Informations Rapides

28 septembre 2018 - n°264

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Conjoncture

Indices of agricultural prices - August 2018

In August 2018, agricultual prices increased by +3,3% over one year

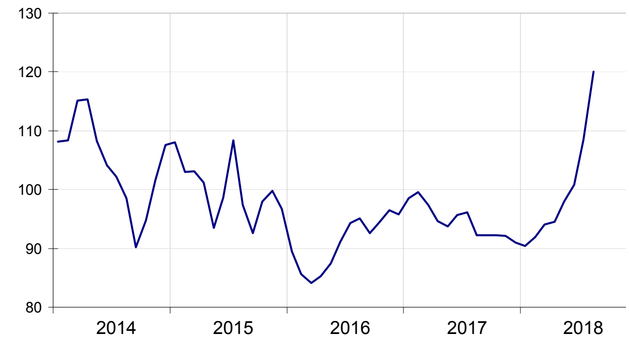
In August 2018, agricultural producer prices accelerated again to +3.3% over one year (after +1.3% in July and +0.5% in June). Excluding fruit and vegetables, they went up by 3.2% over one year (after +0.5% in July) and by 1.5% over one month.

Cereal prices rose sharply

In August 2018, cereal prices gained 10.7% over one month. Drought in Europe and other cropping area like Australia raised the concern of a drop in global production. Soft wheat prices were up by 10.3% over one month and those of grain maize by 11.3%. Over one year, prices increased by 33.6% for soft wheat and 20.7% for grain maize. Rapeseed production also drew some concerns that resulted in a acceleration of their prices in August (+5.4% after +3.4% in July). Overall, oilseed prices went up by 4.1% one month after + 2.6% in July.

Producer prices of cereals

Seasonally adjusted - base and reference 100 in 2015



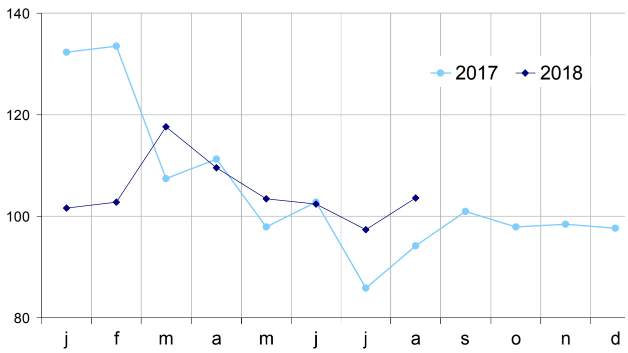
Source: INSEE

Fruits and vegetable prices up over one year

In August 2018, fruit prices rose by 14.8% over one year. Seasonal fruits prices increased sharply once again: apricots (+32.2% over one year), peaches and nectarines (+30.3%) and plums (+45.8%). Vegetable prices went up by 10.1% over one year. They were driven by higher prices for salads (+16.4% over one year), zucchini (+20.1%), and by a doubling price for cucumbers (+106.9%). On the other hand, the prices of melons (−2.3% over one year) and tomatoes (−12.0%) followed a downside.

Producer prices of fresh vegetables

Raw data - base and reference 100 in 2015



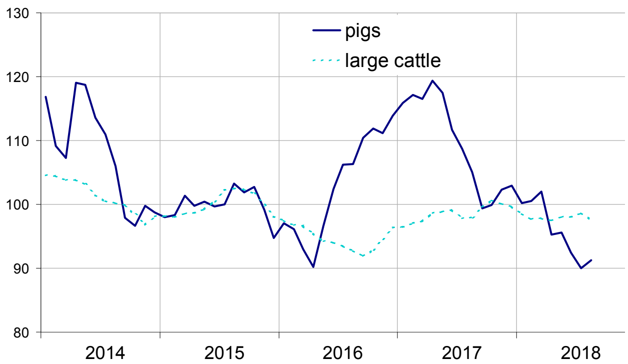
Source: SSP (ministry in charge of agriculture)

Prices down for cattle, up for pigs

In August 2018, animal prices dropped by 0.4% over one month, after being flat in July. Cattle prices faltered (−0.9% after +0.7% in July). Those of pigs rebounded (+1.4% over one month after −2.6% in July), in the wake of stronger demand at the end of the month while supply was down.

Producer prices of pigs and large cattle

Seasonally adjusted - base and reference 100 in 2015



Source: INSEE

Egg prices down once again

In August 2018, egg prices declined by 4.7% over one month, after −7.1% in July. The supply still exceeded a weak demand in the summer. The price of cow's milk was slightly increasing over one year (+0.2% in July after +1.1% in June).

Index of producer prices of agricultural products (IPPAP)

