# News

# United States Department of Labor



# **Bureau of Labor Statistics**

Washington, D.C. 20212

FOR DATA ONLY: (202) 691-5200 FOR TECHNICAL INFORMATION: (202) 691-7705

MEDIA CONTACT: (202) 691-5902

http://www.bls.gov/ppi

USDL 06-1636 TRANSMISSION OF MATERIAL IN THIS RELEASE IS EMBARGOED UNTIL 8:30 A.M. (EDT), TUESDAY, September 19, 2006

# **Producer Price Indexes -- August 2006**

The Producer Price Index for Finished Goods rose 0.1 percent in August, seasonally adjusted, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. This advance followed increases of 0.1 percent in July and 0.5 percent in June. The index for finished goods other than foods and energy decreased 0.4 percent in August after declining 0.3 percent in the prior month. At the earlier stages of processing, prices received by producers of intermediate goods moved up 0.4 percent in August following a 0.5-percent gain in the previous month, while the crude goods index rose 2.2 percent after advancing 3.1 percent in July. (See table A.)

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

			Finished	l goods			
				Except foods and	Change in finished goods from 12 months	Inter- mediate	Crude
Month	Total	Foods	Energy	energy	ago (unadj.)	goods	goods
2005							
Aug.	0.5	-0.2	3.0	0.0	5.3	0.5	3.5
Sept.	1.4	1.2	5.4	.2	6.9	2.3	10.5
Oct.	.8	.1	4.3	3	5.9	3.0	5.7
Nov.	5	.6	-3.1	.1	4.4	-1.3	-1.4
Dec.	.7	.8	2.4	0	5.4	.3	-3.5
2006							
Jan.	.3	2	.1	.4	5.6	1.0	8
Feb.	-1.2	-2.2	-4.5	.3	3.9	5	-8.4
Mar.	.4	.4	1.5	.2	3.6	.2	-2.6
Apr.	.9	r .3	4.0	.1	r 4.1	r 1.0	r 2.6
May	r .1	r8	r .5	.3	4.5	r .8	r .8
June	.5	1.4	.7	.2	4.9	.7	-1.7
July	.1	3	1.3	3	4.2	.5	3.1
Aug.	.1	1.4	.3	4	3.7	.4	2.2

r=revised. Some of the figures shown above and elsewhere in this release may differ from those previously reported because data for April 2006 have been revised to reflect the availability of late reports and corrections by respondents.

Among finished goods in August, prices for consumer foods climbed 1.4 percent and the index for energy goods moved up 0.3 percent. These increases slightly outweighed falling prices for consumer goods other than foods and energy and for capital equipment, which fell 0.5 percent and 0.3 percent, respectively.

Before seasonal adjustment, the Producer Price Index for Finished Goods rose 0.1 percent in August to 162.1 (1982 = 100). From August 2005 to August 2006, prices for finished goods advanced 3.7 percent. Over the same period, the index for finished energy goods jumped 13.2 percent, prices for finished consumer foods moved up 2.8 percent, and the index for finished goods other than foods and energy increased 0.9 percent. At the earlier stages of processing, prices for intermediate goods climbed 8.8 percent, and the crude goods index rose 5.3 percent for the 12 months ended August 2006.

# **Finished goods**

The index for finished consumer foods advanced 1.4 percent in August after moving down 0.3 percent in July. Prices for fresh and dry vegetables surged 20.7 percent following a rise of 6.5 percent in the previous month. The index for processed young chickens also increased more in August than it had a month earlier. Prices for fresh fruits and melons, eggs for fresh use, dairy products, soft drinks, and processed turkeys turned up after falling in July. By contrast, the beef and veal index decreased 1.5 percent in August following a 0.2percent decline in the prior month. The index for portion controlled meat products moved down after advancing in July, and pork prices rose less in August than they had in the preceding month. (See table 2.)

Table B. Monthly and annual percent changes in selected price indexes for intermediate goods

and crude goods, seasonally adjusted

		Interm	ediate good	ls	Crude goods						
Month	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.)			
2005				(* ************************************		(* *** <b>J</b> */		(* ******)			
Aug.	-0.1	3.0	-0.1	6.3	-1.2	6.0	4.6	12.1			
Sept.	1	7.4	1.0	8.7	1.7	17.1	5.6	29.7			
Oct.	.4	8.8	1.4	10.9	1	10.9	-1.5	31.8			
Nov.	0	-6.9	.4	8.5	1.0	-3.4	2.4	21.6			
Dec.	.3	4	.4	8.6	2.5	-8.1	1.9	21.1			
2006											
Jan.	.7	1.6	.9	9.2	-3.1	.2	2	22.1			
Feb.	-1.1	-3.2	.3	8.0	-3.0	-14.9	3.1	12.6			
Mar.	1	4	.4	7.2	-2.4	-4.3	1.3	4.7			
Apr.	r7	r 3.0	r .6	r 7.7	r -1.0	r 3.6	r 5.3	r 4.6			
May	r5	r .9	r .7	8.9	r -2.6	r .8	r 5.0	8.6			
June	1.0	.4	.8	9.3	4.8	-6.8	1.7	8.6			
July	.4	1	.7	8.9	1.8	4.8	1.3	6.6			
Aug.	2	.7	.4	8.8	.1	5.9		5.3			

r=revised. Some of the figures shown above and elsewhere in this release may differ from those previously reported because data for April 2006 have been revised to reflect the availability of late reports and corrections by respondents.

The index for finished energy goods increased 0.3 percent in August following a 1.3-percent gain in July. Prices for liquefied petroleum gas rose 0.9 percent after climbing 11.5 percent in the prior month. The index for residential electric power also moved up less in August than it had in July. Gasoline prices turned down following advances in the preceding month. Alternatively, the index for residential natural gas increased 1.6 percent in August after rising 0.9 percent a month earlier. Prices for home heating oil and diesel fuel turned up following declines in July.

The index for finished consumer goods other than foods and energy decreased 0.5 percent in August after moving down 0.3 percent in July. Passenger car prices fell 2.6 percent in August following a 0.8-percent decline a month earlier. The indexes for pharmaceutical preparations and light motor trucks also decreased more than they had in July. Prices for alcoholic beverages, tires, and periodical circulation turned down in August after rising in the preceding month. Conversely, the index for men's and boys' apparel advanced 1.2 percent following a 0.6-percent decline in July. Prices for newspaper circulation and household appliances also increased in August after falling in the previous month.

The capital equipment index decreased 0.3 percent in August after moving down 0.2 percent in July. Leading the August decline, prices for light motor trucks dropped 3.4 percent. The indexes for passenger cars, electronic computers, and communication and related equipment also fell in August. By contrast, prices for civilian aircraft, industrial material handling equipment, transformers and power regulators, truck trailers, and heavy motor trucks increased in August.

# **Intermediate goods**

The Producer Price Index for Intermediate Materials, Supplies, and Components advanced 0.4 percent in August following a 0.5-percent gain in July. In August, rising prices for energy goods, materials and components for construction, and materials for both durable and nondurable manufacturing outweighed falling prices for foods and feeds. The index for intermediate goods excluding foods and energy moved up 0.4 percent in August following a 0.7- percent increase a month earlier. (See table B.)

Prices for intermediate energy goods rose 0.7 percent in August after edging down 0.1 percent in July. The jet fuels index climbed 6.7 percent compared with a 5.3-percent decline a month earlier. Prices for diesel fuel and residual fuel also moved up after decreasing in July. The index for industrial natural gas increased more than it had in the previous month. Alternatively, gasoline prices fell 2.2 percent subsequent to a 0.7-percent advance in July. The index for commercial electric power also turned down in August. Prices for liquefied petroleum gas and natural gas to electric utilities advanced less than they had in the previous month. (See table 2.)

The index for materials and components for construction increased 0.4 percent in August following a 0.7-percent gain in July. Prices for concrete products inched up 0.1 percent after advancing 1.4 percent a month earlier. The indexes for steel mill products, paving mixtures and blocks, plumbing fixtures and brass fittings, and plastic construction products also rose less than they had in the prior month. Prices for softwood lumber fell more than they had in July. The indexes for plywood and millwork turned down in August. Conversely, prices for nonferrous wire and cable moved up 3.3 percent following a 1.0-percent decline in July. The asphalt felts and coatings index advanced in August after remaining unchanged in the previous month.

