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Producer Price Indexes -- August 1997

The Producer Price Index for Finished Goods increased 0.3 percent in August, seasonally adjusted, the Bureau of Labor Statistics of the U. S. Department of Labor reported today. This followed declines in each of the 7 previous months. Prices for finished goods other than foods and energy increased 0.1 percent after falling 0.1 percent in July and rising 0.1 percent in June. Prices received by domestic producers of intermediate goods rose 0.1 percent in August after decreasing 0.2 percent in the previous month. The index for crude goods turned up 0.7 percent after falling 0.1 percent in July. (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
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.	-0.3	-0.4	-1.2	-0.1	2.2	-0.2	-8.3
Mar.	-0.2	0.8	-3.1	0.1	1.5	-0.4	-7.7
Apr.	-0.5	-0.4	r-3.2	-0.1	0.8	-0.3	r0.6
May	-0.3	0.4	r-1.6	-0.3	0.3	-0.2	r2.3
June	-0.1	-0.9	0.7	0.1	-0.1	0	-3.3
July	-0.1	-0.2	0.1	-0.1	-0.2	-0.2	-0.1
Aug.	0.3	0.3	1.4	0.1	-0.2	0.1	0.7

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

About two-thirds of the August increase in the finished goods index resulted from a 1.4-percent rise in finished energy prices. This rise compared with a smaller increase in energy prices of 0.1 percent in July and led the overall turnaround in the finished goods index. Also contributing to the finished goods upturn, prices for finished consumer foods and consumer goods other than foods and energy rose in August after falling in the prior month. Prices for capital equipment showed no change after declining 0.1 percent in July.

For the first eight months of 1997, the Producer Price Index for Finished Goods declined at a 2.2-percent seasonally-adjusted annual rate (SAAR). This compares with a 2.8-percent increase during all of 1996. Finished goods other than foods and energy fell at a 0.3-percent SAAR after rising 0.6 percent in the prior year.

Before seasonal adjustment, the Producer Price Index for Finished Goods increased 0.3 percent in August to 131.7 (1982=100). From August 1996 to August 1997, the finished goods index fell 0.2 percent. During this same period, prices for finished energy goods fell 0.7 percent, consumer foods prices declined 0.4 percent, and prices for finished goods other than foods and energy showed no change. Prices received by domestic producers of intermediate goods moved down 0.4 percent during the 12 months ended in August 1997, and crude materials prices fell 7.1 percent over the same period.

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

Interm
ediate
goods

Crude
goods

Change in

Change in

Month	Foods	Energy	intermediate goods			crude goods		
			Excluding foods and energy	from 12 months ago (unadj.)	Foods (unadj.)	Excluding Energy foods and energy	from 12 months ago (unadj.)	
1996								
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.	-0.1	-0.8	0.1	1.1	-1.4	-17.9	1.1	4.5
Mar.	1.8	-3.8	0	0.6	2.0	-21.3	0.3	-2.2
Apr.	r0.5	r-2.5	0	-0.1	r3.1	r-0.9	-2.3	r-5.7
May	0.5	r-1.8	0	-0.7	r-0.2	r6.5	1.0	-4.6
June	-1.4	0.6	0.1	-0.4	-5.4	-2.9	0.4	-5.4
July	-1.2	-1.1	0	-0.3	0.3	-0.4	-0.5	-7.3
Aug.	-0.7	0.7	0.1	-0.4	-0.1	1.7	0.8	-7.1

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

Finished goods

The Producer Price Index for Finished Energy Goods rose 1.4 percent in August. This advance was led by a 5.9-percent increase in gasoline prices. The rise in the finished energy goods index was larger in August than in the prior month. This faster rate of increase was primarily caused by gasoline prices, which turned up after decreasing 1.0 percent in the previous month. The index for fuel oil #2 also rose after falling in July.

The index for finished consumer foods increased 0.3 percent in August. Rising prices for fresh and dry vegetables, beef and veal, and dairy products were key factors behind this advance. August's increase for consumer foods followed a 0.2-percent decline in the previous month. This upturn was led by a rise of 3.3 percent in the index for beef and veal following a decrease of 1.3 percent in July. Prices for dairy products also turned up after falling in the previous month. The index for fresh

and dry vegetables rose more rapidly than a month ago. By contrast, prices for eggs for fresh use turned down 8.9 percent after advancing 21.7 percent in the prior month.

The index for finished consumer goods other than foods and energy rose 0.1 percent in August. The leading price increases were for passenger cars, sanitary papers, alcoholic beverages, and floor coverings. The August rise in consumer goods excluding foods and energy followed a decline of 0.1 percent in July. This turnabout can be traced to upturns in prices for passenger cars and floor coverings. The index for sanitary paper products rose after showing no change in the previous month. Prices for light motor trucks fell less than a month ago. On the other hand, the index for over-the-counter drugs turned down 2.1 percent following an increase of 0.2 percent in July.

The index for capital equipment showed no change in August after decreasing 0.1 percent in the prior month. Price increases for civilian aircraft, ships, metal cutting machine tools, and construction machinery offset price declines for electronic computers, communication equipment, light trucks, and heavy trucks.

Intermediate goods

The Producer Price Index for Intermediate Materials, Supplies, and Components increased 0.1 percent in August, seasonally adjusted. This increase was due to higher prices for intermediate energy goods and for nondurable manufacturing materials. By contrast, prices for intermediate foods and feeds and construction materials fell in August. Prices for intermediate materials for durable manufacturing were unchanged over the month. The index for intermediate goods excluding foods and energy rose 0.1 percent after showing no change a month earlier. (See table B.)

The rise in intermediate goods follows a 0.2-percent decline in July. This upswing can be traced to intermediate energy prices, which rose 0.7 percent after falling 1.1 percent in July. The index for materials for durable manufacturing showed no change after declining a month ago. Prices for intermediate foods and feeds fell less rapidly than in the prior month.

Prices for intermediate energy goods increased 0.7 percent in August. This gain was led by a 5.9-percent rise in the gasoline index. Prices also increased for no. 2 diesel fuel, jet fuels, and liquefied petroleum gas. August's increase in intermediate energy goods follows a 1.1-percent decline in July. This upturn was again primarily caused by gasoline prices, which rose after falling 1.0 percent in the previous month. Prices also turned up for no. 2 diesel fuel, jet fuels, and liquefied petroleum

gas.

Prices for nondurable manufacturing materials rose 0.2 percent in August, the same as in July. Price increases for paperboard, woodpulp, fertilizer materials, paint materials, and primary basic organic chemicals outweighed price declines for plastic resins and materials, inedible fats and oils, and sodium compounds.

