

# Recent Price Trends in the Computer and Peripheral Industry

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U.S. Import and Export Price Indexes contain data on changes in the prices of nonmilitary goods and services traded between the United States and the world. The U.S. Bureau of Labor Statistics produces these indexes, which are Principal Federal Economic Indicators.

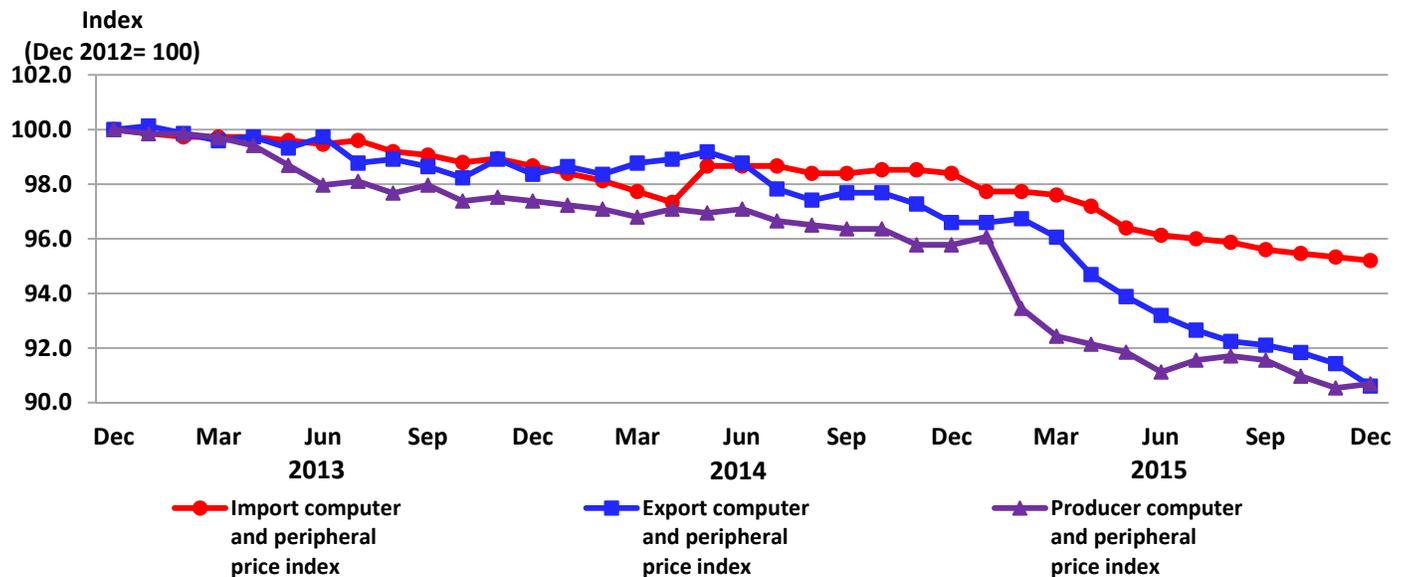
**Q: How have import computer and peripheral prices trended over the 2013–2015 period? (See chart 1.)**

- The price index for computer and peripheral imports, which includes keyboards, monitors, and computer storage devices, trended down from December 2012 through December 2015, falling 4.8 percent over the 3 year period.
- Continuous innovation and increasing market competition, specifically in lower-cost overseas markets, such as China, India, and Southeast Asia, greatly contributed to lower import prices. Additionally, semiconductor prices fell, placing further downward pressure on computer prices.

**Q: How did import computer and peripheral prices compare with other economic data?**

- Both import and producer price indexes for computer and peripherals declined over the 2013-2015 period. Domestic prices dipped 9.3 percent over the 3 year period, while import prices declined 4.8 percent. The difference in the market basket between the two indexes was partially attributable to the dissimilar price trends.
- The total trade value for computer and peripheral imports accounted for \$93.3 billion in 2013, decreasing 1.2 percent over the year. Between 2014 and 2015, the trade value for computer and peripheral imports declined from \$92.2 billion to \$91.5 billion, falling 0.8 percent.

**Chart 1. Import, export, and producer computer and peripheral price indexes**



Source: U.S. Bureau of Labor Statistics, International Price Program.





**Q: How have export computer and peripheral prices trended over the 2013–2015 period? (See chart 1.)**

- Computer and peripheral export prices trended downward from December 2012 to December 2015, declining 9.4 percent.
- Akin to import prices in this industry, rapid innovation and growing competition placed downward pressure on export prices.