The materials for durable manufacturing index rose 0.4 percent in August after moving up 2.3 percent in July. The rate of increase for the cold rolled steel sheet and strip index slowed from 8.6 percent in July to 0.8 percent in August. Prices for hot rolled steel sheet and strip also advanced less than in the prior month. The indexes for primary nonferrous metals; hot rolled steel bars, plates and structural shapes; and copper and brass mill shapes turned down in August after rising a month earlier. The index for softwood lumber fell more than in July. By contrast, prices for aluminum mill shapes edged up 0.1 percent in August after declining 2.3 percent in the previous month. Prices for semifinished steel mill products increased more than they had a month earlier.

The materials for nondurable manufacturing index edged up 0.2 percent in August, the same rate as in July. In August, rising prices for primary and intermediate basic organic chemicals, plastic resins and materials, inedible fats and oils, stemmed and redried tobacco, and paper outweighed falling prices for fertilizer materials and ethanol.

The index for intermediate foods and feeds declined 0.2 percent in August after increasing 0.4 percent in July. Flour prices fell 5.1 percent subsequent to a 2.8-percent rise in the prior month. The indexes for prepared animal feeds and for refined sugar and byproducts also turned down in August after rising a month earlier. Prices for beef and veal decreased at faster rates in August, while the index for fluid milk products rose less than it had in July. By contrast, prices for natural, processed, and imitation cheese advanced 2.4 percent compared with a 2.0-percent decline a month earlier. The index for dry, condensed, and evaporated milk products also turned up in August, and prices for processed young chickens increased more than they had in July.

# Crude goods

The Producer Price Index for Crude Materials for Further Processing advanced 2.2 percent in August following a 3.1-percent rise in the previous month. Prices for crude foodstuffs and feedstuffs increased less than in the prior month, and the index for basic industrial materials turned down after rising in July. By contrast, prices for crude energy materials rose more in August than they had a month earlier. (See table B.)

The index for crude foodstuffs and feedstuffs increased 0.1 percent following a 1.8-percent gain in the preceding month. Price increases for slaughter broilers and fryers slowed from 6.4 percent in July to 3.2 percent in August. The indexes for corn, wheat, and soybeans turned down after rising a month earlier. By contrast, the index for slaughter cattle advanced 3.7 percent following a 1.0-percent rise in the prior month. The index for fresh vegetables (except potatoes) also increased at a faster rate in August than it had a month earlier. Prices for fresh fruits and melons and for slaughter hogs turned up after declining in July. (See table 2.)

Prices for crude nonfood materials less energy fell 2.8 percent after a 1.3-percent increase in July. Leading this downturn, the iron and steel scrap index dropped 14.7 percent in August following a 2.0-percent decrease in the previous month. Aluminum base scrap prices also fell more than in July. The index for wastepaper rose less than in the preceding month. Prices for softwood logs, bolts, and timber turned down after rising in the previous month. Conversely, the miscellaneous roundwood products index rose 4.0 percent in August after declining 0.1 percent a month ago. The index for raw cotton also climbed following a decrease in July. Prices for copper base scrap were unchanged following a decline in the prior month, and the index for construction sand, gravel, and crushed stone rose more than a month earlier.

The crude energy materials index advanced 5.9 percent in August after rising 4.8 percent a month earlier. This acceleration can be attributed to natural gas prices, which jumped 15.7 percent after a 1.2-percent increase in the preceding month. Conversely, the crude petroleum index turned down 1.9 percent following a 9.4-percent rise in July. The index for coal fell 1.4 percent after increasing 0.6 percent in the previous month.

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

Mining. The Producer Price Index for the Net Output of Total Mining Industries rose 4.7 percent in August after advancing 5.0 percent in the preceding month. (Net output price indexes are not seasonally adjusted.) Contributing to this slower rate of increase, prices received by the oil and gas well drilling industry moved up 1.5 percent following a 2.3-percent gain in July. The industry index for bituminous coal and lignite surface mining turned down subsequent to rising in the prior month. Prices paid to the industry for oil and gas operations support activities were unchanged in August after increasing a month earlier. The industry indexes for gold ore mining, crushed and broken granite mining and quarrying, and construction sand and gravel mining advanced less than they had in July. Conversely, prices received by the natural gas liquid extraction industry climbed 8.1 percent in August compared with a 7.1-percent gain in the preceding month. The industry index for bituminous coal underground mining also advanced more than it had in July. In August, the Producer Price Index for Total Mining Industries was 222.9 (December 1984 = 100), 9.5 percent above its year-ago level.

*Manufacturing.* The Producer Price Index for the Net Output of Total Manufacturing Industries rose 0.1 percent in August after increasing at the same rate in July. In August, higher prices received by the manufacturers of petroleum and coal products, electrical equipment and appliances, plastic and rubber products, fabricated metal products, and machinery outweighed falling prices paid to the industry groups for transportation equipment, wood product manufacturing, and computer and electronic products. In August, the Producer Price Index for Total Manufacturing Industries was 159.8 (December 1984 = 100), 5.3 percent above its year-ago level.

**Services.** Among services industries, prices received by commercial bankers increased 2.0 percent in August following a 3.6-percent decline in July. The industry index for cellular and other wireless services also turned up after falling in the previous month, and prices received by the portfolio management industry were unchanged in August subsequent to decreasing a month earlier. Alternatively, the industry index for investment banking and securities dealing declined 1.1 percent after moving up 1.8 percent in July. Prices also turned down in August for hotels and motels (excluding casino hotels), passenger car rental, and scheduled freight air transportation. The index for general medical and surgical hospitals rose less in August compared with the prior month, and prices received by internet service providers fell more than they had in July.

\*\*\*\*

Producer Price Index data for September 2006 are scheduled to be released on Tuesday, October 17, 2006, at 8:30 a.m. (EDT).

## **Brief Explanation of Producer Prices Indexes**

The Producer Price Index (PPI) of the Bureau of Labor Statistics (BLS) is a family of indexes that measure the average change over time in the 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 can differ due to government subsidies, sales and excise taxes, and distribution costs.

More than 8,000 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 construction, trade, finance, and services sectors of the economy.

More than 100,000 price quotations per month are organized into three sets of PPIs: (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 organizes products by class of buyer and degree of fabrication. The commodity structure 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.

# **Stage-of-Processing Indexes**

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, as well as nondurable goods such as apparel and home heating oil. Capital equipment includes 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.

#### **Commodity Indexes**

The commodity classification structure of the PPI organizes products by similarity of end use or material composition, disregarding industry of origin. Fifteen major commodity groupings (two-digit commodity codes) make up the All Commodities Index. Each major commodity grouping includes (in descending order of aggregation) subgroups (three-digit codes), product classes (four-digit codes), subproduct classes (six-digit codes), and individual items (eight-digit codes). Nearly all eight-digit commodities under the traditional commodity coding system are now derived from corresponding industry-classified product indexes. In such instances, movements in the traditional commodity price indexes and corresponding percent changes will be virtually identical to their industry-based counterparts, even if their index levels differ.

#### **Industry Net-Output Price Indexes**

PPIs for the net output of industries and their products are grouped according to the North American Industry Classification System (NAICS). Prior to the release of January 2004, industry-based PPIs were published according to the Standard Industrial Classification (SIC) system. Industry price indexes are compatible with other economic time series organized by industry, such as data on employment, wages, and productivity. Table 5 of the *PPI Detailed Report* includes data for NAICS industries and industry groups (3-, 4-, 5-, and 6-digit codes); Census product classes (7- and 8-digit codes), products (9-digit codes), and more detailed subproducts (11-digit codes); and, for some industries, indexes for other sources of revenue.

Indexes may represent one of three kinds of product categories. Every industry has primary product indexes to show changes in prices received by establishments classified in the industry for products made primarily, but not necessarily exclusively, by that industry. The industry classification of an establishment is determined by which products make up a plurality of its total shipment value. In addition, most industries have secondary product indexes that show changes in prices received by establishments classified in the industry for products chiefly made in some other industry. Finally, some industries have miscellaneous receipts indexes to show price changes in other sources of revenue received by establishments within the industry that are not derived from sales of their products—for example, resales of purchased materials, or revenues from parking lots owned by a manufacturing plant.

#### **Data Collection**

PPIs 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 also are 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 submitted by survey respondents are effective on the Tuesday of the week containing the 13th day of the month. This survey is conducted primarily through the mail.

