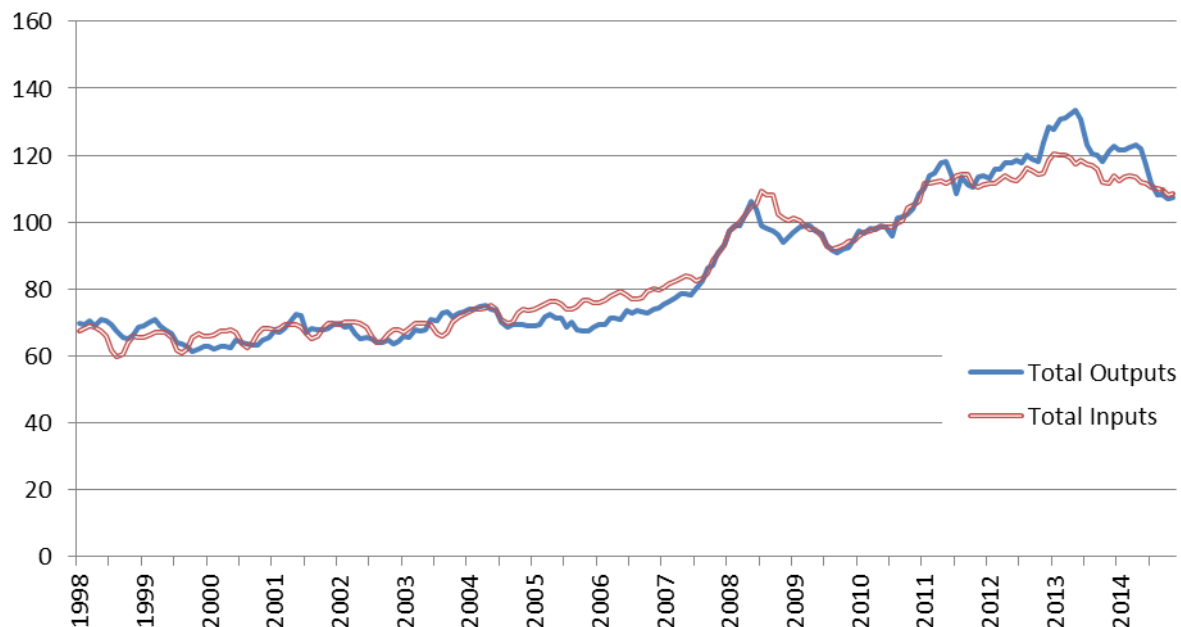# November Agricultural Price Index

The Agricultural Price Index (API) measures the monthly price changes in agricultural outputs and inputs for the UK. 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. This is split into 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.

Key points

Figure 1: Agricultural price indices (2010=100)

In November the monthly price index for all outputs rose by 0.35%. The price index for all inputs rose by 0.37%.

Overall the prices are lower than the same time last year with the price index for all outputs and inputs down 11.5% and 2.8% respectively.

Output

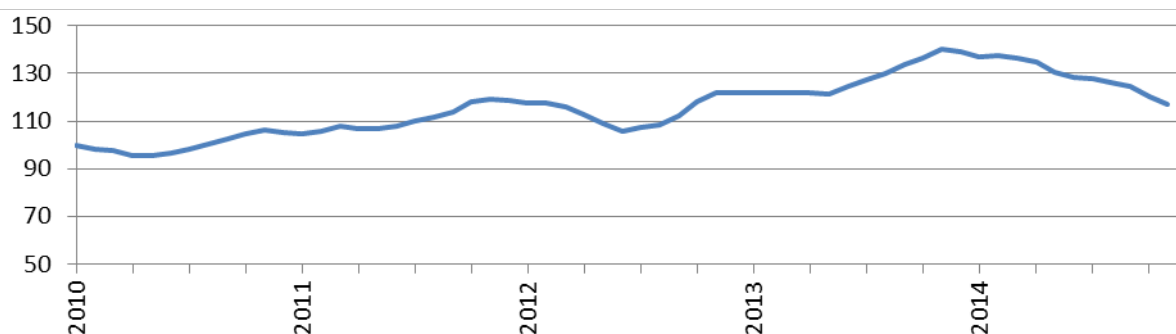Compared to last month the price index for all crop products fell by 1.4%.

The fresh vegetable price index fell 2.4% in November.
Cauliflower prices rose 40% as demand increased over the month and the limited supplies were of high quality. Cucumbers fell 29% due to lack of demand and competition from Dutch imports.

Main crop potatoes dropped by 3.7% in November as supply continued to outstrip demand. Overall potatoes were down 19.9% on this time last year.

The milk price continues to fall and is 2.7% down on October and 16.3% down on November 2013. Continued high levels of domestic milk production and low global dairy commodity prices have pushed the price down and is in contrast to the seasonal uplift usually seen in prices at this time of year.

Figure 2: Milk price index

For more detailed information on milk prices please see the link below to our website.

https://www.gov.uk/government/collections/milk-prices-and-composition

Inputs

Animal feed prices rose by 2% in November.
Straight feed rose by 4.7% while compound feed prices rose by 0.2%. Straight feed prices rose due to the recovery of cereal prices but are still 15% lower than in November 2013.

