

News

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Producer Price Indexes -- December 2003

The Producer Price Index for Finished Goods rose 0.3 percent in December, seasonally adjusted, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. This increase followed a 0.3-percent decline in November and a 0.8-percent advance in October. At the earlier stages of processing, prices received by producers of intermediate goods turned up 0.5 percent, after falling 0.2 percent in the previous month. The crude goods index rose 2.0 percent in December, following a 0.2-percent increase in November. (See table A.)

Table A. Monthly and annual percent changes in selected stage-of-processing price indexes, seasonally adjusted

Month	Finished goods					Inter- mediate goods	Crude goods
	Total	Foods	Energy	Except foods and energy	Change in finished goods from 12 months ago (unadj.)		
2002							
Dec.	-0.3	0.4	0.2	-0.6	1.2	-0.1	2.0
2003							
Jan.	1.4	1.9	4.6	.3	2.5	1.2	7.6
Feb.	1.1	.4	7.4	-1	3.3	2.0	5.2
Mar.	1.4	.2	5.4	.7	4.0	2.1	13.0
Apr.	-1.7	.8	-8.1	-7	2.4	-2.3	-15.8
May	-.4	.1	-2.9	.1	2.5	-.7	1.4
June	.5	.3	2.9	-1	2.9	.5	4.4
July	.1	-.3	.7	.1	3.0	.1	-3.0
Aug.	r .6	r .9	r 1.6	.2	r 3.5	r .6	-1.1
Sept.	r .2	r 1.0	r -.3	0	3.5	r -.2	r 3.5
Oct.	.8	2.2	-.1	.5	3.4	.4	2.6
Nov.	-.3	-.3	-1.2	-1	3.4	-.2	.2
Dec.	.3	.2	1.8	-1	4.0	.5	2.0

r=revised. Some of the figures shown above and elsewhere in this release may differ from those previously reported because data for August 2003 have been revised to reflect the availability of late reports and corrections by respondents.

Among finished goods, prices for finished energy goods advanced 1.8 percent in December, after decreasing 1.2 percent a month earlier. The index for finished consumer foods rose 0.2 percent, compared with a 0.3-percent decline in the prior month. On the other hand, the index for finished goods other than foods and energy inched down 0.1 percent in December, the same as in November.

Before seasonal adjustment, the Producer Price Index for Finished Goods was unchanged from its level of 144.5 (1982=100) in November. From December 2002 to December 2003, finished goods prices increased 4.0 percent, after climbing 1.2 percent during 2002. Finished consumer food prices turned up 7.7 percent in 2003, as opposed to slipping 0.6 percent in the prior year. A 1.0-percent increase in the index for finished goods other than foods and energy in 2003 followed a 0.5-percent dip in 2002. By contrast, the index for finished energy goods advanced 11.5 percent in 2003, following a 12.3-percent rise in the previous calendar year. At the earlier stages of processing, the intermediate goods index advanced 3.9 percent from December 2002 to December 2003, after registering a 3.2-percent gain during 2002. Prices received by producers of crude materials for further processing increased 18.5 percent in 2003, following a 24.7-percent jump in the prior calendar year. (See summary below.)

Summary of December-to-December and 3-month seasonally adjusted annual rates for selected stages of process

Grouping	Percentage change 12 months ended December			Seasonally adjusted annual rate for 3 months ended			
	2001	2002	2003	March 2003	June 2003	September 2003	December 2003
Finished goods	-1.6	1.2	4.0	16.8	-6.2	3.7	3.1
Finished consumer foods	1.8	-6	7.7	10.1	5.1	6.8	8.7
Finished energy goods	-17.1	12.3	11.5	96.8	-29.0	8.2	2.0
Finished goods less foods and energy	.9	-5	1.0	3.5	-2.4	1.3	1.3
Finished consumer goods, excluding foods and energy	1.5	-5	1.0	4.1	-2.7	1.0	1.8
Capital equipment	0	-6	.9	2.9	-2.0	1.7	1.2
Intermediate materials, supplies, and components	-4.0	3.2	3.9	23.4	-9.6	1.8	2.7
Intermediate foods and feeds	.3	4.2	12.7	8.0	12.4	8.6	22.4
Intermediate energy goods	-16.9	12.0	10.9	149.0	-41.1	2.6	-4
Intermediate materials less foods and energy	-1.6	1.5	2.1	6.0	-.9	.9	2.6
Materials for nondurable manufacturing	-5.5	4.2	5.1	28.1	-7.8	-2.3	5.7
Materials for durable manufacturing	-4.0	3.1	3.9	1.6	-1.3	7.1	8.0
Materials and components for construction	0	.8	3.0	2.4	.8	5.9	2.9
Crude materials for further processing	-32.5	24.7	18.5	168.1	-37.0	-3.2	21.1
Foodstuffs and feedstuffs	-7.6	4.5	24.0	18.0	11.8	32.2	36.2
Crude energy materials	-52.9	61.5	12.3	579.4	-62.9	-34.2	-3.9
Crude nonfood materials less energy	-9.9	12.6	20.8	19.0	-7.4	27.8	52.5

NOTE: Late reports and corrections by respondents may cause some indexes to change 4 months after original publication. In addition, seasonally adjusted indexes may be revised for 5 years due to the recalculation of seasonal factors each January.

Finished goods

Prices for finished energy goods turned up 1.8 percent in December, after decreasing 1.2 percent in November. The gasoline index rose 5.1 percent, following a 4.8-percent decline in the preceding month. Prices for liquefied petroleum gas and residential electric power climbed more rapidly in December than they did a month earlier. The indexes for home heating oil and diesel fuel moved up, subsequent to declines in November. Residential natural gas prices decreased at a slower rate in December than they did in November.

The index for finished consumer foods edged up 0.2 percent in December, after falling 0.3 percent in the prior month. Most of this reversal can be attributed to fresh and dry vegetable prices, which jumped 20.7 percent, following a 5.2-percent decrease in November. The indexes for finfish and shellfish and for eggs for fresh use also turned up, after declining in the preceding month, while the indexes for fresh fruits and melons, shortening and cooking oils, and processed turkeys rose at a faster pace than they did in November. Alternatively, prices for dairy products slipped 0.8 percent in December, following a 0.5-percent hike in November. The indexes for beef and veal and for pork fell more rapidly in December than they did in the previous month, while prices for processed young chickens rose less than they did in the prior month. The soft drinks index turned down slightly, after posting an increase in November.

Prices for finished consumer goods other than foods and energy inched down 0.1 percent in December, following no change in the prior month. In December, price declines for light motor trucks, men's and boys' apparel, floor coverings, mobile homes, periodical circulation, and for sanitary papers and health products prevailed over rising prices for book publishing, passenger cars, pharmaceutical preparations, women's apparel, alcoholic beverages, and household furniture. During the 2003 calendar year, the index for finished consumer goods other than foods and energy advanced 1.0 percent, following a 0.5-percent decrease in 2002.

Table B. Monthly and annual percent changes in selected price indexes for intermediate goods and crude goods, seasonally adjusted

Month	Intermediate goods				Crude goods			
	Foods	Energy	Except foods and energy	Change in intermediate goods from 12 months ago (unadj.)	Foods	Energy (unadj.)	Except foods and energy	Change in crude goods from 12 months ago (unadj.)
2002								
Dec.	1.0	-0.5	-0.1	3.2	1.3	3.3	0.2	24.7
2003								
Jan.	1.5	5.6	.4	4.5	5.3	13.0	1.3	28.7
Feb.	.7	7.9	.7	6.6	.7	9.9	3.4	36.7
Mar.	-3	10.2	.4	8.0	-1.8	30.1	-.3	46.8
Apr.	.1	-11.0	-2	4.6	1.2	-30.7	-1.1	18.2
May	1.1	-4.4	0	4.2	2.0	1.9	-.7	19.1
June	1.8	2.9	0	4.5	-.4	10.5	-.1	29.1
July	-.7	1.1	-.1	4.4	-3.1	-4.8	1.7	24.2
Aug.	r 4	r 2.6	r .1	4.4	3.4	r -6.1	r 2.0	r 20.8
Sept.	r 2.4	r -3.0	r .3	3.7	7.0	r .7	r 2.5	22.3
Oct.	3.1	.6	.3	3.4	8.9	-3.6	3.1	22.8
Nov.	2.7	-2.9	.2	3.3	-.1	-1.5	4.3	18.3
Dec.	-.7	2.2	.1	3.9	-.7	4.3	3.4	18.5

r=revised. Some of the figures shown above and elsewhere in this release may differ from those previously reported because data for August 2003 have been revised to reflect the availability of late reports and corrections by respondents.

Capital equipment prices decreased 0.1 percent in December, the same rate of decline that was registered in November. Falling prices for light motor trucks, electronic computers, x-ray and electromedical equipment, welding machines and equipment, metal cutting machine tools, and printing trades machinery slightly outweighed price increases for civilian aircraft, heavy motor trucks, construction machinery and equipment, and for integrating and measuring instruments. For the 12 months ended December 2003, capital equipment prices advanced 0.9 percent, after posting a 0.6-percent drop during the previous calendar year.

