



10 December 2020

## Agricultural Price Index – October 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 October 2020

#### Outputs

- Compared with September 2020, the price index for total outputs increased only marginally (+0.8 points), with an increase for crop products (+4.2 points) partially offset by a decrease for animals and animal products (-0.4 points). Higher prices for forage plants, fresh fruit, cereals, and industrial crops were reported, with lower prices for potatoes and fresh vegetables.
- The price index for total outputs increased by 12.0 points compared with October 2019, reflecting higher prices across the crops sector and most of the animals and animal products sector (only pigs reported lower prices). Forage plants continue to show a significant increase (+115.5 points) compared with October 2019, due to the drop in wheat production this year leading to a scarcity of straw.

#### Inputs

- In contrast with September 2020, the price index for total inputs changed little (+0.4 points), with price increases and decreases roughly balancing out in aggregate. The most notable monthly change was for animal feedingstuffs (+2.7 points).
- The price index for total inputs increased by 2.4 points compared with October 2019. Higher prices for plant protection products (+13.2 points) and animal feedingstuffs (+12.2 points) were only partially offset by lower prices for energy and lubricants (-16.1 points), and fertilisers and soil improvers (-12.9 points).

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## What you need to know about this release

### Historical revisions in this release

This release includes historical revisions to the following price indices:

- Added provisional linseed price for 2020.

Some input data used in the calculation of the API is derived from the Office for National Statistics (ONS) Producer Price Index (PPI). Due to the ONS updating their PPI calculation methodology, this release includes historical revisions to the following price indices from January 2015 onwards.

All goods and services currently consumed in agriculture:

- Motor fuels.
- Fertilisers and soil improvers.
- Veterinary services.
- Maintenance of materials.
- Maintenance of buildings.

Goods and services contributing to investment:

- Machinery and other equipment.
- Transport equipment.
- Buildings.

### 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:

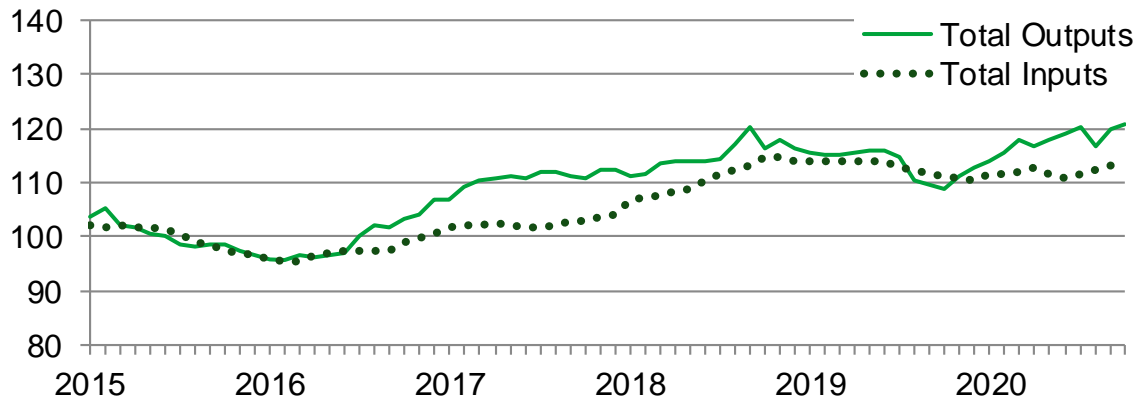
Tel: 0845 601 3034

Email: [info@statistics.gov.uk](mailto:info@statistics.gov.uk).

