

National accounts volumes "at constant prices" in Eurostat's online database will be phased out

National accounts valued at prices of the accounting period are said to be valued "at current prices". In order to assess the dynamics of economic development irrespective of price movements, quantities are valued in prices of a previous "base" period. Traditionally, the base year has been a single, fixed benchmark year, moved ahead about each five years. The resulting figures were then designated as "constant prices of 1995" for the base year 1995.

To improve the meaningfulness of volume data in view of rapidly changing price structures, Commission Decision 98/715/EC demands that the base year must be the previous year so that the base year is moving ahead with the observation period. A time series of volumes is obtained by multiplying successive growth rates at previous year's prices starting from an arbitrary reference year's level. Due to its construction, this is called a chain-linked series. Unlike the choice for a fixed base year, the choice of reference year in chain-linking does not have any effect on growth rates.

Almost all Member States have introduced chain-linking by now and have stopped the compilation of figures at constant prices.

The "constant prices" tables in the national accounts dataset of Eurostat's online database currently offer the following valuation levels:

- Chained level series with reference year 2000: Data shown includes both data directly supplied in chain-linked form by countries, and, for very few countries, still data supplied at constant prices of a fixed base year. The reference year is shifted to 2000 where necessary.
- Levels at constant prices 1995: This actually uses the same set of basic data as the chained level series, i.e. "true" constant prices of a fixed base year for only very few countries, and chain-linked previous year's prices for all others. This means that by default, data presented as "chained levels" and as "constant prices" give the same growth rates.
- Levels at prices of the previous year: These figures are intended as input for advanced users to allow construction of custom aggregations and derived measures. Since the price base changes every year, the figures do not constitute a homogeneous time series, so in particular growth rates cannot be derived directly from them.

The parallel provision of "chained" levels and "constant price 1995" levels was intended to ease the changeover for users that regularly do bulk downloads. Now that data expressed in prices of a fixed base year has become exceedingly rare, continuation of the former designation "constant prices 1995" is redundant and, in fact, misleading. **Eurostat will hence suppress this data designation from 18 April 2008 onwards.**

Please note that the chain-linked data with reference year 2000 uses basically the same source data and can easily be re-referenced to 1995, so no information is lost. It may however occur that some countries have not traced the chain-linked data back as far as constant prices were formerly available. In such cases, the length of the chained series may be shorter than that of the currently available "constant prices 1995" series, which in fact then constitute a combination of constant prices and chain-linked data from different vintages.

At the same time the database tables "at constant prices" will be renamed "volumes" to highlight the change.