Intermediate goods

The Producer Price Index for Intermediate Materials, Supplies, and Components advanced 0.5 percent in December, following a 0.2-percent decline in the previous month. Prices for intermediate energy goods turned up, after falling in the prior month. The index for materials for nondurable manufacturing increased at a faster rate than it did in November. By contrast, prices for intermediate foods and feeds decreased in December, following gains a month earlier. The materials and components for construction index showed no change, after moving up in the preceding month. Prices for materials for durable manufacturing rose less than they did in November. Excluding prices for foods and energy, the intermediate goods index inched up 0.1 percent in December, compared with a 0.2-percent increase in the previous month. (See table B.)

Prices for intermediate energy goods increased 2.2 percent in December, after falling 2.9 percent in the prior month. The index for commercial electric power moved up 1.4 percent, compared with a 4.0-percent drop in November. Prices for natural gas to electric utilities, gasoline, diesel fuel, and commercial natural gas also turned up, following declines in the preceding month. The index for industrial natural gas fell less than it did in the previous month. Prices for jet fuels and liquefied petroleum gas advanced at a quicker rate than they did in November. On the other hand, the industrial electric power index moved down 1.1 percent in December, after edging down 0.1 percent a month earlier. From December 2002 to December 2003 prices for intermediate energy goods rose 10.9 percent, following a 12.0-percent gain in 2002.

The index for materials for nondurable manufacturing increased 0.5 percent in December, after rising 0.2 percent in the preceding month. Prices for primary basic organic chemicals went up 5.8 percent, compared with a 0.3-percent decrease in November. The indexes for intermediate basic organic chemicals, sulfuric acid, and synthetic rubber also turned up, following declines in the prior month. Prices for fertilizer materials and plastic resins and materials advanced at a faster rate in December than they did in the previous month. Alternatively, the medicinal and botanical chemicals index fell 1.6 percent in December, after moving up 2.5 percent a month earlier. Prices for inedible fats and oils, paper, finished fabrics, and woodpulp also turned down, following gains in November. Nondurable manufacturing materials prices increased 5.1 percent in 2003, following a 4.2-percent gain in 2002.

The index for intermediate foods and feeds moved down 0.7 percent in December, after posting a 2.7-percent gain in the prior month. Leading this downturn, prices for prepared animal feeds decreased 0.4 percent, after jumping 7.0 percent a month earlier. The indexes for crude vegetable oils and for natural, processed, and imitation cheese also fell, following increases in November. Flour prices rose at a slower pace in December than they did in the previous month. The indexes for beef and veal and fluid milk products declined at a quicker pace in December than they did in the preceding month. By contrast, prices for shortening and cooking oils advanced 4.6 percent in December, compared with a 0.9-percent gain a month earlier. The indexes for refined sugar and byproducts, liquid beverage bases (used for soft drinks), and butter turned up, after falling in November. During the 2003 calendar year, prices for intermediate foods and feeds jumped 12.7 percent, following a 4.2-percent increase in the previous calendar year.

Subsequent to a 0.5-percent increase in November, the index for materials and components for construction showed no change in December. Plywood prices fell 7.1 percent, following a 1.0-percent increase a month earlier. The indexes for wiring devices, asphalt felts and coatings, treated wood, and hardwood lumber also decreased in December. Offsetting these falling prices, the indexes for fabricated structural metal products, concrete products, nonferrous wire and cable, steel mill products, and plastic construction products moved up in December. From December 2002 to December 2003, prices for materials and components for construction advanced 3.0 percent, after edging up 0.8 percent in 2002.

The materials for durable manufacturing index climbed 0.5 percent in December, compared with a 0.8-percent gain in the preceding month. In December, rising prices for steel mill products, primary nonferrous metals, copper and brass mill shapes, and aluminum mill shapes outweighed falling prices for building paper and board, plywood, soft fiber cordage and twine (except cotton), hardwood lumber, and flat glass. For the 12 months ended in December 2003, the index for materials for durable manufacturing advanced 3.9 percent, following a 3.1-percent increase in the preceding year.

Crude goods

The Producer Price Index for Crude Materials for Further Processing rose at a 2.0-percent rate in December, after posting a 0.2-percent gain in November. This acceleration was due to an upturn in prices for crude energy materials. By contrast, the index for crude foodstuffs and feedstuffs fell at a quicker rate in December than it did in the prior month, and price increases for basic industrial materials slowed from November to December. (See table B.)

The index for crude energy materials climbed 4.3 percent in December, compared with a 1.5-percent decrease in November. Leading this upturn, natural gas prices advanced 6.1 percent, after moving down 1.3 percent in the previous month. The index for crude petroleum rose 2.6 percent in December, following a 2.3-percent drop a month earlier. Coal prices increased 0.4 percent, subsequent to a 0.6-percent dip in November. From December 2002 to December 2003, the index for crude energy materials moved up 12.3 percent, after surging 61.5 percent during the preceding calendar year.

Prices for crude foodstuffs and feedstuffs fell 0.7 percent in December, after inching down at a 0.1-percent rate in November. The index for fluid milk declined 8.2 percent, following a 5.4-percent gain in the prior month. Prices for slaughter hogs, unprocessed shellfish, and raw cane sugar also turned down in December. The indexes for wheat, corn, and soybeans increased at a slower rate than they did in November. Conversely, the rate of decrease in prices for slaughter cattle slowed from 6.6 percent in November to 3.5 percent in December. The indexes for slaughter broilers and fryers, fresh and dry vegetables, and unprocessed finfish advanced, after falling in the preceding month. In 2003, prices for crude foodstuffs and feedstuffs climbed 24.0 percent, compared with a 4.5-percent rise in 2002.

Registering its sixth consecutive increase, the index for crude nonfood materials less energy moved up at a 3.4-percent rate in December. This rise followed a 4.3-percent gain in November. Prices for iron and steel scrap jumped 10.3 percent, after surging 13.8 percent in the previous month. The indexes for aluminum base scrap, copper base scrap, copper ores, pulpwood, and for construction sand, gravel, and crushed stone also rose at a slower rate in December. Prices for raw cotton, leaf tobacco, and wastepaper turned down, following increases in November. On the other hand, the gold ores index advanced 7.0 percent in December, outpacing a 0.9-percent rise in November. Price increases for hardwood logs and for phosphates also accelerated in December. The indexes for hides and skins and for softwood logs turned up, after falling in November. After climbing at a 12.6-percent rate in 2002, prices for basic industrial materials advanced 20.8 percent in 2003.

Net output price indexes for mining, manufacturing, and services industries

Mining. The Producer Price Index for the Net Output of Total Mining Industries rose 4.2 percent in December, following a 0.9-percent fall in November. (Net output price indexes are not seasonally adjusted.) The industry index for natural gas liquids and natural gas residue advanced 9.9 percent, after slipping 0.2 percent in the preceding month. Prices for gold ores increased more quickly in December than they did in November. The industry indexes for crude petroleum and natural gas, bituminous coal and lignite surface mining, and bituminous coal underground mining turned up, after falling in the prior month. On the other hand, the industry index for oil and gas field services other than drilling and exploration decreased 0.4 percent in December, following a 0.4-percent increase in November. Prices for the potash, soda, and borate minerals industry turned down in December, as did the industry indexes for industrial sand and for oil and gas well drilling. Prices for copper ores advanced more slowly in December than they did in November. The December Producer Price Index for the Net Output of Total Mining Industries was 127.2 (December 1984=100). From December 2002 to December 2003, prices received by the mining sector increased 11.8 percent, after rising 46.6 percent in 2002.

Manufacturing. The Producer Price Index for the Net Output of Total Manufacturing Industries posted no change in December, following a 0.4-percent decline in November. Prices received by the petroleum refining and related products industry group increased 1.4 percent, after a 4.4-percent drop in the prior month. Prices received by the industry group for fabricated metal products (except machinery and transportation equipment) and the industry group for rubber and miscellaneous plastic products also advanced in December, following November decreases. The index for the printing, publishing, and allied industries group rose, after showing no change in the prior month. Prices received by the primary metal industries group rose more quickly in December than in the preceding month, and the index for the industry group for machinery (except electrical) fell less than it did in November. Alternatively, the industry group index for food and kindred products declined 0.5 percent in December, after showing no change in November. The industry group indexes for transportation equipment and for electrical and electronic machinery, equipment, and supplies fell more in December than they did in November, while the industry group indexes for lumber and wood products (except furniture), and for paper and allied products turned down. Prices received by the industry group for stone, clay, glass, and concrete products rose less quickly in December than they did in the prior month. In December, the Producer Price Index for the Net Output of Total Manufacturing Industries was 137.7 (December 1984=100). From December 2002 to December 2003, prices received by the manufacturing sector rose 2.8 percent, after moving up 1.8 percent in 2002.

Services. Among service industries in December, prices received by the industries for operators and lessors of nonresidential buildings; engineering design, analysis, and consulting services; offices of physicians; investment advice; general medical and surgical hospitals; and insurance agencies and brokerages increased. Conversely, prices received by the industries for security brokers, dealers, and investment banking companies; telephone communications (except radiotelephone); life insurance carriers; truck rental and leasing; television broadcasting; and real estate agents and managers decreased in December.

Producer Price Index data for January 2004 will be
released on Thursday, February 19, 2004, at 8:30 a.m. (EST).

Recalculated Seasonal Adjustment Factors and Relative Importance Figures to be Available on February 17, 2004

Each year with the release of PPI data for January, seasonal adjustment factors are recalculated to reflect price movements from the just-completed calendar year. This routine annual calculation may result in revisions to seasonally adjusted indexes for the previous 5 years. The following information will be available on February 17, 2004 (2 workdays prior to the release of PPI data for January 2004 on February 19):

- Seasonal factors for commodity indexes for the year 2004,
- Recalculated seasonal factors for the last 5 years (1999-2003) for the commodity indexes,
- Recalculated seasonal factors for the last 5 years (1999-2003) for the stage-of-processing indexes.

