

Methodological sheet

Industrial producer prices

I. Definition and content

Industrial producer price index is calculated from average prices of industrial products. It covers the following categories of the Industry Classification of Economic Activities (Odvětvová klasifikace ekonomických činností - OKEČ)

C - extraction of minerals

D - manufacturing industry

E - production and distribution of electricity, gas and water.

The prices in question are the prices agreed-upon between the supplier and the customer in the CR, exclusive of value added tax, excise duty and exclusive of costs of transportation to the customer and any related costs.

II. Sources and methodology of ascertainment

The prices are ascertained by the Czech Statistical Office in 1,340 reporting units on the statements Industrial producer prices 1-12. This statement is completed by selected organizations for 5,736 price representatives.

The survey is carried out monthly.

III. Break-down

The indices published in the database are the following:

Period: 1994 - 2000

a) December 1993 = 100

b) same period of last year = 100

c) previous month = 100

d) 1994 average = 100

Period: 2001 - 2005

December 1999 = 100

same period of last year = 100

previous month = 100

2000 average = 100

The total industrial producer price index is further broken down into the indices of the main groups C, D and E.

These indices are broken down as follows:

- mining and quarrying
 - extraction of energy raw-materials
 - extraction of other raw-materials
- manufacturing industry
 - food and tobacco industry
 - textile and clothing industry
 - leather industry
 - woodworking industry
 - paper and printing industry
 - manufacture of coke and refined crude oil products
 - chemical and pharmaceutical industry
 - rubber and plastics industry
 - manufacture of glass, ceramics, porcelain and building materials
 - manufacture of metals and metalwork products
 - manufacture of machinery and equipment
 - manufacture of electrical and optical devices
 - manufacture of means of transport

- manufacturing industry not mentioned elsewhere
- generation and distribution of electricity, gas and heat
 - generation and distribution of electricity and heat
 - treatment and distribution of water

IV. Method of calculation

The average prices of the representatives under review are calculated as a by non-weighted arithmetic average.

The calculation of the aggregated indices is carried out according to a Laspeyres-type formula:

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

p_1 - price in the period under review

p_0 - price in the basic period

$p_0 q_0$ - constant weight - value indicator of the basic period (revenues in 1993 or 1999)

The price base of the index is December 1993 or December 1999.

V. Change in methodology

In comparison with the state before the revision of 2000, one quarter of the representatives and almost one fifth of the respondents were substituted.

Apart from the revisions no significant changes are carried out.

VI. Reporting Entities

The reporting entities are selected industrial organizations.