



Agricultural Price Index – December 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 December 2017

Item	Change	
	Yearly (Dec 2016)	Monthly (Nov 2017)
All outputs	↑ 5.0%	↑ 0.3%
All inputs	↑ 3.4%	↑ 1.3%
<i>Outputs</i>		
Crop products	↓ 0.2%	↑ 1.4%
Cereals	↑ 6.3%	↓ 0.5%
Potatoes	↓ 29%	↑ 3.3%
Forage Plants	↑ 20%	↑ 8.0%
Fresh Fruit	↑ 16%	↑ 6.6%
Animals and animal products	↑ 8.4%	↓ 0.6%
Milk	↑ 21%	↓ 0.9%
<i>Inputs</i>		
Energy and lubricants	↑ 8.5%	↑ 4.2%
Other goods and services	↑ 7.4%	↑ 1.9%

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

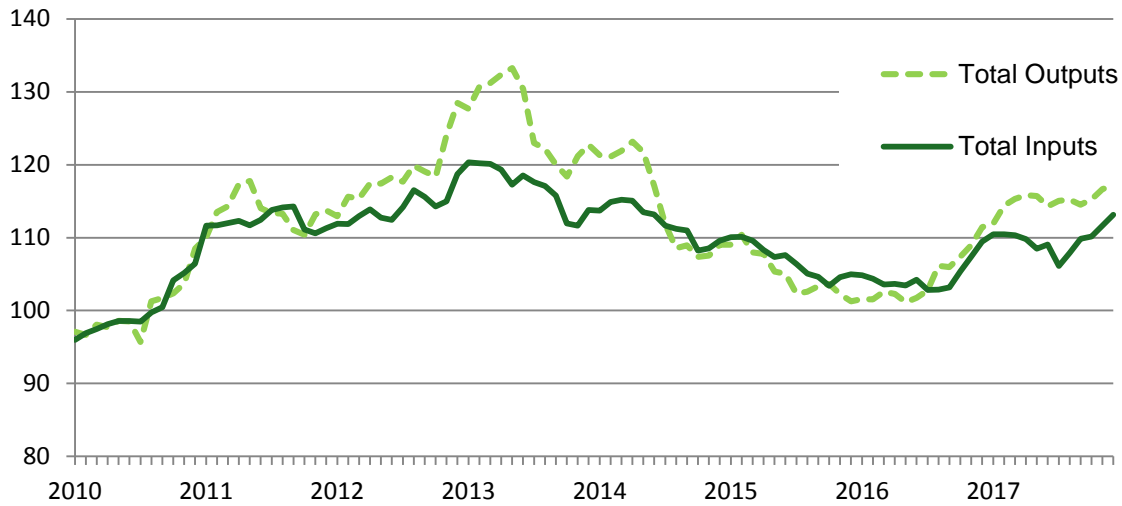


Figure 2: Annual average indices for total Inputs and total Outputs to December 2017 (2010=100)

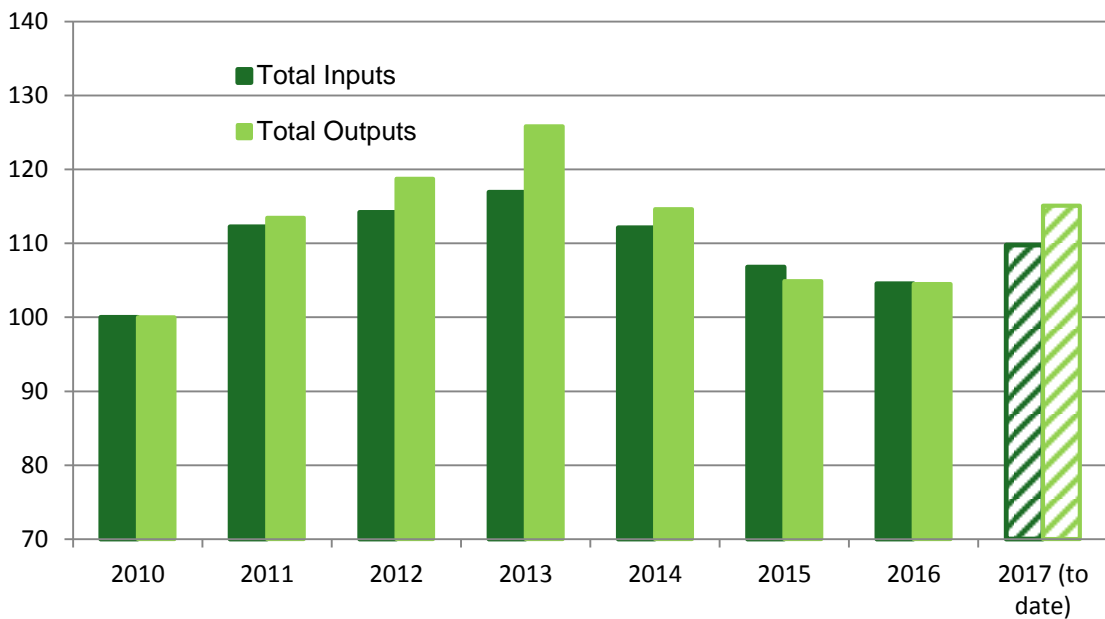
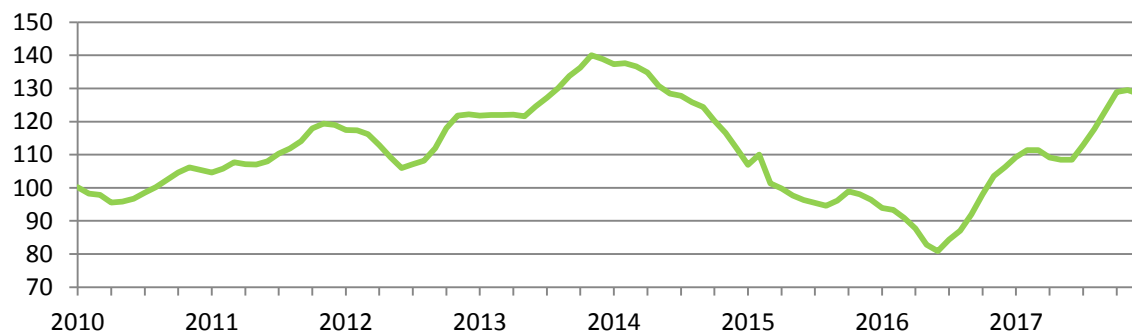


