

Informations *Rapides*

■ Indices of agricultural prices - October 2018

In October 2018, agricultural prices increased by +4,2% over one year

In October 2018, agricultural producer prices slowed down over one year (+4.2% after +6.0% in September). Excluding fruit and vegetables, they went up by 4.1% over one year and by 0.3% over one month (after +1.0%).

New decline in cereal prices

In October 2018, cereal prices fell by 0.6% over one month (after -4.7%) and were still up sharply over one year (+23.3%). Soft wheat prices increased slightly (+0.3% over one month after -5.1%). Russian sales volumes weighed on prices again, but climate concerns over the level of global production remained strong. Grain maize prices lost 3.4% in October because of the abundance of supply from the Black Sea countries. Oilseed prices rebounded (+1.6% over one month after -2.4%) due to uncertainty on European rapeseed crop. (-0.6%).

Producer prices of cereals

Seasonally adjusted - base and reference 100 in 2015



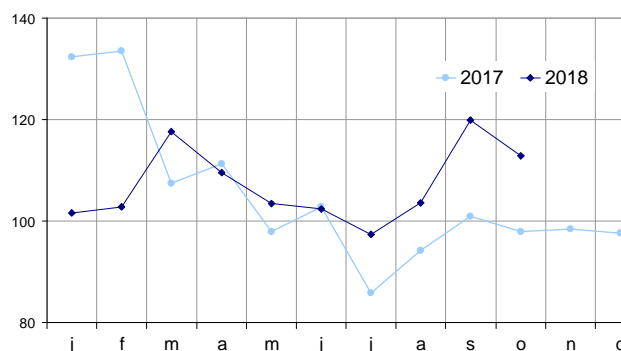
Source: INSEE

Down prices over one year for fresh fruits, up for vegetables

In October 2018, fresh fruit prices fell by 3.0% over one year. Higher prices for apples (+2.6%) were more than offset by prices decline for pears (-5.1%) and grapes (-15.2%). Vegetable prices rose by 15.2% over one year with prices going up for salads (+15.6%), endives (+19.5%), carrots (+76.7%) and leeks (+54.2%). In contrast, tomato prices went down by 12.3% over one year.

Producer prices of fresh vegetables

Raw data - base and reference 100 in 2015



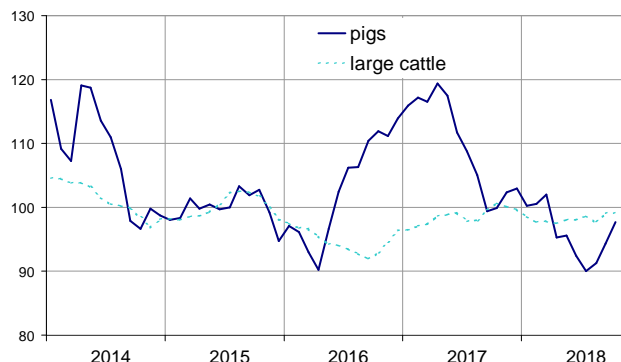
Source: SSP (ministry in charge of agriculture)

Rising animal prices over a month

In October 2018, animal prices increased more moderately than in September (+0.6% after +1.3%). Prices for cattle were stable over one month, while those for pigs gained 3.6%. Over one year, however, these prices went down: -1.7% for cattle and -2.2% for pigs, due to a drop in demand and more intense competition between European countries.

Producer prices of pigs and large cattle

Seasonally adjusted - base and reference 100 in 2015



Source: INSEE

Eggs and cow milk prices decreased over a year

In October 2018, egg prices declined by 27.2% over one year. By the end of 2017, French production was in high demand because of the fipronil crisis. Cow's milk prices dropped 0.6% over one year in September, after a near-stability in August.

