

■ Indices of agricultural prices - August 2014

Overall producer prices of agricultural products decreased in August

In August, overall agricultural producer prices dropped by 1.6 % compared to July; over one year they fell by 4.4 %.

Due to abundant global availabilities, cereal prices kept on decreasing in August, showing a drop of 7.1 % over three months. The huge crops of wheat and maize, in Europe and in the United States, added up to the already high stocks.

Producer prices of cereals

Base year : 2010



Source : Insee

Also as a result of a global sustained production, oleaginous prices continued to decrease in August (-13.3 % over the quarter).

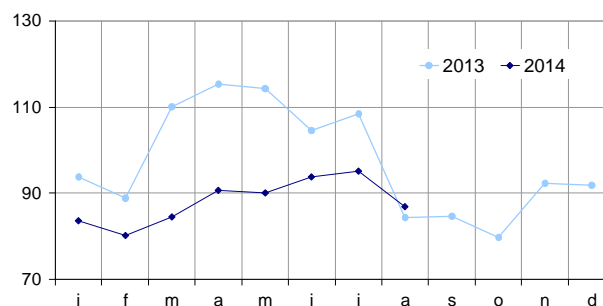
Overall prices of wines increased by 11.3 % over one year (and by 16.8 % for PDO wines), further to the drop in crops for the last two years.

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

Fresh fruit prices dropped year-over-year (-22.1 %). Apricots and peaches abounded as their productions recovered this year, while their consumptions were moderate in relation to the dull weather this summer. The summer-pear sold sluggishly : the supply this year was too early to fully meet the demand, while the Russian embargo limited the outlets (Russia is one of the main outlet for the French summer-pear).

Producer prices of vegetables

Base year : 2010

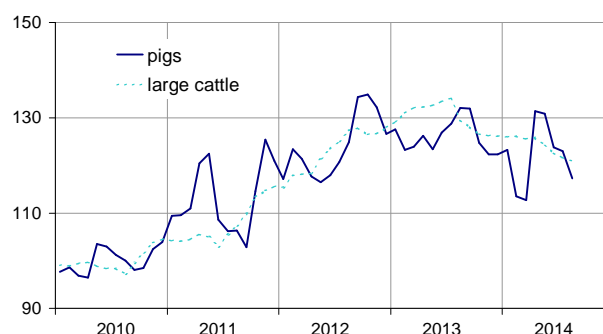


Source : SSP (Ministry of Agriculture)

Prices for fresh vegetables rose slightly (+3.1 %) in August. Melon prices surged because of reduced yields due to the dull weather. However, it seemed that the dull weather did not dampen its consumption. Conversely, it penalised the demand for other fresh summer-vegetables which are eaten raw, such as tomatoes or cucumbers ; and encouraged the shift to the courgette, which is eaten cooked.

Producer prices of pigs and large cattle

Base year : 2010 ; seasonally adjusted



Source : Insee

On a seasonally adjusted basis, animal prices still decreased in August (-4.4 % over one quarter). The drop in pig prices was significant in August (-4.6 %) : the supply faced the North-European competition while the Russian embargo limited the outlets. Beef

consumption was sluggish; this was reflected by a significant fall in cattle prices over one year (-6.3 %).

Indices of producer prices of agricultural products (IPPAP)

	weights	Aug. 2014 raw	Base year 2010 Variation as % over		
			a month	3 months	a year
			Seasonally adjusted	Seasonally adjusted	raw
Agricultural goods output	1000	114.7	-1.6	-3.8	-4.4
excluding fruits and vegetables	900	117.3	-1.5	-3.8	-4.1
Crop output (excluding fruits and vegetables)	503	114.4	-1.8	-5.0	-5.4
Cereals	188	106.0	-3.6	-7.1	-8.5
of which soft wheat	112	104.1	-4.3	-9.5	-6.5
grain maize	41	93.0	-4.3	-9.2	-21.0
Potatoes	26	117.3	///	///	-50.2
Wines	177	130.5	-1.5	-2.4	+11.3
Protected designation of origin	84	141.4	-1.4	-3.9	+16.8
other wines	23	129.8	-4.9	-1.4	+8.7
Oleaginous	49	86.2	-2.0	-13.3	-10.8
Horticultural products	30	107.1	+0.2	+1.9	+2.0
Other crop products	33	122.8	-0.9	-2.1	-6.2
Fruits and vegetables (1)	100	90.6	///	///	-7.9
Fresh vegetables	53	86.9	///	///	+3.1
Fresh fruits	35	90.1	///	///	-22.1
Animal output	397	121.0	-1.2	-2.3	-2.5
Animals	235	118.9	-1.6	-4.4	-6.6
of which large cattle	96	122.7	-0.6	-2.7	-6.3
calves	26	105.7	+0.1	-5.2	+0.8
pigs	54	123.2	-4.6	-10.4	-11.2
sheep	10	115.6	-3.6	-5.5	-4.0
poultry	46	115.1	-0.4	-0.1	-5.8
of which chicken	28	115.4	-0.4	+0.1	-5.9
Milk	147	125.7	0.0	+0.8	+3.0
of which cow milk (2)	137	127.2	0.0	+0.8	+3.2
Eggs	15	107.6	-7.5	+3.0	+14.9

(1) Including vegetables for industry.

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

Sources: Insee - SSP (ministry of agriculture)

Overall purchase prices of the means of agricultural production went down in August.

Intermediate consumptions prices slipped by 0.5 % this month. Over one year, feed prices dropped by 6.6 %. Prices of investment goods increased slightly in August (+0.2 %).

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)

	weights	Aug. 2014	Base year 2010 Variation as % over		
			a month	3 months	a year
			Seasonally adjusted	Seasonally adjusted	raw
Total input	1000	112.0	-0.3	-1.1	-1.7
Intermediate consumptions	764	113.8	-0.5	-1.4	-2.4
Energy	100	116.4	-1.0	-0.3	-3.6
Seeds	57	108.7	+0.1	-0.3	+0.5
Fertilisers and soil improvers	92	115.1	+0.1	-3.8	-3.3
Plant protection products	78	101.3	+0.1	0.0	+0.3
Animal feed	205	122.2	-1.4	-3.2	-6.6
Veterinary expenses	43	112.1	+0.6	+0.9	+2.6
Small equipment and tools	17	109.5	+0.4	+1.3	-0.4
Maintenance of materials	67	111.5	-0.1	+0.3	+2.5
Maintenance of buildings	9	106.7	0.0	0.0	+0.1
Other goods and services	97	102.5	0.0	+0.1	+1.0
Goods and services contributing to investment	236	106.6	+0.2	-0.1	+1.0
Material	186	106.8	+0.4	+0.2	+1.4
Tractors	79	106.5	+0.9	-0.1	+1.4
Machinery and plant for cultivation	36	108.3	-0.1	+0.7	+2.3
Machinery and plant for harvesting	42	106.8	-0.1	-0.2	+0.5
Utility vehicles	18	105.4	+0.4	+0.9	+2.3
Buildings	50	106.0	-0.3	-1.0	-0.7

(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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