

■ Indices of agricultural prices - January 2015

Overall agricultural producer prices stability in January 2015

In January 2015, overall agricultural producer prices were stable; over one year they dropped by 4.0 %.

Cereal prices stabilized in January after the rally of the three last previous month. The abundant supply weighed on prices but was offset by bullish factors: the decline of the euro against the dollar supported the euro prices, the war in Ukraine resulted in a reduction in the international supply and taxation by Russia of wheat exports made the international prices react upwardly.

Producer prices of cereals

Base year : 2010



Source : Insee

In January oilseed prices rose (+ 2.3% after 2.7%). The price of rapeseed increases mainly due to the decline in the euro and to anticipations of the next crop at a low level in Europe.

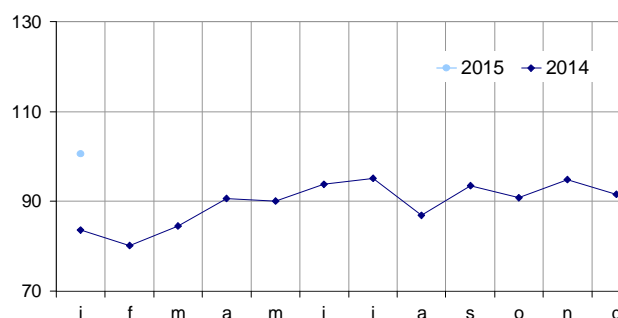
Wine prices increased by 1.5 % over one year. The last crop was normal, except in the Languedoc-Roussillon region which was struck by bad weather. So, the prices of common wines, massively produced in this region, rose significantly (+14.4 % over one year).

Potato prices tumbled compared to last year (-38.5 %): the crops in North-Western Europe looked more abundant than last year, due to better yields and the rise in areas under cultivation.

Fresh fruits prices went down in December (-5.3 % over one year). Apples and pears prices decreased : the commercial Russian embargo, established last August, led to the saturation of the other European markets.

Producer prices of vegetables

Base year : 2010

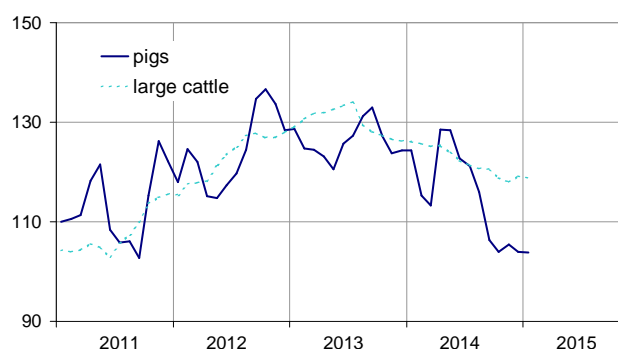


Source : SSP (ministry of agriculture)

Prices for fresh vegetables surged in January (+20.3% over one year after -0.2%). Endive prices rose sharply due to the reduction by one third in planted areas. Salads prices also increased: the weather conditions in the South-East, the main producing region in winter, reduced yields. The cauliflower prices also went up due to strong demand coupled with the decline in production.

Producer prices of pigs and large cattle

Base year : 2010 ; seasonally adjusted



Source : Insee

On a seasonally adjusted basis, animal prices were virtually unchanged in January (-0.2%). They fell by 7.5% year on year. Pork prices tumbled (-16.5% year over year) due to the sanitary Russian embargo established in January 2014. The price of poultry decreased year on year (-6.0%) under the pressure of foreign competition. On the contrary, the price of sheep

increased year-over-year (+ 3.4%), due to the decline in global production in particular from Oceania. The price of milk decreased (-8.9% yoy) due to the loss of the Russian market since August for dairy products and to the worldly rise in milk production.

