

18 June 2010

Services Sector Price Index (SSPI). Base 2006
First quarter of 2010. *Provisional data*

Main results

- **Sea freight transport** registers an **annual variation** of **2.3%**, more than five points above that registered in the fourth quarter.
- **Technical architecture and engineering services; technical trials and analyses** experience a decrease of two points in the **interannual rate**, standing at **0.3%**.
- The rate of **IT activities** stands at **-2.2%**, almost one-and-a-half points below that registered the previous quarter.
- The **interannual variation** rate of the price index of **Advertising and market studies** from the first quarter of 2010 increases more than 38 points, standing at **21.9%**.

Annual evolution of prices in services

Eight of the 14 activities in the services sector for which price indices are calculated experienced an increase in their interannual variation rate in the first quarter of 2010.

Among the services with an increase in annual rate, worth noting were:

- **Advertising and market studies**, whose interannual rate increased 38.1 points, standing at **21.9%**, due to the fact that *Advertising* prices increased this quarter, whereas they decreased in the first quarter of 2009.
- **Sea freight transport**, whose interannual rate stood at **2.3%**, more than five points above the rate recorded the previous quarter. This variation was in response to the increase in prices registered this quarter, as compared with the decrease experienced in the first quarter of 2009.
- **Scheduled passenger air transport**, which with a rate of **1.7%**, increased more than three points with regard to the rate from the fourth quarter of 2009, due to the rise in prices of this activity in the first quarter of 2010.

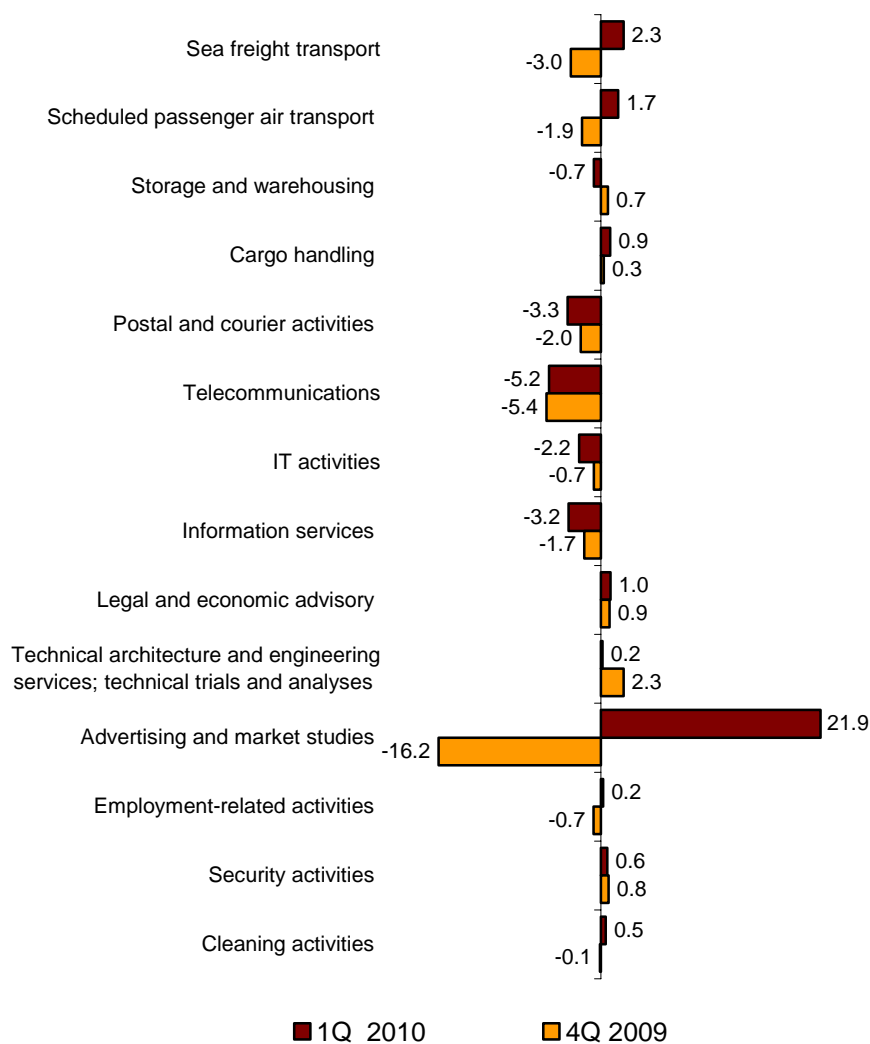
Likewise, the most noteworthy drops in the annual rate corresponded to:

• **Technical architecture and engineering services; technical trials and analyses**, whose interannual rate decreased more than two points, standing at **0.2%**. This was due to the fact that the rise in prices of these services was smaller this quarter than in the first quarter of 2009.