Prices for intermediate foods and feeds fell 0.7 percent in August. This decline was led primarily by a 2.1-percent drop in the index for prepared animal feeds. The decline in the index for intermediate foods and feeds follows a 1.2-percent decrease in the July. This slowing rate of decline was led by an upturn in prices for dairy products, beef and veal, and flour. By contrast, the index for pork turned down after rising a month earlier, and the index for prepared animal feeds fell more than in July.

The index for construction materials moved down 0.1 percent in August, led by a 1.7-percent decline for softwood lumber. Prices also fell for plywood and for nonferrous wire and cable. The decrease in prices of construction materials follows a 0.1-percent increase in July. This downturn can be traced primarily to the softwood lumber index, which fell 1.7 percent after edging down 0.1 percent in the previous month. Prices for millwork and plywood also fell after rising in July. The index for fabricated structural metal rose less than in the prior month. On the other hand, prices for gypsum products fell less than a month ago. The index for plastic construction materials rose after showing no change in the previous month.

The index for durable manufacturing materials was unchanged in August. Decreases for materials such as copper, aluminum, flat glass, plywood, semi-finished steel mill products, cold rolled sheets and strips, and microprocessors offset increases for hot rolled sheets and strip, aluminum mill shapes, and cement. The unchanged index for materials for durable manufacturing follows a 0.6-percent decline in July. This upturn was led by a smaller August decline in prices for copper than in the prior month. The indexes for hot rolled sheet and strip, aluminum mill shapes, and silver rose after falling in the previous month. Conversely, prices for semifinished steel mill products turned down 0.6 percent after rising 2.6 percent in July.

Crude Goods

The Producer Price Index for Crude Materials for Further Processing increased 0.7 percent, seasonally adjusted, in August. Rising prices for

crude energy materials led the increase. The August advance in the crude goods index follows a 0.1-percent drop in July. This upturn can be traced to the indexes for crude energy materials and basic industrial materials, which both rose after falling in the prior month. By contrast, prices for foodstuffs and feedstuffs turned down after rising a month earlier. (See table B.)

The index for crude energy materials rose 1.7 percent in August. This increase was due to a 2.4-percent rise for both the natural gas and coal indexes. The August increase in prices for crude energy materials follows a 0.4-percent drop in July. Upturns in the indexes for natural gas and coal were key factors behind this acceleration. Conversely, the index for crude petroleum showed no change after rising in the prior month.

Prices for crude nonfood materials less energy advanced 0.8 percent in August. This increase was primarily due to an 18.5-percent rise in the index for wastepaper. Comparing the past two months, the rise in prices for crude nonfood materials less energy follows a 0.5-percent decline in July. The indexes for wastepaper, gold ores, and aluminum base scrap rose after falling a month ago. Prices for nonferrous metals declined less than in the prior month.

The index for crude foodstuffs and feedstuffs decreased 0.1 percent in August. A 7.9-percent drop in prices for slaughter hogs and a 5.0-percent decline in the index for soybeans were key factors in the decrease. August's decrease for crude foodstuffs and feedstuffs follows a 0.3-percent increase in July. Leading this downturn, prices for slaughter hogs and slaughter cattle fell after rising in July. The index for slaughter broilers and fryers rose less than in the prior month. By contrast, prices for fluid milk and wheat rose after falling in the previous month. The index for Irish potatoes for processing rose strongly after showing no change in July.

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

Mining. The Producer Price Index for the net output of total domestic mining industries advanced 1.1 percent in August following a 0.3-percent decline in July. (Net output price indexes are not seasonally adjusted.) In August, prices for the metal mining industry group were unchanged following a 4.8-percent decline in the previous month. The index for the coal mining industry group increased 1.0 percent following a 2.8-percent decrease a month ago. Prices for the oil and gas extraction industry group advanced 1.4 percent following a 0.5-percent advance in the prior month. The index for the nonmetallic minerals mining industry group rose 0.2 percent, the same as one month ago. In August, the Producer Price Index

for total domestic mining industries stood at 80.4 (December 1984=100), 2.7 percent below its year-ago level.

Manufacturing. The Producer Price Index for the net output of total domestic manufacturing industries advanced 0.2 percent in August following a 0.2-percent decline in July. In August, price increases for the industry groups for petroleum refining and related products, food and kindred products, paper and allied products, textile mill products, miscellaneous manufacturing industries, fabricated metal products (except machinery and transportation equipment), and measuring and controlling instruments more than offset price decreases for the industry groups for electrical and electronic machinery, lumber and wood products, chemicals and allied products, and transportation equipment. In August, the Producer Price Index for the net output of the domestic manufacturing sector stood at 127.3 (December 1984=100), 0.1 percent below its year-ago level.

Other. Among other industries in August, the indexes for scrap and waste materials, water transportation of freight (not elsewhere classified), radio broadcasting, and operators and lessors of nonresidential buildings advanced following declines one month ago. Prices for farm product warehousing and storage and help supply services rose after showing no change in the prior month. The indexes for passenger car rental (without drivers), real estate agents and managers, telephone communications (except radiotelephone), building cleaning and maintenance services, architectural services, and railroads (line-haul operating) increased more than in the previous month. Prices for crude petroleum pipelines and general warehousing and storage were unchanged following declines in July. The index for truck rental and leasing (without drivers) fell less than one month earlier.

By contrast, prices for deep sea foreign transportation of freight, marine cargo handling, freight transportation on the Great Lakes-St. Lawrence Seaway, home health care services, scheduled air cargo transportation, general medical and surgical hospitals, scheduled air passenger transportation, tugging and towing services, and local trucking without storage declined following advances one month ago. The indexes for electric power utilities and air courier services fell after showing no change in the prior month. Prices for hotels and motels and travel agencies fell more than last month. The indexes for refined petroleum pipelines and medical laboratories showed no change following advances in July. Prices for freight transportation arrangement, accounting, auditing, and bookkeeping services, advertising agencies, skilled and intermediate care facilities, natural gas utilities, and cable and other pay television services rose less than the previous month.

