

Indices of agricultural prices - February 2016

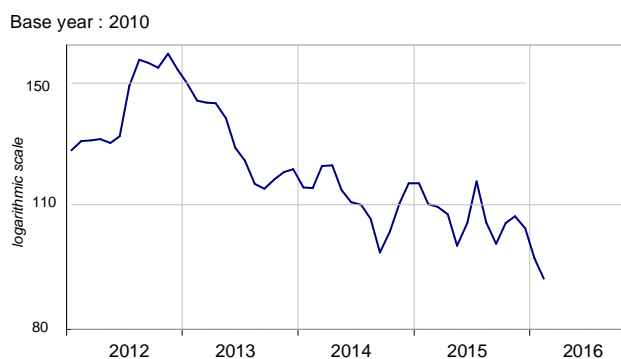
Overall producer prices of agricultural products decreased by 0.8% in February 2016

In February 2016, overall producer prices of agricultural products fell again compared to last month (-0.8 after -1.1%) Over one year, they dropped by 2.3%.

Sharp falls in cereals and oleaginous prices

Cereal prices have tumbled for three months (-14,7 % compared to November 2015) due to the abundant world supply And forecast of significant harvests in the Northern hemisphere.

Producer prices of cereals



Source: INSEE

Oleaginous prices have slumped for three months (-9,1% compared to November 2015) reflecting the decrease in Chinese importations and the significant fall in oil prices that reduced the interest of hydrocarbon substitution by oleaginous.

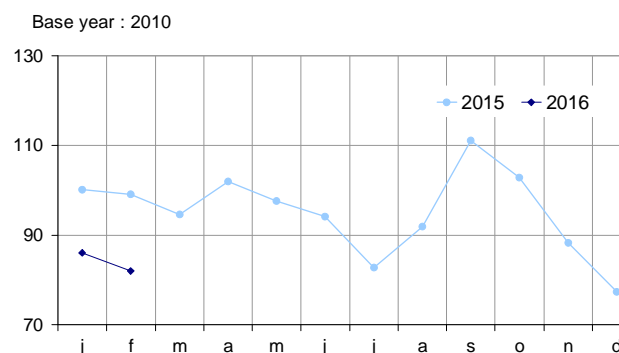
Surge in potatoe prices, near stability in fruit prices and drop in vegetable prices.

Potatoe prices doubled in February over one year. The 2015 crop reached its long-term average whereas the previous one was exceptional.

Fresh fruit prices were virtually stable over one year. Walnuts and kiwis prices declined while apples became a little more expensive, as this fruit was sold easily through exportations.

Fresh vegetable prices plummeted y-o-y (-17.3%). The mild temperatures hastened the harvests and improved the yields, noticeably for salads and cauliflowers. Chicory prices also fell back, as a result of the competition of salad.

Producer prices of fresh vegetables

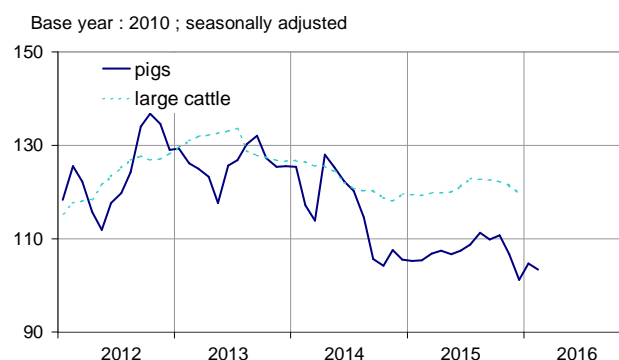


Source: SSP (ministry in charge of agriculture)

Drop in animal prices and tumble in milk price

On a seasonally adjusted basis animal prices decreased in February 2016 (-0.6% compared to last month). The European competition and the Russian embargo kept on weighing on pig prices (-1.3%), that were already low.

Producer prices of pigs and large cattle



Source: INSEE

Cow milk prices lost 8.4% over the last three months : since the end of the quotas, the Northern Europe increased its production of cow milk while, on the demand side, the Russian outlet remained suspended and the Chinese demand slowed down.

Egg price picked up a little this month (+0.5%), after falling sharply in January.

