

4 March 2013

**Export and Import Price Indices of
Industrial Products. Base 2005**
January 2013. *Provisional data*

The annual variation rate of the IPRIX for the month of January decreases more than one point and stands at 0.6%.

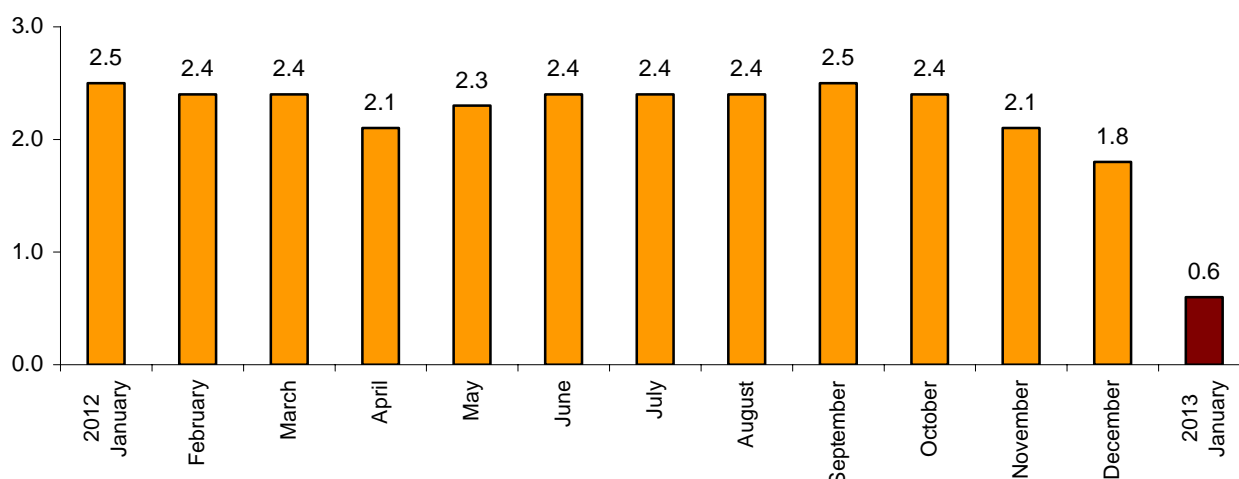
The annual rate of the IPRIM is -0.2% , eight tenths below that registered in December 2012.

The INE publishes today the first Export and Import Prices Indices base 2010.

Annual performance of export prices

The interannual rate for the Export Price Index (IPRIX) for the month of January was **0.6%**, more than one point below that registered in December. This rate is the lowest since November 2009.

**IPRIX annual performance
General index**



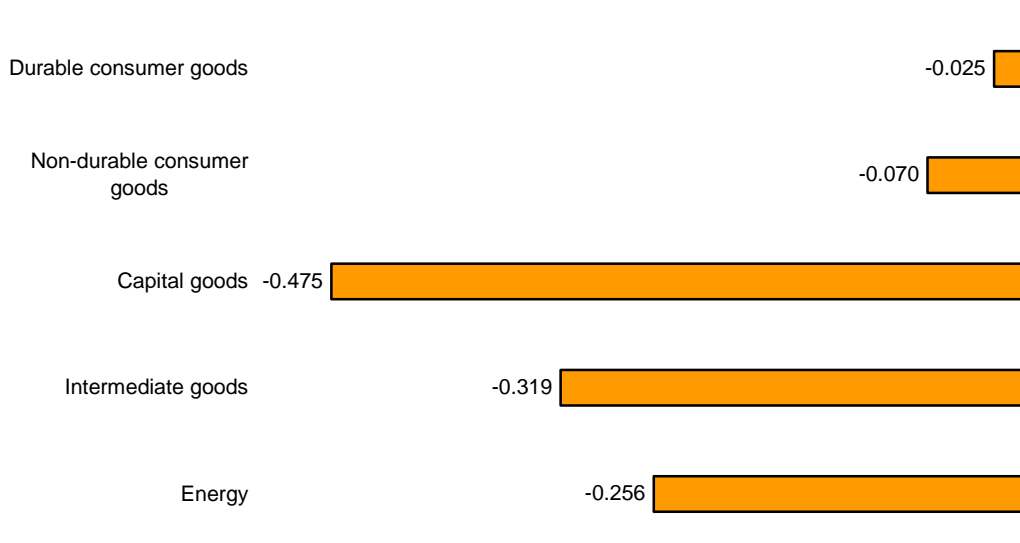
By economic destination of the goods, all industrial sectors contributed to this drop. Among them, worth noting:

- **Capital goods**, whose annual rate decreased more than one and a half points, standing at **0.3 %**. This variation was due to the decrease of prices in *Manufacture of motor vehicles*. Worth noting that the annual rate of this activity stood at 0.2%, the lowest since August 2011.

