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Producer Price Indexes - February 1997

The Producer Price Index for Finished Goods declined 0.4 percent in February, seasonally adjusted, the Bureau of Labor Statistics of the U. S. Department of Labor reported today. This followed a decrease of 0.3 percent in January and an increase of 0.6 percent in December. Prices received by producers of intermediate goods fell 0.1 percent in February after rising 0.2 percent in January. The Crude Goods Price Index dropped 5.9 percent in February following a gain of 5.2 percent in January. (See table A.)

Among finished goods in February, the index for energy goods fell 1.2 percent following a 0.2-percent decrease in the prior month. Prices for finished consumer foods declined 0.3 percent after falling 1.0 percent in the previous month. The index for finished goods other than foods and energy fell 0.1 percent after remaining unchanged in January.

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							
Feb.	0.0	-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.	r0.4	r0.8	r1.7	r-0.1	r3.1	-0.2	r-0.7
Nov.	r0.1	r-0.1	r1.1	r-0.1	3.0	0.1	r1.6
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
Feb.	-0.4	-0.3	-1.2	-0.1	2.2	-0.1	-5.9

r=revised. Some of the figures shown above and elsewhere in this release may differ from those previously reported because data for October 1996 have been revised to reflect the availability of late reports and corrections by respondents.

Before seasonal adjustment, the Producer Price Index for Finished Goods dropped 0.3 percent in February to 132.2 (1982=100). From February 1996 to February 1997, the Finished Goods Price Index rose 2.2 percent. Over the same period, prices for finished consumer foods increased 2.4 percent, the index for finished energy goods advanced 9.8 percent, and prices for finished goods other than foods and energy rose 0.5 percent. Prices received by domestic producers of intermediate goods increased 1.2 percent for the 12 months ended in February, and the index for crude goods rose 6.3 percent during the same period.

Finished Goods

The Producer Price Index for finished energy goods declined 1.2 percent in February following a decrease of 0.2 percent in the prior month. Prices for gasoline turned down 3.1 percent after advancing 2.6 percent in January. The index for residential natural gas rose less than in the previous month. By contrast, prices for residential electric power increased 0.1 percent after decreasing the same amount in January. Prices for finished lubricants also turned up after declining in the prior month. The index for home heating oil fell less than a month ago.

Prices for finished consumer foods fell 0.3 percent after declining 1.0 percent a month earlier. The February drop was the fourth consecutive decline for this index. The index for eggs for fresh use turned up 1.5 percent after dropping 19.8 percent in January. Prices for fresh and dry vegetables rose more than in the previous month. The index for fresh fruits and melons showed no change after declining in January. Prices for dairy products increased after falling in the prior month. By contrast,

the index for finfish and shellfish turned down 6.2 percent after rising 1.5 percent in the previous month. Prices for beef and veal and for pork decreased more than a month ago. The index for shortening and cooking oils showed no change after rising in January.

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								
Feb.	-0.2	-1.0	-0.4	1.1	0.0	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	r1.3	-0.2	0.5	r-3.1	2.1	r-0.1	9.4
Nov.	-2.1	r0.2	0.1	0.6	r-2.4	7.7	r-0.3	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
Feb.	-0.8	-0.6	0	1.2	-1.9	-12.4	1.0	6.3

r=revised. Some of the figures shown above and elsewhere in this release may differ from those previously reported because data for October 1996 have been revised to reflect the availability of late reports and corrections by respondents.

The index for finished consumer goods excluding foods and energy fell 0.1 percent after showing no change in January. Declining prices for alcoholic beverages, sanitary paper products, household appliances, textile housefurnishings, tobacco products, and for toys, games, and children's

vehicles were partially offset by increases for passenger cars, floor coverings, women's apparel, and for cosmetics and other toilet preparations.

The index for capital equipment fell 0.1 percent in February after registering no change in January. Price declines for electronic computers, light motor trucks, commercial furniture, and for x-ray and electromedical equipment outweighed price increases for communications and related equipment, paper industries machinery, metal forming machine tools, and for pumps and compressors.

Intermediate goods

The Producer Price Index for Intermediate Materials, Supplies, and Components declined 0.1 percent in February, seasonally adjusted, after rising 0.2 percent a month earlier. Prices for both energy goods and nondurable manufacturing materials turned down after rising in January. By contrast, prices for both construction and durable manufacturing materials rose more than in the previous month. The index for foods and feeds fell the same amount as in the prior month. Excluding foods and energy, the intermediate materials index was unchanged after gaining 0.1 percent in January. (See table B.)

The index for intermediate energy goods fell 0.6 percent after rising 1.1 percent a month ago. Prices for utility natural gas turned down 2.0 percent after rising 7.5 percent in the prior month. The indexes for gasoline and liquefied petroleum gas also fell after rising in January. Prices for residual fuel rose less than in the previous month. By contrast, the index for diesel fuel turned up 1.6 percent after falling 2.0 percent a month ago.

The index for nondurable manufacturing materials declined 0.2 percent following a 0.1-percent increase in January. Prices for paperboard fell 2.8 percent after gaining 0.1 percent a month earlier. The indexes for inedible fats and oils, woodpulp, and phosphates also turned down after rising in the previous month. Prices for paper fell more than in January. By contrast, prices for basic organic chemicals rose 0.7 percent following a 0.4-percent decline a month ago. The index for plastic resins and materials also turned up after falling in the prior month. Prices for nitrogenates fell less than a month ago, and the index for finished fabrics showed no change after declining in January.

The index for durable manufacturing materials rose 0.4 percent after advancing 0.2 percent a month ago. Prices for steel mill products increased 0.3 percent after declining 0.3 percent in the previous month.

The indexes for plywood, prepared paint, and silver also turned up after falling in the previous month. Prices for aluminum mill shapes rose more than in January. By contrast, the index for copper fell 1.3 percent following a 3.5-percent rise in the prior month. Prices for copper and brass mill shapes also turned down after rising in the previous month. The indexes for aluminum, hardwood lumber, and cement rose less than in January.

The index for construction materials rose 0.4 percent after gaining 0.1 percent in the prior month. Prices for plastic construction materials increased 1.3 percent after falling 1.5 percent a month ago. The indexes for plywood and for plumbing fixtures and brass fittings also turned up after declining in January. Prices for heating equipment fell less than in the previous month. The indexes for softwood lumber and fabricated structural metal products rose more than in the prior month. Conversely, prices for gypsum products turned down 0.6 percent following a 2.7-percent increase in January. The index for wiring devices also turned down after rising a month ago. Prices for millwork, nonferrous wire and cable, and cement increased less than in the previous month.

