



Agricultural Price Index – September 2019

The Agricultural Price Index (API) is an index of the price of agricultural outputs and inputs for the UK used to track 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 September 2019

Outputs

- Outputs overall are significantly lower compared to the peak seen in September 2018 (down 10.4 points). This is driven by lower prices for virtually all outputs, with cereals and potatoes showing the largest fall in this time. The only exceptions to these generally lower prices are the moderate increases seen for oilseed rape and pigs.
- Outputs overall show a small decrease on the previous month (down 0.6 points) driven by general price decreases for all cereals and a large decrease for potatoes following the new harvest. These are somewhat offset by price increases for milk, pigs and fresh fruit.

Inputs

- In contrast to the rest of 2019, inputs this month are lower in comparison to the previous year, down 0.9 points from September 2018. This is driven by significant price decreases for feedstuffs and fertilisers, and is offset by increases for plant protection products and vehicle and building maintenance.
- Inputs show a slight decrease on the previous month (down 0.6 points), with declines in feedstuff, energy and fertiliser prices driving this change. These were somewhat offset by small increases in vehicle and building maintenance costs.

Enquiries on this publication to: Francesca Bryden, Rm 202 Foss House, Kings Pool, 1-2 Peasholme Green, York, YO1 7PX Tel: 0208 026 4065 email: prices@defra.gov.uk

A National Statistics publication. National Statistics are produced to high professional standards. They undergo regular quality assurance reviews to ensure that they meet customer needs. They are produced free from any political interference. For general enquiries about National Statistics, contact the National Statistics Public Enquiry Service: tel. 0845 601 3034 email info@statistics.gov.uk.

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

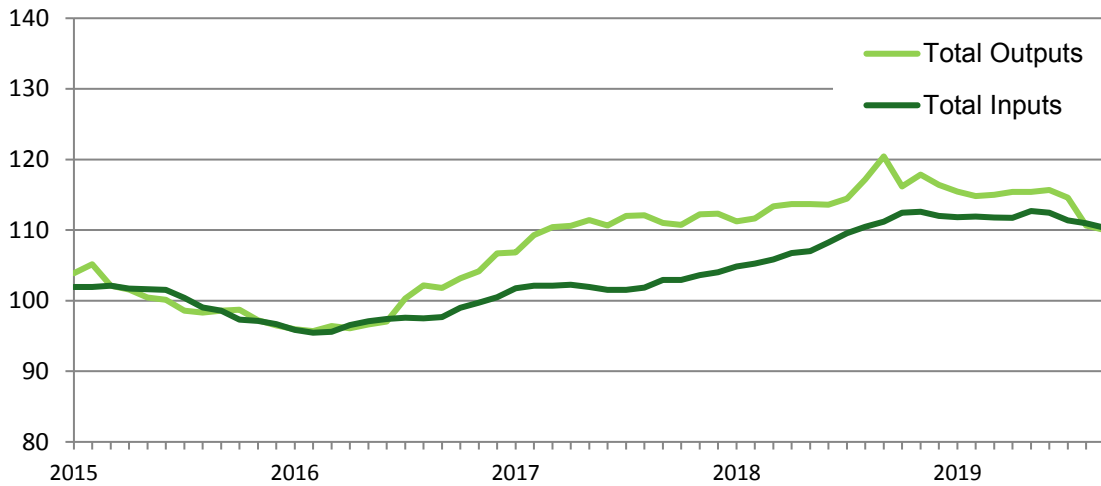


Figure 2: Annual average indices for total Inputs and total Outputs to September 2019 (2015=100)

