



21 January 2021

# Agricultural Price Index – November 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 November 2020

## Outputs

- Compared with October 2020, the price index for total outputs decreased by 1.0 point. Lower prices for crop products (notably fresh fruit and vegetables) were partially offset by higher prices for animals and animal products (notably milk, and sheep and lambs), with forage plants showing the largest monthly change (+21.3 points).
- The price index for total outputs increased by 8.9 points compared with November 2019, reflecting price rises for both crop products (+15.8 points), and animals and animal products (+4.6 points). Higher prices were reported in most sectors, with lower prices only reported for potatoes and pigs. The poor wheat harvest last year continues to affect forage prices (specifically wheat straw), which year-on-year increased by 134.4 points.

## Inputs

- In contrast with October 2020, the price index for total inputs changed very little (+0.2 points), with plant protection products (-1.6 points) and animal feedingstuffs (+1.3 points) showing the largest monthly price changes.
- The price index for total inputs increased 2.9 points compared with November 2019. The same year-on-year trends continue to dominate, with higher prices for animal feedingstuffs, and plant protection products, and lower prices for energy and lubricants, and fertilisers and soil improvers.

# Contents

Agricultural Price Index – November 2020	1
Key points at November 2020	1
Outputs	1
Inputs	1
Contents	2
What you need to know about this release	3
Section 1 – Summary charts for prices indices	4
Section 2 – Details of selected outputs and inputs	5
Section 3 – Summary table of price indices	6
Section 4 – About these statistics	8
Background	8
Data uses	8
Methodology	8
Weights	8

## What you need to know about this release

## Historical revisions in this release

This release includes historical revisions to the following price indices:

• Updated seed prices for Q4 2020.

## 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.

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

## Section 1 – Summary charts for prices indices

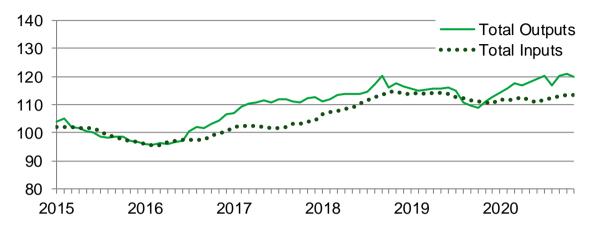


Figure 1: Monthly indices for Total Outputs and Total Inputs to November 2020 (2015 = 100)

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

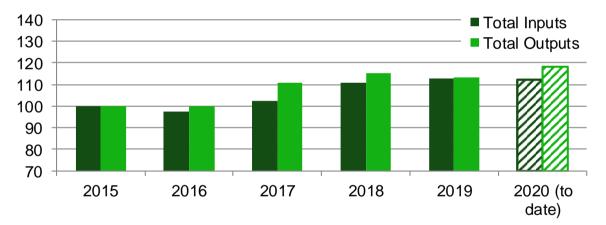
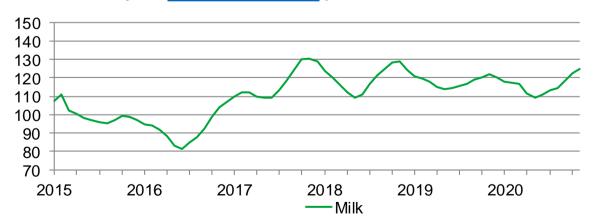
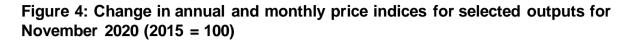


Figure 3: Milk price index to November 2020 (2015 = 100). For more information visit the monthly UK farm-gate milk price publication.