Seasonnaly adjusted - base and reference 100 in 2015

	Weights	August 2018	Variation as % over a month	3 months	a year
Agricultural goods output	**1000**	**106.3**	*///*	*///*	**+3.3**
excluding fruits and vegetables	906	106.2	+1.5	+3.2	+3.2
Crop output (excluding fruits and vegetables)	**489**	**111.6**	**+3.1**	**+6.0**	**+7.7**
Cereals	152	120.1	+10.7	+22.7	+30.3
of which soft wheat	*90*	*123.0*	*+10.3*	*+27.2*	*+33.6*
grain maize	*27*	*116.1*	*+11.3*	*+12.3*	*+20.7*
Potatoes	29	129.9	///	///	–23.7
Wines	200	109.5	–1.5	–2.1	+4.6
PDO wines	*112*	*118.9*	*+0.9*	*–2.4*	*+7.8*
other wines	*25*	*89.8*	*–16.4*	*–5.4*	*0.0*
Oleaginous	40	95.7	+4.1	+5.5	+0.8
Horticultural products	35	100.0	–1.0	–1.0	–1.6
Other crop products	33	100.8	+1.0	+1.4	–3.7
Fruits and vegetables (1)	**94**	**107.1**	*///*	*///*	**+5.0**
Fresh vegetables	*45*	*103.6*	*///*	*///*	*+10.1*
Fresh fruits	*32*	*121.3*	*///*	*///*	*+14.8*
Animal output	**417**	**99.9**	**–0.4**	**–0.2**	**–2.3**
Animals	255	97.0	–0.4	–1.0	–2.7
of which large cattle	*112*	*97.7*	*–0.9*	*–0.3*	*–0.3*
calves	*20*	*101.6*	*–0.5*	*+0.3*	*+3.6*
pigs	*49*	*91.3*	*+1.4*	*–4.5*	*–13.1*
sheep	*14*	*99.2*	*–3.4*	*–2.3*	*–2.7*
poultry	*57*	*97.4*	*+0.1*	*+0.3*	*–1.2*
of which chicken	*39*	*97.3*	*0.0*	*+0.4*	*–1.4*
Milk	146	106.9	///	+1.9	+0.2
of which cow milk (2)	*135*	*107.3*	*///*	*+2.1*	*+0.1*
Eggs	16	83.3	–4.7	–7.6	–16.9

/// Absence of meaning due to the nature of these series
(1) Including vegetables for industry.
(2) The July value of cow milk price index is the estimate of the August one. The previous month variation is the one commented in the text: +0,2% over one year in July 2018.
Sources: INSEE, SSP (ministry in charge of agriculture)

New rise in purchase prices of means of production over one month

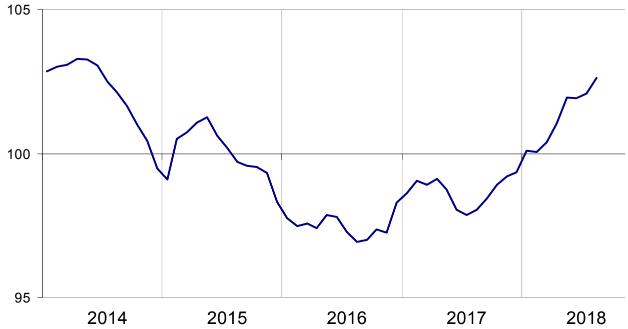
In August 2018, intermediate consumption prices were up by 0.6% over one month, after + 0.3% in July. Energy prices (+0.7%) and especially feed prices (+1.0%) and fertilizer and amendments prices (+1.6%) contributed to this rise. Over one year, the prices of intermediate consumption accelerated (+5.0% after +4.6% in July) due to energy prices (+20.5% over one year) and those of fertilizer and amendments (+ 8.5%).
Prices for capital goods increased by 0.4% over one month and by 4.0% over one year.

Revision

The variation over one year of IPPAP has been rosen by 0.1 points in June to +1,3%; The one of IPAMPA is unchanged.

Purchase prices of the means of agricultural production

Raw data - base and reference 100 in 2015



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 2015

	Weights	August 2018	Variation as % over a month	3 months	a year
Total input	**1000**	**102.6**	**+0.5**	**+0.6**	**+4.7**
Intermediate consumptions	**760**	**101.3**	**+0.6**	**+0.7**	**+5.0**
Energy	93	118.7	+0.7	–0.5	+20.5
Seeds	56	97.7	+0.3	+0.3	+0.7
Fertilisers and soil improvers	107	89.7	+1.6	+2.3	+8.5
Plant protection products	84	99.4	–0.3	–0.5	+0.8
Animal feed	214	98.3	+1.0	+1.4	+2.6
Veterinary expenses	37	106.9	+0.1	+0.3	+2.1
Small equipment and tools	11	101.6	+0.5	+1.7	+1.5
Maintenance of materials	88	105.0	+0.3	+0.3	+2.4
Maintenance of buildings	9	104.9	0.0	0.0	+1.7
Other goods and services	61	101.7	0.0	+0.1	0.0
Goods and services contributing to investment	**240**	**107.0**	**+0.4**	**+0.8**	**+4.0**
Material	168	106.3	+0.5	+0.7	+3.4
Tractors	*71*	*110.0*	*+0.6*	*+0.6*	*+5.0*
Machinery and equipment for cultivation	*33*	*105.0*	*+0.1*	*+0.6*	*+2.5*
Machinery and equipment for harvesting	*38*	*103.8*	*+0.9*	*+0.9*	*+2.2*
Utility vehicles	*16*	*100.2*	*+0.4*	*+0.8*	*+0.1*
Buildings	72	108.6	0.0	+0.8	+5.5

(1) The repayment of the domestic tax on energy product (TICPE) benefiting farmers has been applied in advance for the year 2018.
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. It is published in base and reference 100 in 2015

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.

If needed, indices are seasonally adjusted.

The methodology can be found via the link hereafter: https://www.insee.fr/en/statistiques/documentation/Ipa_m_EN.pdf and for fresh vegetables and fruits in *Agreste - 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 seasonaly adjusted.

Find directly historical data on the INSEE website: https://www.insee.fr/en/statistiques/series/102413565
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Next issue: 31 October 2018 at 12h00