

# Industrial product and raw materials price indexes, January 2023

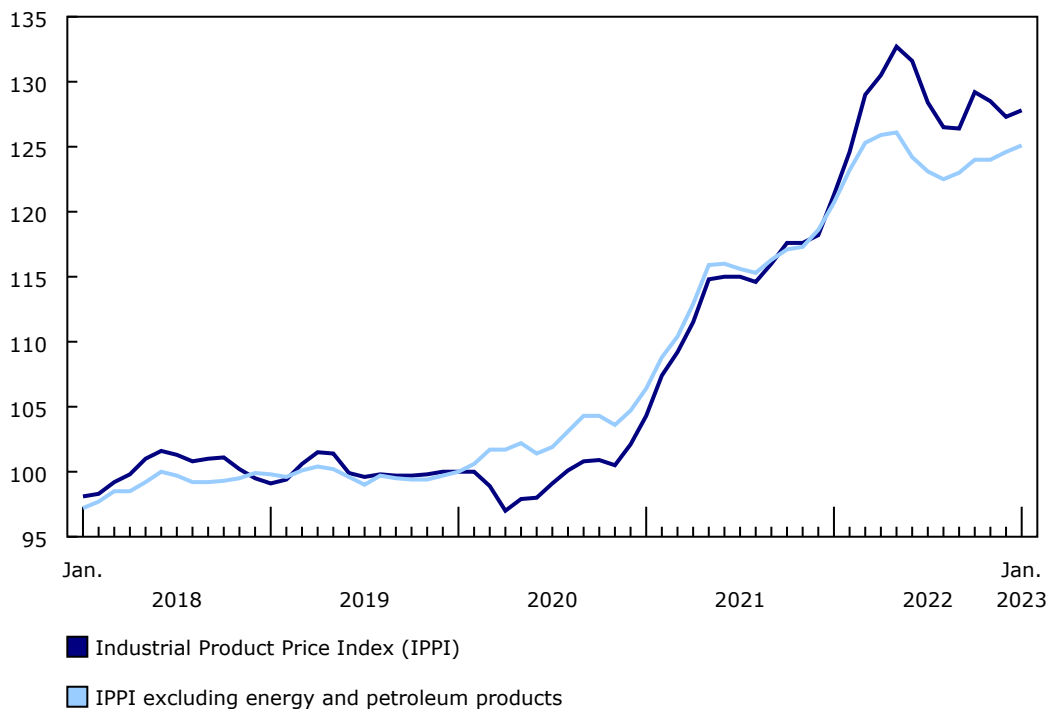
Released at 8:30 a.m. Eastern time in *The Daily*, Friday, February 17, 2023

## Industrial Product Price Index

In January 2023, the Industrial Product Price Index increased 0.4% month over month, following two consecutive months of declines, and rose 5.4% year over year.

### Chart 1 Prices for industrial products increase

index (January 2020=100)



Source(s): Table 18-10-0265-01.

Prices for energy and petroleum products rose 0.4% month over month, following a 10.2% decline in December. Year over year, prices were 19.8% higher in January compared with January 2022. In January 2023, the price of finished motor gasoline was up 8.8% and jet fuel rose 14.1%, while diesel fuel fell 4.8%. The price of conventional crude oil, the raw material used to make refined petroleum products, rose by 1.3% in January. In late December, US refinery utilization dropped as a result of severe cold weather conditions, putting upward pressure on refined product prices. The 14.1% jet fuel price increase was the largest January month-over-month increase on record, and the sixth-largest month-over-month gain overall. Jet fuel prices rose partly due to higher global travel demand, [as COVID-19 travel restrictions in China were lifted](#). According to data from Canadian Air Transport Authority, 3.9 million passengers travelled through Canada's eight largest airports in January, more than double the number from January 2022.



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Prices for primary non-ferrous metal products rose 2.0% in January 2023, a fourth consecutive monthly increase, and up 6.3% compared with the same month one year earlier. The price of unwrought gold and gold alloys (+4.4%) rose in January, with spot prices peaking at around USD 1950 per ounce in late January. The rally in gold was attributable in part to its traditional use as a safe haven investment due to recession concerns, as well as purchases of gold by central banks.

Prices for unwrought aluminum and aluminum alloys rose 5.2% month-over-month in January. The increase was in part attributable to [strong demand in the US](#) where premiums, or the amount paid on top of benchmark global prices, rose in January. The price of unwrought copper and copper alloys rose 6.5% month over month in January and was 1.7% lower than in January 2022. [Copper production in Peru, which provides about one-tenth of the global supply, was disrupted](#) in December and January 2023 as a result of political instability and protests.

