



## Agricultural Price Index – April 2019

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.

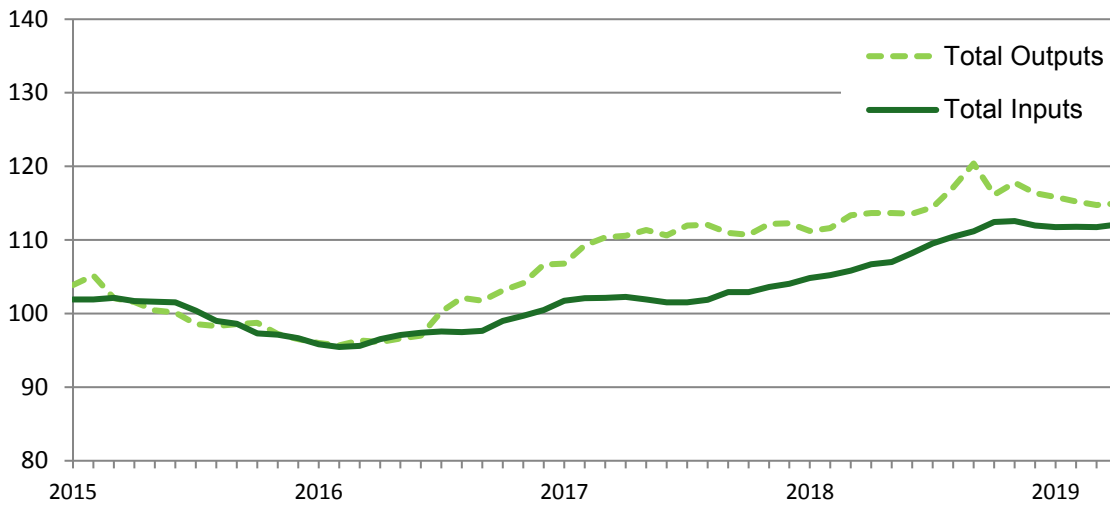
### Key points at April 2019

- Outputs show a slight increase on the previous month (up 0.2 points) driven by rises across a range of livestock prices, most notably sheep, and a large increase for fresh fruit prices. These price increases were somewhat offset by ongoing price declines for cereals.
- Outputs are overall higher in comparison to April 2018 (up 1.3 points), largely driven by significantly higher crop prices; particularly for cereals, fruit and vegetables and potatoes. This was offset by prices for forage crops and a range of livestock, in particular sheep, which are lower than in the previous year.
- Inputs show a small increase in comparison to the previous month (up 0.4 points), with a large rise in energy costs being offset somewhat by falling fertiliser and straight feedstuff prices.
- Inputs continue to be substantially higher in comparison to the previous year, up 5.4 points from April 2018. This can be attributed to higher prices across all inputs, the most significant of which are large price rises for veterinary services, fertilisers, energy and feeding stuffs.

