

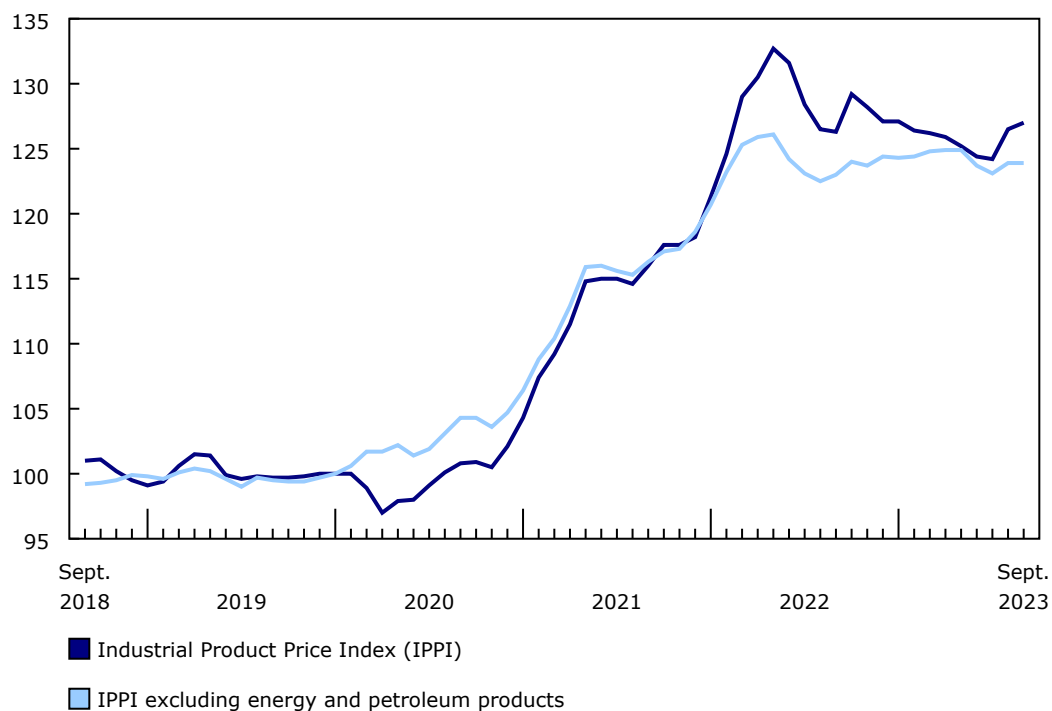
# Industrial product and raw materials price indexes, September 2023

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Prices of products manufactured in Canada, as measured by the Industrial Product Price Index (IPPI), rose 0.4% month over month in September and increased 0.6% year over year. Prices of raw materials purchased by manufacturers operating in Canada, as measured by the Raw Materials Price Index (RMPI), increased 3.5% on a monthly basis in September and rose 2.4% year over year.

**Chart 1**  
**Prices for industrial products increase in September**

index (January 2020=100)



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

## Industrial Product Price Index

The IPPI rose 0.4% month over month in September, following a 1.9% month-over-month increase in August.

Prices for energy and petroleum products rose 3.7% month over month in September, leading the increase in the IPPI. Price movements of refined products were mixed. The price of diesel fuel rose 7.0%, while the price of gasoline fell 2.3%. Crude oil, the raw input used to make these products, rose 9.9%. The rise in the price of diesel fuel was attributable in part to low distillate inventories in the United States and Europe. On September 21, Russia announced it would temporarily restrict its exports of diesel and gasoline, which also contributed to the rise in diesel prices worldwide. On October 6, Russia rolled back some of the restrictions on its exports of seaborne diesel fuel.



Prices for motorized and recreational vehicles were up 0.3% in September, as the Canadian dollar depreciated 0.4% against the US dollar. As many prices in this category are reported in US dollars, the movement in the exchange rate partially contributed to the monthly price increase in this group.

Prices for meat, fish, and dairy products fell 0.5% in September, mainly on lower prices for meat products (-1.0%). Prices for fresh and frozen pork declined by 4.5%, after posting five consecutive months of gains. A slowdown in demand due to seasonality played a part in the price drop. Ample supply also put downward pressure on prices. Supply of pork, which comes from live hogs, was affected by hog slaughter counts. Hog slaughter counts in federally inspected US facilities rose on both a monthly and yearly basis in September. According to the U.S. Department of Agriculture's (USDA) World Agricultural Supply and Demand Estimates, in the fourth quarter of 2023, US pork production is expected to increase, while hog prices are projected to fall compared with the previous quarter.

Prices for fresh and frozen beef and veal fell 1.1% month over month in September after posting a 3.1% monthly increase in August. Weakened seasonal demand contributed to driving down prices. Despite the decrease, supply remained tight for live cattle. Cattle slaughter counts in both Canada and the United States fell year over year in September. USDA beef cold storage also dropped 17.9% in August compared with the same month in 2022.

