



# Base Year Revision Industrial Producer Price Index, 2015=100

28 February 2018

Summary Description base year revision Industrial Producer Price Index to 2015=100 including chain-linking.  
Keywords Producer Price Index (PPI), Base year revision, weightings, Chain-linking.

## Base year revision PPI, 2015 = 100

The Industrial Producer Price index is based on price information on goods and commodities produced, sold and/or imported by the Dutch industry sector. This price information is used to monitor price changes for a basket of goods and commodities representative for the base year.

Price changes for higher aggregates are calculated as the weighted average of the changes in underlying product groups. The weights reflect each product group's relative share in production in the base year. Because these relative shares change over time, the base year is updated every five years. For the current revision, the base year has been updated from 2010 to 2015.

In addition to renewing the weightings the most recent classification by groups of goods is implemented (Prodcom 2017) and there are small changes in the publication .

More information on the methodology and data used in the compilation of the PPI is available on [Statistics Netherlands' website](#) (Dutch).

## Transition to a new reference year

On 28 February 2018, Statistics Netherlands switched to publishing PPI index series with reference year 2015=100. These new series are available from January 2012. New indices with reference year 2015=100 will be published from January 2018 onwards. The old PPI index series based on 2010=100 remain available in the archive.

StatLine: [Producer Price Index \(PPI\); output and importprices by product, 2015=100](#)

StatLine: [Producer Price Index; output prices by economic activity SIC 2008, 2015=100](#)

## Chain-linking

For some purposes, e.g. indexation of contracts using PPI index series, it may be necessary to chain-link the old and new series. Statistics Netherlands recommends the following principles for this procedure:

- Use the series with reference year 2010=100 to determine the price change in a period until December 2017.
- Use the series with reference year 2015=100 to determine the price change in a period that starts in or after January 2012 and ends in January 2018 or later.
- To determine the price change in a period that starts before January 2012 but ends after January 2018, price changes from the 2010=100 and the 2015=100 series will have to be chain linked.

Example:

- A contract is adjusted on the basis of the price development according to the PPI between October 2014 and May 2017. It concerns a contract that ends in the year 2017. You use results from the series 2010=100.
- A contract is adjusted on the basis of the price development according to the PPI between May 2013 and May 2018. It concerns a contract that ends in the year 2018. You use the results from the series 2015=100.
- A contract is adjusted on the basis of the price development according to the PPI between May 2010 and March 2018. It is a contract that start for January 2012 and ends after January 2018. You need to chain-link the series 2010=100 and 2015=100.

Chain-linking means that one long series is made of two shorter series. Table 1 contains a fictitious example of chain-linking an index series for the period May 2010 to March 2018. The PPI index series 2010=100 is available to December 2017. The PPI index series 2015=100 is available from January 2012. December 2017 appears in both series. This period is used to chain the two series.

Table 1: Chain-linking example

Month	2010 = 100 series	2015 = 100 series	Price change
may-2010	92.7	N/A	
...	...	...	
dec-2017	111.2	103.7	
...	...	...	
mrt-2018	N/A	104.8	
Price change	1.1996	1.0106	121.23

The first step is to calculate the price change between May 2010 and December 2017 by dividing the respective index numbers from the 2010=100 series:

$$(1) 111.2 / 92.7 = 1.1996$$

Calculate the price development between March 2018 and December 2017 similarly from the 2015=100 series:

$$(2) 104.8 / 103.7 = 1.0106$$

The price development for the entire period is then calculated by multiplying the price development by each other and subsequently by 100.