The index for intermediate foods and feeds fell 0.8 percent for the second consecutive month. In February, price declines for beef and veal, pork, confectionery materials, fluid milk products, and crude vegetable oils outweighed price increases for natural and processed cheese, condensed and evaporated milk, and flour.

Crude Goods

The Producer Price Index for Crude Materials for Further Processing declined 5.9 percent, seasonally adjusted, following a 5.2-percent advance in January. Prices for energy materials turned down after increasing a month earlier. The index for foodstuffs and feedstuffs fell more than the previous month. Prices for basic industrial materials rose less than a month ago. (See table B.)

The index for crude energy materials declined 12.4 percent following a 12.9-percent increase in January. Prices for natural gas turned down 14.7 percent after rising 21.6 percent a month earlier. The indexes for coal and crude petroleum also fell after increasing in the previous month.

The index for crude foodstuffs and feedstuffs declined 1.9 percent following a decrease of 1.0 percent in January. The February decline was the seventh consecutive decrease for this index. Prices for slaughter hogs turned down 10.3 percent after rising 0.5 percent a month earlier. Prices for unprocessed finfish and wheat also fell after increasing a month

earlier. The index for slaughter cattle fell more than the previous month. Prices for alfalfa hay were unchanged following an increase in January. The index for soybeans rose less than a month ago. By contrast, the index for fluid milk declined 1.1 percent following a drop of 2.5 percent a month ago. Prices for slaughter broilers and fryers also fell less than in the previous month. The index for fresh fruits and melons showed no change after declining in January.

Prices for crude nonfood materials less energy advanced 1.0 percent following a 2.0-percent advance in January. The indexes for aluminum base scrap increased 0.4 percent after rising 7.8 percent a month earlier. Prices for copper base scrap turned down after moving up in the previous month. The indexes for iron and steel scrap and for softwood logs, bolts, and timber rose less than the previous month. By contrast, price declines for raw cotton slowed to 1.3 percent from 6.6 percent a month ago. The index for leaf tobacco rose more than in January. Prices for construction sand and gravel showed no change after declining in the prior month.

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

Mining. The Producer Price Index for the net output of total domestic mining industries turned down 9.7 percent in February following a 10.1 percent advance in January. (Net output price indexes are not seasonally adjusted.) In February, prices for the oil and gas extraction industry group fell 11.7 percent after increasing 12.5 percent in the previous month. Prices also moved down after rising a month earlier for the industry groups for nonmetallic minerals mining and for bituminous coal and lignite mining. In February, the Producer Price Index for Total Mining Industries stood at 99.1 (December 1984=100), 18.8 percent higher than a year earlier.

Manufacturing. The Producer Price Index for total manufacturing industries decreased 0.2 percent in February following a 0.1 percent rise in the previous month. Prices turned down after increasing in the previous month for the industry groups for printing and publishing, nonmetallic mineral products, nonelectrical machinery, electrical and electronic machinery, and transportation equipment. The index for the tobacco manufactures industry group moved down after showing no change in January. In February, the index for the industry group for petroleum refining declined 1.4 percent after moving down 0.2 percent in January. Price declines also accelerated for the industry group for paper and allied products. Price increases slowed for the industry groups for food and kindred products, furniture and fixtures, leather products, and measuring instruments. As in January, the index for the apparel industry group edged down 0.1 percent. By contrast, prices rose after showing no change in the previous month for the industry

group for textile mill products. Prices rose more rapidly than in the previous month for the industry groups for lumber and wood products and for primary metal industries. In February, the index for the net output of the domestic manufacturing sector was 127.9 (December 1984=100), 0.9 percent above its year earlier level.

Other. Among other industries in February, the index for passenger car rental increased 11.0 percent after rising 5.8 percent in the previous month. Price increases also accelerated for air courier services, travel agencies, hotels and motels, offices and clinics of doctors of medicine, architectural services, and for accounting and bookkeeping. Prices turned up after falling in January for deep sea domestic transportation of freight, crude petroleum pipelines, radio broadcasting, and for truck rental and leasing. The index for real estate agents and managers rose 0.8 percent after showing no change in the previous month. Prices continued to rise for home health care services and engineering design services. By contrast, prices turned down after rising in the previous month for local trucking (without storage), nonlocal trucking, general warehousing and storage, water transportation of freight (not elsewhere classified), air passenger transportation, telephone communications, electric power utilities, natural gas utilities, waste materials collection other than metal and paper, and for operators of nonresidential buildings. The index for railroad line haul operations fell more in February than in January. Price increases slowed for marine cargo handling, freight transportation arrangement, cable and other pay television services, metal scrap collection, recovered paper collection, skilled and intermediate care facilities, general medical and surgical hospitals, and for legal services. Indexes were unchanged after rising a month earlier for farm products warehousing and storage, nonscheduled air transportation, other specialty hospitals, and medical laboratories.

Producer Price Index data for March 1997 will be
released on Friday, April 11, at 8:30 a.m. (E.D.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.