Prices for primary non-ferrous metal products were down 0.5% in September 2023. Several industrial metals fell, including unwrought nickel and nickel alloys (-3.6%), partially due to high supply, and unwrought aluminum and aluminum alloys (-1.3%). Prices for safe-haven metals, including gold, silver and platinum, were down 0.2% in September. Zinc (+4.1%) and lead (+5.2%) prices rose on a monthly basis. Zinc prices increased due in part to China increasing its imports of refined zinc from January to July 2023. Lead prices on the Shanghai Futures Exchange hit a four-year high in early September, in part due to speculation.

## **Year over year**

The IPPI rose 0.6% year over year in September.

Key upward contributions to the year-over-year movement in September were higher prices for motorized and recreational vehicles (+4.0%), gold (+15.8%), silver (+24.7%), motor gasoline (+4.4%) as well as fresh and frozen beef and veal (+19.9%).

Key downward contributions to the year-over-year movement in September were lower prices for softwood lumber (-17.8%), ammonia and chemical fertilizers (-31.9%), diesel fuel (-4.9%), plastic resins (-17.7%), nickel (-12.4%), as well as fresh and frozen pork (-6.6%).

## **Raw Materials Price Index**

The RMPI increased 3.5% on a monthly basis in September.

Prices for crude energy products rose 9.4% in September, a third consecutive monthly increase. The price of conventional crude oil rose 9.9% month over month. This was the largest month-over-month increase for conventional crude oil since March 2022 (+20.2%). High prices for crude oil were driven by the extension of voluntary production cuts by the Organization of the Petroleum Exporting Countries and its partners (OPEC+) accompanied by a tight global supply and demand balance.

Prices for animals and animal products fell 1.4% in September, partly offsetting the upward trend in the monthly RMPI. Prices for hogs were down 11.5%, the largest monthly decline for the category since September 2022 (-11.5%). Seasonality and ample US slaughter both influenced the price drop. Conversely, prices for cattle and calves were strong (+1.8%), as continued tight supply kept upward pressure on prices.

Crop products declined 1.9% month over month in September, mainly on lower prices for canola (-4.6%) and wheat (-6.3%). In the last week of September, Canola harvests were more than 60% complete in each of the Prairie provinces. Globally, prices for wheat were driven down in September due to increased production and exports from Russia.

## Year over year

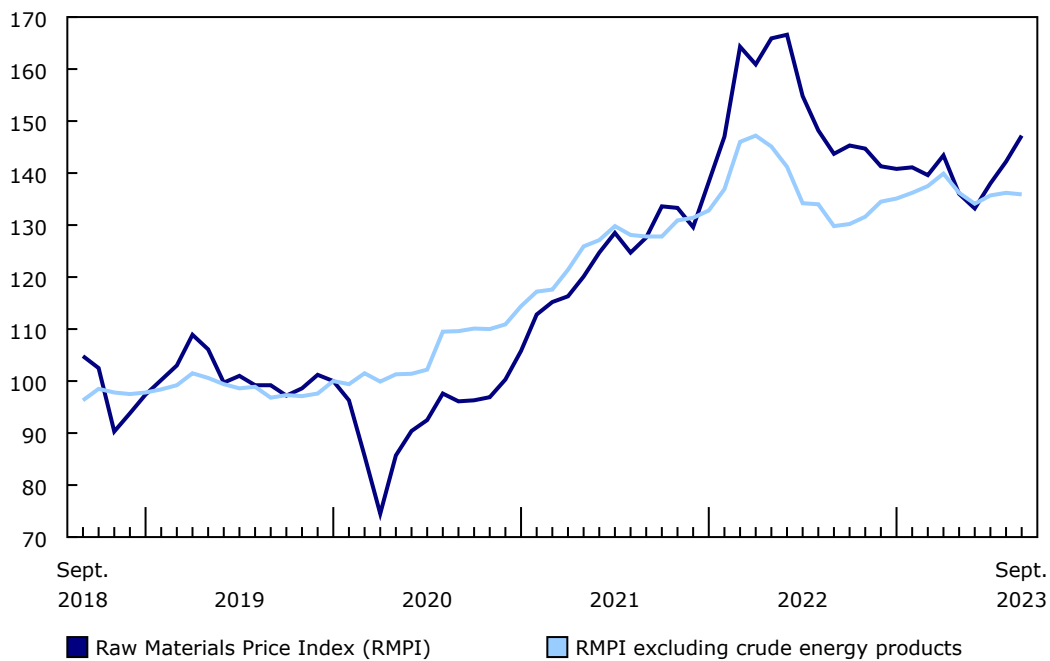
The RMPI rose 2.4% year over year in September.