Price data are provided on a voluntary and confidential basis; only sworn BLS employees are allowed access to individual company price reports. BLS publishes price indexes instead of actual prices. All PPIs are subject to revision 4 months after original publication to reflect the availability of late reports and corrections by respondents.

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 with the release of data for 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 industries includes the month and year in which an article describing the industry's content appeared in the *PPI Detailed Report*.

Title	Code	PPI Detailed Report Issue
	SIC	
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
	NAICS	
New warehouse building construction	236221	July 2005
New school construction	236222	July 2006
Merchant wholesalers, durable goods	423	July 2005
Merchant wholesalers, nondurable goods	424	July 2005
Wholesale trade agents and brokers	425120	July 2005
Furniture and home furnishings stores	442	January 2004
Electronics and appliance stores	443	January 2004

Title	Code	PPI Detailed Report Issue
	NAICS	_
Building material and garden equipment and supplies dealers	444	January 2004
Clothing and clothing accessories stores	448	January 2004
Sporting goods, hobby, book, and music stores	451	January 2004
General merchandise stores	452	January 2004
Miscellaneous store retailers	453	January 2004
Internet service providers	518111	July 2005
Web search portals	518112	July 2005
Commercial banking	522110	January 2005
Savings institutions	522120	January 2005
Direct health and medical insurance carriers	524114	July 2004
Construction, mining, and forestry machinery and equipment rental		
and leasing	532412	January 2005
Security guards and patrol services	561612	July 2005
Amusement and theme parks	713110	July 2006
Golf courses and country clubs	713910	July 2006
Fitness and recreational sports centers	713940	July 2005

# Weights

Weights for most traditional commodity groupings of the PPI, as well as weights for commodity-based aggregate indexes calculated using traditional commodity groupings, such as stage-of-processing indexes, 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 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 within the industry to buyers outside the industry. However, weights for commodity price indexes are based on gross shipment values, including values of shipments between establishments within the same industry. As a result, broad commodity grouping indexes, such as the PPI for All Commodities, 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 for 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.

#### **Price Index Reference Base**

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 previously published percent changes for affected PPI series. (See "Calculating Index Changes," below.) The 1982 reference base is not used for commodity indexes with a base later than December 1981 or for industry net output indexes 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. This document can be downloaded from the BLS Web site at **www.bls.gov/opub/hom/homch14\_itc.htm**. Reprints are available on request.

## **Calculating Index Changes**

Each PPI measures price changes from a reference period that equals 100.0. 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 also can be expressed in dollars, as follows: prices received by domestic producers of a sample of finished goods have risen from \$100 in 1982 to \$105.50. Likewise, a current index of 90.0 would indicate that prices received by producers of finished goods 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. Index point changes are affected by the level of the index in relation to its base period, whereas percent changes are not. The following example 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
I I	
Index percent change	
Index point change	3.5
Divided by the previous index	104.0
Equals	0.034

0.034 x 100

Result multiplied by 100

Equals percent change

# **Seasonally Adjusted and Unadjusted Data**

Because price data are used for different purposes by different groups, BLS publishes seasonally adjusted and unadjusted changes each month. Seasonally adjusted data are preferred for analyzing general price trends in the economy because these data 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 when escalating long-term contracts such as purchasing agreements or real estate leases. For more information, see *Escalation and Producer Price Indexes: A Guide for Contracting Parties*, BLS Report 807, September 1991, on the Web at www.bls.gov/ppi/ppiescalation.htm. Reprints are available on request.

In 1998, the PPI implemented the X-12-ARIMA Seasonal Adjustment Method; prior to that year, the PPI employed the X-11 method. Each year, the seasonal status of most commodity indexes is reevaluated to reflect more recent price behavior. Industry net output indexes are not seasonally adjusted. For time series that exhibit seasonal pricing patterns, new seasonal factors are estimated and applied to the unadjusted data for the previous 5 years. These updated seasonally adjusted indexes replace the most recent 5 years of seasonal data.

Seasonal factors may be applied to series using either a direct or an aggregative method. Generally, commodity indexes are seasonally adjusted using direct seasonal adjustment, which produces a more complete elimination of seasonal movements than does the aggregative method. However, the direct seasonal adjustment process may not yield figures that possess additive consistency. Thus, a seasonally adjusted index for a broad category that is directly adjusted may not be logically consistent with all seasonally adjusted indexes for its components. Seasonal movements for stage-of-processing indexes are derived indirectly through an aggregative method that combines movements of a wide variety of subproduct class (six-digit) series.

Seasonally adjusted indexes can become problematic when previously stable and predictable price patterns abruptly change. If the new pattern persists, the seasonal adjustment method will eventually reflect it adequately; if the pattern keeps shifting, however, seasonally adjusted data will become chronically troublesome. This problem occurs relatively infrequently for farm and food-related products, but has more often affected manufactured products such as automobiles and steel.

Since January 1988, the PPI has used Intervention Analysis Seasonal Adjustment methods to enhance the calculation of seasonal factors. With this technique, outlier values that may distort the seasonal pattern are removed from the data prior to applying the standard seasonal factor estimation procedure. For example, a possible economic cause for large price movements for petroleum-based products might have been the Persian Gulf War. In this case, intervention techniques allowed for better estimates of seasonally adjusted data. On the whole, very few series have required intervention. Out of nearly 900 seasonally adjusted series, only 16 were subject to intervention in 1997.

For more information relating to seasonal adjustment methods, 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*.

#### **Producer Price Index Data on the Internet**

In 1995, the BLS began posting PPI series, news releases, and technical information to both a World Wide Web (WWW) site and a file transfer protocol (FTP) site. During the years following the introduction of PPI Internet services, use of these sites eclipsed more traditional methods of data dissemination, such as subscriptions to the *PPI Detailed Report*. There were more than 1.6 million instances of PPI series being downloaded from the Internet during the 12 months ended December 31, 2003.

#### Retrieving PPI data from the PPI Web site

PPI data can be obtained from the WWW address (**www.bls.gov/ppi**). Scrolling down the page to the "Get Detailed PPI Statistics" header reveals the following methods of data retrieval:

- *Most Requested Series* is a form-based application that allows the user to quickly obtain PPI time series data by selecting from two separate lists (commodity and industry) of the most commonly requested time series, including the All Commodities Index and the stage-of-processing indexes (for example, Finished Goods). Within each list, any one—or all—of the time series shown can be selected. A user can modify the date range and output options after executing the query, using the reformat button above the data output table.
- *Create Customized Tables* is a form-based query application designed for users unfamiliar with the PPI coding structure. The application guides a user through the PPI classification system by listing index titles and does not require knowledge of commodity or industry codes. Data retrieved are based on a query formulated by selecting data characteristics from lists provided. Two options are available to create customized tables, depending on a user's browser capability. The one-screen option is a JavaScript application that uses a single screen to guide a user through the available time series data. The second option is a multiple-screen, non-Java-based application. Both methods allow a user to browse the PPI coding structure and select multiple series codes. Using the one-screen option, users can modify the date range and output options after executing the query using the reformat button above the data output table.
- Series Report is a form-based application that uses formatted PPI time series identifiers (commodity or industry codes) as input in extracting data according to a specified set of date ranges and output options. This application provides the most efficient path for users who are familiar with the format of PPI time series identifiers. Up to 300 indexes can be extracted at a time.

There are five alphabetic prefixes used to create unique PPI time series identifiers: WP, WD, PC, PD, and ND. Each provides the user access to a different PPI database. Adding either a "u" (not seasonally adjusted) or an "s" (seasonally adjusted) to the end of these prefixes further specifies the type of data needed.

For commodity and stage-of-processing indexes, series identifiers combine a "wpu" prefix (not seasonally adjusted) or a "wps" prefix (seasonally adjusted) with a commodity code.

Commodity code Provides data for:

wps141101 Passenger cars, seasonally adjusted wpu141101 Passenger cars, not seasonally adjusted wpusop3000 Finished goods, not seasonally adjusted

For discontinued commodity indexes, series identifiers combine a "wdu" prefix (not seasonally adjusted) or a "wds" prefix (seasonally adjusted) with a commodity code.

Commodity code Provides data for:

wds019 Other farm products, seasonally adjusted

wdu0635 Preparations, ethical (prescription), not seasonally adjusted wdusi138011 Stainless steel mill products, not seasonally adjusted

Current price indexes grouped by industry according to NAICS have series identifiers that begin with the prefix "pcu." After the prefix, there are 12 digits (the 6-digit industry code is listed twice) followed by up to 7 alphanumeric characters identifying product detail. Dashes are used as placeholders for higher-level industry group codes.

