



Agricultural Price Index – August 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 August 2020

Outputs

- The price index for total outputs increased 5.9 points compared with August 2019, reflecting an increase for both crop products (+7.9 points), and animals and animal products (+4.4 points). Higher prices were reported across all crop products (most significantly forage, fresh fruit and wheat), with fresh vegetables being the only exception (-1.8 points). Higher prices were reported for all animal categories except poultry, partially offset by lower prices for milk.
- Compared with July 2020, the price index for total outputs decreased 3.8 points, similar in magnitude and direction to the same period last year. Within crop products (-8.7 points), there were particularly large price decreases for fresh fruit (-44.3 points) and potatoes (-23.6 points). Slightly lower prices for animals (-0.9 points) and slightly higher prices for animal products (+1.0 point) resulted in little change in aggregate for the animals & animal products sector.

Inputs

- The price index for total inputs decreased 0.7 points compared with August 2019, a result of significantly lower prices for fertilisers and soil improvers, and energy and lubricants, partially offset by higher prices for plant protection products and animal feedingstuffs.
- In contrast with July 2020, the price index for total inputs increased only marginally (+0.3 points), with modest price variations in both directions balancing out in aggregate.

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What you need to know about this release

Historical revisions in this release

Please note this statistical notice includes an update to the herbicide price index from January 2018 to present, rectifying an error in the previous calculations.

This release also includes revised potato seed prices for January 2018 to present.

Contact details

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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:

Tel: 0845 601 3034

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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 August 2020 (2015 = 100)

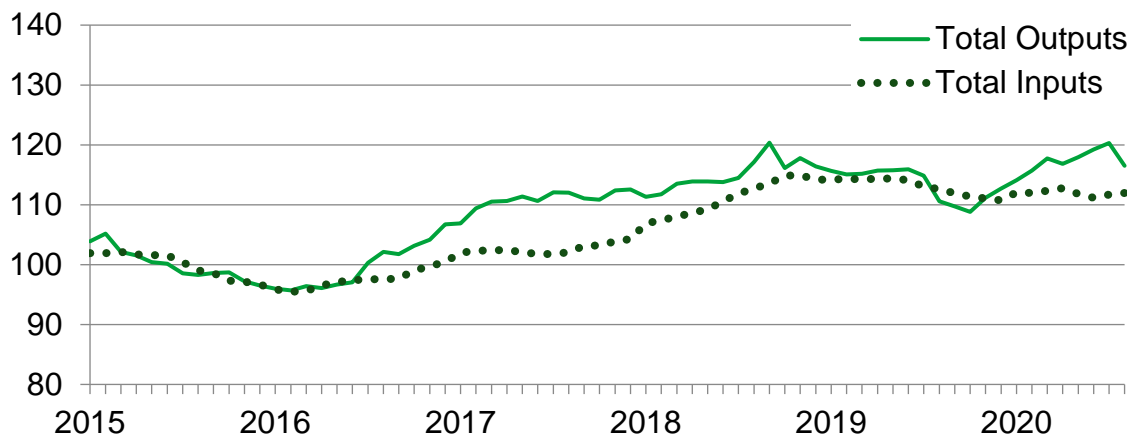


Figure 2: Annual average indices for Total Inputs and Total Outputs to August 2020 (2015 = 100)