• **Intermediate goods**, whose annual variation was **0.2%**, almost one point below that of last month. Branches that most influenced to this drop were *Manufacture of basic precious and other non-ferrous metals* and *Manufacture of basic chemicals, fertilisers and nitrogen compounds, plastic and synthetic rubber in primary forms*.

• **Energy**, whose annual variation stood at **-1.3%**, almost four points below that registered in December. This drop was mainly due to that rise in prices of *Refinement of petroleum* was lower than that in January 2012.

Effect of industrial sectors in the IPRIX annual rate

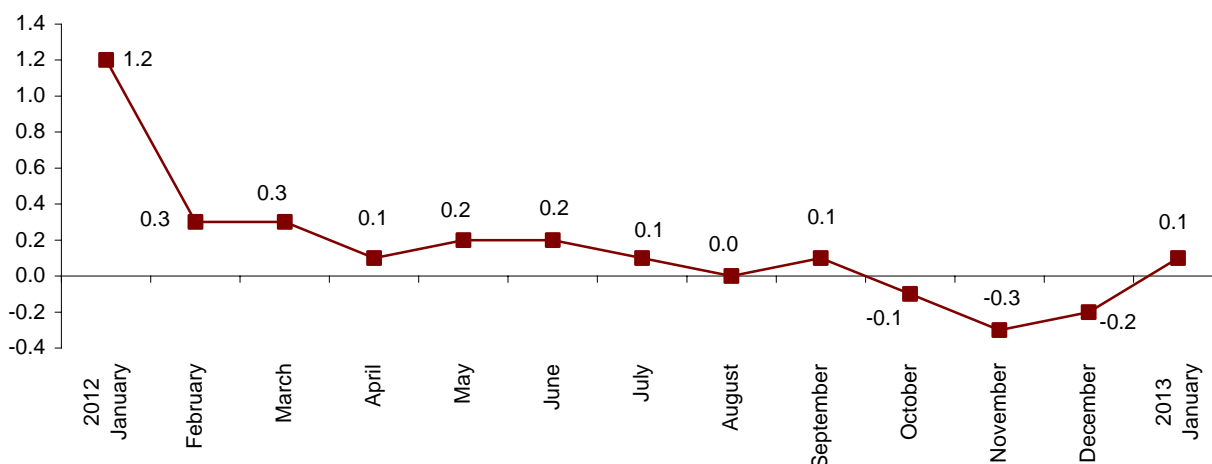


DIFFERENCE ANNUAL RATE GENERAL IPRIX

Monthly performance of export prices

The Export Price Index registered an increase of **0.1%**, as compared with December 2012.

IPRIX monthly performance General index



By economic destination of the goods, the industrial sectors with a greater positive effect in the general index are:

- **Energy**, whose monthly rate stood at **1.0%**, due to the rise in *Electric power generation, transmission and distribution*. Its contribution on the general index was **0.060**.
- **Intermediate Goods**, with a monthly variation of **0.1%**, and a contribution on the IPRIX of **0.032**. Highlighting in this behaviour rises of prices in *Manufacture of electric motors, generators, transformers and electricity distribution and control apparatus* and *Manufacture of basic iron, steel and ferro-alloys*.

In turn, among the sectors with a negative monthly effect in the general index, worth noting:

- **Non-Durable Consumer Goods**, whose monthly variation rate was **-0.1%**, and it contributed **-0.020**, due to the drop in prices of *Manufacture of motor vehicles* and *Manufacture of parts and accessories of motor vehicles*.

A more detailed analysis showed the activities that most affected the monthly rate of the IPRIX in the month of January.

Activities with the greatest positive effect on the monthly rate of the IPRIX

Activity (divisions CNAE-09)	Monthly change (%)	Effect
Electric power generation, transmission and distribution	2.6	0.046
Manufacture of electric motors, generators, transformers and electricity distribution and control apparatus	2.3	0.044
Manufacture of vegetables and animal oils and fats	2.8	0.039
Manufacture of basic iron, steel and ferro-alloys	0.7	0.030

