

News

United States
Department
of Labor



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USDL 03-14
TRANSMISSION OF MATERIAL IN
THIS RELEASE IS EMBARGOED
UNTIL 8:30 A.M. (EST), WEDNESDAY,
JANUARY 15, 2003

Producer Price Indexes -- December 2002

The Producer Price Index for Finished Goods showed no change in December, seasonally adjusted, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. This followed a 0.4-percent decline in November and a 1.1-percent advance in October. At the earlier stages of processing, prices received by producers of intermediate goods decreased 0.1 percent for the second consecutive month. The crude goods index rose 1.9 percent, after increasing 5.1 percent 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.)		
2001							
Dec.	-0.4	-0.1	-3.0	0.2	-1.6	-0.6	-7.2
2002							
Jan.	0	.8	-5	-2	-2.7	-2	4.6
Feb.	.2	.8	0	.1	-2.6	-2	-1.2
Mar.	.9	.6	5.7	-1	-1.6	1.0	5.0
Apr.	-.1	-3.0	2.5	.1	-2.1	.8	4.2
May	-.4	-.2	-2.3	0	-2.9	-.2	.8
June	.1	.2	-.1	.1	-2.3	.2	-3.7
July	-.2	-.1	.8	-.4	-1.2	.3	1.3
Aug.	.1	-.4	r 1.4	r -.1	r -1.5	r .3	r 1.9
Sept.	.1	r -.7	r .6	.1	-1.9	.5	r .3
Oct.	1.1	.7	4.2	.5	.6	.7	3.4
Nov.	-.4	.3	-1.8	-.3	.9	-.1	5.1
Dec.	0	.4	.9	-.3	1.2	-.1	1.9

r=revised. Some of the figures shown above and elsewhere in this release may differ from those previously reported because data for August 2002 have been revised to reflect the availability of late reports and corrections by respondents.

Among finished goods, the index for finished goods other than foods and energy declined 0.3 percent in December, the same as in November. The decline in December largely reflected falling prices for passenger cars and light trucks. When prices for passenger cars and light trucks are excluded the index for finished goods other than foods and energy edged down 0.1 percent. On the other hand, prices for finished energy goods increased 0.9 percent, following a 1.8-percent decrease in November. Finished consumer food prices rose 0.4 percent in December, compared with a 0.3-percent gain a month earlier.

Before seasonal adjustment, the Producer Price Index for Finished Goods decreased 0.4 percent to 139.1 (1982=100). From December 2001 to December 2002, finished goods prices increased 1.2 percent, after declining 1.6 percent during 2001. Prices for finished energy goods turned up 11.9 percent in 2002, following a 17.1-percent drop in the previous calendar year. Conversely, for the 12 months ended in December 2002, the index for finished goods other than foods and energy decreased 0.4 percent, after posting a 0.9-percent gain in 2001. Prices for finished consumer foods fell 0.6 percent in 2002, following a 1.8-percent increase a year earlier. At the earlier stages of processing, the intermediate goods index advanced 3.2 percent from December 2001 to December 2002, after registering a 4.0-percent decline during 2001. Prices received by producers of crude materials for further processing jumped 26.1 percent in 2002, following a 32.5-percent drop 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 in December			Seasonally adjusted annual rate for 3 months ended in:			
	2000	2001	2002	March 2002	June 2002	September 2002	December 2002
Finished goods	3.6	-1.6	1.2	4.4	-1.7	-0.3	2.6
Finished consumer foods	1.7	1.8	-0.6	9.1	-11.4	-4.5	5.6
Finished energy goods	16.6	-17.1	11.9	22.3	0	11.4	13.5
Finished goods less foods and energy	1.3	.9	-0.4	-0.5	.8	-1.3	-0.5
Finished consumer goods, excluding foods and energy	1.4	1.5	-0.1	-1.0	2.0	-1.3	-0.3
Capital equipment	1.2	0	-0.9	-0.3	-0.6	-1.7	-0.9
Intermediate materials, supplies, and components	4.1	-4.0	3.2	1.9	2.9	4.8	2.2
Intermediate foods and feeds	3.6	.3	4.5	.7	-1.7	12.9	5.9
Intermediate energy goods	19.0	-16.9	11.4	7.7	9.8	12.8	8.9
Intermediate materials less foods and energy	1.6	-1.6	1.6	.9	1.8	3.0	.3
Materials for nondurable manufacturing	4.1	-5.5	4.3	.3	7.5	10.0	-0.3
Materials for durable manufacturing	.2	-4.0	3.2	3.3	3.9	3.6	1.9
Materials and components for construction	.1	0	.8	1.6	1.9	2.4	-2.6
Crude materials for further processing	35.5	-32.5	26.1	38.5	5.1	14.9	50.6
Foodstuffs and feedstuffs	7.4	-7.6	4.4	22.6	-25.9	25.7	3.6
Crude energy materials	85.6	-52.9	66.1	87.8	40.1	9.3	165.1
Crude nonfood materials less energy	-5.5	-9.9	12.4	8.5	32.7	4.4	6.2

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

The index for finished consumer goods other than foods and energy fell 0.3 percent in both December and November. In December, price declines for passenger cars, light motor trucks, floor coverings, men's and boys' apparel, and cigarettes prevailed over rising prices for sporting and athletic goods, book publishing, sanitary papers and health products, alcoholic beverages, and footwear. During the 2002 calendar year, prices for finished consumer goods other than foods and energy edged down 0.1 percent, following a 1.5-percent hike in 2001.

Capital equipment prices fell 0.4 percent in December, following a 0.2-percent decrease in the previous month. Subsequent to a 0.3-percent gain in November, the index for light motor trucks declined 1.6 percent. Prices for heavy motor trucks, civilian aircraft, and construction machinery and equipment rose more slowly in December than they did in November. Commercial furniture prices turned down, after rising in the prior month. On the other hand, the rate of decline for passenger car prices slowed from 3.6 percent in November to 2.0 percent in December. The index for metal cutting machine tools also fell less in December than it did a month earlier. Prices for transformers and power regulators turned up, after declining in November. The index for industrial material handling equipment rose more in December than it did in the preceding month. For the 12 months ended December 2002, capital equipment prices decreased 0.9 percent, after showing no change during the previous calendar year.

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.)
2001								
Dec.	-1.1	-2.9	-0.2	-4.0	-2.3	-15.0	-0.5	-32.5
2002								
Jan.	-2	-1.3	-.1	-4.7	4.3	7.8	0	-40.0
Feb.	-.1	-1.2	0	-4.6	1.8	-7.1	1.5	-30.6
Mar.	.4	4.5	.3	-3.5	-.9	16.9	.5	-21.6
Apr.	-.7	4.3	.2	-2.7	-6.3	19.4	2.1	-18.6
May	-.9	-1.9	.1	-3.2	0	.9	2.3	-16.3
June	1.2	0	.1	-2.8	-.9	-9.7	2.8	-12.4
July	1.4	.1	.3	-1.5	2.0	.3	2.0	-6.2
Aug.	r .7	r .7	r .2	r -1.0	r 1.9	r 3.2	r -.4	r -3.8
Sept.	r .9	r 2.2	r .2	-.5	r 1.9	r -1.2	r -.4	.8
Oct.	-.2	4.1	.1	1.6	-.1	8.9	.9	14.3
Nov.	.5	-1.5	.1	2.5	-.1	13.1	.4	14.7
Dec.	1.1	-.4	-.1	3.2	1.1	3.6	.2	26.1

r=revised. Some of the figures shown above and elsewhere in this release may differ from those previously reported because data for August 2002 have been revised to reflect the availability of late reports and corrections by respondents.