Indices of producer prices of agricultural products (IPPAP)

base year: 2010

	Weights	Feb. 2016 raw	Variation as % over		
			month a	month 3	a year
			h	h	raw
			Seasonally adjusted	Seasonally adjusted	raw
Agricultural goods output	1000	108.5	-0.8	-4.6	-2.3
excluding fruits and vegetables	900	110.0	-0.7	-4.4	-1.7
Crop output (excluding fruits and vegetables)	505	113.4	-1.0	-4.6	-0.8
Cereals	188	91.1	-4.9	-14.7	-17.3
of which soft wheat	112	86.6	-6.0	-17.0	-20.2
grain maize	41	87.6	-3.5	-11.4	-3.4
Potatoes	26	180.8	///	///	+97.4
Wines	177	133.8	+1.9	+2.2	+3.9
Protected designation of origin	84	142.8	+3.2	+4.2	+7.4
other wines	23	147.4	+1.3	-0.1	-0.9
Oleaginous	49	95.1	-3.0	-9.1	-2.1
Horticultural products	30	110.9	-1.4	-2.9	0.0
Other crop products	36	108.1	-0.1	+0.7	0.0
Fruits and vegetables (1)	100	94.2	///	///	-8.8
Fresh vegetables	53	82.0	///	///	-17.3
Fresh fruits	35	104.6	///	///	-0.2
Animal output	395	105.7	-0.4	-4.1	-2.8
Animals	234	110.1	-0.6	-1.7	-0.8
of which large cattle	96	116.3	-0.8	-3.1	-1.0
calves	26	114.0	+1.1	+4.7	+2.2
pigs	54	96.4	-1.3	-3.2	-2.6
sheep	10	111.5	-2.4	-0.9	-6.4
poultry	46	111.0	-0.2	-0.6	+1.7
of which chicken	28	110.3	-0.4	-1.3	+0.9
Milk	147	97.8	///	-7.8	-5.9
of which cow milk (2)	137	96.9	///	-8.4	-6.4
Eggs	15	114.3	+0.5	-8.9	-6.4

(1) Including vegetables for industry.

(2) The seasonally adjusted cow milk price indice is not yet known and therefore is carried forward to its January level

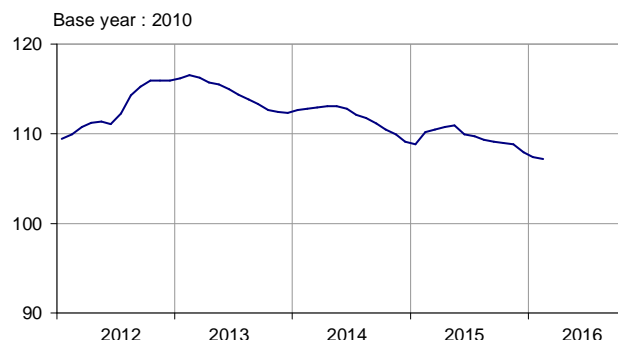
Sources: INSEE, SSP (ministry in charge of agriculture)

Purchase prices of means of production virtually stable in February

In February 2016, intermediate consumptions prices decreased again compared to the previous month (-0.4 % after -0.7%). Animal feed prices kept declining (-0.9 %) while prices of energy and fertiliser stabilized.

However, energy prices remained far inferior to its level one year before (-18.8%), as well as, albeit to a lesser extent, fertiliser prices (-6.0%). Capital goods prices increased by 0.4% over one month.

Purchase prices of the means of agricultural production



Sources: INSEE, SSP (ministry in charge of agriculture)

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

Base year : 2010

	Weights	Feb. 2016	variation as % over		
			a month	3 months	a year
Total input	1000	107.2	-0.2	-1.5	-2.7
Intermediate consumptions	764	107.3	-0.4	-2.1	-3.8
Energy	100	83.6	0.0	-11.4	-18.8
Seeds	57	108.7	-0.1	-1.0	+0.1
Fertilisers and soil improvers	92	114.1	-0.1	-1.6	-6.1
Plant protection products	78	99.7	-0.4	-0.9	-0.3
Animal feed	205	114.1	-0.9	-1.8	-3.4
Veterinary expenses	43	116.3	-0.1	+1.1	+2.4
Small equipment and tools	17	109.5	-0.4	-0.4	+1.7
Maintenance of materials	67	113.5	0.0	+0.1	+0.6
Maintenance of buildings	9	106.6	0.0	+0.1	-0.1
Other goods and services	97	101.8	0.0	0.0	+0.6
Goods and services contributing to investment	236	107.2	+0.4	+0.6	+0.8
Material	186	108.4	+0.4	+0.8	+1.4
Tractors	79	108.9	+0.7	+1.5	+2.3
Machinery and plant for cultivation	36	110.6	+0.4	+1.2	+1.1
Machinery and plant for harvesting	42	108.1	+0.1	+0.2	+1.2
Utility vehicles	18	104.6	0.0	-0.5	0.0
Buildings	50	102.4	0.0	-0.8	-1.7

(1) The repayment of the domestic tax on energy products (TICPE) benefiting farmers has been applied in advance for the year 2016

Sources: INSEE, SSP (ministry in charge 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 *Agrreste - 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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