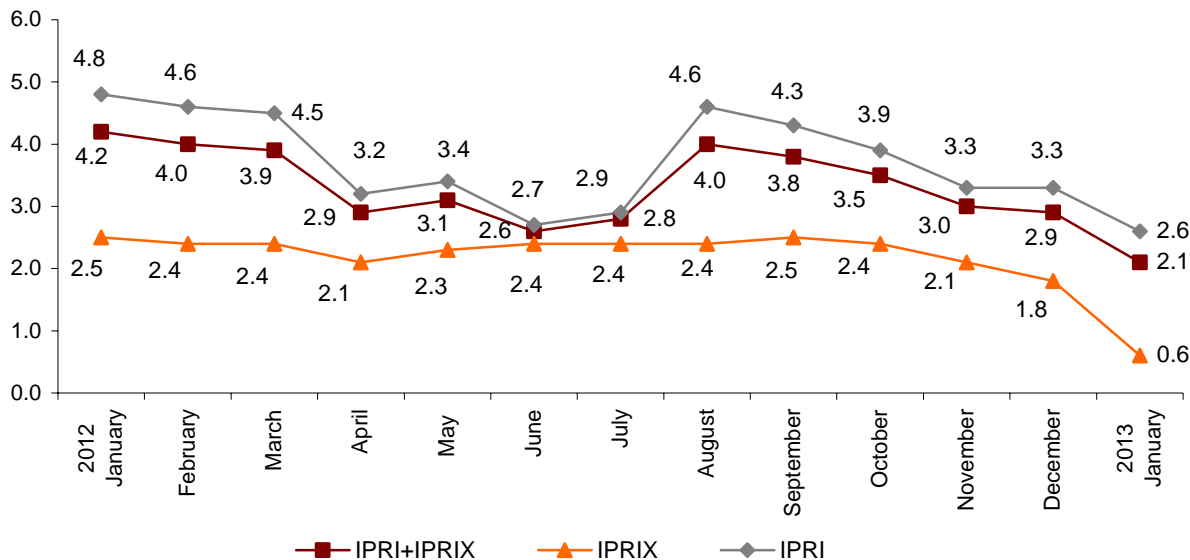
Activities with the greatest negative effect on the monthly rate of the IPRIX

Actividad (divisiones CNAE-09)	Tasa mensual (%)	Repercusión
Manufacture of motor vehicles	-0.2	-0.044
Manufacture of pharmaceutical preparations	-1.2	-0.037
Manufacture of electronic components and boards	-7.6	-0.034

Annual performance of industrial prices of domestic and international markets in aggregate

The Industrial Prices Indices of domestic and international markets in aggregate, obtained from the addition of IPRI and IPRIX, stood its annual rate at **2.1%**, eight tenths below that of the previous month.

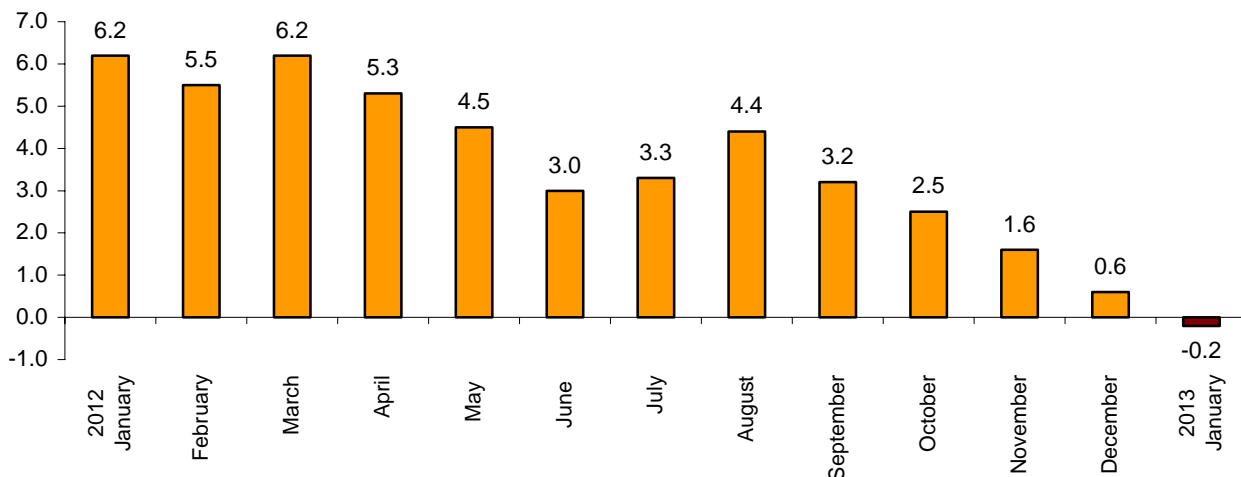
Annual performance of IPRI+IPRIX, IPRIX and IPRI General index



