

# Explanatory Notes on Main Statistical Indicators

**Consumer Price Index (CPI)** is a relative number measuring the changes in prices of consumer goods and service over time, reflecting the trend and degree of changes in prices of consumer goods and service purchased by households over a period of time. The change rate of CPI is usually used for reflecting the level of inflation (or deflation).

**Retail Price Index** is a relative number measuring the changes in prices of consumer goods and office supplies provided by industry, commerce, restaurants and other retail businesses for urban and rural residents and government agencies and organizations over time. It reflects the trend and degree of changes in retail price of commodities in the market.

**Producer Price Index for Industrial Products (PPI)** is a relative number reflecting the degree of changes in general producer prices of all industrial products, including products sold by industrial enterprises to commercial, foreign trade and materials companies, as well as production materials sold to industrial and other enterprises, and consumer goods directly sold to consumers. It can be used to observe the impact of producer prices of industrial products on gross industrial output value.

**Purchasing Price Index for Industrial Producers** is a relative number reflecting the degree of changes in the overall level of prices of all industrial materials, fuels and power. It can be used to observe and study the impact of changes in prices of raw materials in industrial enterprises on their production, as well as the enterprises' capacity of digesting and bearing the rising prices of raw materials, thus providing basis for

formulating price policies.

**Price Index for Investment in Fixed Assets** is a relative number reflecting the degree of changes in prices of investment in fixed assets. The investment in fixed assets consists of three components, i.e. the investment in construction and installation, the investment in purchasing equipment, tools and instruments, and the investment in other items. The compilation of the price index for investment in fixed assets can accurately reflect the range of changes in prices of various goods and charging items involved in the investment in fixed assets, can remove the factor of price change in the indicators for investment in fixed assets calculated at current price, can truly reflect the actual size, growth, structure, and efficiency of investment in fixed assets, can provide scientific and reliable basis for the state to scientifically formulate and inspect the plans for investment in fixed assets, improve the level of macro control and improve the national economic accounting system.

**Selling Price Index of Residential Houses** is a relative number reflecting the trend and degree of changes in the overall level of house selling prices, including newly built residential house selling price index and second-hand house selling price index.

**Producer Price Index for Farm Products** is a relative number reflecting the degree of changes in the overall producer prices of farm products. Producer price of farm products refers to the price of unit product at which the producers of farm products sell their products for the first time.