Key upward contributions to the year-over-year movement in September were higher prices for conventional crude oil (+6.2%), cattle and calves (+31.7%), gold ores, concentrates and mill bullion (+11.2%), silver ores, concentrates and mill bullion (+22.8%), as well as iron ores and concentrates (+22.5%).

Key downward contributions to the year-over-year movement in September were lower prices for natural gas (-28.3%), logs and bolts (-11.5%), canola (-8.6%), nickel ores and concentrates (-9.1%) as well as wheat (-16.2%).

**Chart 2**  
**Prices for raw materials increase in September**

index (January 2020=100)



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

## Note to readers

The Industrial Product Price Index (IPPI) and the Raw Materials Price Index (RMPI) are available at the Canada 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.

## Increased sample size for certain series

Effective with the release of April 2023 data, the sample size for certain IPPI and RMPI indexes has been increased to improve their quality. The complete list of these indexes can be obtained upon request.

## Next release

The industrial product and raw materials price indexes for October will be released on November 17.

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

	Relative importance <sup>1</sup>	September 2022	August 2023 <sup>r</sup>	September 2023 <sup>p</sup>	August to September 2023	September 2022 to September 2023
	%	(January 2020=100)			% change	
<b>Industrial Product Price Index (IPPI)</b>	<b>100.00</b>	<b>126.3</b>	<b>126.5</b>	<b>127.0</b>	<b>0.4</b>	<b>0.6</b>
<b>IPPI excluding energy and petroleum products</b>	<b>91.19</b>	<b>123.0</b>	<b>123.9</b>	<b>123.9</b>	<b>0.0</b>	<b>0.7</b>
<b>Aggregation by commodities</b>						
Meat, fish and dairy products	7.08	113.7	119.0	118.4	-0.5	4.1
Fruit, vegetables, feed and other food products	7.96	134.3	135.5	135.1	-0.3	0.6
Beverages (except juices)	1.95	111.9	119.3	119.4	0.1	6.7
Tobacco products	0.31	110.5	123.7	123.7	0.0	11.9
Textile and leather products	0.52	122.0	121.5	122.1	0.5	0.1
Clothing, footwear and accessories	0.42	107.3	116.5	116.9	0.3	8.9
Chemicals and chemical products	8.79	130.5	120.7	122.3	1.3	-6.3
Plastic and rubber products	2.80	125.3	127.6	127.0	-0.5	1.4
Lumber and other wood products	4.58	142.7	127.1	127.5	0.3	-10.7
Pulp and paper products	3.61	125.1	115.1	114.3	-0.7	-8.6
Energy and petroleum products	8.81	155.1	148.3	153.8	3.7	-0.8
Primary ferrous metal products	2.83	149.4	147.2	144.7	-1.7	-3.1
Primary non-ferrous metal products	7.07	130.1	137.0	136.3	-0.5	4.8
Fabricated metal products and construction materials	3.28	143.8	141.9	141.9	0.0	-1.3
Motorized and recreational vehicles	22.19	107.7	111.7	112.0	0.3	4.0
Machinery and equipment	6.18	113.3	117.4	117.2	-0.2	3.4
Electrical, electronic, audiovisual and telecommunications products	3.69	124.4	129.1	131.0	1.5	5.3
Furniture and fixtures	1.52	115.4	114.0	114.2	0.2	-1.0
Cement, glass and other non-metallic mineral products	2.18	115.9	126.5	127.1	0.5	9.7
Packaging materials and containers	2.17	126.5	131.6	131.7	0.1	4.1
Miscellaneous products	2.04	112.5	115.2	115.4	0.2	2.6

<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>	September 2022	August 2023 <sup>r</sup>	September 2023 <sup>p</sup>	August to September 2023	September 2022 to September 2023
	%	(January 2020=100)			% change	
<b>Raw Materials Price Index (RMPI)</b>	<b>100.00</b>	<b>143.7</b>	<b>142.2</b>	<b>147.2</b>	<b>3.5</b>	<b>2.4</b>
<b>RMPI excluding crude energy products</b>	<b>66.68</b>	<b>129.8</b>	<b>136.2</b>	<b>135.9</b>	<b>-0.2</b>	<b>4.7</b>
Crude energy products	33.32	167.8	152.5	166.8	9.4	-0.6
Crop products	12.30	154.9	149.8	146.9	-1.9	-5.2
Animals and animal products	20.09	125.7	138.6	136.6	-1.4	8.7
Non-metallic minerals	3.11	115.5	131.0	130.6	-0.3	13.1
Logs, pulpwood, natural rubber and other forestry products	5.81	133.2	121.7	126.8	4.2	-4.8
Metal ores, concentrates and scrap	25.37	122.4	132.2	133.2	0.8	8.8

<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)).