



Agricultural Price Index – August 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 August 2017

Item	Change	
	Yearly (August 2016)	Monthly (July 2017)
All outputs	↑ 8.3%	↓ 0.1%
All inputs	↑ 7.1%	↑ 0.5%
<i>Outputs</i>		
Crop products	↑ 2.5%	↓ 0.2%
Cereals	↑ 16%	↓ 0.9%
Wheat	↑ 16%	↓ 3.4%
Barley	↑ 18%	↑ 6.0%
Potatoes	↓ 8.9%	↑ 15%
Fresh Vegetables	↓ 11%	↓ 4.1%
Animals and animal products	↑ 14%	↑ 0.2%
Pigs	↑ 21%	↓ 0.1%
Milk	↑ 31%	↑ 0.8%
<i>Inputs</i>		
Energy and lubricants	↑ 10%	↑ 4.8%
Compound feedingstuffs	↑ 8.9%	↓ 0.1%

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

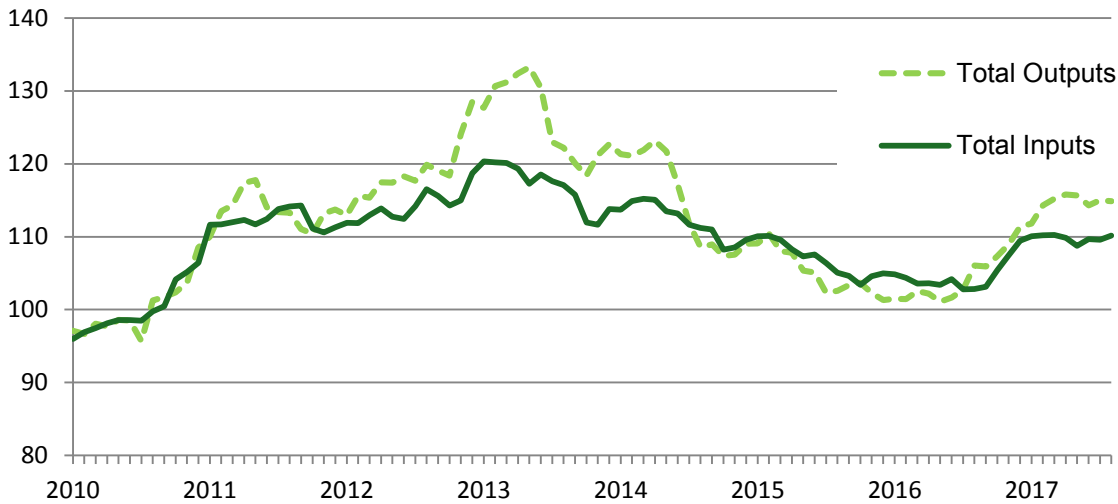


Figure 2: Annual average indices for total Inputs and total Outputs to August 2017 (2010=100)

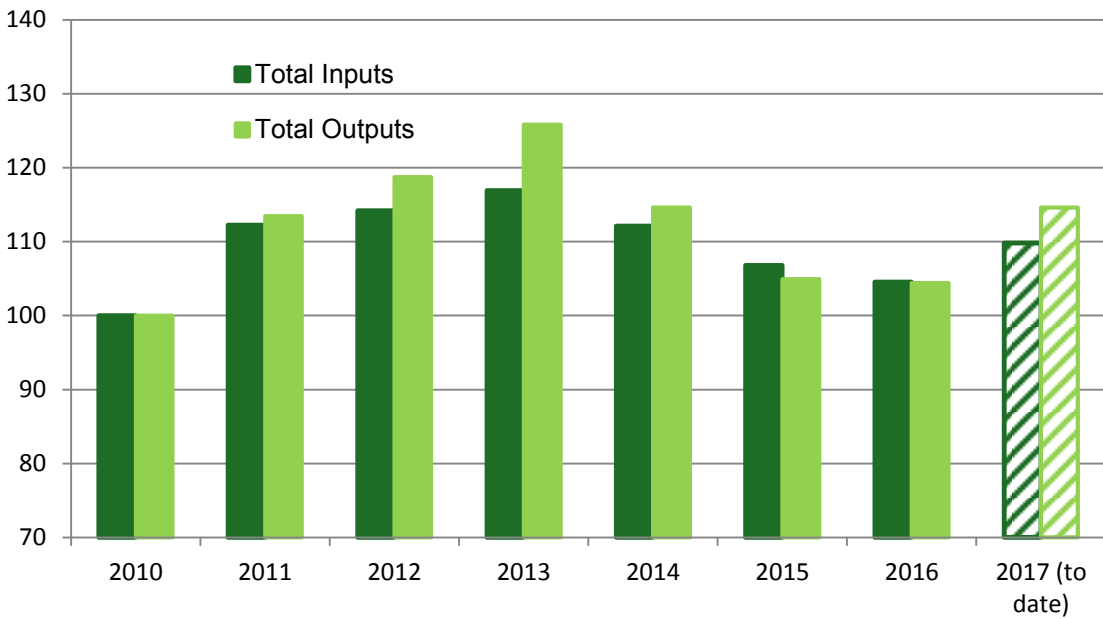
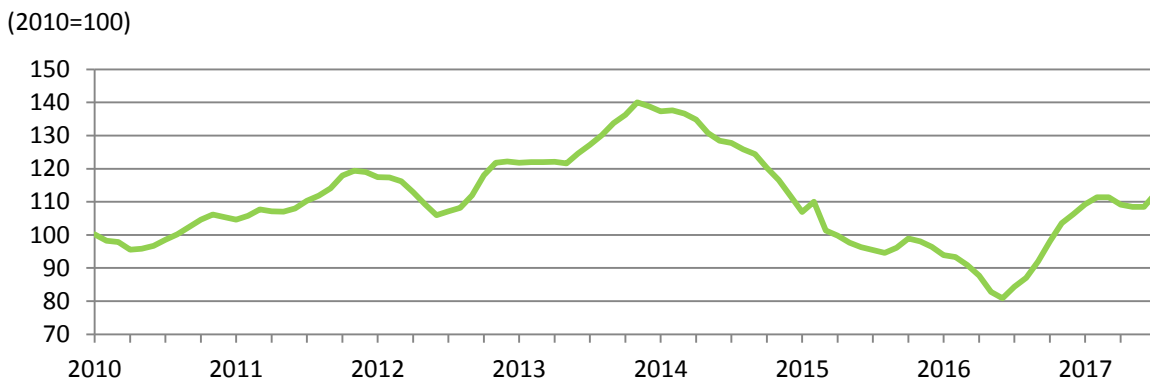