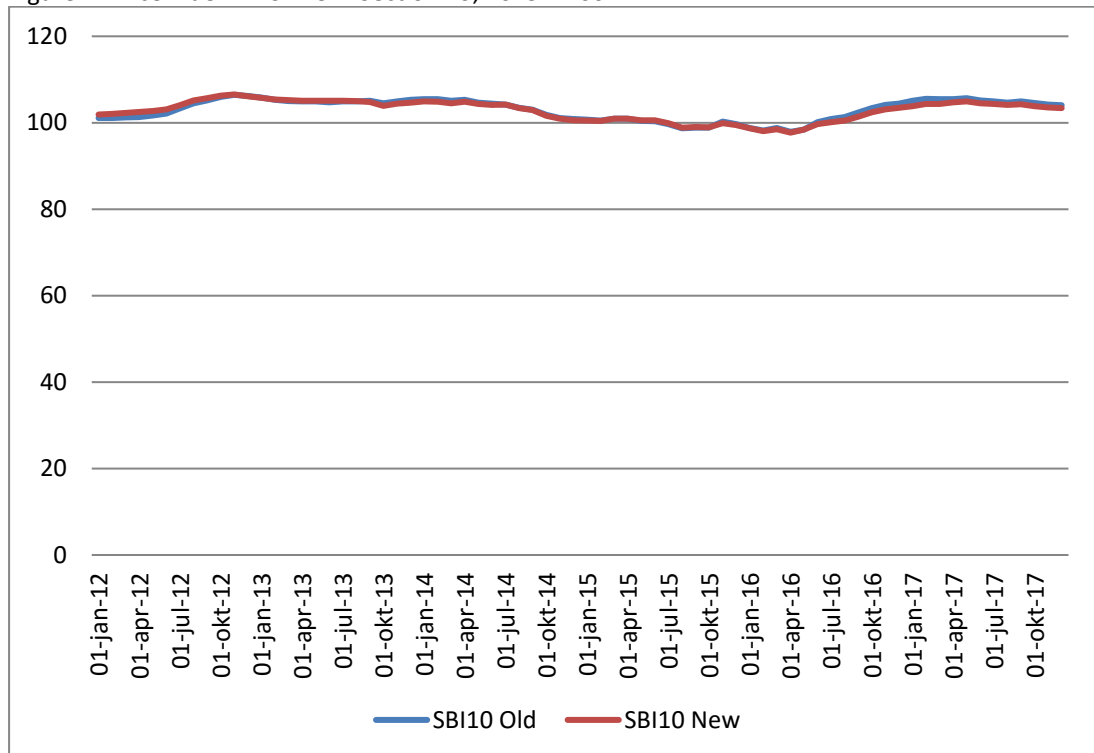
$$(3) 1.1996 * 1.0106 * 100 = 121.23$$

This shows that the price has risen 21,2% between May 2010 and March 2018.

## Results

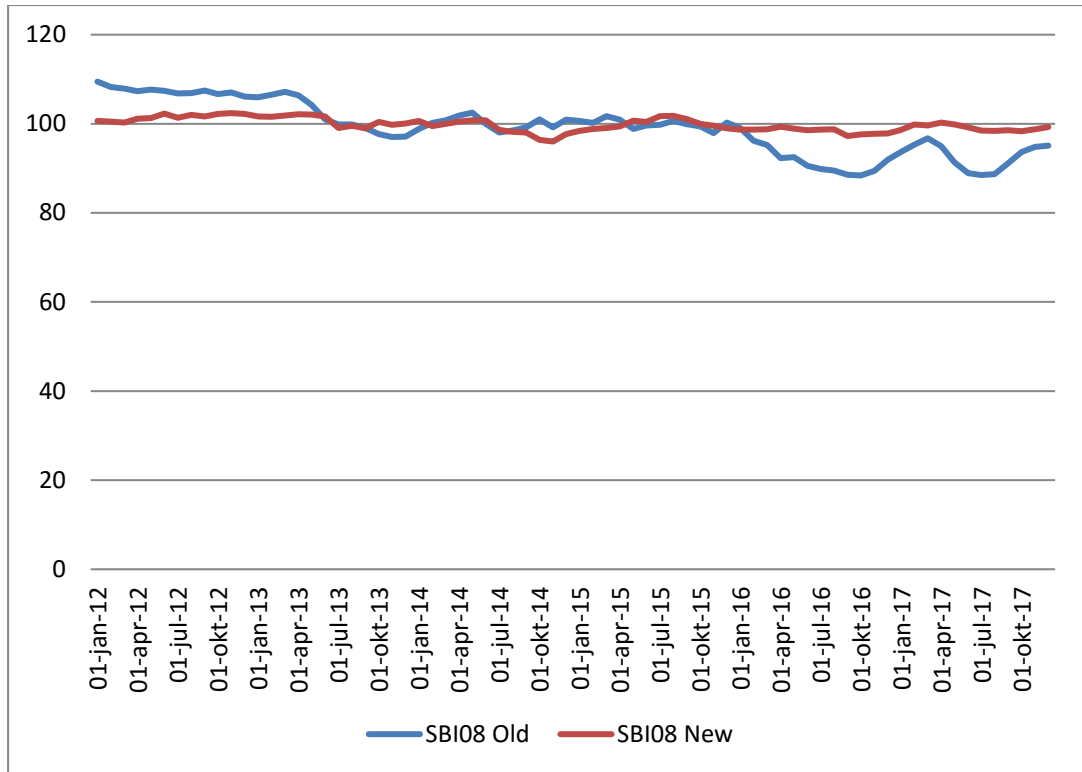
The effect of the base year revision on the price development of the manufacturing of food is shown in figure 1. This graph shows the old and new series for the price index of output of manufacturing of food for the period 2012 to 2017. To make the series comparable, the old series (2010=100) has been rescaled to 2015=100. At the level of most NACE Rev2 Sections, the base year revision has not had much impact on price developments.