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

Grouping	Relative importance	Unadjusted index			Unadjusted percent change to Feb. 1997 from:		Seasonally adjusted percent change from:			
		Dec.	Oct.	Jan.	Feb.	Feb.	Jan.	Nov. to	Dec. to	Jan. to
		1996 1/	1996 2/	1997 2/	1997 2/	1996	1997	Dec.	Jan.	Feb.
Finished goods.....	100.000	132.7	132.6	132.2	2.2	-0.3	0.6	-0.3	-0.4	
Finished consumer goods.....	76.405	131.2	131.1	130.5	2.8	-.5	.7	-.3	-.5	
Finished consumer foods.....	23.635	136.6	134.0	133.8	2.4	-.1	-.1	-1.0	-.3	
Crude.....	1.628	136.3	129.1	131.9	8.2	2.2	-.2	-3.9	2.4	
Processed.....	22.007	136.6	134.3	133.9	2.0	-.3	-.1	-.8	-.5	
Finished consumer goods, excluding foods.....	52.770	128.8	129.6	129.0	3.0	-.5	1.0	0	-.5	
Nondurable goods less foods.....	36.380	124.5	125.8	124.9	4.2	-.7	1.4	0	-.6	
Durable goods.....	16.390	135.2	135.0	134.9	.4	-.1	.1	-.1	0	
Capital equipment.....	23.595	138.9	139.0	138.8	.3	-.1	.1	0	-.1	
Manufacturing industries.....	6.031	137.4	137.8	137.8	.4	0	.1	.1	0	
Nonmanufacturing industries.....	17.564	139.3	139.3	139.1	.3	-.1	.1	-.1	-.1	
Intermediate materials, supplies, and components.	100.000	126.0	126.4	126.2	1.2	-.2	.3	.2	-.1	
Materials and components for manufacturing.....	49.074	128.3	128.6	128.5	-.4	-.1	.1	.1	-.1	
Materials for food manufacturing.....	3.392	129.2	125.2	124.0	2.5	-1.0	-.2	-.8	-1.3	
Materials for nondurable manufacturing.....	15.604	129.6	130.2	130.0	-1.8	-.2	.1	.1	-.2	
Materials for durable manufacturing.....	10.977	130.5	132.0	132.6	1.2	.5	.5	.2	.4	
Components for manufacturing.....	19.101	126.6	126.8	126.6	-.6	-.2	-.1	.1	-.1	
Materials and components for construction.....	12.682	144.3	145.0	145.7	2.6	.5	0	.1	.4	
Processed fuels and lubricants.....	13.627	92.3	93.5	92.4	10.0	-1.2	2.4	1.0	-.6	
Manufacturing industries	5.387	94.1	96.4	94.9	9.0	-1.6	1.4	1.4	-1.2	
Nonmanufacturing industries.....	8.240	91.2	91.7	90.8	10.9	-1.0	3.0	.8	-.4	
Containers.....	3.536	137.9	137.9	137.4	-6.0	-.4	0	0	-.4	
Supplies.....	21.081	135.9	135.6	135.5	.1	-.1	0	0	-.1	
Manufacturing industries.....	7.539	138.9	139.0	139.0	.4	0	.1	0	0	
Nonmanufacturing industries.....	13.542	134.4	133.9	133.7	0	-.1	-.1	0	-.2	
Feeds.....	1.610	132.9	127.8	127.8	1.1	0	-.2	-.7	.1	
Other supplies.....	11.932	134.6	134.8	134.5	-.1	-.2	0	.1	-.2	
Crude materials for further processing.....	100.000	111.3	125.2	118.1	6.3	-5.7	4.9	5.2	-5.9	
Foodstuffs and feedstuffs.....	38.897	119.6	112.4	110.7	-3.7	-1.5	-2.7	-1.0	-1.9	
Nonfood materials.....	61.103	101.8	129.1	118.6	13.6	-8.1	10.5	9.3	-8.3	
Nonfood materials except fuel 3/.....	37.004	109.5	112.8	107.8	4.9	-4.4	1.4	3.1	-4.6	
Manufacturing 3/.....	33.419	101.3	104.6	99.4	5.2	-5.0	1.4	3.4	-5.2	

Construction.....	3.585	197.1	200.7	201.4	1.4	.3	-.1	.9	.3
Crude fuel 4/.....	24.099	79.1	144.9	125.9	29.7	-13.1	28.2	18.9	-13.1
Manufacturing industries.....	4.923	78.7	137.3	120.4	27.0	-12.3	25.9	17.6	-12.3
Nonmanufacturing industries.....	19.176	80.2	148.8	129.0	30.3	-13.3	29.0	19.1	-13.3
Special groupings									
Finished goods, excluding foods.....	5/ 76.365	131.5	132.1	131.6	2.1	-.4	.8	0	-.4
Intermediate materials less foods and feeds.....	6/ 94.998	125.8	126.4	126.3	1.2	-.1	.4	.2	-.1
Intermediate foods and feeds.....	6/ 5.002	130.7	126.3	125.5	2.0	-.6	-.2	-.8	-.8
Crude materials less agricultural products 3/ 7/..	8/ 58.958	101.1	129.5	118.5	14.6	-8.5	10.8	9.8	-8.6
Finished energy goods.....	5/ 14.743	84.8	86.7	85.4	9.8	-1.5	3.4	-.2	-1.2
Finished goods less energy.....	5/ 85.257	141.0	140.3	140.1	.9	-.1	.1	-.3	-.2
Finished consumer goods less energy.....	5/ 61.662	141.8	140.8	140.6	1.2	-.1	0	-.4	-.2
Finished goods less foods and energy.....	5/ 61.622	142.7	142.7	142.6	.5	-.1	.1	0	-.1
Finished consumer goods less foods and energy....	5/ 38.027	145.0	145.1	144.9	.6	-.1	.1	0	-.1
Consumer nondurable goods less foods and energy..	5/ 21.637	152.0	152.3	152.0	.7	-.2	.1	.1	-.3
Intermediate energy goods.....	6/ 13.751	92.1	93.3	92.2	10.0	-1.2	2.2	1.1	-.6
Intermediate materials less energy.....	6/ 86.249	133.5	133.6	133.6	-.1	0	.1	0	0
Intermediate materials less foods and energy.....	6/ 81.247	133.6	134.1	134.2	-.1	.1	.1	.1	0
Crude energy materials 3/.....	8/ 41.094	82.7	117.2	102.7	24.2	-12.4	16.5	12.9	-12.4
Crude materials less energy.....	8/ 58.905	127.6	123.5	122.9	-3.3	-.5	-1.9	0	-.9
Crude nonfood materials less energy 4/.....	8/ 20.009	152.3	156.1	158.3	-2.5	1.4	0	2.0	1.0

