

# The Daily

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## Releases

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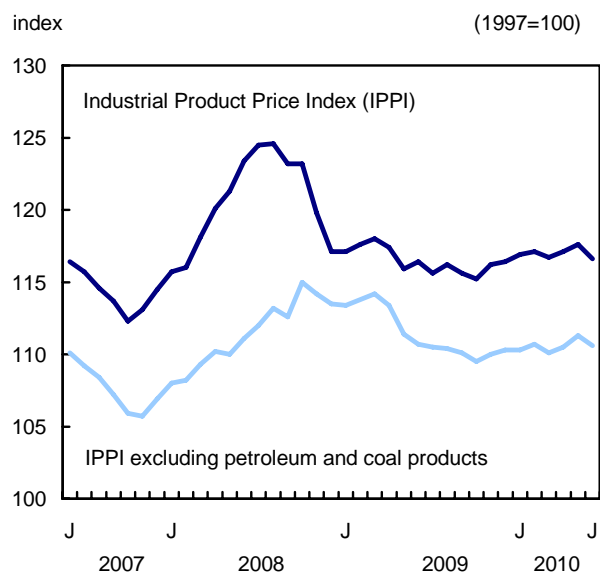
## Releases

### Industrial product and raw materials price indexes

June 2010

The Industrial Product Price Index (IPPI) fell 0.9% in June, led by petroleum and metals. The Raw Materials Price Index (RMPI) declined 0.3%, largely because of lower prices for non-ferrous metals and animals and animal products.

#### Prices for industrial goods decrease



The downturn in the IPPI came after two consecutive monthly advances. Among the IPPI product groups, nine were down, seven were up, and the remainder were unchanged.

In June, the IPPI decrease was mainly driven by lower prices for petroleum and coal products (-2.3%), primary metal products (-2.9%) and, to a lesser extent, by chemical products (-1.7%) and lumber and other wood products (-2.3%).

The 0.2% increase in the value of the Canadian dollar relative to the US dollar had a moderate effect on the IPPI decline. Some Canadian producers who export their products to the United States are generally paid on the basis of prices set in US dollars. Consequently, the strength of the Canadian dollar in relation to the

#### Note to readers

All data in this release are seasonally unadjusted and are subject to revision for six months (for example, when the July index is released, the index for the preceding January becomes final).

The **Industrial Product Price Index (IPPI)** reflects the prices that producers in Canada receive as the goods leave the plant gate. It does not reflect what the consumer pays. Unlike the Consumer Price Index, the IPPI excludes indirect taxes and all the costs that occur between the time a good leaves the plant and the time the final user takes possession of it, including the transportation, wholesale, and retail costs.

Canadian producers export many goods. They often indicate their prices in foreign currencies, especially in US dollars, which are then converted into Canadian dollars. In particular, this is the case for motor vehicles, pulp, paper and wood products. Therefore, a rise or fall in the value of the Canadian dollar against its US counterpart affects the IPPI. But the conversion into Canadian dollars only reflects how respondents provide their prices. Moreover, this is not a measure that takes into account the full effect of exchange rates, since that is a more difficult analytical task.

The conversion of prices received in US dollars is based on the average monthly exchange rate (noon spot rate) established by the Bank of Canada, and it is available on CANSIM in table 176-0064 (series v37426). Monthly and annual variations in the exchange rate, as described in the text, are calculated according to the indirect quotation of the exchange rate (for example, CAN\$1=US\$X).

The **Raw Materials Price Index (RMPI)** reflects the prices paid by Canadian manufacturers for key raw materials. Many of those prices are set on the world market. However, most prices are denominated in Canadian dollars. For this reason, conversion into Canadian dollars has only a minor effect on the calculation of the RMPI. Moreover, the full effect of exchange rates on the RMPI is not measured, since that is a more difficult analytical task.

US dollar had the effect of reducing the corresponding prices in Canadian dollars. If the exchange rate used to convert these prices had remained unchanged, the IPPI would have fallen 0.8% instead of 0.9%.

Excluding petroleum and coal prices, the IPPI decreased 0.6%, after moving in the opposite direction in the previous two months. The Index has been fairly stable since June 2009.

