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<http://stats.bls.gov/ppihome.htm> FEBRUARY 14, 1997

Producer Price Indexes - January 1997

The Producer Price Index for Finished Goods declined 0.3 percent in January, seasonally adjusted, the Bureau of Labor Statistics of the U. S. Department of Labor reported today. This followed increases of 0.6 percent in December and 0.2 percent in November. Prices received by producers of intermediate goods rose 0.2 percent in January after increasing 0.3 percent in the month prior. The Crude Goods Price Index advanced 5.2 percent following a gain of 4.9 percent in December. (See table A.)

Among finished goods in January, the index for energy goods turned down after rising in each of the previous six months. Prices for finished consumer foods declined 1.0 percent in January after falling 0.1 percent in the previous month. Prices for finished goods other than food and energy remained unchanged after increasing 0.1 percent in December.

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

Month	Total	Foods	Finish ed goods		Change in finished goods from 12 months ago (unadj.)	Inter- mediate goods	Crude goods
			Energy	energy			
1996							
Jan.	0.1	-0.2	1.4	0.0	2.2	0.0	2.5
Feb.	0	-0.2	-0.6	0.1	2.0	-0.4	1.9
Mar.	0.5	0.8	2.5	0	2.4	0.2	-1.2
Apr.	0.2	-0.3	2.1	0	2.4	0.3	4.0

May	0.2	0.2	-0.6	0.2	2.3	0.4	1.1
June	0.3	1.4	-0.8	0.1	2.7	-0.3	-2.4
July	0	0.1	0.4	0	2.6	-0.2	2.2
Aug.	0.3	0.7	0.6	0.1	3.0	0.2	0.6
Sept.	0.3	0.4	0.7	0.1	3.0	0.4	-2.6
Oct.	0.2	0.7	1.2	-0.2	3.0	-0.2	-0.8
Nov.	0.2	0	1.5	0.1	3.0	0.1	1.7
Dec.	0.6	-0.1	3.4	0.1	2.8	0.3	4.9

1997

Jan.	-0.3	-1.0	-0.2	0	2.5	0.2	5.2
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NOTE: Some percent changes shown here and elsewhere in this release may differ from those previously reported because seasonal adjustment factors have been recalculated to reflect developments during 1996. In addition, indexes for September 1996 have been recalculated to incorporate late reports and corrections by respondents. All indexes are subject to revision four months after original publication.

Before seasonal adjustment, the Producer Price Index for Finished Goods dropped 0.1 percent in January to 132.6 (1982=100). From January 1996 to January 1997, the Finished Goods Price Index rose 2.5 percent. Over the same period, prices for finished consumer foods rose 2.5 percent, the index for finished energy goods advanced 10.4 percent, and prices for finished goods other than food and energy were up 0.6 percent. Prices received by domestic producers of intermediate goods increased 1.0 percent for the 12 months ended in January, and the index for crude goods rose 15.1 percent during this same period.

Finished Goods

The Producer Price Index for Finished Energy Goods declined 0.2 percent in January following an increase of 3.4 percent in the prior month. Prices for unleaded regular gasoline turned down 4.9 percent after advancing 14.1 percent in December. The index for premium unleaded gasoline and home heating oil also fell after rising a month ago. The index for finished lubricants fell more than in December. By contrast, prices for residential gas rose 5.0 percent following an increase of 0.9 percent in December.

Prices for finished consumer foods fell faster than a month ago. The index for fresh fruits and melons dropped 6.0 percent after rising 11.8 percent in December. Prices also turned down after rising a month earlier for eggs for fresh use, pork, and young chickens. The index for beef and veal fell more in January than it did a month ago. By contrast, prices for fresh and dry vegetables rose 4.2 percent following a 21.4 percent decline

in December. The indexes for confectionery end products and for pasta also increased after falling in the prior month. Prices for dairy products fell less than a month ago, and the indexes for shortening and cooking oils rose more than in December.

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	Excluding foods and energy	Change in intermediate goods from 12 months ago (unadj.)	Foods	Energy	Excluding foods and energy	Change in crude goods from 12 months ago (unadj.)
1996								
Jan.	0.2	2.4	-0.3	2.2	0.1	7.7	0.1	7.2
Feb.	-0.2	-1.0	-0.4	1.1	0	5.9	-0.2	8.3
Mar.	0.2	2.0	-0.2	0.7	0.3	-2.5	-2.1	7.5
Apr.	1.9	3.4	-0.1	0.6	3.5	8.3	-1.3	10.4
May	3.8	0.6	0.1	0.7	5.8	-4.6	0.7	12.7
June	0.7	-2.4	0	0.3	0.7	-6.8	-1.8	9.6
July	0.4	0	-0.3	-0.1	1.7	5.4	-1.6	13.2
Aug.	0.3	0.8	0.1	0.1	-0.6	2.4	0.5	15.4
Sept.	0.8	1.1	0.2	0.6	-3.5	-3.3	0.5	10.1
Oct.	-2.0	1.1	-0.2	0.5	-3.2	2.1	0.1	9.4
Nov.	-2.1	0.4	0.1	0.6	-2.2	7.7	-0.5	9.4
Dec.	-0.2	2.2	0.1	0.8	-2.7	16.5	0	12.2
1997								
Jan.	-0.8	1.1	0.1	1.0	-1.0	12.9	2.0	15.1

NOTE: Some percent changes shown here and elsewhere in this release may differ from those previously reported because seasonal adjustment factors have been recalculated to reflect developments during 1996. In addition, indexes for September 1996 have been recalculated to incorporate late reports and corrections by respondents. All indexes are subject to revision four months after original publication.

The index for finished consumer goods excluding food and energy remained unchanged in January after rising 0.1 percent in December. Price increases for prescription drugs, alcoholic beverages, light trucks, and

for tires and tubes were offset by price declines for passenger cars, sanitary papers, newspaper circulation, and for men's and boys' apparel.

The index for capital equipment registered no change in January after rising 0.1 percent in December. Price increases for light motor trucks, communications and related equipment, commercial furniture, construction machinery and equipment, and agricultural machinery and equipment offset price declines for heavy motor trucks, civilian aircraft, and electronic computers.

Intermediate goods

The Producer Price Index for Intermediate Materials, Supplies, and Components advanced 0.2 percent in January, seasonally adjusted, after rising 0.3 percent a month earlier. Increases for energy goods, both durable and nondurable manufacturing materials, and construction materials outweighed declines for foods and feeds. Excluding food and energy, the intermediate materials index increased 0.1 percent for the third consecutive month. (See table B.)

The rise in the index for intermediate energy materials slowed to 1.1 percent from 2.2 percent in December. The index for diesel fuel turned down 2.0 percent after rising 5.2 percent in the previous month. Prices for both regular and premium unleaded gasoline also fell after increasing in December. Prices for liquefied petroleum gas and jet fuels rose less than a month earlier. By contrast, the index for electric power turned up 0.3 percent after falling 0.6 percent in December. Prices for residual fuel and liquid asphalt also increased after declining in the prior month. The index for industrial natural gas rose more than a month ago.

