





Price Index April 2016

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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 March 2016 with the base year 2014. The main findings of this analysis are outlined below:

- > The Agricultural Producer Price Index stood at 107.8 points in the April of 2016.
- The Agricultural Producer Price Index for vegetable crops Decreased by 7.8% to 107.8 points in the April 2016, from 116.9 points in the April of 2015. The largest contributors to the increases in the APPI were: Carrot (39.2%), Potato (34.7%), Marrow (33.3%), and Tomato (12.2%).
- The Agricultural Producer Price Index for vegetable crops increased by 1.7% in the April 2016, compared with 106.0 points in the March of 2016. The largest contributors to the increases in the APPI were: Cauliflower (47.9%), Hot Pepper (47.0%), and Beans (11.9%).

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

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

The APPI for vegetable crops dropped by 7.8% to 107.8 points in April 2016, down from 116.9 points in April 2015. The fall reflects the net outcome of yearly upward and downward changes in the prices of vegetables during April 2016.

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

Crop	April-15	April-16
All Products	116.9	107.8
Potato	82.5	53.9
Cabbage	153.7	159.1
Hot Pepper	126.1	147.6
Sweet Pepper	148.3	132.8
Marrow	114.5	76.4
Tomato	104.2	91.5
Parsley	122.6	-
Beans	137.0	124.9
Beet	143.2	-
Carrot	144.6	87.8
Cauliflower	163.7	146.0
Pumpkin	111.3	117.9
Coriander	139.2	-
Okra	119.3	163.6
Radish	149.6	-
Corn	116.9	114.0
Garden Rocket	139.7	-

The largest contributors to the Decreased in the APPI in April 2016 were: Carrot (39.2%), Potato (34.7%), Marrow (33.3%), Tomato (12.2%), Cauliflower (10.8%), Sweet Pepper (10.4%), Beans (8.9%) and Corn (2.5%), with an overall relative importance of 73%.

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

Crop	Relative importance (%)	Percentage fall in price (%)
Carrot	1.17	39.2-
Potato	8.81	34.7-
Marrow	2.29	33.3-
Tomato	52.72	12.2-
Cauliflower	0.28	10.8-
Sweet Pepper	5.97	10.4-
Beans	0.30	8.9-
Corn	1.53	2.5-

Source: Statistics Centre - Abu Dhabi

On the other hand the APPI sub-indices increased for a number of vegetable crops, including Okra, Hot Pepper, Pumpkin, and Cabbage by 37.1%, 17.1%, 5.9%, and 3.5% respectively, with the price falls having a combined relative importance of 27%.

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

Crop	Relative Importance (%)	Percentage fall in price (%)
Okra	0.04	37.1
Hot Pepper	8.48	17.1
Pumpkin	0.71	5.9
Cabbage	17.70	3.5

2. APPI of April 2016 compared with the APPI of March 2016 for vegetables crops

The APPI for vegetable crops increased by 1.7% during the April of 2016 compared with the March of 2016.

Agricultural Producers Price Index for the Months of April 2016 and March 2016.

Crop	March-16	April-16
All Products	106.0	107.8
Potato	58.1	53.9
Cabbage	165.3	159.1
Hot Pepper	100.4	147.6
Sweet Pepper	127.3	132.8
Marrow	73.2	76.4
Eggplant	160.9	-
Cucumber	68.5	-
Tomato	108.8	91.5
Beans	111.6	124.9
Carrot	102.1	87.8
Cauliflower	98.7	146.0
Pumpkin	129.6	117.9
Okra	158.7	163.6
Corn	117.5	114.0
Broccoli	163.2	-

The largest contributors to the increase in the APPI sub-indices were recorded for Cauliflower (47.9%), Hot Pepper (47.0%), Beans (11.9%), Sweet Pepper (4.3%), Marrow (4.3%), and Okra (3.1%) with an overall relative importance of 17.4%.

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

Crop	Relative Importance (%)	Percentage rise in price (%)
Cauliflower	0.28	47.9
Hot Pepper	8.48	47.0
Beans	0.30	11.9
Sweet Pepper	5.97	4.3
Marrow	2.29	4.3
Okra	0.04	3.1

Source: Statistics Centre - Abu Dhabi

By contrast, the sub-index Prices decreased for some crops, including: Tomato, Carrot, Pumpkin, Potato, Cabbage and Corn by 15.9%, 13.9%, 9.1%, 7.3%, 3.8% and 3.0% respectively. The overall relative importance of the price increases was 82.6%.

Relative Importance and Percentage Change in the APPI for Vegetables that Showed Prices decreased during April of 2016 (compared with March of 2016).

Crop	Relative Importance (%)	Percentage fall in price (%)
Tomato	52.72	15.9-
Carrot	1.17	13.9-
Pumpkin	0.71	9.1-
Potato	8.81	7.3-
Cabbage	17.70	3.8-
Corn	1.53	3.0-

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 April 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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