



METHODOLOGICAL EXPLANATION

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PRODUCER PRICE INDICES

This methodological explanation relates to the data releases:

- Producer Price Indices, Slovenia, monthly (First Release)
- Producer Price Indices, Slovenia, monthly (Electronic Release)
- Producer price indices of the domestic market, detailed prices, Slovenia, monthly (Electronic Release)
- Producer price indices of the non-domestic market, detailed prices, Slovenia, monthly (Electronic Release)



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1 PURPOSE

The purpose of publishing the data on producer price indices is to present monthly dynamics of producer prices of industrial products produced on the territory of Slovenia and sold in Slovenia and/or abroad.

The main statistics published are:

- Producer price indices (ICIPP) by NACE Rev. 2 classification
- Producer price indices of the domestic market (ICIPP-DOMA/M) by NACE Rev. 2 classification
- Producer price indices of the non-domestic market (ICIPP-DOMA/M) by NACE Rev. 2 classification

2 LEGAL FRAMEWORK

- [Annual Programme of Statistical Surveys \(LPSR\)](#)
- [National Statistics Act](#) (OJ RS, No. 45/95 and 9/01)
- [Regulation \(EU\) 2019/2152 of the European Parliament and of the Council of 27 November 2019 on European business statistics, repealing 10 legal acts in the field of business statistics \(CELEX: 32019R2152\)](#)

3 UNIT DESCRIBED BY THE PUBLISHED DATA

Units described by the published data are representative products produced on the territory of Slovenia and sold in Slovenia and/or abroad. These products represent a large share of the turnover of business entities.

Typical products are observed within the following sections of activities according to the Standard Classification of Activities (hereinafter SKD 2008): B – Mining and quarrying, C – Manufacturing, D – Electricity supply and E – Water supply.

4 SELECTION OF OBSERVATION UNIT

Units, i.e. representative products, for the survey on Producer price indices (hereinafter ICIPP-SKUPAJ/M) are selected on the basis of threshold coverage. The main criteria for the selection are activity and turnover within the SKD 2008 class. Within an individual activity class, according to the SKD 2008, so many units are selected that 60-70% value of total sale in the class is achieved.

In 2021, the ICIPP-SKUPAJ/M survey covered 3,820 products. The prices of these products were reported monthly by 727 reporting units. The producer price index of the domestic market survey (hereinafter **ICIPP-DOMA/M**) covered

2,424 products, which were reported every month by 611 reporting units, and the producer price index of the non-domestic market survey (**hereinafter ICIPP-IZVOZ/M**) covered 1396 products, which were reported every month by 374 reporting units.

5 SOURCES AND METHODS OF DATA COLLECTION

Data are collected monthly.

Data are obtained with the survey on producer price indices of the domestic market (**ICIPP-DOMA/M**) and the survey on producer price indices of the non-domestic market (CENE-IZVOZ/M).

Data are collected by the following questionnaires:

- Questionnaire for the statistical survey on producer price indices of the domestic market (**CENE-DOMA/M**).
- Questionnaire for the statistical survey on producer price indices of the non-domestic market (CENE-IZVOZ/M).

At the beginning of the year copies of individualized e-questionnaires in Excel format (only products for which the unit reported prices in the previous reference period are stated on the questionnaire) are sent to units. Business entities must be registered in the e-State app if they want to send a questionnaire to SURS.

Enterprises fill in the prices in the questionnaires every month for the transactions during the period from the 16th of the previous month to the 15th of the current month. They send the questionnaires to SURS by the 20th of the current month.

6 DEFINITIONS

ICIPP-SKUPAJ/M – Producer price index measures the dynamics of producer prices of industrial products produced on the territory of Slovenia and sold in Slovenia and/or abroad.

ICIPP-DOMA/M – Producer price index of the domestic market measures changes in prices of manufactured goods produced and sold by producers on the domestic (Slovene) market.

ICIPP-IZVOZ/M – Producer price index of the non-domestic market measures changes in prices of manufactured goods sold by producers on foreign markets.