Figure 1: Price index NACE Rev2 Section 10; 2015 = 100



At lower levels of aggregation, however, the changes in weights may have a more pronounced effect on price developments. Figure 2, for instance, shows the price development of mining and quarrying.

Figure 2: Price index NACE Rev2 Section 08; 2015 = 100



Because of the large number of PPI series (approximately 500), it is unfeasible to discuss the effect of the new weights for all divisions and sections of the NACE and Prodcom classifications. However, appendices 1a and 1b provide an overview of the old and new weights at the level of 2-digits for both classifications.

### Further information

For any further questions, please contact Statistics Netherlands' Infoservice via the website [www.cbs.nl](http://www.cbs.nl)

## Appendix 1a: Weights by Nace rev2, 2-digit level

Sectie	SBI	Afzetgebied	Gewicht 2015=100	Gewicht 2010=100
B Mining and Quarrying	06 Extraction of crude petroleum and natural gas	Domestic sales	4711	8489
		Non-domestic	7274	10536
		Total sales	11985	19025
	08 Other mining and quarrying	Domestic sales	483	342
		Non-domestic	113	458
		Total sales	596	800
C Manufacturing	10 Manufacture of food products	Domestic sales	26800	26711
		Non-domestic	31131	25084
		Total sales	57931	51795
	11 Manufacture of beverages	Domestic sales	1496	1372
		Non-domestic	2572	2216
		Total sales	4068	3588
	12 Manufacture of tobacco	Domestic sales	329	597
		Non-domestic	2071	2440
		Total sales	2400	3037
	13 Manufacture of textiles	Domestic sales	831	1015
		Non-domestic	1599	1415
		Total sales	2430	2430
	14 Manufacture of wearing apparel	Domestic sales	359	480
		Non-domestic	157	184
		Total sales	516	664
	15 Manufacture of leather and related products	Domestic sales	31	59
		Non-domestic	226	48
		Total sales	257	107
	16 Manufacture of wood and products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	Domestic sales	1972	1896
		Non-domestic	482	568
		Total sales	2454	2464
	17 Manufacture of paper and paper products	Domestic sales	3173	2731
		Non-domestic	2333	2470
		Total sales	5506	5201