Annual performance of import prices

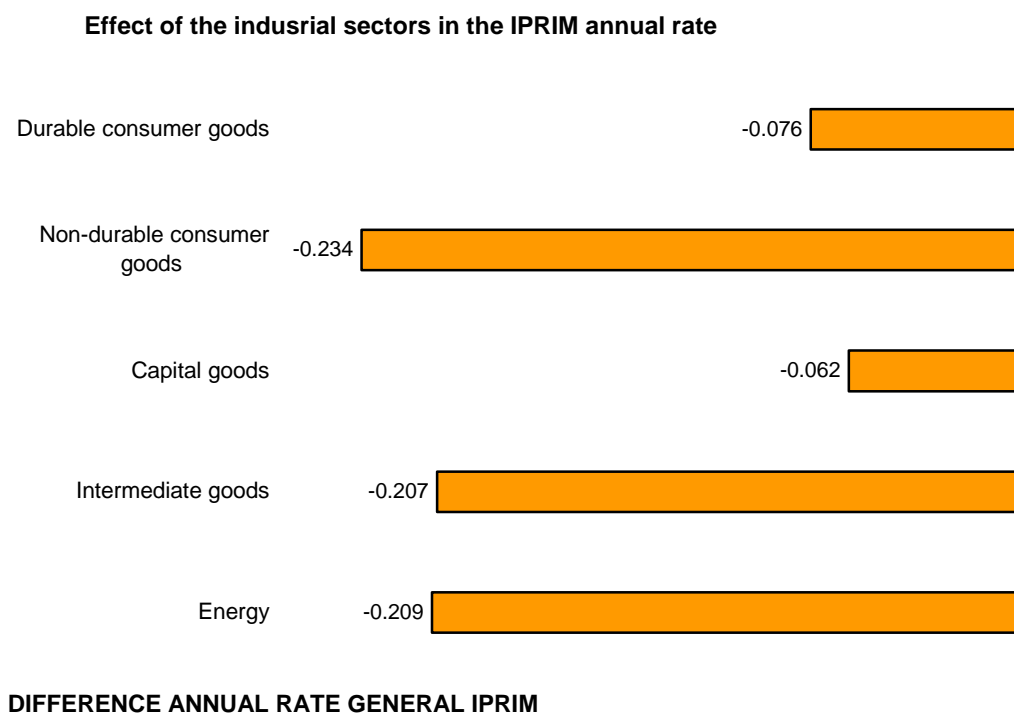
The Import Price Index (IPRIX) decreased its annual rate by eight tenths in January, standing at **-0.2%**, the lowest since November 2009.

IPRIM annual performance General index



By economic destination of the goods, all the industrial sectors had a negative effect in the IPRIM annual rate. Those with a greatest contribution were *Non-durable goods* (1.4%), *Energy* (-2.2%) and *Intermediate goods* (0.6%), whose rates decreased 1.2, 0.9 and 0.7 points, respectively.

Worth noting that these industrial sectors showed the lowest annual rates of the last three years.



In turn, sectors that most contributed to the drop in the annual rate of IPRIM, were:

- **Coke and petroleum refinement**, whose annual variation decreased more than four points and stood at **-1.7%**. Worth noting that this sector did not register a negative effect since November 2009.

- **Food industry**, whose rate stood at **3.2%**, more than two points lower than that of December, and the lowest since April 2010.

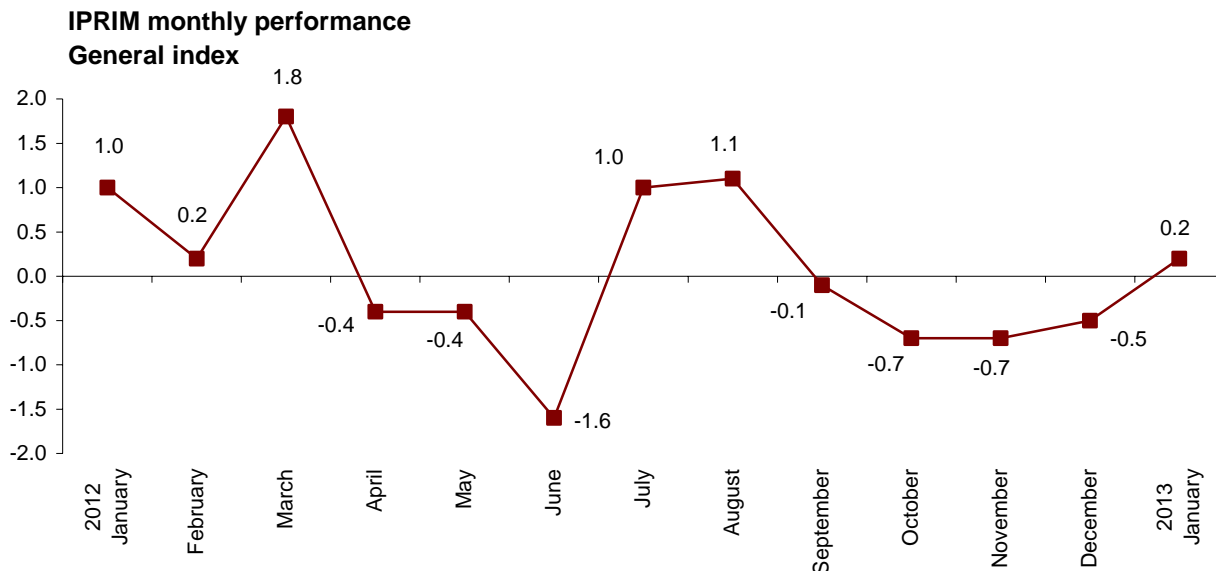
In turn, among the sectors with a negative monthly effect in the general index, worth noting:

- **Extraction of metallic ores**, with a **-4.6%** rate, more than eight points lower than that of the previous month. This behaviour was due to the drop in prices this month.

