

■ Indices of agricultural prices - July 2015

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In July 2015, overall agricultural producer prices rose by 1.1% compared to June ; year over year they decreased by 1.6%

Cereal prices jumped in July (+11.1%). At the beginning of that month, soft wheat and maize markets reacted upwardly to adverse weather conditions in Europe (drought) and in United-States (floods). Durum wheat price surged even more (+16.5%): the lack of planted areas led to a shortage.

Producer prices of cereals

Base year : 2010



Source : Insee

Oleaginous prices slightly weakened in July (-2.0%) after a sharp rise the previous months (+18.8% yoy). The price of rape, the main oleaginous grown in France, shrunk following the tumble of oil price. The biodiesel oil, made from rape, turned less attractive by a lower price of oil.

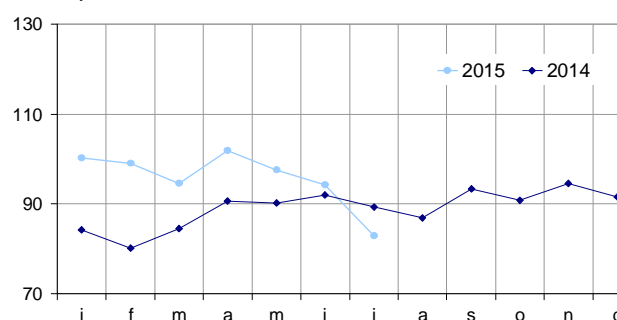
The wine prices dipped year on year (-1.8%). The 2014 harvest was good, except in the Languedoc-Roussillon region. Hence, the prices of common wines, massively produced in that place, rose significantly (+13.1% yoy). Conversely, prices of PDO (protected designation of origin) wines decreased sharply (-9.5% yoy).

Fresh fruits prices soared (+21.2%) compared to July 2014, when they were particularly low. Apricots and peaches prices rocketed as a result of the significant decline in their production related to bad weather conditions, while the heat wave supported their consumption. The foreign competition was weak; in

addition, the consumers favoured the French origin.

Producer prices of fresh vegetables

Base year : 2010

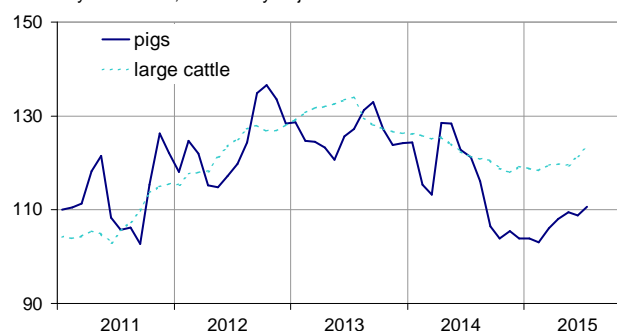


Source : SSP (ministry of agriculture)

Fresh vegetable prices dropped (-7.3% yoy). Melon price plunged by a quarter. The consumption could not absorb the abundant production due to increased yields. On the other hand, cucumbers and carrots prices increased : their good quality productions were sold easily in France and abroad.

Producer prices of pigs and large cattle

Base year : 2010 ; seasonally adjusted



Source : Insee

On a seasonally adjusted basis, animal prices rose in July by 1.0% but decreased by 3.0% over one year. Pig prices slumped by nearly 9% over this period, further to Russian embargo and European competition. Milk prices tumbled by roughly 15% over one year. In 2014, high prices encouraged the farmers to produce more, but since the global demand has slowed, due to lower

Chinese demand and Russian embargo.

Indices of producer prices of agricultural products (IPPAP)