Prices for finished energy goods increased 0.9 percent in December, after decreasing 1.8 percent in November. The gasoline index rose 1.6 percent, following a 9.0-percent decline in the preceding month. Prices for home heating oil, liquefied petroleum gas, and diesel fuel also turned up, after falling in November. The index for residential electric power rose more in December than it did in the prior month. By contrast, residential natural gas prices decreased 0.4 percent, following a 3.1-percent advance in November.

The index for finished consumer foods increased at about the same rate in December as in the prior month -- 0.4 percent and 0.3 percent, respectively. Rising prices for beef and veal, dairy products, processed young chickens, confectionery end products, and processed turkeys outweighed price declines for fresh fruits and melons, finfish and shellfish, fresh and dry vegetables, and eggs for fresh use.

Intermediate goods

The Producer Price Index for Intermediate Materials, Supplies, and Components inched down 0.1 percent for the second consecutive month. An increase in the December intermediate foods and feeds index partly offset declining prices for materials for nondurable manufacturing, intermediate energy goods, and materials for durable manufacturing. December prices for materials and components for construction remained unchanged. The index for intermediate goods other than foods and energy edged down 0.1 percent in December, after rising at a similar rate in the prior month. (See table B.)

The index for materials for nondurable manufacturing declined 1.3 percent in December, following a 0.5-percent rise in the previous month. The index for basic organic chemicals decreased 2.3 percent, after advancing 1.6 percent in November. The indexes for plastic resins and materials, paper, synthetic rubber, and gray fabrics also turned down in December. Finished fabric prices remained unchanged in December, after increasing in November. On the other hand, prices for alkalis and chlorine advanced 2.3 percent in December, after moving down 1.7 percent in the preceding month. The index for inedible fats and oils increased at a faster rate in December than it did a month earlier. The December phosphate index fell at a slower pace than in November. During 2002, prices for materials for nondurable manufacturing rose 4.3 percent, after declining 5.5 percent in 2001.

The index for intermediate energy goods decreased 0.4 percent, after registering a 1.5-percent decline in November. The indexes for residual fuel, industrial natural gas, and kerosene posted decreases in December, while prices for diesel fuel, gasoline, and commercial electric power increased. From December 2001 to December 2002, the intermediate energy goods index advanced 11.4 percent, following a 16.9-percent drop in 2001.

The index for materials for durable manufacturing fell 0.1 percent in December, after registering a 0.6-percent rise in the prior month. The index for hot rolled steel sheet and strip decreased 0.6 percent, following a 2.7-percent gain in November. Prices for primary aluminum (except extrusion billet) and for copper cathode and refined copper moved up at slower rate in December than in November. Hot rolled steel bars, plates, and structural shape prices fell at a faster pace in December than they did a month earlier. By contrast, the index for flat glass rose 0.8 percent in December, after declining 0.5 percent in November. Cement, cold finished steel bars, and hardwood lumber prices turned up in December. Durable manufacturing material prices increased 3.2 percent in 2002, following a 4.0-percent decline in the previous year.

Subsequent to a 0.5-percent gain in November, the index for intermediate foods and feeds rose 1.1 percent. The index for beef and veal advanced 5.7 percent in December, following a 2.0-percent increase in November. Prices for prepared animal feeds posted no change in December, after declining in the preceding month. The indexes for natural, processed, and imitation cheese and for confectionery materials turned up in December. Partially offsetting the intermediate foods and feeds acceleration, pork prices fell 0.7 percent in December, following a 4.1-percent gain a month earlier. The fluid milk products index also turned down in December. The indexes for crude vegetable oils and for mayonnaise, salad dressings, and sandwich spreads rose at a slower rate than they did in November. Prices for intermediate foods and feeds increased 4.5 percent during 2002, after posting a 0.3-percent rise in 2001.

The index for materials and components for construction remained unchanged in December, after posting a 0.4-percent drop in the preceding month. The index for plastic construction products rose 0.1 percent, following a 3.8-percent decrease in November. Prices for fabricated structural metal products and for plumbing fixtures and brass fittings also turned up in December. Millwork prices registered no change in December, after falling in the prior month. By contrast, the index for softwood lumber declined 0.8 percent, following a 0.1-percent gain in the previous month. Prices for nonferrous wire and cable, fabricated ferrous wire products, and steel wire also turned down in December. For the 12 months ended December 2002, the index for materials and components for construction rose 0.8 percent, after posting no change in the prior year.

Crude goods

The Producer Price Index for Crude Materials for Further Processing advanced 1.9 percent in December, following a 5.1-percent increase in the previous month. Prices for crude energy materials and basic industrial materials also rose at a slower pace than they did in November. By contrast, the crude foodstuffs and feedstuffs index turned up in December, after falling in the prior month. (See table B.)

Prices for crude energy materials rose 3.6 percent in December, compared with a 13.1-percent increase a month earlier. The natural gas index moved up 3.3 percent, after jumping 37.9 percent in November. Coal prices declined 1.6 percent, following a 0.6-percent gain in the previous month. On the other hand, the index for crude petroleum advanced 6.6 percent in December, after dropping 13.5 percent in the prior month. Prices for crude energy materials increased 66.1 percent during 2002, following a 52.9-percent decline in 2001.

The crude nonfood materials less energy index rose 0.2 percent in December, after posting a 0.4-percent gain in the previous month. Raw cotton price increases slowed from 13.1 percent in November to 5.3 percent in December. Prices for leaf tobacco and copper base scrap also increased at a slower rate than they did a month earlier. The indexes for aluminum base scrap and pulpwood turned down, after moving up in November. The indexes for wastepaper and softwood logs, bolts, and timber fell more in December than they did in November. Partially offsetting the deceleration in prices for basic industrial materials, the nonferrous metal ores index turned up 1.9 percent in December, following a 0.4-percent decline in the previous month. Prices for iron and steel scrap and for hides and skins fell at a slower pace than they did in November. The index for construction sand, gravel, and crushed stone rose more in December than it did in the prior month. Prices for crude nonfood materials less energy advanced 12.4 percent during calendar year 2002, compared with a 9.9-percent decrease in 2001.

Prices for crude foodstuffs and feedstuffs turned up 1.1 percent in December, after inching down 0.1 percent in the prior month. The index for slaughter broilers and fryers advanced 7.7 percent, following a 0.7-percent gain in November. Prices for corn, wheat, and fresh fruits and melons fell less than they did in the previous month. The fluid milk index turned up, after moving down in November. By contrast, slaughter cattle prices moved up 3.4 percent in December, following a 4.3-percent gain a month earlier. The indexes for soybeans and fresh vegetables other than potatoes turned down, after rising in November. The index for crude foodstuffs and feedstuffs advanced 4.4 percent in 2002, compared with a 7.6-percent decline in the prior calendar year.

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

Mining. The Producer Price Index for the Net Output of Total Mining Industries rose 2.9 percent in December, following a 9.3-percent advance in November. (Net output price indexes are not seasonally adjusted.) The slower rate of increase in mining sector prices can be traced to the index for the natural gas liquids and natural gas residue industry, which moved up 9.7 percent in December after surging 42.7 percent in November. Prices received by the crude petroleum and natural gas industry also rose at a slower rate in December than they did a month earlier. The industry indexes for oil and gas well drilling, bituminous coal underground mining, and bituminous coal surface mining fell at a quicker pace in December, compared with the preceding month. Prices received by the industry for oil and gas well exploration services turned down in December. Conversely, the industry index for crushed and broken limestone advanced 1.0 percent, following a 0.2-percent decline in November. Prices received by the gold ores industry increased more than they did in the previous month. In December, the Producer Price Index for the Net Output of Total Mining Industries was 115.6 (December 1984=100). From December 2001 to December 2002, prices received by the mining sector rose 49.0 percent, after decreasing 47.0 percent in 2001.