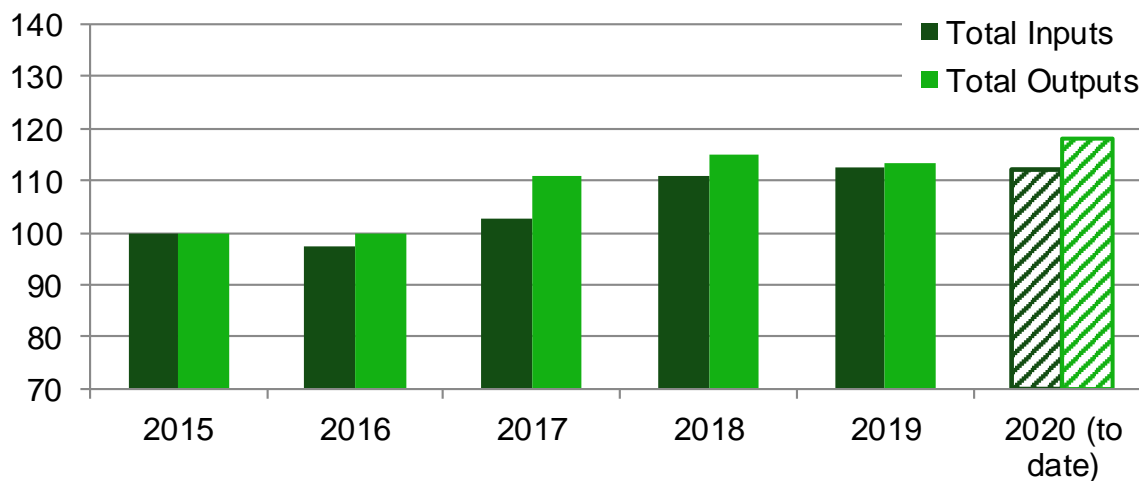
You can find more information about National Statistics at [statistics.gov.uk](https://www.statistics.gov.uk).

## Section 1 – Summary charts for prices indices

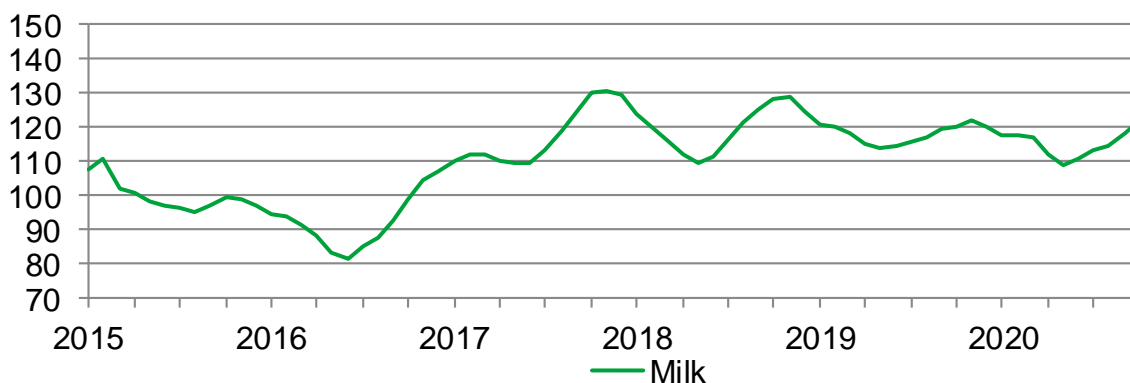
**Figure 1: Monthly indices for Total Outputs and Total Inputs to October 2020 (2015 = 100)**