ICIPP-IZVOZ/M – EURO AREA – Producer price index of the euro area includes all products sold by Slovene producers in countries where the euro is the official currency.

ICIPP–IZVOZ/M – NON-EURO AREA — Producer price index of the non-euro area includes all products sold by Slovene producers in countries where the euro is not the official currency.

SKD 2008 – Standard Classification of Activities 2008; it is used for defining the main activity and for classifying business entities and their units for the needs of official and other administrative data collections (registers, records, databases, etc.) and for the needs of national and international statistics and analyses at various levels of comparison and decision-making.

NIP – Nomenclature of Industrial Products; it is the list of industrial products and groups of products used in industrial production statistics. Products and groups of products are also combined and classified into the Classification of Products by Activity and the Standard Classification of Activities.

Price reference (base) period is the period, the prices of which are in the index calculation compared to the prices of the current period. In our case the price base period is December of the previous year.

7 EXPLANATIONS

7.1 CLASSIFICATIONS

Producer prices of manufactured goods are collected on the nine-digit level according to the Nomenclature of Industrial Products (NIP) and processed and published according to the Standard Classification of Activities 2008 (SKD 2008). Link to classifications: <http://www.stat.si/statweb/en/Methods/Classifications>

Manufactured goods are classified into activities from the field of industry, i.e. classes, groups, divisions and sections, of the new Standard Classification of Activities (SKD 2008). Indices are published at two levels of SKD 2008, i.e. by divisions and sections.

This is an example of the breakdown and labelling of activities:

C Manufacturing -> **section**

10 Manufacture of food products -> **division**

Producer price indices of manufactured goods cover sections B (Mining and quarrying), C (Manufacturing), D (Electricity, gas and steam supply) and E (Water supply, sewerage and waste). Producer price indices of the non-domestic market cover only two sections of the SKD 2008: B (Mining and quarrying) and C (Manufacturing).

Producer price indices cover all divisions in SKD 2008 sections B, C, D and E except:

- Section **B Mining and quarrying** includes divisions 05 Mining of coal and lignite, 06 Extraction of crude petroleum and natural gas and 08 Other mining and quarrying,
- Section **C Manufacturing**
 - does not include division 12 Manufacture of tobacco products because Slovenia no longer produces tobacco products,
 - division 19 includes only Manufacture of refined petroleum products (because motor fuels and liquid fuels for heating are no longer produced in Slovenia, the producer price index of the domestic market includes only the prices of various machine oils),
- Section **D Electricity, gas and steam supply** includes only Electricity supply,
- Section **E Water supply, sewerage and waste** includes only Water collection, treatment and supply.

Producer price indices of the domestic market for a group of food and beverages are available at a more detailed level, i.e. class level of the SKD 2008.

Additionally, we publish price indices for special groups of activities showing the dynamics of prices **by end-use of products** from individual activities at SKD class level. Activities are classified by end-use of products into four groups and two subgroups:

- Intermediate goods
- Energy
- Capital goods industries
- Consumer goods industries
 - Durable goods
 - Non-durable goods.

Because of our users needs, we also publish a special **price index of construction materials**, which is calculated on the basis of the conversion table between the old classification (SKD 2002) and the new classification (SKD 2008). This index covers the following SKD 2008 classes: B 08.11, B 08.12, C 16.10, C 16.21, C 16.23, C 19.20, C 20.16, C 20.30, C 20.52, C20.59, C 22.19, C 22.21, C 22.23, C 22.29, C 23.12, C 23.14, C 23.31, C 23.32, C 23.43, C 23.51, C 23.52, C 23.61, C 23.63, C 23.64, C 23.65, C 23.69, C 23.70, C 23.99, C 24.10, C24.31, C24.34, C 24.42, C 24.43, C 25.11, C 25.12, C 25.21, C 25.29, C 25.62, C 25.72, C 25.93, C 25.99, C 26.51, C 27.12.

