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Producer Price Indexes -- June 1997

The Producer Price Index for Finished Goods decreased 0.1 percent in June, seasonally adjusted, the Bureau of Labor Statistics of the U. S. Department of Labor reported today. This followed drops of 0.3 percent in May and 0.6 percent in April and is the sixth consecutive monthly decline in the index. Prices received by domestic producers of intermediate goods were unchanged in June following a 0.2-percent decrease in the previous month. The Crude Goods Price Index fell 3.3 percent after increasing 1.3 percent in May. (See table A.)

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

Month	Total	Foods	Energy	Finish ed goods Except foods and energy	Change in finished goods from 12 months ago (unadj.)	Inter- mediate goods	Crude goods	
								1996
	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.	0.4	0.8	1.7	-0.1	3.1	-0.2	-0.7
	Nov.	0.2	0	0.9	0	3.0	-0.2	2.7
	Dec.	0.5	-0.2	3.3	0.1	2.8	0.5	6.2

1997

Jan.	-0.3	-1.0	-0.2	0	2.5	0.2	3.8
Feb.	r-0.3	-0.4	r-1.2	r-0.1	2.2	r-0.2	r-8.3
Mar.	r-0.2	0.9	r-3.2	r0.2	1.6	r-0.4	r-5.3
Apr.	-0.6	-0.4	-2.6	-0.1	0.8	-0.3	-0.9
May	-0.3	0.4	-2.1	-0.3	0.3	-0.2	1.3
June	-0.1	-0.9	0.7	0.1	-0.1	0	-3.3

r=revised. Some of the figures shown above and elsewhere in this release may differ from those previously reported because data for February 1997 have been recalculated to incorporate late reports and corrections by respondents.

Among finished goods in June, the index for finished energy goods rose 0.7 percent, while the index for finished goods other than foods and energy increased 0.1 percent. Both indexes fell in the previous month. Prices for consumer foods, on the other hand, turned down in June after rising in the prior month.

During the first six months of 1997, the Finished Goods Price Index fell at a seasonally adjusted annual rate of 3.4 percent after rising at an equal rate in the last half of 1996. Prices for consumer foods declined at a seasonally adjusted annual rate of 2.8 percent during the first six months of 1997 following a 3.5-percent rate of increase in the latter half of 1996. The index for finished goods less foods and energy fell at a 0.3-percent seasonally adjusted annual rate for the first six months of 1997 after increasing at a 0.6-percent rate from June 1996 to December 1996. Prices for finished energy goods declined at a 16.0-percent seasonally adjusted annual rate in the first half of 1997 following a 16.2-percent rate of increase in the previous six months. The Intermediate Goods Price Index moved down at a 1.7-percent seasonally adjusted annual rate from December 1996 to June 1997 after posting a 1.1-percent rate of increase for the last six months of 1996. The Crude Goods Price Index fell at a 23.5-percent seasonally adjusted annual rate in the first half of 1997 after increasing at a 17.6-percent rate in the previous six months.

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

Intermediate goods	Change in intermediate goods	Crude goods	Change in crude goods
Exclud	Excludi		

Month	Foods	Energy	ing foods and energy	from 12 months ago (unadj.)	Foods	Energy (unadj .)	ng foods and energy	from 12 months ago (unadj.)
1996								
June	0.7	-2.4	0.0	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	1.3	-0.2	0.5	-3.1	2.1	-0.1	9.4
Nov.	-3.2	-0.2	0.1	0.5	-2.5	11.1	-0.2	10.6
Dec.	-0.6	2.9	0.1	0.7	-2.7	19.3	0	14.7
1997								
Jan.	-0.5	0.6	0.1	0.9	-1.2	8.9	2.3	16.1
Feb.	r-0.1	r-0.8	0.1	r1.1	r-1.4	r-17.9	r1.1	r4.5
Mar.	r1.9	r-4.3	0	0.6	r1.9	r-15.3	r0.2	0.3
Apr.	0.4	-2.0	0	-0.1	3.3	-5.2	-2.3	-4.8
May	0.5	-1.9	0	-0.7	-0.3	3.4	1.2	-4.6
June	-1.4	0.6	0.1	-0.4	-5.4	-2.9	0.4	-5.4

r=revised. Some of the figures shown above and elsewhere in this release may differ from those previously reported because data for February 1997 have been recalculated to incorporate late reports and corrections by respondents.

Before seasonal adjustment, the Producer Price Index for Finished Goods increased 0.1 percent in June to 131.6 (1982=100). From June 1996 to June 1997, the Finished Goods Price Index fell 0.1 percent. During this same period, consumer food prices moved up 0.3 percent, prices for finished energy goods fell 1.3 percent, and prices for finished goods other than foods and energy rose 0.2 percent. Prices received by domestic producers of intermediate goods moved down 0.4 percent during the 12 months ended in June 1997, and crude material prices fell 5.4 percent over the same period.

Finished goods

The Producer Price Index for finished energy goods rose 0.7 percent in June following a 2.1-percent decline in May. Gasoline prices advanced 0.4 percent after falling 7.1 percent in May. The index for residential natural gas also turned up after falling a month earlier. Prices for finished lubricants rose more than a month ago. The index for residential electric power rose after showing no change in May. By contrast, home heating oil prices turned down 5.8 percent after increasing 2.2 percent in

the previous month.

Prices for finished consumer foods fell 0.9 percent in June following a 0.4-percent increase in the prior month. The index for fresh fruits and melons decreased 15.6 percent after rising 7.9 percent in the previous month. Prices for finfish and shellfish, pork, and beef and veal also turned down following increases a month earlier. The indexes for eggs for fresh use and for processed young chickens fell more than in May. On the other hand, prices for dairy products decreased 1.1 percent after declining 1.5 percent a month ago. The indexes for soft drinks and milled rice also fell less than in the previous month.

The index for consumer goods other than foods and energy moved up 0.1 percent after falling 0.3 percent in May. On a seasonally adjusted annual rate basis, this index showed no change from December 1996 to June 1997, compared with a 0.6-percent rate of increase in the latter half of 1996. In June, the index for passenger cars rose 0.3 percent following a 1.6-percent decline in May. Prices for sanitary papers, alcoholic beverages, and periodical circulation also turned up after falling in the previous month. By contrast, the index for book publishing turned down 1.1 percent in June after rising 0.1 percent a month earlier. Prices for men's and boys' apparel and for household appliances also fell after increasing in May. The indexes for tobacco products, prescription drugs, and women's apparel rose less than a month ago.