Data updates

Output

The Forage Plants figures have been updated back to January 2010 due to a minor revision of one of its component prices that does not appear on the web dataset. The Fresh vegetables price has also been updated back to January 2010 due to a minor revision of one of its component prices that does not appear on the web dataset.
The Other crop products figures have been updated back to January 2010 due to a minor revision of the Seeds price.

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) use 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 [Handbook for EU Agricultural Prices](#) 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.

Table 1 Index of Agricultural Outputs UK (2010=100)

	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	1 month change	12 month change
All Outputs	117.0	111.5	108.0	108.2	106.8	107.2	0.4%	-11.5%
Crop products	111.3	104.2	100.4	100.6	98.0	99.3	1.4%	-14.8%
Cereals	132.8	126.8	106.9	103.9	101.0	103.3	2.3%	-22.5%
Wheat	134.1	130.8	107.5	103.2	99.5	102.5	3.0%	-23.3%
Barley	128.8	118.3	106.2	105.9	105.5	107.3	1.7%	-19.6%
Oats	117.7	120.1	100.7	99.3	100.6	98.0	-2.6%	-16.9%
Potatoes	112.7	68.7	112.1	99.9	89.0	85.8	-3.6%	-19.9%
Industrial Crops	112.1	98.2	88.3	97.9	98.0	97.5	-0.5%	-12.0%
Oilseed Rape	113.9	97.1	85.9	88.2	88.7	90.5	2.1%	-19.1%
Sugar Beet	106.7	106.7	106.7	106.7	105.7	105.7	0.0%	-1.0%
Forage plants	111.8	109.5	100.6	98.5	95.7	97.0	1.4%	-8.9%
Fresh Vegetables	105.1	95.9	91.6	91.7	86.9	84.9	-2.4%	-12.5%
Fresh Fruit	73.5	100.1	103.3	99.9	98.5	96.4	-2.2%	0.3%
Flowers and plants	114.4	114.4	112.0	113.7	114.2	115.3	1.0%	-0.1%
Other crop products	98.7	98.7	98.7	98.7	98.7	98.7	0.0%	0.0%
Animals and animal products	121.6	117.4	115.2	114.7	112.3	112.9	0.5%	-9.2%
Animals (for slaughter & export)	116.6	111.5	108.1	108.6	108.2	110.1	1.8%	-5.6%
Cattle and calves	118.1	118.3	122.3	124.4	120.8	122.8	1.7%	-5.9%
Pigs	115.3	113.6	111.4	109.9	107.1	103.0	-3.9%	-14.8%
Sheep and lambs	129.1	104.6	96.0	88.6	90.1	100.0	11.0%	4.5%
All Poultry	109.1	105.5	96.3	100.5	104.4	104.9	0.5%	-5.6%
Animal products	128.0	127.1	125.3	124.1	120.5	117.7	-2.3%	-14.4%
Milk	128.4	127.9	126.0	124.6	120.4	117.2	-2.7%	-16.3%
Eggs	124.2	119.5	119.5	119.5	119.5	119.5	0.0%	-7.1%

Table 2 Index of Agricultural Inputs UK (2010=100)

	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	1 month change	12 month change
All Inputs	111.7	110.3	110.0	109.8	108.1	108.5	0.4%	-2.8%
All goods and services currently consumed in agriculture	112.4	110.4	110.0	109.8	107.7	108.1	0.4%	-4.6%
Seeds	98.3	90.0	90.0	90.0	91.8	91.8	0.0%	-12.2%
Energy and lubricants	118.7	119.1	117.7	117.9	116.0	116.3	0.3%	-2.8%
Fertilisers and soil improvers	101.1	106.0	105.8	107.7	106.4	106.4	0.0%	5.5%
Plant protection products	100.5	99.5	123.6	104.8	96.9	96.2	-0.7%	1.8%
Veterinary services	107.0	106.9	107.0	107.4	107.4	107.4	0.0%	1.6%
Animal feedingstuffs	126.1	118.8	115.4	115.0	113.1	115.3	2.0%	-8.8%
Straight feedingstuffs	126.4	116.8	109.1	107.2	103.6	108.5	4.7%	-15.3%
Compound feedingstuffs	125.9	120.3	120.1	119.7	119.6	119.8	0.2%	-4.5%
Maintenance of Materials	110.3	110.3	110.7	110.5	110.2	110.1	-0.1%	0.8%
Maintenance of Buildings	111.5	111.1	111.1	110.9	110.8	110.8	0.0%	0.6%
Other goods and services	104.7	104.2	103.1	103.0	102.8	102.8	-0.1%	-5.6%
Goods and services contributing to investment	108.3	109.8	109.9	110.0	110.1	110.3	0.2%	7.1%
Materials	107.7	110.2	110.3	110.6	110.6	110.8	0.1%	10.6%
Buildings	108.8	108.5	108.5	108.4	108.3	108.3	0.0%	0.4%
Other (Engineering and soil improvement operations)	111.0	110.5	110.2	110.3	110.9	112.0	0.9%	3.0%