

Informations

Rapides

Indices of agricultural prices - January 2017

In January 2017, overall agricultural producer prices still sharply increased over one year

Warning: The seasonal adjustment of the seasonal series of producer price index have been reestimated including the year 2016

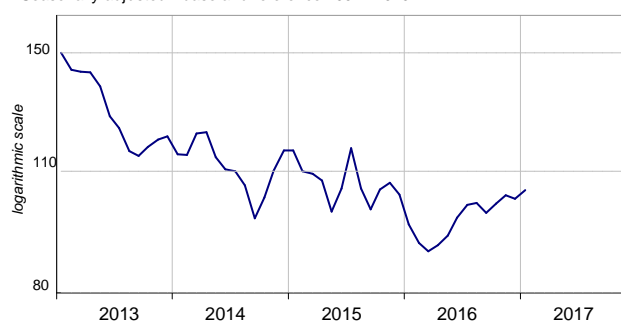
In January 2017 overall agricultural prices rose again sharply over one year (+8.4% after +6.7% in December). Excluding fruits and vegetables, they were stable over the month and increased by 7.0% over one year.

Rebound in cereals prices and more marked rise in oleaginous prices

In January 2017, cereals prices picked up (+2.3% after -1.0%; +9.4% over one year after -1.1% in December). In the United-States, very low temperatures raised concerns about autumn seed germination of soft wheat. Furthermore, the maize European supply was barely able to fill the continental demand, noticeably these intended to feed manufacturing. Oleaginous prices accelerated (+12.7% over one year after +6.2%) due noticeably to the drop in soy global stocks and to the floods in Argentina, which is one of the main soy producer. Soy and rape prices are correlated due to their common use by agri-food or fuel industries.

Producer prices of cereals

Seasonally adjusted - base and reference 100 in 2010



Source: INSEE

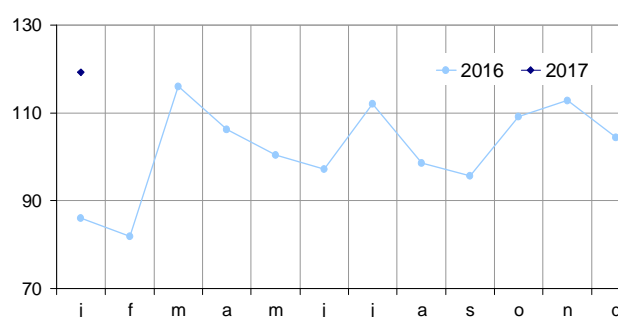
Sharp increase in potatoes and fresh vegetables prices

In January 2017, potatoes prices remained much higher than their levels last year (+40.3%), as a consequence of the weak yields in North-West Europe during the last production campaign. Fresh vegetables prices surged too over one year (+38.6%) due to the significant decline in the winter productions (endive,

leek, lamb's lettuce and lettuce). Fresh fruits prices remained very dynamic (+9.7% over one year). Wine prices increased by 1.3 over one year, driven by the growth in PDO wine prices.

Producer prices of fresh vegetables

Raw data - base and reference 100 in 2010



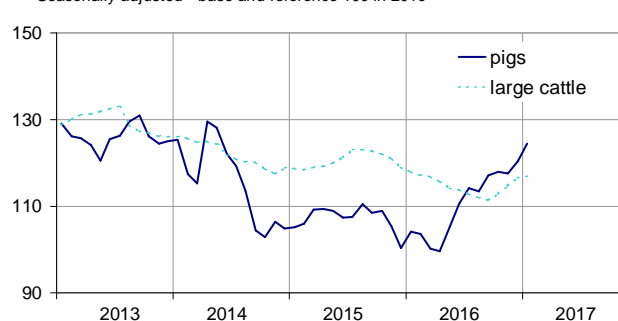
Source: SSP (ministry in charge of agriculture)

Increase in animal and milk prices

Over one year animals prices kept on rising (+2.5%) owing to the buoyant pig price trend (+19.5% over one year), sustained by Chinese demand. Big cattle prices kept on rallying (+3.5% over three months); however, they remained lower than a year before (-1.3%).

Producer prices of pigs and large cattle

Seasonally adjusted - base and reference 100 in 2010



Source: INSEE

Cow milk price continued to strengthen (+5.4% from October to December) owing to strong Chinese demand while production declined in the main exporting zones (Southern America, Oceania and Europe).