In June, the capital equipment index increased 0.1 percent after declining 0.2 percent in May. This index moved down at a 0.6-percent seasonally adjusted annual rate in the first half of 1997 after increasing at a 0.3-percent rate in the last half of 1996. In June, the index for electronic computers rose 0.6 percent after decreasing 4.6 percent in May. Prices for heavy motor trucks also turned up after falling a month earlier. The index for communications and related equipment rose after showing no change in the previous month. Prices for light motor trucks and ships fell less than a month ago. Conversely, the index for civilian aircraft increased 0.1 percent following a 0.4 percent gain in May. Prices for x-ray equipment turned down after showing no change in the prior month. Commercial furniture prices fell after rising in May. The index for tools and dies showed no change after increasing a month ago.

Intermediate goods

The Producer Price Index for Intermediate Materials, Supplies, and Components showed no change in June, seasonally adjusted, after declining 0.2 percent in May. The index for intermediate energy goods turned up after falling a month ago. Prices for durable manufacturing materials rose

more than in the prior month. By contrast, the indexes for both intermediate foods and feeds and construction materials turned down after rising a month earlier. Prices for nondurable manufacturing materials were unchanged after increasing in May. Excluding foods and energy prices, the index for intermediate materials increased 0.1 percent after showing no change in each of the previous 3 months. (See table B.)

The index for intermediate energy materials rose 0.6 percent, seasonally adjusted, after falling 1.9 percent in June. This index declined at a 14.7 percent seasonally adjusted annual rate in the first half of 1997 after rising at a 12.5-percent rate in the final half of 1996. In June, gasoline prices rose 0.4 percent after falling 7.1 percent a month ago. Prices for commercial electric power and jet fuels increased after decreasing a month earlier. By contrast, the index for residual fuel rose 3.4 percent after advancing 13.4 percent in the prior month. Prices for natural gas to electric utilities and petroleum coke fell after rising in May.

The index for durable manufacturing materials advanced 0.3 percent in June following a 0.2-percent increase in May. From December 1996 to June 1997, this index advanced at a 3.7-percent seasonally adjusted annual rate after falling at a 1.7-percent rate in the latter half of 1996. In June, price increases for aluminum mill shapes, copper and brass mill shapes, plywood, and for copper cathode and refined copper outweighed price declines for cold rolled sheets and strip, silver, gold, and cold finished bars.

The index for construction materials declined 0.1 percent following a 0.4-percent advance in May. Prices for this category advanced at a 2.9-percent seasonally adjusted annual rate during the first 6 months of 1997 after rising at a 1.4-percent rate during the last 6 months of 1996. In June, the index for softwood lumber turned down 2.7 percent after rising 1.3 percent in the prior month. Prices for plastic construction products also turned down after rising a month earlier. Fabricated structural metal products showed no change after advancing a month ago. Prices decreased for gypsum products and millwork after increasing in May. By contrast, the index for plywood advanced 2.7 percent after falling 0.4 percent a month earlier. Prices for metal valves, except fluid power, also turned up after falling in May.

The index for intermediate foods and feeds declined 1.4 percent in June following a 0.5-percent rise in May. This index advanced at a 1.6-percent seasonally adjusted annual rate in the first half of 1997 after falling at an 8.5-percent rate in the latter half of 1996. In June, the index for prepared animal feeds turned down 2.2 percent following a 1.7-

percent rise in the prior month. Prices for pork, beef and veal, and crude vegetable oils also declined after rising a month ago. By contrast, natural, processed, and imitation cheese declined 0.7 percent following a 3.3-percent decrease a month ago. Dry milk products showed no change after declining in May.

The index for nondurable manufacturing materials showed no change in June following a 0.2-percent increase in May. This index declined at a 0.9-percent seasonally adjusted annual rate during the first 6 months of 1997 after falling at a 0.3-percent rate in the second half of 1996. In June, prices for primary basic organic chemicals declined 0.2 percent after a 0.5-percent decline a month ago. The index for paint materials turned down after rising in May. Prices for both paper and paperboard rose less than in the previous month. By contrast, prices for miscellaneous basic organic chemicals declined 0.1 percent after a 0.9-percent fall a month earlier. The indexes for sodium compounds and for processed yarns and threads rose after falling in the prior month. Prices for woodpulp increased more than in May.

Crude Goods

The Producer Price Index for Crude Materials for Further Processing decreased 3.3 percent, seasonally adjusted following a 1.3-percent increase in May. Prices for crude energy materials also fell after rising in the prior month. The index for crude foodstuffs and feedstuffs decreased more than a month ago. Prices for basic industrial materials rose less than in May. (See table B.)

Prices for crude energy materials dropped 2.9 percent following a 3.4-percent gain in May. This index decreased at a 48.0-percent seasonally adjusted annual rate during the first half of 1997 following a 99.5-percent rate of increase in the last half of 1996. In June, prices for crude petroleum turned down 14.1 percent after rising 7.3 percent in the previous month. The index for natural gas increased 3.3 percent after gaining 5.8 percent in the prior month. By contrast, prices for coal turned up 3.0 percent after falling 6.4 percent in May.

Prices for crude foodstuffs and feedstuffs declined 5.4 percent following a 0.3-percent decrease in May. From December 1996 through June 1997, this index fell at a 6.5-percent seasonally adjusted annual rate after declining at a 19.5-percent rate in the second half of 1996. In June, prices for slaughter cattle fell 6.9 percent following a 0.7-percent increase in the prior month. The indexes for slaughter hogs, soybeans, Irish potatoes for processing, and for fresh fruits and melons also turned down after rising in May. On the other hand, the index for slaughter

broilers and fryers rose 3.0 percent after decreasing 10.3 percent a month ago. Prices for fresh vegetables, except potatoes also turned up after falling in the previous month. The indexes for wheat and fluid milk fell less than in May.

The index for crude nonfood materials less energy increased 0.4 percent following a 1.2-percent gain in May. This index increased at a seasonally adjusted annual rate of 5.7 percent in the first six months of 1997 following a 1.9-percent rate of decline in the latter half of 1996. In June, prices for aluminum base scrap decreased 0.9 percent after a 4.8-percent rise a month ago. The indexes for wastepaper, gold ores, and for softwood logs, bolts, and timber also turned down after rising in May. Prices for iron and steel scrap and copper base scrap rose less than in the previous month. Conversely, the index for copper ores increased 11.9 percent after rising 3.6 percent in the prior month. Prices for iron ore showed no change after falling in May. The index for pulpwood logs fell less than 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 declined 1.8 percent in June following a 2.3-percent advance in May. (Net output price indexes are not seasonally adjusted.) During the first half of 1997 this index declined at an annual rate of 41.5 percent, after advancing at a 78.0-percent annual rate for the latter half of 1996. In June, prices for the oil and gas extraction industry group fell 3.0 percent following a 4.0-percent rise in the previous month. By contrast, the index for the coal mining industry group increased 1.3 percent after a 3.9-percent decrease a month ago. Prices for the metal mining industry group rose 3.4 percent following a 0.3-percent gain in the previous month. The index for the nonmetallic minerals mining industry group advanced 0.4 percent after a 0.1-percent advance the prior month. In June, the Producer Price Index for total mining industries stood at 79.7 (December 1984=100), 2.0 percent above its year-ago level.