In addition to recalculated seasonal factors, December 2003 relative importance figures will also be available on February 17, 2004.

To obtain any of this information, visit the PPI website at <http://www.bls.gov/ppi/> or call the Division of Industrial Prices and Price Indexes, Section of Index Analysis and Public Information at (202) 691-7705.

NAICS Conversion

The net output price indexes will be converted from the 1987 Standard Industrial Classification (SIC) basis to the 2002 North American Industry Classification System (NAICS) basis with the February 2004 release of January 2004 indexes. The NAICS conversion involves major definitional changes to many of the currently published SIC-based indexes. After the conversion to NAICS, SIC-based indexes will no longer be produced or published. Historical index data based on the NAICS publication structure will be available depending on the scope of the definitional changes between SIC and NAICS. A concordance between the two structures is available at <http://www.bls.gov/ppi/ppinaicstosic.htm> through a World Wide Web site.

For more information contact the Division of Industrial Prices and Price Indexes, Section of Index Analysis and Public Information at ppi-info@bls.gov or (202) 691-7705.

Technical Note

Brief Explanation of Producer Price Indexes

The term Producer Price Index (PPI) refers to a family of indexes that measure the average change over time in the selling prices received by domestic producers of goods and services. PPIs measure price change from the perspective of the seller. This contrasts with other measures, such as the Consumer Price Index (CPI); CPIs measure price change from the purchaser's perspective. Sellers' and purchasers' prices may differ due to government subsidies, sales and excise taxes, and distribution costs.

More than 10,000 PPIs for individual products and groups of products are released each month. PPIs are available for the products of virtually every industry in the mining and manufacturing sectors of the U.S. economy. New PPIs are gradually being introduced for the products of industries in the transportation, utilities, trade, finance, and services sectors of the economy.

More than 100,000 price quotations per month are organized into three sets of producer price indexes: (1) stage-of-processing indexes; (2) commodity indexes; and (3) indexes for the net output of industries and their products. The stage-of-processing structure (tables 1, 2, and 5) organizes products by class of buyer and degree of fabrication. The commodity structure (tables 2 and 3) organizes products by similarity of end-use or material composition. The entire output of various industries is sampled to derive price indexes for the net output of industries and their products (table 4).

Within the stage-of-processing system, finished goods are commodities that will not undergo further processing and are ready for sale to the final demand user, either an individual consumer or business firm. Consumer foods include unprocessed foods such as eggs and fresh vegetables, as well as processed foods such as bakery products and meats. Other finished consumer goods include durable goods such as automobiles, household furniture, and appliances; and nondurable goods such as apparel and home heating oil. Capital equipment includes producer durable goods such as heavy motor trucks, tractors, and machine tools.

The stage-of-processing category for intermediate materials, supplies, and components consists partly of commodities that have been processed but require further processing. Examples of such semifinished goods include flour, cotton yarn, steel mill products, and lumber. The intermediate goods category also encompasses nondurable physically complete items purchased by business firms as inputs for their operations. Examples include diesel fuel, belts and belting, paper boxes, and fertilizers.

Crude materials for further processing are products entering the market for the first time that have not been manufactured or fabricated and that are not sold directly to consumers. Crude foodstuffs and feedstuffs include items such as grains and livestock. Examples of crude nonfood materials include raw cotton, crude petroleum, coal, hides and skins, and iron and steel scrap.

Producer price indexes for the net output of industries and their products are grouped according to the Standard Industrial Classification (SIC). Industry price indexes are compatible with other economic time series organized by SIC codes, such as data on employment, wages, and productivity. Table 4 lists indexes for the net output of major mining and manufacturing industry groups at the 2-digit level.

Producer price indexes are based on selling prices reported by establishments of all sizes selected by probability sampling, with the probability of selection proportionate to size. Individual items and transaction terms from these firms are also chosen by probability proportionate to size. BLS strongly encourages cooperating companies to supply actual transaction prices at the time of shipment to minimize the use of list prices. Prices are normally reported by mail questionnaire for the Tuesday of the week containing the 13th.

Price data are provided on a voluntary and confidential basis; no one but sworn BLS employees are allowed access to individual company price reports. The Bureau publishes price indexes instead of unit dollar prices. All producer price indexes are routinely subject to revision once, 4 months after original publication, to reflect the availability of late reports and corrections by respondents.

The BLS periodically updates the PPI sample of survey respondents to better reflect current conditions when the structure, membership, technology, or product mix of an industry shifts significantly and to spread reporting burden among smaller firms. Results of these resampling efforts are incorporated into the PPI every January and July.

As part of an ongoing effort to expand coverage to sectors of the economy other than mining and manufacturing, an increasing number of service sector industries have been introduced into the PPI. The following list of recently introduced service industries includes the month in which an article describing the industry's content appeared in the *PPI Detailed Report*:

<i>Industry</i>	<i>SIC</i>	<i>PPI Detailed Report Issue</i>
Wireless Telecommunications.....	4812	July 1999
Telephone Communications, Except Radio Telephone.....	4813	July 1995
Television Broadcasting	4833	July 2002
Grocery Stores.....	5411	July 2000
Meat and Fish (Seafood) Markets	5421	July 2000
Fruit and Vegetable Markets.....	5431	July 2000
Candy, Nut, and Confectionery Stores.....	5441	July 2000
Retail Bakeries.....	5461	July 2000
Miscellaneous Food Stores.....	5499	July 2000
New Car Dealers.....	5511	July 2000
Gasoline Service Stations.....	5541	January 2002
Boat Dealers.....	5551	January 2002
Recreational Vehicle Dealers.....	5561	January 2002
Miscellaneous Retail.....	59	January 2001
Security Brokers, Dealers, and Investment Bankers.....	6211	January 2001
Investment Advice.....	6282	January 2003
Life Insurance Carriers.....	6311	January 1999
Property and Casualty Insurance.....	6331	July 1998
Insurance Agencies and Brokerages.....	6412	January 2003
Operators and Lessors of Nonresidential Buildings.....	6512	January 1996
Real Estate Agents and Managers.....	6531	January 1996
Prepackaged Software.....	7372	January 1998
Data Processing Services.....	7374	January 2002
Home Health Care Services.....	8082	January 1997
Legal Services.....	8111	January 1997
Engineering Design, Analysis, and Consulting Services.....	8711	January 1997
Architectural Design, Analysis, and Consulting Services...	8712	January 1997
Premiums for Property and Casualty Insurance.....	9331	July 1998

Weights for most traditional commodity groupings of the PPI, as well as all indexes (such as stage-of-processing indexes) calculated from traditional commodity groupings, currently reflect 1997 values of shipments as reported in the Census of Manufactures and other sources. From January 1996 through December 2001, PPI weights were derived from 1992 shipment values. Industry indexes shown in table 4 also are now calculated with 1997 net output weights. This periodic update of the value weights used to calculate the PPI is done to more accurately reflect changes in production and marketing patterns in the economy.

Net output values of shipments are used as weights for industry indexes. Net output values refer to the value of shipments from establishments in one industry to establishments classified in another industry. However, weights for commodity price indexes are based on gross shipment values, including shipment values between establishments within the same industry. As a result, broad commodity grouping indexes such as the all commodities index are affected by the multiple counting of price change at successive stages of processing, which can lead to exaggerated or misleading signals about inflation. Stage-of-processing indexes partially correct this defect, but industry indexes consistently correct for this at all levels of aggregation. Therefore, industry and stage-of-processing indexes are more appropriate than broad commodity groupings for economic analysis of general price trends.

Effective with publication of January 1988 data, many important PPI series (including stage-of-processing groupings and most commodity groups and individual items) were placed on a new reference base, 1982=100. From 1971 through 1987, the standard reference base for most PPI series was 1967=100. Except for rounding differences, the shift to the new reference base did not alter any changes to previously published percent changes for affected PPI series. (See "Calculating Index Changes," below.) The new reference base is not used for indexes with a base later than December 1981, nor for indexes for the net output of industries and their products.

For further information on the underlying concepts and methodology of the Producer Price Index, see chapter 14, "Producer Prices," in *BLS Handbook of Methods* (April 1997), Bulletin 2490. Reprints are available from the Bureau of Labor Statistics on request.

Calculating Index Changes

Each index measures price changes from a reference period which equals 100.0 (1982 or some later month). An increase of 5.5 percent from the reference period in the Finished Goods Price Index, for example, is shown as 105.5. This change can also be expressed in dollars as follows: "Prices received by domestic producers of a systematic sample of finished goods have risen from \$100 in 1982 to \$105.50 today." Likewise, a current index of 90.0 would indicate that prices received by producers of finished goods today are 10 percent lower than they were in 1982.

Movements of price indexes from one month to another are usually expressed as percent changes rather than as changes in index points because index point changes are affected by the level of the index in relation to its base period, whereas percent changes are not. The example below shows the computation of index point and percent changes.

