

■ Indices of agricultural prices - November 2014

Overall producer prices of agricultural products increased in November

In November, overall agricultural producer prices rose (+2.3 % after +0.8 %) ; over one year they dropped by 4.5 %.

Cereal prices kept on rallying in November (+7.4 % after 5.4 %). The exportation demand for French wheat was strong while the traders reacted bullishly to the persistent geopolitical tension in Ukraine and to the cold snap in the United-States. The feed demand for maize was robust.

Producer prices of cereals

Base year : 2010



Source : Insee

Oleaginous prices went up again (+5.2 % after +3.1 %) Prices increased due to the strength of the demand for livestock meals. Moreover, logistical problems in the United-States delayed the deliveries, thus creating supply tightness.

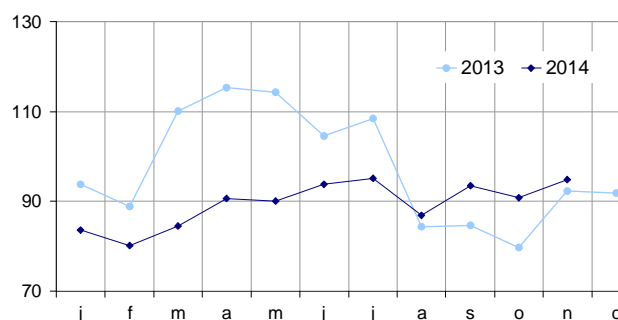
Wine prices rose by 5.3 % over one year as the crop of 2013, still on sale, was weak.

Potato prices tumbled compared to last year (-41.1 %) : 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 decreasing was strong again in November (-13.5 % over one year after -16.5%). Apple prices and pear prices dropped as a result of the European competition and the commercial Russian embargo established in August. The former suppliers of Russia indeed sold their stocks at low prices in order to be able to sell them up.

Producer prices of vegetables

Base year : 2010

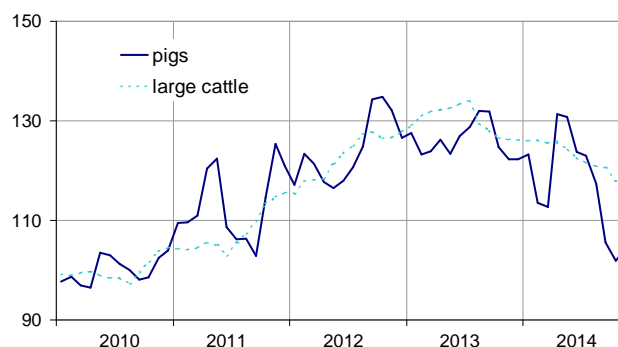


Source : SSP (ministry of agriculture)

Fresh vegetables prices slightly went up in November (+2.8 % year-over-year). The consumers continued to favor summer-vegetables (noticeably tomatoes). Chicory prices increased due to a observed fall in the production as the grown areas had been reduced.

Producer prices of pigs and large cattle

Base year : 2010 ; seasonally adjusted



Source : Insee

On a seasonally adjusted basis, animal prices were almost stable in November (+0.2 %). Pig prices went up in November (+2.3 %) but stayed low (-11.1 % over the quarter), due to the sanitary Russian embargo established in January and North-European competition. Egg prices surged (+12.3 %) due to exportation outlets to countries experiencing under-capacity productions (Germany, United Kingdom and

Benelux).

Indices of producer prices of agricultural products (IPPAP)

Base year: 2010

	weights	Nov. 2014 raw	Variation as % over a month	3 months Seasonally adjusted	a year
Agricultural goods output excluding fruits and vegetables	1000	113.7	+2.3	+0.3	-4.5
	900	115.1	+2.2	-0.6	-4.5
Crop output (excluding fruits and vegetables)	505	115.6	+3.5	+1.0	-4.8
Cereals	188	110.3	+7.4	+4.0	-7.8
of which soft wheat	112	106.3	+8.2	+2.1	-13.0
grain maize	41	88.3	+4.8	-5.0	-17.0
Potatoes	26	99.5	///	///	-41.1
Wines	177	130.8	+0.8	+0.5	+5.3
Protected designation of origin	84	137.6	+1.2	-2.2	+5.9
other wines	23	146.1	+1.1	+12.4	+15.0
Oleaginous	49	90.9	+5.2	+5.5	-10.2
Horticultural products	30	108.0	+0.1	-2.9	-0.5
Other crop products	36	119.7	+0.4	-0.3	-0.5
Fruits and vegetables (1)	100	101.2	///	///	-3.8
Fresh vegetables	53	94.8	///	///	+2.8
Fresh fruits	35	107.2	///	///	-13.5
Animal output	395	114.5	+0.6	-2.7	-4.2
Animals	234	111.0	+0.2	-4.2	-7.7
of which large cattle calves	96	115.0	-0.5	-3.0	-6.9
pigs	54	102.2	+2.3	-11.1	-14.7
sheep	10	122.3	+2.3	+1.8	+0.8
poultry	46	111.0	-1.4	-3.6	-6.0
of which chicken	28	110.7	-1.7	-4.1	-6.5
Milk	147	118.9	0.0	-2.3	+0.6
of which cow milk (2)	137	119.0	0.0	-2.5	+0.5
Eggs	15	127.2	+12.3	+19.9	+4.7

(1) Including vegetables for industry.

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

Sources: Insee - SSP (ministry of agriculture)

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

In November, intermediate consumptions prices have been slipping for six months (-0.5 % in November, -3.2 % over six month). Energy prices decreased by 2.6 % this month. Over one year, energy and feed prices noticeably stepped back (respectively -8.1 % et

-7.0 %). Investment prices dipped in November (-0.2 %).

Purchase price of the means of agricultural production

Base year : 2010



Sources : INSEE et SSP (ministry of agriculture)

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

Base year: 2010

	weights	Nov. 2014	Variation as % over a month	3 months	a year
Total input	1000	110.2	-0.4	-1.4	-2.0
Intermediate consumptions	764	111.5	-0.5	-1.7	-2.5
Energy	100	109.4	-2.6	-6.0	-8.1
Seeds	57	108.5	-0.1	0.0	0.0
Fertilisers and soil improvers	92	116.8	+0.6	+2.2	+3.1
Plant protection products	78	101.5	0.0	+0.2	-0.1
Animal feed	205	116.9	-0.8	-4.3	-7.0
Veterinary expenses	43	112.3	+0.1	+0.3	+2.3
Small equipment and tools	17	109.8	-0.1	+0.4	0.0
Maintenance of materials	67	111.6	+0.1	+0.1	+2.3
Maintenance of buildings	9	107.1	+0.2	+0.3	+0.3
Other goods and services	97	101.7	0.0	-0.1	+0.2
Goods and services contributing to investment	236	106.2	-0.2	-0.4	-0.2
Material	186	106.2	-0.1	-0.5	-0.2
Tractors	79	105.7	-0.2	-0.8	-1.4
Machinery and plant for cultivation	36	108.3	+0.5	+0.2	+2.1
Machinery and plant for harvesting	42	106.5	-0.3	-0.6	-0.7
Utility vehicles	18	104.3	-0.7	-0.9	+1.1
Buildings	50	106.0	-0.2	0.0	-0.2

(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 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 : January 31st 2015 at 12 p.m