#### 12-month change in the IPPI: Second consecutive increase

The IPPI was up 0.2% in June compared with the same month a year earlier. It was the second year-over-year increase following more than a year of consecutive declines.

The increase in the IPPI over the past 12 months was largely led by higher prices for primary metal products (+8.4%). There were smaller advances in petroleum and coal products (+2.7%), chemical products (+2.8%) and lumber and other wood products (+2.7%).

The IPPI year-over-year advance was moderated by a decrease in prices for motor vehicles and other transportation equipment (-4.4%). This decline was primarily due to an 8.5% increase in the value of the Canadian dollar relative to the US dollar. If the direct affect of the exchange rate had been excluded, the IPPI would have risen 2.2% instead of 0.2%.

Between June 2009 and June 2010, prices for products excluding petroleum and coal edged down 0.1%, the same rate of decline as in May. The index for this product group has been falling successively on a year-over-year basis since June 2009.

### Raw Materials Price Index: Second consecutive monthly decrease

The Raw Materials Price Index (RMPI) was down 0.3% in June following a 7.3% drop in May. It was the second consecutive monthly decrease after four successive gains.

In June, the decline in the RMPI was mainly a result of lower prices for non-ferrous metals (-6.7%) and, to a lesser degree, animals and animal products (-2.2%).

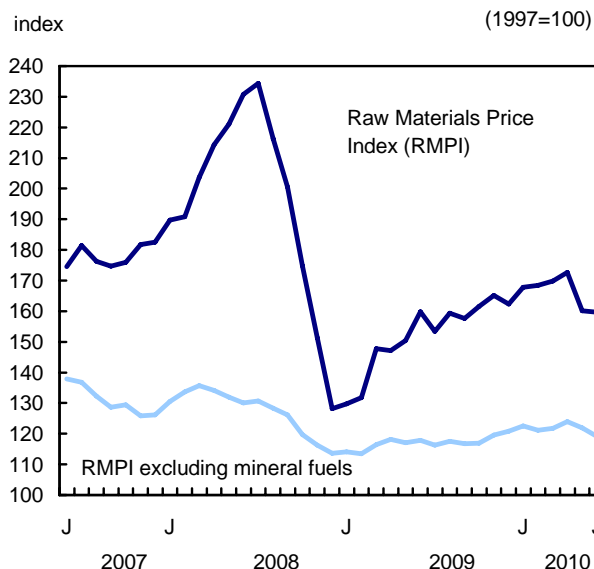
The downward movement in raw materials prices was moderated primarily by a 2.0% increase in mineral fuels prices. Crude oil prices rose 2.4% after falling 14.2% in May.

Excluding mineral fuels, the RMPI fell 2.4% in June following a 1.6% decrease in May.

Between June 2009 and June 2010, raw materials prices edged down 0.1%, their first decline after seven consecutive increases starting in November 2009. In June, mineral fuels prices were down 1.3% year-over-year, while prices for vegetable products dropped 9.5%.

Higher prices for ferrous materials (+18.6%), non-ferrous metals (+3.5%) and animals and animal products (+2.8%) moderated the RMPI year-over-year decrease.

### Raw materials prices decline again



Available on CANSIM: tables 329-0038 to 329-0049 and 330-0006.

Tables 329-0040 to 329-0049: Industrial Product Price Index by commodity.

Table 329-0039: Industrial Product Price Index by total commodity aggregation and stage of processing.

Table 329-0038: Industrial Product Price Index by industry.

Table 330-0006: Raw Materials Price Index by commodity.

### Definitions, data sources and methods: survey numbers, including related surveys, 2306 and 2318.

The June 2010 issue of *Industry Price Indexes* (62-011-X, free) will soon be available.

The industrial product and raw material price indexes for July will be released on August 30.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Client Services (toll-free 1-888-951-4550; 613-951-4550; fax: 613-951-3117; [ppd-info-dpp@statcan.gc.ca](mailto:ppd-info-dpp@statcan.gc.ca)), Producer Prices Division.

