

■ Indices of agricultural prices - May 2014

Overall producer prices of agricultural products decreased in May

In May, overall agricultural producer prices dropped by 1.8 % compared to April ; over one year they fell by 5.2 %.

Cereal prices tumbled in May (-6.3 %). The available quantities were huge and the good weather conditions allowed to foresee abundant crops. Moreover, the political turmoil in Ukraine did not affect its exportations of cereals.

Producer prices of cereals

Base year : 2010



Source : Insee

Oleaginous prices decreased in May (-5.3 %) due to an abundant supply in Europe.

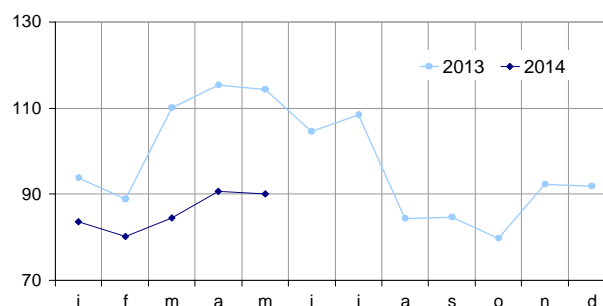
Overall prices of wines increased by 14.3 % over one year (and by 23.1 % for PDO wines), further to the drop in crops for the last two years.

Potato prices tumbled compared to last year (-41.4 %). This was a return to normal as the last but one crop, in 2012, had been particularly weak in North-Western Europe.

Fresh fruits prices decreased year-over-year (-17.2 %). The production of apples had indeed increased in 2013, which was the last crop available. The good weather conditions sped up the earliness of strawberries ; moreover, the yields were better due to the increasing share of greenhouse growings.

Producer prices of fresh vegetables

Base year : 2010

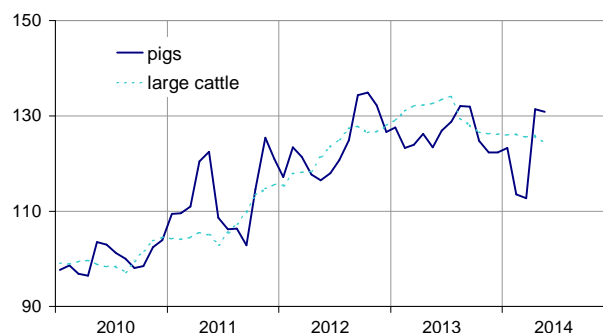


Source : SSP (ministry of agriculture)

Fresh vegetable prices plummeted year-over-year (-21.2%). The balmy weather and the luminosity of the early spring amplified the precocity of greenhouse growings for tomatoes, lettuce and cucumbers.

Producer prices of large cattle and pigs

Base year : 2010 ; seasonally adjusted



Source : Insee

On a seasonally adjusted basis, animal prices decreased in May (-0.8 %). Prices for pigs were almost stable. Indeed the sanitary crisis in the United States limited the production and the exportations of this country and therefore offset the Russian embargo on European pigs. Cattle prices slipped by almost 6 % over one year, reflecting the erosion in beef consumption. Milk price have been slumping for a quarter, after the global production balanced the marked increase in the demand from Asia and other emerging countries. Over one year milk prices

rebounded by 7.1 %.

Indices of producer prices of agricultural products (IPPAP)

Base year 2010

	weights	May 2014 raw	Variation as % over a month Seasonally adjusted			3 months a year raw
Agricultural goods output	1000	116.0	-1.8	+0.1		-5.2
excluding fruits and vegetables	900	118.4	-1.6	+0.1		-3.9
Crop output (excluding fruits and vegetables)	503	120.0	-2.5	+0.5		-7.5
Cereals	188	114.1	-6.3	-0.5		-16.9
of which soft wheat	112	115.0	-6.4	-0.9		-17.4
grain maize	41	102.4	-7.0	-1.6		-22.3
Potatoes	26	126.7	///	///		-41.4
Wines	177	133.7	+1.2	+3.5		+14.3
Protected designation of origin	84	147.1	+2.0	+6.4		+23.1
other wines	23	131.8	+0.4	+0.1		+7.3
Oleaginous	49	99.4	-5.3	-2.1		-19.3
Horticultural products	30	107.7	+1.4	+1.6		+0.5
Other crop products	33	117.0	+0.4	-0.7		-0.4
Fruits and vegetables (1)	100	94.0	///	///		-17.3
Fresh vegetables	53	90.1	///	///		-21.2
Fresh fruits	35	93.5	///	///		-17.2
Animal output	397	116.4	-0.4	-0.4		+1.2
Animals	235	121.3	-0.8	+2.6		-2.2
of which large cattle	96	124.7	-1.2	-1.4		-5.8
calves	26	111.7	-1.9	-3.6		+1.5
pigs	54	125.7	-0.4	+15.3		+6.1
sheep	10	123.6	+1.1	+9.7		+7.1
poultry	46	115.2	0.0	-0.4		-7.3
of which chicken	28	115.2	0.0	-0.3		-7.4
Milk	147	109.6	0.0	-4.5		+7.1
of which cow milk (2)	137	110.3	0.0	-4.7		+7.4
Eggs	15	105.3	+0.8	-6.1		+9.3