Indices of producer prices of agricultural products (IPPAP)

Seasonnally adjusted * - base and reference 100 in 2010

	Weights	Jan. 2017	Variation as % over		
			a month	3 months	A year
Agricultural goods output	1000	119.7	///	///	+8.4
excluding fruits and vegetables	900	120.0	0.0	+2.5	+7.0
Crop output (excluding fruits and vegetables)	505	123.7	+0.2	+1.5	+8.0
Cereals	188	104.8	+2.3	+3.6	+9.4
of which soft wheat	112	103.0	+3.5	+4.7	+11.8
grain maize	41	101.8	+1.6	+3.6	+12.1
Potatoes	26	252.4	///	///	+40.3
Wines	177	133.1	-1.8	-1.7	+1.3
protected designation of origin	84	143.8	-2.8	-2.3	+3.9
other wines	23	136.5	-1.5	-3.1	-6.2
Oleaginous	49	110.4	+0.7	+6.7	+12.7
Horticultural products	30	111.8	+0.2	+0.9	+2.8
Other crop products	36	111.7	+1.2	+2.3	+2.3
Fruits and vegetables (1)	100	116.6	///	///	+22.4
Fresh vegetables	53	119.3	///	///	+38.6
Fresh fruits	35	114.2	///	///	+9.7
Animal output	395	115.2	-0.4	+3.9	+5.7
Animals	234	115.8	+0.9	+3.0	+2.5
of which large cattle	96	116.8	+0.3	+3.5	-1.3
calves	26	110.0	+1.9	+6.6	-2.6
pigs	54	124.5	+3.5	+5.5	+19.5
sheep	10	109.5	-6.1	-7.9	-5.7
poultry	46	109.0	0.0	-0.1	-2.0
of which chicken	28	108.8	-0.1	+0.1	-1.7
Milk	147	112.2	///	+5.0	+9.7
of which cow milk (2)	137	112.2	///	+5.4	+10.5
Eggs	15	135.7	-17.3	+5.4	+19.3

* 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 December value of cow milk price indice is carried forward in January

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

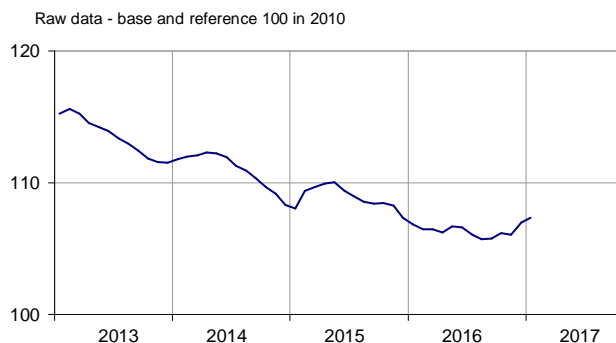
Continued rise in purchase prices of means of production

In January 2017, intermediate consumption prices kept on picking up (+0.4%), mostly driven by fertilisers prices. Over one year overall input prices rose by 0.2%: the higher price of energy (+22.4%) was virtually offset by the retreat in fertilisers (-9.6%) and feed prices (-1.9%). Capital goods prices were roughly stable this month (-0.1%) and went up by 1.1 % over one year.

Revisions

The level of IPPAP in December 2016 has been raised by 1.3 point noticeably further to the updating in seasonal series adjustments. IPAMPA has been revised by -0.4 point in relation with the revision of raw data.

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)

Raw data - base and reference 100 in 2010

	Weights	Jan. 2017	variation as % over		
			a month	3 months	a year
Total input	1000	107.3	+0.3	+1.1	+0.4
Intermediate consumptions	764	107.2	+0.4	+1.4	+0.2
Energy	100	102.1	+0.1	+6.1	+22.4
Seeds	57	106.4	-0.1	-0.9	-2.0
Fertilisers and soil improvers	92	103.9	+2.7	+6.3	-9.6
Plant protection products	78	97.8	-0.9	-1.7	-0.8
Animal feed	205	112.8	+0.5	+0.7	-1.9
Veterinary expenses	43	118.9	+0.2	+0.2	+2.1
Small equipment and tools	17	104.8	+0.1	-3.7	-4.4
Maintenance of materials	67	114.6	+0.6	+0.8	+1.0
Maintenance of buildings	9	107.3	0.0	+0.1	+1.5
Other goods and services	97	102.0	-0.1	0.0	-1.2
Goods and services contributing to investment	236	107.7	-0.1	+0.2	+1.1
Material	186	109.1	-0.1	+0.1	+0.9
Tractors	79	109.6	0.0	+0.2	+1.1
Machinery and equipment for cultivation	36	110.6	-0.2	+0.3	+0.4
Machinery and equipment for harvesting	42	109.9	0.0	+0.1	+1.6
Utility vehicles	18	104.1	-1.0	-0.5	+0.1
Buildings	50	102.5	0.0	+0.4	+1.7

(1) The repayment of the domestic tax on energy product (TICPE) benefiting farmers has been applied in advance for the year 2017

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 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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Next issue: 31 Mars 2017 at 12:00