

PRODUCER PRICE INDICES IN INDUSTRY¹

JULY 2010

1. Producer Price Indices on Domestic Market²

Producer Price Index on Domestic Market in July 2010 rose by 2.3% comparing to the previous month. The domestic prices decreased in the mining and quarrying industry by 0.7% and in the manufacturing by 0.9%, while the price increase was registered in the electricity, gas, steam and air conditioning supply by 10.8%.

In the manufacturing, the more significant prices decreases comparing to the previous month were seen in the manufacture of tobacco products by 9.3%, in the manufacture of basic metals by 6.0% and in the manufacture of machinery and equipment by 1.8%, while the prices decreased in the repair and installation of machinery and equipment by 1.2%, and in the manufacture of fabricated metal products, except machinery and equipment by 0.9%.

Producer Price Index on Domestic Market in July 2010 grew by 9.0% compared to the same month of 2009. The domestic prices increased in the mining and quarrying industry by 15.1%, in the manufacturing by 6.9% and in the electricity, gas, steam and air conditioning supply by 12.5%.

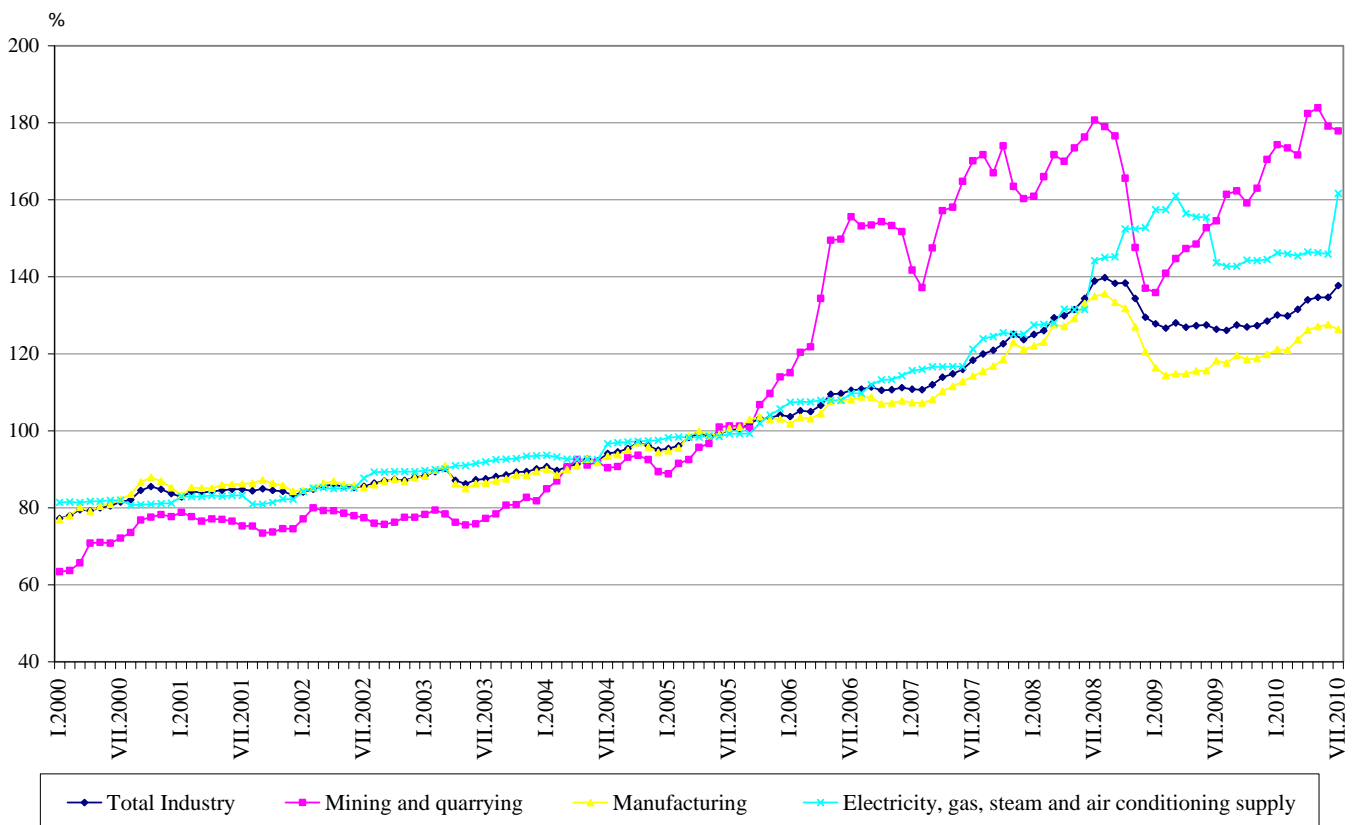
In the manufacturing compared to the same month of 2009, the prices increase was registered in the manufacture of basic metals by 34.7%, in the manufacture of tobacco products by 8.2%, in the manufacture of leather and related products by 5.4%. The prices reduction was seen in the manufacture of other non-metallic mineral products by 6.3%, in the manufacture of wood and of products of wood, except furniture by 4.4%, and in the manufacture of food products by 2.0%.