The rise in the index for durable manufacturing materials slowed to 0.2 percent from 0.5 percent in the previous month. The index for prepared paint turned down 0.3 percent after rising 2.2 percent a month earlier. Prices for flat glass also declined after increasing a month ago. The index for hot rolled steel sheet and strip fell more than in December, and prices for copper and brass mill shapes rose less than in the prior month. On the other hand, the rise in the index for aluminum accelerated to 6.0 percent from 1.9 percent in the previous month. Prices for hardwood lumber and aluminum mill shapes also rose more than a month earlier. Indexes for hot rolled steel bars, plates, and structural shapes and for cold rolled steel sheet and strip fell less than a month ago.

The index for nondurable manufacturing materials increased 0.1 percent for the third consecutive month. Price increases for inedible fats and oils, synthetic fibers, primary basic organic chemicals, and woodpulp

outweighed declines for plastic resins and materials, intermediate basic organic chemicals, and nitrogenates.

The index for construction materials rose 0.1 percent after remaining unchanged in December. Price increases for millwork, gypsum products, softwood lumber, fabricated structural metal products, and for nonferrous wire and cable more than offset declines for plastic construction products, air conditioning and refrigeration equipment, and plywood.

The index for intermediate foods and feeds fell 0.8 percent after declining 0.2 percent in the previous month. The index for prepared animal feeds turned down 0.7 percent after rising 0.5 percent a month earlier. Prices for pork and flour also declined after advancing in December. The indexes for beef and veal and fluid milk products fell more than a month ago. Conversely, the decline in the index for natural and processed cheese slowed to 0.3 percent from 2.8 percent. Prices for condensed and evaporated milk also fell less than in the prior month. The index for crude vegetable oils rose more than in the previous month.

Crude Goods

The Producer Price Index for Crude Materials for Further Processing increased 5.2 percent, seasonally adjusted, after rising 4.9 percent a month earlier. The index for foodstuffs and feedstuffs fell less than a month ago. The index for basic industrial materials advanced in January after showing no change in December. Prices for crude energy materials rose substantially, though less than in the prior month. (See table B.)

The index for crude foodstuffs and feedstuffs fell 1.0 percent after declining 2.7 percent in the prior month. Prices for slaughter cattle fell 1.4 percent after declining 4.5 percent in December. The index for corn also fell less than the previous month. Prices for soybeans, fresh and dry vegetables, and slaughter hogs turned up after falling the previous month. Conversely, the indexes for slaughter broilers and fryers, fresh fruits and melons, and slaughter turkeys fell after rising in December.

The index for crude nonfood materials less energy rose 2.0 percent after remaining unchanged in the previous month. Prices for iron and steel scrap rose 6.4 percent after declining 0.8 percent the prior month. The indexes for wastepaper and softwood logs, bolts and timber also turned up after falling in December. Prices for aluminum base scrap rose more than a month ago. By contrast, the index for raw cotton fell 6.6 percent after increasing 1.0 percent the previous month. Prices for nonferrous metal ores and for construction sand and gravel also turned down after rising in December.

The index for crude energy materials increased 12.9 percent after advancing 16.5 percent in the previous month. The index for natural gas rose 21.6 percent after rising 34.1 percent in December. By contrast, prices for coal turned up 3.0 percent after decreasing 0.4 percent a month earlier. The index for crude petroleum rose more than in December.

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

Mining. The Producer Price Index for the net output of total domestic mining industries advanced 10.1 percent in January following a 12.8 percent increase in December. (Net output price indexes are not seasonally adjusted.) In January, prices for the oil and gas extraction industry group moved up 12.5 percent after increasing 17.0 percent in the previous month. The index for the metal mining industry group turned down 0.2 percent after rising the same amount in December. By contrast, the indexes for the nonmetallic minerals mining industry group and for the bituminous coal and lignite mining industry group turned up in January after falling in December. In January, the Producer Price Index for Total Mining Industries stood at 109.8 (December 1984=100), 38.8 percent higher than a year earlier.

Manufacturing. The Producer Price Index for total domestic manufacturing industries edged up 0.1 percent for the second consecutive month. The largest increases were for the industry groups for leather products (1.1 percent), printing and publishing (0.9 percent), and for lumber and wood products (0.5 percent). Prices also rose for the industry groups for measuring instruments, non-electrical machinery, and for furniture and fixtures. The index for the transportation equipment industry group edged up 0.1 percent. By contrast, declines were registered in January for the industry groups for petroleum refining (-0.2 percent), food and kindred products (-0.6 percent), and for paper products (-0.2 percent). The index for the net output of the domestic manufacturing sector stood at 128.2 (December 1984=100), 1.9 percent higher than its year-earlier level.

Other. Among other industries in January, prices turned up after falling in December for non-local trucking, water transportation of freight (not elsewhere classified), air passenger transportation, freight transportation arrangement, cable and other pay television services, ferrous metal scrap collection, recovered paper collection, other waste material collection, hotels and motels, and for passenger car rental. Price increases accelerated in January for general warehousing and storage, marine cargo handling, telephone communications (except radiophone), natural gas utilities, nonferrous scrap collection, offices and clinics of doctors of medicine, skilled and intermediate care facilities, and other specialty

hospitals. Price declines slowed for truck rental and leasing. Prices rose after showing no change in the previous month for courier services (except by air), farm product warehousing and storage, general medical and surgical hospitals, and for accounting, auditing, and bookkeeping services.

By contrast, prices turned down after rising a month earlier for railroad line-haul operations, deep sea domestic transportation of freight, and for airports and airport services. Price increases slowed from December to January for advertising agencies. Prices for radio broadcasting fell more than a month ago.

Producer Price Index data for February 1997 will be released on Friday, March 14, at 8:30 a.m. (E.S.T.)

Information in this news release will be made available to sensory impaired individuals upon request. Voice phone: 202-606-7828; TDD phone: 202-606-5897; TDD Message Referral phone: 1-800-326-2577.

Recalculation of seasonal adjustment factors

Effective with this release, seasonal adjustment factors have been recalculated to reflect 1996 price movement patterns for stage-of-processing (SOP) and commodity groupings. This routine annual recalculation may affect seasonally adjusted indexes and percent changes from January 1992 to the present. Revised seasonally adjusted data for this period, as well as seasonal factors for commodity indexes to be used through December 1997, are available on request from BLS. The table below shows 1996 monthly seasonally adjusted percent changes for the three major SOP categories calculated with the old seasonal factors, compared with the percent changes for recalculated indexes. The latter incorporate new seasonal factors that reflect 1996 price movement patterns.

Over-the-month percent changes in major stage-of-processing indexes, seasonally adjusted, using former and recalculated seasonal factors for 1996

Month	Finished Goods		Intermediate Goods		Crude Goods	
	Former	Recalculated	Former	Recalculated	Former	Recalculated
January	0.2	0.1	0.2	0.0	2.3	2.5
February	-0.1	0	-0.5	-0.4	1.6	1.9
March	0.5	0.5	0.1	0.2	-1.4	-1.2
April	0.2	0.2	0.4	0.3	4.5	4.0
May	0.2	0.2	0.5	0.4	1.1	1.1
June	0.2	0.3	-0.5	-0.3	-2.1	-2.4

July	-0.1	0	-0.3	-0.2	2.7	2.2
August	0.4	0.3	0.2	0.2	0.7	0.6
September	0.2	0.2	0.2	0.2	-2.7	-2.5
October	0.4	0.4	0	0	-0.6	-0.9
November	0.4	0.2	0.2	0.1	1.8	1.7
December	0.5	0.6	0.4	0.3	4.2	4.9

Resampling of Industries

Effective with this release, another set of new and resampled industries is introduced. Three (3) mining industries, twenty-six (26) manufacturing industries, and two (2) service industries were resampled this month. In addition, four (4) other service industries were introduced into the PPI sample for the first time. Indexes for these industries appear in table 5 of the PPI Detailed Report.