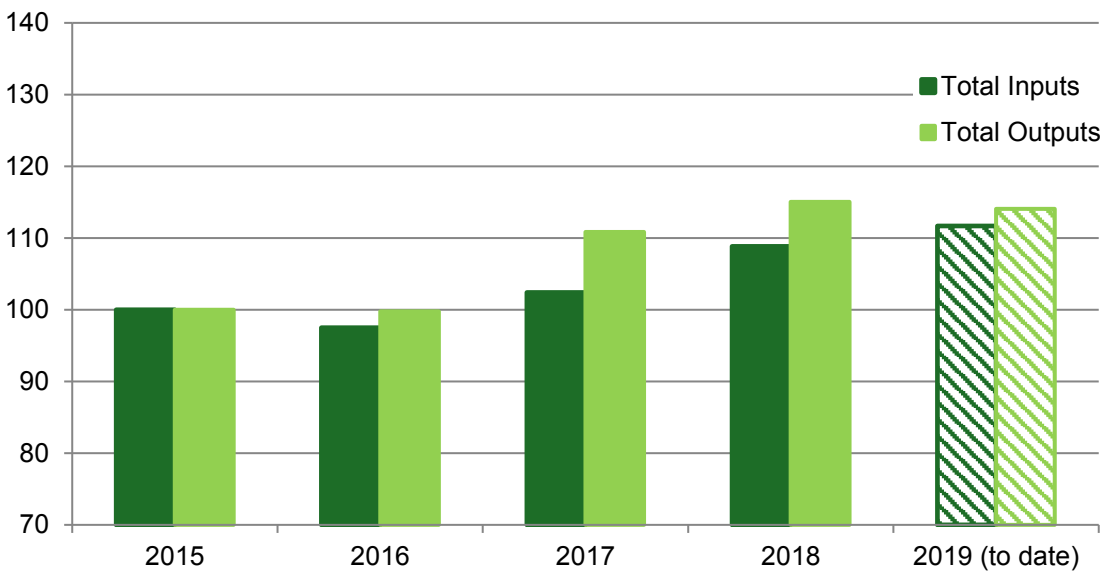
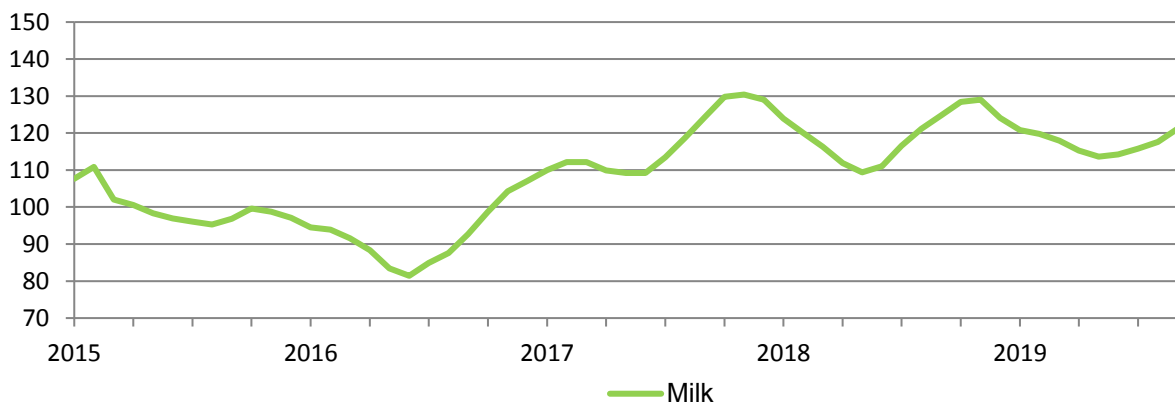


Figure 3: Milk price index to September 2019¹ (2015=100)



¹ 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)