Indices of producer prices of agricultural products (IPPAP)

Base year: 2010

	weig hts	Jan. 2015 raw	Variation as % over a 3 months Seasonally adjustedraw		
Agricultural goods output	1000	113.7	0.0	+2.4	-4.0
excluding fruits and vegetables	900	114.8	-0.4	+2.0	-5.0
Crop output (excluding fruits and vegetables)	505	116.0	-0.2	+4.6	-3.0
Cereals	188	116.1	-0.1	+13.1	+0.9
of which soft wheat	112	115.1	+1.2	+17.2	-1.4
grain maize	41	92.2	-3.3	+9.4	-11.1
Potatoes	26	94.6	///	///	-38.5
Wines	177	129.1	-0.5	-1.9	+1.5
Protected designation of origin	84	133.2	-1.2	-2.1	-1.3
other wines	23	148.4	+1.0	+2.7	+14.4
Oleaginous	49	95.5	+2.3	+10.4	-1.0
Horticultural products	30	108.5	-0.7	-0.7	-1.3
Other crop products	36	119.1	-1.0	+0.7	-1.7
Fruits and vegetables (1)	100	104.0	///	///	+7.3
Fresh vegetables	53	100.6	///	///	+20.3
Fresh fruits	35	105.7	///	///	-5.3
Animal output	395	113.1	-0.7	-1.1	-7.4
Animals	234	110.0	-0.2	-0.2	-7.5
of which large cattle	96	116.5	-0.3	0.0	-5.6
calves	26	110.9	-1.4	+2.7	-3.4
pigs	54	96.2	0.0	-0.1	-16.5
sheep	10	123.2	+0.2	+3.2	+3.4
poultry	46	108.8	0.0	-3.3	-6.0
of which chicken	28	108.7	+0.2	-3.5	-6.0
Milk	147	116.8	0.0	-3.7	-8.9
of which cow milk (2)	137	117.0	0.0	-4.0	-9.6
Eggs	15	126.3	-12.0	+12.0	+10.9

(1) Including vegetables for industry.

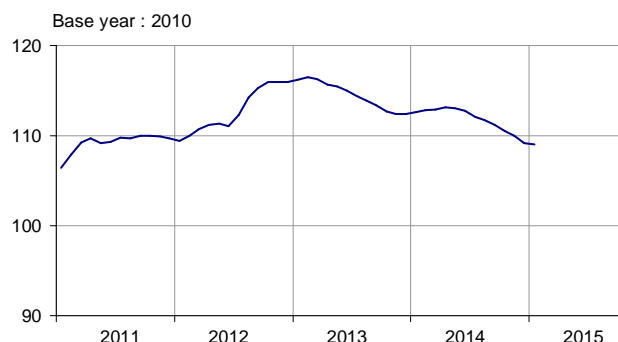
(2) The price for January is not yet known and therefore is estimated by carrying forward the seasonally adjusted price from December

Overall purchase prices of the means of agricultural production virtually unchanged

In January, intermediate consumptions prices have been slipping for nine months (-4,6 %). Energy prices fell by almost 20 % over one year. Feed prices increased a

little in January (+0.4 %) but noticeably decreased over one year (-7.2 %). Investment goods prices were virtually stable this month (+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

	weight s	Jan. 2015	Variation as % over a 3 a mon month year th hs		
Total input	1000	109.0	-0.1	-1.3	-3.2
Intermediate consumptions	764	110.0	-0.2	-1.8	-4.0
Energy	100	95.5	-5.1	-15.0	-19.8
Seeds	57	108.7	+0.4	+0.3	+0.3
Fertilisers and soil improvers	92	119.6	+1.8	+3.2	+4.9
Plant protection products	78	99.7	-0.6	-1.6	-0.6
Animal feed	205	116.8	+0.4	-0.8	-7.2
Veterinary expenses	43	113.2	+0.8	+0.9	+2.2
Small equipment and tools	17	108.1	-1.7	-1.5	-0.6
Maintenance of materials	67	112.3	+0.5	+0.7	+1.4
Maintenance of buildings	9	106.9	0.0	-0.2	0.0
Other goods and services	97	101.8	+0.1	+0.1	+0.1
Goods and services contributing to investment	236	106.3	+0.1	+0.2	-0.4
Material	186	106.6	+0.1	+0.3	-0.2
Tractors	79	106.1	+0.4	+0.2	-1.3
Machinery and plant for cultivation	36	109.0	0.0	+1.2	+1.5
Machinery and plant for harvesting	42	106.7	-0.2	+0.1	-0.2
Utility vehicles	18	104.9	-0.2	0.0	+1.6
Buildings	50	105.0	0.0	-0.4	-1.5

(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/fr/themes/info-rapide.asp?id=80>

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Next publishing : March 31st 2015 at 12 p.m