Manufacturing. The Producer Price Index for the net output of total domestic manufacturing industries decreased 0.2 percent in June following a 0.1-percent decrease in May. During the first half of 1997 this index declined at an annual rate of 1.1 percent, after increasing at a 1.4-percent annual rate for the latter half of 1996. In June, price decreases for the industry groups for petroleum refining and related products, food and kindred products, lumber and wood products, rubber and plastic products, and measuring and controlling instruments more than offset price increases for the paper and allied products, primary metal industries, and electrical machinery and equipment industry groups. In June, the Producer

Price Index for the net output of the domestic manufacturing sector stood at 127.3 (December 1984=100), 0.2 percent above its year-ago level.

Other. Among other industries in June, the indexes for railroads (line-haul operating), trucking (except local), travel agencies, natural gas utilities, real estate agents and managers, hotels and motels, and medical laboratories advanced following declines a month ago. Prices for air passenger transportation rose after showing no change in the prior month. The indexes for tugging and towing services, electric power utilities, passenger car rental, skilled and intermediate care facilities, legal services, and architectural services increased more than in the previous month. Prices for general warehousing and storage and nonscheduled air transportation were unchanged following declines in May. The indexes for water transportation of freight (not elsewhere classified), freight transportation arrangement, operators and lessors of nonresidential buildings, and other specialty hospitals fell less than in the previous month.

By contrast, prices for local trucking without storage, deep sea foreign transportation of freight, airports and airport services, radio broadcasting, and truck rental and leasing declined following advances a month ago. The indexes for scheduled air cargo transportation and telephone communications (except radiotelephone) fell after showing no change in the prior month. The index for psychiatric hospitals fell more than last month. Prices for local trucking with storage, marine cargo handling, refined petroleum pipelines, and scrap and waste materials were unchanged following advances in May. Prices for cable and other pay television services, advertising agencies, and accounting services rose less than in the previous month.

Producer Price Index data for July 1997 will be released on Wednesday, August 13, 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 June 1997 from:	Seasonally adjusted percent change from:

	FINISHED GOODS.....	132.2	131.5	131.6	-0.1	0.1	-0.6	-0.3	-0.1
	FINISHED CONSUMER GOODS.....	130.6	129.8	130.1	.1	.2	-.7	-.4	0
	FINISHED CONSUMER FOODS.....	133.8	135.0	134.0	.3	-.7	-.4	.4	-.9
01-11	Fresh fruits and melons 2/.....	111.7	108.0	91.1	-22.3	-15.6	-4.9	7.9	-15.6
01-13	Fresh and dry vegetables 2/.....	123.3	111.3	108.8	-14.9	-2.2	-20.4	.1	-2.2
01-71-07	Eggs for fresh use (Dec. 1991=100) 2/.....	105.8	86.9	79.4	-17.2	-8.6	-11.3	-.8	-8.6
02-11	Bakery products 2/.....	173.2	173.5	173.5	2.5	0	-.1	.3	0
02-13	Milled rice 2/.....	129.4	127.6	127.5	-2.9	-.1	.9	-.7	-.1
02-14-02	Pasta products (June 1985=100) 2/.....	126.9	126.5	126.7	-.1	.2	-1.6	.1	.2
02-21-01	Beef and veal.....	97.9	105.3	102.1	4.8	-3.0	-.2	1.8	-1.5
02-21-04	Pork.....	122.4	131.3	128.7	1.1	-2.0	5.6	3.2	-3.4
02-22-03	Processed young chickens.....	120.4	117.6	117.5	-5.3	-.1	-1.0	-1.5	-2.4
02-22-06	Processed turkeys 2/.....	97.9	103.8	104.1	-2.5	.3	1.7	2.2	.3
02-23	Finfish and shellfish.....	173.1	179.9	173.1	9.7	-3.8	-5.0	7.9	-3.2
02-3	Dairy products.....	127.3	126.0	125.3	-4.9	-.6	-1.0	-1.5	-1.1
02-4	Processed fruits and vegetables 2/.....	127.8	126.8	126.3	-1.3	-.4	-.1	-.3	-.4
02-55	Confectionery end products 2/.....	168.4	168.9	168.4	.2	-.3	.3	.2	-.3
02-62	Soft drinks.....	133.6	133.9	133.4	0	-.4	.5	-.4	-.1
02-63-01	Roasted coffee 2/.....	127.7	160.4	166.5	30.4	3.8	4.8	5.8	3.8
02-76	Shortening and cooking oils 2/.....	136.1	137.2	136.6	-2.6	-.4	-.9	1.4	-.4
	FINISHED CONSUMER GOODS EXCLUDING FOODS.....	129.0	127.4	128.2	-.1	.6	-.7	-.8	.3
02-61	Alcoholic beverages.....	135.1	135.3	135.8	2.2	.4	.1	-.2	.5
03-81-01	Women's apparel 2/.....	120.2	119.8	119.9	-.2	.1	-.5	.2	.1
03-81-02	Men's and boys' apparel.....	132.3	132.6	132.4	.1	-.2	-.1	.2	-.1
03-81-03	Girls', children's, and infants' apparel 2/.....	124.0	124.3	124.4	2.1	.1	0	-.1	.1
03-82	Textile housefurnishings 2/.....	122.2	122.2	122.4	.8	.2	0	0	.2
04-3	Footwear.....	143.3	143.7	143.8	1.6	.1	-.1	.3	.1
05-41	Residential electric power (Dec. 1990=100).....	110.6	111.7	116.6	-.3	4.4	-.1	0	.2
05-51	Residential gas (Dec. 1990=100).....	122.2	110.1	112.1	1.6	1.8	-3.3	-1.3	1.8
05-71	Gasoline.....	75.0	72.3	71.3	-5.9	-1.4	-4.1	-7.1	.4
05-73-02-01	Fuel oil No. 2.....	72.4	66.1	60.9	1.3	-7.9	1.4	2.2	-5.8
06-35	Pharmaceutical preps, ethical (Prescription).....	271.0	274.0	273.4	2.7	-.2	-.7	.4	.1
06-36	Pharmaceutical preps,proprietary (Over-counter).....	185.7	187.8	188.2	2.7	.2	1.0	.3	.2
06-71	Soaps and synthetic detergents 2/.....	126.1	126.5	126.5	1.0	0	1.0	-.1	0
06-75	Cosmetics and other toilet preparations 2/.....	130.7	130.9	130.9	.6	0	0	.2	0
07-12	Tires, tubes, tread, etc 2/.....	95.7	95.8	95.1	-1.1	-.7	.5	-.6	-.7
09-15-01	Sanitary papers and health products 2/.....	147.6	143.0	146.6	-2.4	2.5	-.5	-1.2	2.5
09-31-01	Newspaper circulation.....	201.6	202.1	202.5	2.5	.2	.4	-.2	.6
09-32-01	Periodical circulation.....	187.3	186.7	187.3	3.7	.3	2.0	-.5	.5
09-33	Book publishing 2/.....	199.0	200.4	198.2	2.0	-1.1	0	.1	-1.1
12-1	Household furniture 2/.....	145.7	146.0	146.1	1.1	.1	0	0	.1