Manufacturing. The Producer Price Index for the Net Output of Total Manufacturing Industries fell 0.4 percent in December, following a 0.7-percent decline in November. Prices received by the petroleum refining and related products industry group decreased 4.4 percent, after an 8.9-percent drop in the prior month. The index for the food and kindred products industry group advanced more in December than it did in November. Prices received by the industry groups for sporting and athletic goods, lumber and wood products (except furniture), and for stone, clay, glass, and concrete products increased in December, following November decreases. On the other hand, the industry group index for chemicals and allied products declined 0.6 percent in December, compared with a 0.7-percent gain a month earlier. Prices received by the paper and allied products industry group also turned down in December. The industry group indexes for transportation equipment and for electrical and electronic machinery and equipment fell more than they did in the previous month. In December, the Producer Price Index for the Net Output of Total Manufacturing Industries was 134.1 (December 1984=100). From December 2001 to December 2002, prices received by the manufacturing sector rose 1.9 percent, after moving down 2.0 percent in 2001.

Services. Among service industries in December, prices received by the industries for operators and lessors of nonresidential buildings; telephone communications (except radiotelephone); radio broadcasting; engineering design, analysis, and consulting services; and for hotels and motels decreased in December. By contrast, the industry indexes for passenger car rental, local trucking without storage, cable and other pay television services, help supply services, and legal services increased in December.

Producer Price Index data for January 2003 will be
released on Thursday, February 20, 2003 at 8:30 a.m. (EST).

**Recalculated Seasonal Adjustment Factors and Relative Importances to be Available on
February 18, 2003**

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 18, 2003 (2 workdays prior to the release of PPI data for January 2003 on February 20):

- Seasonal factors for commodity indexes for the year 2003,
- Recalculated seasonal factors for the last 5 years (1998-2002) for the commodity indexes,
- Recalculated seasonal factors for the last 5 years (1998-2002) for the stage-of-processing indexes.

In addition to recalculated seasonal factors, December 2002 relative importances will also be available on February 18, 2003.

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.

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
Life Insurance Carriers.....	6311	January 1999
Property and Casualty Insurance.....	6331	July 1998
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 1992 values of shipments as reported in the *Census of Manufactures* and other sources. From January 1992 through December 1995, PPI weights were derived from 1987 shipment values. Industry indexes shown in table 4 are also now calculated with 1992 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. 2002 from:		Seasonally adjusted percent change from:		
		Dec.	Aug.	Nov.	Dec.	Dec.	Nov.	Sept. to Oct.	Oct. to Nov.	Nov. to Dec.
		2001 1/	2002 2/	2002 2/	2002 2/	2001	2002	Oct.	Nov.	Dec.
Finished goods.....	100.000	138.8	139.6	139.1	1.2	-0.4	1.1	-0.4	0	
Finished consumer goods.....	72.948	139.6	140.3	139.8	2.0	-.4	1.4	-.4	.1	
Finished consumer foods.....	20.964	139.3	139.2	139.6	-.6	.3	.7	.3	.4	
Crude.....	1.560	125.4	122.7	112.4	-14.1	-8.4	3.8	-.7	-9.8	
Processed.....	19.404	140.4	140.6	141.9	.5	.9	.6	.4	1.1	
Finished consumer goods, excluding foods.....	51.984	139.3	140.3	139.6	3.1	-.5	1.6	-.8	0	
Nondurable goods less foods.....	35.355	141.5	141.8	141.3	5.3	-.4	1.9	-.7	.3	
Durable goods.....	16.628	131.0	133.5	132.1	-1.8	-1.0	.8	-.7	-.8	
Capital equipment.....	27.052	138.2	139.3	138.6	-.9	-.5	.4	-.2	-.4	
Manufacturing industries.....	7.924	139.6	140.0	139.8	-.4	-.1	.1	-.1	-.1	
Nonmanufacturing industries.....	19.128	137.5	139.0	138.1	-1.1	-.6	.4	-.4	-.5	
Intermediate materials, supplies, and components.....	100.000	128.4	129.8	129.4	3.2	-.3	.7	-.1	-.1	
Materials and components for manufacturing.....	47.040	126.5	127.8	127.3	2.1	-.4	.2	.4	-.3	
Materials for food manufacturing.....	2.902	123.1	125.3	127.2	4.0	1.5	.6	1.0	1.6	
Materials for nondurable manufacturing.....	14.124	130.3	133.3	131.5	4.3	-1.4	.8	.5	-1.3	
Materials for durable manufacturing.....	9.152	125.3	126.4	126.3	3.2	-.1	0	.6	-.1	
Components for manufacturing.....	20.862	125.9	126.1	126.0	-.2	-.1	-.1	.2	0	
Materials and components for construction.....	13.085	152.1	151.1	151.1	.8	0	-.3	-.4	0	
Processed fuels and lubricants.....	15.060	97.6	101.1	100.4	12.1	-.7	3.9	-1.4	.4	
Manufacturing industries.....	6.106	99.0	104.2	103.3	9.7	-.9	2.2	.9	-.5	
Nonmanufacturing industries.....	8.954	96.8	99.2	98.6	13.6	-.6	5.1	-2.9	1.0	
Containers.....	3.421	151.5	153.8	153.4	.7	-.3	.5	.2	-.3	
Supplies.....	21.395	139.3	139.7	139.7	1.1	0	0	.1	0	
Manufacturing industries.....	4.721	144.8	145.1	145.1	.3	0	.1	0	-.1	
Nonmanufacturing industries.....	16.674	136.7	137.1	137.1	1.3	0	0	0	0	
Feeds.....	1.082	102.2	100.5	100.5	5.5	0	-2.2	-1.1	0	
Other supplies.....	15.593	141.1	141.7	141.6	1.0	-.1	.1	.1	-.1	
Crude materials for further processing.....	100.000	108.7	117.1	119.4	26.1	2.0	3.4	5.1	1.9	
Foodstuffs and feedstuffs.....	46.173	99.7	99.4	100.4	4.4	1.0	-.1	-.1	1.1	
Nonfood materials.....	53.827	112.1	127.3	130.6	44.6	2.6	6.0	8.7	2.5	
Nonfood materials except fuel 3/.....	32.578	105.8	102.0	104.8	25.7	2.7	1.2	-5.2	2.5	
Manufacturing 3/.....	31.534	97.0	93.4	96.1	26.6	2.9	1.2	-5.3	2.7	
Construction.....	1.044	182.2	181.6	180.8	.9	-.4	.5	-.5	-.7	
Crude fuel 4/.....	21.249	111.1	157.1	160.9	73.8	2.4	14.2	30.0	2.4	
Manufacturing industries.....	1.958	107.6	150.0	153.4	69.7	2.3	13.6	28.6	2.3	
Nonmanufacturing industries.....	19.291	113.4	160.6	164.5	74.3	2.4	14.4	30.1	2.4	
Special groupings										
Finished goods, excluding foods.....	5/ 79.036	138.4	139.5	138.7	1.7	-.6	1.2	-.6	-.1	
Intermediate materials less foods and feeds.....	6/ 96.017	129.0	130.5	130.0	3.1	-.4	.8	-.1	-.2	
Intermediate foods and feeds.....	6/ 3.983	116.8	117.7	119.1	4.5	1.2	-.2	.5	1.1	
Crude materials less agricultural products 3/ 7/.....	8/ 51.690	113.2	128.8	132.2	45.9	2.6	6.2	8.7	2.6	
Finished energy goods.....	5/ 13.774	91.3	91.1	90.4	11.9	-.8	4.2	-1.8	.9	
Finished goods less energy.....	5/ 86.226	146.5	147.5	147.1	-.5	-.3	.5	-.1	-.2	
Finished consumer goods less energy.....	5/ 59.174	150.0	151.0	150.7	-.3	-.2	.6	-.1	-.1	
Finished goods less foods and energy.....	5/ 65.262	149.3	150.8	150.1	-.4	-.5	.5	-.3	-.3	
Finished consumer goods less foods and energy....	5/ 38.210	156.8	158.6	157.8	-.1	-.5	.6	-.3	-.3	
Consumer nondurable goods less foods and energy..	5/ 21.581	177.9	178.8	178.8	1.2	0	.4	.1	0	
Intermediate energy goods.....	6/ 15.182	97.0	101.0	99.5	11.4	-1.5	4.1	-1.5	-.4	
Intermediate materials less energy.....	6/ 84.818	135.0	135.7	135.6	1.6	-.1	.1	.1	-.1	
Intermediate materials less foods and energy.....	6/ 80.835	136.2	136.9	136.7	1.6	-.1	.1	.1	-.1	
Crude energy materials 3/.....	8/ 32.341	101.2	123.2	127.6	66.1	3.6	8.9	13.1	3.6	
Crude materials less energy.....	8/ 67.659	110.0	109.5	110.4	7.0	.8	.3	0	.8	
Crude nonfood materials less energy 4/.....	8/ 21.486	140.3	139.1	139.7	12.4	.4	.9	.4	.2	