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## Industrial product price indexes

	Relative importance <sup>1</sup>	June 2009	May 2010 <sup>r</sup>	June 2010 <sup>p</sup>	May to June 2010	June 2009 to June 2010
		(1997=100)			% change	
<b>Industrial Product Price Index (IPPI)</b>	<b>100.00</b>	<b>116.4</b>	<b>117.6</b>	<b>116.6</b>	<b>-0.9</b>	<b>0.2</b>
<b>IPPI excluding petroleum and coal products</b>	<b>94.32</b>	<b>110.7</b>	<b>111.3</b>	<b>110.6</b>	<b>-0.6</b>	<b>-0.1</b>
<b>Aggregation by commodities</b>						
Meat, fish and dairy products	5.78	113.0	114.0	113.3	-0.6	0.3
Fruit, vegetables, feeds and other food products	5.99	119.4	116.2	116.4	0.2	-2.5
Beverages	1.57	129.9	131.9	131.9	0.0	1.5
Tobacco and tobacco products	0.63	223.6	222.8	222.8	0.0	-0.4
Rubber, leather and plastic fabricated products	3.30	120.0	122.5	123.0	0.4	2.5
Textile products	1.58	102.0	101.5	101.5	0.0	-0.5
Knitted products and clothing	1.51	104.8	103.9	103.9	0.0	-0.9
Lumber and other wood products	6.30	81.0	85.2	83.2	-2.3	2.7
Furniture and fixtures	1.59	124.7	124.7	124.7	0.0	0.0
Pulp and paper products	7.23	106.8	107.6	108.1	0.5	1.2
Printing and publishing	1.70	123.9	123.8	124.0	0.2	0.1
Primary metal products	7.80	124.0	138.4	134.4	-2.9	8.4
Metal fabricated products	4.11	131.5	131.8	131.9	0.1	0.3
Machinery and equipment	5.48	110.7	108.1	107.9	-0.2	-2.5
Motor vehicles and other transport equipment	22.16	93.8	89.9	89.7	-0.2	-4.4
Electrical and communications products	5.77	94.6	91.8	91.4	-0.4	-3.4
Non-metallic mineral products	1.98	128.8	128.9	129.1	0.2	0.2
Petroleum and coal products <sup>2</sup>	5.68	221.6	233.0	227.6	-2.3	2.7
Chemicals and chemical products	7.07	131.1	137.2	134.8	-1.7	2.8
Miscellaneous manufactured products	2.40	123.2	126.3	126.5	0.2	2.7
Miscellaneous non-manufactured products	0.38	260.6	216.6	211.9	-2.2	-18.7
<b>Intermediate goods<sup>3</sup></b>	<b>60.14</b>	<b>119.0</b>	<b>122.3</b>	<b>121.0</b>	<b>-1.1</b>	<b>1.7</b>
First-stage intermediate goods <sup>4</sup>	7.71	123.8	139.7	134.3	-3.9	8.5
Second-stage intermediate goods <sup>5</sup>	52.43	118.3	119.6	118.9	-0.6	0.5
<b>Finished goods<sup>6</sup></b>	<b>39.86</b>	<b>112.4</b>	<b>110.5</b>	<b>110.2</b>	<b>-0.3</b>	<b>-2.0</b>
Finished foods and feeds	8.50	120.8	121.9	121.6	-0.2	0.7
Capital equipment	11.73	103.0	99.2	99.1	-0.1	-3.8
All other finished goods	19.63	114.5	112.4	111.9	-0.4	-2.3

<sup>r</sup> revised

<sup>p</sup> preliminary

1. The relative importance is based on the 1997 values of production at December 1996 prices.
2. This index is estimated for the current month.
3. Intermediate goods are goods used principally to produce other goods.
4. First-stage intermediate goods are items used most frequently to produce other intermediate goods.
5. Second-stage intermediate goods are items most commonly used to produce final goods.
6. Finished goods are goods most commonly used for immediate consumption or for capital investment.