- **Chemical industry**, whose rate stood at **1.3%**, more than a point lower than that of the previous month, and the lowest since January 2010.

Monthly performance of import prices

In January, the monthly variation of the Import Price Index was **0.2%**.



By economic destination of the goods, the industrial sectors with a greatest monthly positive effect in the general index were:

- **Energy**, with a variation rate of **1.0%**, and a contribution of **0.253**.
- **Capital goods**, whose monthly rate stood at **0.5%** and its contribution in the general index was **0.110**.

Worth noting the negative effect of:

- **Non-durable Consumer goods**, whose rate stood at **-0.8%**, and its contribution was **-0.157**.

A more detailed analysis showed the activities that most affected the monthly rate of the IPRIM in the month of January.

Activities with the greatest positive effect on the monthly rate of the IPRIM

Activity (divisions CNAE-09)	Monthly change (%)	Effect
Extraction of crude petroleum and natural gas	1.7	0.297
Manufacture of motor vehicles, trailers and semi-trailers	0.4	0.038
Metallurgy; manufacture of basic iron and steel and ferro-alloy products	0.7	0.029
Rubber and plastic material transformation industry	0.9	0.026

Activities with the greatest negative effect on the monthly rate of the IPRIM

Activity (divisions CNAE-09)	Monthly change (%)	Effect
Food industry	-1.6	-0.105
Manufacture of pharmaceutical products	-1.1	-0.052
Chemical Industry	-0.3	-0.029

Informative annex

Main characteristics of the IPRIX and the IPRIM, base 2010

Today, the National Statistics Institute (INE) is publishing the Export Price Index of Industrial Products (IPRIX) and the Import Price Index of Industrial Products (IPRIM) in base 2010. It thus complies with Council Regulation (EC) No. 1165/98 regarding short-term statistics, which sets out that the Member States must adopt a base change for the short-term indicators to which said regulation refers, every five years.

The base change consists of the revision and updating of the components comprising the calculation of the index. The objective is to obtain an indicator that adapts to those changes occurring in the last five years in the different activities in the industrial sector, and that more precisely measures the performance of the prices, which will yield indicators that are more representative of this sector.

Among the changes introduced in the 2010 base, worth noting is the new calculation system, which ceases to use the concept of a fixed base (characterised by the use of a basket of products and set weightings over the course of the time that the base is used) and introduces a new way of producing the indicator, based on the ongoing updating of the main elements comprising its calculation.

Therefore, the IPRIX and the IPRIM, base 2010, are indicators characterised by their dynamism, as they constantly adapt their methodology in order to include changes in the industrial sector, and by their current nature, as each year, they revise the weightings for different functional breakdown levels in their calculation of any change detected in the sector at the time when this occurs, whether it consists of the appearance of new products, changes in productive activity or changes in the sample of respondent units.

Sample update and weighting structure

- Sample

One of the most important aspects of the base change process is the updating of the sample. To this end, a complete study is carried out of the industrial activities, the basket of products, the weightings and the sample of respondent units, for the purpose of updating its structure and improving its representativeness.

The criterion used to define which activities will be part of the calculation of the IPRIX and the IPRIM, base 2010, is based on the inclusion of those classes (to 4 digits of CNAE-09) that exceed 0.1% of total turnover in exports (IPRIX) or imports (IPRIM) of industrial products on a national level.

Following these criteria, the branches that do not reach the minimum national coverage have been removed from the list, while others have been included, such as the *Manufacture of aircraft and spacecraft and machinery thereof*, the *Manufacture of railway and tram locomotives and rolling stock* and the *Repair of machinery*, in the IPRIX; and the *Manufacture of railway and tram locomotives and rolling stock*, in the IPRIM.

As a result of this sample update, each month, the IPRIX, base 2010, includes approximately 14,000 prices of 1,700 products, in a sample of nearly 3,600 industrial establishments. In the

meantime, the IPRIM, base 2010, includes some 18,000 prices of 2,100 products, in approximately 4.600 establishments.

- Weightings

The complete weighting structure has been updated at all functional breakdown levels, in order to represent industrial productive activity more precisely for exportation and importation.

To this end, the Industrial Companies Survey (ICS) has been used, as well as the foreign trade data from the statistical reports of Intrastat and the Single Administrative Document (SAD), referring to the year 2010, that provide information regarding turnover by activity branch and product, which is essential in establishing the weightings structure.