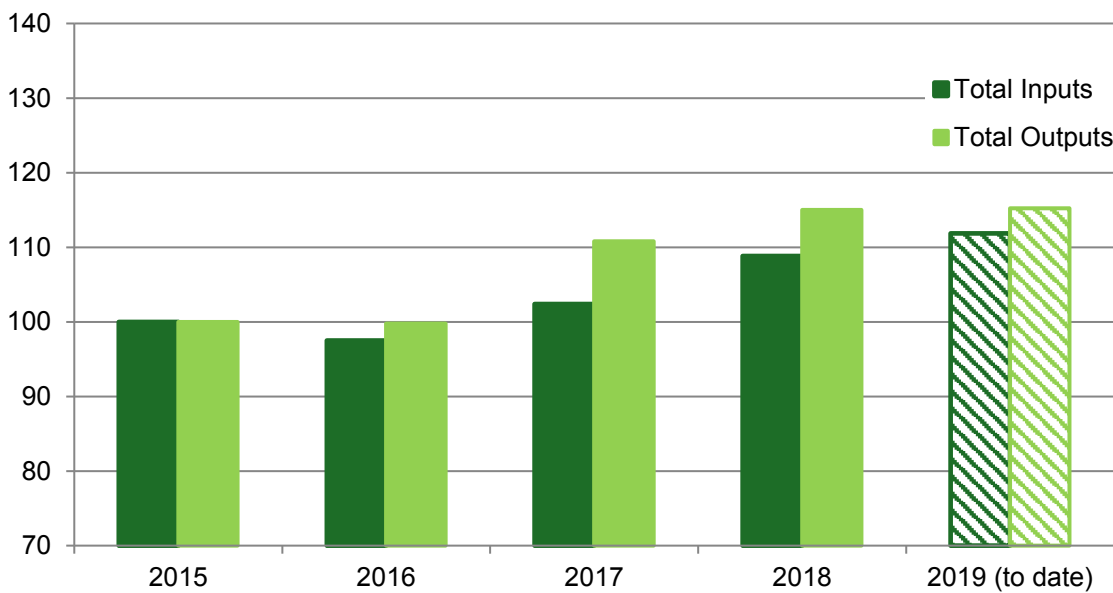
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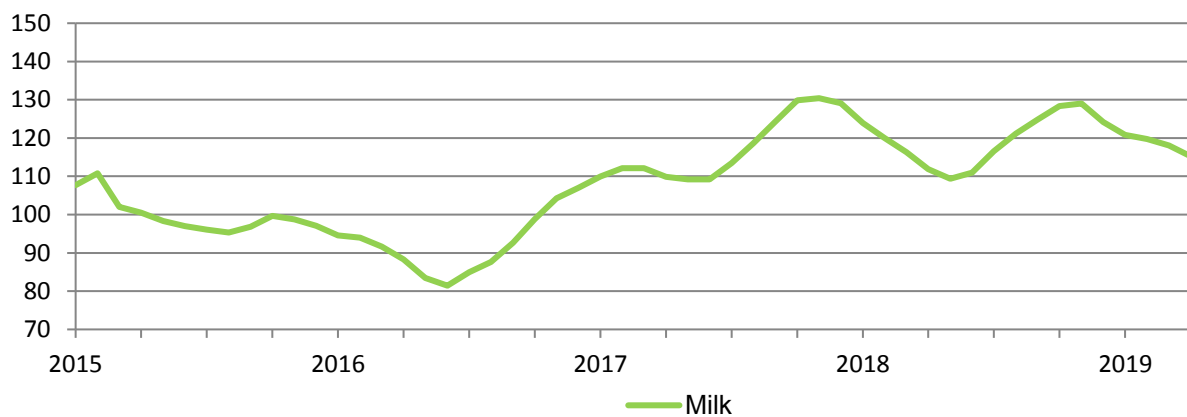
**Figure 1: Monthly indices for total Outputs and total Inputs to April 2019 (2015=100)**