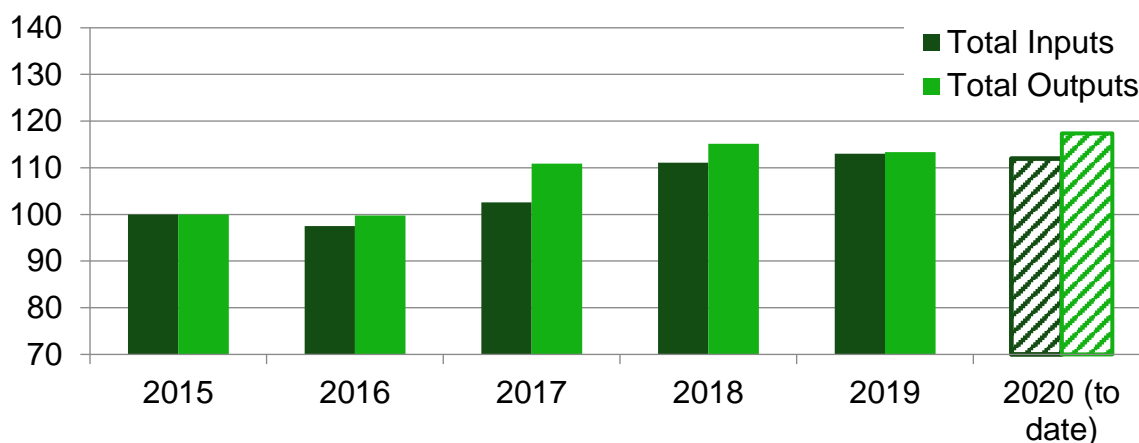
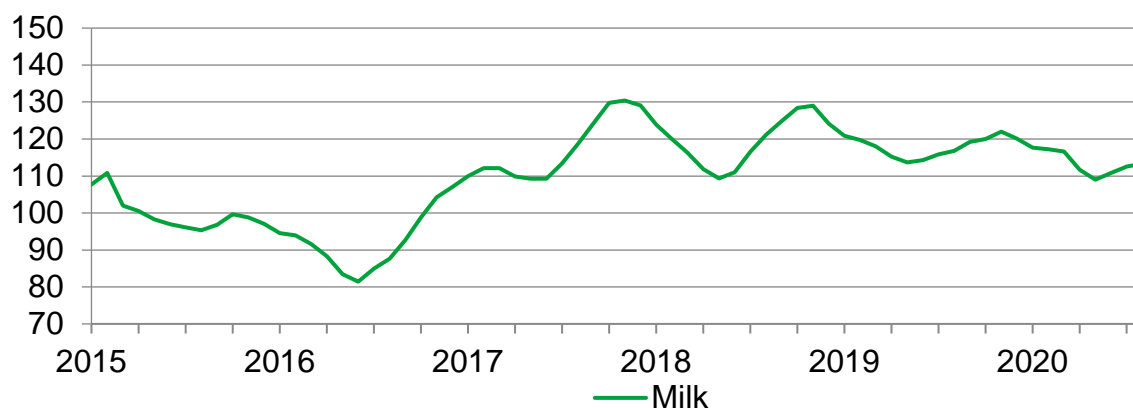


Figure 3: Milk price index to August 2020 (2015 = 100). For more information visit the monthly UK [farm-gate milk price](#) publication.