In the case of the IPRIX, the information from the ICS has been used for the branches of the CNAE-09, and the data from Intrastat and SAD has been used for the products, whereas in the IPRIM, the information used for all levels is from the Intrastat and SAD data. Subsequently, these structures have been updated to the year 2012, using the information from the IPRIX and the IPRIM.

A fundamental improvement introduced in the new base is the annual update of the weight, or importance, of the aggregates that comprise this indicator, which enables adapting the indicator to the changes as they occur in industrial activities.

The following table includes the weight of each one of the industrial sectors, by economic destination of the goods, and their comparison with the weights in force during base 2005, for both indicators.

Weightings by economic destination of the goods (so much per hundred)

Groups	IPRIX, base 2005	IPRIX, base 2010 Year 2013
Durable consumer goods	4.63	2.68
Non-durable consumer goods	21.52	18.76
Capital goods	35.08	35.33
Intermediate goods	33.99	37.40
Energy	4.78	5.83
TOTAL	100.0	100.0

Weightings by economic destination of the goods (so much per hundred)

Groups	IPRIM, base 2005	IPRIM, base 2010 Year 2013
Durable consumer goods	5.31	5.57
Non-durable consumer goods	18.02	20.43
Capital goods	33.54	22.09
Intermediate goods	27.95	27.24
Energy	15.17	24.67
TOTAL	100.0	100.0

Calculation formula

Up until this point, these indices were calculated using what is known as a fixed-base Laspeyres-type index. The main advantage of an index of this type is that it enables comparing the same structure of products and weightings throughout the time that the base is in effect; however, there is also the drawback that the weighting structure loses relevance as time elapses and productive activity changes.

The IPRIX and the IPRIM, base 2010, will use the "**chain-linked Laspeyres**" formula, which consists of referring the prices from the current period to the prices from the previous year. Moreover, as commented above, the weightings of the branches will be updated each year, with information from the Industrial Companies Survey, the foreign trade data from the statistical reports of Intrastat and other sources.

Another important innovation in the new base is the use of the **geometric average** for the calculation of the average prices of those products included in the basket, which are involved in the preparation of the monthly index.

Linking series

The implementation of any system of price indices implies a break in the continuity of the series, and more so when, in addition to changing the composition of the representative products and their corresponding weightings, a change occurs in the calculation methodology used to compile the indices, as in the case of the IPRIX and the IPRIM, base 2010.

For the purpose of having continued series available, at least for certain breakdown levels, and which enable calculating variation rates between different periods, and allowing users to perform studies and predictions relating to price performance, the INE has prepared a link, and publishes the indices in base 2010, as of January 2005, in order to thus provide the continuity of the information published until now.

It is important to highlight that, as the new IPRIX and IPRIM have taken the year 2010 as their base, the series have been recalculated in the new base, using the new calculation formula and the new weightings, as of January 2010. Therefore, the variation rates of the IPRIX and the IPRIM, base 2010, for the years 2010, 2011 and 2012, will be different from those calculated using the indices in base 2005.

In turn, the indices prior to the year 2010, which are indices calculated in base 2005 and linked subsequently, do preserve the variation rates.

Dissemination of the results

The IPRIX, base 2010, is published with national indices for 3 sections (to 1 digit of CNAE-09), 27 divisions (to 2 digits of CNAE-09), 91 groups (to 3 digits of CNAE-09) and 195 classes (to 4 digits of CNAE-09), in addition to being published by economic destination of the goods.

The IPRIM, base 2010, is published with national indices for 3 section (to 1 digit of CNAE-09) and 27 divisions, in addition to being published by economic destination of the goods.

Moreover, base 2010 marks the beginning of publishing the Industrial Price Index of the aggregated domestic and foreign markets, which are obtained as a result of linking the Industrial Price Index (IPRI) and the IPRIX. This indicator shows the evolution of the prices of

those industrial products manufactured in the domestic market and sold both in the domestic market and abroad.

In the IPRI+IPRIX, base 2010, national indices are published for 4 sections (to 1 digit of CNAE-09), 29 divisions (to 2 digits of CNAE-09), 97 groups (to 3 digits of CNAE-09) and 222 classes (to 4 digits of CNAE-09), in addition to being published by economic destination of the goods.

The indices are published to three decimal points, and the variation rates to one decimal point, though they are calculated with all the decimal points available in the index. Moreover, the data will be final three months following its first publication.

All of the information regarding the new base of the IPRIX and the IPRIM is available on the INE website (<http://www.ine.es/en/>).