1/ Comprehensive relative importance figures are initially computed after the publication of December indexes and are recalculated after final December indexes are available. The first-published and final December relative importances initially appear, respectively, in the release tables containing January and May data.
2/ The indexes for August 2002 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. 2002 from:		Seasonally adjusted percent change from:		
		Aug. 2002 1/	Nov. 2002 1/	Dec. 2002 1/	Dec. 2001	Nov. 2002	Sept. to Oct.	Oct. to Nov.	Nov. to Dec.
	FINISHED GOODS.....	138.8	139.6	139.1	1.2	-0.4	1.1	-0.4	0
	FINISHED CONSUMER GOODS.....	139.6	140.3	139.8	2.0	-0.4	1.4	-0.4	.1
	FINISHED CONSUMER FOODS.....	139.3	139.2	139.6	-0.6	.3	.7	.3	.4
01-11	Fresh fruits and melons 2/.....	92.1	82.5	75.5	-35.4	-8.5	3.9	-12.0	-8.5
01-13	Fresh and dry vegetables 2/.....	127.0	119.7	113.7	-5.6	-5.0	4.3	-2	-5.0
01-71-07	Eggs for fresh use (Dec. 1991=100).....	86.4	103.4	97.1	22.6	-6.1	-8.8	22.6	-5.8
02-11	Bakery products 2/.....	189.6	190.9	191.6	1.8	.4	.3	.2	.4
02-13	Milled rice 2/.....	76.9	83.0	85.4	1.7	2.9	.8	-3.0	2.9
02-14-02	Pasta products (June 1985=100) 2/.....	121.4	121.5	121.5	-6	0	0	0	0
02-21-01	Beef and veal 2/.....	111.5	111.5	117.8	4.1	5.7	-2.6	2.0	5.7
02-21-04	Pork.....	108.8	104.1	105.8	-7.5	1.6	11.5	4.1	-7
02-22-03	Processed young chickens.....	108.4	105.0	105.8	-8.3	.8	-1.2	.4	3.0
02-22-06	Processed turkeys.....	96.0	93.3	92.9	-11.9	-4	-3.7	-4.5	4.0
02-23	Finfish and shellfish.....	189.1	200.3	181.1	2.1	-9.6	7.4	-2.3	-9.7
02-3	Dairy products.....	134.3	134.3	135.3	-2.9	.7	2.3	0	2.8
02-4	Processed fruits and vegetables 2/.....	132.5	133.0	133.2	1.0	.2	-0.5	.5	.2
02-55	Confectionery end products 2/.....	176.7	174.7	177.4	2.2	1.5	.1	.1	1.5
02-62	Soft drinks.....	151.1	152.3	152.2	2.4	-1	-0.5	1.5	.3
02-63-01	Roasted coffee 2/.....	121.6	121.4	120.7	-1.0	-0.6	-0.3	.3	-0.6
02-78	Shortening and cooking oils 2/.....	143.4	153.0	155.2	16.1	1.4	1.0	3.4	1.4
	FINISHED CONSUMER GOODS EXCLUDING FOODS.....	139.3	140.3	139.6	3.1	-0.5	1.6	-0.8	0
02-61	Alcoholic beverages.....	146.7	148.1	148.3	1.1	.1	1.3	-0.7	.1
03-81-01	Women's apparel 2/.....	122.3	121.8	121.8	-1.1	0	.7	0	0
03-81-02	Men's and boys' apparel 2/.....	128.4	129.5	129.1	-1.5	-0.3	.8	-0.2	-0.3
03-81-03	Girls', children's, and infants' apparel 2/.....	119.4	119.9	119.9	2.7	0	.9	0	0
03-82	Textile housefurnishings 2/.....	122.3	121.9	121.9	-0.8	0	-1.1	-1.1	0
04-3	Footwear 2/.....	145.9	146.2	146.5	.4	.2	.2	0	.2
05-41	Residential electric power (Dec. 1990=100).....	119.3	112.9	112.7	-1.5	-1.2	-0.3	.1	.6
05-51	Residential gas (Dec. 1990=100).....	130.4	140.4	142.5	9.0	1.5	3.0	3.1	-0.4
05-71	Gasoline.....	88.1	88.0	82.1	38.7	-6.7	17.9	-9.0	1.6
05-73-02-01	Fuel oil No. 2.....	75.4	80.9	82.3	43.1	1.7	4.9	-11.1	4.7
06-38	Pharmaceutical preparations (June 2001=100) 2/.....	102.9	104.4	104.4	4.1	0	1.0	.3	0
06-71	Soaps and synthetic detergents 2/.....	130.1	130.9	130.8	-2	-1	-0.5	.2	-0.1
06-75	Cosmetics and other toilet preparations 2/.....	139.6	139.6	139.6	1.1	0	0	.2	0
07-12	Tires, tubes, tread, etc 2/.....	95.3	95.3	95.3	.7	0	0	0	0
09-15-01	Sanitary papers and health products 2/.....	149.7	150.6	150.9	.3	.2	-0.3	1.2	.2
09-31-01	Newspaper circulation 2/.....	226.0	226.0	226.0	1.3	0	0	0	0
09-32-01	Periodical circulation.....	211.5	212.7	212.7	4.7	0	-0.3	.3	0
09-33	Book publishing.....	236.6	237.8	238.3	3.2	.2	-0.6	-0.3	.7
12-1	Household furniture.....	157.3	157.8	157.7	1.3	-0.1	.3	0	-0.1
12-3	Floor coverings 2/.....	130.9	132.4	129.5	.5	-2.2	-0.2	.8	-2.2
12-4	Household appliances.....	104.5	103.7	103.6	-1.5	-0.1	-0.1	-0.4	-0.1
12-5	Home electronic equipment 2/.....	69.1	68.6	68.4	-2.1	-0.3	-0.4	0	-0.3
12-62	Household glassware.....	169.8	169.8	169.9	0	.1	.3	-0.2	.1
12-64	Household flatware 2/.....	145.0	145.2	145.2	1.4	0	-0.1	0	0
12-66	Lawn and garden equip., ex. tractors 2/.....	134.0	133.9	133.2	-0.1	-0.5	-0.2	.1	-0.5
14-11-01	Passenger cars.....	125.3	129.8	126.4	-4.7	-2.6	2.2	-3.6	-2.0
15-11	Toys, games, and children's vehicles 2/.....	124.9	124.6	124.6	.5	0	0	0	0
15-12	Sporting and athletic goods 2/.....	125.1	121.1	124.9	-1.0	3.1	-0.2	-3.1	3.1
15-2	Tobacco products 2/.....	466.8	467.6	467.5	2.7	0	0	.1	0
15-5	Mobile homes 2/.....	167.0	166.8	166.5	.5	-0.2	-0.5	.1	-0.2
15-94-02	Jewelry, platinum, & karat gold 2/.....	129.9	130.3	130.2	.6	-0.1	.1	.2	-0.1
15-94-04	Costume jewelry and novelties 2/.....	144.4	144.5	144.4	.3	-0.1	.1	0	-0.1
	CAPITAL EQUIPMENT.....	138.2	139.3	138.6	-0.9	-0.5	.4	-0.2	-0.4
11-1	Agricultural machinery and equipment 2/.....	158.6	158.1	158.1	.4	0	.1	.1	0
11-2	Construction machinery and equipment.....	151.4	151.7	151.8	2.0	.1	0	.3	.1
11-37	Metal cutting machine tools 2/.....	153.6	150.8	150.5	-2.1	-0.2	-0.1	-2.0	-0.2
11-38	Metal forming machine tools 2/.....	167.3	167.3	167.3	1.0	0	-0.1	0	0
11-39	Tools, dies, jigs, fixtures, and ind. molds 2/.....	140.6	140.5	140.5	-0.5	0	-0.2	0	0
11-41	Pumps, compressors, and equipment.....	161.4	161.7	161.9	1.5	.1	.2	-0.1	.2
11-44	Industrial material handling equipment 2/.....	137.0	137.0	137.5	.2	.4	-0.1	.1	.4
11-51	Electronic computers (Dec. 1998=100) 2/.....	40.9	39.2	38.4	-20.5	-2.0	-1.7	-2.0	-2.0
11-62	Textile machinery 2/.....	156.7	157.1	157.0	-1.7	-0.1	.3	-0.1	-0.1
11-64	Paper industries machinery (June 1982=100).....	169.5	169.7	169.7	1.3	0	.4	.1	.1
11-65	Printing trades machinery 2/.....	144.1	144.1	144.3	1.1	.1	.2	0	.1
11-74	Transformers and power regulators 2/.....	131.4	131.0	132.2	-1.0	.9	-0.1	-0.7	.9
11-76	Communication & related equip. (Dec. 1985=100) 2/.....	107.1	106.5	106.0	-2.8	-0.5	-0.1	-0.5	-0.5
11-79-05	X-ray and electromedical equipment 2/.....	101.0	100.7	100.8	.1	.1	-0.4	-0.2	.1
11-91	Oil field and gas field machinery.....	135.8	136.0	136.0	.5	0	-0.4	.2	.2
11-92	Mining machinery and equipment 2/.....	152.0	152.1	154.4	3.3	1.5	0	0	1.5
11-93	Office and store machines and equipment 2/.....	112.2	112.6	112.6	-0.6	0	.2	.3	0
12-2	Commercial furniture 2/.....	161.1	161.2	160.8	.2	-0.2	.2	.3	-0.2
14-11-05	Light motor trucks.....	143.7	153.2	149.4	-4.3	-2.5	1.9	.3	-1.6
14-11-06	Heavy motor trucks 2/.....	152.8	156.0	156.5	5.2	.3	0	1.5	.3
14-14	Truck trailers 2/.....	138.8	138.0	138.3	.3	.2	.1	0	.2
14-21-02	Civilian aircraft (Dec. 1985=100).....	171.7	173.8	174.0	2.1	.1	.5	.2	.1
14-31	Ships (Dec. 1985=100) 2/.....	151.4	151.5	151.3	.6	-0.1	0	.1	-0.1
14-4	Railroad equipment 2/.....	135.0	134.7	134.7	.1	0	-0.4	.4	0
	INTERMEDIATE MATERIALS, SUPPLIES, AND COMPONENTS.....	128.4	129.8	129.4	3.2	-0.3	.7	-0.1	-0.1
	INTERMEDIATE FOODS AND FEEDS.....	116.8	117.7	119.1	4.5	1.2	-0.2	.5	1.1
02-12-03	Flour 2/.....	118.3	123.2	120.7	8.3	-2.0	-1.3	-2.5	-2.0
02-53	Refined sugar 2/.....	117.9	119.4	120.6	6.6	1.0	.2	.3	1.0
02-54	Confectionery materials 2/.....	117.8	122.6	124.6	13.8	1.6	.9	-2.0	1.6
02-72	Crude vegetable oils 2/.....	97.2	110.3	114.1	54.6	3.4	-0.5	12.7	3.4
02-9	Prepared animal feeds 2/.....	109.1	107.4	107.4	3.9	0	-1.8	-1.0	0
	INTERMEDIATE MATERIALS LESS FOODS AND FEEDS.....	129.0	130.5	130.0	3.1	-0.4	.8	-0.1	-0.2
03-1	Synthetic fibers 2/.....	106.4	106.8	106.3	-0.4	-0.5	.4	.4	-0.5
03-2	Processed yarns and threads 2/.....	102.6	102.5	102.6	0	.1	0	.1	.1
03-3	Gray fabrics 2/.....	112.6	112.6	111.9	-0.6	-0.6	.2	.2	-0.6
03-4	Finished fabrics.....	120.5	121.6	121.0	-0.3	-0.5	.5	.6	0
03-83-03	Industrial textile products 2/.....	132.7	133.6	132.6	-0.4	-0.7	-0.4	-0.3	-0.7
04-2	Leather 2/.....	208.9	209.8	208.4	7.2	-0.7	-0.2	2.2	-0.7
05-32	Liquefied petroleum gas 2/.....	107.1	121.4	129.9	90.2	7.0	1.1	-2.2	7.0

