



18 February 2021

Agricultural Price Index – December 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 December 2020

Outputs

- Compared with November 2020, the price index for total outputs increased by 1.6 points, with higher prices for crop products (+3.0 points), and animals and animal products (+1.5 points). Significantly higher prices were reported for wheat straw, potatoes and cereals, with lower prices for fresh fruit and fresh vegetables. Within animals and animal products, higher prices were reported in all animal sectors (except pigs), with lower prices for milk.
- The price index for total outputs increased by 9.1 points compared with December 2019, reflecting higher prices across all sectors except for pigs, potatoes and fresh vegetables.
- Due to the wet winter of 2019/20 and lower availability of wheat straw at harvest 2020, forage (wheat straw) continues to show the largest monthly and annual increase, with prices 126% higher than in December 2019.

Inputs

- The price index for total inputs increased only marginally (+0.4 points) compared with November 2020, driven by modest price increases for fertilisers and soil improvers, and energy and lubricants.
- Compared with last December, the price index for total inputs increased by 4.2 points. Higher prices for animal feedingstuffs and plant protection products were only partially offset by lower prices for energy and lubricants (specifically fuel), and fertilisers and soil improvers.

Contents

Agricultural Price Index – December 2020.....	1
Key points at December 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:

- Compound animal feed prices updated to 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](https://www.statistics.gov.uk).

Section 1 – Summary charts for prices indices

Figure 1: Monthly indices for Total Outputs and Total Inputs from January 2019 to December 2020 (2015 = 100)

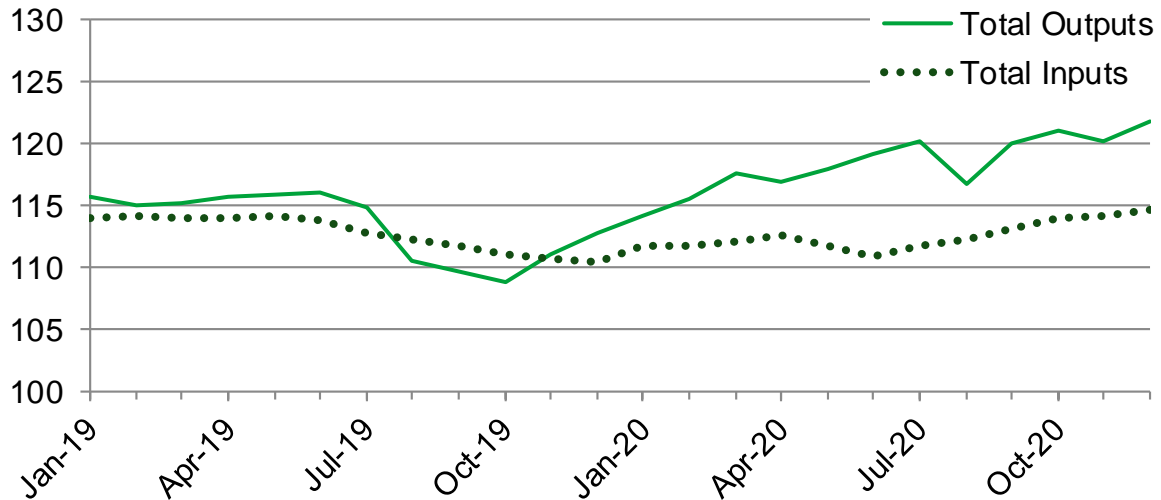


Figure 2: Annual average indices for Total Inputs and Total Outputs to December 2020 (2015 = 100)

