



Agricultural Price Index – December 2018

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 2018

Item	Change	
	Yearly (December 2017)	Monthly (November 2018)
All outputs	↑ 4.1%	↓ 0.2%
All inputs	↑ 7.7%	↓ 0.4%
<i>Outputs</i>		
Crop products	↑ 17%	↑ 1.6%
Cereals	↑ 26%	↑ 1.3%
Potatoes	↑ 39%	↑ 0.4%
Fresh vegetables	↑ 16%	↑ 1.7%
Forage plants	↓ 24%	0%
Animals and animal products	↓ 3.1%	↓ 0.8%
Sheep and lambs	↑ 2.1%	↑ 4.7%
<i>Inputs</i>		
Fertilisers and soil improvers	↑ 13%	↓ 0.3%
Animal feeding stuffs	↑ 15%	↑ 0.5%
Veterinary services	↑ 14%	0%

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Figure 1: Monthly indices for total Outputs and total Inputs to December 2018 (2015=100)

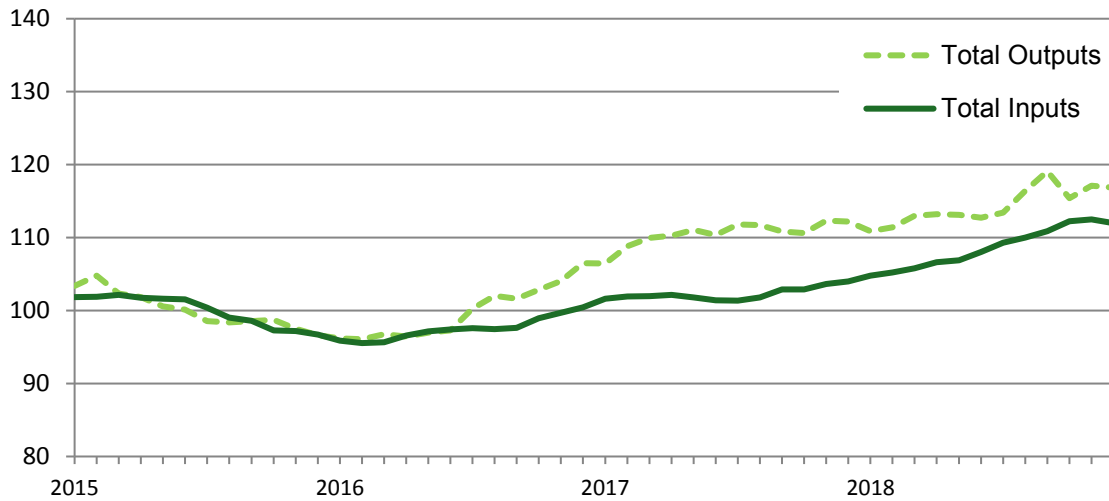


Figure 2: Annual average indices for total Inputs and total Outputs to December 2018 (2015=100)

(2015=100)

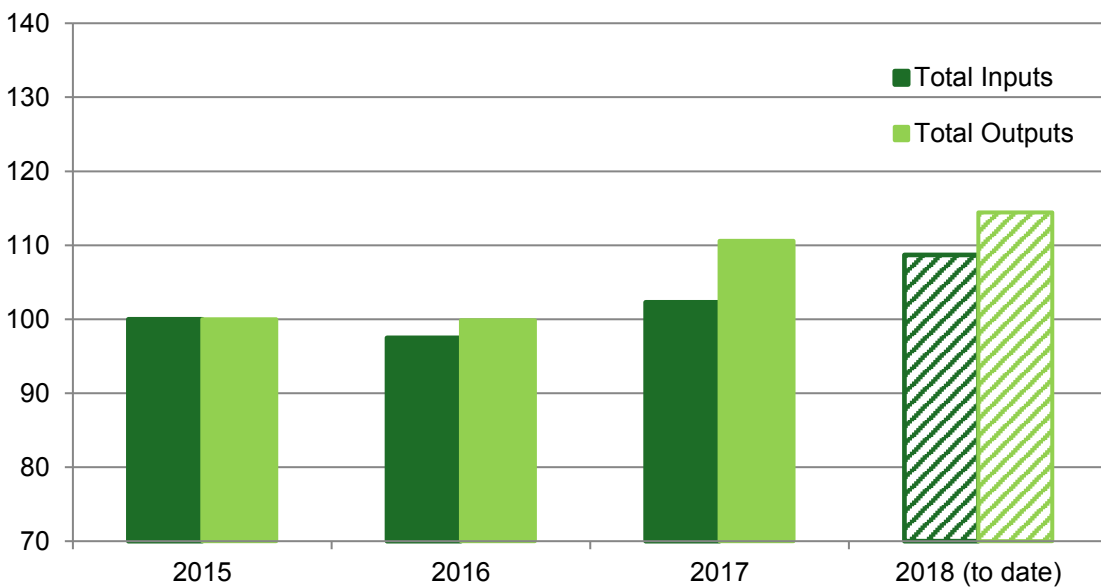
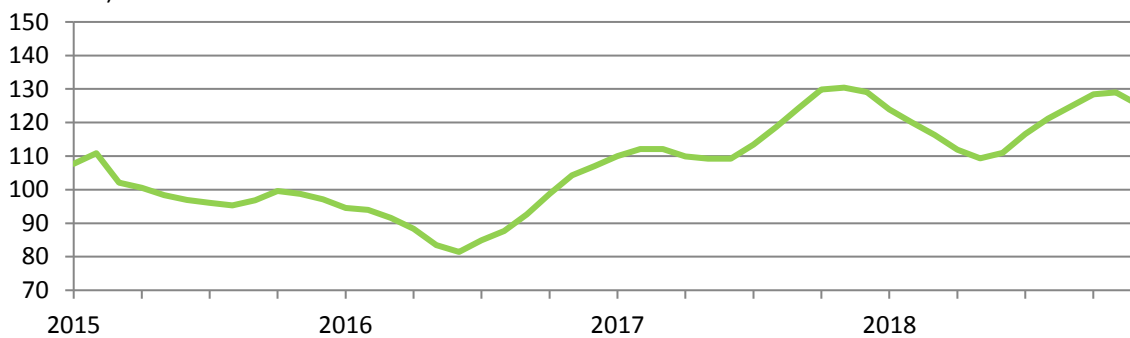