Producer Price Index data for September 1997 will be released on Friday, October 10, 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 Aug. 1997 from:		Seasonally adjusted percent change from:			
		Dec.	Apr.	July	Aug.	Aug.	July	May to	June to	July to
		1996 1/	1997 2/	1997 2/	1997 2/	1996	1997	June	July	Aug.
Finished goods.....	100.000	131.6	131.3	131.7	-0.2	0.3	-0.1	-0.1	0.3	
Finished consumer goods.....	76.423	129.8	129.7	130.2	-.2	.4	0	-.2	.4	
Finished consumer foods.....	23.644	134.3	134.0	134.8	-.4	.6	-.9	-.2	.3	
Crude.....	1.639	121.5	115.2	116.7	-4.0	1.3	-6.5	-1.7	.3	
Processed.....	22.005	135.2	135.3	136.2	-.1	.7	-.5	-.1	.3	
Finished consumer goods, excluding foods.....	52.779	127.7	127.7	128.1	0	.3	.3	-.1	.5	
Nondurable goods less foods.....	36.392	123.2	124.1	124.6	.3	.4	.5	.1	.5	
Durable goods.....	16.387	134.5	132.5	132.6	-.8	.1	0	-.5	.3	
Capital equipment.....	23.577	138.6	137.9	137.7	-.4	-.1	.1	-.1	0	
Manufacturing industries.....	6.028	137.9	137.5	137.4	.2	-.1	.1	0	0	
Nonmanufacturing industries.....	17.549	138.8	137.9	137.7	-.6	-.1	.1	-.1	0	
Intermediate materials, supplies, and components.....	100.000	125.3	125.5	125.6	-.4	.1	0	-.2	.1	
Materials and components for manufacturing.....	49.031	128.4	128.3	128.3	0	0	.1	-.1	0	
Materials for food manufacturing.....	3.318	123.8	122.3	122.8	-5.1	.4	-.9	-.6	0	
Materials for nondurable manufacturing.....	15.610	129.0	129.4	129.6	.1	.2	0	.2	.2	
Materials for durable manufacturing.....	10.965	133.4	133.1	133.1	1.9	0	.3	-.6	0	
Components for manufacturing.....	19.138	126.6	126.5	126.2	-.5	-.2	0	.1	-.2	
Materials and components for construction.....	12.691	146.8	147.1	147.0	2.0	-.1	-.1	.1	-.1	
Processed fuels and lubricants.....	13.665	87.0	88.5	89.2	-2.9	.8	.8	-1.1	.7	
Manufacturing industries.....	5.415	89.6	91.2	91.4	-2.8	.2	0	-.1	.3	
Nonmanufacturing industries.....	8.250	85.3	86.8	87.7	-3.2	1.0	1.2	-1.7	.9	
Containers.....	3.527	135.1	133.9	134.0	-3.2	.1	-.4	-.3	.1	
Supplies.....	21.086	136.0	135.9	135.7	-.5	-.1	-.2	0	-.1	
Manufacturing industries.....	7.535	138.9	139.3	139.5	.4	.1	-.1	.3	.1	

Nonmanufacturing industries.....		13.551	134.5	134.1	133.8	-1.0	-.2	-.3	-.1	-.2
Feeds.....		1.607	134.4	130.7	127.6	-8.1	-2.4	-2.3	-2.4	-2.2
Other supplies.....		11.944	134.6	134.6	134.7	.1	.1	.1	.1	.1
Crude materials for further processing.....		100.000	107.9	107.2	107.8	-7.1	.6	-3.3	-.1	.7
Foodstuffs and feedstuffs.....		38.004	116.7	112.1	111.7	-13.7	-.4	-5.4	.3	-.1
Nonfood materials.....		61.996	98.1	100.0	101.2	-1.6	1.2	-1.6	-.5	1.3
Nonfood materials except fuel 3/.....		36.095	103.5	101.4	102.4	-2.1	1.0	-3.4	.2	1.1
Manufacturing 3/.....		32.588	94.9	92.7	93.8	-2.8	1.2	-4.0	.2	1.3
Construction.....		3.507	202.2	203.1	202.7	4.4	-.2	0	.2	-.1
Crude fuel 4/.....		25.901	79.6	88.2	89.7	-.6	1.7	2.3	-1.7	1.7
Manufacturing industries.....		5.258	79.2	86.8	88.0	-.7	1.4	1.9	-1.4	1.4
Nonmanufacturing industries.....		20.643	80.7	89.7	91.2	-.5	1.7	2.4	-1.8	1.8
Special groupings										
Finished goods, excluding foods.....	5/	76.356	130.7	130.4	130.7	-.2	.2	.2	-.1	.3
Intermediate materials less foods and feeds.....	6/	95.065	125.2	125.5	125.6	-.1	.1	.2	-.2	.2
Intermediate foods and feeds.....	6/	4.935	127.5	125.2	124.6	-6.1	-.5	-1.4	-1.2	-.7
Crude materials less agricultural products 3/ 7/.....	8/	59.898	97.4	99.3	100.8	-1.4	1.5	-1.7	-.7	1.6
Finished energy goods.....	5/	14.720	81.8	83.0	84.0	-.7	1.2	.7	.1	1.4
Finished goods less energy.....	5/	85.280	140.3	139.7	139.9	-.1	.1	-.1	-.1	.1
Finished consumer goods less energy.....	5/	61.703	141.0	140.4	140.7	0	.2	-.2	-.2	.2
Finished goods less foods and energy.....	5/	61.636	142.7	141.9	141.9	0	0	.1	-.1	.1
Finished consumer goods less foods and energy.....	5/	38.059	145.2	144.5	144.5	.2	0	.1	-.1	.1
Consumer nondurable goods less foods and energy..	5/	21.672	153.0	153.2	153.2	1.1	0	.3	0	.1
Intermediate energy goods.....	6/	13.796	86.7	88.2	88.9	-3.1	.8	.6	-1.1	.7
Intermediate materials less energy.....	6/	86.204	133.8	133.7	133.6	0	-.1	-.1	0	0
Intermediate materials less foods and energy.....	6/	81.269	134.2	134.2	134.2	.4	0	.1	0	.1
Crude energy materials 3/.....	8/	42.427	76.4	78.7	80.0	-4.5	1.7	-2.9	-.4	1.7
Crude materials less energy.....	8/	57.573	126.7	123.5	123.5	-8.4	0	-3.4	0	.2
Crude nonfood materials less energy 4/.....	8/	19.569	156.4	157.0	157.9	3.3	.6	.4	-.5	.8

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 April 1997 have been recalculated to incorporate

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

late reports and corrections by respondents. All indexes are subject to revision four months after original publication.

foodstuffs and feedstuffs, plant and animal fibers, oilseeds, and leaf tobacco."

8/ Percent of total crude materials.

