

Informations

Rapides

Indices of agricultural prices – December 2016

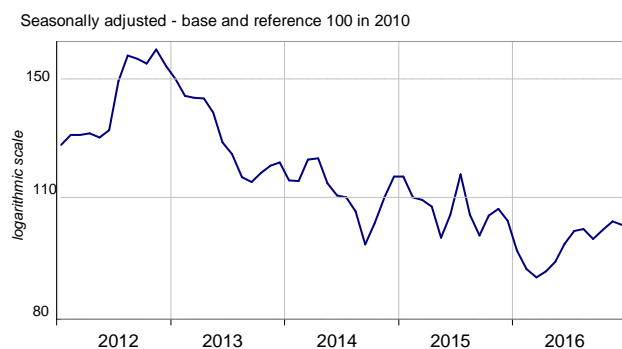
In December 2016, overall agricultural producer prices increased by 5.0% over one year

In December 2016, overall agricultural prices increased again compared to last year (+5.0%), faster than in the previous month (+3.0%). Excluding fruits and vegetables, they went up by 1.0% over the month and by 3.8% over one year.

Downturn in cereal prices but strong rise in oleaginous prices

In December, cereal prices fell back (-1.0%) due to the abundant supply, backed by record crops of wheat in the Southern hemisphere, noticeably in Australia. For the exporters in the euro zone, the drop in wheat prices was mitigated by the appreciation of the dollar. Oleaginous prices kept on growing at a high pace (+8.6% over three months), as the rise in oil price bolstered the attractiveness of vegetal oils as substitute for hydrocarbons. The appreciation of dollar against euro also took part in this upward momentum.

Producer prices of cereals



Source: INSEE

Sharp year-on-year price rise for potatoes, wines, fruits and vegetables

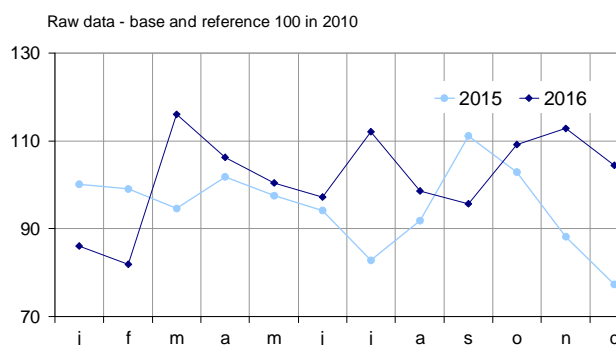
In December, potato prices strongly rose over one year (+43.0%): adverse climatic conditions reduced the yields in North-Western Europe.

Wine prices went up (+3.6% over one year), in particular those for protected designation of origin wines (+7.7%) which harvests were affected by climatic hazards.

Fresh fruit prices remained dynamic over one year in December (+8.1%), as the crops of apples and pears retreated markedly. Fresh vegetables prices surged over one year (+35.1%). Lamb's lettuce price almost

tripled: very mild weather had encouraged over-production at end-2015. Endive and winter salad became more expensive, as the supply fell back as well.

Producer prices of fresh vegetables

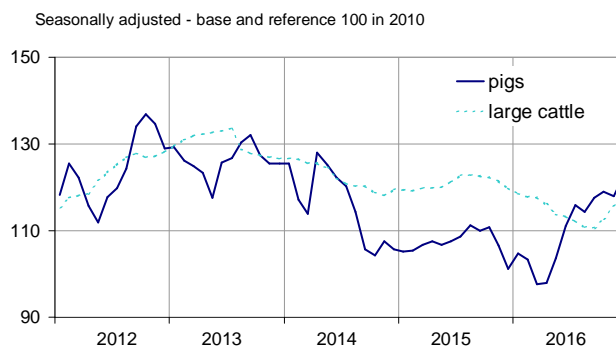


Source: SSP (ministry in charge of agriculture)

Animal and milk prices picked up for three months

Animal prices kept on going up (+4.0% over the quarter). Large cattle prices have rebounded since the end of the milk crisis (+6.2% over three months; -2.1% over one year). The farmers had indeed more cows slaughtered when facing milk overproduction, which weighed on the beef market. Pig prices gained almost 20% over one year, significantly buoyed by Chinese demand.

Producer prices of pigs and large cattle



Source: INSEE

Cow milk prices continued to pick up (+9.9% between September and November). The production of the main

exporting countries declined, whereas China drove the global demand up.