Figure 3: Milk price index to December 2018¹

(2015=100)



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

Table 1 Index of Prices of Agricultural Outputs and Inputs UK (2015=100)

	Dec-17	Nov-18	Dec-18	Yearly December 2017 to December 2018	Monthly November 2018 to December 2018
All Outputs	112.2	117.1	116.8	4.1%	-0.2%
Crop products	111.6	128.9	131.0	17.4%	1.6%
Cereals	118.4	146.7	148.7	25.6%	1.3%
Wheat	116.7	142.5	146.1	25.2%	2.5%
Barley	125.3	155.4	156.2	24.7%	0.5%
Oats	115.0	161.2	162.3	41.1%	0.7%
Potatoes	98.3	136.4	136.9	39.3%	0.4%
Industrial Crops	108.9	118.7	119.0	9.2%	0.2%
Oilseed Rape	124.0	127.6	127.8	3.1%	0.2%
Sugar Beet	92.4	97.5	97.5	5.4%	0.0%
Forage plants	153.0	116.3	116.3	-24.0%	0.0%
Fresh Vegetables	103.9	118.9	121.0	16.4%	1.7%
Fresh Fruit	122.5	111.8	110.9	-9.4%	-0.8%
Flowers and plants	105.0	105.8	105.8	0.7%	0.0%
Animals and animal products	112.5	109.9	109.0	-3.1%	-0.8%
Animals (for slaughter & export)	106.4	102.7	102.9	-3.4%	0.2%
Cattle and calves	107.2	99.5	100.4	-6.3%	0.9%
Pigs	114.8	109.2	108.0	-6.0%	-1.1%
Sheep and lambs	103.9	101.3	106.1	2.1%	4.7%
All Poultry	103.0	105.1	102.7	-0.3%	-2.3%
Animal products	122.1	121.6	118.6	-2.9%	-2.4%
Milk	129.1	129.0	125.3	-2.9%	-2.9%
Eggs	83.1	81.2	81.2	-2.3%	0.0%
All Inputs	104.0	112.5	112.0	7.7%	-0.4%
All goods and services currently consumed	104.1	113.5	112.9	8.4%	-0.6%
Seeds	99.5	104.4	104.4	4.9%	0.0%
Energy and lubricants	111.4	127.8	121.7	9.3%	-4.8%
Fertilisers and soil improvers	97.4	110.4	110.1	13.1%	-0.3%
Plant protection products	104.6	106.2	103.6	-1.0%	-2.4%
Veterinary services	101.3	115.0	115.0	13.6%	0.0%
Animal feedingstuffs	103.9	118.7	119.2	14.7%	0.5%
Straight feedingstuffs	107.9	127.0	128.7	19.3%	1.3%
Compound feedingstuffs	102.1	114.8	114.8	12.5%	0.0%
Maintenance of Materials	104.4	107.8	107.9	3.3%	0.1%
Maintenance of Buildings	106.9	111.3	111.4	4.2%	0.1%
Other goods and services	105.5	106.1	106.2	0.6%	0.1%
Goods and services contributing to investment	103.5	108.1	108.1	4.5%	0.0%
Materials	102.6	107.6	107.6	4.9%	0.0%
Buildings	105.5	109.3	109.4	3.7%	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 estimates are made based on previous values 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 price point is assigned a weight which reflects its contribution to the overall index. The weights for each item represent their annual monetary value from the Agricultural Accounts. For example, if the annual value of animal feed purchased is three times more than fertilisers then the annual weight for animal feed will also be three times more than for fertiliser. Where monthly data is available, monthly and quarterly weights for outputs reflect the pattern of sales volumes across the year. For example, if the volume of sales for apples in October is double that in June, then the October weight for apples is double the weight for June. Monthly and quarterly weights for input items do not vary within the year. The weights are recalculated every five years to reflect more recent data. The April 2018 index was the first to be produced using weights based on 2015, replacing weights based on 2010.

Revisions

Figures in this notice are provisional and subject to revision.