Table 2. Producer Price Indexes and percent changes for selected commodity groupings by stage of processing (1982=100 unless otherwise indicated)

Commodity code	Grouping	Unadjusted index			Unadjusted percent change to Aug. 1997 from:		Seasonally adjusted percent change from:		
		Apr. 1997	July 1997	Aug. 1997	Aug. 1996	July 1997	May to June	June to July	July to Aug.
		1/	1/	1/					
	FINISHED GOODS.....	131.6	131.3	131.7	-0.2	0.3	-0.1	-0.1	0.3
	FINISHED CONSUMER GOODS.....	129.8	129.7	130.2	-.2	.4	0	-.2	.4
	FINISHED CONSUMER FOODS.....	134.3	134.0	134.8	-.4	.6	-.9	-.2	.3
01-11	Fresh fruits and melons 2/.....	102.2	82.3	81.1	-15.4	-1.5	-15.6	-9.7	-1.5
01-13	Fresh and dry vegetables 2/.....	111.2	112.1	131.7	14.2	17.5	-2.2	3.0	17.5
01-71-07	Eggs for fresh use (Dec. 1991=100) 2/.....	87.6	96.6	88.0	-15.4	-8.9	-8.6	21.7	-8.9
02-11	Bakery products 2/.....	173.4	173.9	173.9	1.6	0	0	.2	0
02-13	Milled rice 2/.....	128.4	126.5	125.6	-5.8	-.7	-.1	-.8	-.7
02-14-02	Pasta products (June 1985=100) 2/.....	126.4	123.4	123.4	-3.5	0	.2	-2.6	0
02-21-01	Beef and veal.....	103.1	100.9	104.7	2.1	3.8	-1.5	-1.3	3.3
02-21-04	Pork.....	124.6	130.9	131.9	-3.6	.8	-3.4	1.2	-1.7
02-22-03	Processed young chickens.....	118.1	119.9	122.0	-4.6	1.8	-2.4	2.2	-.1
02-22-06	Processed turkeys 2/.....	101.1	102.9	100.3	-6.0	-2.5	.3	-1.2	-2.5
02-23	Finfish and shellfish.....	175.4	168.7	166.3	4.1	-1.4	-3.2	-2.5	-1.3
02-3	Dairy products.....	127.8	124.5	126.0	-8.2	1.2	-1.1	-1.3	.8
02-4	Processed fruits and vegetables 2/.....	127.2	126.6	126.0	-1.7	-.5	-.4	.2	-.5
02-55	Confectionery end products 2/.....	168.4	168.7	168.6	.5	-.1	-.3	.2	-.1
02-62	Soft drinks.....	133.7	133.2	133.0	-.7	-.2	-.1	.2	-.2
02-63-01	Roasted coffee 2/.....	150.9	165.9	167.0	31.3	.7	3.8	-.4	.7
02-76	Shortening and cooking oils 2/.....	137.2	141.4	138.6	-1.4	-2.0	-.4	3.5	-2.0
	FINISHED CONSUMER GOODS EXCLUDING FOODS.....	127.7	127.7	128.1	0	.3	.3	-.1	.5
02-61	Alcoholic beverages.....	135.8	135.4	135.5	1.8	.1	.5	-.1	.4
03-81-01	Women's apparel 2/.....	119.8	120.2	120.4	.8	.2	.1	.3	.2
03-81-02	Men's and boys' apparel.....	132.4	132.7	132.6	.5	-.1	-.1	.2	.1
03-81-03	Girls', children's, and infants' apparel 2/.....	124.0	124.3	123.0	1.0	-1.0	.1	-.1	-1.0
03-82	Textile housefurnishings 2/.....	122.2	122.2	122.2	-.9	0	.2	-.2	0

04-3	Footwear.....	143.5	143.9	144.5	1.8	.4	.1	.1	.5
05-41	Residential electric power (Dec. 1990=100).....	110.2	116.9	115.9	-.9	-.9	.2	0	-1.0
05-51	Residential gas (Dec. 1990=100).....	111.5	112.5	113.2	1.4	.6	1.8	.6	.7
05-71	Gasoline.....	72.7	69.4	73.5	1.2	5.9	.4	-1.0	5.9
05-73-02-01	Fuel oil No. 2.....	64.9	58.8	61.6	-8.3	4.8	-5.8	-3.4	1.8
06-35	Pharmaceutical preps, ethical (Prescription).....	271.6	273.3	273.2	2.4	0	.1	0	0
06-36	Pharmaceutical preps,proprietary (Over-counter).....	183.5	188.2	184.3	.5	-2.1	.2	.2	-2.1
06-71	Soaps and synthetic detergents 2/.....	126.5	126.3	126.3	1.0	0	0	-.2	0
06-75	Cosmetics and other toilet preparations 2/.....	130.5	130.9	130.1	.2	-.6	0	0	-.6
07-12	Tires, tubes, tread, etc 2/.....	96.4	95.0	94.9	-2.4	-.1	-.7	-.1	-.1
09-15-01	Sanitary papers and health products 2/.....	146.8	146.6	147.7	-1.0	.8	2.5	0	.8
09-31-01	Newspaper circulation.....	202.0	202.7	202.6	1.6	0	.6	-.3	.2
09-32-01	Periodical circulation.....	187.9	188.0	188.0	4.2	0	.5	.5	.1
09-33	Book publishing 2/.....	199.5	198.3	199.5	3.2	.6	-1.1	.1	.6
12-1	Household furniture 2/.....	146.0	146.3	146.3	1.2	0	.1	.1	0
12-3	Floor coverings 2/.....	125.8	125.9	128.0	.5	1.7	.4	-2.3	1.7
12-4	Household appliances 2/.....	110.4	109.8	109.5	-3.1	-.3	-.3	-.6	-.3
12-5	Home electronic equipment 2/.....	78.3	78.3	78.3	-.9	0	0	0	0
12-62	Household glassware 2/.....	161.8	161.9	161.9	2.6	0	-.1	0	0
12-64	Household flatware 2/.....	138.6	137.8	138.4	.5	.4	0	-.6	.4
12-66	Lawn and garden equip., ex. tractors 2/.....	132.9	132.2	132.4	0	.2	0	-.5	.2
14-11-01	Passenger cars.....	135.2	130.1	129.9	-3.0	-.2	.3	-1.6	.5
15-11	Toys, games, and children's vehicles.....	125.3	125.1	125.1	-.1	0	0	.1	.2
15-12	Sporting and athletic goods 2/.....	124.9	125.0	125.5	1.6	.4	.4	.7	.4
15-2	Tobacco products 2/.....	247.2	248.4	247.8	3.1	-.2	.1	0	-.2
15-5	Mobile homes 2/.....	152.1	151.8	152.2	1.3	.3	.1	-.1	.3
15-94-02	Jewelry, platinum, & karat gold 2/.....	130.7	128.0	130.4	.9	1.9	0	-.4	1.9
15-94-04	Costume jewelry and novelties 2/.....	139.8	140.3	141.0	2.4	.5	0	.4	.5
	CAPITAL EQUIPMENT.....	138.6	137.9	137.7	-.4	-.1	.1	-.1	0
11-1	Agricultural machinery and equipment 2/.....	149.1	148.0	148.0	.9	0	0	.4	0
11-2	Construction machinery and equipment.....	142.0	142.1	142.1	1.4	0	.1	-.1	.1
11-37	Metal cutting machine tools 2/.....	154.8	156.4	157.1	2.7	.4	.1	.4	.4
11-38	Metal forming machine tools 2/.....	152.6	154.2	154.5	2.8	.2	.1	.6	.2
11-39	Tools, dies, jigs, fixtures, and ind. molds 2/.....	137.7	138.3	138.2	1.2	-.1	0	.2	-.1
11-41	Pumps, compressors, and equipment.....	146.0	147.0	147.0	2.3	0	.6	.3	.1
11-44	Industrial material handling equipment 2/.....	129.6	129.9	130.0	2.0	.1	.1	.2	.1
11-51	Electronic computers (Dec. 1990=100) 2/.....	35.7	32.7	31.8	-22.8	-2.8	.6	-1.8	-2.8
11-62	Textile machinery 2/.....	151.7	152.5	152.5	2.8	0	0	0	0
11-64	Paper industries machinery (June 1982=100).....	156.7	158.7	157.6	2.3	-.7	.7	.3	-.6
11-65	Printing trades machinery 2/.....	139.5	140.3	139.3	1.5	-.7	.5	.2	-.7
11-74	Transformers and power regulators 2/.....	129.0	130.6	130.2	1.4	-.3	-.5	2.4	-.3
11-76	Communication & related equip. (Dec. 1985=100) 2/...	113.5	114.6	114.3	1.1	-.3	.4	.4	-.3
11-79-05	X-ray and electromedical equipment 2/.....	107.9	107.8	107.7	-1.7	-.1	-.9	.7	-.1