Figure 3: Milk price index to December 2017¹

(2010=100)



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

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

	Dec-16	Nov-17	Dec-17	Yearly December 2016 to December 2017	Monthly November 2017 - December 2017
All Outputs	111.5	116.7	117.1	5.0%	0.3%
Crop products	114.6	112.8	114.4	-0.2%	1.4%
Cereals	114.3	122.1	121.5	6.3%	-0.5%
Wheat	113.1	121.4	119.2	5.4%	-1.8%
Barley	117.3	125.3	128.7	9.7%	2.7%
Oats	120.3	120.9	120.5	0.2%	-0.3%
Potatoes	150.4	102.8	106.2	-29.4%	3.3%
Industrial Crops	112.8	107.7	106.9	-5.2%	-0.7%
Oilseed Rape	127.6	119.2	117.9	-7.6%	-1.1%
Sugar Beet	87.7	87.7	87.7	0.0%	0.0%
Forage plants	98.1	109.1	117.8	20.0%	8.0%
Fresh Vegetables	113.4	105.2	107.4	-5.3%	2.2%
Fresh Fruit	108.0	117.1	124.9	15.6%	6.6%
Flowers and plants	107.8	104.6	107.0	-0.8%	2.3%
Other crop products	102.9	102.9	102.9	0.0%	0.0%
Animals and animal products	109.5	119.5	118.8	8.4%	-0.6%
Animals (for slaughter & export)	112.1	116.9	115.6	3.1%	-1.1%
Cattle and calves	130.3	131.8	135.5	4.0%	2.8%
Pigs	106.7	107.2	105.8	-0.9%	-1.3%
Sheep and lambs	100.1	100.8	103.0	3.0%	2.3%
All Poultry	103.4	113.7	107.0	3.5%	-5.9%
Animal products	105.5	124.1	123.6	17.2%	-0.4%
Milk	106.3	129.5	128.4	20.8%	-0.9%
Eggs	100.2	98.2	98.2	-2.0%	0.0%
All Inputs	109.4	111.6	113.1	3.4%	1.3%
All goods and services currently consumed	109.1	111.2	112.9	3.6%	1.6%
Seeds	100.4	98.8	99.1	-1.2%	0.4%
Energy and lubricants	113.2	117.9	122.8	8.5%	4.2%
Fertilisers and soil improvers	95.8	98.2	98.2	2.6%	0.0%
Plant protection products	95.4	97.7	95.3	-0.1%	-2.5%
Veterinary services	108.4	108.9	111.9	3.2%	2.8%
Animal feedingstuffs	110.7	111.3	112.0	1.2%	0.6%
Straight feedingstuffs	111.3	108.6	109.1	-1.9%	0.4%
Compound feedingstuffs	110.3	113.1	113.9	3.3%	0.7%
Maintenance of Materials	113.4	116.1	116.2	2.5%	0.1%
Maintenance of Buildings	110.5	116.4	116.6	5.5%	0.2%
Other goods and services	112.1	118.2	120.4	7.4%	1.9%
Goods and services contributing to investment	111.3	114.0	114.0	2.5%	0.0%
Materials	111.3	113.5	113.5	1.9%	0.0%
Buildings	108.7	113.1	113.2	4.2%	0.1%
Other (Engineering and soil improvement operations)	116.4	119.0	119.0	2.3%	0.1%

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.