

## ■ Indices of agricultural prices - February 2014

### Overall producer prices of agricultural products slid in February

**In February, overall producer prices of agricultural products dipped (-0.8 % compared to January); over one year they dropped by 5.5 %.**

Cereals prices did not move much in February (-0.3 %). This quasi-stability resulted from different factors that offset each other. Indeed, bullish forecasts for the next crops of wheat and maize were counterbalanced by immediate fears of intense cold in the United-States and in the Black Sea region.

#### Producer prices of cereals

Base year : 2010



Source : INSEE

Oleaginous prices, mainly driven up by the price of rape - the main oleaginous seed grown in France - increased in February (+5.3 %). The supply of rape was limited. Canada hardly managed to convey its crop due to problems occurring in the transportation chain because of the cold, while the Australian availabilities have been running low. Furthermore, the increases in soy and palm oil prices, due to bad weather conditions in Brazil and Malaysia, drove rape prices up, whose uses are similar.

Overall prices of wines increased by 11.7 % over one year (and by 18.6 % for PDO wines): the bad weather conditions during both the flowering period and the harvest lessened the yields of the last production.

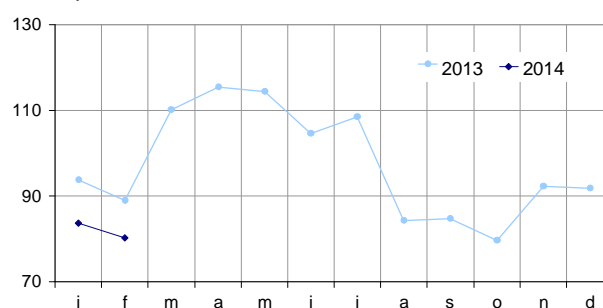
Potatoe prices significantly decreased compared to last year (-22.9 %). This was a return to normal as the last but one crop had been particularly low in North-Western Europe.

Fresh fruits prices decreased year-over-year (-18.7 %). Apple and pear prices tumbled as their production rose

sharply in 2013. Conversely, kiwi prices leaped due to a moderate competition from Southern European countries (Greece and Italy).

#### Producer prices of fresh vegetables

Base year : 2010

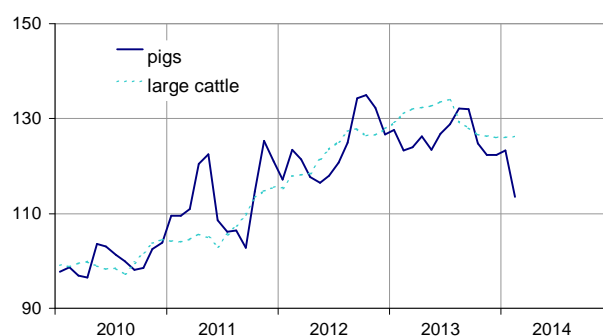


Source : SSP (ministère de l'Agriculture)

Fresh vegetables prices went down year-over-year (-9.8 %). Chicory, cauliflower and leek prices plummeted, due to a bearish demand, from consumers and industry as well (for cauliflower). Additionally, the balmy weather sped up the harvests of leeks, unbalancing even more this market.

#### Producer prices of pigs and large cattle

Base year : 2010 ; seasonally adjusted



Source : INSEE

On a seasonally adjusted basis, animal prices decreased in February (-1.9 %). Pig prices tumbled due to a sanitary embargo from Russia stopping the exportations from the EU toward this country. The slaughters have been reduced during the last two years to balance a dull demand.