INTERMEDIATE MATERIALS LESS FOODS AND FEEDS									
-Continued.....									
05-42	Commercial electric power.....	127.1	137.6	136.4	-2.3	-0.9	1.2	-1.8	-0.9
05-43	Industrial electric power.....	127.3	134.8	133.4	-2.1	-1.0	-.6	.7	-.8
05-52	Commercial natural gas (Dec. 1990=100).....	103.0	103.8	103.5	1.2	-.3	2.4	.8	.1
05-53	Industrial natural gas (Dec. 1990=100).....	100.4	100.2	99.6	.6	-.6	.8	1.2	-.4
05-54	Natural gas to electric utilities (Dec. 1990=100)....	87.1	88.6	86.0	-2.3	-2.9	-.3	1.2	-3.3
05-72-03	Jet fuels.....	60.9	57.4	59.6	-9.7	3.8	3.1	-3.5	1.8
05-73-03	No. 2 Diesel fuel.....	66.1	57.8	61.7	-7.4	6.7	-1.9	-5.0	4.3
05-74	Residual fuel 2/.....	56.8	54.6	53.6	-13.0	-1.8	3.4	-6.7	-1.8
06-1	Industrial chemicals 2/.....	126.2	126.6	127.0	-.2	.3	-.2	.7	.3
06-21	Prepared paint.....	152.2	152.3	152.4	2.2	.1	.1	.2	0
06-22	Paint materials 2/.....	141.6	140.4	142.9	1.7	1.8	-.4	-.8	1.8
06-31	Medicinal and botanical chemicals 2/.....	132.2	133.4	133.4	3.6	0	-.1	.8	0
06-4	Fats and oils, inedible 2/.....	115.8	124.4	121.6	-17.4	-2.3	4.3	-2.4	-2.3
06-51	Mixed fertilizers.....	113.8	113.7	113.4	-1.0	-.3	.1	.9	.4
06-52-01	Nitrogenates.....	140.6	133.7	129.6	6.8	-3.1	.1	.7	.7
06-52-02	Phosphates 2/.....	112.1	108.9	109.9	-1.6	.9	-1.6	-.7	.9
06-53	Other agricultural chemicals.....	146.5	144.9	146.5	.7	1.1	.2	-.5	1.2
06-6	Plastic resins and materials 2/.....	138.9	139.4	137.0	1.3	-1.7	.2	-.1	-1.7
07-11-02	Synthetic rubber 2/.....	119.3	118.4	118.7	-2.7	.3	-.3	-.7	.3
07-21	Plastic construction products 2/.....	128.6	128.3	128.6	-2.5	.2	-1.1	0	.2
07-22	Unsupported plastic film, sheet, & other shapes.....	131.2	132.3	132.6	.2	.2	.3	.1	.5
07-26	Plastic parts and components for manufacturing 2/...	117.3	117.2	117.2	-.2	0	-.3	.1	0
08-11	Softwood lumber 2/.....	215.0	211.6	207.9	5.7	-1.7	-2.7	-.1	-1.7
08-12	Hardwood lumber 2/.....	172.3	175.4	175.6	7.7	.1	.4	.9	.1
08-2	Millwork 2/.....	170.8	171.4	171.3	2.0	-.1	-.1	.2	-.1
08-3	Plywood 2/.....	159.1	162.6	161.4	2.5	-.7	2.7	.1	-.7
09-11	Woodpulp 2/.....	121.9	128.8	132.6	4.2	3.0	1.9	3.1	3.0
09-13	Paper 2/.....	141.8	144.3	144.6	.1	.2	.4	.9	.2
09-14	Paperboard.....	137.2	137.8	142.1	-2.3	3.1	.7	.2	2.8
09-15-03	Paper boxes and containers 2/.....	142.8	140.6	140.8	-5.2	.1	-.9	-.4	.1
09-2	Building paper and board 2/.....	129.1	128.6	128.0	-6.8	-.5	.9	-.9	-.5
09-37	Commercial printing (June 1982=100) 2/.....	147.9	148.6	148.6	-.1	0	.1	.5	0
10-15	Foundry and forge shop products.....	134.2	134.3	134.1	1.0	-.1	.1	.2	-.1
10-17	Steel mill products 2/.....	116.4	116.5	116.6	.6	.1	.2	.1	.1
10-22	Primary nonferrous metals 2/.....	129.0	125.2	127.2	8.5	1.6	1.9	-5.3	1.6
10-25-01	Aluminum mill shapes 2/.....	147.2	147.3	147.6	3.1	.2	1.4	-.6	.2
10-25-02	Copper and brass mill shapes 2/.....	181.0	181.8	178.6	5.1	-1.8	2.4	-2.7	-1.8
10-26	Nonferrous wire and cable 2/.....	149.6	149.9	148.3	2.3	-1.1	.1	-.7	-1.1
10-3	Metal containers 2/.....	107.9	107.8	107.6	-1.8	-.2	-.2	.2	-.2
10-4	Hardware.....	145.4	145.7	146.3	1.5	.4	.1	.1	.3
10-5	Plumbing fixtures and brass fittings.....	174.7	175.0	174.7	1.9	-.2	.2	.2	0
10-6	Heating equipment.....	152.2	153.1	153.1	.9	0	.3	.5	0