7.2 DATA PROCESSING

DATA EDITING

Data were statistically edited with appropriate imputation procedures. The following imputation methods were used: mean imputations, hot-deck imputations, historical imputations.

For more, see the general methodological explanations [Statistical data editing](#).

WEIGHTING

With weighting adjustment we want to achieve representativeness of the sample, so that the weighted data give us as good population estimates as possible.

The producer price index is a combination of the producer price index of the domestic market and the producer price index of the non-domestic market. The weighting system is designed on the basis of the 2019 structure of sales value of manufactured goods on the domestic market and on foreign markets separately.

The basic source of data is the Annual Survey on Industrial Production (IND/L). The weighting system is designed on the basis of the 2019 structure of sales value of manufactured goods on the domestic market and on foreign markets separately. In designing the weights, the IND/L sales value data are recalculated on December 2020.

Weights are changed every year.

7.3 INDICES

1) The calculation of individual price indices

For each current month compared to the base month (i.e. December of the previous year), individual indices of particular representative goods are calculated directly from data on prices.

2) The calculation of aggregate indices at higher levels

From individual indices we calculate with weighted arithmetic mean aggregate indices, i.e. class and group indices, division and section indices, main industrial group indices and the total index.

Each aggregate index (December of the previous year = 100) calculated in this way and all other indices derived from this index and calculated with weights of the weight base period and with the same coverage of products are Laspeyres' indices of fixed type.

Since January 2018 indices have been linked through the new index reference period year 2015 (2015 average = 100). All indices are now derived and calculated through the 2015 average in the following ways:

- **Monthly base index** shows price changes in the current month compared to the average of 2015.
- **Monthly index** shows price changes in the current month compared to the previous month.

- **Index in the current year** shows price changes in the current month compared to December of the previous year.
- **Annual index** shows price changes in the current month compared to the same month of the previous year.
- **Annual average index** shows price changes in the current year compared to the same period of the previous year.
- **Average index in the current year** shows price changes in the current year compared to December of the previous year.

To provide data in the form of longer time series, the indices for the total, non-domestic and domestic prices are recalculated and published on the new index reference period 2015=100 from 2000 on.

7.4 PRECISION

The precision is not calculated.

7.5 OTHER EXPLANATIONS

8 PUBLISHING

- SiStat Database: [Prices and infation](#) - Prices in manufacturing and services, data are published at NACE Rev. 2 division level.
- First Release (Prices and Inflation, Prices in Manufacturing and Services): »Producer price indices, Slovenia, monthly«.
- Statistical Office of the European Union (Eurostat).

9 REVISION OF THE DATA

9.1 PUBLISHING OF PRELIMINARY AND FINAL DATA

Only final data are published.

9.2 FACTORS INFLUENCING COMPARABILITY OVER TIME

In 2018, indices were chain linked through a new index base year 2015 (average of 2015 = 100). All indices are calculated on the basis of 2015 average. Data are available from 2000 on. There are no breaks in time series.

Methodological explanation on revision of statistical data is available on

<http://www.stat.si/dokument/5299/RevisionOfStatisticalDataMEgeneral.pdf>.

10 OTHER METHODOLOGICAL MATERIALS

Methodological materials on SURSs website are available at <https://www.stat.si/statweb/en/Methods/QuestionnairesMethodologicalExplanationsQualityReports>.

Questionnaire (only in Slovene):

- Questionnaire for the statistical survey on producer price indices of the domestic market (**CENE-DOMA/M**),
- Questionnaire (only in Slovene):
- Questionnaire for the statistical survey on producer price indices of the non - domestic market (**CENE-IZVOZ/M**),
- Standard quality report for the surveys (only in Slovene):
- Producer price indices (ICIPP-SKUPAJ/M),
- Annual quality report for the surveys:
- Producer price indices (ICIPP-SKUPAJ/M), <http://www.stat.si/statweb/en/Methods/QuestionnairesMethodologicalExplanationsQualityReports> theme: Prices and Inflation, sub-theme: Prices in Manufacturing and Services