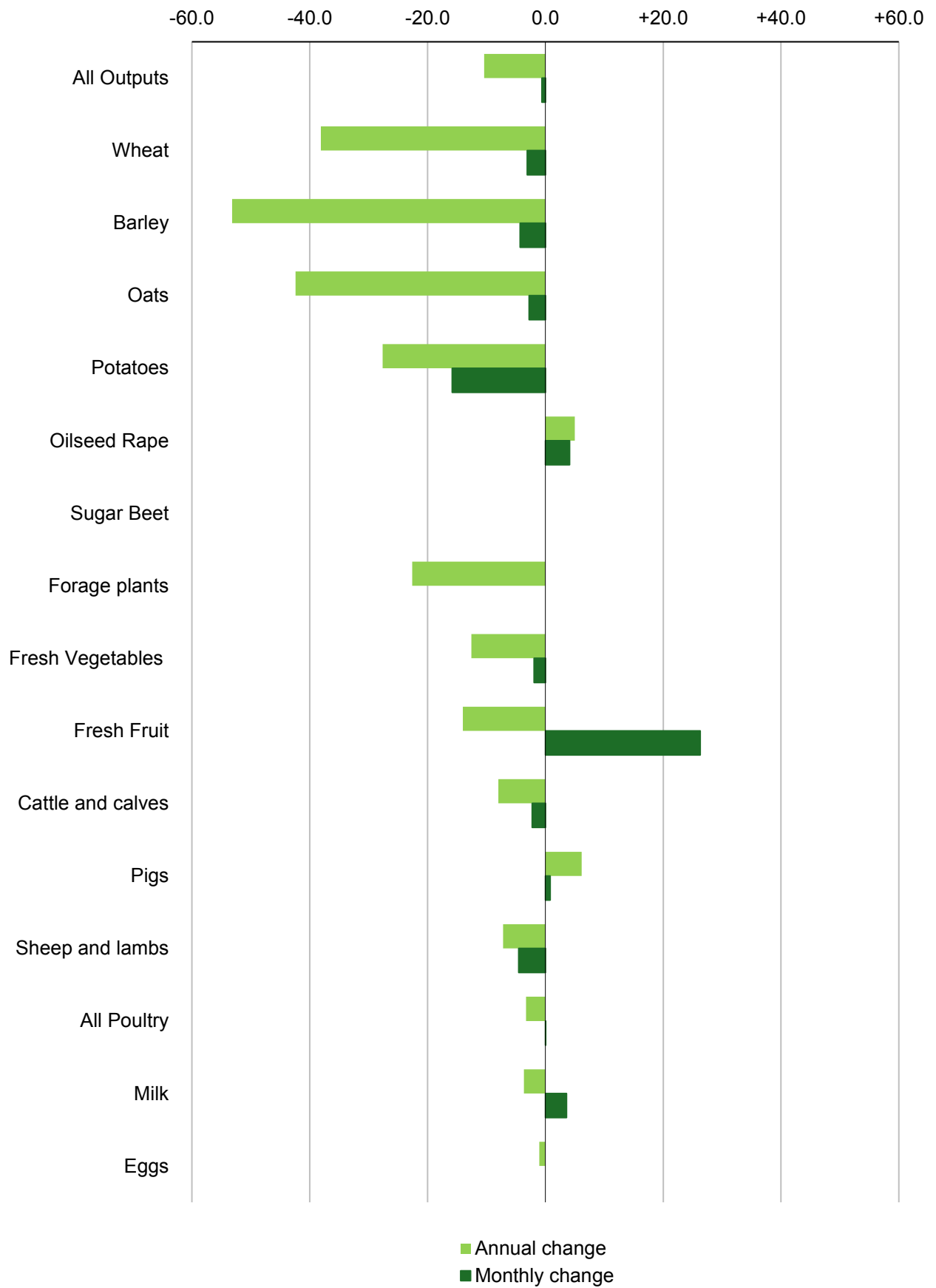


Figure 5: Monthly and annual index changes for selected inputs (2015=100)

