



Agricultural Producer Price Index

(Vegetable Crops)

ssued in March 2013

SECOND HALF_ 2012

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 have 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 3.3% from 103.1 to 106.5 points during the second half of 2012 compared with the first half of 2012. The rise reflects the net outcome of yearly upward and downward changes in the prices of vegetables supplied to the Emirate's marketing centers during the second half of 2012.

Agricultural Producers Price index during the First and Second Half of 2011 and the First and Second Half of 2012

(100 = 2010)

Year	First Half	Second Half	Relative change
2011	100.2	100.9	0.7
2012	103.1	106.5	3.3

Agricultural Producers Price index by Type of Crop during the First Half of 2012 (100= 2010)

Cron	2012		Deletine above
Crop	Half First	Second Half	Relative change
All Products	103.1	106.5	3.30
Tomato	105.5	111.6	5.78
Beans	102.0	107.9	5.78
Beets	100.0	107.7	7.70
Cabbage	106.5	114.0	7.04
Cucumber	114.1	119.9	5.08
Carrot	70.7	75.6	6.93
Cauliflower	91.0	99.1	8.90
Jews Mallow	83.5	89.4	7.07
Pepper	95.1	104.3	9.67
Eggplant	111.6	121.1	8.51
Broad Bean	111.2	116.8	5.04
Marrow	99.8	108.5	8.72
Onion	105.5	97.0	-8.06
Corn	88.5	93.6	5.76
Sweet Melon	126.8	134.3	5.91
Turnip	95.5	102.8	7.64
Watermelon	109.2	117.3	7.42
Coriander	84.3	89.6	6.29
Parsley	119.2	121.8	2.18
Peas	108.1	114.9	6.29
Potato	108.1	117.8	8.97
Lettuce	116.2	109.1	-6.11
Garden Rocket	106.7	115.2	7.97

Source: Statistics Centre - Abu Dhabi

The largest contributors to the increases in the APPI were: pepper (9.67%), potato (8.97%), cauliflower (8.9%), marrow (8.72%), eggplant (8.51), Garden Rocket (7.97%), beets (7.70%), turnip (7.64%), watermelon (7.42%), Jews Mallow (7.07%), cabbage (7.04), carrot (6.93%), peas (6.29%), coriander (6.29%), sweet melon (5.91%), tomato (5.78%), beans (5.78%), corn (5.76%), cucumber (5.04%), broad beans (5.04%) and parsley (2.18%), with an overall relative importance of 98%.

Relative Importance and Percentage Change in the APPI for Vegetables that Showed Price Rises during the First Half of 2012

(100 = 2010)

Ser.	Crop	Relative Importance (%)	Ratio of Price Rises (%)
1	Tomato	0.007	5.78
2	Beans	0.455	5.78
3	Beets	0.009	7.70
4	Cabbage	0.005	7.04
5	Cucumber	0.021	5.08
6	Carrot	0.015	6.93
7	Cauliflower	0.032	8.90
8	Jews Mallow	0.009	7.07
9	Pepper	0.071	9.67
10	Eggplant	0.088	8.51
11	Broad Bean	0.008	5.04
12	Marrow	0.052	8.72
13	Corn	0.154	5.76
14	Sweet Melon	0.008	5.91
15	Turnip	0.001	7.64
16	Watermelon	0.018	7.42
17	Coriander	0.001	6.29
18	Parsley	0.010	2.18
19	Peas	0.004	6.29
20	Potato	0.008	8.97
21	Garden Rocket	0.001	7.97

Source: Statistics Centre - Abu Dhabi

On the other hand the APPI sub-indices declined for a number of crops, including onions, lettuce by (8.06%) and (6.11%), with the price falls having a combined relative importance of 2%.

Relative Importance and Percentage Change in the APPI for Vegetables that Showed Price Falls during the Second Half of 2012

(100 = 2010)

Ser.	Crop	Relative Importance (%)	Ratio of Price Falls (%)
1	Onion	0.019	8.06
2	Lettuce	0.004	6.11

2. APPI Comparison- Second Half of 2012/2011

APPI for vegetable crops increased by 5.6 points in the second half of 2012 compared with the second half of 2011, as the index reached 106.5 points in the first half of 2012, up from 100.9 points during the second half of 2011.

The most significant increases in the APPI sub-indices were recorded for pepper (16.7%), eggplant (9.3%), beans (8.3%), tomato (8.1%), sweet melons (8.1%), grass/ hay (6.7%), marrow (6.5%), cucumber (6.4%), broad beans (4.9%), coriander (4.2%), turnip (3.1%), cabbage (3.1%), beets (2.9%), Jews mallow (1.8%), potato (1.6%), parsley (1.2%), peas (0.4), with an overall relative importance of 76%.

Agricultural Producers Price index during the Second Half of 2011 and the Second Half of 2012 (100= 2010)

Crop	Second Half 2011	Second Half 2012
All Products	100.9	106.5
Tomato	103.2	111.6
Beans	99.6	107.9
Beets	104.6	107.7
Cabbage	110.6	114.0
Cucumber	112.7	119.9
Carrot	82.1	75.6
Cauliflower	101.9	99.1
Jews Mallow	87.8	89.4
Pepper	89.4	104.3
Eggplant	110.8	121.1
Broad Bean	111.4	116.8
Marrow	101.9	108.5
Onion	101.5	97.0
Corn	97.5	93.6
Sweet Melon	124.2	134.3
Turnip	99.7	102.8
Watermelon	119.7	117.3
Coriander	86.0	89.6
Parsley	120.4	121.8
Peas	114.5	114.9
Potato	115.9	117.8
Lettuce	113.0	109.1
Garden Rocket	108.0	115.2

Relative Importance and Percentage Change in the APPI for Vegetables that Showed Price Rises during the Second Half of 2012

(100 = 2010)

Ser.	Crop	Relative Importance (%)	Ratio of Price Rises (%)
1	Tomato	0.01	8.14
2	Beans	0.46	8.33
3	Beets	0.01	2.96
4	Cabbage	0.01	3.07
5	Cucumber	0.02	6.39
6	Jews Mallow	0.01	1.82
7	Pepper	0.07	16.67
8	Eggplant	0.09	9.30
9	Broad Bean	0.01	4.85
10	Marrow	0.05	6.48
11	Sweet Melon	0.01	8.13
12	Turnip	0.00	3.11
13	Coriander	0.00	4.19
14	Parsley	0.01	1.16
15	Peas	0.00	0.35
16	Potato	0.01	1.64
17	Garden Rocket	0.00	6.67

Source: Statistics Centre - Abu Dhabi

By contrast, the sub-index retreated for some crops, including carrots, onion, corn, lettuce, cauliflower and watermelon by 7.92%, 4.43%, 4.0%, 3.45%, 2.75%, and 2.01% respectively.

The overall relative importance of the price falls was 24%.

Relative Importance and Percentage Change in the APPI for Vegetables that Showed Price Falls during the Second Half of 2012

(100 = 2010)

Ser.	Crop	Relative Importance (%)	Ratio of Price Falls (%)
1	Carrot	0.02	7.92
2	Cauliflower	0.03	2.75
3	Onion	0.02	4.43
4	Corn	0.15	4.00
5	Watermelon	0.02	2.01
6	Lettuce	0.00	3.45

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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