Industry-product code, current NAICS series Provides data for:

pcu325---325--- Chemical manufacturing, not seasonally adjusted pcu336110336110 Automobile and light duty motor vehicle manufacturing

pcu621111621111411 Offices of physicians, one- and two-physician practices and single-specialty group

practices, general/family practice

pcu325412325412A Pharmaceutical preparation manufacturing, pharmaceuticals acting on the respiratory

svstem

Discontinued industry-product codes based on SIC combine a "pdu" prefix and "#" between the fourth and fifth characters of the product code. Series identifiers for the discontinued dataset use underscores as placeholders to complete a reference to an SIC industry group code of fewer than four digits. (All PPI industry-based indexes organized by SIC were discontinued with the introduction of NAICS.)

Industry-product code, discontinued SIC series

Provides data for:

pdu28\_\_# Chemicals and allied products, not seasonally adjusted

pdu331\_# Blast furnaces, steel works, and rolling and finishing mills, not seasonally adjusted

pdu3711#111 Passenger cars

Price indexes for discontinued series grouped by industry according to NAICS have identifiers that begin with the prefix "ndu." After the prefix, there are 12 numeric digits (the 6-digit industry code is listed twice), and up to 7 additional alphanumeric characters that identify product detail. Dashes are used as placeholders for higher-level industry group codes.

Industry-product code, discontinued NAICS series

ndu212231212231214

Provides data for:

ndu212231212231 ndu2122312122312

Lead ore and zinc ore mining Lead and zinc concentrates Lead concentrates

• *Flat Files* and the FTP server are best suited for users requiring access to either a large volume of time series data or other PPI-related documentation (such as seasonal factor and relative importance tables). The FTP site can be accessed at <a href="ftp://ftp.bls.gov">ftp://ftp.bls.gov</a> or directly from the links on the "Get Detailed Statistics" page or the PPI homepage. Data and documentation available for download include the following:

Directory:

NAICS series, current

NAICS series, discontinued

SIC series, discontinued

Commodity series, current

Commodity series, discontinued

Special requests

Commodity series

Co

The FTP site maintains files to help with searches and downloads. These files are centrally located in the /pub/doc directory. Within this directory, the overview.txt file contains an overview relating to all BLS data available through the FTP site. For current commodity-based PPI data, the program help file is wp.txt; for discontinued commodity series, wd.txt; for current industry-based PPI data based on NAICS, pc.txt; for industry-based SIC time series that have been discontinued, pd.txt; and for industry-based NAICS series that have been discontinued, nd.txt.

Users who prefer downloading PPI datasets as individual ZIP files should go to the directory labeled /pub/time.series/compressed/tape.format/ on the FTP site. This directory includes six PPI-specific ZIP files, one for each of the PPI databases—WP, WD, PC, ND, and PD—and a ZIP file for the annual 5-year revision to historical seasonal PPIs.

#### Other Sources of PPI Data

PPI data can also be accessed via the BLS homepage (www.bls.gov). Clicking on the "Get Detailed Statistics" link at the top of the homepage calls up a chart listing all available BLS programs. The following methods are available for retrieving PPI data: Most requested statistics, create customized tables (one screen or multiple screens), and flat files. Additional sources of BLS data also are accessible from this page, including economic news releases, series report, and economy at a glance.

#### Additional information

The PPI homepage (www.bls.gov/ppi) contains additional information regarding PPI data and methodology. The top section of the homepage provides PPI news releases, both current and archived, as well as general PPI information. The "Tables Created by BLS" section found beneath the statistics section provides relative importance and seasonal factor tables. The remaining sections offer special notices and publications pertaining to PPI methodology and applications.

For questions or comments regarding PPI data classification, methodology, or data availability on the Internet, call or e-mail the Section of Index Analysis and Public Information at (202) 691-7705 or ppi-info@bls.gov.

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

Grouping	   Relative  importance		djusted	index	percent  change	50	percent		
	Dec.   Apr.   Muly   Aug.   Aug.   Only   May to   June   To								
The state of the s	100.000	160.7	160.0	160.1	2.7	0.1	.		0.1
									0.1
Finished consumer foods									1.4
Crude		156.7	138.6	160.9		16.1	5.5	-3.1	14.4
Processed									. 4
Finished consumer goods, excluding foods									2
									.1 -1.0
Capital equipment									3
Manufacturing industries									. 2
Nonmanufacturing industries	18.068	145.9	145.4	144.6	.6	6	.3	3	5
Intermediate materials, supplies, and components.									. 4
									.2
Materials for nondurable manufacturing									.2
Materials for durable manufacturing									. 4
Components for manufacturing	17.693	133.8	135.1	135.3	4.1	.1	1.1	.5	.2
Materials and components for construction									. 4
									1.2
•									1.6
Containers									1
Supplies						.2			.2
Manufacturing industries									. 4
Nonmanufacturing industries									.1
TeedsOther supplies									9 .2
Crude materials for further processing	1 100.000	183.0	186.9	191.5	5.3	2.5	-1.7	3.1	2.2
Foodstuffs and feedstuffs	28.028	113.1		119.0		.1			.1
Nonfood materials									3.1
									-2.3 -2.3
Construction									8
Crude fuel 4/									13.1
Manufacturing industries									12.7
Nonmanufacturing industries	33.493	245.1	222.9	252.2	-7.0	13.1	-9.3	1.2	13.1
Special groupings	Ì								
Finished goods, excluding foods									2
									.5 2
Crude materials less agricultural products 3/ 7/.									3.2
Finished energy goods		149.6	154.9	155.4	13.2	.3	.7	1.3	.3
Finished goods less energy									.1
	1								
									4
Finished consumer goods less foods and energy Consumer nondurable goods less foods and energy									5 2
Intermediate energy goods	  6/ 21.301	165.9	169.8	170.9	11.7	. 6	. 4	1	.7
Intermediate materials less energy									.3
Intermediate materials less foods and energy									. 4
Crude energy materials 3/	  8/ 54.210	231.6	228.1	241.6	1.7	5.9	-6.8	4.8	5.9
Crude materials less energy		146.4	154.9	153.6	9.2	8	3.4	1.6	-1.2
Crude nonfood materials less energy 4/		239.4	255.7	250.4	25.1	-2.1	1.7	1.3	-2.8
	I								

<sup>1/</sup> Comprehensive relative importance figures are initially computed after the publication of December indexes and are recalculated

after the publication of December indexes and are recalculated after final December indexes are available.

2/ The indexes for April 2006 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.