Figure 3: Milk price index to August 2017¹



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

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

	Aug-16	Jul-17	Aug-17	Yearly August 2016 to August 2017	Monthly July 2017 - August 2017
All Outputs (1)	106.1	115.0	114.9	8.3%	-0.1%
Crop products (1)	110.0	113.0	112.8	2.5%	-0.2%
Cereals	100.7	117.8	116.8	16.0%	-0.9%
Wheat	99.9	119.5	115.4	15.5%	-3.4%
Barley	101.2	113.0	119.7	18.3%	6.0%
Oats	109.6	131.8	117.3	7.0%	-11.0%
Potatoes	133.5	105.5	121.7	-8.9%	15.3%
Industrial Crops	103.3	111.9	112.2	8.6%	0.3%
Oilseed Rape	104.5	115.0	115.3	10.3%	0.3%
Sugar Beet	93.4	87.7	87.7	-6.0%	0.0%
Forage plants	96.7	103.3	100.6	4.0%	-2.6%
Fresh Vegetables (1)	120.2	112.0	107.4	-10.7%	-4.1%
Fresh Fruit	125.9	126.8	125.0	-0.7%	-1.4%
Flowers and plants	105.3	105.4	104.4	-0.9%	-1.0%
Other crop products	102.9	102.9	102.9	0.0%	0.0%
Animals and animal products	102.3	116.7	116.9	14.2%	0.2%
Animals (for slaughter & export)	111.9	120.6	120.9	8.0%	0.2%
Cattle and calves	126.8	133.1	135.7	7.0%	2.0%
Pigs	95.4	115.5	115.4	20.9%	-0.1%
Sheep and lambs	106.9	117.7	110.9	3.8%	-5.8%
All Poultry	106.3	108.6	111.8	5.2%	2.9%
Animal products	88.7	110.0	111.1	25.2%	1.0%
Milk	87.0	112.6	113.5	30.5%	0.8%
Eggs	99.3	100.8	100.8	1.6%	0.0%
All Inputs	102.8	109.6	110.1	7.1%	0.5%
All goods and services currently consumed	101.3	109.0	109.7	8.3%	0.6%
Seeds	97.7	98.0	98.0	0.3%	-0.1%
Energy and lubricants	93.3	98.0	102.7	10.1%	4.8%
Fertilisers and soil improvers	78.3	99.8	99.6	27.3%	-0.2%
Plant protection products	127.0	101.1	138.1	8.7%	36.5%
Veterinary services	108.0	108.7	108.7	0.6%	0.0%
Animal feedingstuffs	104.6	113.0	112.4	7.5%	-0.5%
Straight feedingstuffs	103.6	110.7	109.5	5.7%	-1.1%
Compound feedingstuffs	105.3	114.7	114.6	8.9%	-0.1%
Maintenance of Materials	112.3	114.8	115.3	2.7%	0.4%
Maintenance of Buildings	108.7	113.7	113.7	4.6%	0.0%
Other goods and services	111.3	114.9	114.9	3.2%	0.0%
Goods and services contributing to investment	110.9	112.4	112.5	1.4%	0.1%
Materials	111.4	111.9	112.1	0.6%	0.2%
Buildings	107.4	111.1	111.1	3.5%	0.1%
Other (Engineering and soil improvement operations)	116.1	118.2	118.2	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 [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.

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.