10-7	Fabricated structural metal products.....	139.8	140.6	140.7	1.8	.1	0	.2	.1
10-88	Fabricated ferrous wire products (June 1982=100) 2/.	127.1	127.6	128.5	1.2	.7	0	.2	.7
10-89	Other misc. metal products 2/.....	126.1	126.2	126.2	.3	0	-.1	.1	0
11-45	Mechanical power transmission equipment.....	154.6	154.8	154.8	2.2	0	0	.1	.2
11-48	Air conditioning and refrigeration equipment.....	132.8	132.8	132.9	.1	.1	-.1	.1	.2
11-49-02	Metal valves, ex.fluid power (Dec. 1982=100) 2/.....	153.1	154.2	154.0	2.8	-.1	.5	.3	-.1
11-49-05	Ball and roller bearings.....	163.3	163.6	163.6	3.7	0	.1	0	.2
11-71	Wiring devices.....	154.1	154.9	154.5	1.8	-.3	.5	.3	-.3
11-73	Motors, generators, motor generator sets.....	144.8	144.4	144.8	-.9	.3	0	0	.3
11-75	Switchgear, switchboard, etc., equipment.....	145.0	145.6	145.5	2.0	-.1	.8	.3	-.2
11-78	Electronic components and accessories 2/.....	105.4	104.8	103.6	-4.1	-1.1	0	.2	-1.1
11-94	Internal combustion engines.....	139.8	140.0	140.0	.4	0	.1	-.1	-.1
11-95	Machine shop products 2/.....	135.0	135.3	135.3	.9	0	.1	.1	0
13-11	Flat glass 2/.....	108.3	108.1	107.7	-1.6	-.4	-.1	-.1	-.4
13-22	Cement.....	139.2	139.9	140.4	3.8	.4	-.1	.6	.5
13-3	Concrete products.....	135.9	136.3	135.8	1.7	-.4	.1	.1	-.1
13-6	Asphalt felts and coatings 2/.....	100.3	100.7	100.8	1.0	.1	.5	-.3	.1
13-7	Gypsum products 2/.....	171.3	168.9	168.6	7.1	-.2	-.9	-1.9	-.2
13-8	Glass containers 2/.....	125.9	125.9	125.9	-2.9	0	0	0	0
14-12	Motor vehicle parts 2/.....	115.5	115.4	114.7	-1.3	-.6	.1	0	-.6
14-23	Aircraft engines & engine parts (Dec. 1985=100).....	135.7	135.4	135.3	.5	-.1	-.1	.1	-.2
14-25	Aircraft parts & aux.equip.,nec (June 1985=100) 2/..	141.6	139.8	139.9	.6	.1	-.1	-.6	.1
15-42	Photographic supplies 2/.....	129.7	127.3	129.9	.2	2.0	-.4	0	2.0
15-6	Medical/surgical/personal aid devices.....	143.1	143.0	143.0	.6	0	.2	-.2	.4
	CRUDE MATERIALS FOR FURTHER PROCESSING.....	107.9	107.2	107.8	-7.1	.6	-3.3	-.1	.7
	CRUDE FOODSTUFFS AND FEEDSTUFFS.....	116.7	112.1	111.7	-13.7	-.4	-5.4	.3	-.1
01-21	Wheat 2/.....	121.7	98.7	103.2	-19.7	4.6	-4.4	-10.4	4.6
01-22-02-05	Corn.....	119.2	106.0	104.4	-46.0	-1.5	-4.6	.6	3.8
01-31	Slaughter cattle.....	103.3	96.4	97.3	.2	.9	-6.9	2.8	-.3
01-32	Slaughter hogs.....	91.5	100.1	93.8	-6.9	-6.3	-6.7	2.0	-7.9
01-41-02	Slaughter broilers/fryers.....	132.3	155.9	156.7	-1.0	.5	3.0	10.0	1.0
01-42	Slaughter turkeys.....	111.8	120.6	121.9	-.7	1.1	-1.1	-1.2	-3.7
01-6	Fluid milk.....	97.6	90.7	93.7	-19.2	3.3	-3.3	-3.7	1.6
01-83-01-31	Soybeans.....	142.4	137.1	124.5	-10.9	-9.2	-5.2	-3.0	-5.0
02-52-01-01	Cane sugar,raw 2/.....	116.2	117.6	118.6	-.3	.9	0	1.6	.9
	CRUDE NONFOOD MATERIALS.....	98.1	100.0	101.2	-1.6	1.2	-1.6	-.5	1.3
01-51-01-01	Raw cotton.....	114.7	119.4	120.5	-6.5	.9	.7	8.4	4.6
01-92-01-01	Leaf tobacco 2/.....	(3)	(3)	92.0	-10.3	(3)	(3)	(3)	(3)
04-11	Cattle hides 2/.....	211.9	180.1	186.1	-2.4	3.3	-4.8	-9.0	3.3
05-1	Coal 2/.....	100.3	92.8	95.0	-1.5	2.4	3.0	-5.0	2.4

05-31	Natural gas 2/.....	75.5	85.9	88.0	-.2	2.4	3.3	-2.4	2.4
05-61	Crude petroleum 2/.....	56.1	54.9	54.9	-11.5	0	-14.1	6.2	0
08-5	Logs, timber, etc. 2/.....	215.7	217.6	217.0	6.6	-.3	-.1	.6	-.3
09-12	Wastepaper 2/.....	151.0	163.0	193.1	41.1	18.5	-.8	-.2	18.5
10-11	Iron ore 2/.....	95.2	95.2	95.2	-1.6	0	0	0	0
10-12	Iron and steel scrap 2/.....	181.6	189.2	192.6	.5	1.8	.7	1.6	1.8
10-21	Nonferrous metal ores (Dec. 1983=100) 2/.....	84.8	83.5	83.3	-1.2	-.2	4.7	-6.1	-.2
10-23-01	Copper base scrap 2/.....	165.4	160.6	156.6	2.2	-2.5	1.1	-7.8	-2.5
10-23-02	Aluminum base scrap.....	195.9	192.6	198.3	18.0	3.0	-.9	-3.8	2.5
13-21	Construction sand, gravel, and crushed stone.....	148.0	148.5	148.8	2.2	.2	.1	0	.4