## Raw materials price indexes

	Relative importance <sup>1</sup>	June 2009	May 2010 <sup>r</sup>	June 2010 <sup>p</sup>	May to June 2010	June 2009 to June 2010
		(1997=100)			% change	
<b>Raw Materials Price Index (RMPI)</b>	<b>100.00</b>	<b>159.8</b>	<b>160.1</b>	<b>159.6</b>	<b>-0.3</b>	<b>-0.1</b>
<b>RMPI excluding mineral fuels</b>	<b>64.84</b>	<b>117.8</b>	<b>122.0</b>	<b>119.1</b>	<b>-2.4</b>	<b>1.1</b>
Mineral fuels	35.16	250.6	242.4	247.3	2.0	-1.3
Vegetable products	10.28	115.4	102.3	104.4	2.1	-9.5
Animals and animal products	20.30	110.5	116.2	113.6	-2.2	2.8
Wood	15.60	76.6	75.4	75.5	0.1	-1.4
Ferrous materials	3.36	127.6	151.8	151.3	-0.3	18.6
Non-ferrous metals	12.93	161.9	179.5	167.5	-6.7	3.5
Non-metallic minerals	2.38	176.9	174.5	174.9	0.2	-1.1

<sup>r</sup> revised

<sup>p</sup> preliminary

1. The relative importance is based on the 1997 values of intermediate inputs at December 1996 prices.

## Food services and drinking places

May 2010 (preliminary)

Sales for the food services and drinking places industry increased 0.1% from April to almost \$4.1 billion in current dollars in May. During the same period, the price of food purchased in restaurants decreased 0.1%, as measured by the Consumer Price Index.

In May, two of the industry's four sectors posted higher sales. The largest increase occurred in the special food services sector (+2.7%), which includes food service contractors, caterers and mobile food services.

Sales increased by 0.2% at full-service restaurants, the largest of the industry's four sectors.

At limited-service restaurants, where patrons order and pay for their meals at the counter, sales were down 0.4%.

Sales declined by 1.1% in drinking places.

Provincially, six provinces recorded higher sales, with the largest increases observed in Saskatchewan (+2.1%) and Alberta (+1.9%).

**Note:** All data in this release are seasonally adjusted and expressed in current dollars.

Seasonally adjusted data are revised for the three previous months. Data are also revised annually. Revisions to improve data quality and coherence are based on information not available at the time of the initial data. Caution should be exercised when comparing recent data that have not yet undergone an annual revision with older data (prior to April 2009) that have been revised.

**Available on CANSIM: table 355-0006.**

**Definitions, data sources and methods: survey number 2419.**

For more information, or to enquire about the concepts, methods or data quality of this release, contact Marc Racette (613-951-2924; fax: 613-951-6696; [marc.racette@statcan.gc.ca](mailto:marc.racette@statcan.gc.ca)) or Pierre Felx (613-951-0075; fax: 613-951-6696; [pierre.felx@statcan.gc.ca](mailto:pierre.felx@statcan.gc.ca)), Service Industries Division.

## Food services and drinking places

	May 2009	February 2010 <sup>r</sup>	March 2010 <sup>r</sup>	April 2010 <sup>r</sup>	May 2010 <sup>P</sup>	April to May 2010
Seasonally adjusted						
	\$ thousands					% change
<b>Total, food services sales</b>	<b>4,009,429</b>	<b>4,078,627</b>	<b>4,109,475</b>	<b>4,092,249</b>	<b>4,096,546</b>	<b>0.1</b>
Full-service restaurants	1,776,287	1,778,650	1,785,818	1,774,171	1,778,346	0.2
Limited-service eating places	1,705,387	1,751,125	1,778,389	1,783,143	1,776,645	-0.4
Special food services	312,987	335,413	334,852	326,685	335,606	2.7
Drinking places	214,768	213,439	210,416	208,250	205,949	-1.1
<b>Provinces and territories</b>						
Newfoundland and Labrador	49,568	50,926	51,769	52,030	51,795	-0.5
Prince Edward Island	13,984	14,531	14,695	14,663	14,509	-1.1
Nova Scotia	104,342	104,547	107,001	108,074	106,204	-1.7
New Brunswick	78,746	82,053	82,717	81,990	83,269	1.6
Quebec	801,003	814,339	829,078	823,213	810,677	-1.5
Ontario	1,507,193	1,492,826	1,540,834	1,545,697	1,549,110	0.2
Manitoba	120,397	118,536	121,806	121,616	122,225	0.5
Saskatchewan	114,465	113,113	118,109	116,844	119,355	2.1
Alberta	554,991	548,727	565,576	558,707	569,168	1.9
British Columbia	652,651	725,985	664,894	655,649	656,648	0.2
Yukon	3,928	4,516	4,406	4,464	F	F
Northwest Territories	6,770	6,988	7,213	7,741	F	F
Nunavut	1,391	1,540	1,377	1,561	F	F