Index point change

Finished Goods Price Index	107.5
Less previous index	104.0
Equals index point change	3.5

Index percent change

Index point change	3.5
Divided by the previous index	104.0
Equals	0.034
Result multiplied by 100	0.034 x 100
Equals percent change	3.4

Seasonally Adjusted and Unadjusted Data

Because price data are used for different purposes by different groups, the Bureau of Labor Statistics publishes seasonally adjusted and unadjusted changes each month. Seasonally adjusted data are preferred for analyzing general price trends in the economy because they eliminate the effect of changes that normally occur at about the same time and in about the same magnitude every year--such as price movements resulting from normal weather patterns, regular production and marketing cycles, model changeovers, seasonal discounts, and holidays. For these reasons, seasonally adjusted data more clearly reveal underlying cyclical trends.

Unadjusted data are of primary interest to users who need information that can be related to actual dollar values of transactions. Individuals requiring this information include marketing specialists, purchasing agents, budget and cost analysts, contract specialists, and commodity traders. It is the unadjusted data that are generally cited in escalating long-term contracts such as purchasing agreements or real estate leases. (See *Escalation and Producer Price Indexes: A Guide for Contracting Parties*, BLS Report 807, September 1991, available on request from BLS.)

For more information, see (1) "Appendix A: Seasonal Adjustment Methodology at BLS," in the *BLS Handbook of Methods* (April 1997), Bulletin 2490 and (2) "Summary of Changes to the PPI's Seasonal Adjustment Methodology" in the January 1995 issue of *Producer Price Indexes*.

Table 1. Producer price indexes and percent changes by stage of processing (1982=100)

Grouping	Relative importance	Unadjusted index				Unadjusted percent change to Dec. 2003 from:		Seasonally adjusted percent change from:		
		Dec.	Aug.	Nov.	Dec.	Dec.	Nov.	Sept. to Oct.	Oct. to Nov.	Nov. to Dec.
		2002 1/	2003 2/	2003 2/	2003 2/	2002	2003	Oct.	Nov.	Dec.
Finished goods.....	100.000	143.7	144.5	144.5	4.0	0	0.8	-0.3	0.3	
Finished consumer goods.....	73.339	145.9	146.5	146.6	5.0	.1	1.0	-.4	.4	
Finished consumer foods.....	20.672	146.3	150.2	150.3	7.7	.1	2.2	-.3	.2	
Crude.....	1.333	128.2	137.0	150.8	33.8	10.1	-2.2	-.7	11.7	
Processed.....	19.339	147.8	151.3	150.2	5.9	-.7	2.6	-.3	-.7	
Finished consumer goods, excluding foods.....	52.667	145.4	144.7	144.8	3.9	.1	.3	-.3	.5	
Nondurable goods less foods.....	36.364	150.0	147.4	147.9	5.2	.3	.1	-.6	.8	
Durable goods.....	16.303	131.8	135.1	134.4	1.2	-.5	1.1	0	-.3	
Capital equipment.....	26.661	139.2	140.7	140.4	.9	-.2	.6	-.1	-.1	
Manufacturing industries.....	7.839	139.9	140.3	140.4	.3	.1	.1	-.4	.1	
Nonmanufacturing industries.....	18.822	138.8	140.8	140.4	1.2	-.3	.7	-.1	-.1	
Intermediate materials, supplies, and components.....	100.000	134.1	134.0	134.5	3.9	.4	.4	-.2	.5	
Materials and components for manufacturing.....	46.896	129.8	130.7	131.0	3.0	.2	.5	.2	.2	
Materials for food manufacturing.....	2.918	135.5	142.0	140.9	11.0	-.8	3.8	.6	-.8	
Materials for nondurable manufacturing.....	14.707	137.5	137.4	138.1	5.1	.5	.7	.2	.5	
Materials for durable manufacturing.....	9.136	127.5	130.5	131.1	3.9	.5	.6	.8	.5	
Components for manufacturing.....	20.136	125.8	125.7	125.7	-.2	0	-.1	-.1	0	
Materials and components for construction.....	12.772	153.7	155.6	155.6	3.0	0	.3	.5	0	
Processed fuels and lubricants.....	16.110	114.5	109.7	111.7	10.7	1.8	.5	-2.9	2.3	
Manufacturing industries.....	6.430	118.1	115.2	115.8	11.8	.5	-.8	-2.3	.1	
Nonmanufacturing industries.....	9.680	112.3	106.3	109.2	10.1	2.7	1.5	-3.4	3.8	
Containers.....	3.248	153.6	153.5	153.4	.1	-.1	-.3	.2	-.1	
Supplies.....	20.974	141.2	142.6	142.7	2.2	.1	.1	.6	0	
Manufacturing industries.....	4.589	146.8	146.8	146.9	1.4	.1	0	.1	.1	
Nonmanufacturing industries.....	16.385	138.6	140.4	140.5	2.5	.1	.2	.6	.1	
Feeds.....	1.097	101.5	118.2	117.7	17.0	-.4	1.2	8.7	-.4	
Other supplies.....	15.288	143.2	143.5	143.6	1.4	.1	.1	.1	.1	
Crude materials for further processing.....	100.000	131.3	137.4	139.9	18.5	1.8	2.6	.2	2.0	
Foodstuffs and feedstuffs.....	38.685	111.5	126.1	124.6	24.0	-1.2	8.9	-.1	-.7	
Nonfood materials.....	61.315	142.7	141.9	147.4	15.0	3.9	-1.5	.4	4.0	
Nonfood materials except fuel 3/.....	33.142	117.1	120.2	123.8	17.1	3.0	4.5	1.6	3.1	
Manufacturing 3/.....	32.295	107.7	110.6	113.9	17.5	3.0	4.5	1.6	3.1	
Construction.....	0.847	179.9	182.2	184.6	1.9	1.3	.8	.1	1.5	
Crude fuel 4/.....	28.173	171.2	163.8	172.1	12.5	5.1	-7.9	-1.2	5.1	
Manufacturing industries.....	2.540	163.0	156.3	163.9	12.1	4.9	-7.6	-1.2	4.9	
Nonmanufacturing industries.....	25.633	175.1	167.4	176.0	12.5	5.1	-7.9	-1.2	5.1	
Special groupings										
Finished goods, excluding foods.....	5/ 79.328	142.7	142.8	142.8	3.0	0	.4	-.3	.3	
Intermediate materials less foods and feeds.....	6/ 95.985	134.6	134.1	134.7	3.6	.4	.3	-.4	.5	
Intermediate foods and feeds.....	6/ 4.015	125.0	134.8	133.9	12.7	-.7	3.1	2.7	-.7	
Crude materials less agricultural products 3/ 7/.....	8/ 59.316	144.8	142.9	148.9	14.9	4.2	-2.0	.2	4.2	
Finished energy goods.....	5/ 14.951	104.7	100.3	101.1	11.5	.8	-.1	-1.2	1.8	
Finished goods less energy.....	5/ 85.049	148.7	151.0	150.8	2.6	-.1	1.0	-.1	-.1	
Finished consumer goods less energy.....	5/ 58.388	152.8	155.5	155.3	3.4	-.1	1.2	-.1	0	
Finished goods less foods and energy.....	5/ 64.377	149.9	151.7	151.4	1.0	-.2	.5	-.1	-.1	
Finished consumer goods less foods and energy....	5/ 37.716	157.2	159.0	158.8	1.0	-.1	.6	0	-.1	
Consumer nondurable goods less foods and energy..	5/ 21.413	177.8	178.2	178.2	.8	0	.2	0	.1	
Intermediate energy goods.....	6/ 16.468	114.3	109.0	110.9	10.9	1.7	.6	-2.9	2.2	
Intermediate materials less energy.....	6/ 83.532	137.5	138.9	139.0	2.6	.1	.4	.4	.1	
Intermediate materials less foods and energy.....	6/ 79.517	138.4	139.2	139.5	2.1	.2	.3	.2	.1	
Crude energy materials 3/.....	8/ 41.909	139.7	133.6	139.3	12.3	4.3	-3.6	-1.5	4.3	
Crude materials less energy.....	8/ 58.093	121.7	135.5	135.8	22.9	.2	7.0	1.3	.6	
Crude nonfood materials less energy 4/.....	8/ 19.406	151.8	163.7	169.0	20.8	3.2	3.1	4.3	3.4	

1/ Comprehensive relative importance figures are initially computed after the publication of December indexes and are recalculated after final December indexes are available.
2/ The indexes for August 2003 have been recalculated to incorporate late reports and corrections by respondents. All indexes are subject to revision 4 months after original publication.
3/ Includes crude petroleum.

4/ Excludes crude petroleum.
5/ Percent of total finished goods.
6/ Percent of total intermediate materials.
7/ Formerly titled "Crude materials for further processing, excluding crude foodstuffs and feedstuffs, plant and animal fibers, oilseeds, and leaf tobacco."
8/ Percent of total crude materials.