<sup>5/</sup> 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  Aug. 2006 from:		  Seasonally adjusted  percent change from: 		
		  Apr.  2006 1/	  July   2006 1/	  Aug.  2006 1/	Aug.   2005	1 1 1 4	   May to   June	  June to   July 	
	FINISHED GOODS. FINISHED CONSUMER GOODS. FINISHED CONSUMER FOODS.	166.5	162.0 168.4 156.1	162.1 168.8 158.3	3.7 4.6 2.8	0.1 .2 1.4	0.5 .6 1.4	0.1 .2 3	0.1 .2 1.4
01-11 01-13 01-71-07 02-11 02-13 02-14-02 02-21-01 02-21-04 02-22-03 02-23 02-3 02-4 02-55 02-62 02-78	Fresh fruits and melons 2/. Fresh and dry vegetables 2/. Eggs for fresh use (Dec. 1991=100). Bakery products 2/. Milled rice 2/. Pasta products (June 1985=100) 2/. Beef and veal 2/. Pork. Processed young chickens. Processed turkeys. Finfish and shellfish. Dairy products. Processed fruits and vegetables. Confectionery end products 2/. Soft drinks. Roasted coffee 2/. Shortening and cooking oils 2/.	166.7   90.5   205.2   129.8   129.8   128.0   139.8   119.1   105.1   98.7   278.9   144.2   146.8   201.6   162.1   152.7	109.7 141.2 66.6 207.7 132.4 128.0 142.1 134.3 124.1 98.4 229.0 143.8 149.4 206.8 161.8 153.0 183.9	130.6 170.4 87.1 208.3 137.4 128.0 139.9 136.0 127.7 110.8 208.3 145.3 149.0 206.7 163.5 152.8 183.7	38.2 34.8 27.7 3.2 15.7 11.6 2.6 -9.9 7.4 -1.8 -5.3 5.9 .1 2.6 0 4.5	19.1 20.7 30.8 .3 3.8 0 -1.5 1.3 2.9 12.6 -9.0 1.0 3 0 1.1 1	15.0 -7.5 27.7 .2 .5 0 .4 3.9 12.1 1.6 1.0 .8 1.2 1.6 .5 .1 .8	2 6.5 -26.1 0 2 2.0 1.9 -3.9 -9.1 8 4 .1 .1	19.1 20.7 20.7 3.3 3.8 0 -1.5 1.4 4.6 -9.1 1.5 1 0 .8 1
02-61 03-81-06 03-81-07 03-82 04-3 05-41 05-51 05-71 05-73-02-01 06-75 07-12 09-15-01 09-31-01 09-33 12-1 12-3 12-4 12-5 12-62 12-64 12-66 14-11-01 15-12 15-14	Alcoholic beverages.  Women's, girls', & infants' apparel (12/03=100) 2/.  Men's and boys' apparel (Dec. 2003=100) 2/.  Textile housefurnishings 2/.  Footwear 2/.  Residential electric power (Dec. 1990=100).  Residential gas (Dec. 1990=100).  Gasoline.  Home heating oil and distillates.  Pharmaceutical preparations (June 2001=100) 2/.  Soaps and synthetic detergents 2/.  Cosmetics and other toilet preparations 2/.  Tires, tubes, tread, etc 2/.  Sanitary paper products 2/.  Newspaper circulation.  Periodical circulation 2/.  Book publishing 2/.  Household furniture 2/.  Floor coverings 2/.  Household appliances 2/.  Home electronic equipment 2/.  Household flatware 2/.  Lawn and garden equip, ex. tractors 2/.  Passenger cars.  Toys, games, and children's vehicles 2/.  Sporting and athletic goods 2/.  Tobacco products 2/.  Mobile homes 2/.  Jewelry, platinum, & karat gold 2/.  CCAPITAL EQUIPMENT.	100.2   98.0   122.9   148.8   133.3   226.6   217.7   212.3   123.2   141.8   144.5   112.3   273.2   171.7   153.4   100.5   244.8   227.3   273.2   171.7   153.4   104.3   109.2   129.2   129.2   129.5   129.2   129.5   129.2   129.5   129.5	160.8 99.9 96.8 122.9 149.4 136.6 215.4 235.9 227.8 145.0 117.3 160.3 241.6 152.8 104.2 59.7 172.6 152.8 104.2 59.7 172.0 142.	157.5 100.4 98.0 123.0 149.7 138.6 218.2 229.6 6 235.1 124.7 141.8 145.1 117.1 160.1 241.6 228.8 275.5 172.7 153.1 170.7 (3) 135.5 122.0 128.5 129.6 6 6 6 6 6 6 7 7 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	7 .4 -1.4 .5 1.1 7.4 5.2 20.9 25.1 3.5 5.9 1.3 7.2 2.9 0 1.3 4.4 1.5 6.3 -2.1 (3) (3) 1.2 -5.1 1.2 -7.1 (3)	-2.1 .5 1.2 .1 .5 1.3 -2.7 3.29 0 .121 01 .7 -1.08 (3) (3) 1 -3.1 0 .25 .5 0	.4 4 0 1 0 -2.8 -3.7 6.3 6.5 .3 .1 .1 0 1 .2 .2 .2 0 6 0 0 6 .3 .1 .1 .2 .2 .2 .2 .2 .2 .3 .3 .1 .2 .2 .3 .3 .3 .3 .3 .3 .3 .3 .3 .3 .3 .3 .3	.1 .3 6 .1 .3 1.8 .9 .7 -2.7 2 .3 3.2 5 -1.2 5 -1.2 1 1 1 1 1 0 8 8 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	-1.9 .5 1.2 .1 .2 .1 .3 1.6 -2.2 .79 0 .1 .21 .7 -1 .2 .7 -1.06 (3) .1 -2.6 0 .2 .45 .5 0
11-1 11-2 11-37 11-38 11-39 11-41 11-61 11-62 11-64 11-65 11-74 11-76 11-79 11-92 11-93 12-2 14-11-05 14-11-06 14-14 14-21-02 14-31 14-4	Agricultural machinery and equipment 2/  Construction machinery and equipment 2/  Metal cutting machine tools 2/.  Metal forming machine tools 2/.  Tools, dies, jigs, fixtures, and ind. molds 2/.  Pumps, compressors, and equipment 2/.  Industrial material handling equipment 2/.  Electronic computers (Dec. 2004=100) 2/.  Textile machinery 2/.  Paper industries machinery (June 1982=100) 2/.  Printing trades machinery 2/.  Transformers and power regulators 2/.  Communication & related equip. (Dec. 1985=100) 2/.  X-ray and electromedical equipment 2/.  Oil field and gas field machinery  Mining machinery and equipment 2/.  Commercial furniture 2/.  Light motor trucks  Heavy motor trucks 2/.  Truck trailers 2/.  Civilian aircraft (Dec. 1985=100).  Ships (Dec. 1985=100) 2/.  Railroad equipment 2/.	177.8	179.6 175.7 163.9 183.3 144.1 185.3 156.2 64.8 163.0 177.8 102.6 95.4 173.0 184.7 115.2 177.2 138.2 168.8 165.5 212.4 186.1	179.7 175.5 163.7 183.8 144.1 186.1 157.8 63.1 162.2 180.8 145.5 183.1 102.5 95.0 173.8 184.6 115.2 177.1 133.3 167.5 213.4 184.2	2.5 3.2 5.7 2.3 1.1 3.7 4.2 -24.2 1.0 0.8 11.1 5.2 -1 2.3 -7.4 2.9 5.7 4.8	.1113 0 .4 1.0 -2.65 .1114 .51 013 1.21111111111	0 .1 .1 .1 .2 .21 .211	.3 0 .6 -1. .5 -1.8 0 .2 0 .9 -1. .2 2 1.1 -4 .3 -3.1 0 .8 -1.2	.1113 0 -6 1.0 -2.65114 1.01 01 01
02-12-03 02-53 02-54 02-64-01-11 02-9	INTERMEDIATE MATERIALS, SUPPLIES, AND COMPONENTS  INTERMEDIATE FOODS AND FEEDS	133.0   142.7   154.6   137.0   189.0	166.8 134.9 152.5 156.7 135.9 189.0 116.5	167.4 134.3 144.7 152.3 135.7 189.0 115.3	9.0 24.1 9.2 4.7 -3.7	.4 4 -5.1 -2.8 1 0 -1.0	.7 1.0 1.6 .5 .6	.5 .4 2.8 1.6 1 0	.4 2 -5.1 -2.8 .1 0 -1.0
03-1 03-2 03-3 03-4 03-83-03 04-2 05-32	INTERMEDIATE MATERIALS LESS FOODS AND FEEDS.  Synthetic fibers 2/.  Processed yarns and threads 2/.  Gray fabrics 2/.  Finished fabrics 2/.  Industrial textile products 2/.  Leather 2/.  Liquefied petroleum gas 2/.	114.3   113.3   119.6   126.4   137.2   224.0	168.3 116.2 114.3 120.6 127.7 137.2 225.3 307.4	169.0 114.9 114.5 120.7 127.5 137.6 225.9 310.3	9.1 1.7 3.0 5.0 2.3 2.2 3.0 22.5	.4 -1.1 .2 .12 .3 .3 .9	.7  1.61 .22 0 .2 1.8	.5 .2 .6 2 .6 1 3 11.5	.5 -1.1 .2 .1 2 .3 .3