¹**Producer Price Indices** measure the average change in the prices of industrial products, which are produced and sold by Bulgarian enterprises. They can be considered as an early measure of the current inflation process in the economy and also they can be used for international comparisons. Information for calculation of Producer Price Indices is received on the bases of monthly surveys on producer prices of industrial products, sold on domestic market and on industrial products sold on non-domestic market. Producer price surveys are based on constant sample of groups of products, and that sample is representative for total industrial production.

² Producer Price Indices on domestic market are calculated at constant base (2005) weighed with turnover structure on domestic market.



**Figure 1. Producer Price Indices on Domestic Market in Industry
(2005 = 100)**



2. Total Producer Price Indices in Industry³

Total Producer Price Index in Industry in July 2010 increased by 0.6% compared to the previous month. The higher prices were registered in the mining and quarrying industry by 0.4% and in the electricity, gas, steam and air conditioning supply by 9.7%, while in the manufacturing the prices fell by 1.8%.

In the manufacturing, more significant price reduction was seen in the manufacture of tobacco products by 8.1%, in the manufacture of basic metals by 5.6%, and in the manufacture of chemicals and chemical products by 2.9%, while the price increase was registered in the of motor vehicles, trailers and semi-trailers by 8.9% and in the repair and installation of machinery and equipment by 1.0%

Total Producer Price Index in July 2010 grew by 10.2% comparing to the same month of 2009.

³ Total Producer Price Index is calculated from Producer Price Index on Domestic Market and Producer Price Index on Non-domestic Market weighted with the turnover structure on domestic and on non-domestic market to the total value of turnover in the base year 2005.



In the manufacturing, the prices rose by 9.2% as compared to July 2009. More significant prices increases were seen in the manufacture of basic metals by 35.3%, in the manufacture of motor vehicles, trailers and semi-trailers by 16.7%, and in the manufacture of leather and related products by 12.0%, while the producer prices decreased in the manufacture of other non-metallic mineral products by 6.0%, in the manufacture of wood and of products of wood, except furniture by 3.5%, and in the manufacture of food products by 2.0%.

