



REPUBLIC OF CROATIA
CROATIAN BUREAU OF STATISTICS

PRESS RELEASE

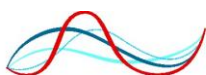
CONCERNING THE ISSUE OF SERVICES PRODUCER PRICE INDICES IN 2015

The Croatian Bureau of Statistics has for the first time released results of the survey on services producer prices, with the aim of measuring the dynamics of price changes, which reflect the conditions of supply and demand on the service market. Namely, SPPIs (services producer price indices) are one of the main European economic indicators (PEEI – principal European economic indicators), used for timely providing of information to the European Central Bank.

This survey includes a whole range of service activities (from transport and telecommunication ones to auxiliary service activities) and the legal basis for the conduct of the survey is the [Council Regulation](#) (EC) No 1165/98 of 19 May 1998 on short-term statistics (OJ L 162, 5.6.1998) and its amendments.

The calculation of prices is based on clearly defined specification of representative services of done by business entities. Representative services are those characteristic of an enterprise, continuous and stable. It must be pointed out that they are “producer” prices, that is, prices realised on the market by service providers. Therefore, these prices are monitored from the “producers” – or service providers’ – point of view, as compared to consumer prices that are monitored from end users/consumers’ point of view.

Data, which are collected by using the internet application at web pages of the Croatian Bureau of Statistics, can be applied in macroeconomic analyses and as deflators for the conversion of price values of services producer prices to volume measures. They can also be applied for the comparison of average change in prices between companies as well as for the analysis of other business aspects (costs, productivity, for producing an escalation clause in contracts). Survey results have been released at the web site of the Croatian Bureau of Statistics within the “Statistics in Line” (<http://bit.ly/1NKCBJF>), a point at which data series will be regularly updated with new data in quarterly dynamics.



The monitoring of services prices is extremely specific, having in mind that they are very complex in nature and therefore difficult to measure. They are characterised by intangibility, simultaneousness of their provision and usage as well as the fact that they are inadequate for storage, which then results in oscillations in supply, since services are strictly tied to a specific moment of time and their unused supply capacity cannot be stored for a future demand.

Zagreb, 25 April, 2016