Under the resampling procedure, the sample for an industry is updated to reflect current conditions more accurately when the structure, membership, technology, or product mix of an industry has shifted significantly. The Bureau of Labor Statistics published the first results of this systematic process in July 1986. Subsequent efforts have been completed at 6-month intervals.

Standard Industrial Classification (SIC) Code

Industry

1021	Copper ores
1442	Construction sand and gravel
1446	Industrial sand
2086	Bottled and canned soft drinks
2092	Prepared fresh or frozen fish and seafoods
2281	Spun yarn
2282	Texturing, throwing, and winding mill products: cotton, manmade fibers, silk, and wool
2321	Men's and boys' suits and coats
2542	Partitions and fixtures, except wood
2752	Commercial printing, lithographic
2754	Commercial printing, gravure
2759	Commercial printing, n.e.c.
2841	Soap and other detergents
2842	Specialty cleaning, polishing, and sanitation preparations

2843	Surface-active agents
2851	Paints and allied products
3331	Primary copper
3398	Metal heat treating
3412	Metal shipping barrels, drums, kegs, and pails
3451	Screw machine parts
3536	Overhead traveling cranes, hoists, and monorail systems
3543	Industrial patterns
3564	Industrial and commercial fans and blowers and air purification equipment
3565	Packing, packaging and bottling machinery
3578	Calculating and accounting machines
3613	Switchgear and switchgear apparatus
3651	Household audio and video equipment
3674*	Semiconductors and related devices
4011	Railroads, line-haul operating
4412	Deep sea foreign transportation of freight
8082**	Home health care services
8111**	Legal services
8711**	Engineering design, analysis, and consulting services
8712**	Architectural design, analysis, and consulting services

*The publication structure for this industry is changing, though the industry has not been resampled. See "Changes in the PPI for Semiconductors" in the January 1997 issue of the Producer Price Index Detailed Report.

**New industries, effective January 1997. See "New Producer Price Indexes for Home Health Care and Professional Services" in the January 1997 issue of the Producer Price Index Detailed Report.

For information on specific additions, deletions, and recodes of indexes that are effective this month, see tables 12 through 18 in the January 1997 issue of the Producer Price Index Detailed Report.

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

Grouping	Relative importance	Unadjusted index			Unadjusted percent change to Jan. 1997 from:		Seasonally adjusted percent change from:			
		Dec.	Sept.	Dec.	Jan.	Jan.	Dec.	Oct. to Nov.	Nov. to Dec.	Dec. to Jan.
		1996 1/	1996 2/	1996 2/	1997 2/	1996	1996	Nov.	Dec.	Jan.
Finished goods.....	100.000	131.8	132.7	132.6	2.5	-0.1	0.2	0.6	-0.3	
Finished consumer goods.....	76.405	130.4	131.2	131.1	3.1	-.1	.3	.7	-.3	
Finished consumer foods.....	23.635	135.6	135.5	134.0	2.5	-1.1	0	-.1	-1.0	
Crude.....	1.628	128.2	133.8	129.1	3.3	-3.5	1.4	-.2	-3.9	
Processed.....	22.007	136.2	135.5	134.3	2.4	-.9	-.1	-.1	-.8	
Finished consumer goods, excluding foods.....	52.770	128.0	129.2	129.6	3.3	.3	.5	1.0	0	
Nondurable goods less foods.....	36.380	124.6	125.1	125.8	4.7	.6	.6	1.4	0	
Durable goods.....	16.390	132.4	135.0	135.0	.6	0	.1	.1	-.1	
Capital equipment.....	23.595	137.3	138.8	139.0	.5	.1	.1	.1	0	
Manufacturing industries.....	6.031	136.7	137.5	137.8	.4	.2	0	.1	.1	
Nonmanufacturing industries.....	17.564	137.5	139.1	139.3	.4	.1	.2	.1	-.1	
Intermediate materials, supplies, and components.	100.000	126.7	126.1	126.4	1.0	.2	.1	.3	.2	
Materials and components for manufacturing.....	49.074	128.6	128.5	128.6	-.7	.1	0	.1	.1	
Materials for food manufacturing.....	3.392	129.2	126.6	125.2	3.7	-1.1	-1.3	-.2	-.8	
Materials for nondurable manufacturing.....	15.604	130.0	130.0	130.2	-2.3	.2	.1	.1	.1	
Materials for durable manufacturing.....	10.977	131.2	131.6	132.0	-.2	.3	.3	.5	.2	
Components for manufacturing.....	19.101	126.8	126.6	126.8	-.4	.2	0	-.1	.1	
Materials and components for construction.....	12.682	144.8	144.8	145.0	2.2	.1	.4	0	.1	
Processed fuels and lubricants.....	13.627	93.6	92.5	93.5	9.7	1.1	.4	2.4	1.0	
Manufacturing industries	5.387	95.0	94.5	96.4	10.0	2.0	1.8	1.4	1.4	
Nonmanufacturing industries.....	8.240	92.6	91.1	91.7	9.7	.7	-.4	3.0	.8	
Containers.....	3.536	138.5	138.3	137.9	-7.0	-.3	.1	0	0	
Supplies.....	21.081	136.8	135.5	135.6	.2	.1	-.3	0	0	
Manufacturing industries.....	7.539	139.1	139.0	139.0	.5	0	-.1	.1	0	
Nonmanufacturing industries.....	13.542	135.6	133.8	133.9	.1	.1	-.4	-.1	0	
Feeds.....	1.610	141.7	128.8	127.8	.6	-.8	-3.7	-.2	-.7	
Other supplies.....	11.932	134.8	134.5	134.8	.1	.2	-.1	0	.1	
Crude materials for further processing.....	100.000	112.9	118.9	125.2	15.1	5.3	1.7	4.9	5.2	
Foodstuffs and feedstuffs.....	38.897	124.9	113.7	112.4	-2.0	-1.1	-2.2	-2.7	-1.0	
Nonfood materials.....	61.103	100.8	118.0	129.1	28.1	9.4	4.7	10.5	9.3	