12-3	Floor coverings 2/.....	128.8	128.4	128.9	2.6	.4	-.6	.2	.4
12-4	Household appliances 2/.....	111.0	110.8	110.5	-2.3	-.3	-.3	.1	-.3
12-5	Home electronic equipment 2/.....	78.3	78.3	78.3	-.9	0	.1	0	0
12-62	Household glassware 2/.....	158.5	162.0	161.9	2.5	-.1	1.5	1.2	-.1
12-64	Household flatware 2/.....	138.6	138.6	138.6	.1	0	0	0	0
12-66	Lawn and garden equip., ex. tractors 2/.....	133.1	132.9	132.9	.5	0	-.2	0	0
14-11-01	Passenger cars.....	136.7	132.8	132.6	-2.4	-.2	-.5	-1.6	.3
15-11	Toys, games, and children's vehicles.....	125.4	125.2	125.2	-.2	0	.2	-.2	0
15-12	Sporting and athletic goods 2/.....	123.6	123.6	124.1	.6	.4	-1.1	-.2	.4
15-2	Tobacco products 2/.....	239.2	248.3	248.5	3.6	.1	.9	.4	.1
15-5	Mobile homes 2/.....	151.1	151.8	151.9	1.3	.1	.7	-.1	.1
15-94-02	Jewelry, platinum, & karat gold 2/.....	128.0	128.5	128.5	-.6	0	.2	-.1	0
15-94-04	Costume jewelry and novelties 2/.....	139.8	139.8	139.8	2.0	0	.9	0	0
	CAPITAL EQUIPMENT.....	138.9	138.1	138.1	-.1	0	-.4	-.2	.1
11-1	Agricultural machinery and equipment 2/.....	148.5	147.4	147.4	.9	0	.1	-.1	0
11-2	Construction machinery and equipment.....	142.0	142.3	142.3	1.7	0	.1	.1	.1
11-37	Metal cutting machine tools 2/.....	154.6	155.6	155.7	1.9	.1	.2	.5	.1
11-38	Metal forming machine tools 2/.....	152.3	153.1	153.3	2.3	.1	0	.4	.1
11-39	Tools, dies, jigs, fixtures, and ind. molds 2/.....	137.6	138.0	138.0	1.3	0	-.1	.2	0
11-41	Pumps, compressors, and equipment.....	145.4	146.0	146.9	2.4	.6	.3	.3	.6
11-44	Industrial material handling equipment 2/.....	128.8	129.6	129.7	1.7	.1	.5	.2	.1
11-51	Electronic computers (Dec. 1990=100) 2/.....	36.7	33.1	33.3	-21.5	.6	-4.1	-4.6	.6
11-62	Textile machinery 2/.....	151.4	152.5	152.5	2.8	0	-.2	.8	0
11-64	Paper industries machinery (June 1982=100).....	156.4	157.3	158.3	2.9	.6	.3	.1	.7
11-65	Printing trades machinery 2/.....	139.1	139.3	140.0	2.3	.5	.1	-.5	.5
11-74	Transformers and power regulators 2/.....	128.5	128.3	127.6	-.9	-.5	0	-.1	-.5
11-76	Communication & related equip. (Dec. 1985=100) 2/...	114.0	113.7	114.1	1.3	.4	.1	0	.4
11-79-05	X-ray and electromedical equipment 2/.....	107.9	108.1	107.1	-2.4	-.9	.6	0	-.9
11-91	Oil field and gas field machinery 2/.....	121.3	122.0	122.7	4.2	.6	.3	-.1	.6
11-92	Mining machinery and equipment 2/.....	138.5	140.5	140.1	.6	-.3	.9	.6	-.3
11-93	Office and store machines and equipment 2/.....	111.7	112.5	112.5	.4	0	.1	0	0
12-2	Commercial furniture 2/.....	153.4	153.8	153.6	1.7	-.1	.5	.2	-.1
14-11-05	Light motor trucks.....	162.0	159.7	159.0	-.7	-.4	-.4	-.5	-.3
14-11-06	Heavy motor trucks.....	140.0	141.2	141.1	-3.0	-.1	-.2	-.4	.6
14-14	Truck trailers 2/.....	130.2	130.4	130.4	-.2	0	-.1	0	0
14-21-02	Civilian aircraft (Dec. 1985=100).....	149.7	149.6	149.6	1.8	0	-2.0	.4	.1
14-31	Ships (Dec. 1985=100) 2/.....	142.6	141.5	141.3	2.2	-.1	2.0	-2.7	-.1
14-4	Railroad equipment.....	136.6	131.8	132.7	-3.4	.7	-2.1	.7	.8
	INTERMEDIATE MATERIALS, SUPPLIES, AND COMPONENTS.....	126.1	125.3	125.7	-.4	.3	-.3	-.2	0
	INTERMEDIATE FOODS AND FEEDS.....	124.8	128.3	126.5	-3.6	-1.4	.4	.5	-1.4