• **IT activities**, whose rate stood at **-2.2%**, almost one-and-a-half points below the rate recorded the previous quarter. This decrease was due to the more drastic drop registered in the first quarter of 2010.

• **Information services**, whose rate dropped one-and-a-half points, standing at **-3.2%**, due to the fact that its prices decreased more this quarter than in the first quarter of last year.

Annual rates of the SSPI Index by sector



Quarterly evolution of the prices of services

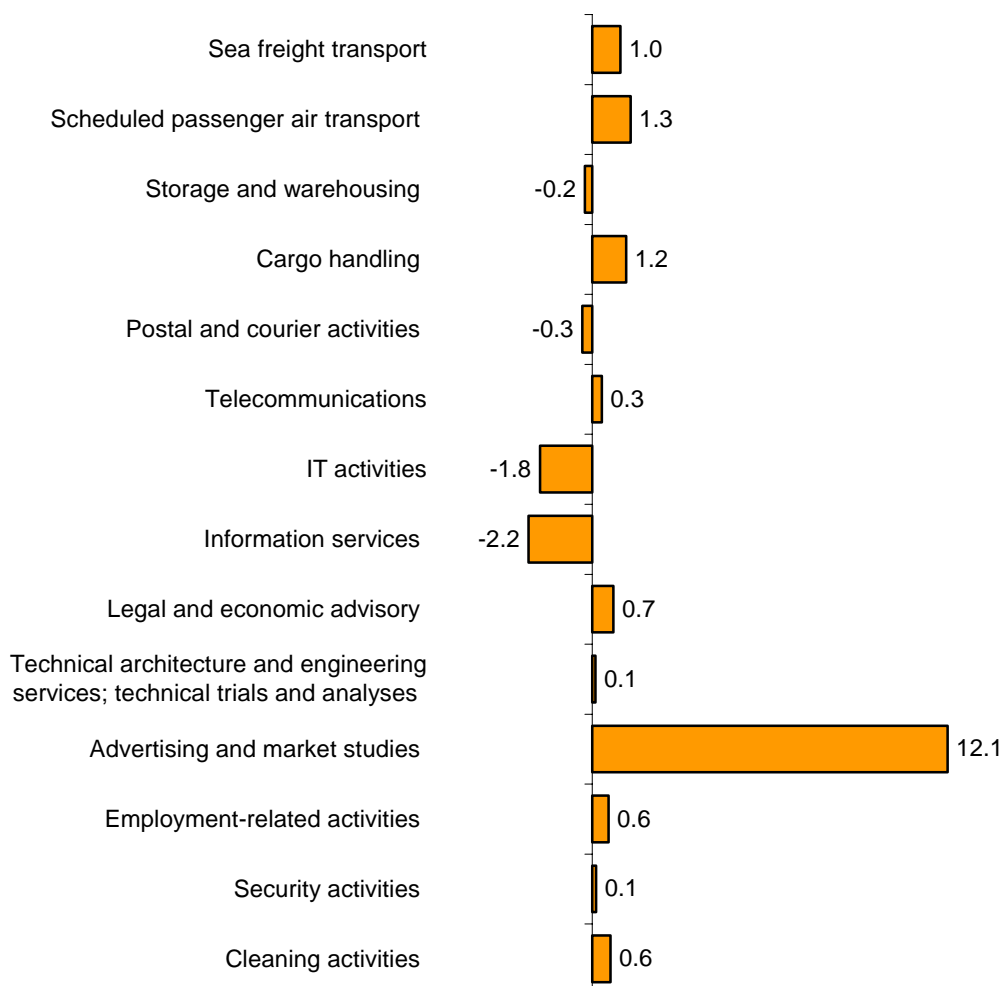
The services with the highest quarterly variation rates in the first quarter of 2010 were:

- **Advertising and market studies**, whose quarterly variation of **12.1%** was largely due to the rise in the prices of *Advertising* services.
- **Scheduled passenger air transport**, with a quarterly variation rate of **1.3%**.

In turn, the lowest quarterly variation rate was registered in:

- **Information services**, whose prices dropped to **-2.2%** in the first quarter of 2010.