**Q: What are the top six exporting states and territories for Computer and Peripheral Manufacturing? (See chart 2.)**

- In 2015, the total trade value of exported computer and peripheral parts was over \$46.7 billion. The top six exporting states accounted for 71.5 percent of the total trade value.
- Texas was the largest exporter for computer and peripheral parts manufacturing, exporting \$15.7 billion in 2015. Texas made up over one-third of all exports for computers and peripherals in the United States.
- California was the second leading state with \$9.4 billion exported, comprising just over 20 percent of all exports.
- Florida, Tennessee, New York, and Oregon rounded out the list of leading exporting states with their combined trade value accounting for 17.8 percent of all computer and peripheral parts exports.

**Q: How are import and export price indexes useful to you?**

Import and export price indexes can provide a new perspective for your trade analyses. Although many sources report domestic market prices and trade volume, IPP data are unique in measuring import and export price inflation.

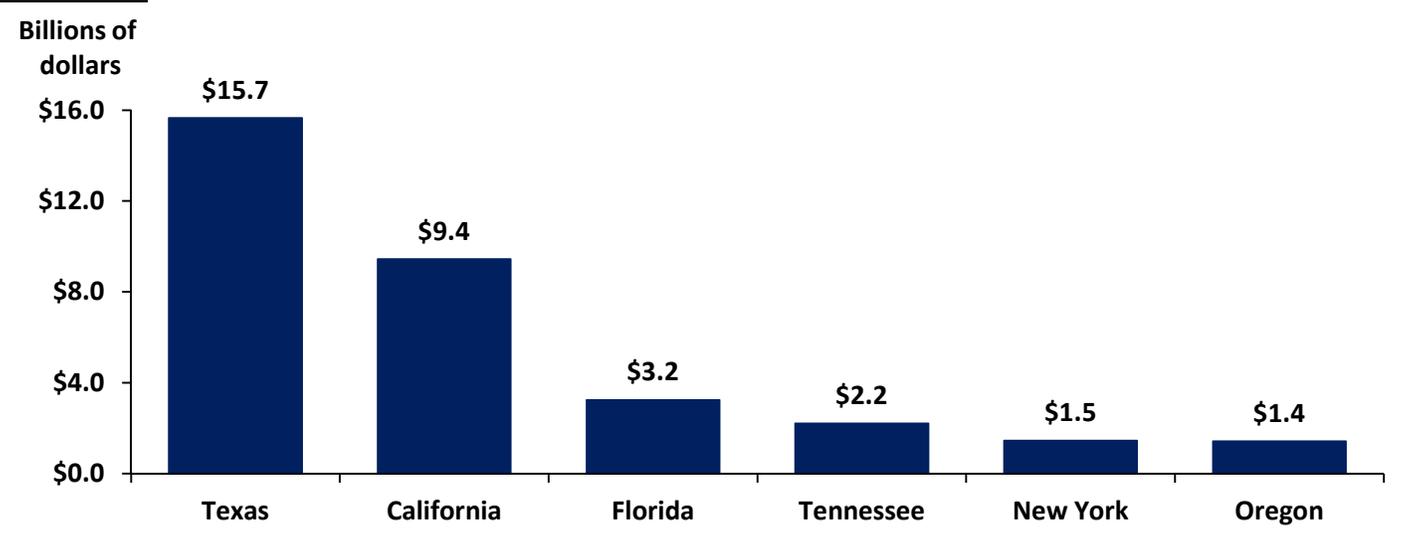
For example, if you are involved in the computer & peripheral industry and you are considering conducting business overseas, IPP computer & peripheral indexes can supplement your industry research by providing long-term import and export price trends.

**Q: How are import and export price indexes used?**

Import and export price indexes are used for a variety of purposes:

- In the conversion of U.S. trade figures from current dollars to constant dollars in U.S. trade statistics including the Bureau of Economic Analysis' Quarterly Gross Domestic Product and the Census Bureau's monthly U.S. trade statistics.
- To assess the impact of international trade on domestic inflation and the competitive position of the United States.
- As a tool for analyzing fiscal and monetary policy, measuring the impact of exchange rates, and escalating trade contracts.
- To identify industry-specific and global price trends.

**Chart 2. Top six exporting states and territories for Computer and Peripheral Manufacturing in 2015**



Source: U.S. Census Bureau, Foreign Trade Statistics.