1) Including vegetables for industry.

(2) The price for May is not yet known and therefore is estimated by carrying forward the seasonally adjusted price from April

Sources: Insee - SSP (ministry of agriculture)

Purchase prices of the means of agricultural production were stable in May.

Overall prices of intermediate consumptions stagnated in May. Over one year, animal feed and fertilisers prices decreased by roughly 7%. Investment prices remained stable in May (-0.1 %).

Purchase price of the means of agricultural production



Sources: Insee - SSP (ministry of agriculture)

Indices of purchase prices of the means of agricultural production (IPAMPA)

Base year 2010

	weights	May 2014	Variation as % over a month months a year		
Total input	1000	113.1	0.0	+0.3	-2.1
Intermediate consumptions	764	115.2	0.0	+0.3	-2.9
Energy (1)	100	116.1	-0.2	-2.2	-0.9
Seeds	57	109.3	+0.1	+0.5	+0.8
Fertilisers and soil improvers	92	119.9	+0.3	+2.9	-6.8
Plant protection products	78	101.5	+0.2	+1.4	+0.5
Animal feed	205	126.1	-0.1	+0.2	-7.2
Veterinary expenses	43	111.1	+0.1	+0.4	+2.2
Small equipment and tools	17	107.5	-0.2	-1.1	-0.7
Maintenance of materials	67	111.2	-0.1	0.0	+2.6
Maintenance of buildings	9	106.7	-0.1	+0.1	-0.3
Other goods and services	97	101.8	0.0	0.0	0.0
Goods and services contributing to investment	236	106.8	-0.1	+0.2	+1.0
Material	186	106.7	-0.2	+0.2	+1.6
Tractors	79	107.3	-0.3	+0.6	+1.7
Machinery and plant for cultivation	36	107.3	-0.5	-0.5	+2.7
Machinery and plant for harvesting	42	107.0	0.0	0.0	+1.1
Utility vehicles	18	103.2	0.0	-0.1	+0.7
Total input	50	107.1	+0.2	+0.6	-0.9

(1) The repayment of the domestic tax on energy products (TICPE) benefiting farmers has been applied in advance for the year 2014

Sources: Insee - SSP (ministry of agriculture)

To know more about French indices of agricultural prices:

The index of producer prices for agricultural products (IPPAP) measures the changes in products prices when they are put on the market for the first time. They are set at 100 in 2010, the coefficients for their weights come from national accounts and are based on the year 2010. The weight-coefficients of fresh fruits and vegetables, early potatoes and cut flowers change every month, which reflects their very seasonal pattern. As a result their variations must be interpreted year-over-year. Seasonally adjustments are restricted to cattle, milk, cut flowers as a whole, and to some other aggregates.

The methodology can be found via the link hereafter:

<http://www.insee.fr/fr/publications-et-services/sommaire.asp?codesage=IMET121&nivgeo=0>, and for fresh vegetables and fruits. in *Agriste - Chiffres et Données - n°165 - février 2005*.

The index of purchase prices of the means of agricultural production (IPAMPA) reflects the variations of goods and services used in the agricultural process. They are based on the survey conducted by the ministry of agriculture at wholesale dealers of fertilisers, feed for animals, phytosanitary products, seeds, veterinary products and services and small equipment; IPAMPA are also based on output prices industry (IPP) for energy and equipment goods; on consumption prices (IPC) for fuel; and on construction index for buildings (BT and TP) and their maintenance. They are based on the year 2010.

Further data (historical data, simplified methodology) are located on the HTML page of this publishing :

<http://www.insee.fr/fr/themes/info-rapide.asp?id=80>

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