Section 2 – Details of selected outputs and inputs

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

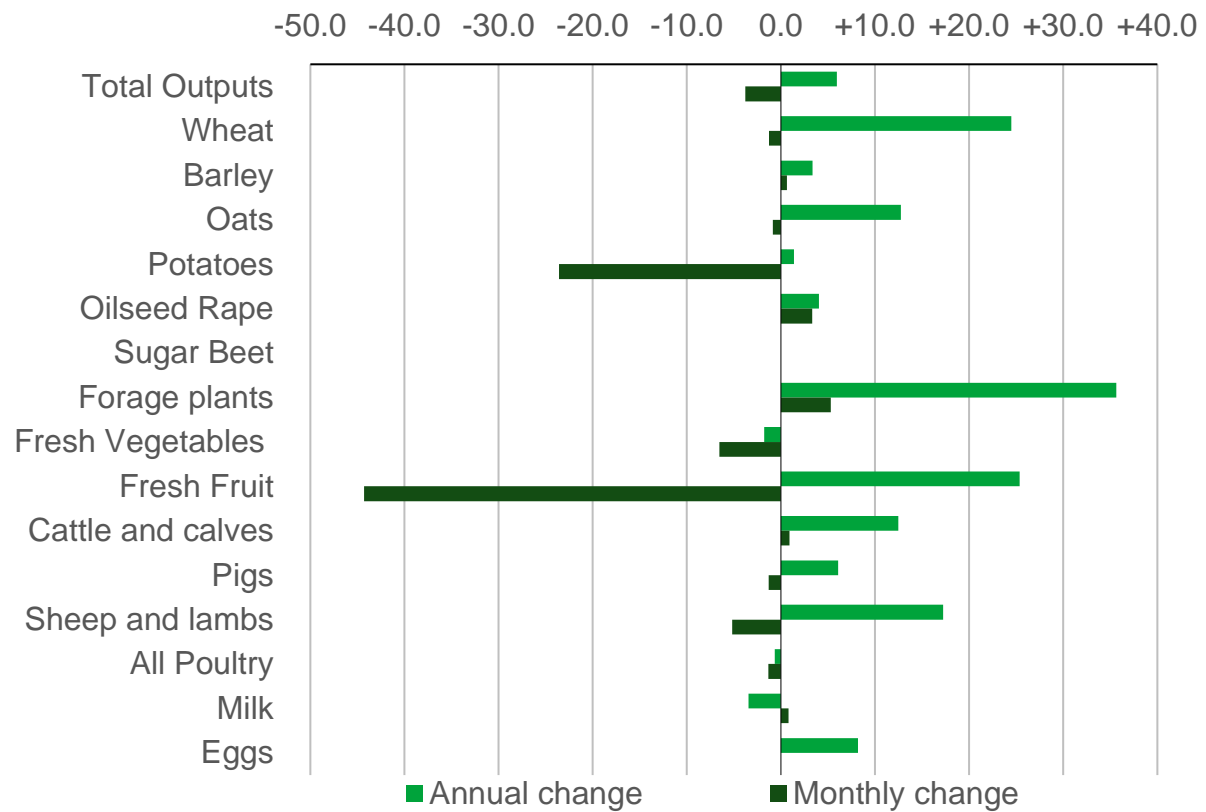
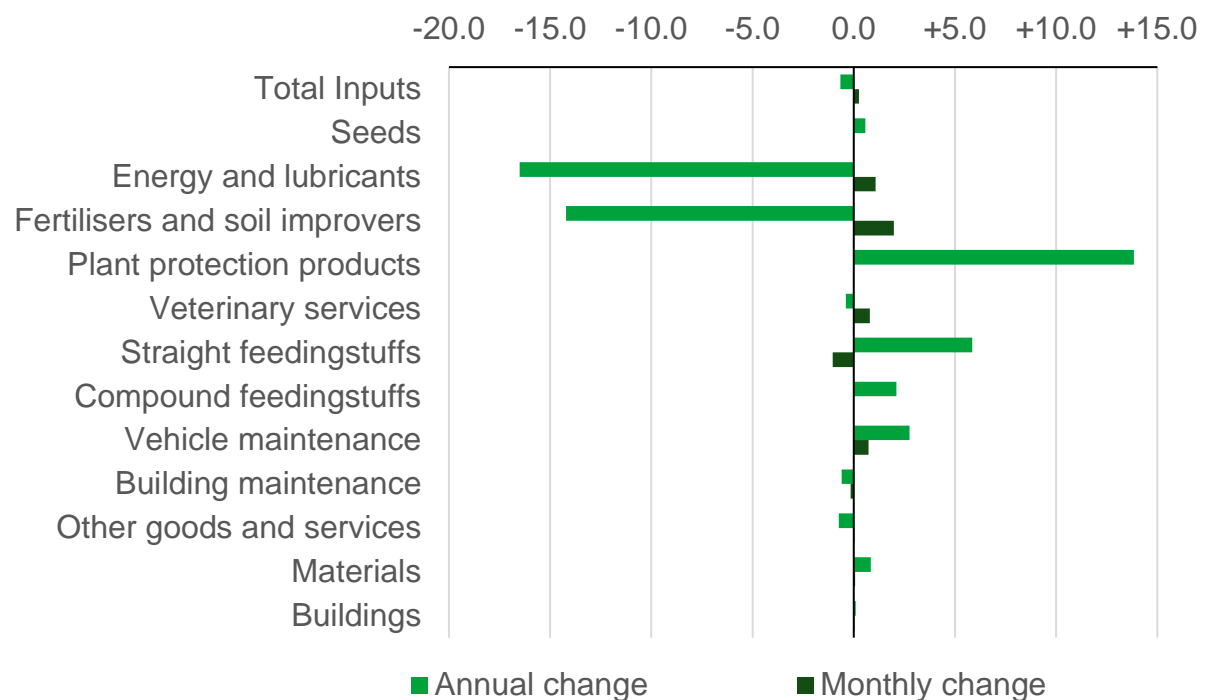