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

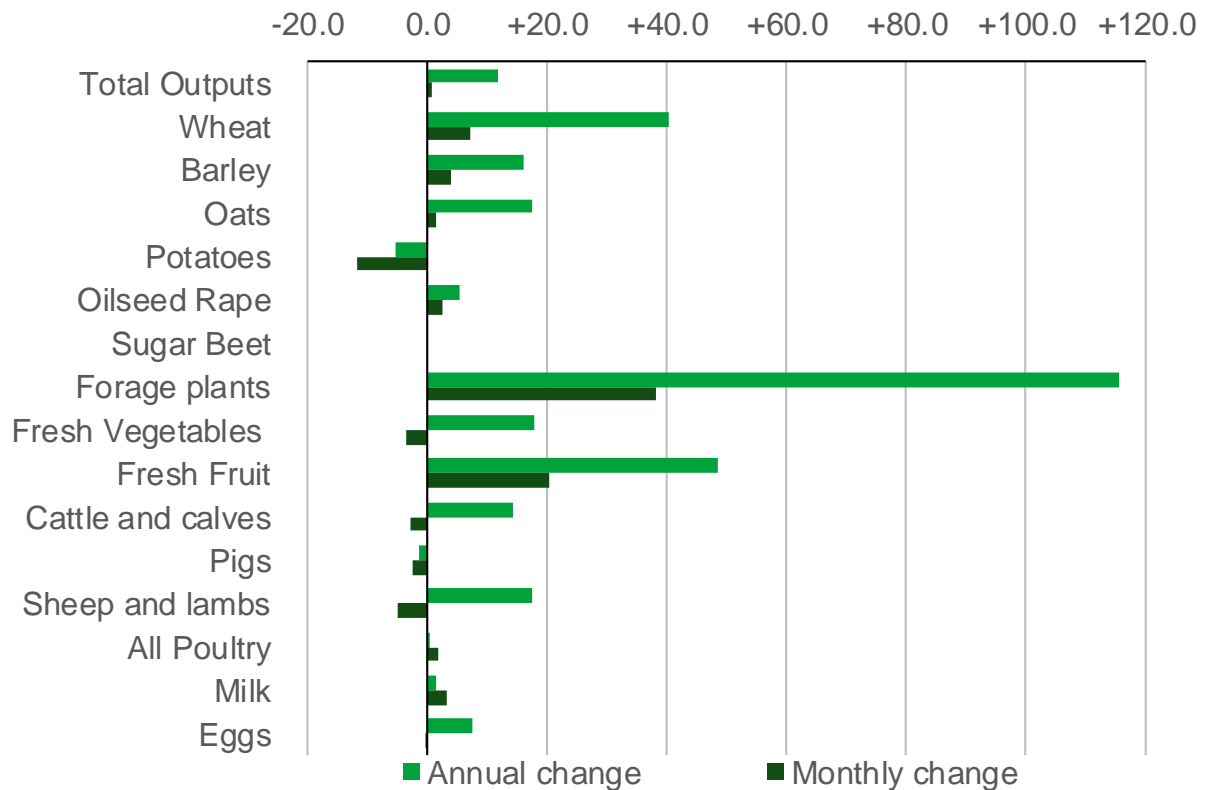


**Figure 3: Milk price index to October 2020 (2015 = 100). For more information visit the monthly UK [farm-gate milk price](#) publication.**

