



Agricultural Price Index – June 2020

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 June 2020

Outputs

- The price index for total outputs is 3.3 points higher compared with June 2019. This was driven by higher prices for crop products (+4.8 points), and animals and animal products (+2.3 points), with fresh fruit and forage plants showing the largest price increases. This was partially offset by significantly lower prices for potatoes, milk and cereals (specifically oats and barley).
- Compared with May 2020, total outputs increased by 1.3 points. This was driven by a price increase of 0.6 points crop products and 0.9 points for animals and animal products. While price increases were recorded for most outputs, fresh fruit showed a significant fall (–50.4 points) compared with last month.
- The increase in fresh fruit prices was driven by seasonal variation in strawberry and raspberry prices, coupled with a continued fall in prices since April 2020, when UK Covid-19 restrictions significantly affected fruit picking and consumer behaviour.

Inputs

- The price index for total inputs is 2.8 points lower compared with the same time last year (June 2019). This was driven by significant price decreases for energy and lubricants (–22.4 points), and fertilisers and soil improvers (–16.1 points), somewhat offset by a price increase for plant protection products (+13.3 points).
- Total inputs decreased by –0.7 points compared with May 2020, with price decreases across all but one input category: energy and lubricants (+1.0 points). The largest monthly price index change was for fertilisers and soil improvers (–5.8 points).

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What you need to know about this release

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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.

For general enquiries about National Statistics, contact the National Statistics Public Enquiry Service:

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You can find more information about National Statistics at statistics.gov.uk.

Section 1 – Summary charts for prices indices

Figure 1: Monthly indices for Total Outputs and Total Inputs to June 2020 (2015 = 100)

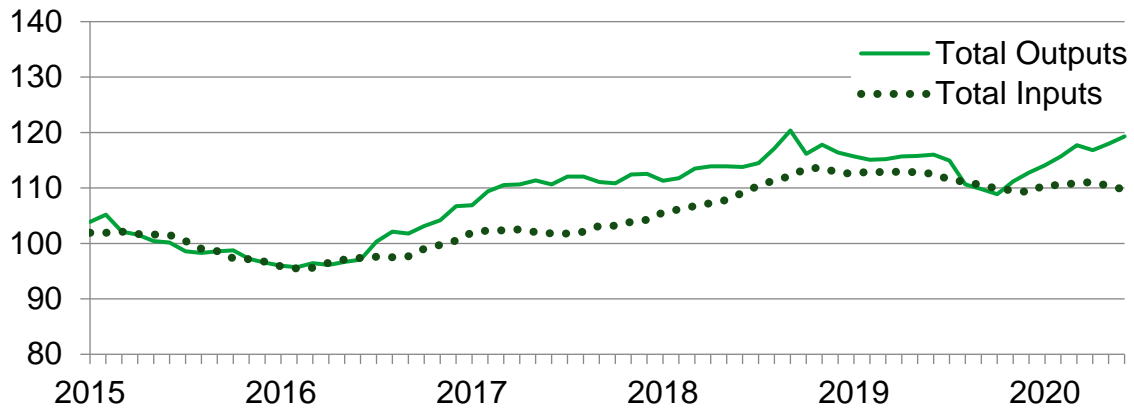


Figure 2: Annual average indices for Total Inputs and Total Outputs to June 2020 (2015 = 100)