Table 2. Producer price indexes and percent changes for selected commodity groupings by stage of processing (1982=100 unless otherwise indicated)

Commodity code	Grouping	Unadjusted index			Unadjusted percent change to Dec. 2003 from:		Seasonally adjusted percent change from:		
		Aug. 2003 1/	Nov. 2003 1/	Dec. 2003 1/	Dec. 2002	Nov. 2003	Sept. to Oct. 2003	Oct. to Nov. 2003	Nov. to Dec. 2003
	FINISHED GOODS.....	143.7	144.5	144.5	4.0	0	0.8	-0.3	0.3
	FINISHED CONSUMER GOODS.....	145.9	146.5	146.6	5.0	.1	1.0	-4.4	.4
	FINISHED CONSUMER FOODS.....	146.3	150.2	150.3	7.7	.1	2.2	-.3	.2
01-11	Fresh fruits and melons 2/.....	85.9	92.3	98.6	28.9	6.8	7.5	3.8	6.8
01-13	Fresh and dry vegetables 2/.....	124.6	130.6	157.6	38.5	20.7	-9.1	-5.2	20.7
01-71-07	Eggs for fresh use (Dec. 1991=100).....	114.4	139.3	136.4	40.5	-2.1	4.3	-2.8	.6
02-11	Bakery products 2/.....	195.2	195.2	195.0	1.5	-1.1	.1	-.2	-1.1
02-13	Milled rice 2/.....	106.1	119.7	122.0	42.9	1.9	3.0	3.8	1.9
02-14-02	Pasta products (June 1985=100) 2/.....	126.8	126.8	126.6	4.2	-2	-.2	0	-.2
02-21-01	Beef and veal 2/.....	136.2	159.4	150.5	27.9	-5.6	18.3	-4.7	-5.6
02-21-04	Pork.....	117.4	113.8	113.6	7.0	-2	4.2	-1.6	-2.3
02-22-03	Processed young chickens.....	124.1	127.4	127.0	20.4	-3	3.2	1.9	.2
02-22-06	Processed turkeys.....	89.8	100.8	101.6	8.0	.8	1.1	1.5	4.5
02-23	Finfish and shellfish.....	194.5	185.8	191.8	6.5	3.2	-2.9	-2.4	3.2
02-3	Dairy products.....	143.9	145.7	143.5	6.2	-1.5	.3	.5	-1.8
02-4	Processed fruits and vegetables 2/.....	133.5	133.5	133.4	-.1	-1.1	.5	0	-1.1
02-55	Confectionery end products 2/.....	184.2	185.3	185.6	5.1	.2	.5	.2	.2
02-62	Soft drinks.....	152.3	153.7	152.6	.5	-7.3	.3	.3	-1.1
02-63-01	Roasted coffee 2/.....	127.8	127.9	128.0	5.2	.1	.2	0	.1
02-78	Shortening and cooking oils 2/.....	156.6	172.8	180.7	16.9	4.6	9.3	.9	4.6
	FINISHED CONSUMER GOODS EXCLUDING FOODS.....	145.4	144.7	144.8	3.9	.1	.3	-.3	.5
02-61	Alcoholic beverages.....	148.7	148.3	148.6	.2	.2	-.1	-.3	.1
03-81-01	Women's apparel 2/.....	124.0	122.3	122.7	-1.0	.3	.3	-.3	.3
03-81-02	Men's and boys' apparel 2/.....	127.5	127.5	126.5	-1.4	-.8	.6	0	-.8
03-81-03	Girls', children's, and infants' apparel 2/.....	119.6	120.1	120.1	.7	0	0	-.1	0
03-82	Textile housefurnishings 2/.....	122.4	122.3	122.3	.1	0	0	-.1	0
04-3	Footwear 2/.....	147.9	148.0	147.9	1.0	-1.1	.3	0	-.1
05-41	Residential electric power (Dec. 1990=100).....	124.1	118.6	118.7	4.9	.1	.8	.2	.5
05-51	Residential gas (Dec. 1990=100).....	170.0	170.1	171.7	20.2	.9	-1.8	-1.1	-9.9
05-71	Gasoline.....	106.4	94.8	94.3	14.9	-5	-3.0	-4.8	5.1
05-73-02-01	Fuel oil No. 2.....	91.6	89.9	93.5	13.6	4.0	9.6	-1.6	6.4
06-38	Pharmaceutical preparations (June 2001=100) 2/.....	107.7	108.3	108.5	4.1	.2	.2	-.1	.2
06-71	Soaps and synthetic detergents 2/.....	130.2	131.5	131.4	.7	-1	-.2	.6	-1.1
06-75	Cosmetics and other toilet preparations 2/.....	140.4	140.6	140.6	.7	0	.1	0	0
07-12	Tires, tubes, tread, etc 2/.....	98.0	98.9	98.7	3.6	-2	.6	0	-2.2
09-15-01	Sanitary papers and health products 2/.....	150.3	150.3	150.2	-.5	-1.0	0	0	-1.1
09-31-01	Newspaper circulation 2/.....	229.8	232.4	232.3	2.2	0	1.0	0	0
09-32-01	Periodical circulation.....	219.7	220.1	219.7	3.5	-2	.5	0	-2.2
09-33	Book publishing.....	244.3	245.7	248.3	4.2	1.1	.4	.1	1.1
12-1	Household furniture.....	158.2	158.4	158.3	.3	-1.1	.1	0	.1
12-3	Floor coverings 2/.....	134.8	134.9	132.0	1.5	-2.1	.8	-1	-2.1
12-4	Household appliances 2/.....	101.9	101.8	101.9	-1.7	.1	.4	-.3	.1
12-5	Home electronic equipment 2/.....	67.5	67.2	67.2	-1.5	0	.3	.1	0
12-62	Household glassware.....	169.0	169.2	169.2	-.4	0	.5	.3	.1
12-64	Household flatware 2/.....	145.2	145.2	145.2	0	0	0	0	0
12-66	Lawn and garden equip., ex. tractors 2/.....	132.9	134.0	134.0	.4	0	.3	1.3	0
14-11-01	Passenger cars.....	126.6	131.9	131.5	1.9	-3	1.6	-.8	.2
15-11	Toys, games, and children's vehicles 2/.....	125.1	124.5	124.5	-.3	0	-.5	0	0
15-12	Sporting and athletic goods 2/.....	123.3	123.9	123.7	-.9	-2	.2	.2	-2.2
15-2	Tobacco products 2/.....	429.3	433.1	433.8	-.1	.2	.5	.1	.2
15-5	Mobile homes 2/.....	169.7	173.1	172.3	3.5	-5	.6	.4	-5
15-94-02	Jewelry, platinum, & karat gold 2/.....	132.1	133.3	133.8	2.8	.4	.4	.5	.4
15-94-04	Costume jewelry and novelties 2/.....	145.4	145.4	145.4	.8	0	0	.4	0
	CAPITAL EQUIPMENT.....	139.2	140.7	140.4	.9	-2	.6	-.1	-.1
11-1	Agricultural machinery and equipment 2/.....	161.8	161.8	161.8	1.3	0	1.1	-1.1	0
11-2	Construction machinery and equipment.....	153.4	153.5	153.6	1.3	.1	.1	-1.1	.3
11-37	Metal cutting machine tools 2/.....	150.7	150.2	150.0	-.4	-1.1	-1.4	1.2	-1.1
11-38	Metal forming machine tools 2/.....	167.7	167.9	167.9	.4	0	0	0	0
11-39	Tools, dies, jigs, fixtures, and ind. molds 2/.....	139.2	139.4	139.4	-.8	0	.1	-.2	0
11-41	Pumps, compressors, and equipment.....	163.2	163.7	163.5	1.2	-1	.6	-1.1	0
11-44	Industrial material handling equipment 2/.....	138.1	138.2	138.2	.7	0	.1	-1.1	0
11-51	Electronic computers (Dec. 1998=100) 2/.....	33.4	32.4	31.8	-17.2	-1.9	-1.8	-1.2	-1.9
11-62	Textile machinery 2/.....	157.5	157.7	157.7	.3	0	-1.1	-2	0
11-64	Paper industries machinery (June 1982=100).....	170.3	170.3	170.3	.4	0	0	.1	.1
11-65	Printing trades machinery 2/.....	143.3	143.3	143.1	-.7	-1	.5	0	-1.1
11-74	Transformers and power regulators 2/.....	132.3	132.1	132.1	-.2	0	-.1	-1.1	0
11-76	Communication & related equip. (Dec. 1985=100) 2/.....	104.9	105.1	105.1	-1.0	0	.6	-.4	0
11-79-05	X-ray and electromedical equipment 2/.....	101.0	99.6	99.5	-1.0	-1	-.6	-1	-1.1
11-91	Oil field and gas field machinery.....	140.1	140.7	141.0	3.7	.2	.1	.1	.2
11-92	Mining machinery and equipment 2/.....	155.1	155.3	156.4	1.6	.7	.2	.1	.7
11-93	Office and store machines and equipment 2/.....	112.2	113.2	113.2	.4	0	-.8	0	0
12-2	Commercial furniture 2/.....	162.5	163.0	163.2	1.0	.1	.2	-1.1	.1
14-11-05	Light motor trucks.....	146.0	157.5	154.3	2.5	-2.0	3.4	1.0	-1.7
14-11-06	Heavy motor trucks 2/.....	154.2	154.5	154.9	-.2	.3	.5	-.4	.3
14-14	Truck trailers 2/.....	139.6	139.7	139.7	1.0	0	0	.1	0
14-21-02	Civilian aircraft (Dec. 1985=100).....	183.7	184.4	184.7	6.1	.2	.1	-.1	.2
14-31	Ships (Dec. 1985=100) 2/.....	158.2	159.1	159.1	4.1	0	-.2	.1	0
14-4	Railroad equipment 2/.....	136.5	137.6	137.7	2.4	.1	0	.5	.1
	INTERMEDIATE MATERIALS, SUPPLIES, AND COMPONENTS.....	134.1	134.0	134.5	3.9	.4	.4	-.2	.5
	INTERMEDIATE FOODS AND FEEDS.....	125.0	134.8	133.9	12.7	-.7	3.1	2.7	-.7
02-12-03	Flour 2/.....	125.2	125.5	127.8	7.0	1.8	-3.0	5.3	1.8
02-53	Refined sugar and byproducts 2/.....	123.2	120.9	121.4	1.1	.4	1.7	-1.5	.4
02-54	Confectionery materials 2/.....	124.3	123.3	124.2	.2	.7	-2.8	1.4	.7
02-72	Crude vegetable oils 2/.....	142.6	145.2	142.7	25.8	-1.7	-11.5	18.1	-1.7
02-9	Prepared animal feeds 2/.....	108.6	122.8	122.3	13.8	-.4	1.1	7.0	-.4
	INTERMEDIATE MATERIALS LESS FOODS AND FEEDS.....	134.6	134.1	134.7	3.6	.4	.3	-.4	.5
03-1	Synthetic fibers 2/.....	106.5	105.9	105.7	-.8	-2	-.4	-.1	-.2
03-2	Processed yarns and threads 2/.....	103.6	104.5	105.4	2.7	.9	-.1	1.1	.9
03-3	Gray fabrics 2/.....	111.4	111.2	110.6	-1.9	-5	1.4	-.4	-.5
03-4	Finished fabrics.....	121.1	121.2	120.9	-.4	-2	-.2	-.6	-.2
03-83-03	Industrial textile products 2/.....	130.6	130.3	129.7	-1.1	-5	-.4	-.1	-.5
04-2	Leather 2/.....	212.0	218.3	218.6	4.5	.1	1.3	1.0	.1
05-32	Liquefied petroleum gas 2/.....	143.3	148.3	164.4	23.3	10.9	6.6	.7	10.9