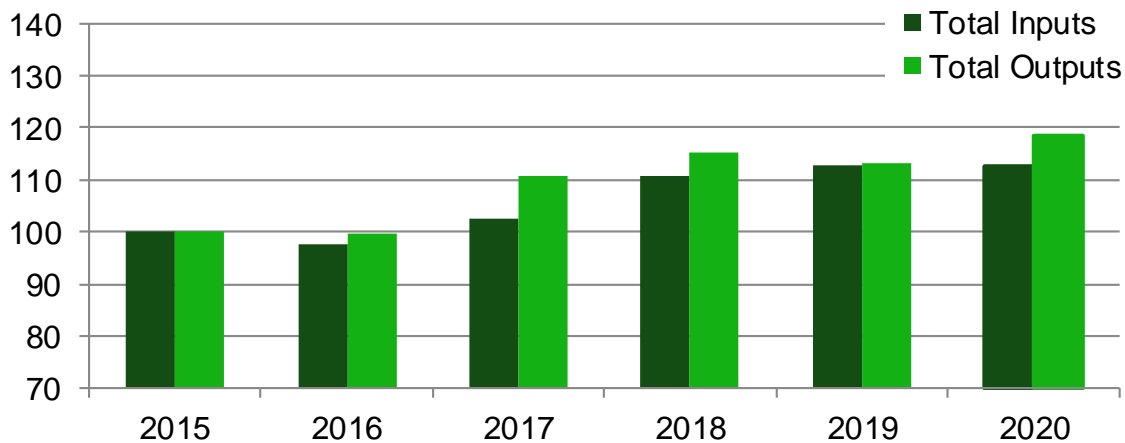
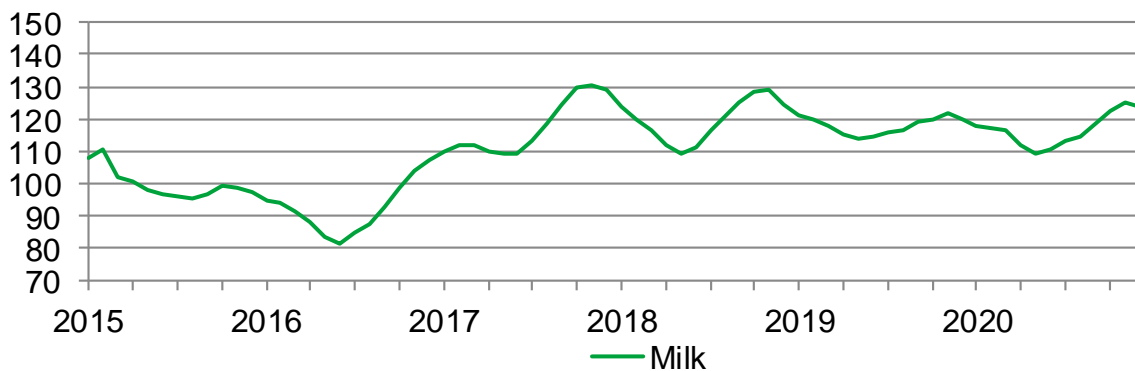


Figure 3: Milk price index to December 2020 (2015 = 100). For more information visit the monthly UK [farm-gate milk price](#) publication.