**Figure 2. Total Producer Price Indices in Industry
(2005 = 100)**

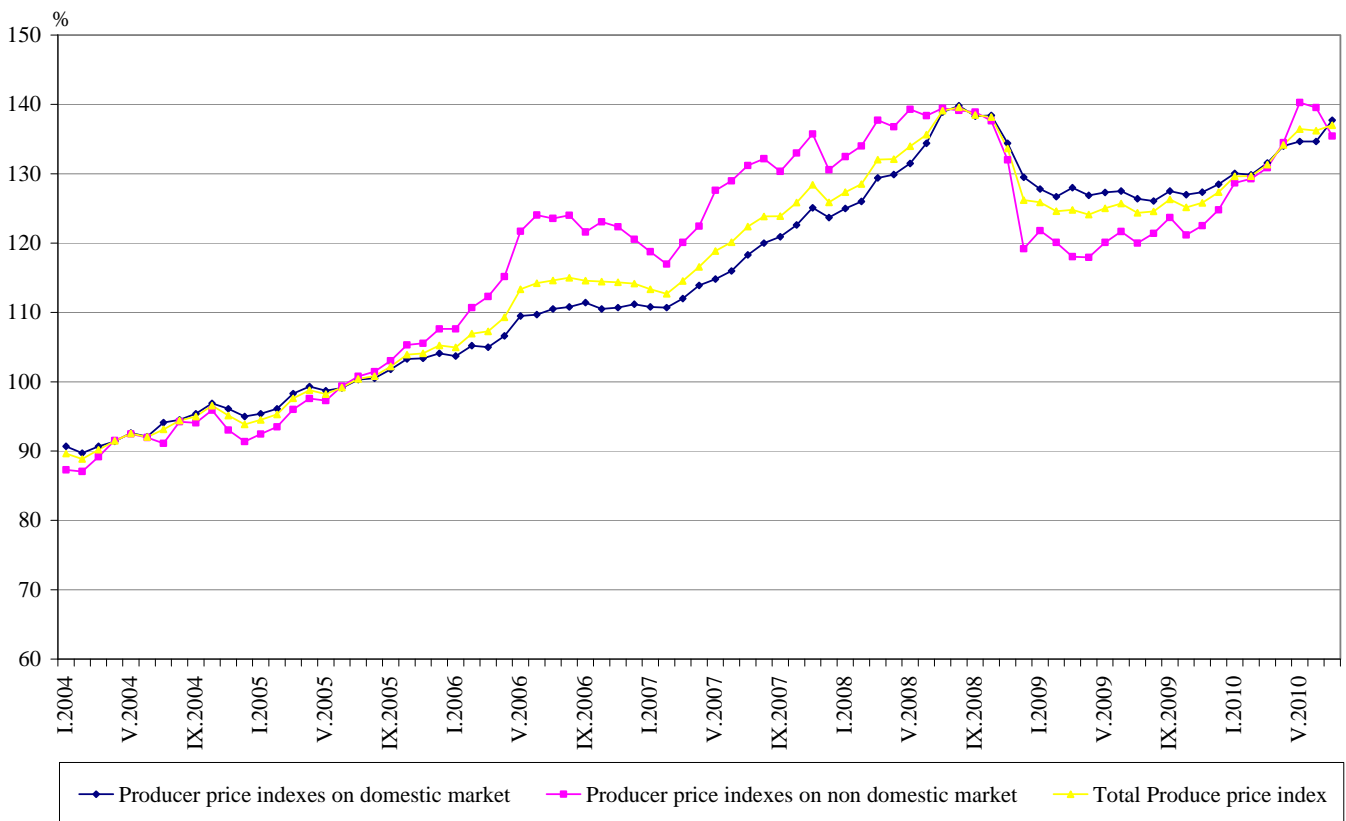




Table 1

Producer Price Indices on Domestic Market in July 2010⁴

Economic activities	2005=100	The previous month=100	The same month of 2009=100
Industry	137.7	102.3	109.0
Mining and quarrying	177.9	99.3	115.1
of which:			
Mining of coal and lignite	164.2	100.9	101.9
Mining of metal ores	231.5	98.0	146.5
Other mining and quarrying	131.0	100.4	97.5
Manufacturing	126.3	99.1	106.9
of which:			
Manufacture of food products	134.4	100.0	98.0
Manufacture of beverages	140.7	100.0	101.0
Manufacture of tobacco products	98.1	90.7	108.2
Manufacture of textiles	123.2	100.1	103.5
Manufacture of wearing apparel	122.2	100.5	101.7
Manufacture of leather and related products	123.6	100.4	105.4
Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	114.7	99.1	95.6
Manufacture of paper and paper products	122.1	100.3	103.7
Printing and reproduction of recorded media	114.4	99.6	102.8
Manufacture of chemicals and chemical products	131.1	99.6	103.2
Manufacture of basic pharmaceutical products and pharmaceutical preparations	109.5	100.3	103.0
Manufacture of rubber and plastic products	110.3	99.9	102.6
Manufacture of other non-metallic mineral products	124.2	100.1	93.7
Manufacture of basic metals	133.5	94.0	134.7
Manufacture of fabricated metal products, except machinery and equipment	118.1	100.9	99.7
Manufacture of computer, electronic and optical products	112.0	100.0	100.3
Manufacture of electrical equipment	130.8	99.9	103.2
Manufacture of machinery and equipment n.e.c.	123.7	98.2	101.1
Manufacture of motor vehicles, trailers and semi-trailers	121.5	100.0	100.5
Manufacture of other transport equipment	111.3	100.2	103.4
Manufacture of furniture	117.7	100.0	100.5
Other manufacturing	112.2	100.1	101.0
Repair and installation of machinery and equipment	131.2	101.2	104.2
Electricity, gas, steam and air conditioning supply	161.6	110.8	112.5
Electricity, gas, steam and air conditioning supply	161.6	110.8	112.5

⁴ In the tables are not included data that according to the Law on Statistics are confidential and in this way they are statistical secrecy.