See footnotes at end of table.

Table 2. Producer price indexes and percent changes for selected commodity groupings by stage of processing - Continued
(1982=100 unless otherwise indicated)

Commodity code	Grouping	Unadjusted index			Unadjusted percent change to Dec. 2003 from:		Seasonally adjusted percent change from:		
		Aug. 2003 1/	Nov. 2003 1/	Dec. 2003 1/	Dec. 2002	Nov. 2003	Sept. to Oct. 2003	Oct. to Nov. 2003	Nov. to Dec. 2003
	INTERMEDIATE MATERIALS LESS FOODS AND FEEDS								
	-Continued.....								
05-42	Commercial electric power.....	150.3	137.0	138.2	2.6	0.9	2.7	-4.0	1.4
05-43	Industrial electric power.....	151.3	144.4	142.8	2.3	-1.1	1.1	-1	-1.1
05-52	Commercial natural gas (Dec. 1990=100).....	172.4	175.2	180.1	19.3	2.8	-3.1	-2.3	.7
05-53	Industrial natural gas (Dec. 1990=100).....	178.0	181.5	185.4	20.4	2.1	-3.2	-5.7	-1
05-54	Natural gas to electric utilities (Dec. 1990=100).....	144.7	139.8	156.5	18.3	11.9	-6.2	-12.2	9.4
05-72-03	Jet fuels.....	80.8	80.2	86.6	10.2	8.0	8.6	5.9	11.8
05-73-03	No. 2 Diesel fuel.....	96.6	95.9	97.9	12.8	2.1	18.4	-2.4	8.5
05-74	Residual fuel 2/.....	121.5	(3)	104.3	39.1	(3)	-7.1	(3)	(3)
06-1	Industrial chemicals 2/.....	140.5	140.7	143.4	8.3	1.9	.9	-1	1.9
06-21	Prepared paint.....	171.8	172.3	172.6	2.9	.2	.2	.5	.3
06-22	Paint materials 2/.....	172.7	173.6	172.1	.5	-9	-1	.5	-9
06-31	Medicinal and botanical chemicals 2/.....	135.1	138.6	136.4	2.9	-1.6	.1	2.5	-1.6
06-4	Fats and oils, inedible.....	110.6	152.8	148.8	26.9	-2.6	15.9	17.5	-7.1
06-51	Mixed fertilizers.....	119.7	120.7	121.1	6.1	.3	.7	.5	.5
06-52-01	Nitrogenates.....	145.5	151.1	156.8	36.5	3.8	1.4	-6	1.5
06-52-02	Phosphates 2/.....	110.5	110.5	112.7	12.6	2.0	-3	.5	2.0
06-53	Other agricultural chemicals 2/.....	148.5	149.8	147.6	-1.1	-1.5	.7	.3	-1.5
06-6	Plastic resins and materials.....	143.6	145.8	145.4	7.5	-3	.9	.9	1.2
07-11-02	Synthetic rubber 2/.....	125.5	125.5	125.6	3.4	.1	.2	-2.1	.1
07-21	Plastic construction products.....	137.6	138.8	138.8	3.2	0	1.5	.7	.7
07-22	Unsupported plastic film, sheet, & other shapes 2/.....	143.2	142.6	143.2	4.2	.4	-1.7	.8	.4
07-26	Plastic parts and components for manufacturing 2/.....	116.6	115.7	116.7	.7	.9	0	-4	.9
08-11	Softwood lumber.....	172.0	179.4	178.8	8.5	-3	-1.9	1.3	.1
08-12	Hardwood lumber.....	191.4	196.5	195.8	8.3	-4	-2	1.7	-4
08-2	Millwork.....	182.2	183.7	183.6	2.2	-1	.2	.4	0
08-3	Plywood 2/.....	166.3	206.0	191.4	30.8	-7.1	5.4	1.0	-7.1
09-11	Woodpulp 2/.....	122.6	125.4	125.3	6.3	-1	1.9	1.7	-1
09-13	Paper 2/.....	146.5	146.2	145.9	.3	-2	-4	.4	-2
09-14	Paperboard 2/.....	162.5	159.7	159.9	-4.0	-1	-1	-2	.1
09-15-03	Paper boxes and containers 2/.....	172.6	172.0	172.0	-1.3	0	-6	.2	0
09-2	Building paper and board 2/.....	169.4	195.1	178.0	38.5	-8.8	4.2	-1	-8.8
09-37	Commercial printing (June 1982=100) 2/.....	158.5	158.6	158.4	.8	-1	0	.1	-1
10-15	Foundry and forge shop products.....	137.6	137.9	138.0	.7	.1	.1	.2	.1
10-17	Steel mill products.....	108.4	110.7	112.1	1.8	1.3	1.4	.8	1.7
10-22	Primary nonferrous metals 2/.....	103.7	113.1	115.8	13.9	2.4	2.9	4.0	2.4
10-25-01	Aluminum mill shapes 2/.....	143.4	142.4	142.6	-8	.1	-1	.1	.1
10-25-02	Copper and brass mill shapes 2/.....	151.5	161.8	164.9	12.2	1.9	1.4	3.1	1.9
10-26	Nonferrous wire and cable 2/.....	135.0	137.4	140.0	5.7	1.9	.1	1.4	1.9
10-3	Metal containers 2/.....	109.2	109.5	109.5	1.1	0	.2	.1	0
10-4	Hardware 2/.....	156.7	156.3	156.9	.8	.4	.2	-1	.4
10-5	Plumbing fixtures and brass fittings.....	183.9	183.6	183.6	.9	0	-3	.4	-1
10-6	Heating equipment 2/.....	163.3	164.1	164.0	3.6	-1	.1	.2	-1
10-7	Fabricated structural metal products 2/.....	145.3	145.6	146.4	.7	.5	.1	-1	.5
10-88	Fabricated ferrous wire products (June 1982=100) 2/.....	131.7	132.3	133.1	2.6	.6	.2	-4	.6
10-89	Other misc. metal products 2/.....	127.5	127.6	127.5	-1	-1	0	0	-1
11-45	Mechanical power transmission equipment.....	170.7	171.6	172.0	.9	.2	.2	.3	.1
11-48	Air conditioning and refrigeration equipment 2/.....	136.8	137.1	137.4	.3	.2	.4	-1	.2
11-49-02	Metal valves, ex.fluid power (Dec. 1982=100).....	169.7	170.2	170.0	1.1	-1	-1	-2	.1
11-49-05	Ball and roller bearings.....	171.3	170.9	170.9	.1	0	-2	0	-1
11-71	Wiring devices 2/.....	153.2	152.6	151.7	-5	-6	.1	-2	-6
11-73	Motors, generators, motor generator sets.....	147.3	147.2	147.4	.1	.1	-1	0	0
11-75	Switchgear, switchboard, etc., equipment 2/.....	159.8	160.1	159.8	-2	-2	.4	.3	-2
11-78	Electronic components and accessories 2/.....	90.6	90.4	90.0	-1.6	-4	-4	-2	-4
11-94	Internal combustion engines.....	145.6	145.2	145.2	.9	0	-1	-3	0
11-95	Machine shop products 2/.....	140.6	141.2	141.2	.6	0	.4	.1	0
13-11	Flat glass 2/.....	110.9	110.4	110.2	-1.3	-2	-5	.3	-2
13-22	Cement.....	152.1	151.4	151.2	-9	-1	0	.1	-1
13-3	Concrete products.....	153.6	153.8	154.7	1.4	.6	.1	.5	.6
13-6	Asphalt felts and coatings.....	118.0	117.6	116.4	6.3	-1.0	-4	1.6	-8
13-7	Gypsum products 2/.....	169.3	175.2	177.2	3.1	1.1	-3.4	1.9	1.1
13-8	Glass containers 2/.....	141.0	140.9	140.9	3.3	0	-1	.1	0
14-12	Motor vehicle parts 2/.....	111.7	111.3	111.3	-1.1	0	-2	.2	0
14-23	Aircraft engines & engine parts (Dec. 1985=100).....	153.4	154.1	154.0	5.7	-1	0	.3	0
14-25	Aircraft parts & aux.equip., nec (June 1985=100).....	150.6	149.3	149.4	-1.1	.1	0	-1	.2
15-42	Photographic supplies 2/.....	116.4	116.4	116.4	-1.5	0	-1.9	0	0
15-6	Medical/surgical/personal aid devices 2/.....	154.8	155.6	155.6	2.3	0	.6	0	0
	CRUDE MATERIALS FOR FURTHER PROCESSING.....	131.3	137.4	139.9	18.5	1.8	2.6	.2	2.0
	CRUDE FOODSTUFFS AND FEEDSTUFFS.....	111.5	126.1	124.6	24.0	-1.2	8.9	-1	-7
01-21	Wheat 2/.....	98.3	107.6	110.6	4.0	2.8	-3.0	15.9	2.8
01-22-02-05	Corn.....	88.8	92.1	98.0	6.8	6.4	-12.2	7.9	5.4
01-31	Slaughter cattle 2/.....	117.1	146.8	141.6	35.4	-3.5	20.4	-6.6	-3.5
01-32	Slaughter hogs.....	73.0	62.5	60.6	20.7	-3.0	-3.8	10.6	-6.8
01-41-02	Slaughter broilers/fryers.....	153.8	153.6	162.1	35.4	5.5	5.5	-1.9	9.3
01-42	Slaughter turkeys.....	91.6	118.5	110.8	.1	-6.5	3.7	4.0	4.2
01-6	Fluid milk.....	99.0	111.7	102.5	15.3	-8.2	9.3	5.4	-8.2
01-83-01-31	Soybeans 2/.....	96.6	131.3	134.2	40.7	2.2	19.4	5.0	2.2
02-52-01-01	Cane sugar, raw 2/.....	114.1	112.1	109.6	-6.5	-2.2	-7	.4	-2.2
	CRUDE NONFOOD MATERIALS.....	142.7	141.9	147.4	15.0	3.9	-1.5	.4	4.0
01-51-01-01	Raw cotton 2/.....	85.0	118.6	106.6	37.5	-10.1	23.5	6.9	-10.1
01-92-01-01	Leaf tobacco 2/.....	106.7	116.4	116.1	-3	-3	1.1	4.8	-3
04-19	Hides and skins (June 2001=100) 2/.....	84.6	85.6	87.7	2.5	2.5	1.5	-2.5	2.5
05-1	Coal 2/.....	99.0	100.5	100.9	3.0	.4	.8	-6	.4
05-31	Natural gas 2/.....	195.4	184.8	196.1	14.6	6.1	-9.4	-1.3	6.1
05-61	Crude petroleum 2/.....	83.8	79.8	81.9	12.3	2.6	6.8	-2.3	2.6
08-5	Logs, timber, etc.....	181.3	185.7	188.4	4.0	1.5	1.7	-3	1.6
09-12	Wastepaper 2/.....	195.7	204.3	203.9	8.5	-2	1.7	1.3	-2
10-11	Iron ore 2/.....	96.5	96.5	96.5	1.6	0	0	0	0
10-12	Iron and steel scrap.....	183.2	210.2	231.7	62.5	10.2	4.7	13.8	10.3
10-21	Nonferrous metal ores (Dec. 1983=100) 2/.....	78.9	83.5	87.8	26.1	5.1	1.0	2.7	5.1
10-23-01	Copper base scrap 2/.....	126.6	142.0	151.6	29.8	6.8	2.7	7.6	6.8
10-23-02	Aluminum base scrap.....	166.9	175.1	177.7	11.2	1.5	4.4	2.5	.6
13-21	Construction sand, gravel, and crushed stone.....	177.4	178.2	178.3	2.5	.1	.3	.3	.2