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

Commodity code  05-42 05-43 05-52 05-53 05-53 05-54 05-72-03 05-74 06-11 06-22 06-31 06-64 06-51 06-52-02 06-53 06-66 07-11-02 07-22 07-22 07-22 07-22 07-22 08-3 09-11 08-12 08-2 08-3 09-11 08-12 08-2 08-3 09-11 08-12 08-2 10-15 10-15 10-17 10-25 10-16 10-3 10-4 10-5 10-6 10-7 10-88 10-88 10-89 11-45 11-48 11-49-02	Country	     Unad	justed i	ndex	Unadjusted   percent  change to  Aug. 2006 from:		  Seasonally adjusted  percent change from: 		
code				Aug.  2006 1/					
	INTERMEDIATE MATERIALS LESS FOODS AND FEEDS	¦ !	'	'	'	'	'	'	'
05-42	-Continued Commercial electric power	   158.1	168.5	167.7	7.1	-0.5	0.3	0.2	-1.2
	Industrial electric power		180.9	180.9	11.3	0	.9	.6	.1
	Commercial natural gas (Dec. 1990=100)		225.9 228.2	227.7 231.3	3.2 -2.9	.8 1.4	-4.4 -7.3	1.6 2.9	1.8
	Natural gas to electric utilities (Dec. 1990=100)	196.3	183.8	185.1	-4.5	.7	-4.9	5.5	2.6
	Jet fuels No. 2 Diesel fuel		210.8 239.4	226.7 254.0	32.2 26.6	7.5 6.1	2.8 5.4	-5.3 -5.0	6.7 2.7
05-74	Residual fuels 2/	147.1	168.9	170.3	13.0	.8	7.3	-3.0	.8
	Industrial chemicals 2/ Prepared paint		219.9 202.8	222.7 203.7	21.2 7.8	1.3	2.4	1.1	1.3
	Paint materials 2/		194.9	195.7	3.1	. 4	1	8	.4
	Medicinal and botanical chemicals 2/	137.3	138.1	138.0	1.5	1	0	.6	1
	Fats and oils, inedible 2/		146.2 143.6	156.6 145.0	5.7 5.7	7.1	8	.8	7.1 1.1
06-52-01	Nitrogenates	213.3	196.9	183.1	-2.9	-7.0	.6	8	-6.0
	Phosphates 2/ Other agricultural chemicals 2/		135.6 155.6	134.0 154.9	2.3	-1.2 4	5 -1.7	1.0	-1.2 4
	Plastic resins and materials 2/	194.3	200.3	202.1	10.2	.9	1.3	.7	.9
	Synthetic rubber 2/  Plastic construction products 2/		160.1 183.6	160.4 183.9	6.2 20.1	.2	4 1	.2	.2
	Unsupported plastic film, sheet, & other shapes 2/		172.2	176.3	8.8	2.4	-2.0	1	2.4
	Plastic parts and components for manufacturing 2/		128.9	129.4	9.3	. 4	. 4	.3	. 4
	Softwood lumber 2/		189.0 197.1	178.4 198.3	-9.4 1.1	-5.6 .6	-6.8 .1	-2.7 .3	-5.6 .6
08-2	Millwork	202.2	203.1	202.6	2.9	2	.1	.3	2
	Plywood 2/		173.4 144.0	166.0 144.7	-6.1 3.8	-4.3 .5	-2.2 1.7	.3	-4.3 .5
	Paper 2/	165.7	167.0	168.0	4.3	.6	.8	2	.6
	Paperboard 2/ Paper boxes and containers 2/		197.1 195.9	197.8 195.1	17.4 6.4	. 4 4	1.0	.3 4	. 4 4
	Building paper and board 2/		176.1	172.6	4.9	-2.0	-4.9	-1.6	-2.0
	Commercial printing (June 1982=100) 2/		164.7	165.3	2.1	. 4	.2	1	. 4
	Foundry and forge shop products 2/  Steel mill products 2/		164.0 180.5	163.9 182.6	4.7 23.3	1 1.2	.7 4.1	.4 3.7	1 1.2
10-22	Primary nonferrous metals 2/	231.1	251.8	251.5	62.2	1	-3.5	11.4	1
	Aluminum mill shapes 2/	179.5	184.0 433.6	184.1 423.1	15.6 81.0	.1 -2.4	2.4	-2.3 4.8	.1 -2.4
	Nonferrous wire and cable 2/	206.2	236.0	243.9	44.6	3.3	1	-1.0	3.3
	Metal containers 2/		127.0 175.2	127.3	1.7	.2	.2	2 1.1	.2
	Hardware 2/ Plumbing fixtures and brass fittings		209.4	175.3 209.7	6.3	.1	.6 2	3.2	.1
	Heating equipment 2/	183.3	184.3	184.7	2.2	.2	.3	.1	.2
	Fabricated structural metal products 2/ Fabricated ferrous wire products (June 1982=100) 2/.		183.7 163.7	185.5 164.6	5.9 5.4	1.0	1.1	1.0 1.7	1.0
	Other misc. metal products 2/		141.2	141.9	3.7	.5	.6	.1	.5
	Mechanical power transmission equipment		196.6 151.2	197.2 151.5	3.8 3.1	.3	.1 1.6	.9	.3
	Metal valves, ex.fluid power (Dec. 1982=100)		212.2	212.6	11.6	.2	4.1	1.6	.5
11-49-05	Ball and roller bearings 2/		193.8	194.4	3.1	.3	.1	1.0	.3
11-71   11-73	Wiring devices 2/ Motors, generators, motor generator sets		189.2 164.7	190.0 169.4	8.7 7.4	.4 2.9	1.4	.2	.4 2.9
11-75	Switchgear, switchboard, etc., equipment	176.5	177.2	178.6	5.6	.8	0	.7	.7
11-78   11-94	Electronic components and accessories 2/  Internal combustion engines 2/		89.1 152.6	89.3 153.2	2.2	. 2	3.1	.5	.2
11-95	Machine shop products 2/	153.5	156.2	155.7	3.0	3	.3	2.0	3
13-11   13-22	Flat glass 2/ Cement		114.6	113.8	2.4	7	.3	1.1	7
13-22	Concrete products		199.8 197.4	200.4 197.4	11.0 10.4	.3	.2	.4 1.4	.1
13-6	Asphalt felts and coatings	143.0	144.4	146.2	9.2	1.2	1.1	0	2.0
13-7   13-8	Gypsum products 2/		279.6 152.3	287.7 152.6	21.2 5.0	2.9	6 0	.9 2	2.9
14-12	Motor vehicle parts 2/	116.0	117.7	117.7	4.0	0	.2	.9	0
14-23   14-25	Aircraft engines & engine parts (Dec. 1985=100) Aircraft parts & aux.equip.,nec (June 1985=100) 2/		172.5 155.7	172.5 155.7	4.0	0	.3 3	.8	.3
15-42	Photographic supplies 2/	121.6	121.6	121.6	.6	0	0	0	0
15-6 I	Medical/surgical/personal aid devices	161.6	161.7	161.8	1.6	.1	6	.6	1
	CRUDE MATERIALS FOR FURTHER PROCESSING	183.0	186.9	191.5	5.3	2.5	-1.7	3.1	2.2
İ	CRUDE FOODSTUFFS AND FEEDSTUFFS	113.1	118.9	119.0	5	.1	4.8	1.8	.1
01-21	Wheat 2/		124.7	109.7	13.2	-12.0	9	7.8	-12.0
01-22-02   01-31	Corn 2/		95.3	82.1	5.7	-13.9	-1.2	8.0	-13.9
01-31	Slaughter cattle 2/		121.9 86.5	126.4 86.9	5.0 3.5	3.7	2.5	1.0	3.7 1.6
01-41-02	Slaughter broilers/fryers 2/	136.6	167.3	172.7	-11.3	3.2	14.7	6.4	3.2
01-42   01-6	Slaughter turkeys		134.4 89.0	144.8 89.0	6.2 -19.6	7.7	3.4 1.7	1 9	4.6 -1.9
01-83-01-31	Soybeans 2/		98.6	90.7	-16.9	-8.0	-1.4	2.0	-8.0
02-52-01-03	Cane sugar, raw (Dec. 2003=100) 2/	126.3	128.2	126.1	4.3	-1.6	.5	4	-1.6
l I	CRUDE NONFOOD MATERIALS	232.4	234.7	242.6	7.8	3.4	-4.2	3.7	3.1
01-51	Raw cotton 2/		77.0	78.6	6.5	2.1	6	-1.4	2.1
04-1	Hides and skins 2/		198.7	198.5	3.3	1	2.1	7	1
05-1   05-31	Coal 2/ Natural gas 2/		128.1 248.0	126.3 287.0	9.0 -9.2	-1.4 15.7	0 -10.8	.6 1.2	-1.4 15.7
05-61 I	Crude petroleum 2/	187.1	202.9	199.1	15.7	-1.9	-3.7	9.4	-1.9
08-5   09-12	Logs, timber, etc 2/	196.9	197.8 241.1	199.7 250.5	2.0	1.0	1 6	0 6.7	1.0
10-11	Iron ore 2/	135.6	135.7	135.2	13.9	4	0	.1	4
	Iron and steel scrap		368.0	326.7	20.1	-11.2	6.2	-2.0	-14.7
									4.8
10-21	Nonferrous metal ores (Dec. 1983=100) 2/		231.6 467.9	242.7 467.9	59.7 75.2	4.8	2.3	9.7 -1.1	
10-21   10-23-01   10-23-02	Nonferrous metal ores (Dec. 1983=100) 2/	380.4   289.9	467.9 281.9	467.9 266.0	75.2 30.1	0 -5.6	2 -4.4	-1.1 -1.0	0 -4.6
10-12   10-21   10-23-01   10-23-02   13-21   13-99-01	Nonferrous metal ores (Dec. 1983=100) 2/	380.4   289.9   211.1	467.9	467.9	75.2	0	2	-1.1	0

<sup>1/</sup> The indexes for April 2006 have been recalculated to incorporate late reports and corrections by respondents. All indexes are subject to revision 4 months after original publication.