Nonfood materials except fuel 3/.....		37.004	107.1	109.2	112.8	8.6	3.3	-1.7	1.4	3.1
Manufacturing 3/.....		33.419	99.0	101.0	104.6	9.5	3.6	-2.0	1.4	3.4
Construction.....		3.585	196.0	198.4	200.7	.9	1.2	1.4	-.1	.9
Crude fuel 4/.....		24.099	80.5	121.9	144.9	68.3	18.9	19.8	28.2	18.9
Manufacturing industries.....		4.923	80.0	116.8	137.3	61.5	17.6	17.5	25.9	17.6
Nonmanufacturing industries.....		19.176	81.6	124.9	148.8	70.1	19.1	20.2	29.0	19.1
Special groupings										
Finished goods, excluding foods.....	5/	76.365	130.5	131.8	132.1	2.4	.2	.3	.8	0
Intermediate materials less foods and feeds.....	6/	94.998	126.3	126.1	126.4	.8	.2	.2	.4	.2
Intermediate foods and feeds.....	6/	5.002	133.5	127.6	126.3	2.7	-1.0	-2.1	-.2	-.8
Crude materials less agricultural products 3/ 7/..	8/	58.958	100.1	117.9	129.5	29.8	9.8	4.9	10.8	9.8
Finished energy goods.....	5/	14.743	85.3	85.9	86.7	10.4	.9	1.5	3.4	-.2
Finished goods less energy.....	5/	85.257	139.6	140.6	140.3	1.2	-.2	.1	.1	-.3
Finished consumer goods less energy.....	5/	61.662	140.5	141.3	140.8	1.5	-.4	0	0	-.4
Finished goods less foods and energy.....	5/	61.622	141.1	142.6	142.7	.6	.1	.1	.1	0
Finished consumer goods less foods and energy....	5/	38.027	143.5	144.9	145.1	.8	.1	0	.1	0
Consumer nondurable goods less foods and energy..	5/	21.637	151.5	151.9	152.3	1.1	.3	0	.1	.1
Intermediate energy goods.....	6/	13.751	93.3	92.1	93.3	9.8	1.3	.4	2.2	1.1
Intermediate materials less energy.....	6/	86.249	133.9	133.6	133.6	-.4	0	0	.1	0
Intermediate materials less foods and energy.....	6/	81.247	133.9	133.9	134.1	-.5	.1	.1	.1	.1
Crude energy materials 3/.....	8/	41.094	81.0	103.8	117.2	50.1	12.9	7.7	16.5	12.9
Crude materials less energy.....	8/	58.905	131.7	123.4	123.5	-2.6	.1	-1.6	-1.9	0
Crude nonfood materials less energy 4/.....	8/	20.009	153.5	152.4	156.1	-3.7	2.4	-.5	0	2.0

- 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 Sept. 1996 have been recalculated to incorporate late reports and corrections by respondents. All indexes are subject to revision four 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 Jan. 1997 from:		Seasonally adjusted percent change from:		
		Sept. 1996	Dec. 1996	Jan. 1997	Jan. 1996	Dec. 1996	Oct. to Nov.	Nov. to Dec.	Dec. to Jan.
		1996 1/	1996 1/	1997 1/	1996	1996	Nov.	Dec.	Jan.
	FINISHED GOODS.....	131.8	132.7	132.6	2.5	-0.1	0.2	0.6	-0.3
	FINISHED CONSUMER GOODS.....	130.4	131.2	131.1	3.1	-.1	.3	.7	-.3
	FINISHED CONSUMER FOODS.....	135.6	135.5	134.0	2.5	-1.1	0	-.1	-1.0
01-11	Fresh fruits and melons 2/.....	119.5	116.0	109.0	29.8	-6.0	-17.7	11.8	-6.0
01-13	Fresh and dry vegetables 2/.....	106.4	104.3	108.7	-25.5	4.2	16.6	-21.4	4.2
01-71-07	Eggs for fresh use (Dec. 1991=100) 2/.....	107.7	129.9	104.2	1.9	-19.8	12.0	13.3	-19.8
02-11	Bakery products 2/.....	171.3	173.0	172.9	4.0	-.1	.1	.1	-.1
02-13	Milled rice 2/.....	133.5	127.0	127.0	-1.1	0	-1.6	.2	0
02-14-02	Pasta products (June 1985=100) 2/.....	128.2	128.0	128.3	1.3	.2	.4	-.3	.2
02-21-01	Beef and veal.....	103.6	106.6	102.1	4.4	-4.2	.8	-1.0	-3.8
02-21-04	Pork.....	125.5	126.9	122.9	20.7	-3.2	1.8	2.6	-2.1
02-22-03	Processed young chickens.....	127.7	125.8	121.0	2.8	-3.8	1.0	.6	-3.2
02-22-06	Processed turkeys 2/.....	105.9	102.2	97.6	-6.4	-4.5	-1.3	-1.2	-4.5
02-23	Finfish and shellfish.....	157.4	174.2	183.4	6.3	5.3	1.4	1.3	1.5
02-3	Dairy products.....	139.7	131.5	128.8	3.8	-2.1	-3.9	-2.0	-.5
02-4	Processed fruits and vegetables 2/.....	128.6	128.4	128.0	1.6	-.3	-.2	-.1	-.3
02-55	Confectionery end products 2/.....	167.9	167.1	167.7	1.6	.4	.2	-.1	.4
02-62	Soft drinks.....	134.2	134.6	134.7	0	.1	-.2	0	-1.0
02-63-01	Roasted coffee 2/.....	127.6	127.5	127.9	-4.9	.3	.3	.2	.3
02-76	Shortening and cooking oils 2/.....	140.6	135.6	136.8	-1.8	.9	-3.4	.4	.9
	FINISHED CONSUMER GOODS EXCLUDING FOODS.....	128.0	129.2	129.6	3.3	.3	.5	1.0	0
02-61	Alcoholic beverages.....	132.0	133.9	135.2	3.5	1.0	.1	0	.6
03-81-01	Women's apparel 2/.....	120.4	119.8	119.9	.2	.1	-.7	0	.1
03-81-02	Men's and boys' apparel.....	131.9	132.2	132.3	.5	.1	0	.1	-.2
03-81-03	Girls', children's, and infants' apparel 2/.....	123.1	124.3	124.3	1.6	0	0	.4	0
03-82	Textile housefurnishings 2/.....	123.4	123.8	123.3	2.4	-.4	-.1	.1	-.4
04-3	Footwear.....	142.0	142.4	143.1	1.8	.5	0	.1	.3
05-41	Residential electric power (Dec. 1990=100).....	116.9	110.4	110.7	.6	.3	0	-.1	-.1
05-51	Residential gas (Dec. 1990=100).....	109.8	117.1	123.6	15.6	5.6	4.2	.9	5.0
05-71	Gasoline.....	73.6	77.0	76.7	19.7	-.4	3.6	4.0	2.6
05-73-02-01	Fuel oil No. 2.....	72.8	78.3	75.8	17.9	-3.2	0	5.0	-2.8

