





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

- The Agricultural Producer Price Index stood at 92.0 points in the January of 2016.
- The Agricultural Producer Price Index for vegetable crops increased by 9.4% to 92.0 points in the January 2016, up from 84.1 points in the January of 2015. The largest contributors to the increases in the APPI were: pumpkins (up 77.3%), cabbages (up 71.9%), cauliflower (up 30.2%), and Eggplant (23.3%).
- The Agricultural Producer Price Index for vegetable crops Decreased by 3.4% to 92.0 points in January 2016, down from 95.2 points in the December of 2015. The largest decreases in the APPI sub-indices during this period were recorded for broccoli (down 38.4%), beans (down 36.1%), sweet melons (down 32.5%), sweet pepper (down 31.9%) and cucumbers (down 30.1%),

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

APPI for January 2016 compared with January 2015 for vegetables crops

The APPI for vegetable crops advanced by 9.4% during the January of 2016 compared with the same Month of 2015. The rise reflects the net outcome of yearly upward and downward changes in the prices of vegetables during January 2016.

Table 1: Agricultural Producers Price Index by Type of Crop for January 2016 and January 2015.

Crop	Jan-15	Jan-16
All Products	84.1 points	92.0 points
Tomatoes	129.5	115.7
Hot Pepper	86.3	100.1
Pepper Sweet	104.6	123.8
Cucumbers	51.7	51.9
Mallow	57.4	55.4
Watermelons	166.2	182.3
Sweet melons	149.4	121.3
Onions	100.5	99.8
Beans	76.0	91.7
Eggplant	85.2	105.1
Cauliflowers	104.6	136.2
Pumpkins	58.5	103.6
Cabbages	87.3	150.1
Lettuce	68.1	67.7
Potatoes	100.0	100.0
Corn	83.5	99.6
Broccoli	140.1	112.1
Carrots	105.3	68.4

Source: Statistics Centre - Abu Dhabi

The largest contributors to the y-o-y increase in the APPI in January 2016 were: Pumpkins (77.3%), cabbages (71.9%), cauliflowers (30.2%), eggplant (23.3%), beans (20.7), Corn (19.3%), sweet pepper (18.4%), hot pepper (15.9%), watermelons (9.7%), and cucumbers (0.3%) with an overall relative importance of 69.0%.

Table 2: Relative Importance and Percentage Change in the APPI for Vegetables that Showed Price Rises the Month of January 2016 (compared with the January 2015)

Crop	Relative importance (%)	Percentage rise in price (%)
Pumpkin	0.8	77.3
Cabbages	4.4	71.9
Cauliflowers	2.5	30.2
Eggplant	2.7	23.3
Beans	1.4	20.7
Corn	2.1	19.3
Sweet pepper	4.4	18.4
Hot pepper	9.0	15.9
Watermelons	3.8	9.7
Cucumbers	38.0	0.3

Source: Statistics Centre - Abu Dhabi

On the other hand the APPI sub-indices declined for a number of vegetable crops, including Carrots, broccoli, sweet melons, tomato, mallow, onions and lettuce by 35.0%, 20.0%, 18.8%, 10.7%, 3.5%, 0.8% and 0.7% respectively, with the price falls having a combined relative importance of 31.0%.

Table 3: Relative Importance and the Rate of Decline for Vegetable Crops Whose Prices Fell the Month of January of 2016 (compared with the January of 2015).

Crop	Relative Importance (%)	Percentage fall in price (%)
Carrots	0.1	35.0-
Broccoli	0.2	20.0-
Sweet melons	0.1	18.8-
Tomatoes	27	10.7-
Mallow	1.8	3.5-
Onions	0	0.8-
Lettuce	1.7	0.7-

Source: Statistics Centre - Abu Dhabi

APPI of January 2016 compared with the APPI of December 2015 for vegetables crops

APPI for vegetable crops declined by 3.4% to 92.0 points in January 2016, down from 95.2 points in December 2015.

Table 4: Agricultural Producers Price Index for the Months of January 2016 and December 2015.

Crop	Dec-15	Jan-16
All Products	95.2	92.0
Tomatoes	143.1	115.7
Hot pepper	135.1	100.1
Sweet pepper	181.7	123.8
Cucumbers	74.2	51.9
Mallow	71.3	55.4
Watermelons	156.9	182.3
Sweet melons	179.7	121.3
Onions	-	99.8
Beans	143.5	91.7
Eggplant	131.6	105.1
Cauliflowers	-	136.2
Pumpkins	67.9	103.6
Cabbages	171.1	150.1
Lettuce	74.4	67.7
Potatoes	-	100.0
Corn	97.4	99.6
Broccoli	182.0	112.1
Carrots	-	68.4

Source: Statistics Centre - Abu Dhabi

The largest falls in the APPI sub-indices were recorded for broccoli (38.4%), Beans (36.1%), Sweet Melons (32.5%), Sweet Pepper (31.9%), Cucumber (30.1%), Hot Pepper (25.9%), Marrow (22.3%), Eggplant (20.2%), Tomato (19.2%), Cabbage (12.3%), and Lettuce (9.0%), with an overall relative importance of 93.0%.

Table 5: Relative Importance and Percentage Change in the APPI for Vegetables that Showed Price falls in January of 2016 compared with December of 2015.

Crop	Relative Importance (%)	Percentage fall in price (%)
Broccoli	0.2	38.4-
Beans	1.4	36.1-
Sweet melons	0.1	32.5-
Sweet Pepper	4.5	31.9-
Cucumbers	39.0	30.1-
Hot pepper	9.3	25.9-
Marrow	1.8	22.3-
Eggplant	2.8	20.2-
Tomatoes	27.7	19.2-
Cabbages	4.6	12.3-
Lettuce	1.7	9.0-

Source: Statistics Centre - Abu Dhabi

By contrast, the sub-index increased for some crops, including: pumpkins, watermelons, and corn by 52.6%, 16.2% and 2.2% respectively. The overall relative importance of the price increases was 7.0%.

Table 6: Relative Importance and Percentage Change in the APPI for Vegetables that Showed Price rises during January 2015 compared with December of 2015

Crop	Relative Importance (%)	Percentage rise in price (%)
Pumpkin	0.9	52.6
Watermelon	3.9	16.2
Corn	2.2	2.2

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 January 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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