Export and Import Price Indices of Industrial Products. Base 2010 January 2013

Provisional data

4 March 2013

1. Export Indices: general index and by economic destination of the goods

	Index	% Variation			Effect	
		Monthly	Year to date	Annual	Monthly	Year to date
GENERAL INDEX	107.4	0.1	0.1	0.6		
Consumer goods	106.5	0.0	0.0	2.1	-0.011	-0.011
- Durable consumer goods	101.5	0.1	0.1	0.5	0.003	0.003
- Non-durable consumer goods	108.5	-0.1	-0.1	2.7	-0.014	-0.014
Capital goods	104.1	-0.1	-0.1	0.3	-0.020	-0.020
Intermediate goods	108.2	0.1	0.1	0.2	0.032	0.032
Energy	123.2	1.0	1.0	-1.3	0.060	0.060

2. Import Indices: general index and by economic destination of the goods

	Index	% Variation			Effect	
		Monthly	Year to date	Annual	Monthly	Year to date
GENERAL INDEX	112.5	0.2	0.2	-0.2		
Consumer goods	106.4	-0.8	-0.8	1.2	-0.204	-0.204
- Durable consumer goods	102.6	-0.8	-0.8	0.8	-0.047	-0.047
- Non-durable consumer goods	107.6	-0.8	-0.8	1.4	-0.157	-0.157
Capital goods	101.8	0.5	0.5	-0.9	0.110	0.110
Intermediate goods	109.2	0.1	0.1	0.6	0.036	0.036
Energy	140.1	1.0	1.0	-2.2	0.253	0.253

3. Indices in aggregates of domestic and international markets (IPRI+IPRIX): general and by economic destination of the goods

	Index	% Variation			Effect	
		Monthly	Year to date	Annual	Monthly	Year to date
GENERAL INDEX	111.2	0.8	0.8	2.1		
Consumer goods	107.2	0.4	0.4	3.4	0.101	0.101
- Durable consumer goods	101.9	0.1	0.1	0.6	0.002	0.002
- Non-durable consumer goods	108.2	0.4	0.4	3.9	0.099	0.099
Capital goods	102.8	0.0	0.0	0.4	0.006	0.006
Intermediate goods	109.1	0.2	0.2	1.8	0.063	0.063
Energy	128.6	3.1	3.1	2.3	0.670	0.670

4. Export indices: general index and by branch of activity (CNAE 2009)

	Index	Monthly		Annual
		% Variation	Effect	% Variation
GENERAL INDEX	107.4	0.1		0.6
B. Mining and quarrying industries	132.0	-0.3	-0.002	-5.5
Extraction of metallic ores	188.4	-2.0	-0.004	-19.6
Other mining and quarrying	105.3	0.7	0.003	1.6
C. Manufacture industry	107.2	0.0	0.018	0.8
Food industry	113.5	0.3	0.026	5.0
Manufacture of beverages	109.0	-0.5	-0.009	4.4
Tobacco industry	116.3	0.0	0.000	13.8
Textile industry	108.2	0.1	0.001	1.4
Manufacture of garments	102.1	-1.3	-0.006	-0.9
Leather and footwear industry	108.9	0.1	0.001	1.5
Manufacture of wood and of products of wood and cork, except furniture; basketmaking and wickerwork	106.1	0.3	0.002	-0.1
Paper industry	106.1	0.2	0.006	5.4
Printing and service activities related to printing	101.7	1.7	0.008	1.7
Manufacture of coke and refined petroleum products	129.2	0.4	0.014	0.2
Chemical industry	112.6	-0.2	-0.023	1.0
Manufacture of pharmaceutical products	102.0	-0.3	-0.013	-1.1
Manufacture of rubber and plastic materials	110.5	-0.6	-0.027	0.5
Manufacture of other non-metallic ore products	104.1	0.1	0.003	1.2
Metallurgy; manufacture of basic iron and steel and of ferro-alloy products	105.2	0.2	0.016	-2.3
Manufacture of metal products, except machinery and equipment	103.3	0.3	0.013	-0.2
Manufacture of computer, electronic and optical products	91.5	-2.0	-0.035	-3.3
Manufacture of electrical material and equipment	103.7	1.6	0.072	0.8
Manufacture of machinery and equipment n.e.c.	105.4	0.2	0.012	1.2
Manufacture of motor vehicles, trailers and semi-trailers	104.1	-0.3	-0.075	0.2
Manufacture of other transport material	101.9	0.4	0.017	0.7
Manufacture of furniture	103.7	0.2	0.001	0.8
Other manufacturing industries	105.3	-1.0	-0.009	-0.4
Repair and installation of machinery and equipment	102.7	2.7	0.020	2.7
D. Supply of electrical energy and gas	107.5	2.6	0.046	-5.7