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 Oct. 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 Feb. 1997 from:		Seasonally adjusted percent change from:		
		Oct. 1996	Jan. 1997	Feb. 1997	Feb. 1996	Jan. 1997	Nov. to Dec.	Dec. to Jan.	Jan. to Feb.
		1996 1/	1997 1/	1997 1/	1996	1997	Dec.	Jan.	Feb.
	FINISHED GOODS.....	132.7	132.6	132.2	2.2	-0.3	0.6	-0.3	-0.4
	FINISHED CONSUMER GOODS.....	131.2	131.1	130.5	2.8	-.5	.7	-.3	-.5
	FINISHED CONSUMER FOODS.....	136.6	134.0	133.8	2.4	-.1	-.1	-1.0	-.3
01-11	Fresh fruits and melons 2/.....	128.1	109.0	109.0	26.7	0	11.8	-6.0	0
01-13	Fresh and dry vegetables 2/.....	113.8	108.7	123.3	-11.2	13.4	-21.4	4.2	13.4
01-71-07	Eggs for fresh use (Dec. 1991=100) 2/.....	102.4	104.2	105.8	4.4	1.5	13.3	-19.8	1.5
02-11	Bakery products 2/.....	172.8	172.9	173.1	3.5	.1	.1	-.1	.1
02-13	Milled rice 2/.....	129.0	127.0	128.9	1.0	1.5	.2	0	1.5
02-14-02	Pasta products (June 1985=100) 2/.....	128.7	128.3	128.5	1.3	.2	-.3	.2	.2
02-21-01	Beef and veal.....	105.0	102.1	98.2	1.3	-3.8	-1.0	-3.8	-4.3
02-21-04	Pork.....	128.9	122.9	122.2	12.5	-.6	2.6	-2.1	-4.4
02-22-03	Processed young chickens.....	126.5	121.0	118.3	2.3	-2.2	.6	-3.2	-1.3
02-22-06	Processed turkeys 2/.....	104.6	97.6	98.8	-6.2	1.2	-1.2	-4.5	1.2
02-23	Finfish and shellfish.....	169.6	183.4	172.8	2.1	-5.8	1.3	1.5	-6.2
02-3	Dairy products.....	140.7	128.8	128.6	4.2	-.2	-2.0	-.5	.5
02-4	Processed fruits and vegetables 2/.....	128.3	128.0	127.7	1.3	-.2	-.1	-.3	-.2
02-55	Confectionery end products 2/.....	167.5	167.7	168.0	1.6	.2	-.1	.4	.2
02-62	Soft drinks.....	134.4	134.7	134.3	-.3	-.3	0	-1.0	-1.0
02-63-01	Roasted coffee 2/.....	128.0	127.9	128.2	-3.1	.2	.2	.3	.2
02-76	Shortening and cooking oils 2/.....	137.0	136.8	136.8	-.1	0	.4	.9	0
	FINISHED CONSUMER GOODS EXCLUDING FOODS.....	128.8	129.6	129.0	3.0	-.5	1.0	0	-.5
02-61	Alcoholic beverages.....	134.8	135.2	134.4	2.3	-.6	0	.6	-.9
03-81-01	Women's apparel 2/.....	120.6	119.9	120.1	.2	.2	0	.1	.2
03-81-02	Men's and boys' apparel.....	132.2	132.3	132.3	.2	0	.1	-.2	-.2
03-81-03	Girls', children's, and infants' apparel 2/.....	123.5	124.3	124.4	2.2	.1	.4	0	.1
03-82	Textile housefurnishings 2/.....	123.9	123.3	122.6	1.7	-.6	.1	-.4	-.6
04-3	Footwear.....	142.2	143.1	143.8	1.9	.5	.1	.3	.3
05-41	Residential electric power (Dec. 1990=100).....	113.5	110.7	110.5	1.1	-.2	-.1	-.1	.1
05-51	Residential gas (Dec. 1990=100).....	109.4	123.6	122.2	13.6	-1.1	.9	5.0	.2
05-71	Gasoline.....	74.1	76.7	74.9	20.4	-2.3	4.0	2.6	-3.1
05-73-02-01	Fuel oil No. 2.....	80.6	75.8	72.4	18.5	-4.5	5.0	-2.8	-1.1

06-35	Pharmaceutical preps, ethical (Prescription).....	266.6	270.1	271.0	3.4	.3	.2	1.2	-.1
06-36	Pharmaceutical preps,proprietary (Over-counter).....	184.0	185.2	185.5	-1.4	.2	.2	.3	.1
06-71	Soaps and synthetic detergents 2/.....	125.2	125.4	125.4	.2	0	-.3	.2	0
06-75	Cosmetics and other toilet preparations 2/.....	130.0	129.9	130.3	-1.0	.3	0	.2	.3
07-12	Tires, tubes, tread, etc 2/.....	96.2	97.1	96.0	-1.7	-1.1	0	1.3	-1.1
09-15-01	Sanitary papers and health products 2/.....	148.5	147.3	146.2	-4.1	-.7	.9	-1.1	-.7
09-31-01	Newspaper circulation.....	201.7	201.8	201.7	2.4	0	.5	-.5	0
09-32-01	Periodical circulation.....	182.5	183.2	183.4	1.6	.1	.2	.2	-.4
09-33	Book publishing 2/.....	194.7	198.0	197.4	3.1	-.3	1.2	.1	-.3
12-1	Household furniture 2/.....	144.9	145.3	145.6	1.3	.2	-.1	.1	.2
12-3	Floor coverings 2/.....	128.1	127.4	129.3	3.3	1.5	-.1	.6	1.5
12-4	Household appliances 2/.....	112.4	111.5	110.9	-1.4	-.5	-.8	-.1	-.5
12-5	Home electronic equipment 2/.....	78.7	78.4	78.4	-1.1	0	-.4	-.3	0
12-62	Household glassware 2/.....	157.9	158.4	158.5	2.1	.1	.1	.3	.1
12-64	Household flatware 2/.....	137.8	138.6	138.6	-1.2	0	.7	0	0
12-66	Lawn and garden equip., ex. tractors 2/.....	132.6	132.9	132.9	.9	0	.2	.3	0
14-11-01	Passenger cars.....	137.3	136.5	136.6	.4	.1	.1	-.4	.2
15-11	Toys, games, and children's vehicles.....	125.3	125.8	124.8	-.8	-.8	0	.2	-1.4
15-12	Sporting and athletic goods 2/.....	123.7	124.3	124.3	1.1	0	-.2	.5	0
15-2	Tobacco products 2/.....	239.1	239.6	239.2	2.6	-.2	.3	.1	-.2
15-5	Mobile homes 2/.....	150.5	151.0	150.8	1.5	-.1	-.1	-.1	-.1
15-94-02	Jewelry, platinum, & karat gold 2/.....	129.6	128.5	127.7	-1.5	-.6	-.3	-.5	-.6
15-94-04	Costume jewelry and novelties 2/.....	138.6	138.6	138.3	2.5	-.2	0	.1	-.2
	CAPITAL EQUIPMENT.....	138.9	139.0	138.8	.3	-.1	.1	0	-.1
11-1	Agricultural machinery and equipment 2/.....	147.4	146.9	147.1	.3	.1	-.1	.4	.1
11-2	Construction machinery and equipment.....	140.3	141.7	142.1	1.9	.3	0	.4	.1
11-37	Metal cutting machine tools 2/.....	154.0	154.3	154.4	2.3	.1	.3	-.3	.1
11-38	Metal forming machine tools 2/.....	150.3	150.9	152.9	3.0	1.3	.3	0	1.3
11-39	Tools, dies, jigs, fixtures, and ind. molds 2/.....	136.5	137.3	137.3	1.5	0	.5	0	0
11-41	Pumps, compressors, and equipment.....	144.0	144.7	145.2	1.8	.3	.2	-.3	.4
11-44	Industrial material handling equipment 2/.....	127.9	128.6	128.7	1.7	.1	.2	.3	.1
11-51	Electronic computers (Dec. 1990=100) 2/.....	40.1	38.3	36.3	-21.4	-5.2	-2.3	-.3	-5.2
11-62	Textile machinery 2/.....	149.1	151.1	151.1	2.4	0	.1	1.1	0
11-64	Paper industries machinery (June 1982=100).....	153.9	155.2	157.0	2.4	1.2	.3	-.2	1.0
11-65	Printing trades machinery 2/.....	137.9	138.5	139.3	2.8	.6	-.1	.1	.6
11-74	Transformers and power regulators 2/.....	128.8	129.2	129.3	-1.6	.1	-.1	.2	.1
11-76	Communication & related equip. (Dec. 1985=100) 2/...	113.2	113.9	114.0	.8	.1	1.1	.7	.1
11-79-05	X-ray and electromedical equipment 2/.....	109.2	108.4	107.6	-3.2	-.7	-.5	-.1	-.7
11-91	Oil field and gas field machinery 2/.....	118.5	121.0	121.0	3.4	0	.5	1.3	0
11-92	Mining machinery and equipment 2/.....	139.7	138.3	138.4	-.1	.1	.1	-.2	.1
11-93	Office and store machines and equipment 2/.....	111.7	111.7	111.8	-.8	.1	0	0	.1
12-2	Commercial furniture 2/.....	153.0	153.3	153.0	1.1	-.2	.1	.3	-.2
14-11-05	Light motor trucks.....	163.2	163.2	162.2	.9	-.6	.1	.4	-.3