02-12-03	Flour 2/.....	122.2	123.4	120.2	-19.9	-2.6	3.5	-.2	-2.6
02-53	Refined sugar 2/.....	125.5	124.4	124.5	-.4	.1	-.9	-1.0	.1
02-54	Confectionery materials.....	107.8	107.8	107.6	.8	-.2	-1.7	-.2	-.3
02-72	Crude vegetable oils 2/.....	112.8	117.9	115.8	-7.2	-1.8	-4.3	3.1	-1.8
02-9	Prepared animal feeds 2/.....	131.7	139.9	136.8	-.9	-2.2	1.0	1.7	-2.2
	INTERMEDIATE MATERIALS LESS FOODS AND FEEDS.....	126.2	125.2	125.7	-.2	.4	-.3	-.2	.2
03-1	Synthetic fibers 2/.....	111.4	111.5	111.1	1.5	-.4	.5	0	-.4
03-2	Processed yarns and threads 2/.....	114.4	113.7	114.0	-.5	.3	-.3	-.5	.3
03-3	Gray fabrics 2/.....	121.7	121.8	121.9	.8	.1	-.3	.3	.1
03-4	Finished fabrics.....	123.8	123.9	123.8	.1	-.1	0	0	0
03-83-03	Industrial textile products 2/.....	126.1	127.6	127.6	.2	0	-.5	.1	0
04-2	Leather.....	185.3	185.5	182.7	4.3	-1.5	2.0	-2.7	-.5
05-32	Liquefied petroleum gas 2/.....	103.1	75.0	76.2	2.0	1.6	-5.3	-9.2	1.6

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 June 1997 from:		Seasonally adjusted percent change from:		
		Feb. 1997	May 1997	June 1997	June 1996	May 1997	Mar. to Apr.	Apr. to May	May to June
		1/	1/	1/					
	INTERMEDIATE MATERIALS LESS FOODS AND FEEDS -Continued.....								
05-42	Commercial electric power.....	127.7	128.4	139.1	0.5	8.3	0.5	-1.3	1.2
05-43	Industrial electric power.....	128.1	128.4	133.2	-3.1	3.7	-.1	-1.8	-.6
05-52	Commercial natural gas (Dec. 1990=100).....	119.1	101.9	103.5	3.0	1.6	-4.9	1.2	2.4
05-53	Industrial natural gas (Dec. 1990=100).....	121.9	99.9	99.3	2.2	-.6	-2.2	-1.2	.8
05-54	Natural gas to electric utilities (Dec. 1990=100)....	114.6	91.2	88.1	.9	-3.4	-4.8	7.2	-.3
05-72-03	Jet fuels.....	74.8	58.5	59.8	-3.7	2.2	-6.1	-6.2	3.1
05-73-03	No. 2 Diesel fuel.....	73.1	64.1	60.9	-6.2	-5.0	-.3	-2.7	-1.9
05-74	Residual fuel 2/.....	61.4	56.6	58.5	-4.1	3.4	-7.2	13.4	3.4
06-1	Industrial chemicals 2/.....	127.7	126.0	125.7	-1.5	-.2	-.9	-.5	-.2
06-21	Prepared paint.....	151.2	152.4	152.3	4.0	-.1	.4	.1	.1
06-22	Paint materials 2/.....	140.2	142.2	141.6	-.1	-.4	-.5	1.7	-.4
06-31	Medicinal and botanical chemicals 2/.....	132.2	132.4	132.3	2.5	-.1	2.4	.1	-.1
06-4	Fats and oils, inedible 2/.....	146.4	122.2	127.5	-3.9	4.3	-12.4	5.1	4.3

06-51	Mixed fertilizers.....	113.2	113.7	113.6	-2.1	-.1	-.9	.3	.1
06-52-01	Nitrogenates.....	140.5	140.2	136.4	7.0	-2.7	3.8	-.1	.1
06-52-02	Phosphates 2/.....	111.6	111.5	109.7	-5.9	-1.6	0	-.6	-1.6
06-53	Other agricultural chemicals.....	144.9	145.7	145.7	.3	0	.7	1.3	.2
06-6	Plastic resins and materials 2/.....	137.5	139.2	139.5	5.6	.2	.1	.1	.2
07-11-02	Synthetic rubber 2/.....	121.1	119.5	119.2	-2.3	-.3	-1.0	-.1	-.3
07-21	Plastic construction products 2/.....	128.1	129.7	128.3	-2.6	-1.1	.5	.6	-1.1
07-22	Unsupported plastic film, sheet, & other shapes.....	132.3	131.8	132.1	.1	.2	.5	.4	.3
07-26	Plastic parts and components for manufacturing 2/...	117.5	117.4	117.1	-.5	-.3	-.1	0	-.3
08-11	Softwood lumber 2/.....	209.5	217.7	211.8	7.6	-2.7	2.2	1.3	-2.7
08-12	Hardwood lumber 2/.....	169.7	173.1	173.8	6.3	.4	.9	.6	.4
08-2	Millwork 2/.....	170.3	171.2	171.1	2.6	-.1	.2	.2	-.1
08-3	Plywood 2/.....	158.8	158.3	162.5	4.3	2.7	-3.0	-.4	2.7
09-11	Woodpulp 2/.....	125.2	122.6	124.9	4.1	1.9	-2.9	.6	1.9
09-13	Paper 2/.....	140.9	142.4	143.0	-3.6	.4	1.2	.6	.4
09-14	Paperboard.....	144.2	137.0	137.8	-8.5	.6	-2.7	1.2	.7
09-15-03	Paper boxes and containers 2/.....	146.3	142.4	141.1	-7.4	-.9	-2.2	.1	-.9
09-2	Building paper and board 2/.....	130.9	128.6	129.8	-4.5	.9	-1.1	-.8	.9
09-37	Commercial printing (June 1982=100) 2/.....	147.8	147.8	147.9	-.5	.1	0	-.1	.1
10-15	Foundry and forge shop products.....	134.0	134.1	134.1	1.1	0	-.1	0	.1
10-17	Steel mill products 2/.....	116.1	116.2	116.4	.7	.2	.3	-.1	.2
10-22	Primary nonferrous metals 2/.....	127.6	129.7	132.2	-3.4	1.9	-1.7	.5	1.9
10-25-01	Aluminum mill shapes 2/.....	144.1	146.2	148.2	.7	1.4	.3	-.5	1.4
10-25-02	Copper and brass mill shapes 2/.....	178.5	182.4	186.8	3.3	2.4	-1.5	.2	2.4
10-26	Nonferrous wire and cable 2/.....	147.9	150.9	151.0	1.1	.1	.2	.5	.1
10-3	Metal containers 2/.....	108.0	107.8	107.6	-1.7	-.2	-.4	-.1	-.2
10-4	Hardware.....	144.7	145.4	145.7	1.4	.2	.5	.1	.1
10-5	Plumbing fixtures and brass fittings.....	174.3	175.1	175.2	2.0	.1	.1	.2	.2
10-6	Heating equipment.....	152.0	152.3	152.5	.9	.1	.3	.1	.3
10-7	Fabricated structural metal products.....	139.1	140.2	140.3	1.7	.1	.2	.4	0
10-88	Fabricated ferrous wire products (June 1982=100) 2/..	127.1	127.3	127.3	.1	0	.2	0	0
10-89	Other misc. metal products 2/.....	126.3	126.2	126.1	.4	-.1	0	0	-.1
11-45	Mechanical power transmission equipment.....	154.4	154.9	154.9	2.2	0	0	.3	0
11-48	Air conditioning and refrigeration equipment.....	132.3	132.7	132.7	.2	0	.3	.1	-.1
11-49-02	Metal valves, ex.fluid power (Dec. 1982=100) 2/.....	151.9	153.1	153.8	2.4	.5	.5	-.1	.5
11-49-05	Ball and roller bearings.....	161.0	163.5	163.4	3.8	-.1	.8	.2	.1
11-71	Wiring devices.....	152.7	153.9	154.8	2.1	.6	.5	.4	.5
11-73	Motors, generators, motor generator sets.....	144.4	144.7	144.5	-1.1	-.1	.1	.1	0
11-75	Switchgear, switchboard, etc., equipment.....	144.6	144.7	145.5	2.0	.6	.1	.3	.8
11-78	Electronic components and accessories 2/.....	106.0	104.6	104.6	-3.1	0	-.2	-.9	0
11-94	Internal combustion engines.....	139.7	139.7	139.9	.8	.1	.1	.1	.1
11-95	Machine shop products 2/.....	134.9	134.9	135.1	1.7	.1	.2	0	.1
13-11	Flat glass 2/.....	108.7	108.3	108.2	-1.0	-.1	-.1	-.1	-.1
13-22	Cement.....	136.7	140.1	139.6	3.4	-.4	.7	-.4	-.1
13-3	Concrete products.....	135.2	136.1	136.2	2.3	.1	.1	.6	.1