**Figure 2: Annual average indices for total Inputs and total Outputs to April 2019 (2015=100)**

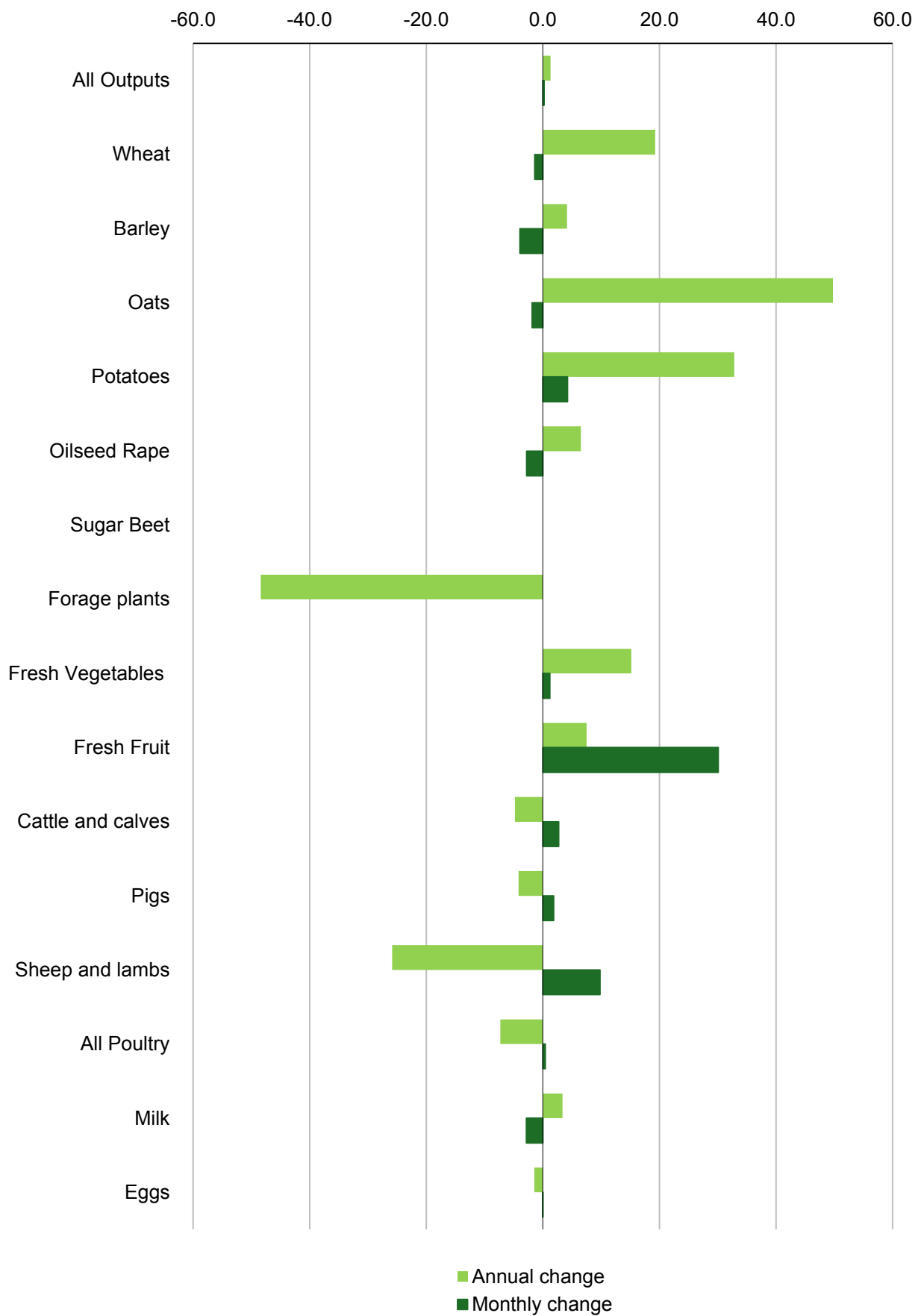


**Figure 3: Milk price index to April 2019<sup>1</sup> (2015=100)**

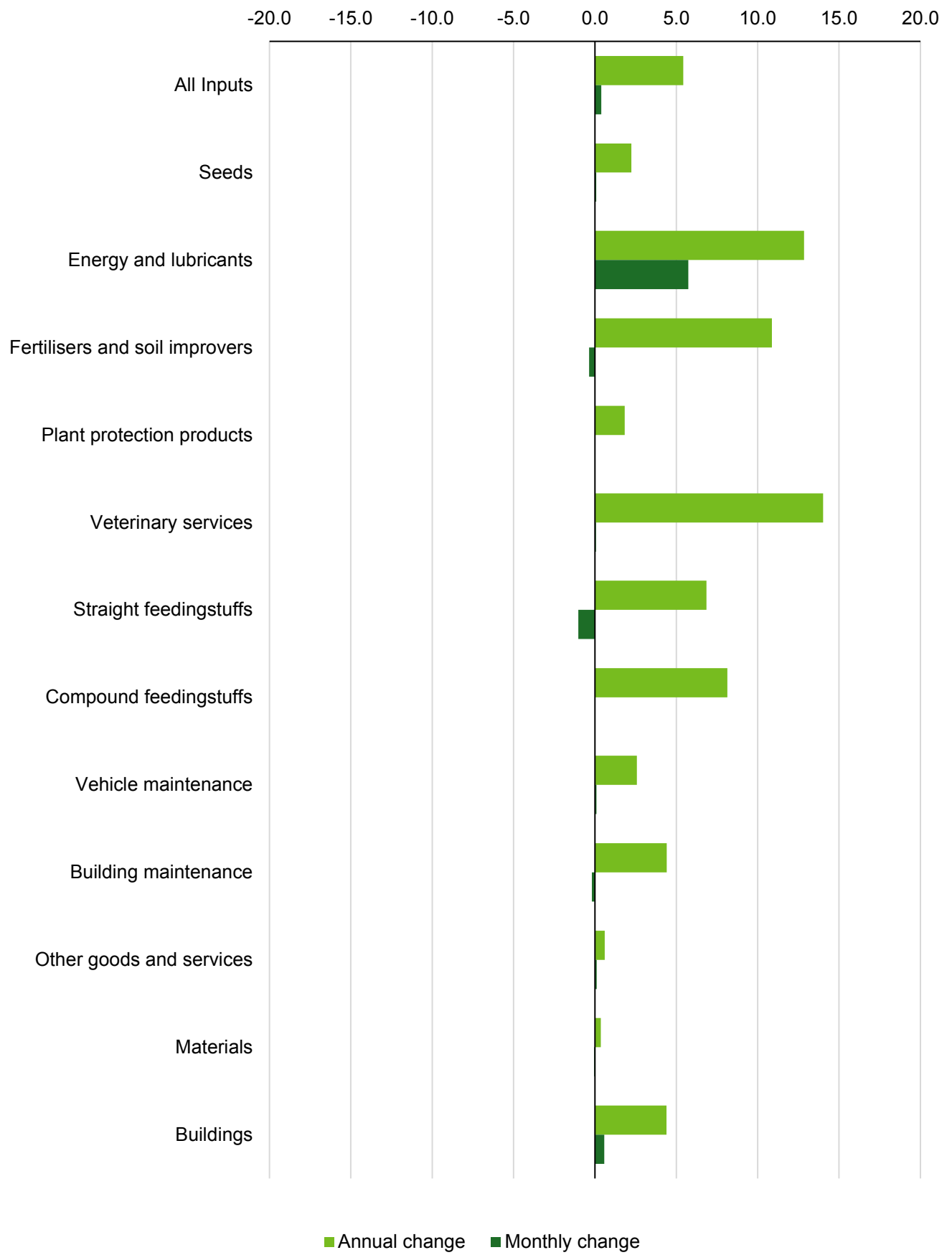


<sup>1</sup> For more detail visit <https://www.gov.uk/government/collections/milk-prices-and-composition>

**Figure 4: Monthly and annual index changes for selected outputs (2015=100)**



**Figure 5: Monthly and annual index changes for selected inputs (2015=100)**



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

	Apr-18	Mar-19	Apr-19	Yearly April 2018 to April 2019	Monthly March 2019 to April 2019
<b>All Outputs</b>	113.6	114.8	115.0	1.3	0.2
<b>Crop products</b>	117.4	129.4	130.4	13.0	1.0
Cereals	122.5	141.7	140.1	17.5	-1.6
Wheat	121.4	142.1	140.7	19.3	-1.4
Barley	128.8	136.9	132.9	4.2	-3.9
Oats	114.9	166.5	164.7	49.8	-1.8
Potatoes	110.3	138.9	143.2	32.9	4.2
Industrial Crops	112.2	124.4	122.8	10.5	-1.6
Oilseed Rape	115.1	124.4	121.6	6.5	-2.8
Sugar Beet	116.2	116.2	116.2	0.0	0.0
Forage plants	164.7	116.3	116.3	-48.4	0.0
Fresh Vegetables	113.7	127.7	128.9	15.2	1.2
Fresh Fruit	159.5	137.0	167.0	7.5	30.1
<b>Animals and animal products</b>	111.8	106.7	107.3	-4.5	0.6
Animals	114.0	102.6	105.5	-8.4	2.9
Cattle and calves	106.8	99.3	102.0	-4.8	2.7
Pigs	110.7	104.7	106.6	-4.1	1.9
Sheep and lambs	147.1	111.5	121.3	-25.9	9.8
All Poultry	108.7	101.0	101.4	-7.3	0.4
Animal products	107.9	112.9	110.5	2.6	-2.4
Milk	111.9	118.1	115.3	3.4	-2.8
Eggs	82.0	80.6	80.6	-1.4	0.0
<b>All Inputs</b>	106.7	111.8	112.1	5.4	0.4
<b>All goods and services currently consumed</b>	106.7	112.5	113.0	6.3	0.4