06-35	Pharmaceutical preps, ethical (Prescription).....	266.5	268.0	270.1	3.0	.8	.1	.2	1.2
06-36	Pharmaceutical preps,proprietary (Over-counter).....	183.3	184.6	185.2	-1.5	.3	.2	.2	.3
06-71	Soaps and synthetic detergents 2/.....	125.2	125.2	125.4	1.1	.2	-.1	-.3	.2
06-75	Cosmetics and other toilet preparations 2/.....	129.7	129.7	129.9	-.8	.2	1.0	0	.2
07-12	Tires, tubes, tread, etc 2/.....	97.3	95.9	97.1	-1.3	1.3	.1	0	1.3
09-15-01	Sanitary papers and health products 2/.....	148.0	148.9	147.3	-3.2	-1.1	-.7	.9	-1.1
09-31-01	Newspaper circulation.....	200.9	201.8	201.8	3.3	0	-.2	.5	-.5
09-32-01	Periodical circulation.....	178.3	181.3	183.2	1.9	1.0	-.4	.2	.2
09-33	Book publishing 2/.....	195.8	197.9	198.0	3.6	.1	-.1	1.2	.1
12-1	Household furniture 2/.....	144.7	145.1	145.3	1.2	.1	.3	-.1	.1
12-3	Floor coverings 2/.....	128.0	126.7	127.4	2.0	.6	-.8	-.1	.6
12-4	Household appliances 2/.....	112.5	111.6	111.5	-.8	-.1	-.3	-.8	-.1
12-5	Home electronic equipment 2/.....	79.0	78.6	78.4	-1.3	-.3	0	-.4	-.3
12-62	Household glassware 2/.....	158.1	158.0	158.4	2.1	.3	0	.1	.3
12-64	Household flatware 2/.....	137.8	138.6	138.6	-.2	0	0	.7	0
12-66	Lawn and garden equip., ex. tractors 2/.....	132.6	132.5	132.9	.9	.3	-.2	.2	.3
14-11-01	Passenger cars.....	130.4	137.0	136.5	.2	-.4	.4	.1	-.4
15-11	Toys, games, and children's vehicles.....	125.4	125.2	125.8	.8	.5	-.1	0	.2
15-12	Sporting and athletic goods 2/.....	123.7	123.7	124.3	1.4	.5	-.2	-.2	.5
15-2	Tobacco products 2/.....	238.2	239.4	239.6	2.7	.1	-.1	.3	.1
15-5	Mobile homes 2/.....	150.4	151.1	151.0	1.7	-.1	.4	-.1	-.1
15-94-02	Jewelry, platinum, & karat gold 2/.....	129.1	129.2	128.5	-.7	-.5	-.2	-.3	-.5
15-94-04	Costume jewelry and novelties 2/.....	137.7	138.5	138.6	2.7	.1	0	0	.1
	CAPITAL EQUIPMENT.....	137.3	138.8	139.0	.5	.1	.1	.1	0
11-1	Agricultural machinery and equipment 2/.....	147.0	146.3	146.9	.6	.4	.2	-.1	.4
11-2	Construction machinery and equipment.....	140.1	140.5	141.7	2.1	.9	.2	0	.4
11-37	Metal cutting machine tools 2/.....	153.3	154.7	154.3	2.5	-.3	.1	.3	-.3
11-38	Metal forming machine tools 2/.....	150.3	150.9	150.9	2.4	0	.1	.3	0
11-39	Tools, dies, jigs, fixtures, and ind. molds 2/.....	136.5	137.3	137.3	1.5	0	.1	.5	0
11-41	Pumps, compressors, and equipment.....	143.7	144.2	144.7	1.6	.3	.2	.2	-.3
11-44	Industrial material handling equipment 2/.....	127.7	128.2	128.6	1.8	.3	.3	.2	.3
11-51	Electronic computers (Dec. 1990=100) 2/.....	40.9	38.4	38.3	-19.9	-.3	-2.0	-2.3	-.3
11-62	Textile machinery 2/.....	148.2	149.4	151.1	2.6	1.1	-.5	.1	1.1
11-64	Paper industries machinery (June 1982=100).....	154.2	155.1	155.2	1.7	.1	.3	.3	-.2
11-65	Printing trades machinery 2/.....	137.4	138.3	138.5	2.4	.1	.1	-.1	.1
11-74	Transformers and power regulators 2/.....	129.2	129.0	129.2	-1.4	.2	-.2	-.1	.2
11-76	Communication & related equip. (Dec. 1985=100) 2/...	113.1	113.1	113.9	.9	.7	-1.1	1.1	.7
11-79-05	X-ray and electromedical equipment 2/.....	109.6	108.5	108.4	-2.6	-.1	0	-.5	-.1
11-91	Oil field and gas field machinery 2/.....	118.1	119.4	121.0	3.5	1.3	.3	.5	1.3
11-92	Mining machinery and equipment 2/.....	139.7	138.6	138.3	.8	-.2	-.9	.1	-.2
11-93	Office and store machines and equipment 2/.....	111.8	111.7	111.7	-.8	0	-.1	0	0
12-2	Commercial furniture 2/.....	151.8	152.9	153.3	1.8	.3	.4	.1	.3
14-11-05	Light motor trucks.....	154.1	163.0	163.2	1.2	.1	.1	.1	.4

14-11-06	Heavy motor trucks.....	142.6	143.1	140.9	-3.3	-1.5	1.6	.3	-1.8
14-14	Truck trailers 2/.....	130.0	130.2	130.1	-1.5	-.1	.2	0	-.1
14-21-02	Civilian aircraft (Dec. 1985=100).....	148.5	148.9	149.3	2.8	.3	.8	.3	-.3
14-31	Ships (Dec. 1985=100) 2/.....	139.2	139.9	142.7	5.5	2.0	-3.9	.6	2.0
14-4	Railroad equipment.....	137.0	136.5	136.3	-.3	-.1	-.2	.1	-.1
	INTERMEDIATE MATERIALS, SUPPLIES, AND COMPONENTS.....	126.7	126.1	126.4	1.0	.2	.1	.3	.2
	INTERMEDIATE FOODS AND FEEDS.....	133.5	127.6	126.3	2.7	-1.0	-2.1	-.2	-.8
02-12-03	Flour 2/.....	125.3	123.7	121.1	-9.1	-2.1	-4.1	1.0	-2.1
02-53	Refined sugar 2/.....	125.5	125.2	126.3	4.4	.9	.2	.9	.9
02-54	Confectionery materials.....	108.4	110.9	109.9	2.2	-.9	.3	.6	-.1
02-72	Crude vegetable oils 2/.....	120.4	110.5	115.0	-2.3	4.1	-1.3	.5	4.1
02-9	Prepared animal feeds 2/.....	142.8	132.5	131.6	1.9	-.7	-2.8	.5	-.7
	INTERMEDIATE MATERIALS LESS FOODS AND FEEDS.....	126.3	126.1	126.4	.8	.2	.2	.4	.2
03-1	Synthetic fibers 2/.....	112.1	111.9	113.3	2.1	1.3	.3	0	1.3
03-2	Processed yarns and threads 2/.....	116.4	114.8	114.9	.4	.1	-1.2	0	.1
03-3	Gray fabrics 2/.....	121.3	121.7	121.4	.5	-.2	-.2	.9	-.2
03-4	Finished fabrics.....	123.8	123.7	123.8	.6	.1	.3	.1	-.3
03-83-03	Industrial textile products 2/.....	128.1	128.4	127.5	4.8	-.7	.1	.4	-.7
04-2	Leather.....	176.0	179.4	182.5	.1	1.7	3.9	-.1	1.3
05-32	Liquefied petroleum gas 2/.....	88.4	112.2	118.5	62.3	5.6	10.9	9.3	5.6