13-6	Asphalt felts and coatings 2/.....	99.9	100.5	101.0	1.7	.5	.8	.3	.5
13-7	Gypsum products 2/.....	168.3	173.7	172.1	13.0	-.9	1.2	1.9	-.9
13-8	Glass containers 2/.....	126.0	125.9	125.9	-2.9	0	0	0	0
14-12	Motor vehicle parts 2/.....	115.7	115.3	115.4	-.7	.1	0	0	.1
14-23	Aircraft engines & engine parts (Dec. 1985=100).....	136.9	135.3	135.4	1.0	.1	.9	-1.9	-.1
14-25	Aircraft parts & aux.equip.,nec (June 1985=100) 2/..	141.4	140.8	140.7	.9	-.1	-.1	.4	-.1
15-42	Photographic supplies 2/.....	129.3	127.8	127.3	-1.9	-.4	0	-1.2	-.4
15-6	Medical/surgical/personal aid devices.....	142.9	142.9	143.1	-.2	.1	.5	-.9	.2
	CRUDE MATERIALS FOR FURTHER PROCESSING.....	116.1	110.6	107.2	-5.4	-3.1	-.9	1.3	-3.3
	CRUDE FOODSTUFFS AND FEEDSTUFFS.....	111.0	117.4	111.5	-13.6	-5.0	3.3	-.3	-5.4
01-21	Wheat 2/.....	112.4	115.2	110.1	-29.3	-4.4	7.5	-5.3	-4.4
01-22-02-05	Corn.....	108.4	114.7	110.4	-43.9	-3.7	-3.9	-3.1	-4.6
01-31	Slaughter cattle.....	94.0	101.6	94.4	1.7	-7.1	5.0	.7	-6.9
01-32	Slaughter hogs.....	87.4	100.2	95.6	1.0	-4.6	19.2	2.3	-6.7
01-41-02	Slaughter broilers/fryers.....	140.1	135.4	138.4	-17.5	2.2	13.5	-10.3	3.0
01-42	Slaughter turkeys.....	99.8	119.2	119.4	-.7	.2	8.1	5.3	-1.1
01-6	Fluid milk.....	97.8	95.8	93.2	-13.7	-2.7	-.7	-3.5	-3.3
01-83-01-31	Soybeans.....	127.1	149.8	140.0	6.4	-6.5	-3.5	5.1	-5.2
02-52-01-01	Cane sugar,raw 2/.....	115.1	115.8	115.8	-2.4	0	-.3	-.3	0
	CRUDE NONFOOD MATERIALS.....	115.2	102.1	100.5	1.8	-1.6	-4.1	2.5	-1.6
01-51-01-01	Raw cotton.....	116.7	115.5	116.8	-14.4	1.1	-10.2	1.2	.7
01-92-01-01	Leaf tobacco 2/.....	120.8	(3)	(3)	(3)	(3)	(3)	(3)	(3)
04-11	Cattle hides 2/.....	209.4	207.9	197.9	9.2	-4.8	.1	-1.9	-4.8
05-1	Coal 2/.....	94.6	94.9	97.7	2.8	3.0	5.2	-6.4	3.0
05-31	Natural gas 2/.....	119.9	85.2	88.0	11.5	3.3	-13.3	5.8	3.3
05-61	Crude petroleum 2/.....	64.5	60.2	51.7	-10.4	-14.1	-.4	7.3	-14.1
08-5	Logs, timber, etc. 2/.....	215.9	216.4	216.2	7.3	-.1	0	.6	-.1
09-12	Wastepaper 2/.....	157.5	164.7	163.4	27.1	-.8	-7.6	6.9	-.8
10-11	Iron ore 2/.....	99.7	95.2	95.2	.6	0	0	-4.5	0
10-12	Iron and steel scrap 2/.....	191.1	185.0	186.3	-4.4	.7	-3.2	2.7	.7
10-21	Nonferrous metal ores (Dec. 1983=100) 2/.....	84.8	84.9	88.9	-3.8	4.7	-5.1	1.7	4.7
10-23-01	Copper base scrap 2/.....	164.6	172.2	174.1	3.8	1.1	-2.5	4.4	1.1
10-23-02	Aluminum base scrap.....	195.5	199.3	197.4	13.1	-1.0	-2.1	4.8	-.9
13-21	Construction sand, gravel, and crushed stone.....	147.0	148.2	148.3	1.9	.1	.1	.3	.1

1/ The indexes for February 1997 have been recalculated to incorporate late reports and corrections by respondents. All indexes are subject to revision 4 months after original

2/ Not seasonally adjusted.
3/ Not available.

publication.