<sup>2/</sup> Not seasonally adjusted.
3/ Not available.

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

  Commodity		Un.	adjusted inde	ex 1/
code		  April 2006 	July 2006 	Aug. 200
	Finished Goods (1967=100)	   450.9	   454.7	   455.0
	All commodities	164.3 	167.1 	167.9 
!	MAJOR COMMODITY GROUPS	 	  -	 
	Farm products and processed foods and feeds	   138.1	140.8	   141.5
)1   )2	Farm products Processed foods and feeds	111.3	115.5 1 154.0	118.3   153.7
	Industrial commodities	   168.8	   171.6	   172.4
·3	Textile products and apparel	124.2	124.5	124.9
4	Hides, skins, leather, and related products		168.9	169.3
5 I	Fuels and related products and power  Chemicals and allied products 2/		174.1   208.9	177.0   209.9
7 1	Rubber and plastic products		153.9	154.4
8	Lumber and wood products		194.3	191.4
9	Pulp, paper, and allied products		210.5	210.8
0	Metals and metal products		186.7	186.9
1   2	Machinery and equipment		126.6   142.5	126.8   142.7
3 1	Nonmetallic mineral products		181.6	182.6
4	Transportation equipment		151.6	150.0
.5	Miscellaneous products	205.3 	207.0 	207.5
	Industrial commodities less fuels and related products and power	164.8	   167.3	167.3
	OTHER COMMODITY GROUPINGS	 	 	   
1-1	Fruits and melons, fresh and dry vegetables,	 	 	 
!	and tree nuts		134.1	158.0
1-2	Grains		102.7	90.5
1-3   1-4	Slaughter livestock		113.1   158.4	116.4   164.6
1-5	Plant and animal fibers		77.6	79.3
1-7	Chicken eggs	98.0	74.2	96.6
	Hay, hayseeds, and oilseeds		126.5	119.1
1-83	Oilseeds  Cereal and bakery products		108.4   184.8	101.0   184.0
2-2			139.9	139.3
2-22	Processed poultry		120.4	124.0
2-5	Sugar and confectionery		171.3	170.1
12-6			161.7	161.1
12-63   12-7	Packaged beverage materials  Fats and oils		152.5   175.3	152.3   177.4
	Apparel		1 125.2	126.1
4-4	Other leather and related products		153.1	153.4
'	Gas fuels		250.9	282.7
5-4   5-7			167.1   220.3	167.8   220.4
16-3	Drugs and pharmaceuticals		315.3	313.1
6-5	Agricultural chemicals and products	160.7	157.8	154.5
6-7			157.5	157.9
7-1	Rubber and rubber products		137.5	137.4
7-11   7-13	Rubber, except natural rubber  Miscellaneous rubber products		159.3   151.8	159.5   151.8
7-13	Plastic products		165.2	166.0
8-1	Lumber		188.9	182.1
9-1	Pulp, paper, and products, excluding building paper and board		   179.8	   180.5
9-15	Converted paper and paperboard products		185.4	185.3
0-1	Iron and steel	180.7	194.1	191.7
	Nonferrous metals		230.1	231.5
	Nonferrous mill shapes		213.7   161.7	214.6
	Metalworking machinery and equipment  General purpose machinery and equipment		176.4	162.0   177.2
	Special industry machinery		177.2	177.4
1-7	Electrical machinery and equipment	114.7	115.3	115.6
	Miscellaneous machinery and equipment		151.1	151.2
	Other household durable goods		165.9	166.4
	Concrete ingredients  Motor vehicles and equipment		205.3 129.7	207.5
	Toys, sporting goods, small arms, etc		136.9	137.1
.5-4	Photographic equipment and supplies	106.3	106.3	106.3
L5-9	Other miscellaneous products	150.5	151.4	151.6

<sup>1/</sup> Data for April 2006 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.

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

Table 4. Producer price indexes for the net output of selected industries and industry groups, not seasonally adjusted  $\frac{1}{2}$ 

ndustry	   Industry 1/	  Index	·	Index		Percent change  to_Aug2006_from:		
code			Apr.		  Aug.  2006 2/	Aug.     2005	July 2006	
						2005   		
011	Total mining industries			212.9	222.9	9.5	4.7	
211 212	Oil and gas extraction    Mining (except oil & gas)			256.3	272.3 154.1	2.6 20.8	6.2 1.6	
212	Mining (except oil & gas)			151.7 177.1	178.4	30.8	.7	
	  Total manufacturing industries	112/84	   157.2	159.7	159.8	5.3	.1	
311	Food mfg	12/84	144.1	147.1	147.3	.9	.1	
312	Beverage & tobacco mfg	12/03	106.5	106.2	106.1	1.0	1	
313	Textile mills			106.8	107.1	3.3	.3	
314	Textile product mills	12/03	107.9	108.0	108.1	2.6	.1	
315	Apparel manufacturing	12/03	100.4	100.1	100.7	.7	.6	
316	Leather & allied product mfg			146.7	146.9	1.6	.1	
321	Wood products manufacturing	112/03	110.2	109.1	107.4	0	-1.6	
322	Paper manufacturing	12/03	110.6	113.3	113.5	6.5	.2	
323	Printing and related support activities			105.5	105.8	2.3	.3	
324	Petroleum and coal products mfg			268.1	269.9	25.2	.7	
325	Chemical mfg	12/84	195.7	198.1	198.2	6.3	.1	
326	Plastics and rubber products mfg	12/84	148.8	149.6	150.9	7.6	.9	
327	Nonmetallic mineral product mfg			164.4	164.7	7.6	.2	
331	Primary metal mfg			185.8	186.7	24.1	.5	
332	Fabricated metal product mfg	12/84	153.6	156.9	157.5	5.1	. 4	
333	Machinery mfg			108.9	109.1	3.0	.2	
334	Computer & electronic product mfg	112/03	96.7	96.7	96.5	-1.1	2	
335	Electrical equip, appliance & component mfg.	112/03	114.1	117.1	119.0	10.5	1.6	
336	Transportation equipment mfg			102.3	101.1	7	-1.2	
337	Furniture & related product mfg			162.8	163.0	3.0	.1	
339	Miscellaneous mfg			104.8	105.1	2.0	.3	
	  Wholesale trade industries		 					
423	Merchant wholesalers, durable goods	106/04	103.8	108.1	106.7	4.8	-1.3	
424	Merchant wholesalers, nondurable goods	106/05	105.6	108.1	109.9	9.0	1.7	
425	Wholesale trade agents and brokers	06/05	102.2	102.1	102.2	3.0	.1	
	  Retail trade industries							
441	Motor vehicle and parts dealers			114.2	114.2	7.5	0	
442	Furniture and home furnishings stores			116.7	118.8	7.0	1.8	
443 444	Electronics and appliance stores    Bldg material and garden equip and supp	12/03	105.6 	98.7	96.6	.8	-2.1	
	dealers	112/03	117.2	121.4	122.5	12.7	.9	
445	Food and beverage stores	12/99	134.2	136.0	135.9	4.4	1	
446	Health and personal care stores	112/03	120.1	118.8	118.5	10.9	3	
447	Gasoline stations	106/01	44.4	45.9	55.2	30.5	20.3	
448	Clothing and clothing accessories stores	12/03	104.3	106.0	107.3	4.6	1.2	
451	Sporting goods, hobby, book and music stores	12/03	99.1	98.3	98.5	2.9	.2	
452	General merchandise stores	12/03	109.0	106.7	111.8	10.9	4.8	
454	Nonstore retailers	12/03	111.8	112.0	120.4	8.7	7.5	
	  Transportation and warehousing	1	 					
481	Air transportation	12/92	182.7	187.3	187.8	8.7	.3	
482	Rail transportation			137.9	138.2	9.5	.2	
483	Water transportation		,	113.2	111.9	4.6	-1.1	
484	Truck transportation			114.1	114.9	5.0	.7	
486110 486910	Pipeline transportation of crude oil   Pipeline transportation of refined petroleum	106/86		137.5	137.0	7.1	4	
100010	products		122.0	123.2	125.1	2.8	1.5	
488	Transportation support activities	12/03	106.5	106.7	107.1	2.5	. 4	
491	Postal service			164.7	164.7	6.3	0	
492	Couriers and messengers	12/03	120.3	122.8	122.8	7.8	0	
0.00	Utilities							
221	Utilities	112/03	121.5 	122.2	125.6	4.8	2.8	
6011	Health care and social assistance	112/06	1 117 1	117 0	117 0	_	0	
6211	Offices of physicians			117.2	117.2	.6	0	
6215	Medical and diagnostic laboratories			104.5	104.5	.3	0	
6216	Home health care services			121.9	121.6	.6	2	
622	Hospitals			153.5	153.8	4.9	.2	
6231 62321	Nursing care facilities			109.0 108.1	109.7 108.4	2.9 4.0	.6	