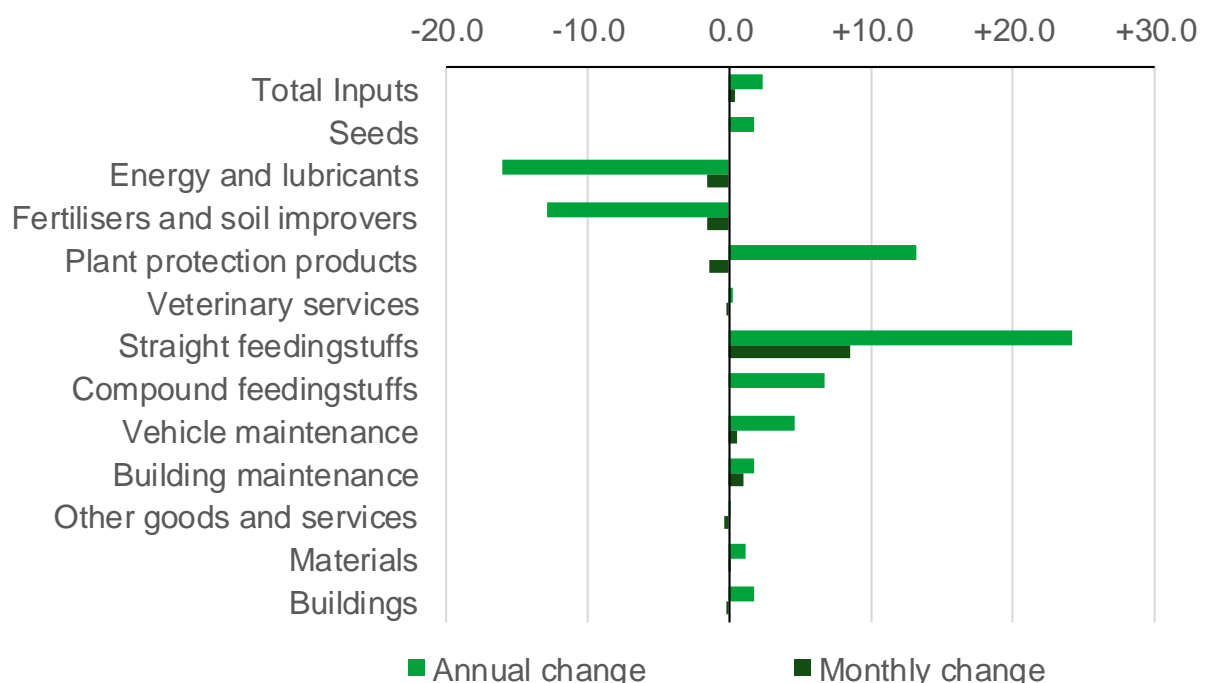


## Section 2 – Details of selected outputs and inputs

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



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



## Section 3 – Summary table of price indices

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

	Oct 2019	Sep 2020	Oct 2020	Annual change	Monthly change
<b>Total Outputs</b>	108.8	120.0	120.8	+12.0	+0.8
<b>Crop products</b>	113.5	131.1	135.3	+21.8	+4.2
Cereals	111.2	137.4	145.4	+34.2	+8.0
Wheat	112.2	145.2	152.4	+40.2	+7.3
Barley	108.6	120.8	124.6	+16.0	+3.8
Oats	106.0	122.0	123.5	+17.4	+1.5
Potatoes	99.5	106.0	94.2	-5.3	-11.8
Industrial Crops	118.3	121.8	123.5	+5.2	+1.6
Oilseed Rape	130.1	133.0	135.5	+5.4	+2.5
Sugar Beet (1)	100.4	100.4	100.4	0	0
Forage Plants	112.7	190.1	228.2	+115.5	+38.2
Fresh Vegetables	118.2	139.7	136.1	+17.9	-3.7
Fresh Fruit	126.0	154.2	174.4	+48.4	+20.3
<b>Animals and animal products</b>	106.1	112.6	112.2	+6.2	-0.4
Animals	101.9	111.8	110.0	+8.1	-1.8
Cattle and calves	92.1	109.2	106.4	+14.4	-2.8
Pigs	120.6	121.6	119.2	-1.4	-2.4
Sheep and lambs	96.8	119.1	114.2	+17.5	-4.8
All Poultry	107.5	105.8	107.7	+0.2	+1.9
Animal products	114.3	113.8	116.7	+2.4	+2.9
Milk	120.0	118.2	121.6	+1.6	+3.4
Eggs	84.6	92.1	92.1	+7.4	0
<b>Total Inputs</b>	111.1	113.0	113.4	+2.4	+0.4
<b>All goods and services currently consumed</b>	112.0	114.1	114.6	+2.6	+0.5
Seeds	112.3	114.1	114.1	+1.7	0
Energy and lubricants	123.4	108.9	107.3	-16.1	-1.6
Fertilisers and soil improvers	101.7	90.4	88.8	-12.9	-1.5
Plant protection products	132.1	146.7	145.3	+13.2	-1.4
Veterinary services	115.2	115.5	115.5	+0.3	0
Animal feedingstuffs	108.5	118.0	120.7	+12.2	+2.7
Straight feedingstuffs	113.0	128.6	137.2	+24.2	+8.6
Compound feedingstuffs	106.4	113.1	113.1	+6.7	0
Vehicle maintenance	109.5	113.6	114.2	+4.7	+0.5
Building maintenance	111.9	112.7	113.7	+1.8	+1.0
Other goods and services	110.3	110.6	110.3	0	-0.3

<b>Goods and services contributing to investment (2)</b>	106.9	108.2	108.3	+1.3	0
Materials	105.7	106.7	106.8	+1.2	+0.1
Buildings	109.9	111.7	111.6	+1.7	-0.1

(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.

(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.