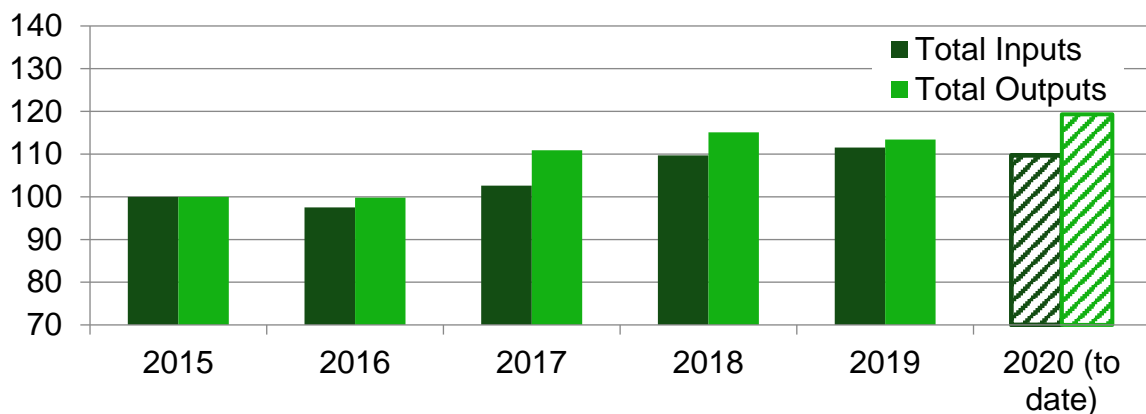
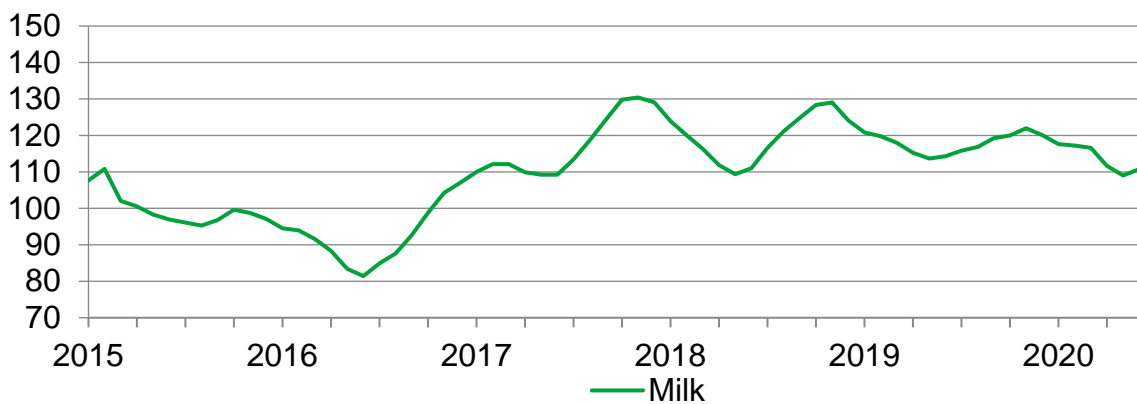


Figure 3: Milk price index to June 2020 (2015 = 100). For more information visit the monthly UK [farm-gate milk price](#) publication.



Section 2 – Details of selected outputs and inputs

Figure 4: Change in annual and monthly price indices for selected outputs for June 2020 (2015 = 100)