Prices for electrical, electronic, audiovisual and telecommunication products rose 4.5% in January. The increase was mainly due to higher prices for electronic and electrical parts (+6.7%), as well as electrical components (+5.0%).

Prices for motorized and recreational vehicles were up 0.6% in January, mainly on higher prices for passenger cars and light trucks (+1.3%).

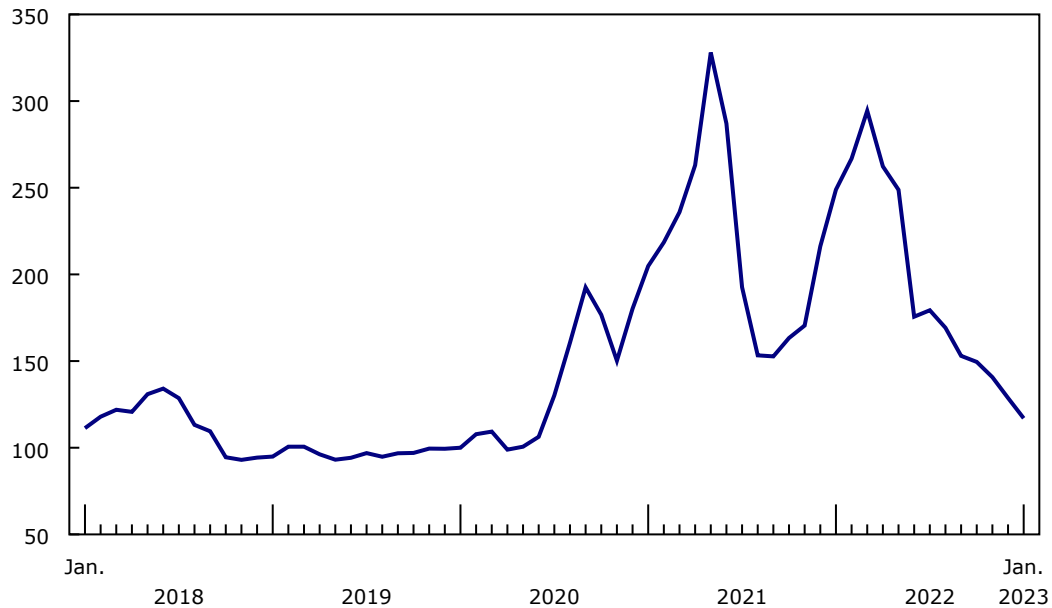
Prices for the meat, fish, and dairy products category fell 0.4% in January. The price of fresh and frozen pork fell 2.2% month-over-month in January, a third consecutive monthly decline. This coincided with a 4.6% decrease in the price of live hogs in the Raw Materials Price Index (RMPI). The decrease in pork and hog prices was partly due to low seasonal demand as well as ample supply. Year-over-year, the price of pork was down 0.5%. Exports of pork meat declined at the end of 2022. In the fourth quarter of 2022, the value of pork exports was down by 6.0% compared with the third quarter, and down 6.2% compared with the fourth quarter of 2021.

The price of fresh and frozen beef and veal was up 6.2% month-over-month in January 2023 and up 2.0% year over year. Recent rising prices for beef were partly due to tightened supply, with a drop in both domestic and US cattle slaughter numbers in the fourth quarter of 2022, while demand was strong.

The price of softwood lumber fell 9.1% in January, a sixth consecutive monthly decline. On a yearly basis, the price of softwood lumber was down 53.0%, the biggest year-over-year drop for the series on record. The downward trend occurred amidst a slowing housing market and ongoing high borrowing costs. The US Federal Reserve announced a further 25 basis-point rate hike in February, putting further downward pressure on US housing demand, the primary market for Canadian softwood lumber. In January, US housing starts fell 4.5%, while Canadian housing starts declined 13.3%.

**Chart 2**  
**Softwood lumber (except tongue and groove and other edge worked lumber)**

index (January 2020=100)



Source(s): Table 18-10-0266-01.

**Raw Materials Price Index**

In January 2023, the RMPI edged down 0.1% month over month, a third consecutive monthly decline. Year over year, the index rose by 1.2%.

Prices for crude energy products fell 1.4% on a monthly basis, mainly on lower prices for natural gas (-21.6%). [Natural gas prices fell worldwide](#) in January due to a warmer-than-expected winter in both the US and Europe. The US benchmark price of natural gas fell 40.5% in January, and the European price fell by 44.0%. The price of conventional crude oil rose 1.3% in January.