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. 2002 from:		Seasonally adjusted percent change from:		
		Aug. 2002 1/	Nov. 2002 1/	Dec. 2002 1/	Dec. 2001	Nov. 2002	Sept. to Oct. 2002	Oct. to Nov. 2002	Nov. to Dec. 2002
	INTERMEDIATE MATERIALS LESS FOODS AND FEEDS								
	-Continued.....								
05-42	Commercial electric power.....	143.8	134.8	134.7	-1.9	-0.1	0.6	1.4	0.4
05-43	Industrial electric power.....	145.0	140.1	139.6	2.0	-4	-9	2.4	.2
05-52	Commercial natural gas (Dec. 1990=100).....	129.4	145.4	148.3	9.1	2.0	3.8	.2	.1
05-53	Industrial natural gas (Dec. 1990=100).....	128.6	151.1	153.1	11.6	1.3	2.7	2.4	-3
05-54	Natural gas to electric utilities (Dec. 1990=100).....	93.3	125.5	128.4	23.3	2.3	8.0	-4.1	0
05-72-03	Jet fuels.....	72.5	81.2	78.9	39.2	-2.8	6.4	-9.4	1.1
05-73-03	No. 2 Diesel fuel.....	80.4	86.0	86.9	54.6	1.0	14.2	-14.7	9.8
05-74	Residual fuel 2/.....	76.4	94.0	73.6	16.8	-21.7	8.7	1.6	-21.7
06-1	Industrial chemicals 2/.....	129.7	134.8	132.4	10.8	-1.8	1.5	1.4	-1.8
06-21	Prepared paint.....	167.0	167.8	167.5	1.6	-2	-5	-1	-2
06-22	Paint materials 2/.....	172.6	172.6	172.7	16.9	.1	.1	.6	.1
06-31	Medicinal and botanical chemicals 2/.....	132.4	133.0	132.4	-5.5	-5	.5	0	-5
06-4	Fats and oils, inedible.....	94.1	103.2	117.4	40.1	13.8	-6.9	6.9	13.0
06-51	Mixed fertilizers.....	113.6	114.0	113.8	-9	-2	.6	.3	-1
06-52-01	Nitrogenates.....	106.1	110.9	113.9	7.7	2.7	1.4	2.8	1.7
06-52-02	Phosphates 2/.....	99.9	101.3	101.2	11.9	-1	1.1	-5	-1
06-53	Other agricultural chemicals 2/.....	148.7	147.3	150.3	1.0	2.0	-9	0	2.0
06-6	Plastic resins and materials 2/.....	136.4	137.0	135.7	9.5	-9	-4	.7	-9
07-11-02	Synthetic rubber 2/.....	119.2	123.4	121.4	1.4	-1.6	.7	.7	-1.6
07-21	Plastic construction products.....	140.5	134.1	133.4	2.3	-5	-3.5	-3.8	.1
07-22	Unsupported plastic film, sheet, & other shapes 2/.....	136.4	137.0	136.8	1.3	-1	1.1	-9	-1
07-26	Plastic parts and components for manufacturing 2/.....	116.1	116.6	116.6	-3	0	-1	.1	0
08-11	Softwood lumber 2/.....	172.0	167.0	165.6	2.9	-8	.2	.1	-8
08-12	Hardwood lumber.....	178.5	179.8	180.8	2.0	.6	.5	-3	.6
08-2	Millwork 2/.....	180.4	179.5	179.5	.1	0	-1	-3	0
08-3	Plywood 2/.....	152.4	147.1	146.3	-1.1	-5	-1	-1.6	-5
09-11	Woodpulp 2/.....	118.4	120.0	118.3	4.0	-1.4	0	.5	-1.4
09-13	Paper 2/.....	144.2	146.3	146.2	-3	-1	.8	.3	-1
09-14	Paperboard 2/.....	165.8	167.5	166.8	-1	-4	-2	-1	-4
09-15-03	Paper boxes and containers 2/.....	171.8	174.7	174.4	.2	-2	.6	.2	-2
09-2	Building paper and board 2/.....	132.2	129.5	128.6	2.6	-7	-1	-1.4	-7
09-37	Commercial printing (June 1982=100) 2/.....	157.2	157.4	157.6	.4	.1	.3	-1	.1
10-15	Foundry and forge shop products.....	136.8	137.0	137.0	.1	0	0	0	0
10-17	Steel mill products 2/.....	107.3	110.0	109.5	10.5	-5	.3	.5	-5
10-22	Primary nonferrous metals 2/.....	97.8	101.8	102.8	4.0	1.0	-7	4.7	1.0
10-25-01	Aluminum mill shapes 2/.....	142.7	143.3	143.5	-1.1	.1	.5	-1	.1
10-25-02	Copper and brass mill shapes 2/.....	146.3	146.7	147.1	-1.5	.3	-3.5	-1	.3
10-26	Nonferrous wire and cable 2/.....	133.1	133.5	133.1	-3.8	-3	.1	.5	-3
10-3	Metal containers 2/.....	107.6	108.5	108.4	2.0	-1	.5	.3	-1
10-4	Hardware 2/.....	155.8	155.5	155.7	-1	.1	-4	-1	.1
10-5	Plumbing fixtures and brass fittings.....	182.6	181.3	182.0	.6	.4	.1	-6	.7
10-6	Heating equipment 2/.....	158.2	157.9	158.2	.4	.2	0	0	.2
10-7	Fabricated structural metal products.....	145.8	145.4	145.4	.8	0	-1	-2	.1
10-88	Fabricated ferrous wire products (June 1982=100) 2/.....	130.1	130.2	129.6	0	-5	-5	.3	-5
10-89	Other misc. metal products 2/.....	126.7	127.8	127.7	.6	-1	-1	.7	-1
11-45	Mechanical power transmission equipment.....	169.5	169.9	169.9	1.2	0	.5	-1	-1
11-48	Air conditioning and refrigeration equipment 2/.....	137.4	137.1	137.1	.7	0	-4	0	0
11-49-02	Metal valves, ex.fluid power (Dec. 1982=100) 2/.....	167.4	168.1	168.1	1.7	0	.3	-1	0
11-49-05	Ball and roller bearings.....	170.3	170.4	170.6	.6	.1	.4	.1	0
11-71	Wiring devices 2/.....	155.2	153.4	152.6	.5	-5	-1.1	-3	-5
11-73	Motors, generators, motor generator sets.....	146.9	147.8	147.6	.8	-1	0	1.0	-1
11-75	Switchgear, switchboard, etc., equipment.....	157.3	158.7	158.9	.8	.1	.4	-1	.2
11-78	Electronic components and accessories 2/.....	92.3	92.4	92.1	-6	-3	-2	-1	-3
11-94	Internal combustion engines.....	144.0	145.3	145.8	1.3	.3	0	.1	.5
11-95	Machine shop products 2/.....	139.9	140.2	140.2	.4	0	.1	.1	0
13-11	Flat glass 2/.....	111.7	110.9	111.8	.3	.8	-1	-5	.8
13-22	Cement.....	154.2	152.3	153.1	1.7	.5	.2	-3	.9
13-3	Concrete products.....	152.5	152.2	152.6	-3	.3	.1	-3	.5
13-6	Asphalt felts and coatings.....	113.2	110.9	110.3	.1	-5	.7	-7	-2
13-7	Gypsum products 2/.....	170.1	170.8	170.4	2.5	-2	1.6	-1.0	-2
13-8	Glass containers 2/.....	136.0	136.9	136.9	2.8	0	.9	-1	0
14-12	Motor vehicle parts 2/.....	112.5	112.4	112.3	.8	-1	0	.5	-1
14-23	Aircraft engines & engine parts (Dec. 1985=100).....	145.3	145.6	145.6	-4	0	-3	-1	.2
14-25	Aircraft parts & aux.equip., nec (June 1985=100).....	151.1	149.7	149.9	-1.0	.1	-1	0	.3
15-42	Photographic supplies 2/.....	119.1	119.1	119.1	-7.9	0	0	0	0
15-6	Medical/surgical/personal aid devices 2/.....	150.9	151.4	151.7	1.5	.2	-1	0	.2
	CRUDE MATERIALS FOR FURTHER PROCESSING.....	108.7	117.1	119.4	26.1	2.0	3.4	5.1	1.9
	CRUDE FOODSTUFFS AND FEEDSTUFFS.....	99.7	99.4	100.4	4.4	1.0	-1	-1	1.1
01-21	Wheat 2/.....	106.1	111.1	106.3	24.0	-4.3	-1.3	-10.8	-4.3
01-22-02-05	Corn.....	105.7	93.9	91.8	13.2	-2.2	-10.7	-10.5	-4.8
01-31	Slaughter cattle 2/.....	95.2	101.2	104.6	10.3	3.4	.5	4.3	3.4
01-32	Slaughter hogs.....	54.5	46.8	50.2	-4.6	7.3	24.4	.7	.2
01-41-02	Slaughter broilers/fryers.....	125.8	117.2	119.7	-5.1	2.1	-5.6	.7	7.7
01-42	Slaughter turkeys.....	110.5	114.0	110.7	0	-2.9	-7.1	6.3	9.2
01-6	Fluid milk 2/.....	85.1	87.4	88.9	-11.4	1.7	2.7	-1.7	1.7
01-83-01-31	Soybeans 2/.....	100.4	95.9	95.4	29.6	-5	-6.9	3.6	-5
02-52-01-01	Cane sugar, raw 2/.....	110.3	118.8	117.4	4.2	-1.2	.5	2.4	-1.2
	CRUDE NONFOOD MATERIALS.....	112.1	127.3	130.6	44.6	2.6	6.0	8.7	2.5
01-51-01-01	Raw cotton 2/.....	66.0	73.6	77.5	42.7	5.3	2.2	13.1	5.3
01-92-01-01	Leaf tobacco 2/.....	106.1	113.8	116.4	1.0	2.3	2.5	4.6	2.3
04-19	Hides and skins (June 2001=100) 2/.....	84.6	85.4	85.0	18.5	-5	-2	-2.3	-5
05-1	Coal 2/.....	98.1	99.5	97.9	.9	-1.6	.9	.6	-1.6
05-31	Natural gas 2/.....	114.9	176.1	181.9	101.0	3.3	18.5	37.9	3.3
05-61	Crude petroleum 2/.....	72.8	67.0	71.4	57.3	6.6	1.7	-13.5	6.6
08-5	Logs, timber, etc.....	179.9	181.9	180.6	1.1	-7	.8	.4	-1.0
09-12	Wastepaper 2/.....	204.5	190.1	188.7	35.7	-7	-4	-1	-7
10-11	Iron ore 2/.....	95.0	95.0	95.0	-1.3	0	0	0	0
10-12	Iron and steel scrap.....	154.8	143.5	141.7	27.0	-1.3	2.4	-4.4	-3.0
10-21	Nonferrous metal ores (Dec. 1983=100) 2/.....	68.8	67.5	68.8	12.4	1.9	-2.7	.4	1.9
10-23-01	Copper base scrap 2/.....	109.1	114.2	116.8	11.2	2.3	1.9	4.5	2.3
10-23-02	Aluminum base scrap.....	156.4	158.5	159.8	10.4	.8	2.3	2.8	-3
13-21	Construction sand, gravel, and crushed stone.....	173.5	173.3	174.2	2.7	.5	.2	.2	.7