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

Commodity code	Grouping	Unadjusted index 1/		
		Feb. 1997	May 1997	June 1997
	Finished Goods (1967=100).....	371.1	369.0	369.4
	All commodities.....	128.5	127.3	127.2
	MAJOR COMMODITY GROUPS			
	Farm products and processed foods and feeds....	126.3	129.3	126.9
01	Farm products.....	113.0	117.3	111.7
02	Processed foods and feeds.....	132.9	135.3	134.4
	Industrial commodities.....	128.9	126.9	127.2
03	Textile products and apparel.....	122.5	122.5	122.6
04	Hides, skins, leather, and related products..	156.2	156.5	154.6
05	Fuels and related products and power 2/.....	90.3	83.3	84.4
06	Chemicals and allied products 2/.....	143.8	143.8	143.7
07	Rubber and plastic products.....	123.1	123.4	123.0
08	Lumber and wood products.....	183.4	186.1	185.2
09	Pulp, paper, and allied products.....	167.1	166.1	166.4
10	Metals and metal products.....	131.6	132.2	132.7
11	Machinery and equipment.....	126.3	125.9	125.9
12	Furniture and household durables.....	130.9	131.1	131.1
13	Nonmetallic mineral products.....	132.5	133.4	133.4
14	Transportation equipment.....	142.8	141.3	141.2
15	Miscellaneous products.....	148.9	150.3	150.6
	Industrial commodities less fuels and related products and power.....	139.2	139.1	139.1
	OTHER COMMODITY GROUPINGS			

01-1	Fruits and melons, fresh and dry vegetables, and tree nuts.....	122.8	115.9	105.0
01-2	Grains.....	111.0	116.6	112.4
01-3	Slaughter livestock.....	93.8	102.6	96.2
01-4	Slaughter poultry.....	130.2	130.9	133.4
01-5	Plant and animal fibers.....	116.5	116.0	117.5
01-7	Chicken eggs.....	129.4	106.2	97.4
01-8	Hay, hayseeds, and oilseeds.....	149.6	170.6	161.1
01-83	Oilseeds.....	137.0	159.1	149.8
01-9	Other farm products.....	180.2	'N.A.'	'N.A.'
02-1	Cereal and bakery products.....	158.4	158.6	158.2
02-2	Meats, poultry, and fish.....	116.7	121.2	119.2
02-22	Processed poultry.....	118.3	117.0	117.4
02-5	Sugar and confectionery.....	138.4	138.5	138.2
02-6	Beverages and beverage materials.....	135.2	138.8	139.4
02-63	Packaged beverage materials.....	126.9	154.2	158.9
02-7	Fats and oils.....	127.8	130.9	129.6
03-81	Apparel.....	125.4	125.4	125.4
04-4	Other leather and related products.....	142.3	143.3	143.6
05-3	Gas fuels 2/.....	113.9	81.4	83.8
05-4	Electric power.....	128.4	129.3	136.3
05-7	Refined petroleum products.....	72.9	67.7	66.5
06-3	Drugs and pharmaceuticals.....	218.2	219.7	219.5
06-5	Agricultural chemicals and products.....	133.8	134.0	132.6
06-7	Other chemicals and allied products.....	132.6	133.2	133.4
07-1	Rubber and rubber products.....	116.1	116.1	115.8
07-11	Rubber, except natural rubber.....	120.4	118.8	118.6
07-13	Miscellaneous rubber products.....	137.5	137.9	138.0
07-2	Plastic products.....	129.7	130.1	129.7
08-1	Lumber.....	195.3	202.0	198.1
09-1	Pulp, paper, and products, excluding building paper and board.....	144.1	142.0	142.5
09-15	Converted paper and paperboard products.....	149.5	146.2	146.7
10-1	Iron and steel.....	126.6	126.0	126.2
10-2	Nonferrous metals.....	137.0	138.9	140.5
10-25	Nonferrous mill shapes.....	143.0	144.8	147.1
11-3	Metalworking machinery and equipment.....	144.6	145.3	145.3
11-4	General purpose machinery and equipment.....	144.0	145.0	145.1
11-6	Special industry machinery.....	156.1	156.5	156.8
11-7	Electrical machinery and equipment.....	122.9	122.4	122.6
11-9	Miscellaneous machinery and equipment.....	130.3	130.7	130.7
12-6	Other household durable goods.....	149.3	150.2	150.2
13-2	Concrete ingredients.....	140.7	142.7	142.6
14-1	Motor vehicles and equipment.....	134.5	132.6	132.4

15-1	Toys, sporting goods, small arms, etc.....	130.9	130.9	131.2
15-4	Photographic equipment and supplies.....	118.6	117.5	117.0
15-9	Other miscellaneous products.....	133.2	133.4	133.4

1/ Data for Feb. 1997 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 June 1997 from: __	
			Feb. 1997 2/	May 1997 2/	June 1997 2/	June 1996	May 1997
	Total mining industries.....	12/84	95.1	81.2	79.7	2.0	-1.8
10	Metal mining.....	12/84	88.5	87.9	90.9	-2.6	3.4
12	Coal mining.....	12/85	91.3	91.9	93.1	1.5	1.3
13	Oil and gas extraction.....	12/85	99.6	80.9	78.5	3.4	-3.0
14	Mining and quarrying of non-metallic minerals, except fuels.....	12/84	127.7	128.3	128.8	.5	.4
	Total manufacturing industries.....	12/84	127.9	127.6	127.3	.2	-.2
20	Food and kindred products.....	12/84	127.1	128.8	128.4	.6	-.3
21	Tobacco manufactures.....	12/84	201.2	209.5	209.8	4.4	.1
22	Textile mill products.....	12/84	118.8	118.9	118.9	.8	0
23	Apparel and other finished products made from fabrics and similar materials.....	12/84	122.9	123.0	123.1	.5	.1
24	Lumber and wood products, except furniture..	12/84	158.2	160.3	159.8	3.4	-.3
25	Furniture and fixtures.....	12/84	137.6	138.0	137.9	1.5	-.1
26	Paper and allied products.....	12/84	133.5	131.0	131.7	-4.0	.5
27	Printing, publishing, and allied industries..	12/84	168.1	168.4	168.3	1.8	-.1
28	Chemicals and allied products.....	12/84	146.8	147.1	146.9	.6	-.1
29	Petroleum refining and related products.....	12/84	91.2	85.5	83.7	-4.1	-2.1
30	Rubber and miscellaneous plastic products...	12/84	122.8	122.9	122.7	-.2	-.2
31	Leather and leather products.....	12/84	137.3	137.2	136.9	1.9	-.2
32	Stone, clay, glass, and concrete products...	12/84	126.9	127.7	127.6	1.7	-.1
33	Primary metal industries.....	12/84	124.0	125.1	125.5	.7	.3
34	Fabricated metal products, except machinery						