<sup>r</sup> revised

<sup>P</sup> preliminary

F too unreliable to be published

**Note:** Figures may not add up to totals due to rounding.

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## Stocks of frozen and chilled meats

July 2010

Data on stocks of frozen and chilled meats are now available for July.

**Note:** This release contains data on stock holdings for various cuts of pork, beef, veal, poultry, mutton, and fancy meats at the Canada level, as well as total red meats at the regional level. This release also contains the holdings of imported meat at the national level.

**Available on CANSIM: tables 003-0081 and 003-0082.**

**Definitions, data sources and methods: survey number 3423.**

The July 2010 issue of *Stocks of Frozen and Chilled Meats*, Vol. 5, no. 2 (23-009-X, free), is now available from the *Key resource* module of our website under *Publications*.

For more information, or to order data, contact Client Services (toll-free 1-800-465-1991). To enquire about the concepts, methods and data quality of this release, contact Barbara McLaughlin (902-893-7251; [barbara.mclaughlin@statcan.gc.ca](mailto:barbara.mclaughlin@statcan.gc.ca)), Agriculture Division. ■

## Placement of hatchery chicks and turkey poult

June 2010 (preliminary)

Data on placements of hatchery chicks and turkey poult are now available for June.

**Available on CANSIM: table 003-0021.**

**Definitions, data sources and methods: survey number 5039.**

The July data on placements of hatchery chicks and turkey poult will be available on August 27.

For more information, call Client Services (toll-free 1-800-465-1991). To enquire about the concepts, methods or data quality of this release, contact Sandra Venturino (613-951-9278; [sandra.venturino@statcan.gc.ca](mailto:sandra.venturino@statcan.gc.ca)), Agriculture Division. ■

## Industrial chemicals and synthetic resins

2009 (revised)

Annual data for chemicals and synthetic resins are now available for 2009.

**Available on CANSIM: table 303-0053.**

**Definitions, data sources and methods: survey number 2183.**

The publication *Industrial Chemicals and Synthetic Resins* (46-002-X) has been discontinued. To obtain copies of our previous monthly publications, which are available until June 2009, go to the *Key resource* module of our website under *Publications*.

For more information, or to enquire about the concepts, methods or data quality of this release, contact the dissemination officer (613-951-9497; toll-free 1-866-873-8789; [manufact@statcan.gc.ca](mailto:manufact@statcan.gc.ca)), Manufacturing and Energy Division. ■

## Traveller accommodation services price indexes

Second quarter 2010

The monthly indexes that measure price movements of accommodation services are now available for the second quarter. The indexes are available by province, territory and for Canada, by major client group.

**Note:** The indexes reflect changes in room rates, excluding all indirect taxes, for overnight or short stays with no meals or other services provided.

**Available on CANSIM: table 326-0013.**

**Definitions, data sources and methods: survey number 2336.**

For more information, or to enquire about the concepts, methods or data quality of this release, contact Client Services (toll-free 1-888-951-4550; 613-951-4550; fax: 613-951-3117; [ppd-info-dpp@statcan.gc.ca](mailto:ppd-info-dpp@statcan.gc.ca)), Producer Prices Division. ■

## New products and studies

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**Stocks of Frozen and Chilled Meats, July 2010,**  
Vol. 5, no. 2

**Catalogue number 23-009-X** (PDF, free; HTML, free)

**Capital Expenditure Price Statistics, January to March 2010,** Vol. 26, no. 1

**Catalogue number 62-007-X** (PDF, free; HTML, free)

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