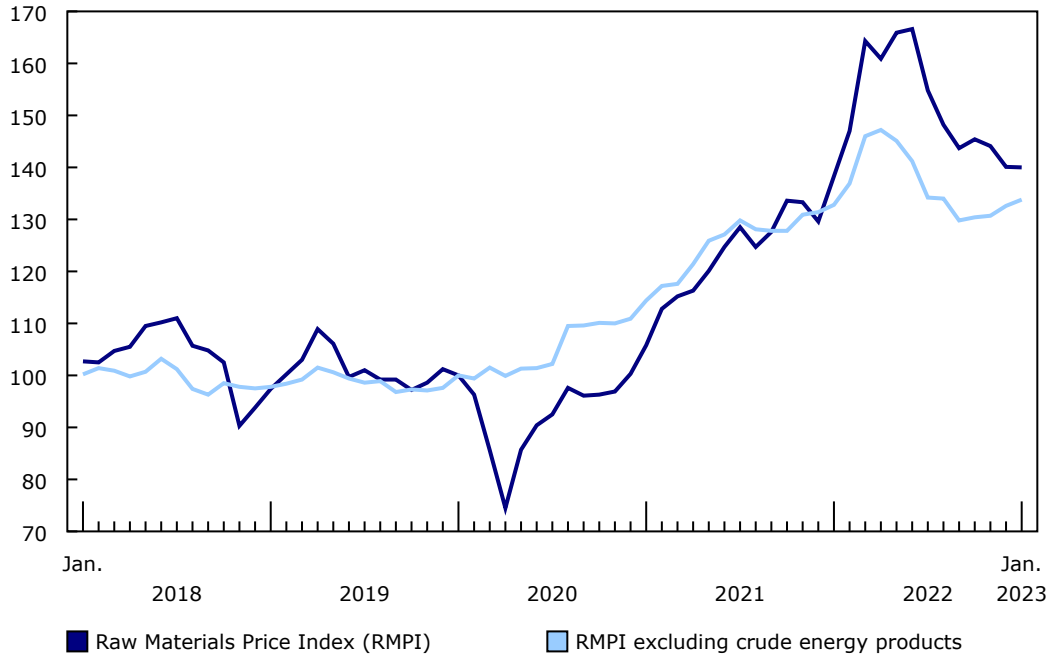
Prices for metal ores, concentrates and scrap rose 2.3% month over month, led by higher prices for gold, silver, and platinum group metal ores and concentrates (+2.6%). Prices for lead and zinc ores and concentrates (+2.2%) and copper ores and concentrates (+7.4%) were also up in January.

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**Chart 3**  
**Prices for raw materials fall**

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index (January 2020=100)



Source(s): Table 18-10-0268-01.

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## Note to readers

The Industrial Product Price Index (IPPI) and the Raw Materials Price Index (RMPI) are available at the Canadian level only. Selected commodity groups within the IPPI are also available by region.

With each release, data for the previous six months may have been revised. The indexes are not seasonally adjusted.

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

Canadian producers export many goods. Canadian producers often indicate goods' prices in foreign currencies, especially in US dollars, which are then converted into Canadian dollars. This is particularly the case for motor vehicles, pulp and paper products, and wood products. Therefore, fluctuations in the value of the Canadian dollar against its US counterpart affect the IPPI. However, the conversion to Canadian dollars reflects only how respondents provide their prices. This is not a measure that takes into account the full effect of exchange rates.

The conversion of prices received in US dollars is based on the average monthly exchange rate established by the Bank of Canada and available in Table 33-10-0163-01 (series v111666275). Monthly and annual variations in the exchange rate, as described in the release, are calculated according to the indirect quotation of the exchange rate (for example, CAN\$1 = US\$X).

The RMPI reflects the prices paid by Canadian manufacturers for key raw materials. Many of those prices are set on the world market. However, as few prices are denominated in foreign currencies, their conversion into Canadian dollars has only a minor effect on the calculation of the RMPI.

## Products

Statistics Canada launched the [Producer Price Indexes Portal](#) as part of a suite of portals for prices and price indexes. This webpage provides Canadians with a single point of access to a variety of statistics and measures related to producer prices.

The video "[Producer price indexes](#)" is available on the Statistics Canada Training Institute webpage. It introduces Statistics Canada's producer price indexes—what they are, how they are made and what they are used for.

## Addition of a new table and additional data

Effective February 28, 2022, table 18-10-0272-01 has been added to the Statistics Canada website featuring regional indexes for select refined petroleum products. In addition, tables 18-10-0266-01 and 18-10-0268-01 now contain data for select six- and seven-digit North American Product Classification System series.

## Next release

The industrial product and raw materials price indexes for February 2023 will be released on March 17.