14-11-06	Heavy motor trucks.....	142.3	140.9	141.7	-3.3	.6	.3	-1.8	.1
14-14	Truck trailers 2/.....	130.0	130.1	130.1	-1.5	0	0	-.1	0
14-21-02	Civilian aircraft (Dec. 1985=100).....	148.8	149.3	149.3	2.7	0	.3	-.3	0
14-31	Ships (Dec. 1985=100) 2/.....	144.7	142.7	142.7	5.5	0	.6	2.0	0
14-4	Railroad equipment.....	137.0	136.3	136.4	-.9	.1	.1	-.1	-.5
	INTERMEDIATE MATERIALS, SUPPLIES, AND COMPONENTS.....	126.0	126.4	126.2	1.2	-.2	.3	.2	-.1
	INTERMEDIATE FOODS AND FEEDS.....	130.7	126.3	125.5	2.0	-.6	-.2	-.8	-.8
02-12-03	Flour 2/.....	129.1	121.1	122.7	-12.7	1.3	1.0	-2.1	1.3
02-53	Refined sugar 2/.....	124.1	126.3	125.0	3.2	-1.0	.9	.9	-1.0
02-54	Confectionery materials.....	110.5	109.9	107.1	.7	-2.5	.6	-.1	-2.5
02-72	Crude vegetable oils 2/.....	111.3	115.0	112.6	-5.0	-2.1	.5	4.1	-2.1
02-9	Prepared animal feeds 2/.....	135.3	131.6	131.6	1.7	0	.5	-.7	0
	INTERMEDIATE MATERIALS LESS FOODS AND FEEDS.....	125.8	126.4	126.3	1.2	-.1	.4	.2	-.1
03-1	Synthetic fibers 2/.....	112.0	113.3	113.5	2.1	.2	0	1.3	.2
03-2	Processed yarns and threads 2/.....	114.9	114.9	114.9	.3	0	0	.1	0
03-3	Gray fabrics 2/.....	121.6	121.4	121.7	.7	.2	.9	-.2	.2
03-4	Finished fabrics.....	123.7	123.8	123.8	.5	0	.1	-.3	0
03-83-03	Industrial textile products 2/.....	128.1	127.5	126.5	4.1	-.8	.4	-.7	-.8
04-2	Leather.....	177.4	182.5	185.3	2.4	1.5	-.1	1.3	1.3
05-32	Liquefied petroleum gas 2/.....	95.4	118.5	109.9	44.6	-7.3	9.3	5.6	-7.3

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 Feb. 1997 from:		Seasonally adjusted percent change from:		
		Oct. 1996	Jan. 1997	Feb. 1997	Feb. 1996	Jan. 1997	Nov. to Dec.	Dec. to Jan.	Jan. to Feb.
		1/	1/	1/	1996	1997	Dec.	Jan.	Feb.
	INTERMEDIATE MATERIALS LESS FOODS AND FEEDS -Continued.....								
05-42	Commercial electric power.....	131.3	127.7	127.6	1.3	-0.1	-0.6	0.4	0.1
05-43	Industrial electric power.....	131.2	128.1	127.9	.6	-.2	-1.8	.4	.1