## Indices of producer prices of agricultural products (IPPAP)

Base year 2010

	weights	Feb. 2014 raw	Variation as % over a month Seasonally adjusted	3 months a year	Variation as % over a year raw
<b>Agricultural goods output</b>	<b>1000</b>	<b>116.4</b>	<b>-0.8</b>	<b>-2.5</b>	<b>-5.5</b>
excluding fruits and vegetables	900	118.9	-0.5	-1.7	-4.8
<b>Crop output (excluding fruits and vegetables)</b>	<b>503</b>	<b>119.7</b>	<b>0.0</b>	<b>-1.3</b>	<b>-8.4</b>
Cereals	188	114.7	-0.3	-4.0	-20.1
of which soft wheat	112	116.1	-0.5	-5.0	-20.1
grain maize	41	104.0	+0.4	-2.2	-24.0
Potatoes	26	139.1	///	///	-22.9
Wines	177	128.8	+1.1	+3.6	+11.7
Protected designation of origin	84	137.5	+1.6	+5.9	+18.6
other wines	23	131.6	+1.5	+3.5	+6.2
Oleaginous	49	101.6	+5.3	+0.3	-20.9
Horticultural products	30	111.7	-1.4	-0.9	+0.1
Other crop products	33	117.6	+0.5	+2.2	-2.8
<b>Fruits and vegetables (1)</b>	<b>100</b>	<b>93.7</b>	<b>///</b>	<b>///</b>	<b>-12.9</b>
Fresh vegetables	53	80.2	///	///	-9.8
Fresh fruits	35	107.5	///	///	-18.7
<b>Animal output</b>	<b>397</b>	<b>118.0</b>	<b>-1.2</b>	<b>-2.1</b>	<b>+0.3</b>
Animals	235	118.0	-1.9	-2.0	-4.5
of which large cattle calves	96	124.4	+0.1	-0.2	-3.4
pigs	26	115.8	+0.8	+2.7	+1.7
sheep	54	110.7	-7.9	-7.2	-7.9
poultry	10	111.2	-3.3	-4.5	+5.9
of which chicken	46	115.6	-0.1	-2.1	-8.2
Milk	28	115.6	-0.1	-2.4	-8.3
of which cow milk (2)	147	118.6	0.0	-1.9	+11.1
Eggs	137	119.5	0.0	-2.0	+11.6
	15	112.2	-1.5	-7.6	-15.1

(1) Including vegetables for industry.

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

Sources: INSEE - SSP (ministry of agriculture)

## Purchase prices of the means of agricultural production rose in February.

Overall prices of intermediate consumptions and investment went up in February (+0.2 % in both cases).

Over one year, animal feed and fertilisers prices roughly decreased by 10 %.

## Purchase price of the means of agricultural production

Base year : 2010



Sources : INSEE et SSP (ministère chargé de l'Agriculture)

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

Base year 2010

	weights	Feb. 2014	Variation as % over a month	3 months a year	Variation as % over a year
<b>Total input</b>	<b>1000</b>	<b>112.9</b>	<b>+0.2</b>	<b>+0.5</b>	<b>-3.1</b>
<b>Intermediate consumptions</b>	<b>764</b>	<b>114.8</b>	<b>+0.2</b>	<b>+0.4</b>	<b>-4.3</b>
Energy (1)	100	118.8	-0.4	-0.3	-3.9
Seeds	57	109.5	+0.1	+0.8	+1.8
Fertilisers and soil improvers	92	116.2	+2.2	+2.6	-10.4
Plant protection products	78	100.2	-0.2	-1.2	+0.8
Animal feed	205	125.8	0.0	+0.1	-9.2
Veterinary expenses	43	110.2	-0.2	+0.3	+2.3
Small equipment and tools	17	108.7	0.0	-1.1	+0.8
Maintenance of materials	67	111.2	+0.4	+1.9	+3.1
Maintenance of buildings	9	106.6	-0.1	-0.2	-0.4
Other goods and services	97	101.5	0.0	+0.3	-0.2
<b>Goods and services contributing to investment</b>	<b>236</b>	<b>106.9</b>	<b>+0.2</b>	<b>+0.5</b>	<b>+1.2</b>
Material	186	107.0	+0.3	+0.5	+1.9
Tractors	79	107.7	+0.2	+0.5	+1.9
Machinery and plant for cultivation	36	107.9	+0.8	+1.8	+3.2
Machinery and plant for harvesting	42	107.2	+0.2	-0.1	+1.8
Utility vehicles	18	103.3	0.0	+0.1	+0.7
<b>Total input</b>	<b>50</b>	<b>106.4</b>	<b>-0.1</b>	<b>+0.2</b>	<b>-1.7</b>

(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 *Agreste - Chiffres et Données - n°165 - février 20 05*.

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>

- Find directly historical data in the database « Base de Données Macro-économiques »: [G1465](#), [G1466](#)

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