Figure 5: Change in annual and monthly price indices for selected inputs for August 2020 (2015 = 100)



Section 3 – Summary table of price indices

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

	August 2019	July 2020	August 2020	Annual change	Monthly change
Total Outputs	110.6	120.3	116.5	5.9	-3.8
Crop products	115.2	131.8	123.1	7.9	-8.7
Cereals	112.6	128.2	127.9	15.3	-0.3
Wheat	113.1	138.8	137.5	24.5	-1.3
Barley	112.1	114.9	115.5	3.4	0.7
Oats	109.5	123.1	122.3	12.7	-0.8
Potatoes	122.5	147.4	123.8	1.4	-23.6
Industrial Crops	121.6	122.6	125.0	3.4	2.4
Oilseed Rape	124.9	125.7	129.0	4.0	3.3
Sugar Beet	100.4	100.4	100.4	0.0	0.0
Forage plants	128.1	158.5	163.8	35.7	5.3
Fresh Vegetables	125.5	130.3	123.7	-1.8	-6.5
Fresh Fruit	100.4	170.0	125.7	25.4	-44.3
Animals and animal products	106.8	111.5	111.2	4.4	-0.3
Animals	103.9	113.2	112.3	8.4	-0.9
Cattle and calves	97.4	108.9	109.8	12.5	0.9
Pigs	117.8	125.1	123.8	6.1	-1.3
Sheep and lambs	102.2	124.6	119.4	17.2	-5.2
All Poultry	105.5	106.2	104.8	-0.6	-1.3
Animal products	111.1	108.4	109.5	-1.7	1.0
Milk	116.8	112.6	113.4	-3.5	0.8
Eggs	82.0	90.2	90.2	8.2	0.0
Total Inputs	112.6	111.7	111.9	-0.7	0.3
All goods and services currently consumed	113.5	112.2	112.5	-1.0	0.3
Seeds	112.2	112.8	112.8	0.6	0.0
Energy and lubricants	125.2	107.6	108.6	-16.5	1.1
Fertilisers and soil improvers	103.7	87.5	89.5	-14.2	2.0
Plant protection products	132.4	146.3	146.3	13.8	0.0
Veterinary services	115.2	114.0	114.8	-0.4	0.8
Animal feedingstuffs	111.7	115.3	115.0	3.3	-0.3
Straight feedingstuffs	116.4	123.3	122.3	5.9	-1.0
Compound feedingstuffs	109.6	111.7	111.7	2.1	0.0
Vehicle maintenance	109.3	111.3	112.0	2.8	0.7
Building maintenance	112.1	111.7	111.5	-0.6	-0.2
Other goods and services	110.3	109.5	109.5	-0.7	0.0
Goods and services contributing to investment (2)	108.8	109.3	109.4	0.6	0.1

Materials	107.8	108.5	108.6	0.8	0.1
Buildings	111.0	111.1	111.1	0.1	0.0

(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 outputs and monitor the prices 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 and 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. When new data become available, historical revisions are made and a note is added in the 'What you need to know about this release' section.

The methodology used is described in the Handbook for EU Agricultural Price Statistics 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.

User engagement

As part of our ongoing commitment to compliance with the Code of Practice for Official Statistics, we wish to strengthen our engagement with users of these statistics and better understand the use made of them and the types of decisions that they inform. Consequently, we invite users to make themselves known, to advise us of the use they do, or might, make of these statistics, and what their wishes are in terms of engagement. Feedback on this notice and enquiries about these statistics are also welcome.