Section 2 – Details of selected outputs and inputs

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

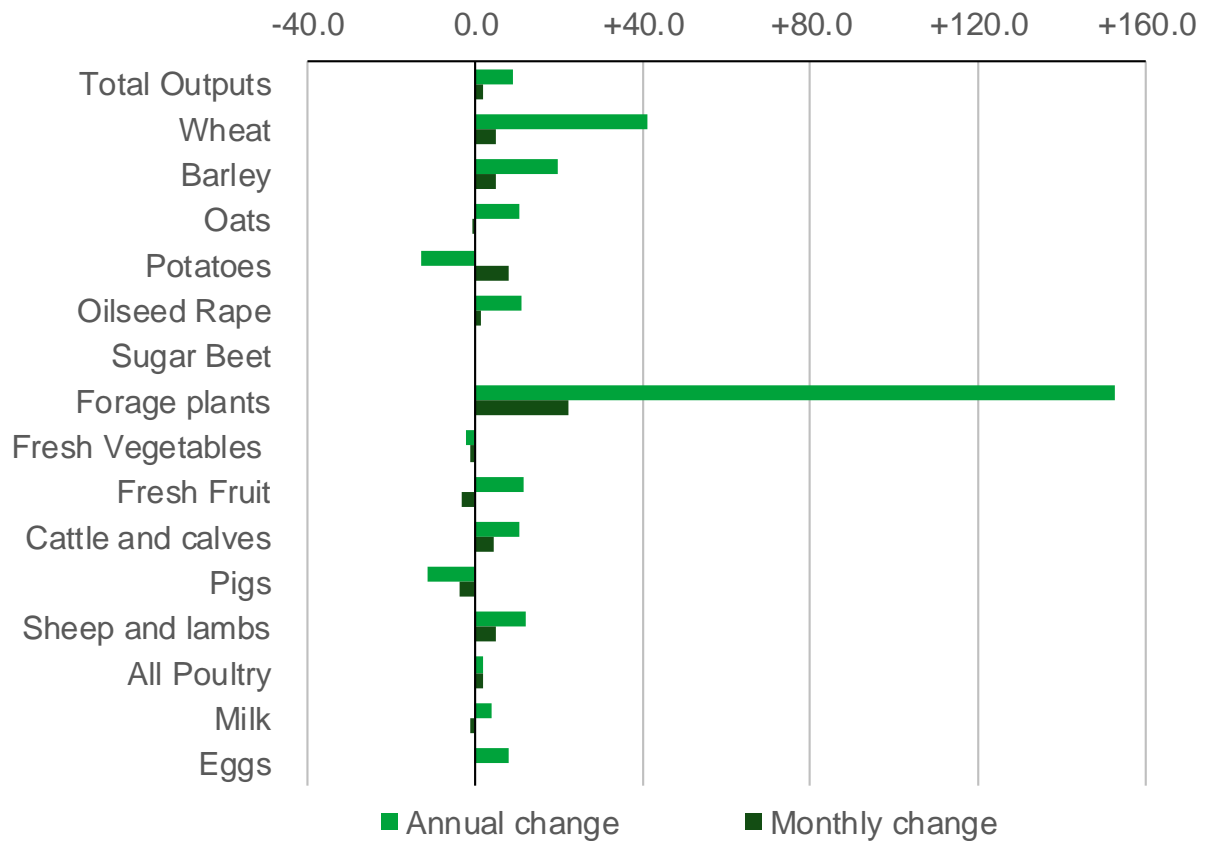
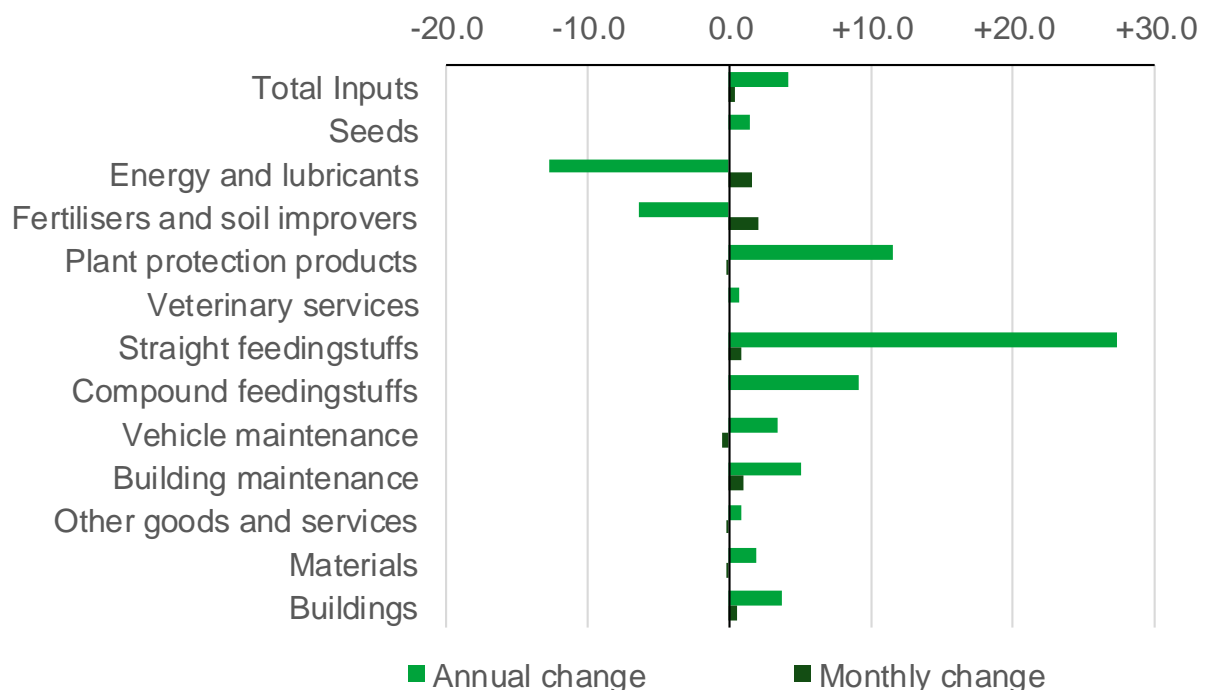


