



16 November 2017

Agricultural Price Index - September 2017

The Agricultural Price Index (API) is an index of the price of agricultural outputs and inputs for the UK used to show change over time. More details on the index including how it is produced are in the Background section at the end of this document.

Key points at September 2017

Item	Change		
	Yearly (Sept 2016)	Monthly (August 2017)	
All outputs	҈ 8.0%	₽ 0.8%	
All inputs	҈ 6.4%	҈ 1.8%	
Outputs			
Crop products	҈ 3.4%	↓ 1.9%	
Cereals	企 15%	企 1.3%	
Wheat	企 15%	҈ 0.8%	
Barley	企 15%	҈ 1.9%	
Potatoes	₽ 15%	↓ 13%	
Animals and animal products	û 12%	₽ 0.2%	
Pigs	企 15%	₽ 1.7%	
Milk	҈ 34%	҈ 4.4%	
Inputs			
Energy and lubricants	û 10%	҈ 5.5%	
Compound feedingstuffs	♀ 9.0%	₽ 0.5%	

Enquiries on this publication to: Jayne Brigham, Rm 201 Foss House, Kings Pool, 1-2 Peasholme Green, York, YO1 7PX Tel: 020802 66280/66202 email: prices@defra.gsi.gov.uk

A National Statistics publication. National Statistics are produced to high professional standards. They undergo regular quality assurance reviews to ensure that they meet customer needs. They are produced free from any political interference. For general enquiries about National Statistics, contact the National Statistics Public Enquiry Service: tel. 0845 601 3034 email info@statistics.gov.uk. You can find National Statistics on the internet at www.statistics.gov.uk.

Figure 1: Monthly indices for total Outputs and total Inputs to September 2017 (2010=100)

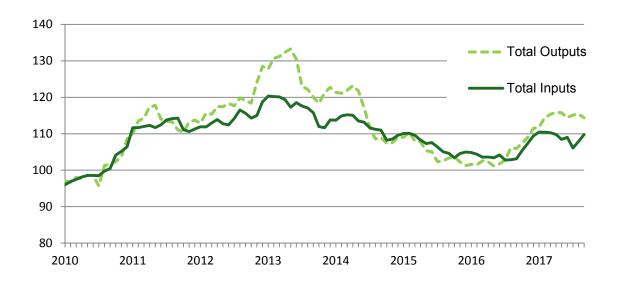


Figure 2: Annual average indices for total Inputs and total Outputs to September 2017

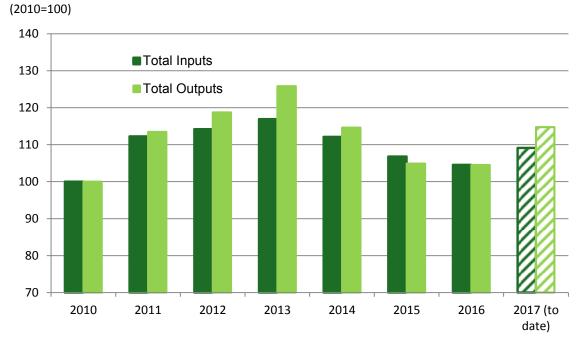
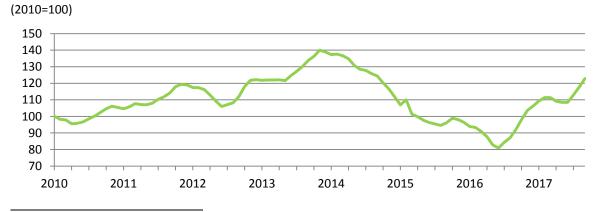


Figure 3: Milk price index to September 2017¹



¹ For more detail visit https://www.gov.uk/government/collections/milk-prices-and-composition

