



Agricultural Producers Price Index

(Prices of vegetables crops)

Introduction

Prices are considered important economic indicators in all countries regardless of their prevailing economic and social systems. They are used in various fields in the national economy such as internal and external 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 its changing mechanism as a guide to set up an economic distribution for its various investments.

Given the significance of prices, statistical entities and other specialized bodies collect prices data periodically including all commodities in the market.

Agricultural price data has a direct influence on decisions made by investors in the agricultural field. Agriculture prices are an instrumental indicator in the economic and social life of farmers due to its effect on many economic activities. It affects directly farmers' income and living standards. Data on agricultural prices helps provide the appropriate indicators that maintain the balance between production cost and selling price till it reach consumers, preserving the interests of both producers and consumers. Agricultural price is useful to famers in planning and developing their production, maximize their income and avoid potential loss.

Agricultural Producer Price Index (APPI) is a significant statistical indicator used in planning and research, specifically in agricultural fields. Statistical entities and centres are keen to produce the (APPI) depending on quantities of cultivated crops supplied to agriculture marketing centres and its prices.

The Statistics Centre – Abu Dhabi (SCAD) frequently collects quantities and values of agricultural products supplied to the agriculture marketing centres and disseminates the data in accordance with the international methodologies in this field.

1. Relative change in (APPI) for vegetable crops

The APPI for vegetable crops advanced by 3.6% from 107.6 to 111.5 points during the second half of 2013 compared with the first half of 2013.

The rise reflects the net outcome of yearly upward and downward changes in the prices of vegetables supplied to the Emirate's distribution centers during the second half of 2013.

Agricultural Producers Price Index During the First and Second Half of 2012 and 2013 (100= 2010)

Year	First Half	Second Half	Relative Change
2012	103.1	106.5	3.3
2013	107.6	111.5	3.6

Agricultural Producers Price Index by Type of Crop During the First Half of 2013 and the Second Half of 2013

(100 = 2010)

Crop	First Half 2013	Second Half 2013	Relative Change
All Products	107.6	111.5	3.6
Tomato	116.6	127.0	8.9
Beans	103.3	111.1	7.6
Beets	101.0	112.1	11.0
Cabbage	105.4	110.7	5.0
Cucumber	138.6	130.7	-5.7
Carrot	70.6	79.2	12.2
Cauliflower	93.3	98.5	5.6
Mallow	91.5	102.4	11.9
Pepper	105.4	113.8	8.0
Eggplant	129.6	139.1	7.3
Broad Bean	110.2	108.3	-1.7
Marrow	107.3	117.2	9.2
Onion	116.2	109.3	-5.9
Corn	89.4	95.1	6.4
Sweet Melon	144.5	137.6	-4.8
Turnip	94.4	103.0	9.1
Watermelon	110.8	120.7	8.9
Coriander	95.2	90.8	-4.6
Parsley	124.8	118.3	-5.2
Peas	108.2	109.8	1.5
Potato	106.8	104.6	-2.1
Lettuce	117.1	110.2	-5.9
Garden Rocket	116.1	125.3	7.9

Source: Statistics Centre - Abu Dhabi

The largest contributors to the increases in the APPI were: Carrot (12.2%), Mallow (11.9%), Beets (11.0%), Marrow (9.2%), Turnip (9.1%), tomato (8.9%), Watermelon (8.9%), Pepper (8.0%), salad rocket (7.9%) and Beans (7.6%), with an overall relative importance of 97.0%.

Relative Importance and Percentage Change in the APPI for Vegetables that Showed Price Rises During the Second Half of 2013

(100 = 2010)

Ser.	Crop	Relative importance (%)	Ratio of Price Rises (%)
1	Carrot	0.3	12.2
2	Mallow	0.2	11.9
3	Beets	0.3	11.0
4	Marrow	1.5	9.2
5	Turnip	0.0	9.1
6	Tomato	0.4	8.9
7	Watermelon	0.1	8.9
8	Pepper	1.9	8.0
9	Garden Rocket	0.0	7.9
10	Beans	11.9	7.6
11	Eggplant	8.6	7.3
12	Corn	3.1	6.4
13	Cauliflower	0.9	5.6
14	Cabbage	67.8	5.0
15	Peas	0.1	1.5

Source: Statistics Centre - Abu Dhabi

On the other hand the APPI sub-indices declined for a number of crops, including Onion, Lettuce, Cucumber, Parsley, Sweet Melon, Coriander, Potato and broad bean by 5.9%, 5.9%, 5.7%, 5.2%, 4.8%, 4.6%, 2.1% and 1.7%, with the price falls having a combined relative importance of 3.0%.