05-52	Commercial natural gas (Dec. 1990=100).....	99.4	122.0	119.1	15.6	-2.4	6.5	6.0	-2.5
05-53	Industrial natural gas (Dec. 1990=100).....	96.1	131.5	122.2	26.2	-7.1	5.3	17.5	-6.4
05-54	Natural gas to electric utilities (Dec. 1990=100)...	81.8	111.7	114.8	18.0	2.8	18.3	13.8	.8
05-72-03	Jet fuels.....	75.5	74.6	74.3	30.4	-.4	5.2	3.2	2.7
05-73-03	No. 2 Diesel fuel.....	80.2	73.1	72.4	21.9	-1.0	5.2	-2.0	1.6
05-74	Residual fuel 2/.....	61.7	66.1	67.6	18.4	2.3	-1.6	6.6	2.3
06-1	Industrial chemicals 2/.....	126.9	128.0	128.6	2.8	.5	.5	-.5	.5
06-21	Prepared paint.....	149.3	150.1	150.9	4.4	.5	2.2	-.3	.4
06-22	Paint materials 2/.....	139.5	140.5	140.6	-1.3	.1	-.4	.5	.1
06-31	Medicinal and botanical chemicals 2/.....	128.7	129.5	129.2	1.0	-.2	0	.5	-.2
06-4	Fats and oils, inedible 2/.....	143.8	150.6	146.9	21.0	-2.5	10.2	9.4	-2.5
06-51	Mixed fertilizers.....	113.7	112.7	113.3	-1.5	.5	-.2	-1.7	0
06-52-01	Nitrogenates.....	129.8	135.1	136.4	1.6	1.0	1.3	-2.2	-.2
06-52-02	Phosphates 2/.....	111.8	112.8	111.7	-8.0	-1.0	-2.0	1.4	-1.0
06-53	Other agricultural chemicals.....	146.7	146.1	142.3	-2.9	-2.6	-.3	-.6	-2.7
06-6	Plastic resins and materials 2/.....	138.0	137.2	138.3	7.7	.8	-.1	-.7	.8
07-11-02	Synthetic rubber 2/.....	121.5	122.1	121.6	-1.1	-.4	.3	-.1	-.4
07-21	Plastic construction products 2/.....	130.5	127.2	128.9	-1.5	1.3	-.7	-1.5	1.3
07-22	Unsupported plastic film, sheet, & other shapes.....	132.5	132.5	132.1	-1.1	-.3	-.5	-.3	-.3
07-26	Plastic parts and components for manufacturing 2/...	117.4	117.4	117.4	-.2	0	.1	0	0
08-11	Softwood lumber 2/.....	193.7	204.3	207.5	21.6	1.6	-1.0	.7	1.6
08-12	Hardwood lumber 2/.....	164.3	168.4	168.9	3.0	.3	.5	1.5	.3
08-2	Millwork 2/.....	168.7	169.8	170.2	3.9	.2	-.1	.4	.2
08-3	Plywood 2/.....	160.1	154.6	159.1	3.2	2.9	-1.3	-.7	2.9
09-11	Woodpulp 2/.....	128.2	128.7	127.0	-20.8	-1.3	-.6	1.2	-1.3
09-13	Paper 2/.....	142.3	140.9	140.0	-13.0	-.6	0	-.2	-.6
09-14	Paperboard 2/.....	146.6	148.4	144.3	-16.4	-2.8	-.1	.1	-2.8
09-15-03	Paper boxes and containers 2/.....	148.0	148.0	147.2	-10.2	-.5	-.1	.1	-.5
09-2	Building paper and board 2/.....	138.7	132.0	130.8	-5.4	-.9	-1.9	-1.2	-.9
09-37	Commercial printing (June 1982=100) 2/.....	148.2	147.9	148.0	0	.1	.4	0	.1
10-15	Foundry and forge shop products.....	133.0	133.4	133.8	1.3	.3	.1	.1	.1
10-17	Steel mill products 2/.....	116.0	115.7	116.0	.7	.3	-.4	-.3	.3
10-22	Primary nonferrous metals 2/.....	114.4	124.5	126.3	-4.2	1.4	4.8	2.6	1.4
10-25-01	Aluminum mill shapes 2/.....	140.3	142.5	144.9	-2.1	1.7	1.2	1.4	1.7
10-25-02	Copper and brass mill shapes 2/.....	169.6	178.6	177.9	-3.2	-.4	1.7	1.2	-.4
10-26	Nonferrous wire and cable 2/.....	145.6	147.9	148.4	-.1	.3	1.0	.5	.3
10-3	Metal containers 2/.....	108.5	107.9	108.1	-2.2	.2	.6	-1.1	.2
10-4	Hardware.....	144.6	144.8	144.6	1.0	-.1	.1	.1	-.1
10-5	Plumbing fixtures and brass fittings.....	171.6	171.9	174.7	2.6	1.6	.2	-.2	1.0
10-6	Heating equipment.....	151.8	152.1	152.0	1.0	-.1	.1	-.7	-.3
10-7	Fabricated structural metal products.....	138.6	139.0	139.2	1.7	.1	.1	.1	.2
10-88	Fabricated ferrous wire products (June 1982=100) 2/.	126.9	126.9	127.0	.8	.1	-.4	0	.1
10-89	Other misc. metal products 2/.....	126.0	126.2	126.4	.9	.2	.1	.1	.2
11-45	Mechanical power transmission equipment.....	151.6	153.4	154.4	2.1	.7	-.2	0	.6
11-48	Air conditioning and refrigeration equipment.....	132.6	132.6	132.2	-.3	-.3	.4	-.6	-.6