Index of producer prices of agricultural products (IPPAP)

Seasonnally adjusted - base and reference 100 in 2015

	Weights	Oct. 2018	Variation as % over		
			a month	3 months	a year
Agricultural goods output	1000	108.1	///	///	+4.2
excluding fruits and vegetables	906	107.8	+0.3	+2.9	+4.1
Crop output (excluding fruits and vegetables)	489	112.1	0.0	+3.2	+9.9
Cereals	152	113.8	-0.6	+4.9	+23.3
of which soft wheat	90	117.0	+0.3	+4.9	+27.2
grain maize	27	108.3	-3.4	+3.8	+14.8
Potatoes	29	184.6	///	///	+55.1
Wines	200	107.0	+0.8	-3.9	-0.6
PDO wines	112	114.6	+1.4	-3.1	-0.8
other wines	25	89.2	-0.7	-16.9	-0.3
Oleaginous	40	94.9	+1.6	+3.3	+1.4
Horticultural products	35	102.8	+0.7	+0.9	-1.3
Other crop products	33	103.4	-0.1	+1.0	-3.2
Fruits and vegetables (1)	94	110.3	///	///	+5.4
Fresh vegetables	45	112.8	///	///	+15.2
Fresh fruits	32	107.9	///	///	-3.0
Animal output	417	102.8	+0.7	+2.5	-2.6
Animals	255	98.9	+0.6	+1.5	-1.1
of which large cattle	112	99.0	0.0	+0.4	-1.7
calves	20	100.0	-1.6	-2.1	-0.9
pigs	49	97.7	+3.6	+8.6	-2.2
sheep	14	97.2	-1.3	-5.4	-1.6
poultry	57	98.8	+0.5	+1.5	+0.3
of which chicken	39	98.9	+0.2	+1.6	+0.5
Milk	146	107.6	///	+0.7	-0.9
of which cow milk (2)	135	108.1	///	+0.7	-1.0
Eggs	16	120.7	+9.4	+38.1	-27.2

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

(1) Including vegetables for industry.

(2) The September value of cow milk price index is the estimate of the October one. The previous month variation is the one commented in the text: -0.6% over one year in September 2018.

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

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

In October 2018, intermediate consumption prices are increased again at a fast pace (+1.1% as in September), due to energy prices acceleration (+3.5% after +2.2%) and increases in animal feed prices (+1.0%) and fertilizers and amendments (+2.2%). Over one year, prices for intermediate consumption rose by 6.4%, in line with increases in energy prices (+20.9%) and those of fertilizers and amendments (+10.3%).

Prices of capital goods increased by 0.2% over one month and 3.5% over one year.

Revision

The variation over one year of IPPAP has been risen by 0.3 points in September to +6.0%; The one of IPAMPA has not changed.

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	Oct. 2018	Variation as % over		
			a month	3 months	a year
Total input	1000	104.5	+0.9	+2.3	+5.7
Intermediate consumptions	760	103.6	+1.1	+2.9	+6.4
Energy	93	125.7	+3.5	+6.5	+20.9
Seeds	56	97.7	-0.2	+0.3	+0.7
Fertilisers and soil improvers	107	94.3	+2.2	+6.8	+10.3
Plant protection products	84	99.4	-0.2	-0.2	+0.5
Animal feed	214	100.8	+1.0	+3.6	+6.2
Veterinary expenses	37	107.3	+0.4	+0.5	+1.8
Small equipment and tools	11	103.4	+1.6	+2.3	+4.9
Maintenance of materials	88	105.3	+0.3	+0.6	+2.6
Maintenance of buildings	9	105.5	0.0	+0.3	+2.2
Other goods and services	61	102.5	0.0	-0.1	+0.6
Goods and services contributing to investment	240	107.3	+0.2	+0.6	+3.5
Material	168	107.0	+0.3	+1.1	+3.3
Tractors	71	111.3	+0.5	+1.8	+4.4
Machinery and equipment for cultivation	33	104.9	0.0	0.0	+2.2
Machinery and equipment for harvesting	38	104.5	+0.2	+1.6	+2.6
Utility vehicles	16	100.2	+0.2	+0.4	+1.0
Buildings	72	108.2	0.0	-0.6	+3.9

(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/fr/statistiques/documentation/m_IPPAP_base%202015.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 seasonally adjusted.

Find directly historical data on the INSEE website: <https://www.insee.fr/fr/statistiques/series/109144301>

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Next issue: 21 December 2018 at 12h00