





September 2016

(For the prices of vegetable crops)

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Introduction

Prices are important economic indicators in all countries regardless of their economic and social systems. They impact the national economy in various ways, such as domestic and foreign commercial transactions, distribution of economic resources among different sectors, setting long-term policies and analyzing the current economic situation. Prices play an essential role in identifying the patterns and trends of foreign trade. Both developing and developed countries use prices and their trends over time as in setting up an economic distribution for its various investments.

Agricultural price data directly influence the decisions of agricultural investors and therefore represent a significant determinant in the economic and social life of farmers due to its effect on several economic activities. Prices directly affect farmers' income and living standards. Data on agricultural prices helps provide the appropriate indicators that maintain the balance between production cost and selling price down the supply chain ending with consumers, thereby protecting both producers and consumers. Agricultural prices are useful to farmers in planning and developing their production, which helps to maximize their income and avoid potential loss.

In this regard, Statistics Centre – Abu Dhabi (SCAD) in cooperation with the Farmers Service Center (FSC) has regularly published the Agricultural Producer Price Index by collecting data on yield volumes. The index disseminated by SCAD is compiled in accordance with the standard international methodologies.

Key Points

This report provides an analysis of the results of APPI (Vegetable Crops) for the month of Sep 2016 with the base year 2014. The main findings of this analysis are outlined below:

- The Agricultural Producer Price Index stood at 123.8 points in the Sep of 2016.
- The Agricultural Producer Price Index for vegetable crops increased by 4.6% to. 123.8 points in the Sep 2016, from 118.3 points in the Sep of 2015. The largest contributors to the increased in the APPI were: Sweet Melons (45.6%), Potato (21.5%) and Cucumber (9.4%).
- The Agricultural Producer Price Index for vegetable crops increased by 2.7% to 123.8 points in the Sep 2016, from 120.5 points in the Aug of 2016. The largest contributors to the increases in the APPI were: Potato (38.3%), Pumpkin (7.4%) and Sweet Pepper (6.2%).

Agricultural Producer Price Index for Sep 2016 (2014=100)

1. APPI for Sep 2016 compared with Sep 2015 for vegetables crops

The APPI for vegetable crops increased by 4.6% to 123.8 points in Sep 2016 from 118.3 points in Sep 2015. The increase reflects the net outcome of yearly upward and downward changes in the prices of vegetables during Sep 2016.

Agricultural Producers Price Index by Type of Crop for Sep 2016 and Sep 2015.

Crop	Sep-15	Sep-16
All Products	118.3	123.8
Potato	102.0	123.9
Cabbage	137.5	79.2
Hot Pepper	163.5	140.1
Sweet Pepper	153.7	146.3
Marrow	117.0	92.3
Eggplant	134.1	109.3
Cucumber	113.9	124.6
Tomato	129.7	116.0
Sweet Melons	121.2	176.5
Lettuce	126.3	113.7
Onion	108.2	-
Carrot	123.4	-
Pumpkin	120.7	111.0
Mallow	141.0	-

Source: Statistics Centre - Abu Dhabi

The largest contributors to the increased in the APPI in Sep 2016 were: Sweet Melons (45.6%), Potato (21.5%) and Cucumber (9.4%), with an overall relative importance of 80.3%.

Relative Importance and Percentage Change in the APPI for Vegetables that Showed Price Increases in the Month of Sep 2016 (compared with the Sep 2015).

Crop	Relative importance (%)	Percentage rise in price (%)
Sweet Melons	0.2	45.6
Potato	2.3	21.5
Cucumber	77.8	9.4

Source: Statistics Centre - Abu Dhabi

On the other hand the APPI sub-indices decreased for a number of vegetable crops, including Cabbage, Marrow, Eggplant, Hot Pepper, Tomato, Lettuce, Pumpkin and Sweet Pepper by 42.4%, 21.1%, 18.5%, 14.3%, 10.6%, 10.0%, 8.0% and 4.8% respectively, with the price falls having a combined relative importance of 19.7%.

Relative Importance and Percentage change in the APPI for vegetables that fell Price Rises on the Month of Sep of 2016 (compared with the Sep of 2015).

Crop	Relative Importance (%)	Percentage fall in price (%)
Cabbage	0.2	42.4-
Marrow	3.8	21.1-
Eggplant	1.2	18.5-
Hot Pepper	4.7	14.3-
Tomato	5.7	10.6-
Lettuce	0.3	10.0-
Pumpkin	1.1	8.0-
Sweet Pepper	2.8	4.8-

Source: Statistics Centre - Abu Dhabi

2. APPI of Sep 2016 compared with the APPI of Aug 2016 for vegetables crops

The APPI for vegetable crops increased by 2.7% during the Sep of 2016 compared with the Aug of 2016.

Agricultural Producers Price Index by Type of Crop for the Months of Sep 2016 and Aug 2016.

Crop	Aug -16	Sep-16
All Products	120.5	123.8
Potato	89.6	123.9
Cabbage	126.4	79.2
Hot Pepper	135.7	140.1
Sweet Pepper	137.8	146.3
Marrow	104.7	92.3
Eggplant	105.3	109.3
Cucumber	120.3	124.6
Tomato	116.3	116.0
Watermelon	109.3	-
Sweet Melons	-	176.5
Lettuce	107.4	113.7
Onion	101.5	-
Carrot	117.7	-
Pumpkin	103.4	111.0
Okra	113.6	-

Source: Statistics Centre - Abu Dhabi

The largest contributors to the increase in the APPI sub-indices were recorded for Potato (38.3%), Pumpkin (7.4%), Sweet Pepper (6.2%), Lettuce (5.8%), Eggplant (3.8%), Cucumber (3.6%) and Hot Pepper (3.2%), with an overall relative importance of 90.3%.

Relative Importance and Percentage Change in the APPI for Vegetables that Showed Price increases in Sep of 2016 (compared with Aug of 2016).

Crop	Relative Importance (%)	Percentage rise in price (%)
Potato	2.3	38.3
Pumpkin	1.1	7.4
Sweet Pepper	2.8	6.2
Lettuce	0.3	5.8
Eggplant	1.2	3.8
Cucumber	77.8	3.6
Hot Pepper	4.7	3.2

Source: Statistics Centre - Abu Dhabi

By contrast, the sub-index Prices decreased for some crops, including: Cabbage, Marrow and Tomato by 37.4%, 11.8% and 0.3% respectively. The overall relative importance of the price increases was 9.7%.

Relative Importance and Percentage Change in the APPI for Vegetables that fell Prices during Sep of 2016 (compared with Aug of 2016).

Crop	Relative Importance (%)	Percentage fall in price (%)
Cabbage	0.2	37.4-
Marrow	3.8	11.8-
Tomato	5.7	0.3-

Source: Statistics Centre - Abu Dhabi

Explanatory Notes

Methodology:

The APPI adopts 2014 prices as the base for prices and weights. The used weights are derived from the price data of vegetables to the Month of Sep of 2016.

Data source:

The APPI is produced using the price data of agricultural products (vegetables) which provide by Abu Dhabi Farmers Services Centre.

APPI Compilation:

The APPI is compiled using the Laspeyres method that adopts the base year prices.

Note on Tables

Some figures have been rounded to the nearest final digit shown. Consequently, discrepancies may exist within a table.



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