1/ The indexes for August 2003 have been recalculated to incorporate late reports and corrections by respondents. All indexes are subject to revision 4 months after original publication.

2/ Not seasonally adjusted.
3/ Not available.

Table 3. Producer price indexes for selected commodity groupings
(1982=100 unless otherwise indicated)

Commodity code	Grouping	Unadjusted index 1/		
		Aug. 2003	Nov. 2003	Dec. 2003
	Finished Goods (1967=100).....	403.1	405.4	405.6
	All commodities.....	138.0	138.9	139.4
	MAJOR COMMODITY GROUPS			
	Farm products and processed foods and feeds....	132.1	140.3	139.8
01	Farm products.....	109.0	124.0	124.2
02	Processed foods and feeds.....	143.6	148.3	147.3
	Industrial commodities.....	139.1	138.7	139.4
03	Textile products and apparel.....	119.9	119.7	119.5
04	Hides, skins, leather, and related products..	161.9	163.9	164.6
05	Fuels and related products and power.....	113.7	108.5	110.6
06	Chemicals and allied products 2/.....	161.2	162.2	163.3
07	Rubber and plastic products.....	130.5	130.3	130.8
08	Lumber and wood products.....	177.8	185.2	184.0
09	Pulp, paper, and allied products.....	190.4	191.1	190.9
10	Metals and metal products.....	129.0	131.2	132.8
11	Machinery and equipment.....	121.8	121.7	121.6
12	Furniture and household durables.....	133.9	134.0	133.8
13	Nonmetallic mineral products.....	148.3	148.6	148.8
14	Transportation equipment.....	144.6	147.8	147.2
15	Miscellaneous products.....	179.3	180.7	180.7
	Industrial commodities less fuels and related products and power.....	144.8	146.1	146.2
	OTHER COMMODITY GROUPINGS			
01-1	Fruits and melons, fresh and dry vegetables, and tree nuts.....	109.1	116.0	130.8
01-2	Grains.....	91.7	96.6	101.3
01-3	Slaughter livestock.....	105.8	124.4	120.2
01-4	Slaughter poultry.....	139.4	144.5	149.7
01-5	Plant and animal fibers.....	86.1	119.4	107.5
01-7	Chicken eggs.....	146.7	182.9	173.4
01-8	Hay, hayseeds, and oilseeds.....	119.2	149.3	152.5
01-83	Oilseeds.....	106.7	141.3	144.9
01-9	Other farm products.....	159.1	173.6	173.1
02-1	Cereal and bakery products.....	171.0	171.8	172.5
02-2	Meats, poultry, and fish.....	131.3	139.9	137.0
02-22	Processed poultry.....	118.3	121.9	122.5
02-5	Sugar and confectionery.....	149.1	148.9	149.1
02-6	Beverages and beverage materials.....	149.8	150.0	149.8
02-63	Packaged beverage materials.....	129.2	129.1	129.3
02-7	Fats and oils.....	152.5	172.3	175.0
03-81	Apparel.....	125.7	125.0	124.8
04-4	Other leather and related products.....	148.7	148.5	148.6
05-3	Gas fuels.....	180.2	173.3	185.5
05-4	Electric power.....	148.0	139.2	139.3
05-7	Refined petroleum products.....	100.0	91.8	92.7
06-3	Drugs and pharmaceuticals.....	275.4	277.2	277.0
06-5	Agricultural chemicals and products.....	135.2	136.9	137.7
06-7	Other chemicals and allied products.....	141.3	141.8	142.1
07-1	Rubber and rubber products.....	119.3	119.7	119.6
07-11	Rubber, except natural rubber.....	124.9	124.8	125.0
07-13	Miscellaneous rubber products.....	141.0	141.2	141.1
07-2	Plastic products.....	138.9	138.6	139.2
08-1	Lumber.....	176.0	182.4	181.8
09-1	Pulp, paper, and products, excluding building paper and board.....	157.2	157.1	157.0
09-15	Converted paper and paperboard products.....	165.3	165.2	165.1
10-1	Iron and steel.....	120.8	125.0	128.1
10-2	Nonferrous metals.....	123.5	127.9	130.4
10-25	Nonferrous mill shapes.....	136.9	138.2	138.9
11-3	Metalworking machinery and equipment.....	150.2	150.5	150.4
11-4	General purpose machinery and equipment.....	155.6	155.8	155.9
11-6	Special industry machinery.....	167.2	167.4	167.9
11-7	Electrical machinery and equipment.....	114.4	114.3	114.1
11-9	Miscellaneous machinery and equipment.....	137.5	138.1	138.5
12-6	Other household durable goods.....	158.5	158.8	158.8
13-2	Concrete ingredients.....	165.1	165.3	165.3
14-1	Motor vehicles and equipment.....	127.7	131.9	131.0
15-1	Toys, sporting goods, small arms, etc.....	132.1	132.4	132.4
15-4	Photographic equipment and supplies.....	103.6	103.5	103.5
15-9	Other miscellaneous products.....	140.4	141.9	142.2

1/ Data for August 2003 have been revised to reflect the availability of late reports and corrections by respondents. All data are subject to revision 4 months after original publication.

2/ Prices of some items in this grouping are lagged 1 month.