18 Printing and reproduction of recorded media	Domestic sales	2369	4043	
	Non-domestic	246	470	
	Total sales	2615	4513	
	19 Manufacture of coke and refine petroleum products	Domestic sales	6862	11578
		Non-domestic	16816	22532
		Total sales	23678	34110
	20 Manufacture of chemicals and chemical products	Domestic sales	12717	19479
		Non-domestic	28233	31793
		Total sales	40950	51272
	21 Manufacture of basic pharmaceutical products and pharmaceutical preparations	Domestic sales	1469	1070
Non-domestic		2754	3550	
Total sales		4223	4620	
22 Manufacture of rubber and plastic products	Domestic sales	3093	2305	
	Non-domestic	4798	4082	
	Total sales	7891	6387	
23 Manufacture of other non-metallic mineral products	Domestic sales	3603	4418	
	Non-domestic	1161	1139	
	Total sales	4764	5557	
24 Manufacture of basic metals	Domestic sales	1927	2561	
	Non-domestic	4923	5334	
	Total sales	6850	7895	
25 Manufacture of fabricated metal products, except machinery and equipment	Domestic sales	13930	10397	
	Non-domestic	3771	4735	
	Total sales	17701	15132	
26 Manufacture of computer, electronic and optical products	Domestic sales	4524	1413	
	Non-domestic	5415	3912	
	Total sales	9939	5325	
27 Manufacture of electrical equipment	Domestic sales	1145	966	
	Non-domestic	3008	1935	
	Total sales	4153	2901	
28 Manufacture of machinery and equipment n.e.c.	Domestic sales	8552	5394	
	Non-domestic	14977	10361	
	Total sales	23529	15755	

	29 Manufacture of motor vehicles, trailers and semitrailers	Domestic sales	2067	1916
		Non-domestic	7129	5110
		Total sales	9196	7026
	30 Manufacture of other transport equipment	Domestic sales	645	472
		Non-domestic	1553	478
		Total sales	2198	950
	31 Manufacture of furniture	Domestic sales	2243	2101
		Non-domestic	782	747
		Total sales	3025	2848
	32 Other manufacturing	Domestic sales	754	1641
		Non-domestic	1873	2439
		Total sales	2627	4080
	33 Repair and Installation of machinery and equipment	Domestic sales	7606	1368
		Non-domestic	1425	
		Total sales	9031	1368
D Electricity, Gas, Steam, and Air Conditioning Supply	35 Electricity, gas, steam, and air conditioning supply	Domestic sales	5527	17399
		Non-domestic	1008	1118
		Total sales	6535	18517
E Water Supply; Sewerage, Waste, Management and Remediation Activities	36 Water collection, treatment and supply	Domestic sales	1426	1522
		Non-domestic	9	
		Total sales	1435	1522

## Appendix 1b: Weights by Prodcom groups, 2-digit level

Industry Group	Prodcom group	Sales/ supply	Weight 2015=100	Weight 2010=100
B Mining and Quarrying	05 Mining of coal and lignite	Imports	2066	3318
		Domestic supply	2066	3318
	06 Extraction of crude petroleum and natural gas	Domestic sales	4442	8517
		Non-domestic	7266	10536
		Imports	33801	33809
		Total sales	11708	19053
		Domestic supply	38243	42326
	07 Mining of metal ores	Imports	1437	1815
		Domestic supply	1437	1815
	08 Other mining and quarrying	Domestic sales	682	441
		Non-domestic	391	344
		Imports	905	850
		Total sales	1073	785
		Domestic supply	1587	1291
	C Manufactured products	10 Manufacture of food products	Domestic sales	31290
Non-domestic			31753	25808
Imports			32216	21055
Total sales			63043	50828
Domestic supply			63506	46075
11 Manufacture of beverages		Domestic sales	1587	1487
		Non-domestic	2508	2448
		Imports	2970	1944
		Total sales	4095	3935
		Domestic supply	4557	3431
12 Manufacture of tobacco products		Domestic sales	159	597
		Non-domestic	709	2440
		Imports	717	756
		Total sales	868	3037
		Domestic supply	876	1353