	and transportation equipment.....	12/84	127.0	127.4	127.5	1.0	.1
35	Machinery, except electrical.....	12/84	119.0	118.7	118.6	-.4	-.1
36	Electrical and electronic machinery, equipment, and supplies.....	12/84	112.2	111.7	112.0	-.9	.3
37	Transportation equipment.....	12/84	135.4	134.0	133.8	-.4	-.1
38	Measuring and controlling instruments; photographic, medical, optical goods; watches, clocks.....	12/84	125.4	125.4	125.2	.2	-.2
39	Miscellaneous manufacturing industries.....	12/85	128.7	128.8	128.9	.9	.1
	Services industries						
40	Railroad transportation.....	12/96	100.0	100.1	100.4	(3)	.3
42	Motor freight transportation and warehousing	06/93	108.5	108.6	109.0	2.0	.4
43	United states postal service.....	06/89	132.3	132.3	132.3	0	0
44	Water transportation.....	12/92	104.2	104.6	104.5	1.6	-.1
45	Transportation by air.....	12/92	128.9	125.8	126.4	4.1	.5
46	Pipe lines, except natural gas.....	12/86	98.8	98.9	98.9	-4.6	0
80	Health services.....	12/94	105.8	106.0	106.1	1.5	.1
81	Legal services.....	12/96	101.9	101.9	102.2	(3)	.3

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 Feb. 1997 have been recalculated to incorporate late reports and corrections by respondents. All indexes are subject to revision 4 months after original publication.

3/ Not available.

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

Grouping	Index 1/					
	Jan.	Feb.	Mar.	Apr.	May.	June
	1997	1997	1997	1997	1997	1997
Finished goods.....	133.0	132.6	132.4	131.6	131.2	131.1
Finished consumer goods.....	131.6	131.1	130.8	129.9	129.4	129.4
Finished consumer foods.....	134.6	134.1	135.3	134.7	135.2	134.0
Crude.....	130.8	134.1	139.3	120.9	124.7	116.6
Processed.....	134.8	134.1	134.9	135.6	136.0	135.3
Finished consumer goods, excluding foods.....	130.2	129.7	128.7	127.8	126.8	127.2
Nondurable goods less foods.....	126.8	126.1	124.6	123.4	122.4	123.0
Durable goods.....	134.4	134.5	134.6	134.4	133.6	133.6
Capital equipment.....	138.6	138.5	138.9	138.3	138.0	138.1

Manufacturing industries.....	137.7	137.8	137.8	137.7	137.5	137.6
Nonmanufacturing industries.....	138.9	138.7	139.2	138.5	138.1	138.2
Intermediate materials, supplies, and components.	126.6	126.4	125.9	125.5	125.3	125.3
Materials and components for manufacturing.....	128.4	128.4	128.4	128.3	128.3	128.4
Materials for food manufacturing.....	123.6	123.2	124.3	124.2	123.8	122.7
Materials for nondurable manufacturing.....	130.1	129.8	129.3	129.0	129.2	129.2
Materials for durable manufacturing.....	131.9	132.5	133.4	133.3	133.5	133.9
Components for manufacturing.....	126.8	126.7	126.5	126.6	126.4	126.4
Materials and components for construction.....	145.0	145.7	146.1	146.5	147.1	147.0
Processed fuels and lubricants.....	95.2	94.3	90.3	88.6	86.7	87.4
Manufacturing industries	97.9	96.3	92.4	90.8	89.0	89.0
Nonmanufacturing industries.....	93.4	93.0	89.0	87.1	85.3	86.3
Containers.....	137.9	137.0	136.8	134.8	134.9	134.3
Supplies.....	135.4	135.4	135.9	136.0	136.2	135.9
Manufacturing industries.....	138.7	138.8	139.0	139.0	139.0	138.9
Nonmanufacturing industries.....	133.7	133.6	134.2	134.5	134.8	134.4
Feeds.....	126.9	127.4	132.7	134.6	137.3	134.1
Other supplies.....	134.7	134.5	134.5	134.5	134.4	134.5
Crude materials for further processing.....	126.7	116.2	110.0	109.0	110.4	106.8
Foodstuffs and feedstuffs.....	113.1	111.5	113.6	117.3	117.0	110.7
Nonfood materials.....	131.0	115.1	103.7	99.5	102.0	100.4
Nonfood materials except fuel 2/.....	112.9	107.9	103.7	103.3	104.7	101.1
Manufacturing 2/.....	104.6	99.4	95.2	94.7	96.2	92.4
Construction.....	200.6	201.5	201.6	201.3	202.5	202.5
Crude fuel 3/.....	149.8	116.6	93.9	83.6	87.7	89.7
Manufacturing industries.....	141.6	112.0	91.9	82.7	86.4	88.0
Nonmanufacturing industries.....	153.9	119.3	95.6	84.9	89.2	91.3
Special groupings						
Finished goods, excluding foods.....	132.4	132.0	131.5	130.6	129.9	130.2
Intermediate materials less foods and feeds.....	126.7	126.6	125.8	125.4	125.1	125.3
Intermediate foods and feeds.....	125.0	124.9	127.3	127.8	128.4	126.6
Crude materials less agricultural products 2/.....	131.3	114.8	103.1	99.0	101.6	99.9
Finished energy goods.....	88.4	87.3	84.5	82.3	80.6	81.2
Finished goods less energy.....	140.2	140.1	140.6	140.3	140.2	140.0
Finished consumer goods less energy.....	140.9	140.6	141.3	141.0	141.0	140.7
Finished goods less foods and energy.....	142.5	142.4	142.7	142.5	142.1	142.3
Finished consumer goods less foods and energy....	144.8	144.8	145.1	145.1	144.7	144.9
Consumer nondurable goods less foods and energy..	152.3	152.1	152.6	152.8	152.7	153.2

Intermediate energy goods.....	94.9	94.1	90.1	88.3	86.6	87.1
Intermediate materials less energy.....	133.5	133.5	133.7	133.7	133.8	133.7
Intermediate materials less foods and energy.....	134.0	134.1	134.1	134.1	134.1	134.2
Crude energy materials 2/.....	119.4	98.0	83.0	78.7	81.4	79.0
Crude materials less energy.....	124.2	123.5	125.1	126.7	127.0	122.7
Crude nonfood materials less energy 3/.....	156.7	158.4	158.7	155.0	156.9	157.5

1/ All seasonally adjusted indexes are subject to change up to 5 years after original publication due to the recalculation of seasonal factors each January. The indexes for February 1997 have been recalculated to incorporate late reports and corrections by respondents.

2/ Includes crude petroleum.

3/ Excludes crude petroleum.

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.