

Informations *Rapides*

■ Indices of agricultural prices - June 2017

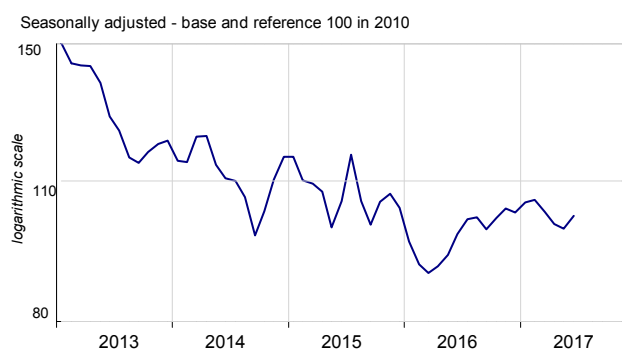
In June 2017, overall agricultural prices rose by 3.2% over one year

In June 2017, overall agricultural products prices continued to slow year on year (+3.2% after 5.3% in May and +6.6% in June). Excluding fruits and vegetables, they decreased by 0.2% over one month and rose by 4.0% over one year.

Cereal prices rallied while oilseed ones still dropped

In June 2017, cereal prices picked up (+2.8%). Heat waves in Western Europe and United States raised fears about yields drops for wheat and maize. Oilseed prices further decreased (-11.5% over three months): the decline in oil prices reduced the attractiveness of bio-diesel while the edible oil market was filled-up due to sluggish demand from the agri-food industry.

Producer prices of cereals



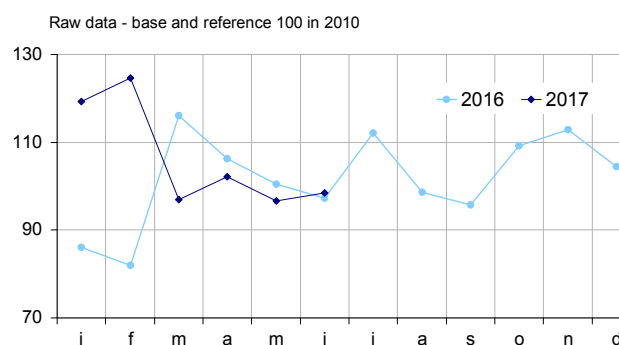
Source: INSEE

Fresh fruit prices tumbled; vegetable prices rose slightly

In June 2017, fresh fruits prices slipped back significantly year on year (-12.4%). Apricot price plunged by a third owing to abundant supply. The high temperatures in June hastened the harvests in France; moreover these were in competition with seasonal Spanish inflows. Cherry prices fell too in June by near 20%. Its production went back to a normal level compared to the weak amounts collected last year. In contrast, fresh vegetable prices increased a little (+1.1%). Tomato was more expensive, as the early summery weather boosted the demand. Wine prices broadly decreased by 0.5% over one year: protected designation of origin wine prices rose by 1.9% whereas prices of wines without protected designation of origin,

facing competition with Spanish ones, dropped by 10.8%.

Producer prices of fresh vegetables

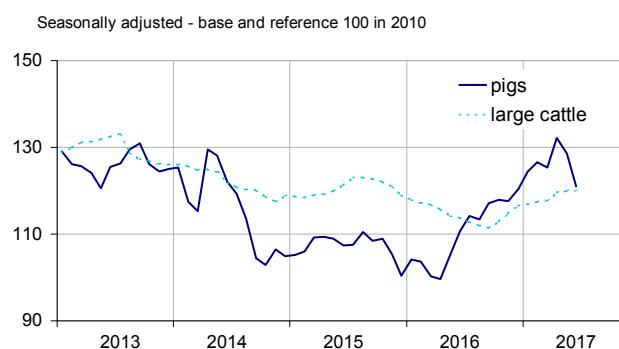


Source: SSP (ministry in charge of agriculture)

Falling animal prices, rising milk price

In June, animal prices kept on decreasing overall (-1.3% after -0.6%). Pig prices retreated for two months (-5.9% in June after -2.7%) with the downturn in Chinese demand. Sheep prices went up significantly (+6.2%) with, on the demand side, the end of Ramadan and, on the supply side, a decrease in New-zealand exportations.

Producer prices of pigs and large cattle



Source: INSEE

Cow milk price kept rising (+0.9% from March to May). Global milk collection has been decreasing since mid-2016 while the demand for dairy products was still on the rise. Egg prices climbed over one year (+22.7%): a health issue in Poland lessened global supply.