1/ The indexes for August 2002 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. 2002	Nov. 2002	Dec. 2002
	Finished Goods (1967=100).....	389.4	391.7	390.3
	All commodities.....	131.5	133.2	133.0
MAJOR COMMODITY GROUPS				
	Farm products and processed foods and feeds....	124.0	124.1	124.9
01	Farm products.....	99.7	98.8	99.0
02	Processed foods and feeds.....	136.0	136.6	137.6
	Industrial commodities.....	132.8	134.9	134.5
03	Textile products and apparel.....	119.8	120.1	119.7
04	Hides, skins, leather, and related products..	160.4	161.0	160.6
05	Fuels and related products and power.....	94.5	99.9	99.6
06	Chemicals and allied products 2/.....	153.6	156.2	155.3
07	Rubber and plastic products.....	127.1	127.2	127.0
08	Lumber and wood products.....	173.8	172.0	171.8
09	Pulp, paper, and allied products.....	186.6	187.7	187.6
10	Metals and metal products.....	126.6	127.2	127.2
11	Machinery and equipment.....	122.7	122.6	122.4
12	Furniture and household durables.....	133.7	133.8	133.2
13	Nonmetallic mineral products.....	146.6	146.2	146.5
14	Transportation equipment.....	142.5	145.3	143.9
15	Miscellaneous products.....	182.9	182.8	183.4
	Industrial commodities less fuels and related products and power.....	143.0	143.9	143.5
OTHER COMMODITY GROUPINGS				
01-1	Fruits and melons, fresh and dry vegetables, and tree nuts.....	112.1	104.8	98.8
01-2	Grains.....	104.6	98.8	96.3
01-3	Slaughter livestock.....	84.9	87.2	90.6
01-4	Slaughter poultry.....	121.1	115.0	116.3
01-5	Plant and animal fibers.....	67.0	74.7	78.6
01-7	Chicken eggs.....	100.8	120.5	112.7
01-8	Hay, hayseeds, and oilseeds.....	126.7	121.8	120.9
01-83	Oilseeds.....	112.1	106.7	106.0
01-9	Other farm products.....	158.2	169.6	173.6
02-1	Cereal and bakery products.....	164.6	166.5	167.1
02-2	Meats, poultry, and fish.....	117.7	116.8	118.4
02-22	Processed poultry.....	109.9	108.8	109.0
02-5	Sugar and confectionery.....	142.8	143.5	145.4
02-6	Beverages and beverage materials.....	147.8	149.0	148.8
02-63	Packaged beverage materials.....	124.3	125.2	123.1
02-7	Fats and oils.....	123.1	137.3	146.0
03-81	Apparel.....	125.2	125.4	125.2
04-4	Other leather and related products.....	147.9	148.1	148.0
05-3	Gas fuels.....	111.1	160.6	166.9
05-4	Electric power.....	142.1	134.7	134.5
05-7	Refined petroleum products.....	82.3	86.2	81.1
06-3	Drugs and pharmaceuticals.....	265.9	268.7	268.8
06-5	Agricultural chemicals and products.....	123.9	124.7	126.5
06-7	Other chemicals and allied products.....	139.7	140.2	140.1
07-1	Rubber and rubber products.....	117.1	117.7	117.4
07-11	Rubber, except natural rubber.....	118.6	122.7	120.8
07-13	Miscellaneous rubber products.....	141.0	140.7	140.8
07-2	Plastic products.....	135.1	134.9	134.7
08-1	Lumber.....	171.4	168.8	168.2
09-1	Pulp, paper, and products, excluding building paper and board.....	156.2	157.6	157.2
09-15	Converted paper and paperboard products.....	163.3	165.6	165.2
10-1	Iron and steel.....	117.0	117.9	117.4
10-2	Nonferrous metals.....	119.3	120.1	120.8
10-25	Nonferrous mill shapes.....	135.8	136.2	136.3
11-3	Metalworking machinery and equipment.....	150.5	150.1	150.1
11-4	General purpose machinery and equipment.....	154.4	154.6	154.8
11-6	Special industry machinery.....	165.1	165.4	165.6
11-7	Electrical machinery and equipment.....	116.1	115.9	115.6
11-9	Miscellaneous machinery and equipment.....	136.3	136.8	137.1
12-6	Other household durable goods.....	158.4	158.7	158.3
13-2	Concrete ingredients.....	163.5	162.6	163.5
14-1	Motor vehicles and equipment.....	127.0	130.6	128.8
15-1	Toys, sporting goods, small arms, etc.....	133.1	130.4	133.0
15-4	Photographic equipment and supplies.....	105.5	105.5	105.5
15-9	Other miscellaneous products.....	139.1	140.1	140.8