All Outputs Crop products Cereals Wheat Barley Oats	106.0 107.0 102.8 100.9 106.0	Aug-17 115.3 112.7 116.8	Sep-17 114.4 110.6	8.0%	-0.8%
Crop products Cereals Wheat Barley	107.0 102.8 100.9	112.7			-0.8%
Cereals Wheat Barley	102.8 100.9		110.6		
Wheat Barley	100.9	116.8		3.4%	-1.9%
Barley			118.3	15.1%	1.3%
	106.0	115.4	116.4	15.3%	0.8%
Oate		119.7	122.0	15.1%	1.9%
Oalo	114.6	117.3	123.6	7.8%	5.4%
Potatoes	125.5	121.7	106.4	-15.2%	-12.6%
Industrial Crops	104.0	112.2	106.3	2.2%	-5.3%
Oilseed Rape	111.5	115.3	118.2	6.0%	2.5%
Sugar Beet	93.4	87.7	87.7	-6.0%	0.0%
Forage plants	95.4	100.6	101.4	6.2%	0.7%
Fresh Vegetables	111.3	107.4	109.6	-1.6%	2.0%
Fresh Fruit	110.8	125.0	113.3	2.3%	-9.4%
Flowers and plants	104.2	104.1	104.0	-0.2%	-0.1%
Other crop products	102.9	102.9	102.9	0.0%	0.0%
Animals and animal products	105.1	117.8	117.6	11.9%	-0.2%
Animals (for slaughter & export)	112.8	120.0	116.8	3.6%	-2.7%
Cattle and calves	125.9	135.7	132.3	5.1%	-2.5%
Pigs	98.6	115.4	113.5	15.1%	-1.7%
Sheep and lambs	103.6	110.9	100.9	-2.5%	-9.0%
All Poultry	110.6	108.8	108.8	-1.6%	0.0%
Animal products	93.2	114.7	118.9	27.6%	3.7%
Milk	92.0	117.7	122.9	33.5%	4.4%
Eggs	99.3	100.8	100.8	1.6%	0.0%
All Inputs	103.2	107.9	109.8	6.4%	1.8%
All goods and services currently consumed	101.8	107.0	109.1	7.3%	2.0%
Seeds	97.1	98.3	97.6	0.5%	-0.6%
Energy and lubricants	98.1	102.7	108.3	10.4%	5.5%
Fertilisers and soil improvers	78.8	86.4	95.1	20.7%	10.1%
Plant protection products	105.0	138.1	111.2	5.9%	-19.5%
Veterinary services	103.0	108.8	108.8	0.3%	0.0%
				6.7%	1.2%
Animal feedingstuffs Straight feedingstuffs	104.3	109.9	111.3	0.7% 2.9%	2.8%
	103.2	103.3	106.2		
Compound feedingstuffs	104.9	114.9	114.3	9.0%	-0.5%
Maintenance of Materials	112.5	115.2	115.6	2.7%	0.3%
Maintenance of Buildings	109.1	114.1	114.8	5.2%	0.6%
Other goods and services	111.5	115.0	115.3	3.4%	0.2%
Goods and services contricuting to investment	110.9	112.7	113.5	2.3%	0.8%
Materials	111.4	112.2	113.4	1.8%	1.0%
Buildings	107.7	111.4	111.9	3.9%	0.4%
Other (Engineering and soil improvement operations)	115.7	117.8	117.8	1.9%	0.0%

Background

The output series reflects the price farmers receive for their products, also referred to as farm gate price. Information is collected for all major crops (for example wheat and potatoes) and on livestock and livestock products (for example sheep, milk and eggs).

The input series reflects the price farmers pay for goods and services. The series is in two groups: goods and services currently consumed; and goods and services contributing to investment. Goods and services currently consumed refer to items that are used up in the production process, for example fertiliser or seed. Goods and services contributing to investment relate to items that are required but not consumed in the production process, such as tractors or buildings.

Data uses

Farmers use the agricultural price index to help set prices for their output and monitor the price paid for inputs. Analysts in Government, industry and academia use the data to assess the impact that price changes have on industry and consumers.

The Office of National Statistics (ONS) uses API data in the production of the Producer Price Index (PPI), which is one of the key measures of inflation.

Methodology

Defra collect prices from a wide variety sources to produce the monthly API. This includes data from our own surveys, information from the Agricultural, Horticultural Development Board (AHDB), and the ONS. For some items we only receive quarterly or annual data, for example, electricity prices. When no new data are available the data for the previous month is carried forward until new data becomes available.

The methodology used is described in the <u>Handbook for EU Agricultural Prices</u> and is standard across the EU.

Weights

Each item is assigned a weight which reflects their contribution to the overall index. The weights are based upon the value of the item, for example, if the value of animal feed is three times more than fertilisers then the weight for animal feed will be three times more than the fertiliser.

The overall weight for an item is either split equally between the 12 months or reflects the yearly pattern of sales or purchases. For example, if the sales of apples in October are double June sales then October weight is double the June weight for apples. Some outputs are seasonal, for example strawberries, and these will only have a weight for the months they are in season.

To note all weights are based upon base year data which is 2010.

Revisions

Figures in this notice are provisional and subject to revision. In this edition there are slight revisions from 2014 to the fresh vegetable index as a correction was made to the unit price measure for 6 vegetable commodities.