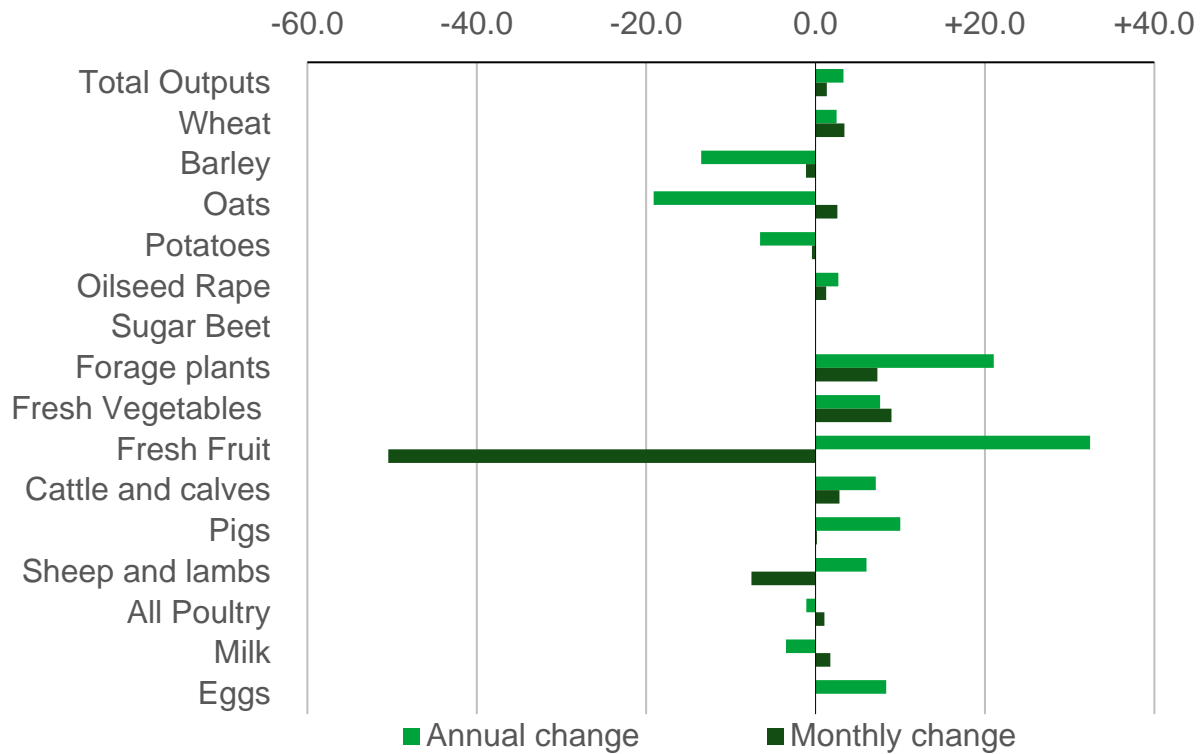
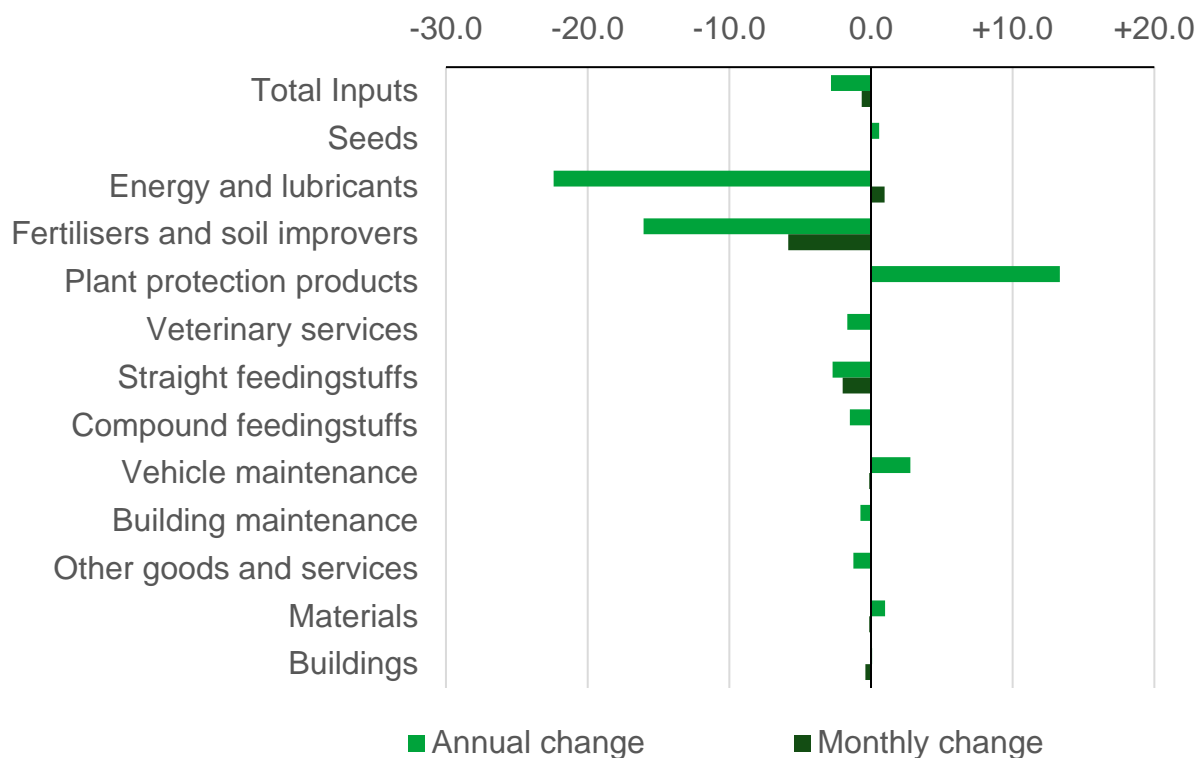