## Section 2 - Details of selected outputs and inputs



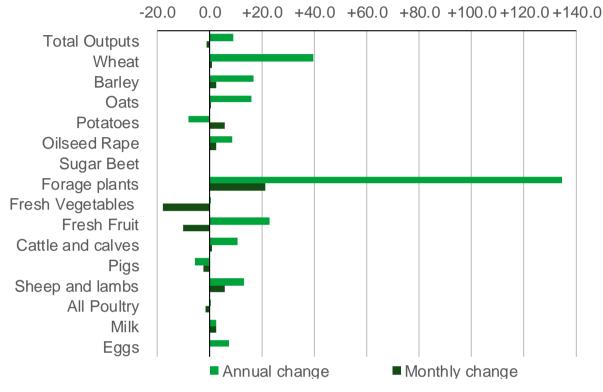
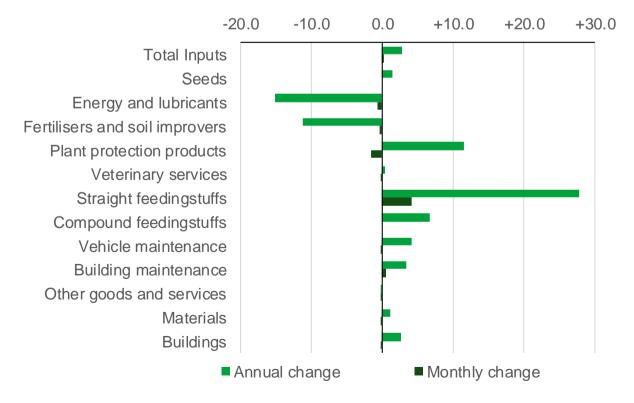


Figure 5: Change in annual and monthly price indices for selected inputs for November 2020 (2015 = 100)



# Section 3 – Summary table of price indices

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

	Nov 2019	Oct 2020	Nov 2020	Annual change	Monthly change
Total Outputs	111.1	121.0	120.0	8.9	-1.0
Crop products	114.5	135.5	130.3	15.8	-5.2
Cereals	112.7	145.4	145.1	32.4	-0.4
Wheat	113.9	152.4	153.4	39.6	1.0
Barley	110.3	124.6	127.0	16.7	2.4
Oats	108.1	123.5	124.0	15.8	0.5
Potatoes	110.6	96.8	102.8	-7.9	6.0
Industrial Crops	117.5	123.5	124.6	7.1	1.1
Oilseed Rape	129.3	135.5	137.9	8.6	2.4
Sugar Beet (1)	100.4	100.4	100.4	0.0	0.0
Forage plants	115.1	228.2	249.5	134.4	21.3
Fresh Vegetables	118.3	136.1	118.4	0.1	-17.7
Fresh Fruit	141.4	174.4	164.5	23.1	-10.0
Animals and animal products	109.1	112.4	113.7	4.6	1.2
Animals	104.8	110.0	110.2	5.4	0.2
Cattle and calves	96.4	106.4	107.2	10.8	0.8
Pigs	122.2	119.2	116.7	-5.4	-2.4
Sheep and lambs	106.9	114.2	120.0	13.1	5.8
All Poultry	106.2	107.7	106.3	0.1	-1.4
Animal products	116.0	117.3	119.4	3.4	2.1
Milk	122.0	122.3	124.7	2.7	2.3
Eggs	84.6	92.1	92.1	7.4	0.0
Total Inputs	110.8	113.4	113.6	2.9	0.2
All goods and services currently consumed	111.7	114.6	114.8	3.1	0.2
Seeds	112.3	113.7	113.7	1.4	0.0
Energy and lubricants	121.8	107.3	106.6	-15.1	-0.7
Fertilisers and soil improvers	99.8	88.8	88.5	-11.2	-0.3
Plant protection products	132.1	145.3	143.7	11.6	-1.6
Veterinary services	115.1	115.5	115.5	0.4	0.0
Animal feedingstuffs	108.6	120.7	121.9	13.3	1.3
Straight feedingstuffs	113.4	137.2	141.3	27.9	4.1
Compound feedingstuffs	106.4	113.1	113.1	6.7	0.0
Vehicle maintenance	110.0	114.2	114.1	4.1	0.0
Building maintenance	110.8	113.7	114.2	3.4	0.5
Other goods and services	110.3	110.3	110.3	-0.1	0.0

Goods and services contributing to investment (2)	106.7	108.3	108.2	1.6	0.0
Materials	105.7	106.8	106.8	1.1	0.0
Buildings	108.8	111.6	111.5	2.6	-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.

In order to maintain continuity in these statistics, the Agricultural Price Index is produced in accordance with the European Statistical System.

## 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.