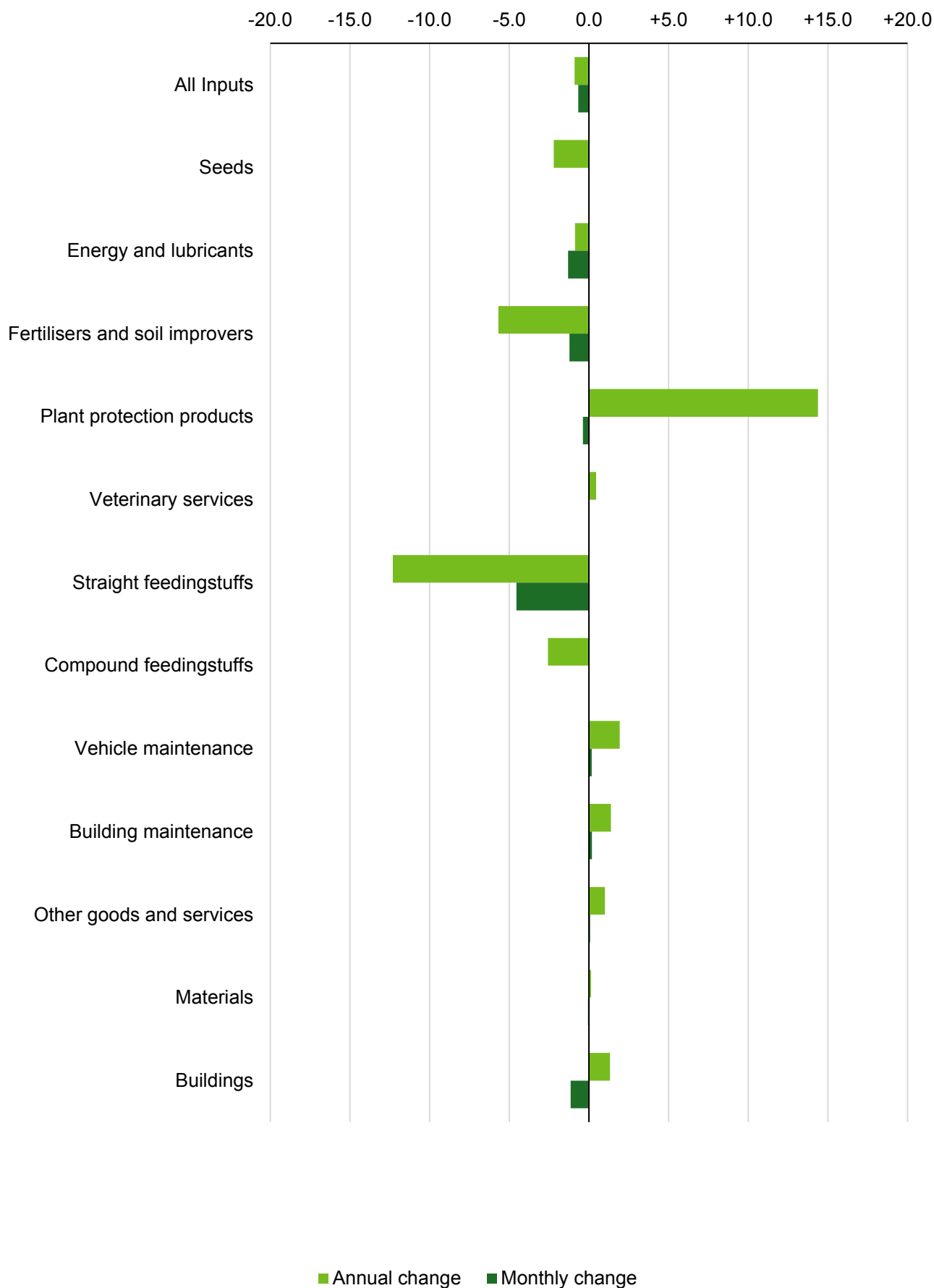


	Table 1 Index of Prices of Agricultural Outputs and Inputs UK (2015=100)			Yearly	Monthly
	Sep-18	Aug-19	Sep-19	September 2018 to September 2019	August 2019 to September 2019
All Outputs	120.4	110.6	110.0	-10.4	-0.6
Crop products	134.8	115.4	114.7	-20.2	-0.7
Cereals	151.9	112.6	109.3	-42.6	-3.3
Wheat	148.1	113.1	110.0	-38.1	-3.1
Barley	161.0	112.1	107.9	-53.2	-4.3
Oats	149.2	109.5	106.8	-42.4	-2.7
Potatoes	134.3	122.5	106.7	-27.6	-15.8
Industrial Crops	120.6	123.3	121.8	+1.2	-1.5
Oilseed Rape	124.0	124.9	129.1	+5.0	+4.1
Sugar Beet ⁽¹⁾	116.2	116.2	116.2	0.0	0.0
Forage plants	138.9	116.3	116.3	-22.6	0.0
Fresh Vegetables	135.8	125.2	123.2	-12.5	-1.9
Fresh Fruit	140.7	100.4	126.7	-14.0	+26.3
Animals and animal products	110.8	106.8	106.9	-3.9	+0.2
Animals	106.0	103.3	101.8	-4.2	-1.5
Cattle and calves	103.1	97.4	95.1	-8.0	-2.3
Pigs	112.4	117.8	118.6	+6.2	+0.8
Sheep and lambs	104.8	102.2	97.7	-7.2	-4.5
All Poultry	106.8	103.5	103.5	-3.3	+0.0
Animal products	118.2	111.9	114.9	-3.2	+3.0
Milk	124.8	117.6	121.2	-3.6	+3.6
Eggs	81.6	80.6	80.6	-1.0	0.0
All Inputs	111.2	111.0	110.3	-0.9	-0.7
All goods and services currently consumed	111.9	111.4	110.7	-1.2	-0.7
Seeds	105.8	103.6	103.6	-2.2	0.0
Energy and lubricants	124.7	125.2	123.8	-0.9	-1.3
Fertilisers and soil improvers	108.2	103.7	102.5	-5.7	-1.2
Plant protection products	104.3	119.1	118.7	+14.4	-0.4
Veterinary services	114.8	115.2	115.3	+0.5	+0.0
Animal feedingstuffs	116.0	111.8	110.3	-5.6	-1.4
Straight feedingstuffs	124.3	116.5	112.0	-12.3	-4.5
Compound feedingstuffs	112.1	109.6	109.6	-2.6	0.0
Vehicle maintenance	107.3	109.1	109.3	+1.9	+0.2
Building maintenance	111.0	112.1	112.3	+1.4	+0.2
Other goods and services	106.2	107.1	107.2	+1.0	+0.1
Goods and services contributing to investment	108.0	108.9	108.5	+0.5	-0.4
Materials	107.6	107.8	107.7	+0.1	-0.1
Buildings	108.9	111.4	110.3	+1.3	-1.1

(1) Sugar beet prices are provided annually and with a delay of upwards of a year.

Lack of change in this index monthly or yearly is not necessarily representative of the price changes within this market.

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.