5. Import indices: general index and by branch of activity (CNAE 2009)

	Index	Monthly		Annual
		% Variation	Effect	% Variation
GENERAL INDEX	112.5	0.2		-0.2
B. Mining and quarrying industries	138.3	1.3	0.248	-2.6
Extraction of anthracite, coal and lignite	101.9	-4.8	-0.025	-23.3
Extraction of crude petroleum and natural gas	143.3	1.7	0.297	-1.7
Extraction of metallic ores	106.7	-1.7	-0.024	-4.6
Other mining and quarrying	114.3	-0.2	0.000	-1.1
C. Manufacture industry	107.8	-0.1	-0.056	0.3
Food industry	116.3	-1.6	-0.105	3.2
Manufacture of beverages	103.6	0.0	0.000	1.0
Tobacco industry	112.9	2.9	0.016	16.8
Textile industry	114.4	0.2	0.003	1.0
Manufacture of garments	110.5	0.4	0.016	0.6
Leather and footwear industry	111.5	-0.2	-0.004	4.0
Manufacture of wood and of products of wood and cork, except furniture; basketmaking and wickerwork	105.5	-0.3	-0.002	-0.4
Paper industry	105.8	0.2	0.003	0.6
Manufacture of coke and refined petroleum products	135.3	-0.3	-0.023	-1.7
Chemical industry	112.5	-0.3	-0.029	1.3
Manufacture of pharmaceutical products	94.3	-1.1	-0.052	-1.9
Manufacture of rubber and plastic materials	112.7	0.9	0.026	3.6
Manufacture of other non-metallic ore products	106.7	0.5	0.005	2.2
Metallurgy; manufacture of basic iron and steel and of ferro-alloy products	107.3	0.7	0.029	-0.8
Manufacture of metal products, except machinery and equipment	105.6	-0.1	-0.003	0.2
Manufacture of computer, electronic and optical products	97.1	-0.2	-0.016	-4.3
Manufacture of electrical material and equipment	103.2	0.0	0.000	0.6
Manufacture of machinery and equipment n.e.c.	105.3	0.4	0.023	0.4
Manufacture of motor vehicles, trailers and semi-trailers	101.9	0.4	0.038	0.2
Manufacture of other transport material	106.4	0.4	0.010	3.0
Manufacture of furniture	104.7	-0.6	-0.005	0.6
Other manufacturing industries	105.6	0.6	0.012	1.2
D. Supply of electrical energy and gas	104.1	7.2	0.004	14.9

6. Indices in aggregates of domestic and international markets (IPRI+IPRIX): general and by branch of activity (CNAE 2009)

	Index	Monthly		Annual
		% Variation	Effect	% Variation
GENERAL INDEX	111.2	0.8		2.1
B. Mining and quarrying industries	107.2	0.1	0.001	-0.7
Extraction of anthracite, coal and lignite	107.2	-1.6	-0.002	1.9
Extraction of metallic ores	188.7	-1.8	-0.002	-19.5
Other mining and quarrying	101.7	0.7	0.004	0.5
C. Manufacture industry	109.2	0.4	0.339	1.8
Food industry	115.2	0.7	0.114	7.8
Manufacture of beverages	106.8	0.1	0.003	2.9
Tobacco industry	114.1	2.6	0.005	5.3
Textile industry	106.1	0.1	0.001	0.6
Manufacture of garments	99.4	-0.6	-0.007	-1.0
Leather and footwear industry	106.0	0.4	0.003	1.1
Manufacture of wood and of products of wood and cork, except furniture; basketmaking and wickerwork	104.0	0.3	0.004	0.5
Paper industry	105.3	-0.2	-0.005	1.3
Printing and service activities related to printing	104.6	0.4	0.006	1.3
Manufacture of coke and refined petroleum products	135.0	2.4	0.171	-0.8
Chemical industry	113.9	0.3	0.020	3.0
Manufacture of pharmaceutical products	99.7	-0.4	-0.011	-0.3
Manufacture of rubber and plastic materials	109.0	0.3	0.010	1.7
Manufacture of other non-metallic ore products	101.8	-0.3	-0.011	-0.2
Metallurgy; manufacture of basic iron and steel and of ferro-alloy products	106.6	0.2	0.008	-2.2
Manufacture of metal products, except machinery and equipme	103.0	0.4	0.025	0.6
Manufacture of computer, electronic and optical products	92.7	-0.9	-0.011	-4.1
Manufacture of electrical material and equipment	105.7	0.5	0.015	2.1
Manufacture of machinery and equipment n.e.c.	103.3	0.1	0.003	0.5
Manufacture of motor vehicles, trailers and semi-trailers	103.0	-0.3	-0.026	0.2
Manufacture of other transport material	101.2	0.2	0.004	0.2
Manufacture of furniture	102.7	0.3	0.004	0.8
Other manufacturing industries	104.9	-0.3	-0.002	0.7
Repair and installation of machinery and equipment	101.4	1.4	0.019	0.0
D. Supply of electrical energy and gas	126.3	3.8	0.489	4.1
E. Supply of water	109.9	1.2	0.012	4.4

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