	13 Manufacture of textiles	Domestic sales	856	968
		Non-domestic	1810	1173
		Imports	3114	2998
		Total sales	2666	2141
		Domestic supply	3970	3966
	14 Manufacture of wearing apparel	Domestic sales	390	714
		Non-domestic	247	554
		Imports	8990	7278
		Total sales	637	1268
		Domestic supply	9380	7992
	15 Manufacture of leather and related products	Domestic sales	36	88
		Non-domestic	224	112
		Imports	4383	1447
		Total sales	260	200
		Domestic supply	4419	1535
	16 Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	Domestic sales	1916	2049
		Non-domestic	463	689
		Imports	2778	2422
		Total sales	2379	2738
		Domestic supply	4694	4471
17 Manufacture of paper and paper products	Domestic sales	3613	3214	
	Non-domestic	2350	3144	
	Imports	5715	5905	
	Total sales	5963	6358	
	Domestic supply	9328	9119	
18 Printing and reproduction	Domestic sales	2426	4328	

	of recorded media	Non-domestic	204	532
		Total sales	2630	4860
		Domestic supply	2426	4333
	19 Manufacture of coke and refined petroleum products	Domestic sales	7084	15498
		Non-domestic	16524	25056
		Imports	19202	19518
		Total sales	23608	40554
		Domestic supply	26286	35016
	20 Manufacture of chemicals and chemical products	Domestic sales	13050	10742
		Non-domestic	26645	30904
		Imports	34957	27029
		Total sales	39695	41646
		Domestic supply	48007	37771
	21 Manufacture of basis pharmaceutical products and pharmaceutical preparations	Domestic sales	1329	815
		Non-domestic	2655	3091
		Imports	16473	18146
		Total sales	3984	3906
		Domestic supply	17802	18961
	22 Manufacture of rubber and plastic products	Domestic sales	3367	2567
		Non-domestic	5386	3980
Imports		13135	7664	
Total sales		8753	6547	
Domestic supply		16502	10231	
23 Manufacture of other non-metallic mineral products	Domestic sales	3811	4749	
	Non-domestic	1230	1351	
	Imports	3220	2996	
	Total sales	5041	6100	

	Domestic supply	7031	7745
24 Manufacture of basic metals	Domestic sales	2338	3425
	Non-domestic	4948	7577
	Imports	15620	20246
	Total sales	7286	11002
	Domestic supply	17958	23671
	25 Manufacture of fabricated metal products, except machinery and equipment	Domestic sales	15075
Non-domestic		5461	5350
Imports		6372	7734
Total sales		20536	16831
Domestic supply		21447	19215
26 Manufacture of computer, electronic and optical products		Domestic sales	3508
	Non-domestic	5890	3369
	Imports	58128	58318
	Total sales	9398	3920
	Domestic supply	61636	58869
	27 Manufacture of electrical equipment	Domestic sales	1142
Non-domestic		2996	5878
Imports		14506	10925

		Total sales	4138	7384
		Domestic supply	15648	12431
	28 Manufacture of machinery and equipment n.e.c.	Domestic sales	6500	7926
		Non-domestic	16705	10672
		Imports	27187	21321
		Total sales	23205	18598
		Domestic supply	33687	29247
		29 Manufacture of motor vehicles, trailers and semi-trailers	Domestic sales	2132
	Non-domestic		7033	4985
	Imports		19880	12982
	Total sales		9165	7148
	Domestic supply		22012	15145
	30 Manufacture of other transport equipment		Domestic sales	1385
		Non-domestic	5097	2746
		Imports	2321	2898
		Total sales	6482	4893
		Domestic supply	3706	5045
		31 Manufacture of furniture	Domestic sales	2388
	Non-domestic		742	507
	Imports		2601	1972
	Total sales		3130	2509
	Domestic supply		4989	3974
	32 Other manufacturing		Domestic sales	500
		Non-domestic	1866	1610
		Imports	12973	14486
		Total sales	2366	2499
		Domestic supply	13473	15375
		33 Repair and installation of machinery and equipment	Domestic sales	13491
	Non-domestic		2157	208

		Total sales	15648	2127
		Domestic supply	13491	1920
D Electricity, Gas, Steam and Air Conditioning Supply	35 Electricity, gas, steam and air conditioning supply	Domestic sales	6286	18881
		Non-domestic	997	1168
		Imports	1329	667
		Total sales	7283	20049
		Domestic supply	7615	19548
E Water Supply; Sewerage, Waste Management and Remediation Activities	36 Water collection, treatment and supply	Domestic sales	1525	1640
		Non-domestic	5	
		Total sales	1530	1640
		Domestic supply	1525	1642