See footnotes at end of table.

Table 4. Producer price indexes for the net output of selected industries and industry groups, not seasonally adjusted -- Continued

				Index		Percen	t change
Industry	Industry 1/	Index	l			to_Aug	2006_fror
code		base		1			
			Apr.	. 4	Aug.	Aug.	July
			2006 2/	2006 2/	2006 2/	2005	2006
		!	!	l			
	  Other services industries		 				
511	Publishing industries, except Internet	12/03	105.3	106.0	106.1	1.7	0.1
515	Broadcasting, except Internet	12/03	102.6	101.1	100.1	.3	-1.0
517	Telecommunications			98.3	99.0	.8	.7
5182	Data processing and related services	12/03	99.0	99.6	100.0	1.2	. 4
5221	Depository credit intermediation	12/03	109.6	111.8	113.8	8.4	1.8
523	Security, commodity contracts and like	İ					
	activity	12/03	111.9	113.6	113.2	3.2	4
524	Insurance carriers and related activities	12/03	106.0	106.4	106.5	1.7	.1
5312	Offices of real estate agents and brokers	12/03	111.3	111.0	111.4	2.0	. 4
5321	Automotive equipment rental and leasing	06/01	114.9	116.4	112.5	1.5	-3.4
5411	Legal services	12/96	144.7	144.8	144.9	4.4	.1
541211	Offices of certified public accountants	12/03	105.3	105.8	105.9	2.7	.1
5413	Architectural, engineering and related						
	services	12/96	132.9	135.0	134.9	4.3	1
54181	Advertising agencies	12/03	103.5	105.4	105.0	3.2	4
5613	Employment services	12/96	118.9	119.5	120.5	3.4	.8
56151	Travel agencies	12/03	98.5	98.8	99.2	2.5	. 4
56172	Janitorial services	12/03	103.3	103.7	104.5	2.7	.8
5621	Waste collection	12/03	104.0	104.0	104.5	1.9	.5
721	Accommodation	12/96	135.7	139.6	138.1	2.2	-1.1

<sup>1/</sup> 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.

Note: NAICS 2002 replaced the SIC system beginning with the release of PPI data for January 2004.

<sup>2/</sup> The indexes for April 2006 have been recalculated to incorporate late reports and corrections by respondents.
All indexes are subject to revision 4 months after original publication.

<sup>3/</sup> Not available.

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

 			Index	1/		
Grouping						
	Mar.   2006	Apr. 2006	May 2006	June   2006	July 2006	A
Finished goods	159.1	160.6	160.8	161.6	161.8	16
Finished consumer goods	164.5	166.4	166.6	167.6	167.9	16
Finished consumer foods	154.7	155.1	153.9	156.1	155.7	15
Crude	141.2	160.4	138.3	145.9	141.4	16
Processed	155.8	154.5	155.2 171.1	156.9	156.8 172.3	15 17
Finished consumer goods, excluding foods	168.0 180.7	170.4 184.3	185.1	171.7 185.8	187.2	18
Durable goods	137.1	137.1	137.5	137.8	136.8	13
	146.3	146.5	146.8	147.2	146.9	14
Capital equipment		148.3	148.7	147.2	140.9	14
Manufacturing industries	148.0					14
Nonmanufacturing industries	145.6	145.8	146.1	146.5	146.0	14
Intermediate materials, supplies, and components.	161.5	163.1	164.4	165.5	166.4	16
Materials and components for manufacturing	152.6	153.8	155.3	156.9	158.2	15
Materials for food manufacturing	144.7	143.8	143.9	145.6	146.3	14
Materials for nondurable manufacturing	173.2	173.0	176.0	177.7	178.0	17
Materials for durable manufacturing	170.4	175.0	179.9	181.8	186.0	18
Components for manufacturing	133.0	133.8	132.9	134.4	135.1	13
Materials and components for construction	185.4	186.5	188.4	188.9	190.2	19
Processed fuels and lubricants	161.2	166.1	167.2	168.0	168.2	17
Manufacturing industries	159.0	158.9	159.4	157.4	159.3	16
Nonmanufacturing industries	162.7	170.7	172.1	174.6	173.9	17 17
Containers	173.1	172.8	173.6	176.8	176.6	
Supplies	155.9	156.1	156.5	156.8	157.3	15
Manufacturing industries	160.5	160.5	161.0	160.6	160.9	16 15
Nonmanufacturing industries	153.5	153.7 109.2	154.1 107.3	154.6 107.6	155.1 107.7	10
Feeds  Other supplies	110.6 158.8	159.1	159.8	160.3	160.9	16
Crude materials for further processing	178.3	182.9	184.3	181.1	186.8	19
Foodstuffs and feedstuffs	114.6	113.5	110.6	115.9	118.0	11
Nonfood materials	222.8	231.9	236.6	226.7	235.1	24
Nonfood materials except fuel 2/	196.8	213.0	221.4	219.2	230.5	22
Manufacturing 2/	182.2	197.4	205.2	203.2	213.7	20
Construction	201.6	201.3	202.2	202.0	203.0	20
Crude fuel 3/	243.9	239.6	237.6	215.5	218.0	24
Manufacturing industries	231.4	227.6	225.7	205.3	207.6	23
Nonmanufacturing industries	249.5	245.1	243.0	220.3	222.9	25
   Special groupings						
Finished goods, excluding foods	160.0	161.7	162.3	162.8	163.1	16
Intermediate materials less foods and feeds	162.8	164.6	165.9	167.1	168.0	16
Intermediate foods and feeds	134.0	133.0	132.4	133.7	134.2	13
Crude materials less agricultural products $2/\ldots$	229.0	238.4	243.4	233.1	241.8	24
Finished energy goods	143.3	149.0	149.7	150.7	152.7	15
Finished goods less energy	157.1	157.3	157.3	158.1	157.7	15
Finished consumer goods less energy	161.8	162.0	161.9	162.9	162.4	16
Finished goods less foods and energy	158.3	158.4	158.9	159.2	158.8	15
Finished consumer goods less foods and energy $\mid$	166.5	166.5	167.1	167.4	166.9	16
Consumer nondurable goods less foods and energy	190.9	191.0	191.7	191.9	192.1	19
Intermediate energy goods	161.6	166.4	167.9	168.5	168.4	16
Intermediate materials less energy	159.3	160.2	161.3	162.6	163.8	16
Intermediate materials less foods and energy	160.9	161.9	163.1	164.4	165.6	16
Crude energy materials 2/	223.6	231.6	233.4	217.6	228.1	24
Crude materials less energy	143.8	146.1	147.2	152.2	154.6	15
Crude nonfood materials less energy 3/	225.7	237.6	249.4	253.6	257.0	24

<sup>1/</sup> 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 April 2006 have been recalculated to incorporate late reports and corrections by respondents.

<sup>2/</sup> Includes crude petroleum. 3/ Excludes crude petroleum.