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 Jan. 1997 from:		Seasonally adjusted percent change from:		
		Sept. 1996	Dec. 1996	Jan. 1997	Jan. 1996	Dec. 1996	Oct. to Nov.	Nov. to Dec.	Dec. to Jan.
	INTERMEDIATE MATERIALS LESS FOODS AND FEEDS								
	-Continued.....								
05-42	Commercial electric power.....	139.5	127.2	127.7	0.1	0.4	0.4	-0.6	0.4
05-43	Industrial electric power.....	136.2	127.4	128.1	.2	.5	1.9	-1.8	.4
05-52	Commercial natural gas (Dec. 1990=100).....	99.7	113.7	122.0	19.8	7.3	1.6	6.5	6.0
05-53	Industrial natural gas (Dec. 1990=100).....	96.9	110.1	131.5	37.8	19.4	2.9	5.3	17.5
05-54	Natural gas to electric utilities (Dec. 1990=100)...	85.9	99.2	111.7	22.1	12.6	-9.7	18.3	13.8
05-72-03	Jet fuels.....	73.0	75.1	74.6	18.8	-.7	-5.5	5.2	3.2
05-73-03	No. 2 Diesel fuel.....	74.7	76.8	73.1	17.5	-4.8	-5.8	5.2	-2.0
05-74	Residual fuel 2/.....	58.4	62.0	66.1	18.5	6.6	-.2	-1.6	6.6
06-1	Industrial chemicals 2/.....	127.9	128.6	128.0	2.6	-.5	.5	.5	-.5
06-21	Prepared paint.....	149.2	150.2	150.1	3.9	-.1	.1	2.2	-.3
06-22	Paint materials 2/.....	139.6	139.8	140.5	-1.4	.5	-.2	-.4	.5
06-31	Medicinal and botanical chemicals 2/.....	128.8	128.8	129.5	1.5	.5	.1	0	.5
06-4	Fats and oils, inedible 2/.....	160.8	137.6	150.6	13.8	9.4	-13.4	10.2	9.4
06-51	Mixed fertilizers.....	114.2	112.8	112.7	-.8	-.1	.1	-.2	-1.7
06-52-01	Nitrogenates.....	123.2	134.7	135.1	1.0	.3	.7	1.3	-2.2
06-52-02	Phosphates 2/.....	112.3	111.2	112.8	-5.4	1.4	2.4	-2.0	1.4
06-53	Other agricultural chemicals.....	147.2	146.4	146.1	-.1	-.2	.2	-.3	-.6
06-6	Plastic resins and materials 2/.....	137.9	138.1	137.2	5.6	-.7	-.1	-.1	-.7
07-11-02	Synthetic rubber 2/.....	121.4	122.2	122.1	-1.9	-.1	0	.3	-.1
07-21	Plastic construction products 2/.....	131.2	129.1	127.2	-2.5	-1.5	.2	-.7	-1.5
07-22	Unsupported plastic film, sheet, & other shapes.....	132.8	133.1	132.5	-1.0	-.5	-.1	-.5	-.3
07-26	Plastic parts and components for manufacturing 2/...	117.4	117.4	117.4	.3	0	0	.1	0
08-11	Softwood lumber 2/.....	203.9	202.8	204.3	20.7	.7	5.4	-1.0	.7
08-12	Hardwood lumber 2/.....	163.5	165.9	168.4	3.0	1.5	.3	.5	1.5
08-2	Millwork 2/.....	168.7	169.2	169.8	3.8	.4	.3	-.1	.4
08-3	Plywood 2/.....	166.7	155.7	154.6	.4	-.7	-2.0	-1.3	-.7
09-11	Woodpulp 2/.....	127.8	127.2	128.7	-27.1	1.2	-.6	-.6	1.2
09-13	Paper 2/.....	143.5	141.2	140.9	-13.6	-.2	-.7	0	-.2
09-14	Paperboard 2/.....	145.6	148.3	148.4	-15.5	.1	1.0	-.1	.1
09-15-03	Paper boxes and containers 2/.....	148.6	147.9	148.0	-10.5	.1	.3	-.1	.1

09-2	Building paper and board 2/.....	140.5	133.6	132.0	-4.7	-1.2	-1.8	-1.9	-1.2
09-37	Commercial printing (June 1982=100) 2/.....	148.8	147.9	147.9	.3	0	-.4	.4	0
10-15	Foundry and forge shop products.....	132.7	132.9	133.4	1.4	.4	.1	.1	.1
10-17	Steel mill products 2/.....	116.3	116.0	115.7	-.8	-.3	.2	-.4	-.3
10-22	Primary nonferrous metals 2/.....	116.5	121.4	124.5	-9.5	2.6	1.0	4.8	2.6
10-25-01	Aluminum mill shapes 2/.....	142.0	140.6	142.5	-5.5	1.4	-1.1	1.2	1.4
10-25-02	Copper and brass mill shapes 2/.....	169.6	176.4	178.6	-5.4	1.2	1.5	1.7	1.2
10-26	Nonferrous wire and cable 2/.....	145.0	147.1	147.9	-1.4	.5	-.1	1.0	.5
10-3	Metal containers 2/.....	109.5	109.1	107.9	-6.3	-1.1	-.1	.6	-1.1
10-4	Hardware.....	144.2	144.2	144.8	1.4	.4	-.3	.1	.1
10-5	Plumbing fixtures and brass fittings.....	171.6	171.6	171.9	2.6	.2	.4	.2	-.2
10-6	Heating equipment.....	151.8	151.8	152.1	1.3	.2	.1	.1	-.7
10-7	Fabricated structural metal products.....	138.4	138.7	139.0	1.6	.2	.1	.1	.1
10-88	Fabricated ferrous wire products (June 1982=100) 2/..	127.1	126.9	126.9	.9	0	.2	-.4	0
10-89	Other misc. metal products 2/.....	125.9	126.1	126.2	.6	.1	.1	.1	.1
11-45	Mechanical power transmission equipment.....	151.5	152.4	153.4	1.7	.7	.6	-.2	0
11-48	Air conditioning and refrigeration equipment.....	132.4	132.9	132.6	.5	-.2	.2	.4	-.6
11-49-02	Metal valves, ex.fluid power (Dec. 1982=100) 2/.....	149.9	151.2	151.4	2.2	.1	.5	.2	.1
11-49-05	Ball and roller bearings.....	157.9	159.0	160.9	2.5	1.2	.3	0	.4
11-71	Wiring devices.....	151.8	152.1	152.5	2.1	.3	.3	.1	.3
11-73	Motors, generators, motor generator sets.....	145.2	145.6	144.3	-1.1	-.9	.1	-.1	-1.3
11-75	Switchgear, switchboard, etc., equipment.....	142.6	144.1	144.6	1.8	.3	.2	.2	-.1
11-78	Electronic components and accessories 2/.....	108.1	107.3	107.0	-4.9	-.3	.1	-.5	-.3
11-94	Internal combustion engines.....	139.5	139.6	139.7	1.8	.1	.4	-.1	-.4
11-95	Machine shop products 2/.....	134.4	134.6	134.9	2.0	.2	.7	-.1	.2
13-11	Flat glass 2/.....	109.2	109.7	109.2	-2.5	-.5	-.1	.3	-.5
13-22	Cement.....	136.3	135.0	136.4	5.5	1.0	.5	.3	.9
13-3	Concrete products.....	133.8	134.9	135.1	2.7	.1	.4	.1	-.1
13-6	Asphalt felts and coatings 2/.....	100.1	99.7	99.7	-1.1	0	.3	-.7	0
13-7	Gypsum products 2/.....	159.3	164.1	168.5	12.5	2.7	1.1	.1	2.7
13-8	Glass containers 2/.....	129.3	129.3	127.9	-1.8	-1.1	0	0	-1.1
14-12	Motor vehicle parts 2/.....	116.3	115.8	115.4	-.7	-.3	0	-.1	-.3
14-23	Aircraft engines & engine parts (Dec. 1985=100).....	134.7	135.4	136.4	1.0	.7	0	.3	.1
14-25	Aircraft parts & aux.equip.,nec (June 1985=100) 2/..	139.3	138.3	141.0	1.2	2.0	0	.1	2.0
15-42	Photographic supplies 2/.....	129.7	129.7	129.3	-.6	-.3	0	0	-.3
15-6	Medical/surgical/personal aid devices.....	142.1	142.6	143.5	0	.6	.1	.1	.3
	CRUDE MATERIALS FOR FURTHER PROCESSING.....	112.9	118.9	125.2	15.1	5.3	1.7	4.9	5.2
	CRUDE FOODSTUFFS AND FEEDSTUFFS.....	124.9	113.7	112.4	-2.0	-1.1	-2.2	-2.7	-1.0
01-21	Wheat 2/.....	120.6	114.0	114.7	-16.3	.6	-1.1	-2.8	.6
01-22-02-05	Corn.....	145.7	105.6	107.6	-24.1	1.9	-9.5	-7.5	-.1
01-31	Slaughter cattle.....	102.5	95.5	95.8	-.2	.3	-3.6	-4.5	-1.4
01-32	Slaughter hogs.....	90.0	91.3	89.0	28.4	-2.5	8.9	-3.2	.5