11-49-02	Metal valves, ex.fluid power (Dec. 1982=100) 2/.....	150.2	151.4	151.9	1.9	.3	.2	.1	.3
11-49-05	Ball and roller bearings.....	158.7	160.9	160.5	2.0	-.2	0	.4	-.4
11-71	Wiring devices.....	151.6	152.5	152.6	1.6	.1	.1	.3	-.3
11-73	Motors, generators, motor generator sets.....	144.6	144.3	144.5	-1.2	.1	-.1	-1.3	0
11-75	Switchgear, switchboard, etc., equipment.....	142.7	144.6	145.0	2.1	.3	.2	-.1	.2
11-78	Electronic components and accessories 2/.....	107.3	107.0	106.1	-5.4	-.8	-.5	-.3	-.8
11-94	Internal combustion engines.....	139.4	139.7	139.7	1.5	0	-.1	-.4	-.2
11-95	Machine shop products 2/.....	134.4	134.9	134.9	1.6	0	-.1	.2	0
13-11	Flat glass 2/.....	109.2	109.2	108.8	-2.8	-.4	.3	-.5	-.4
13-22	Cement.....	136.4	136.4	136.7	5.1	.2	.3	.9	.4
13-3	Concrete products.....	133.8	135.1	135.1	2.3	0	.1	-.1	.1
13-6	Asphalt felts and coatings 2/.....	100.1	99.7	99.9	-.5	.2	-.7	0	.2
13-7	Gypsum products 2/.....	162.2	168.5	167.5	12.0	-.6	.1	2.7	-.6
13-8	Glass containers 2/.....	127.4	127.9	125.9	-3.3	-1.6	0	-1.1	-1.6
14-12	Motor vehicle parts 2/.....	116.2	115.4	115.2	-.9	-.2	-.1	-.3	-.2
14-23	Aircraft engines & engine parts (Dec. 1985=100).....	134.8	136.4	137.4	1.9	.7	.3	.1	.9
14-25	Aircraft parts & aux.equip.,nec (June 1985=100) 2/..	139.3	141.0	140.5	.6	-.4	.1	2.0	-.4
15-42	Photographic supplies 2/.....	129.7	129.3	129.3	-.4	0	0	-.3	0
15-6	Medical/surgical/personal aid devices.....	142.4	143.5	143.8	.3	.2	.1	.3	-.2
	CRUDE MATERIALS FOR FURTHER PROCESSING.....	111.3	125.2	118.1	6.3	-5.7	4.9	5.2	-5.9
	CRUDE FOODSTUFFS AND FEEDSTUFFS.....	119.6	112.4	110.7	-3.7	-1.5	-2.7	-1.0	-1.9
01-21	Wheat 2/.....	118.6	114.7	112.4	-21.2	-2.0	-2.8	.6	-2.0
01-22-02-05	Corn.....	117.3	107.6	108.4	-26.8	.7	-7.5	-.1	.9
01-31	Slaughter cattle.....	101.9	95.8	94.0	.1	-1.9	-4.5	-1.4	-2.3
01-32	Slaughter hogs.....	92.2	89.0	87.4	13.1	-1.8	-3.2	.5	-10.3
01-41-02	Slaughter broilers/fryers.....	151.1	150.8	140.1	10.4	-7.1	5.8	-4.7	-2.9
01-42	Slaughter turkeys.....	127.6	98.9	99.8	-16.9	.9	1.3	-5.2	.7
01-6	Fluid milk.....	116.9	99.0	96.3	-4.7	-2.7	-4.6	-2.5	-1.1
01-83-01-31	Soybeans.....	117.6	124.4	127.1	4.5	2.2	-3.7	6.5	3.7
02-52-01-01	Cane sugar,raw 2/.....	119.6	117.6	115.2	-3.2	-2.0	-.2	-.3	-2.0
	CRUDE NONFOOD MATERIALS.....	101.8	129.1	118.6	13.6	-8.1	10.5	9.3	-8.3
01-51-01-01	Raw cotton.....	120.3	116.6	116.7	-14.2	.1	1.0	-6.6	-1.3
01-92-01-01	Leaf tobacco 2/.....	112.6	116.1	121.7	2.4	4.8	(3)	2.6	4.8
04-11	Cattle hides 2/.....	204.8	207.0	207.7	18.2	.3	0	1.0	.3
05-1	Coal 2/.....	93.3	97.0	93.4	-2.0	-3.7	-.4	3.0	-3.7
05-31	Natural gas 2/.....	75.2	153.6	131.0	35.8	-14.7	34.1	21.6	-14.7
05-61	Crude petroleum 2/.....	72.0	74.0	65.0	23.1	-12.2	3.9	4.1	-12.2
08-5	Logs, timber, etc. 2/.....	208.8	213.6	215.2	.6	.7	-1.0	2.1	.7
09-12	Wastepaper 2/.....	146.2	152.5	153.8	-5.6	.9	-1.4	4.7	.9

10-11	Iron ore 2/.....	96.7	99.7	99.7	2.2	0	0	3.1	0
10-12	Iron and steel scrap 2/.....	183.4	180.9	190.3	-5.5	5.2	-.8	6.4	5.2
10-21	Nonferrous metal ores (Dec. 1983=100) 2/.....	83.2	84.1	84.1	-13.0	0	.4	-1.1	0
10-23-01	Copper base scrap 2/.....	151.8	169.8	164.7	-6.8	-3.0	3.6	7.5	-3.0
10-23-02	Aluminum base scrap.....	160.0	188.9	195.7	9.6	3.6	1.9	7.8	.4
13-21	Construction sand, gravel, and crushed stone.....	146.1	146.9	147.0	1.8	.1	.3	-.2	0

1/ The indexes for October 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/		
		Oct. 1996	Jan. 1997	Feb. 1997
	Finished Goods (1967=100).....	372.5	372.2	371.0
	All commodities.....	128.0	129.7	128.7
	MAJOR COMMODITY GROUPS			
	Farm products and processed foods and feeds....	130.8	126.9	126.3
01	Farm products.....	120.2	113.0	112.6
02	Processed foods and feeds.....	136.0	133.8	133.0
	Industrial commodities.....	127.5	130.2	129.2
03	Textile products and apparel.....	122.9	122.8	122.8
04	Hides, skins, leather, and related products..	153.1	155.1	156.2
05	Fuels and related products and power 2/.....	86.8	95.7	91.6
06	Chemicals and allied products 2/.....	143.0	143.7	143.9
07	Rubber and plastic products.....	123.7	123.4	123.4
08	Lumber and wood products.....	177.8	180.9	182.8
09	Pulp, paper, and allied products.....	166.9	167.5	166.8
10	Metals and metal products.....	129.4	130.8	131.5