1/ The indexes for April 1997 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/		
		April 1997	July 1997	Aug. 1997
	Finished Goods (1967=100).....	369.2	368.5	369.6
	All commodities.....	127.0	126.9	127.2
	MAJOR COMMODITY GROUPS			
	Farm products and processed foods and feeds....	128.6	126.7	126.7
01	Farm products.....	116.7	112.0	111.4
02	Processed foods and feeds.....	134.5	134.0	134.3
	Industrial commodities.....	126.7	127.0	127.2
03	Textile products and apparel.....	122.5	122.6	122.5
04	Hides, skins, leather, and related products..	157.5	151.7	152.3
05	Fuels and related products and power 2/.....	82.2	83.6	84.6
06	Chemicals and allied products 2/.....	143.5	143.9	143.7
07	Rubber and plastic products.....	123.2	123.2	123.3
08	Lumber and wood products.....	185.4	186.0	185.1
09	Pulp, paper, and allied products.....	166.3	166.7	167.7

10	Metals and metal products.....	131.8	131.9	132.2
11	Machinery and equipment.....	126.2	126.1	125.8
12	Furniture and household durables.....	130.7	130.7	130.9
13	Nonmetallic mineral products.....	133.3	133.3	133.3
14	Transportation equipment.....	142.3	140.5	140.3
15	Miscellaneous products.....	150.6	150.9	151.4
	Industrial commodities less fuels and related products and power.....	139.2	139.0	139.1
	OTHER COMMODITY GROUPINGS			
01-1	Fruits and melons, fresh and dry vegetables, and tree nuts.....	112.5	101.2	108.2
01-2	Grains.....	121.2	105.9	106.3
01-3	Slaughter livestock.....	101.6	98.8	97.9
01-4	Slaughter poultry.....	127.0	146.9	147.9
01-5	Plant and animal fibers.....	115.1	120.0	121.1
01-7	Chicken eggs.....	108.2	117.7	107.7
01-8	Hay, hayseeds, and oilseeds.....	164.4	157.2	147.0
01-83	Oilseeds.....	151.7	146.6	133.9
01-9	Other farm products.....	'N.A.'	'N.A.'	137.2
02-1	Cereal and bakery products.....	158.7	157.1	157.2
02-2	Meats, poultry, and fish.....	118.9	119.2	120.8
02-22	Processed poultry.....	117.3	118.5	119.7
02-5	Sugar and confectionery.....	138.4	137.8	137.9
02-6	Beverages and beverage materials.....	138.0	139.1	139.2
02-63	Packaged beverage materials.....	146.3	158.7	159.7
02-7	Fats and oils.....	128.8	130.9	128.1
03-81	Apparel.....	125.3	125.7	125.6
04-4	Other leather and related products.....	143.2	143.7	143.8
05-3	Gas fuels 2/.....	75.7	81.5	83.5
05-4	Electric power.....	127.9	136.3	135.1
05-7	Refined petroleum products.....	68.2	64.5	67.5
06-3	Drugs and pharmaceuticals.....	217.7	219.8	219.1
06-5	Agricultural chemicals and products.....	134.6	131.4	131.4
06-7	Other chemicals and allied products.....	132.9	133.7	133.4
07-1	Rubber and rubber products.....	116.3	115.6	115.7
07-11	Rubber, except natural rubber.....	118.6	117.7	118.1
07-13	Miscellaneous rubber products.....	137.8	138.0	138.1
07-2	Plastic products.....	129.7	130.0	130.1
08-1	Lumber.....	199.9	198.4	196.0
09-1	Pulp, paper, and products, excluding building paper and board.....	142.1	142.9	144.7

09-15	Converted paper and paperboard products.....	147.5		146.4		146.9	
10-1	Iron and steel.....	125.8		126.6		126.9	
10-2	Nonferrous metals.....	138.2		136.9		137.4	
10-25	Nonferrous mill shapes.....	145.4		145.5		145.2	
11-3	Metalworking machinery and equipment.....	145.0		145.5		145.7	
11-4	General purpose machinery and equipment.....	144.9		145.4		145.4	
11-6	Special industry machinery.....	156.4		156.8		156.8	
11-7	Electrical machinery and equipment.....	122.6		122.9		122.3	
11-9	Miscellaneous machinery and equipment.....	130.7		130.8		130.9	
12-6	Other household durable goods.....	150.0		149.9		149.9	
13-2	Concrete ingredients.....	142.3		142.9		143.2	
14-1	Motor vehicles and equipment.....	133.7		131.2		130.8	
15-1	Toys, sporting goods, small arms, etc.....	131.7		131.7		132.1	
15-4	Photographic equipment and supplies.....	119.6		118.2		119.7	
15-9	Other miscellaneous products.....	133.7		133.3		133.8	

1/ Data for April 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 Aug. 1997 from:	
			Apr. 1997 2/	July 1997 2/	Aug. 1997 2/	Aug. 1996	July 1997
	Total mining industries.....	12/84	77.6	79.5	80.4	-2.7	1.1
10	Metal mining.....	12/84	87.7	86.5	86.5	-1.1	0
12	Coal mining.....	12/85	95.0	90.5	91.4	-1.3	1.0
13	Oil and gas extraction.....	12/85	75.5	78.9	80.0	-3.3	1.4
14	Mining and quarrying of non-metallic minerals, except fuels.....	12/84	128.1	129.1	129.3	1.7	.2
	Total manufacturing industries.....	12/84	127.7	127.0	127.3	-.1	.2
20	Food and kindred products.....	12/84	128.3	128.0	128.6	-.8	.5
21	Tobacco manufactures.....	12/84	208.4	209.4	209.4	4.0	0
22	Textile mill products.....	12/84	118.2	118.4	118.9	.4	.4
23	Apparel and other finished products made						