Figure 5: Change in annual and monthly price indices for selected inputs for June 2020 (2015 = 100)



Section 3 – Summary table of price indices

Table 1: Index of prices of agricultural outputs and inputs to June 2020 (2015 = 100), with annual change calculated as the difference from June 2019 and monthly change calculated as the difference from May 2020

	June 2019	May 2020	June 2020	Annual change	Monthly change
Total Outputs	116	118	119.3	3.3	1.3
Crop products	127.7	131.8	132.4	4.8	0.6
Cereals	132.1	128.5	131.5	-0.6	3
Wheat	132.3	131.4	134.8	2.5	3.4
Barley	128.1	115.8	114.6	-13.5	-1.1
Oats	145.1	123.5	126	-19.1	2.6
Potatoes	150.4	144.3	143.9	-6.5	-0.4
Industrial Crops	119.3	119.7	119.4	0.1	-0.3
Oilseed Rape	121.4	122.8	124.1	2.7	1.3
Sugar Beet (1)	100.4	100.4	100.4	0	0
Forage plants	137.7	151.4	158.7	21	7.3
Fresh Vegetables	126.9	125.6	134.5	7.6	9
Fresh Fruit	143.7	226.6	176.1	32.4	-50.4
Animals and animal products	107.8	109.2	110.1	2.3	0.9
Animals	106.8	111	111.7	5	0.7
Cattle and calves	98.2	102.5	105.3	7.1	2.8
Pigs	115.2	125	125.2	10	0.2
Sheep and lambs	118.6	132.2	124.6	6	-7.6
All Poultry	106.7	104.6	105.6	-1.1	1
Animal products	109.4	106.6	107.7	-1.7	1.1
Milk	114.3	109	110.8	-3.5	1.7
Eggs	81.9	90.2	90.2	8.3	0
Total Inputs	112.5	110.4	109.7	-2.8	-0.7
All goods and services currently consumed	113.4	110.6	109.8	-3.6	-0.8
Seeds	103.6	104.2	104.2	0.6	0
Energy and lubricants	125.9	102.6	103.5	-22.4	1
Fertilisers and soil improvers	103.6	93.4	87.6	-16.1	-5.8
Plant protection products	114.5	127.8	127.8	13.3	0
Veterinary services	115.2	113.5	113.5	-1.7	0
Animal feedingstuffs	117.1	115.8	115.2	-1.9	-0.6
Straight feedingstuffs	125.4	124.7	122.7	-2.7	-2
Compound feedingstuffs	113.3	111.8	111.8	-1.5	0
Vehicle maintenance	109.2	112.1	111.9	2.8	-0.1
Building maintenance	112.2	111.5	111.5	-0.7	0
Other goods and services	109.9	108.7	108.7	-1.2	0
Goods and services	108.6	109.5	109.3	0.7	-0.2

contributing to investment (2)

Materials	107.4	108.5	108.4	1	-0.1
Buildings	111.2	111.7	111.3	0.1	-0.4

(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.

(2) Provisional.

Section 4 – About these statistics

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.