Indice of producer prices of agricultural products (IPPAP)

Seasonnally adjusted * - base and reference 100 in 2010

	Weights	June 2017	Variation as % over		
			a month	3 months	a year
Agricultural goods output	1000	116.1	///	///	+3.2
excluding fruits and vegetables	900	117.7	-0.2	-1.0	+4.0
Crop output (excluding fruits and vegetables)	505	119.9	0.0	-2.1	+0.5
Cereals	188	101.5	+2.8	-1.1	+4.2
of which soft wheat	112	99.3	+4.3	-1.5	+9.4
grain maize	41	98.7	-1.8	-3.3	-4.5
Potatoes	26	229.0	///	///	+0.7
Wines	177	134.8	+0.4	+1.1	-0.5
protected designation of origin	84	148.0	0.0	+2.4	+1.9
other wines	23	133.3	+3.5	-1.4	-10.8
Oleaginous	49	95.4	-2.6	-11.5	-4.7
Horticultural products	30	110.3	-0.4	+2.4	-0.2
Other crop products	36	110.7	-0.4	-1.0	+1.3
Fruits and vegetables (1)	100	101.6	///	///	-4.7
Fresh vegetables	53	98.4	///	///	+1.1
Fresh fruits	35	102.9	///	///	-12.4
Animal output	395	114.4	-0.9	+0.2	+8.5
Animals	234	116.2	-1.3	+0.1	+4.9
of which large cattle	96	120.0	+0.1	+2.0	+5.5
calves	26	102.9	-2.4	-6.2	-0.8
pigs	54	121.0	-5.9	-3.5	+9.5
sheep	10	121.9	+6.2	+15.9	+9.8
poultry	46	109.0	+0.5	+0.4	-0.5
of which chicken	28	109.0	+0.8	+0.8	-0.4
Milk	147	109.4	///	+0.9	+13.7
of which cow milk (2)	137	109.2	///	+0.9	+14.8
Eggs	15	135.2	-2.1	-4.9	+22.7

* Except for fresh fruits, fresh vegetables and potatoes

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

(1) Including vegetables for industry.

(2) The May value of cow milk price indice has been carried forward in June.

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

Decline in purchase prices of means of production

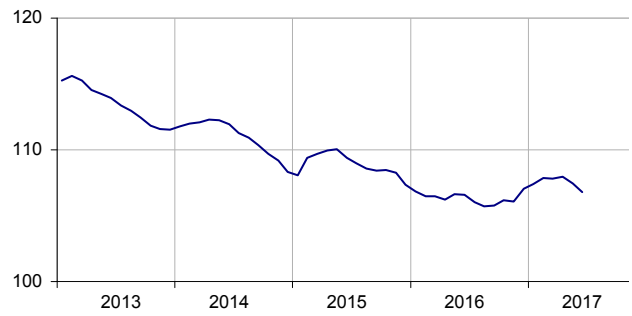
In May 2017, intermediate consumption prices decreased again (-0.7%, as in May) as a result of the decline in fertilisers prices (-4.3%) and energy (-2.3%). Over one year, they decreased by 0.3%, mainly held back by the drop in fertilisers prices (-4.9%). Capital goods prices were stable over one month and rose by 1.7% over one year.

Revision

The variation over one year of IPPAP has been lowered by 0.1 point in May; that of IPAMPA is unchanged.

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	June 2017	Variation as % over		
			a month	3 months	a year
Total input	1000	106.8	-0.6	-0.9	+0.2
Intermediate consumptions	764	106.2	-0.7	-1.3	-0.3
Energy	100	95.3	-2.3	-4.7	+0.6
Seeds	57	106.4	-0.1	+0.1	-2.2
Fertilisers and soil improvers	92	99.1	-4.3	-6.5	-4.9
Plant protection products	78	98.4	0.0	+0.6	-0.6
Animal feed	205	113.2	-0.2	-0.6	+1.0
Veterinary expenses	43	119.6	+0.1	+0.3	+1.4
Small equipment and tools	17	107.2	-0.1	+0.6	-1.8
Maintenance of materials	67	115.6	+0.2	+0.5	+1.9
Maintenance of buildings	9	108.5	0.0	+0.1	+1.6
Other goods and services	97	102.4	0.0	0.0	-0.9
Goods and services contributing to investment	236	108.7	0.0	+0.3	+1.7
Material	186	109.8	+0.1	+0.4	+1.6
Tractors	79	111.1	+0.2	+0.7	+2.4
Machinery and equipment for cultivation	36	111.3	0.0	0.0	+1.1
Machinery and equipment for harvesting	42	109.6	-0.1	+0.3	+1.4
Utility vehicles	18	104.3	+0.2	+0.1	-0.1
Buildings	50	104.8	0.0	+0.3	+2.2

(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 *Agrreste - Chiffres et Données* - n° 165 - February 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. It is not seasonally adjusted

Find directly historical data in the database "Base de Données Macro-économiques":

<https://www.insee.fr/en/statistiques/series/102413565>

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