Table 2

Total Producer Price Indices in July 2010⁵

Economic activities	2005=100	The previous month=100	The same month of 2009=100
Industry	137.0	100.6	110.2
Mining and quarrying	177.2	100.4	117.4
of which:			
Mining of coal and lignite	164.2	100.9	101.9
Mining of metal ores	215.9	100.3	142.4
Other mining and quarrying	129.0	100.4	98.3
Manufacturing	129.3	98.2	109.2
of which:			
Manufacture of food products	133.8	99.8	98.0
Manufacture of beverages	137.6	100.0	100.9
Manufacture of tobacco products	100.3	91.9	107.7
Manufacture of textiles	118.2	100.2	106.0
Manufacture of wearing apparel	127.0	100.3	102.1
Manufacture of leather and related products	121.2	97.6	112.0
Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	112.7	99.8	96.5
Manufacture of paper and paper products	128.2	99.5	110.4
Printing and reproduction of recorded media	113.8	99.3	103.0
Manufacture of chemicals and chemical products	135.6	97.1	101.1
Manufacture of basic pharmaceutical products and pharmaceutical preparations	128.7	99.9	105.6
Manufacture of rubber and plastic products	113.6	99.9	101.6
Manufacture of other non-metallic mineral products	123.5	100.0	94.0
Manufacture of basic metals	150.1	94.4	135.3
Manufacture of fabricated metal products, except machinery and equipment	117.9	100.1	101.5
Manufacture of computer, electronic and optical products	109.7	98.3	104.0
Manufacture of electrical equipment	128.9	99.8	104.1
Manufacture of machinery and equipment n.e.c.	118.0	99.0	100.2
Manufacture of motor vehicles, trailers and semi-trailers	113.1	108.9	116.7
Manufacture of other transport equipment	112.2	97.4	110.7
Manufacture of furniture	116.4	99.6	100.5
Other manufacturing	111.8	99.7	104.5
Repair and installation of machinery and equipment	127.4	101.0	103.8
Electricity, gas, steam and air conditioning supply	160.9	109.7	112.0
Electricity, gas, steam and air conditioning supply	160.9	109.7	112.0

⁵ In the tables are not included data that according to the Law on Statistics are confidential and in this way they are statistical secrecy.