01-41-02	Slaughter broilers/fryers.....	157.1	157.5	150.8	6.9	-4.3	1.0	5.8	-4.7
01-42	Slaughter turkeys.....	121.3	125.9	98.9	-13.3	-21.4	1.5	1.3	-5.2
01-6	Fluid milk.....	119.6	103.2	99.0	-2.4	-4.1	-4.0	-4.6	-2.5
01-83-01-31	Soybeans.....	141.1	115.7	124.4	.3	7.5	-3.5	-3.7	6.5
02-52-01-01	Cane sugar,raw 2/.....	119.4	117.9	117.6	-.3	-.3	-1.3	-.2	-.3
	CRUDE NONFOOD MATERIALS.....	100.8	118.0	129.1	28.1	9.4	4.7	10.5	9.3
01-51-01-01	Raw cotton.....	123.2	120.8	116.6	-14.9	-3.5	-1.9	1.0	-6.6
01-92-01-01	Leaf tobacco 2/.....	110.5	113.2	116.1	4.2	2.6	(3)	(3)	2.6
04-11	Cattle hides 2/.....	186.3	205.0	207.0	19.9	1.0	-.2	0	1.0
05-1	Coal 2/.....	93.6	94.2	97.0	5.3	3.0	.5	-.4	3.0
05-31	Natural gas 2/.....	76.6	126.3	153.6	84.0	21.6	25.1	34.1	21.6
05-61	Crude petroleum 2/.....	67.2	71.1	74.0	32.1	4.1	-4.6	3.9	4.1
08-5	Logs, timber, etc. 2/.....	206.0	209.2	213.6	-.4	2.1	1.8	-1.0	2.1
09-12	Wastepaper 2/.....	142.2	145.6	152.5	-6.7	4.7	-2.7	-1.4	4.7
10-11	Iron ore 2/.....	96.7	96.7	99.7	2.2	3.1	0	0	3.1
10-12	Iron and steel scrap 2/.....	191.7	170.0	180.9	-9.4	6.4	-6.8	-.8	6.4
10-21	Nonferrous metal ores (Dec. 1983=100) 2/.....	83.5	85.0	84.1	-14.1	-1.1	1.4	.4	-1.1
10-23-01	Copper base scrap 2/.....	151.9	157.9	169.8	-6.2	7.5	.2	3.6	7.5
10-23-02	Aluminum base scrap.....	168.4	174.4	188.9	5.4	8.3	3.8	1.9	7.8
13-21	Construction sand, gravel, and crushed stone.....	146.1	146.3	146.9	1.7	.4	.3	.3	-.2

1/ The indexes for September 1996 have been recalculated to incorporate late reports and corrections by respondents. All indexes are subject to revision four 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/		
		Sept. 1996	Dec. 1996	Jan. 1997
	Finished Goods (1967=100).....	369.8	372.3	372.2
	All commodities.....	128.2	128.8	129.7
	MAJOR COMMODITY GROUPS			
	Farm products and processed foods and feeds....	132.4	128.0	126.9
01	Farm products.....	125.1	114.7	113.0
02	Processed foods and feeds.....	136.0	134.6	133.8
	Industrial commodities.....	127.4	128.9	130.2
03	Textile products and apparel.....	123.0	122.8	122.8
04	Hides, skins, leather, and related products..	150.2	153.7	155.1
05	Fuels and related products and power 2/.....	87.1	92.0	95.7
06	Chemicals and allied products 2/.....	143.3	143.6	143.7
07	Rubber and plastic products.....	124.1	123.6	123.4
08	Lumber and wood products.....	180.2	179.6	180.9
09	Pulp, paper, and allied products.....	166.9	166.9	167.5
10	Metals and metal products.....	130.0	130.0	130.8
11	Machinery and equipment.....	126.3	126.1	126.5
12	Furniture and household durables.....	130.6	130.5	130.8
13	Nonmetallic mineral products.....	131.6	132.1	132.4
14	Transportation equipment.....	140.0	142.5	142.7
15	Miscellaneous products.....	147.9	148.4	148.9
	Industrial commodities less fuels and related products and power.....	138.4	138.8	139.1
	OTHER COMMODITY GROUPINGS			
01-1	Fruits and melons, fresh and dry vegetables, and tree nuts.....	122.4	118.0	115.4
01-2	Grains.....	138.7	109.6	111.1
01-3	Slaughter livestock.....	100.5	95.8	95.4
01-4	Slaughter poultry.....	147.4	149.0	138.1