Indices of producer prices of agricultural products (IPPAP)

Seasonnally adjusted * - base and reference 100 in 2010

	Weights	Dec. 2016	Variation as % over		
			a month	Weights	Nov. 2016
Agricultural goods output	1000	117.7	///	///	+5.0
excluding fruits and vegetables	900	118.7	+1.0	+4.2	+3.8
Crop output (excluding fruits and vegetables)	505	123.4	+0.6	+2.2	+5.2
Cereals	188	102.4	-1.0	+3.9	-1.1
of which soft wheat	112	99.5	-1.1	+2.7	-0.7
grain maize	41	100.2	-0.2	+5.8	+3.6
Potatoes	26	250.3	///	///	+43.0
Wines	177	135.2	0.0	+0.1	+3.6
protected designation of origin	84	147.4	+0.2	-0.1	+7.7
other wines	23	138.6	-0.7	+1.6	-4.4
Oleaginous	49	109.6	+4.3	+8.6	+6.2
Horticultural products	30	112.0	+1.3	+2.4	+2.4
Other crop products	36	110.9	+1.9	+1.6	+2.0
Fruits and vegetables (1)	100	109.6	///	///	+18.9
Fresh vegetables	53	104.4	///	///	+35.1
Fresh fruits	35	118.1	///	///	+8.1
Animal output	395	112.6	+1.6	+7.1	+2.0
Animals	234	115.8	+2.0	+4.0	+2.4
of which large cattle calves	96	117.5	+1.6	+6.2	-2.1
of which sheep	26	107.8	+3.3	+5.1	-2.6
pigs	54	122.4	+3.8	+4.1	+19.9
sheep	10	117.5	+0.1	-0.3	+1.4
poultry	46	109.0	+0.1	-0.3	-2.3
of which chicken	28	108.9	+0.2	+0.1	-2.2
Milk	147	102.5	///	+9.0	-2.2
of which cow milk (2)	137	101.9	///	+9.9	-2.5
Eggs	15	162.8	+8.2	+38.9	+29.3

* Except for fresh fruits, fresh vegetables and potatoes

/// Absence of result due to the nature of these series

(1) Including vegetables for industry.

(2) The November value of cow milk price indice is carried forward in December

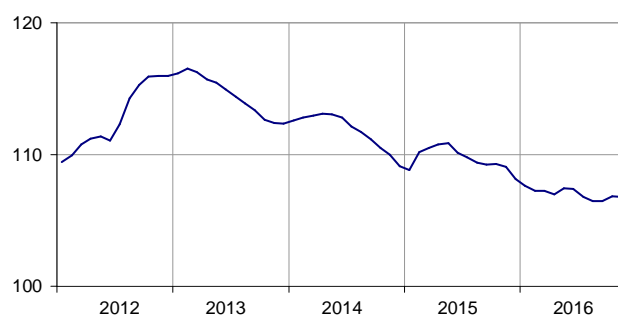
Sources: INSEE, SSP (ministry in charge of agriculture)

Rebound in purchase prices of means of production

In December 2016, intermediate consumption prices picked up (+0.8%), driven up by the rising prices of energy and fertilisers. Over one year overall input prices decreased by 1.3%: the strong decline in fertilisers prices (-13.0%), and those more moderate for seeds (-2.9%) and feed (-3.0%), were partly offset by higher energy prices (+13.5%). Capital goods prices still expanded (+0.2 % as in November) and grew by 1.4% over one year.

Purchase prices of the means of agricultural production

Raw data - base and reference 100 in 2010



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

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

Raw data - base and reference 100 in 2010

	Weights	Dec. 2016	variation as % over		
			a month	3 months	a year
Total input	1000	107.4	+0.6	+0.8	-0.6
Intermediate consumptions	764	107.3	+0.8	+0.9	-1.3
Energy	100	98.6	+3.6	+6.5	+13.5
Seeds	57	105.5	-0.8	-1.4	-2.9
Fertilisers and soil improvers	92	100.7	+3.0	+3.5	-13.0
Plant protection products	78	100.1	-0.6	-0.7	-0.5
Animal feed	205	112.1	+0.2	-0.1	-3.0
Veterinary expenses	43	118.2	0.0	+0.1	+3.0
Small equipment and tools	17	107.9	-0.9	-1.5	-1.7
Maintenance of materials	67	113.9	+0.2	+0.2	+0.3
Maintenance of buildings	9	108.0	0.0	+0.2	+1.3
Other goods and services	97	103.7	+0.1	+0.1	-0.7
Goods and services contributing to investment	236	108.2	+0.2	+0.7	+1.4
Material	186	109.4	+0.1	+1.0	+1.4
Tractors	79	109.8	0.0	+1.3	+2.0
Machinery and equipment for cultivation	36	111.7	+0.8	+0.5	+1.5
Machinery and equipment for harvesting	42	109.9	0.0	+1.4	+1.2
Utility vehicles	18	104.7	+0.1	+0.9	+0.2
Buildings	50	103.4	0.0	-0.9	+1.0

(1) The repayment of the domestic tax on energy product (TICPE) benefiting farmers has been applied in advance for the year 2016
Sources: INSEE, SSP (ministry in charge of agriculture)

Revision

The variation in IPPAP in November 2016 has been raised by 0.3 points owing to the integration of cow milk price. The IPAMPA of november has not been revised.

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 change every month so that they reflect their very seasonal pattern. As a result their variations must only be interpreted year-over-year. Seasonally adjustments are restricted to cattle, milk, horticultural products as a whole, and to some other aggregates.

The methodology can be found via the link hereafter: https://www.insee.fr/en/statistiques/documentation/lpa_m_EN.pdf 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.

Further data (historical data, simplified methodology) are available on the web page of this publication:

<https://www.insee.fr/en/statistiques?debut=0&theme=30&conjoncture=49>

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

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