Figure 5: Change in annual and monthly price indices for selected inputs for December 2020 (2015 = 100)



Section 3 – Summary table of price indices

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

	Dec-19	Nov-20	Dec-20	Annual change	Monthly change
Total Outputs	112.7	120.1	121.8	9.1	1.6
Crop products	116.3	130.3	133.3	17.0	3.0
Cereals	115.9	145.1	151.8	35.9	6.7
Wheat	116.9	153.4	158.2	41.2	4.7
Barley	112.6	127.0	132.1	19.5	5.1
Oats	112.5	124.0	123.1	10.6	-0.9
Potatoes	123.6	103.0	110.7	-12.9	7.8
Industrial crops	117.1	124.6	125.7	8.6	1.1
Oilseed rape	128.2	137.9	139.4	11.2	1.5
Sugar beet (1)	100.4	100.4	100.4	0.0	0.0
Forage plants	119.3	249.5	272.0	152.7	22.5
Fresh vegetables	119.1	118.4	117.1	-2.0	-1.3
Fresh fruit	149.6	164.5	161.2	11.6	-3.3
Animals and animal products	110.7	113.9	115.4	4.7	1.5
Animals	108.2	110.2	112.9	4.7	2.7
Cattle and calves	101.0	107.2	111.8	10.8	4.6
Pigs	124.6	116.7	113.1	-11.5	-3.6
Sheep and lambs	113.1	120.0	125.2	12.0	5.2
All poultry	106.7	106.3	108.4	1.7	2.1
Animal products	114.7	119.9	119.3	4.6	-0.6
Milk	120.1	125.2	124.1	4.0	-1.1
Eggs	84.6	92.8	92.8	8.2	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.

Table 2: Index of prices of agricultural inputs to December 2020 (2015 = 100), with annual change calculated as the difference from December 2019 and monthly change calculated as the difference from November 2020

	Dec-19	Nov-20	Dec-20	Annual change	Monthly change
Total Inputs	110.4	114.2	114.7	4.2	0.4
All goods and services currently consumed	111.4	115.6	116.1	4.6	0.5
Seeds	112.3	113.7	113.7	1.4	0.0
Energy and lubricants	120.9	106.6	108.3	-12.6	1.6
Fertilisers and soil improvers	97.0	88.6	90.7	-6.4	2.1
Plant protection products	132.2	143.7	143.7	11.5	0.0
Veterinary services	115.0	115.6	115.6	0.6	0.0
Animal feedingstuffs	109.1	123.6	123.9	14.9	0.3
Straight feedingstuffs	114.9	141.3	142.2	27.3	0.9
Compound feedingstuffs	106.4	115.6	115.6	9.2	0.0
Vehicle maintenance	110.2	114.2	113.6	3.4	-0.6
Building maintenance	110.1	114.2	115.2	5.1	1.0
Other goods and services	110.5	111.3	111.3	0.9	0.0
Goods and services contributing to investment (1)	106.0	108.3	108.4	2.4	0.2
Materials	105.0	106.9	106.8	1.9	0.0
Buildings	108.3	111.5	112.0	3.7	0.5

(1) 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.