Relative Importance and the Rate of Decline for Vegetable Crops Whose Prices Fell During the Second Half of 2013

(100 = 2010)

Ser.	Crop	Relative Importance (%)	Ratio of Price Falls (%)
1	Onion	0.8	5.9
2	Lettuce	0.1	5.9
3	Cucumber	0.8	5.7
4	Parsley	0.3	5.2
5	Sweet Melon	0.2	4.8
6	Coriander	0.0	4.6
7	Potato	0.4	2.1
8	B.Bean	0.2	1.7

2. Comparison of APPI for Vegetables Corps - Second Half of 2013/ Second Half of 2012

APPI for vegetable crops increased by 4.7% in the second half of 2013 compared with the second half of 2012, as the index reached 111.5 points in the Second half of 2013, up from 106.5 points during the second half of 2012.

The most significant increases in the APPI sub-indices were recorded for Eggplant (14.9%), Mallow (14.5%), Tomato (13.8%), Onion (12.7%), Pepper (9.1%), Cucumber (9.0%), Garden Rocket (8.8%), Marrow (8.0%), Carrot (4.8), Beets (4.1%) and Beans (3.0%), with an overall relative importance of 30.0%.

Agricultural Producers Price Index During the Second Half of 2012 and 2013 (100= 2010)

Crop	Second Half 2012	Second Half 2013
All Products	106.5	111.5
Tomato	111.6	127.0
Beans	107.9	111.1
Beets	107.7	112.1
Cabbage	114.0	110.7
Cucumber	119.9	130.7
Carrot	75.6	79.2
Cauliflower	99.1	98.5
Mallow	89.4	102.4
Pepper	104.3	113.8
Eggplant	121.1	139.1
Broad Bean	116.8	108.3
Marrow	108.5	117.2
Onion	97.0	109.3
Corn	93.6	95.1
Sweet Melon	134.3	137.6
Turnip	102.8	103.0
Watermelon	117.3	120.7
Coriander	89.6	90.8
Parsley	121.8	118.3
Peas	114.9	109.8
Potato	117.8	104.6
Lettuce	109.1	110.2
Garden Rocket	115.2	125.3

Relative Importance and Percentage Change in the APPI for Vegetables that Showed Price Rises During the Second Half of 2013

(100 = 2010)

Ser.	Crop	Relative Importance (%)	Ratio of Price Rises (%)
1	Eggplant	8.6	14.9
2	Mallow	0.2	14.5
3	Tomato	0.4	13.8
4	Onion	0.8	12.7
5	Pepper	1.9	9.1
6	Cucumber	0.8	9.0
7	Garden Rocket	0.0	8.8
8	Marrow	1.5	8.0
9	Carrot	0.3	4.8
10	Beets	0.3	4.1
11	Beans	11.9	3.0
12	Watermelon	0.1	2.9
13	Sweet melon	0.2	2.5
14	Corn	3.1	1.6
15	Coriander	0.0	1.3
16	Lettuce	0.1	1.0
17	Turnip	0.0	0.2

Source: Statistics Centre - Abu Dhabi

By contrast, the sub-index retreated for some crops, including: Potato, B.Bean, Peas, Cabbage, Parsley, and Cauliflower by 11.2%, 7.3%, 4.4%, 2.9%, 2.9%, and 0.6% respectively.

The overall relative importance of the price falls was 70.0%.

Relative Importance and Percentage Change in the APPI for Vegetables that Showed Price Falls During the Second Half of 2013

(100 = 2010)

(100-	2010)		
Ser.	Crop	Relative Importance (%)	Ratio of Price Falls (%)
1	Potato	0.4	11.2
2	B.Bean	0.2	7.3
3	Peas	0.1	4.4
4	Cabbage	67.8	2.9
5	Parsley	0.3	2.9
6	Cauliflower	0.9	0.6

Explanatory Notes

Methodology:

The APPI adopts 2010 prices as the base for prices and weights. The used weights are derived from the price data of vegetables supplied to the agricultural marketing centres.

Data source:

The APPI is produced using the price data of agricultural products (vegetables) supplied to the agricultural marketing centres under the supervision of Abu Dhabi Food Control Authority.

APPI Compilation:

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

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