Seeds	105.0	107.1	107.2	2.2	0.1
Energy and lubricants	112.4	119.5	125.2	12.8	5.7
Fertilisers and soil improvers	93.5	104.7	104.4	10.9	-0.4
Plant protection products	104.5	106.3	106.3	1.8	0.0
Veterinary services	101.4	115.3	115.4	14.0	0.1
Animal feedingstuffs	111.0	119.1	118.8	7.7	-0.3
Straight feedingstuffs	118.9	126.8	125.8	6.9	-1.0
Compound feedingstuffs	107.5	115.6	115.6	8.1	0.0
Vehicle maintenance	105.9	108.4	108.5	2.6	0.1
Building maintenance	108.7	113.2	113.1	4.4	-0.2
Other goods and services	105.7	106.2	106.3	0.6	0.1
<b>Goods and services contributing to investment</b>	106.9	108.4	108.5	1.6	0.1
Materials	106.8	107.2	107.2	0.4	0.0
Buildings	107.2	111.1	111.6	4.4	0.6

## 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.

## National Statistics Status

National Statistics status means that our statistics meet the highest standards of trustworthiness, quality and public value, and it is our responsibility to maintain compliance with these standards.

These statistics last underwent a full assessment [[Assessment Report 271 Statistics on Agriculture](#)] against the [Code of Practice for Statistics](#) in 2014.

Since the latest review by the Office for Statistics Regulation, we have continued to comply with the Code of Practice for Statistics. We have also made improvements to enhance the quality of this publication as part of our regular 5-year rebasing, which has included updating the range of prices collected based on availability and quality, and improving weighting methodology in line with Eurostat guidance.

## **Revisions**

Figures in this notice are provisional and subject to revision.