Table 4. Producer price indexes for the net output of major industry groups, not seasonally adjusted

Industry code	Industry 1/	Index base	Index			Percent change to Dec. 2003 from:	
			Aug. 2003	Nov. 2003	Dec. 2003	Dec. 2002	Nov. 2003
			2/	2/	2/		
	Total mining industries.....	12/84	125.5	122.1	127.2	11.8	4.2
10	Metal mining.....	12/84	82.1	86.0	89.4	20.0	4.0
12	Coal mining.....	12/85	94.1	94.8	95.6	2.7	.8
13	Oil and gas extraction.....	12/85	151.1	145.1	152.6	14.0	5.2
14	Mining and quarrying of non-metallic minerals, except fuels.....	12/84	146.8	147.4	147.2	2.1	-1
	Total manufacturing industries.....	12/84	137.0	137.7	137.7	2.8	0
20	Food and kindred products.....	12/84	137.8	141.6	140.9	6.3	-1.5
21	Tobacco manufactures.....	12/84	376.0	379.2	379.6	-2	.1
22	Textile mill products.....	12/84	116.2	116.2	115.2	-1.8	-1.9
23	Apparel and other finished products made from fabrics and similar materials.....	12/84	124.7	124.9	124.9	.1	0
24	Lumber and wood products, except furniture..	12/84	161.0	168.0	165.7	7.5	-1.4
25	Furniture and fixtures.....	12/84	147.5	147.8	147.8	.7	0
26	Paper and allied products.....	12/84	144.9	144.6	144.5	-3	-1
27	Printing, publishing, and allied industries.	12/84	197.8	198.2	198.5	2.3	.2
28	Chemicals and allied products.....	12/84	164.2	165.1	165.4	3.8	.2
29	Petroleum refining and related products....	12/84	124.0	115.8	117.4	14.6	1.4
30	Rubber and miscellaneous plastic products...	12/84	128.7	128.4	128.8	2.4	.3
31	Leather and leather products.....	12/84	142.8	143.7	143.6	.8	-1
32	Stone, clay, glass, and concrete products...	12/84	138.0	138.4	138.6	.9	.1
33	Primary metal industries.....	12/84	117.8	119.9	121.1	2.5	1.0
34	Fabricated metal products, except machinery and transportation equipment.....	12/84	132.9	133.1	133.5	1.0	.3
35	Machinery, except electrical.....	12/84	115.9	115.8	115.7	-7	-1
36	Electrical and electronic machinery, equipment, and supplies.....	12/84	102.4	102.1	101.9	-2.3	-2
37	Transportation equipment.....	12/84	137.1	140.9	140.2	1.9	-1.5
38	Measuring and controlling instruments; photographic, medical, optical goods; watches, clocks.....	12/84	130.0	129.9	129.8	.8	-1
39	Miscellaneous manufacturing industries.....	12/85	133.8	134.0	134.2	.3	.1
	Services industries						
40	Railroad transportation.....	12/96	109.1	109.7	109.5	2.2	-0.2
42	Motor freight transportation and warehousing	06/93	128.4	128.8	128.8	2.3	0
43	United States Postal Service.....	06/89	155.0	155.0	155.0	0	0
44	Water transportation.....	12/92	151.1	149.2	148.9	4.7	-2
45	Transportation by air.....	12/92	163.1	163.6	164.0	2.6	.2
46	Pipelines, except natural gas.....	12/86	112.0	112.0	112.0	.2	0
48	Communications.....	06/01	97.5	97.4	97.0	-4	-4
54	Food stores.....	12/99	119.6	118.6	119.0	3.8	.3
55	Automotive dealers and gasoline service stations.....	12/01	92.2	91.6	89.0	3.4	-2.8
59	Miscellaneous retail.....	06/00	106.4	105.4	103.5	-1.4	-1.8
80	Health services.....	12/94	124.8	125.9	126.0	3.8	.1
81	Legal services.....	12/96	125.4	126.4	126.7	3.0	.2

1/ Indexes in this table are derived from the net-output-weighted industry price indexes. Because of differences in coverage and aggregation methodology, they will generally not match movements of similarly titled indexes which are derived from traditional commodity groupings.

2/ The indexes for August 2003 have been recalculated to incorporate late reports and corrections by respondents. All indexes are subject to revision 4 months after original publication.

3/ Not available.

Note: NAICS 2002 replaces the SIC classification system beginning with the release of PPI data for January 2004. See <http://www.bls.gov/ppi/ppinaics.htm> for details.

Table 5. Producer price indexes by stage of processing, seasonally adjusted
(1982=100)

Grouping	Index 1/					
	July 2003	Aug. 2003	Sep. 2003	Oct. 2003	Nov. 2003	Dec. 2003
Finished goods.....	142.7	143.5	143.8	144.9	144.5	144.9
Finished consumer goods.....	144.6	145.5	145.8	147.2	146.6	147.2
Finished consumer foods.....	144.6	145.9	147.4	150.7	150.2	150.5
Crude.....	124.0	130.6	137.3	134.3	133.3	148.9
Processed.....	146.3	147.1	148.2	152.0	151.6	150.5
Finished consumer goods, excluding foods.....	144.3	145.1	144.9	145.4	144.9	145.6
Nondurable goods less foods.....	148.0	149.0	148.8	149.0	148.1	149.3
Durable goods.....	132.6	132.8	132.6	134.1	134.1	133.7
Capital equipment.....	139.3	139.7	139.7	140.5	140.3	140.1
Manufacturing industries.....	139.8	140.0	140.6	140.8	140.2	140.3
Nonmanufacturing industries.....	139.0	139.5	139.3	140.3	140.2	140.0
Intermediate materials, supplies, and components.....	133.3	134.1	133.8	134.3	134.0	134.7
Materials and components for manufacturing.....	129.1	129.8	129.8	130.5	130.8	131.1
Materials for food manufacturing.....	132.7	134.8	136.4	141.6	142.4	141.2
Materials for nondurable manufacturing.....	136.2	137.6	136.4	137.3	137.6	138.3
Materials for durable manufacturing.....	126.9	127.3	128.8	129.6	130.7	131.3
Components for manufacturing.....	125.8	125.9	125.9	125.8	125.7	125.7
Materials and components for construction.....	153.2	153.4	154.9	155.3	156.0	156.0
Processed fuels and lubricants.....	112.3	114.7	112.0	112.6	109.3	111.8
Manufacturing industries.....	117.6	119.5	117.9	117.0	114.3	114.4
Nonmanufacturing industries.....	108.9	111.7	108.3	109.9	106.2	110.2
Containers.....	153.8	153.6	153.6	153.2	153.5	153.4
Supplies.....	141.4	141.2	141.7	141.8	142.7	142.7
Manufacturing industries.....	146.8	146.7	146.6	146.6	146.8	146.9
Nonmanufacturing industries.....	138.9	138.6	139.2	139.5	140.4	140.5
Feeds.....	104.4	101.5	107.4	108.7	118.2	117.7
Other supplies.....	143.2	143.2	143.3	143.4	143.5	143.6
Crude materials for further processing.....	131.7	130.2	134.7	138.2	138.5	141.3
Foodstuffs and feedstuffs.....	105.9	109.5	117.2	127.6	127.5	126.6
Nonfood materials.....	147.9	142.4	144.2	142.0	142.5	148.2
Nonfood materials except fuel 2/.....	114.5	116.7	114.2	119.3	121.2	125.0
Manufacturing 2/.....	105.3	107.3	105.0	109.7	111.5	115.0
Construction.....	177.7	179.9	181.4	182.9	183.0	185.7
Crude fuel 3/.....	189.1	171.2	180.1	165.8	163.8	172.1
Manufacturing industries.....	179.5	163.0	171.3	158.2	156.3	163.9
Nonmanufacturing industries.....	193.5	175.1	184.1	169.5	167.4	176.0
Special groupings						
Finished goods, excluding foods.....	142.0	142.7	142.6	143.2	142.8	143.2
Intermediate materials less foods and feeds.....	133.9	134.6	134.2	134.6	134.1	134.8
Intermediate foods and feeds.....	124.0	124.5	127.5	131.5	135.1	134.1
Crude materials less agricultural products 2/.....	150.1	144.5	146.2	143.3	143.6	149.7
Finished energy goods.....	101.5	103.1	102.8	102.7	101.5	103.3
Finished goods less energy.....	148.5	149.0	149.4	150.9	150.7	150.6
Finished consumer goods less energy.....	152.5	153.0	153.6	155.4	155.2	155.2
Finished goods less foods and energy.....	150.2	150.5	150.5	151.3	151.2	151.0
Finished consumer goods less foods and energy.....	157.6	157.7	157.7	158.6	158.6	158.4
Consumer nondurable goods less foods and energy..	177.8	177.9	177.9	178.2	178.2	178.3
Intermediate energy goods.....	111.6	114.5	111.1	111.8	108.6	111.0
Intermediate materials less energy.....	137.3	137.4	138.0	138.5	139.0	139.2
Intermediate materials less foods and energy.....	138.2	138.3	138.7	139.1	139.4	139.6
Crude energy materials 2/.....	148.7	139.7	140.7	135.7	133.6	139.3
Crude materials less energy.....	116.5	120.0	126.6	135.4	137.2	138.0
Crude nonfood materials less energy 3/.....	147.8	150.8	154.5	159.3	166.1	171.7

1/ All seasonally adjusted indexes are subject to change up to 5 years after original publication due to the recalculation of seasonal factors each January. The indexes for August 2003 have been recalculated to incorporate late reports and corrections by respondents.

2/ Includes crude petroleum.

3/ Excludes crude petroleum.