1/ Data for August 2002 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/ code	Index base	Index			Percent change to Dec. 2002 from:	
			Aug. 2002	Nov. 2002	Dec. 2002	Dec. 2001	Nov. 2002
			2/	2/	2/		
	Total mining industries.....	12/84	95.9	112.3	115.6	49.0	2.9
10	Metal mining.....	12/84	73.2	72.6	73.7	7.0	1.5
12	Coal mining.....	12/85	93.4	93.7	93.0	.5	-.7
13	Oil and gas extraction.....	12/85	106.0	131.7	136.8	74.7	3.9
14	Mining and quarrying of non-metallic minerals, except fuels.....	12/84	143.5	143.8	144.4	2.0	.4
	Total manufacturing industries.....	12/84	133.7	134.7	134.1	1.9	-.4
20	Food and kindred products.....	12/84	131.3	131.7	132.8	.8	.8
21	Tobacco manufactures.....	12/84	408.5	409.2	409.0	2.7	0
22	Textile mill products.....	12/84	115.5	116.0	115.4	-.6	-.5
23	Apparel and other finished products made from fabrics and similar materials.....	12/84	125.3	125.8	125.3	0	-.4
24	Lumber and wood products, except furniture..	12/84	155.9	154.1	154.2	.5	.1
25	Furniture and fixtures.....	12/84	146.6	146.9	146.5	.7	-.3
26	Paper and allied products.....	12/84	143.5	145.3	145.0	.1	-.2
27	Printing, publishing, and allied industries.	12/84	193.2	194.0	194.2	2.1	.1
28	Chemicals and allied products.....	12/84	158.6	160.6	159.6	3.4	-.6
29	Petroleum refining and related products....	12/84	103.2	107.1	102.4	34.9	-4.4
30	Rubber and miscellaneous plastic products...	12/84	125.9	125.7	125.6	.3	-.1
31	Leather and leather products.....	12/84	142.0	142.3	142.4	1.5	.1
32	Stone, clay, glass, and concrete products...	12/84	137.4	136.9	137.2	.4	.2
33	Primary metal industries.....	12/84	117.1	118.2	117.9	3.4	-.3
34	Fabricated metal products, except machinery and transportation equipment.....	12/84	132.0	132.3	132.3	.8	0
35	Machinery, except electrical.....	12/84	116.8	116.6	116.6	-1.0	0
36	Electrical and electronic machinery, equipment, and supplies.....	12/84	105.5	104.9	104.5	-2.0	-.4
37	Transportation equipment.....	12/84	135.0	138.3	136.8	-1.3	-1.1
38	Measuring and controlling instruments; photographic, medical, optical goods; watches, clocks.....	12/84	128.4	128.8	128.9	.9	.1
39	Miscellaneous manufacturing industries.....	12/85	133.4	132.7	133.7	.8	.8
	Services industries						
40	Railroad transportation.....	12/96	106.6	107.4	107.4	1.5	0
42	Motor freight transportation and warehousing	06/93	125.0	125.9	125.9	2.3	0
43	United States Postal Service.....	06/89	155.0	155.0	155.0	6.6	0
44	Water transportation.....	12/92	135.3	141.0	142.3	9.7	.9
45	Transportation by air.....	12/92	158.0	160.3	160.7	2.3	.2
46	Pipelines, except natural gas.....	12/86	112.5	112.3	112.3	.3	0
48	Communications.....	06/01	97.7	98.1	97.7	-.1	-.4
54	Food stores.....	12/99	113.1	116.9	113.9	3.2	-2.6
55	Automotive dealers and gasoline service stations.....	12/01	93.3	92.3	85.6	-14.4	-7.3
59	Miscellaneous retail.....	06/00	103.1	104.8	104.1	5.2	-.7
80	Health services.....	12/94	119.8	120.6	120.5	2.5	-.1
81	Legal services.....	12/96	122.5	122.2	122.9	3.4	.6