11	Machinery and equipment.....	126.2	126.5	126.2
12	Furniture and household durables.....	130.9	130.8	130.9
13	Nonmetallic mineral products.....	131.7	132.4	132.5
14	Transportation equipment.....	142.9	142.7	142.6
15	Miscellaneous products.....	148.3	148.9	149.0
	Industrial commodities less fuels and related products and power.....	138.6	139.1	139.2
	OTHER COMMODITY GROUPINGS			
01-1	Fruits and melons, fresh and dry vegetables, and tree nuts.....	130.3	115.4	121.2
01-2	Grains.....	118.8	111.1	111.0
01-3	Slaughter livestock.....	100.5	95.4	93.8
01-4	Slaughter poultry.....	144.3	138.1	130.2
01-5	Plant and animal fibers.....	119.9	116.4	116.5
01-7	Chicken eggs.....	128.8	125.8	129.4
01-8	Hay, hayseeds, and oilseeds.....	140.4	147.6	149.6
01-83	Oilseeds.....	128.0	134.7	137.0
01-9	Other farm products.....	167.9	173.1	181.5
02-1	Cereal and bakery products.....	159.6	158.0	158.4
02-2	Meats, poultry, and fish.....	121.0	119.0	116.7
02-22	Processed poultry.....	122.8	118.5	117.3
02-5	Sugar and confectionery.....	138.5	138.8	137.9
02-6	Beverages and beverage materials.....	135.4	135.7	135.2
02-63	Packaged beverage materials.....	126.6	126.5	126.8
02-7	Fats and oils.....	126.6	129.3	128.6
03-81	Apparel.....	125.5	125.4	125.4
04-4	Other leather and related products.....	141.2	141.9	142.6
05-3	Gas fuels 2/.....	79.5	142.5	123.8
05-4	Electric power.....	131.9	128.5	128.3
05-7	Refined petroleum products.....	74.2	74.3	73.0
06-3	Drugs and pharmaceuticals.....	215.4	216.9	217.5
06-5	Agricultural chemicals and products.....	132.2	133.3	131.9
06-7	Other chemicals and allied products.....	132.8	132.8	132.6
07-1	Rubber and rubber products.....	116.1	116.8	116.2
07-11	Rubber, except natural rubber.....	120.9	121.5	120.9
07-13	Miscellaneous rubber products.....	136.7	137.2	137.3
07-2	Plastic products.....	130.5	129.8	130.0
08-1	Lumber.....	182.8	191.3	193.7
09-1	Pulp, paper, and products, excluding building paper and board.....	145.2	145.2	144.0
09-15	Converted paper and paperboard products.....	150.5	150.3	149.5

10-1	Iron and steel.....	125.5	125.2	126.4	
10-2	Nonferrous metals.....	130.1	135.6	136.8	
10-25	Nonferrous mill shapes.....	139.0	141.9	143.5	
11-3	Metalworking machinery and equipment.....	143.6	144.4	144.5	
11-4	General purpose machinery and equipment.....	143.0	143.8	143.9	
11-6	Special industry machinery.....	154.0	155.3	155.6	
11-7	Electrical machinery and equipment.....	122.9	123.2	123.0	
11-9	Miscellaneous machinery and equipment.....	129.8	130.2	130.2	
12-6	Other household durable goods.....	148.4	149.4	149.2	
13-2	Concrete ingredients.....	140.0	140.6	140.7	
14-1	Motor vehicles and equipment.....	135.2	134.6	134.4	
15-1	Toys, sporting goods, small arms, etc.....	130.8	131.4	131.1	
15-4	Photographic equipment and supplies.....	120.4	118.6	118.6	
15-9	Other miscellaneous products.....	132.8	133.3	132.9	

1/ Data for Oct. 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 Feb. 1997 from: __	
			Oct. 1996 2/	Jan. 1997 2/	Feb. 1997 2/	Feb. 1996	Jan. 1997
	Total mining industries.....	12/84	83.0	109.8	99.1	18.8	-9.7
10	Metal mining.....	12/84	86.6	88.1	87.9	-9.8	-.2
12	Coal mining.....	12/85	90.5	92.8	90.7	-1.3	-2.3
13	Oil and gas extraction.....	12/85	83.7	119.2	105.3	27.5	-11.7
14	Mining and quarrying of non-metallic minerals, except fuels.....	12/84	127.3	127.7	127.6	.9	-.1
	Total manufacturing industries.....	12/84	128.2	128.2	127.9	1.8	-.2
20	Food and kindred products.....	12/84	129.8	127.6	127.1	2.2	-.4
21	Tobacco manufactures.....	12/84	201.1	201.5	201.1	3.1	-.2
22	Textile mill products.....	12/84	118.6	118.5	119.1	1.4	.5
23	Apparel and other finished products made from fabrics and similar materials.....	12/84	123.1	123.0	122.9	1.1	-.1
24	Lumber and wood products, except furniture..	12/84	154.6	156.5	157.7	4.6	.8

25	Furniture and fixtures.....	12/84	137.1	137.4	137.5	1.3	.1
26	Paper and allied products.....	12/84	134.9	134.5	133.5	-8.6	-.7
27	Printing, publishing, and allied industries.	12/84	166.4	167.9	167.7	1.8	-.1
28	Chemicals and allied products.....	12/84	146.8	147.2	147.2	1.9	0
29	Petroleum refining and related products.....	12/84	92.0	92.7	91.4	18.2	-1.4
30	Rubber and miscellaneous plastic products...	12/84	123.1	122.9	122.9	0	0
31	Leather and leather products.....	12/84	135.1	136.7	137.6	2.2	.7
32	Stone, clay, glass, and concrete products...	12/84	126.2	127.0	126.9	1.3	-.1
33	Primary metal industries.....	12/84	122.7	123.5	123.9	-.4	.3
34	Fabricated metal products, except machinery and transportation equipment.....	12/84	126.5	126.8	127.0	1.0	.2
35	Machinery, except electrical.....	12/84	118.9	119.2	118.9	-.7	-.3
36	Electrical and electronic machinery, equipment, and supplies.....	12/84	112.7	112.6	112.2	-1.5	-.4
37	Transportation equipment.....	12/84	135.4	135.4	135.3	.8	-.1
38	Measuring and controlling instruments; photographic, medical, optical goods; watches, clocks.....	12/84	125.1	125.4	125.5	.2	.1
39	Miscellaneous manufacturing industries.....	12/85	128.3	128.9	128.6	.8	-.2
	Services industries						
40	Railroad transportation.....	12/96	(3)	100.0	98.7	(3)	-1.3
42	Motor freight transportation and warehousing	06/93	106.9	108.5	108.4	2.4	-.1
43	United states postal service.....	06/89	132.3	132.3	132.3	0	0
44	Water transportation.....	12/92	104.6	104.8	104.3	.5	-.5
45	Transportation by air.....	12/92	122.4	128.5	128.2	7.6	-.2
46	Pipe lines, except natural gas.....	12/86	100.9	98.8	98.8	-10.7	0
80	Health services.....	12/94	105.2	105.7	106.0	1.7	.3
81	Legal services.....	12/96	(3)	101.4	101.9	(3)	.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 Oct. 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.