	from fabrics and similar materials.....	12/84	122.9	123.4	123.4	.7	0
24	Lumber and wood products, except furniture..	12/84	159.9	160.1	159.4	3.2	-.4
25	Furniture and fixtures.....	12/84	138.0	138.3	138.3	1.6	0
26	Paper and allied products.....	12/84	131.5	131.8	132.5	-2.1	.5
27	Printing, publishing, and allied industries.	12/84	168.5	168.6	168.8	2.0	.1
28	Chemicals and allied products.....	12/84	147.0	147.3	147.0	.6	-.2
29	Petroleum refining and related products.....	12/84	85.8	81.5	84.9	-2.3	4.2
30	Rubber and miscellaneous plastic products...	12/84	122.8	122.9	123.0	-.3	.1
31	Leather and leather products.....	12/84	137.4	136.9	137.0	2.1	.1
32	Stone, clay, glass, and concrete products...	12/84	127.5	127.5	127.4	1.2	-.1
33	Primary metal industries.....	12/84	125.0	125.0	125.1	1.9	.1
34	Fabricated metal products, except machinery and transportation equipment.....	12/84	127.2	127.7	127.9	1.2	.2
35	Machinery, except electrical.....	12/84	119.1	118.1	118.1	-.8	0
36	Electrical and electronic machinery, equipment, and supplies.....	12/84	112.0	111.7	111.1	-1.8	-.5
37	Transportation equipment.....	12/84	134.8	133.0	132.8	-.7	-.2
38	Measuring and controlling instruments; photographic, medical, optical goods; watches, clocks.....	12/84	125.7	125.8	126.0	.8	.2
39	Miscellaneous manufacturing industries.....	12/85	129.1	129.0	129.3	1.0	.2
	Services industries						
40	Railroad transportation.....	12/96	100.1	100.4	100.7	(3)	.3
42	Motor freight transportation and warehousing	06/93	108.8	109.2	109.3	2.7	.1
43	United states postal service.....	06/89	132.3	132.3	132.3	0	0
44	Water transportation.....	12/92	104.2	105.9	104.8	1.7	-1.0
45	Transportation by air.....	12/92	125.1	126.3	126.1	3.5	-.2
46	Pipe lines, except natural gas.....	12/86	98.8	98.7	98.7	-5.1	0
80	Health services.....	12/94	105.9	106.2	106.1	1.3	-.1
81	Legal services.....	12/96	102.0	102.2	102.3	(3)	.1

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 Apr. 1997 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.

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

Grouping	Index 1/					
	Mar. 1997	Apr. 1997	May 1997	Jun. 1997	Jul. 1997	Aug. 1997
Finished goods.....	132.3	131.6	131.2	131.1	131.0	131.4
Finished consumer goods.....	130.8	129.9	129.4	129.4	129.2	129.7
Finished consumer foods.....	135.2	134.7	135.2	134.0	133.7	134.1
Crude.....	140.5	121.8	124.7	116.6	114.6	114.9
Processed.....	134.8	135.6	136.0	135.3	135.1	135.5
Finished consumer goods, excluding foods.....	128.8	127.6	126.8	127.2	127.1	127.7
Nondurable goods less foods.....	124.7	123.2	122.4	123.0	123.1	123.7
Durable goods.....	134.6	134.4	133.6	133.6	132.9	133.3
Capital equipment.....	138.5	138.4	138.0	138.1	138.0	138.0
Manufacturing industries.....	137.8	137.8	137.5	137.6	137.6	137.6
Nonmanufacturing industries.....	138.7	138.5	138.1	138.2	138.1	138.1
Intermediate materials, supplies, and components.	125.9	125.5	125.3	125.3	125.1	125.2
Materials and components for manufacturing.....	128.5	128.3	128.3	128.4	128.3	128.3
Materials for food manufacturing.....	124.2	124.2	123.8	122.7	122.0	122.0
Materials for nondurable manufacturing.....	129.3	128.9	129.2	129.2	129.5	129.8
Materials for durable manufacturing.....	133.3	133.3	133.5	133.9	133.1	133.1
Components for manufacturing.....	126.7	126.6	126.4	126.4	126.5	126.2
Materials and components for construction.....	146.1	146.6	147.1	147.0	147.1	147.0
Processed fuels and lubricants.....	90.7	88.4	86.7	87.4	86.4	87.0
Manufacturing industries	92.8	90.8	89.0	89.0	88.9	89.2
Nonmanufacturing industries.....	89.3	86.9	85.3	86.3	84.8	85.6
Containers.....	136.2	135.0	134.9	134.3	133.9	134.0
Supplies.....	135.7	135.9	136.2	135.9	135.9	135.8
Manufacturing industries.....	138.7	138.9	139.0	138.9	139.3	139.5
Nonmanufacturing industries.....	134.2	134.5	134.8	134.4	134.2	133.9
Feeds.....	132.5	134.5	137.3	134.1	130.9	128.0
Other supplies.....	134.4	134.5	134.4	134.5	134.6	134.7
Crude materials for further processing.....	107.3	107.9	110.4	106.8	106.7	107.4
Foodstuffs and feedstuffs.....	113.7	117.2	117.0	110.7	111.0	110.9
Nonfood materials.....	99.2	97.8	102.0	100.4	99.9	101.2
Nonfood materials except fuel 2/.....	103.8	103.1	104.7	101.1	101.3	102.4
Manufacturing 2/.....	95.2	94.5	96.2	92.4	92.6	93.8
Construction.....	201.8	201.8	202.5	202.5	202.9	202.7

Crude fuel 3/.....	82.1	79.6	87.7	89.7	88.2	89.7
Manufacturing industries.....	81.4	79.2	86.4	88.0	86.8	88.0
Nonmanufacturing industries.....	83.3	80.7	89.2	91.3	89.7	91.3
Special groupings						
Finished goods, excluding foods.....	131.4	130.6	129.9	130.2	130.1	130.5
Intermediate materials less foods and feeds.....	125.9	125.4	125.1	125.3	125.1	125.3
Intermediate foods and feeds.....	127.1	127.7	128.4	126.6	125.1	124.2
Crude materials less agricultural products 2/....	98.5	97.3	101.6	99.9	99.2	100.8
Finished energy goods.....	84.6	81.9	80.6	81.2	81.3	82.4
Finished goods less energy.....	140.5	140.3	140.2	140.0	139.8	139.9
Finished consumer goods less energy.....	141.3	141.1	141.0	140.7	140.4	140.7
Finished goods less foods and energy.....	142.6	142.5	142.1	142.3	142.1	142.2
Finished consumer goods less foods and energy....	145.1	145.1	144.7	144.9	144.7	144.8
Consumer nondurable goods less foods and energy..	152.6	152.8	152.7	153.2	153.2	153.3
Intermediate energy goods.....	90.5	88.2	86.6	87.1	86.1	86.7
Intermediate materials less energy.....	133.7	133.7	133.8	133.7	133.7	133.7
Intermediate materials less foods and energy.....	134.1	134.1	134.1	134.2	134.2	134.3
Crude energy materials 2/.....	77.1	76.4	81.4	79.0	78.7	80.0
Crude materials less energy.....	125.2	126.8	127.0	122.7	122.7	122.9
Crude nonfood materials less energy 3/.....	158.9	155.3	156.9	157.5	156.7	157.9

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 April 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.