Quarterly rates of the SSPI Index by sector



Services Sector Price Indices. Base 2006

First quarter of 2010

Provisional data

1. National indices by sector

	Index	% Variation		
		Over previous quarter	Year-to-date	Interannual
1. Sea freight transport	100.5	1.0	1.0	2.3
2. Scheduled passenger air transport	119.4	1.3	1.3	1.7
3. Storage and warehousing	107.4	-0.2	-0.2	-0.7
4. Cargo handling	109.6	1.2	1.2	0.9
5. Postal and courier activities	97.4	-0.3	-0.3	-3.3
6. Telecommunications	84.7	0.3	0.3	-5.2
7. IT activities	105.9	-1.8	-1.8	-2.2
8. Information services	106.4	-2.2	-2.2	-3.2
9. Legal and economic advisory	107.7	0.7	0.7	1.0
10. Technical architecture and engineering services; technical trials and analyses	112.1	0.1	0.1	0.2
11. Advertising and market studies	99.1	12.1	12.1	21.9
12. Employment-related activities	106.2	0.6	0.6	0.2
13. Security services	109.4	0.1	0.1	0.6
14. Cleaning activities	106.4	0.6	0.6	0.5

Methodological annex

The objective of the Services Sector Price Index (SSPI), which is published quarterly, is to measure the evolution of the prices of the services provided by those companies that operate in each of the sectors, from the perspective of the producer. The prices collected correspond to the services provided to companies.

This index complies with Regulation (EC) No. 1158/2005 of the European Parliament and Council, of 6 July 2005, on company short-term statistics as concerns the prices of the services sector.

Given the broad scope of this project, the INE, as with the rest of the Central Statistics Offices of the European countries, established two stages for the completion of its preparation. During the first stage, we prepared the indices corresponding to the sectors of *Scheduled passenger air transport*, *Sea freight transport*, the *Telecommunications* sector, *Postal and courier activities*, *IT activities* and *Information services*. In the second phase the following activities were added: *Cargo handling and Storage and warehousing*, *Legal and economic advisory*, *Technical services*, *Advertising and market studies*, *Employment-related activities*, *Security services* and *Cleaning activities*.

Calculation methodology

For most of the activities, the information is obtained from a sample that contains the largest companies in each activity (cut-off method), until we have reached a **minimum of 70% of the market quota for each of the sectors studied**. Quarterly, each of the selected companies provides information on prices, from which the indices are built.

The general calculation formula used in the SSPI is a **fixed-base Laspeyres index**, except for the sectors of *Telecommunications* and *Advertising and market studies*, where a **linked Laspeyres index** is used.

The main advantage of using linked indices is that this allows for the annual renewal of the weightings of its components, the revision of the units included in the sample, and the introduction of methodological changes. Thus, we achieve a permanent adaptation of the SSPI in those sectors in which changes are more frequent.

The series of all of the activities are available from the first quarter of 2007 onwards.

The content of each activity is listed below:

- *Sea freight transport* contains the sea freight transport services offered to companies, in both scheduled lines and unscheduled lines.
- *Scheduled passenger air transport* contains those services offered to the business sector by those airlines resident in Spain.
- *Storage and warehousing* contains the storage and warehousing services for three product categories: liquids or gases, refrigerated or frozen products and the remaining products.
- *Cargo handling* contains merchandise loading and unloading activities.
- *Postal and courier activities* contains the services of collection, transport and delivery of letters and parcels. This comprises both those activities that are subject to the obligation of universal service, and the remaining postal and courier activities.

- *Telecommunications* contains the services of landline and mobile telephony and the Internet, aimed at the business sector.
- *IT activities* comprises the supply of technical knowledge in the field of computer programming and consultancy.
- *Information services* contains the services of data processing, hosting, web portals and news agencies.
- *Legal and economic advisory* comprises legal activities, accounting activities, bookkeeping, auditing and tax advisory, as well as business management consultancy activities.
- *Technical architecture and engineering services; technical trials and analyses* comprises the provision of architectural and engineering services, as well as services that perform physical or chemical trials and other analytical trials.
- *Advertising and market studies* contains the services of advertising placement in the media, and the market studies services.
- *Employment-related activities* contains the activities of temporary employment agencies.
- *Security services* comprises services related to security offered to the business sector, such as surveillance services, central alarm connection services and services for the transport of funds and the handling of cash.
- *Cleaning activities* contains the cleaning services offered to companies.