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 the movements of similarly-titled indexes which are derived from traditional commodity groupings.

2/ The indexes for August 2002 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.

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

Grouping	Index 1/					
	July 2002	Aug. 2002	Sep. 2002	Oct. 2002	Nov. 2002	Dec. 2002
Finished goods.....	138.4	138.5	138.6	140.1	139.5	139.5
Finished consumer goods.....	138.9	139.1	139.1	141.0	140.4	140.5
Finished consumer foods.....	139.4	138.9	137.9	138.9	139.3	139.8
Crude.....	127.5	127.4	117.9	122.4	121.5	109.6
Processed.....	140.4	139.8	139.5	140.3	140.8	142.3
Finished consumer goods, excluding foods.....	138.4	138.8	139.3	141.5	140.4	140.4
Nondurable goods less foods.....	139.6	140.3	140.8	143.5	142.5	142.9
Durable goods.....	132.2	132.0	132.4	133.4	132.4	131.4
Capital equipment.....	138.7	138.6	138.7	139.2	138.9	138.4
Manufacturing industries.....	139.8	139.7	139.6	139.8	139.9	139.8
Nonmanufacturing industries.....	138.2	138.1	138.3	138.9	138.4	137.7
Intermediate materials, supplies, and components.....	127.8	128.2	128.9	129.8	129.7	129.6
Materials and components for manufacturing.....	126.2	126.5	127.0	127.3	127.8	127.4
Materials for food manufacturing.....	122.3	122.5	123.4	124.2	125.5	127.5
Materials for nondurable manufacturing.....	129.6	130.4	131.8	132.9	133.5	131.7
Materials for durable manufacturing.....	125.3	125.3	125.8	125.8	126.5	126.4
Components for manufacturing.....	126.1	126.0	125.9	125.8	126.0	126.0
Materials and components for construction.....	151.6	152.1	152.3	151.9	151.3	151.3
Processed fuels and lubricants.....	95.7	96.5	98.2	102.0	100.6	101.0
Manufacturing industries.....	98.3	98.6	100.5	102.7	103.6	103.1
Nonmanufacturing industries.....	94.2	95.2	96.7	101.6	98.7	99.7
Containers.....	151.4	151.5	152.8	153.5	153.8	153.4
Supplies.....	139.1	139.3	139.6	139.6	139.7	139.7
Manufacturing industries.....	144.7	144.7	145.0	145.1	145.1	145.0
Nonmanufacturing industries.....	136.5	136.8	137.1	137.1	137.1	137.1
Feeds.....	100.2	102.2	103.9	101.6	100.5	100.5
Other supplies.....	141.0	141.1	141.3	141.5	141.7	141.6
Crude materials for further processing.....	106.3	108.3	108.6	112.3	118.0	120.3
Foodstuffs and feedstuffs.....	97.2	99.0	100.9	100.8	100.7	101.8
Nonfood materials.....	110.0	112.0	111.0	117.7	127.9	131.1
Nonfood materials except fuel 2/.....	103.3	105.6	107.3	108.6	102.9	105.5
Manufacturing 2/.....	94.7	96.9	98.4	99.6	94.3	96.8
Construction.....	182.9	182.9	182.9	183.9	182.9	181.7
Crude fuel 3/.....	109.8	111.1	105.8	120.8	157.1	160.9
Manufacturing industries.....	106.5	107.6	102.6	116.6	150.0	153.4
Nonmanufacturing industries.....	112.1	113.4	107.9	123.4	160.6	164.5
Special groupings						
Finished goods, excluding foods.....	138.0	138.2	138.5	140.2	139.4	139.2
Intermediate materials less foods and feeds.....	128.5	128.8	129.5	130.5	130.4	130.2
Intermediate foods and feeds.....	115.6	116.4	117.5	117.3	117.9	119.2
Crude materials less agricultural products 2/.....	111.0	113.1	112.1	119.0	129.4	132.7
Finished energy goods.....	88.3	89.5	90.0	93.8	92.1	92.9
Finished goods less energy.....	146.9	146.7	146.6	147.4	147.2	146.9
Finished consumer goods less energy.....	150.4	150.1	149.9	150.8	150.7	150.5
Finished goods less foods and energy.....	149.9	149.8	150.0	150.7	150.3	149.8
Finished consumer goods less foods and energy.....	157.4	157.3	157.6	158.5	158.0	157.5
Consumer nondurable goods less foods and energy..	177.9	177.9	178.0	178.7	178.8	178.8
Intermediate energy goods.....	95.2	95.9	98.0	102.0	100.5	100.1
Intermediate materials less energy.....	134.8	135.0	135.4	135.5	135.7	135.6
Intermediate materials less foods and energy.....	136.0	136.3	136.6	136.7	136.9	136.7
Crude energy materials 2/.....	98.1	101.2	100.0	108.9	123.2	127.6
Crude materials less energy.....	108.2	109.4	110.6	110.9	110.9	111.8
Crude nonfood materials less energy 3/.....	140.5	139.9	139.3	140.6	141.1	141.4

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 2002 have been recalculated to incorporate late reports and corrections by respondents.

2/ Includes crude petroleum.

3/ Excludes crude petroleum.