



Higher electricity prices push up producers price index

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Prices received by New Zealand producers, as measured by the output producers price index (PPI), rose 0.3 percent in the June 2012 quarter, Statistics New Zealand said today.

The input PPI, representing the prices of goods and services used by New Zealand producers, rose 0.6 percent.

"Higher electricity prices were the largest contributor to both the output and input PPI rises in the June 2012 quarter," prices manager Chris Pike said. "For the electricity and gas supply industry the output price index rose 10.7 percent and the input price index rose 8.2 percent. These increases were mainly due to lower hydro-storage levels."

In the year to the June 2012 quarter, the electricity and gas supply output price index increased 27.3 percent while the input price index was up 34.5 percent. These are the highest annual increases since the year to the June 2008 quarter.

Lower farm-gate milk prices were the major offsetting factor for the June 2012 quarter PPI movement. The output price index for dairy cattle farmers was down 6.9 percent, and the input price index for dairy product manufacturing was down 4.7 percent.

A rise in imported crude oil prices and increased refining fees pushed up the input price index for the petroleum and coal product manufacturing industry (up 7.5 percent) in the June 2012 quarter. This was the second-largest upward contributor to the overall input PPI.

In the year to the June 2012 quarter, the output PPI was up 0.5 percent, while the input PPI was up 1.9 percent.

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