended and the prices between the first to eighteenth calendar day of the reference month are included (formerly the tenth to twelfth calendar day).

V. Changes in methodology

Apart from the revisions no significant changes to the methodology are carried out. Substitutions of the representatives are implemented to a limited extent on an ongoing basis.