base year: 2010

	weights	July 2015	Variation as % over a 3 month period		
			Seasonally adjusted	raw	raw
Agricultural goods output	1000	114.0	+1.1	+0.3	-1.6
excluding fruits and vegetables	900	116.3	+2.0	+1.6	-2.0
Crop output (excluding fruits and vegetables)	505	118.7	+2.9	+3.4	+2.1
Cereals	188	116.7	+11.1	+8.8	+6.1
of which soft wheat	112	112.0	+11.8	+6.3	+3.0
grain maize	41	105.6	+11.7	-12.9	+8.7
Potatoes	26	109.7	///	///	-0.6
Wines	177	128.0	-1.8	-1.3	-3.3
Protected designation of origin	84	129.7	-3.4	-2.7	-9.5
other wines	23	154.4	0.0	+1.0	+13.1
Oleaginous	49	104.6	-2.0	+2.1	+18.8
Horticultural products	30	105.6	-0.8	+1.1	-1.0
Other crop products	36	120.4	+1.2	+0.6	+0.1
Fruits and vegetables (1)	100	93.4	///	///	+3.4
Fresh vegetables	53	82.8	///	///	-7.3
Fresh fruits	35	102.7	///	///	+21.2
Animal output	395	113.1	+0.7	-0.7	-7.0
Animals	234	115.8	+1.0	+1.0	-3.0
of which large cattle	96	123.9	+1.7	+3.4	+1.9
calves	26	101.2	-1.2	-6.3	-4.4
pigs	54	115.5	+1.7	+2.3	-8.8
sheep	10	110.8	-1.0	-6.3	-5.3
poultry	46	109.9	-0.1	-0.1	-4.9
of which chicken	28	109.7	-0.2	-0.4	-5.3
Milk	147	107.4	0.0	-5.4	-14.6
of which cow milk (2)	137	107.4	0.0	-5.8	-15.5
Eggs	15	127.7	+2.9	+15.6	+8.9

(1) Including vegetables for industry.

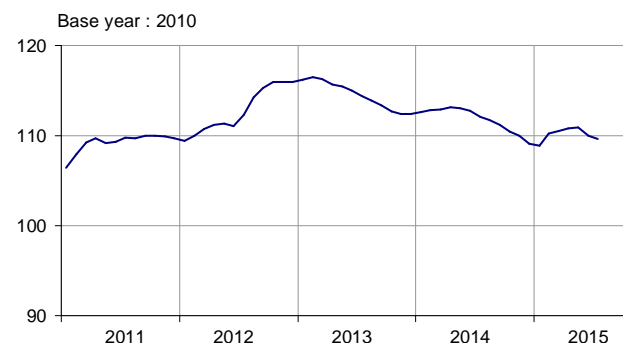
(2) The price for July is not yet known and therefore is estimated by carrying forward the seasonally adjusted price of June.

Sources: Insee - SSP (ministry of agriculture)

The purchase price of means of production decreased in July

In July, intermediate consumption prices slipped again (-0.4% after -0.9%) reflecting the decline in energy prices (-3.7%). Over one year, energy prices lowered noticeably (-14.9%), as well as feed prices (-5.2%). Capital goods prices were virtually stable in July (+0.1%).

Purchase prices of the means of agricultural production



Sources: Insee and SSP (ministry of agriculture)

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

base year: 2010

	weights	July 2015	Variation as % over a 3 month period		
			h	hs	h
Total input	1000	109.7	-0.3	-1.0	-2.2
Intermediate consumptions	764	110.8	-0.4	-1.3	-2.9
Energy	100	99.9	-3.7	-4.7	-14.9
Seeds	57	108.7	-0.2	-0.2	+0.4
Fertilisers and soil improvers	92	117.7	-0.1	-4.0	+3.1
Plant protection products	78	100.8	-0.2	-0.2	-0.3
Animal feed	205	117.6	0.0	-0.8	-5.2
Veterinary expenses	43	113.7	+0.2	+0.5	+2.1
Small equipment and tools	17	109.4	+0.7	+1.4	+0.4
Maintenance of materials	67	113.3	+0.2	+0.3	+1.5
Maintenance of buildings	9	106.9	+0.1	+0.1	-0.2
Other goods and services	97	101.7	+0.1	+0.1	-0.2
Goods and services contributing to investment	236	106.5	+0.1	-0.2	+0.3
Material	186	106.9	0.0	-0.3	+0.5
Tractors	79	106.2	0.0	-0.9	+0.6
Machinery and plant for cultivation	36	109.0	+0.1	+0.1	+0.7
Machinery and plant for harvesting	42	107.6	+0.2	+0.3	+0.6
Utility vehicles	18	104.6	-0.1	-0.2	-0.4
Buildings	50	104.9	+0.1	+0.1	-0.4

(1) The repayment of the domestic tax on energy products (TICPE) benefiting farmers has been applied in advance for the year 2015
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 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/en/themes/info-rapide.asp?id=80>

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

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