01-5	Plant and animal fibers.....	122.8	120.4	116.4	
01-7	Chicken eggs.....	134.0	161.8	125.8	
01-8	Hay, hayseeds, and oilseeds.....	158.1	138.9	147.6	
01-83	Oilseeds.....	151.9	126.5	134.7	
01-9	Other farm products.....	164.8	168.8	173.1	
02-1	Cereal and bakery products.....	159.0	158.5	158.0	
02-2	Meats, poultry, and fish.....	118.9	121.2	119.0	
02-22	Processed poultry.....	123.6	122.1	118.5	
02-5	Sugar and confectionery.....	138.5	138.5	138.8	
02-6	Beverages and beverage materials.....	134.2	135.0	135.7	
02-63	Packaged beverage materials.....	126.3	126.2	126.5	
02-7	Fats and oils.....	133.6	126.0	129.3	
03-81	Apparel.....	125.3	125.2	125.4	
04-4	Other leather and related products.....	141.2	141.2	141.9	
05-3	Gas fuels 2/.....	78.7	121.0	142.5	
05-4	Electric power.....	137.3	128.0	128.5	
05-7	Refined petroleum products.....	72.1	75.0	74.3	
06-3	Drugs and pharmaceuticals.....	215.1	215.5	216.9	
06-5	Agricultural chemicals and products.....	131.1	132.8	133.3	
06-7	Other chemicals and allied products.....	132.7	132.5	132.8	
07-1	Rubber and rubber products.....	116.5	116.1	116.8	
07-11	Rubber, except natural rubber.....	120.7	121.5	121.5	
07-13	Miscellaneous rubber products.....	136.7	136.9	137.2	
07-2	Plastic products.....	131.0	130.4	129.8	
08-1	Lumber.....	189.6	189.6	191.3	
09-1	Pulp, paper, and products, excluding building paper and board.....	145.2	145.2	145.2	
09-15	Converted paper and paperboard products.....	150.4	150.7	150.3	
10-1	Iron and steel.....	126.4	124.2	125.2	
10-2	Nonferrous metals.....	131.3	133.6	135.6	
10-25	Nonferrous mill shapes.....	139.9	140.4	141.9	
11-3	Metalworking machinery and equipment.....	143.5	144.1	144.4	
11-4	General purpose machinery and equipment.....	142.7	143.4	143.8	
11-6	Special industry machinery.....	153.9	154.3	155.3	
11-7	Electrical machinery and equipment.....	123.2	123.0	123.2	
11-9	Miscellaneous machinery and equipment.....	129.8	129.9	130.2	
12-6	Other household durable goods.....	148.4	148.7	149.4	
13-2	Concrete ingredients.....	140.0	139.7	140.6	
14-1	Motor vehicles and equipment.....	131.0	134.9	134.6	
15-1	Toys, sporting goods, small arms, etc.....	130.8	130.7	131.4	
15-4	Photographic equipment and supplies.....	119.7	119.5	118.6	
15-9	Other miscellaneous products.....	132.6	132.7	133.3	

1/ Data for Sept. 1996 have been revised to reflect the

availability of late reports and corrections by respondents. All data are subject to revision 4 months after original publication.

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

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

Industry code	Industry 1/	Index base	Index			Percent change to Jan. 1997 from: ___	
			Sep. 1996 2/	Dec. 1996 2/	Jan. 1997 2/	Jan. 1996	Dec. 1996
	Total mining industries.....	12/84	81.3	99.7	109.8	38.8	10.1
10	Metal mining.....	12/84	86.8	88.3	88.1	-10.3	-.2
12	Coal mining.....	12/85	90.9	91.1	92.8	3.2	1.9
13	Oil and gas extraction.....	12/85	81.3	106.0	119.2	52.8	12.5
14	Mining and quarrying of non-metallic minerals, except fuels.....	12/84	127.5	127.1	127.7	1.4	.5
	Total manufacturing industries.....	12/84	127.5	128.1	128.2	1.9	.1
20	Food and kindred products.....	12/84	129.7	128.4	127.6	2.7	-.6
21	Tobacco manufactures.....	12/84	201.0	201.4	201.5	3.3	0
22	Textile mill products.....	12/84	118.5	118.5	118.5	.9	0
23	Apparel and other finished products made from fabrics and similar materials.....	12/84	123.0	123.1	123.0	1.3	-.1
24	Lumber and wood products, except furniture..	12/84	156.6	155.7	156.5	3.9	.5
25	Furniture and fixtures.....	12/84	136.4	137.0	137.4	1.6	.3
26	Paper and allied products.....	12/84	135.1	134.8	134.5	-9.0	-.2
27	Printing, publishing, and allied industries.	12/84	166.1	166.4	167.9	2.1	.9
28	Chemicals and allied products.....	12/84	146.8	147.0	147.2	1.8	.1
29	Petroleum refining and related products.....	12/84	89.9	92.9	92.7	16.8	-.2
30	Rubber and miscellaneous plastic products...	12/84	123.5	123.0	122.9	-.1	-.1
31	Leather and leather products.....	12/84	135.3	135.2	136.7	1.6	1.1
32	Stone, clay, glass, and concrete products...	12/84	126.3	126.8	127.0	1.5	.2
33	Primary metal industries.....	12/84	122.7	123.2	123.5	-1.8	.2
34	Fabricated metal products, except machinery and transportation equipment.....	12/84	126.4	126.6	126.8	.7	.2
35	Machinery, except electrical.....	12/84	119.1	118.9	119.2	-.4	.3
36	Electrical and electronic machinery, equipment, and supplies.....	12/84	113.0	112.5	112.6	-1.1	.1
37	Transportation equipment.....	12/84	132.1	135.3	135.4	.9	.1
38	Measuring and controlling instruments;						

	photographic, medical, optical goods;							
	watches, clocks.....	12/84	125.0	125.0	125.4	.2	.3	
39	Miscellaneous manufacturing industries.....	12/85	128.1	128.3	128.9	1.3	.5	
	Services industries							
40	Railroad transportation.....	12/96	(3)	100.0	100.0	(3)	0	
42	Motor freight transportation and warehousing	06/93	106.6	107.3	108.5	3.2	1.1	
43	United states postal service.....	06/89	132.3	132.3	132.3	0	0	
44	Water transportation.....	12/92	103.8	104.1	104.8	.9	.7	
45	Transportation by air.....	12/92	121.9	122.2	128.5	9.6	5.2	
46	Pipe lines, except natural gas.....	12/86	101.0	103.9	98.8	-10.7	-4.9	
80	Health services.....	12/94	104.8	105.2	105.7	1.6	.5	

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 Sep. 1996 have been recalculated to incorporate late reports and corrections by respondents.

All indexes are subject to revision four months after original publication.

3/ Not available.

Technical Notes

Brief Explanation of Producer Price Indexes

Producer price indexes (PPI) measure average changes in prices received by domestic producers of commodities in all stages of processing. Most of the information used in calculating the indexes is obtained through the systematic sampling of nearly every industry in the manufacturing and mining sectors of the economy. The PPI program also includes some information from other sectors--agriculture, fishing, forestry, services, and gas and electricity. Because producer price indexes are designed to measure only the change in prices received for the output of domestic industries, imports are not included. The sample currently contains about 3,200 commodities and 80,000 quotations per month.

There are three primary systems of indexes within the PPI program: (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 and 2) organizes products by class of buyer and degree of processing. 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) and the Census product code extension of the 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. 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.

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.

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 1987 values of shipments as reported in the Census of Manufactures and other sources. From January 1987 through December 1991, PPI weights were derived from 1982 shipment values. Industry indexes shown in table 4 are also now calculated with 1987 net output weights.

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, to coincide with the reference year of the shipment weights. 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 16, "Producer Prices," in BLS Handbook of Methods (September 1992), Bulletin 2414. Reprints are available from the Bureau of Labor Statistics on request.

Calculating Index Changes

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, while percent changes are not. The box shows the computation of index point and percent changes.

Percent changes for 3-month and 6-month periods can be expressed as annual rates that are computed according to the standard formula for compound growth rates. These data indicate what the percent change would be if the rate for a given 3- or 6-month span were maintained for a 12-month period.

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

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 to-day." 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.

Seasonally Adjusted and Unadjusted Data

Because price data are used for different purposes by different groups, the Bureau of Labor Statistics publishes seasonally adjusted as well as 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 which 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 "Appendix A: Seasonal Adjustment Methodology at BLS," in the *BLS Handbook of Methods* (September 1992), Bulletin 2414.