**Table 1**  
**Industrial Product Price Index – Not seasonally adjusted**

	Relative importance <sup>1</sup>	January 2022	December 2022 <sup>r</sup>	January 2023 <sup>p</sup>	December 2022 to January 2023	January 2022 to January 2023
	%	(January 2020=100)			% change	
<b>Industrial Product Price Index (IPPI)</b>	<b>100.00</b>	<b>121.3</b>	<b>127.3</b>	<b>127.8</b>	<b>0.4</b>	<b>5.4</b>
<b>IPPI excluding energy and petroleum products</b>	<b>91.19</b>	<b>120.7</b>	<b>124.6</b>	<b>125.1</b>	<b>0.4</b>	<b>3.6</b>
<b>Aggregation by commodities</b>						
Meat, fish and dairy products	7.08	107.3	112.8	112.3	-0.4	4.7
Fruit, vegetables, feed and other food products	7.96	120.3	135.5	136.2	0.5	13.2
Beverages (except juices)	1.95	103.1	122.7	124.7	1.6	21.0
Tobacco products	0.31	109.0	113.2	115.7	2.2	6.1
Textile and leather products	0.52	112.2	127.2	126.5	-0.6	12.7
Clothing, footwear and accessories	0.42	107.4	106.6	106.8	0.2	-0.6
Chemicals and chemical products	8.79	128.0	130.0	130.9	0.7	2.3
Plastic and rubber products	2.80	116.2	127.4	124.5	-2.3	7.1
Lumber and other wood products	4.58	182.0	132.3	126.9	-4.1	-30.3
Pulp and paper products	3.61	107.6	127.3	127.6	0.2	18.6
Energy and petroleum products	8.81	126.4	150.8	151.4	0.4	19.8
Primary ferrous metal products	2.83	161.2	141.1	138.4	-1.9	-14.1
Primary non-ferrous metal products	7.07	141.4	147.3	150.3	2.0	6.3
Fabricated metal products and construction materials	3.28	138.7	143.7	143.2	-0.3	3.2
Motorized and recreational vehicles	22.19	102.0	109.8	110.5	0.6	8.3
Machinery and equipment	6.18	107.1	116.1	115.8	-0.3	8.1
Electrical, electronic, audiovisual and telecommunications products	3.69	114.1	123.2	128.8	4.5	12.9
Furniture and fixtures	1.52	110.1	118.8	118.5	-0.3	7.6
Cement, glass and other non-metallic mineral products	2.18	107.0	115.6	120.6	4.3	12.7
Packaging materials and containers	2.17	119.3	124.7	126.8	1.7	6.3
Miscellaneous products	2.04	110.6	113.1	114.6	1.3	3.6

<sup>r</sup> revised

<sup>p</sup> preliminary

1. The relative importance is based on the 2016 annual values of production.

Source(s): Table [18-10-0265-01](#).

**Table 2**  
**Raw Materials Price Index – Not seasonally adjusted**

	Relative importance <sup>1</sup>	January 2022	December 2022 <sup>r</sup>	January 2023 <sup>p</sup>	December 2022 to January 2023	January 2022 to January 2023
	%	(January 2020=100)			% change	
<b>Raw Materials Price Index (RMPI)</b>	<b>100.00</b>	<b>138.3</b>	<b>140.1</b>	<b>140.0</b>	<b>-0.1</b>	<b>1.2</b>
<b>RMPI excluding crude energy products</b>	<b>66.68</b>	<b>132.8</b>	<b>132.6</b>	<b>133.8</b>	<b>0.9</b>	<b>0.8</b>
Crude energy products	33.32	147.7	153.1	150.9	-1.4	2.2
Crop products	12.30	168.4	157.3	156.7	-0.4	-6.9
Animals and animal products	20.09	113.5	123.5	123.3	-0.2	8.6
Non-metallic minerals	3.11	119.9	123.7	131.2	6.1	9.4
Logs, pulpwood, natural rubber and other forestry products	5.81	140.1	123.5	121.9	-1.3	-13.0
Metal ores, concentrates and scrap	25.37	130.7	131.2	134.2	2.3	2.7

<sup>r</sup> revised

<sup>p</sup> preliminary

1. The relative importance is based on the 2016 annual values of raw material inputs into production.

Source(s): Table [18-10-0268-01](#).

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**Available tables:** [18-10-0265-01](#) to [18-10-0268-01](#) and [18-10-0272-01](#).

**Definitions, data sources and methods:** survey numbers [2306](#) and [2318](#).

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; [infostats@statcan.gc.ca](mailto:infostats@statcan.gc.ca)) or Media Relations ([statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca](mailto:statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca)).