





Price Index February 2016

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

- > The Agricultural Producer Price Index stood at 102.5 points in the February of 2016 (2014=100).
- The Agricultural Producer Price Index for vegetable crops increased by 16.6% to 102.5 points in the February 2016, from 87.9 points in the February of 2015. The largest contributors to the increases in the APPI were: Parsley (89.3%), cabbages (64.9%), Pumpkin (37.3%), and Sweet Pepper (32.0%).
- ➤ The Agricultural Producer Price Index for vegetable crops increased by 11.4% to 102.5 points in the February 2016, from 92.0 points in the January of 2016. The largest contributors to the increases in the APPI were: Carrot (47.4%), Lettuce (43.0%), Marrow (27.2%), and Beans (24.3%).

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

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

The APPI for vegetable crops advanced by 16.6% during the February 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 February 2016.

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

Crop	Feb-15	Feb-16
All Products	87.9	102.5
Potato	142.5	89.2
Cabbage	102.5	169.0
Hot Pepper	90.1	99.9
Sweet Pepper	102.6	135.5
Marrow	75.9	70.5
Eggplant	99.2	128.6
Cucumber	54.5	53.9
Tomato	94.5	120.1
Watermelon	132.8	100.0
Sweet Melons	157.9	80.0
Lettuce	98.1	96.8
Onion	103.2	116.9
Parsley	73.8	139.6
Beans	92.6	114.0
Beet	94.2	-
Carrot	89.2	100.8
Cauliflower	125.4	127.7
Pumpkin	91.1	125.0
Coriander	111.2	-
Radish	152.5	-
Corn	124.1	113.8
Garden Rocket	133.1	-
Broccoli	112.6	107.5

The largest contributors to the increase in the APPI in February 2016 were: Parsley (89.3%), cabbages (64.9%), Pumpkin (37.3%), Sweet Pepper (32.0%), Eggplant (29.7%), Tomato (27.0%), Beans (23.0%), Onion (13.3%), Carrot (13.0%), Hot Pepper (10.8%) and Cauliflower (1.8%) with an overall relative importance of 67.2%.

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

Crop	Relative importance (%)	Percentage rise in price (%)
Parsley	0.15	89.3
Cabbage	4.64	64.9
Pumpkin	1.28	37.3
Sweet Pepper	9.62	32.0
Eggplant	2.82	29.7
Tomato	35.09	27.0
Beans	0.61	23.0
Onion	0.88	13.3
Carrot	0.99	13.0
Hot Pepper	8.30	10.8
Cauliflower	2.80	1.8

Source: Statistics Centre - Abu Dhabi

On the other hand the APPI sub-indices declined for a number of vegetable crops, including Sweet Melons, Potato, Watermelon, Corn, Marrow, Broccoli, lettuce and Cucumber by 49.3%, 37.4%, 24.7%, 8.2%, 7.1%, 4.6%, 1.3% and 1.0% respectively, with the price falls having a combined relative importance of 32.8%.

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

Crop	Relative Importance (%)	Percentage fall in price (%)
Sweet Melons	0.22	49.3-
Potato	0.66	37.4-
Watermelon	0.24	24.7-
Corn	1.20	8.2-
Marrow	6.13	7.1-
Broccoli	0.15	4.6-
Lettuce	3.70	1.3-
Cucumber	20.39	1.0-

2. APPI of February 2016 compared with the APPI of January 2016 for vegetables crops

The APPI for vegetable crops advanced by 11.4% during the February of 2016 compared with the January of 2016.

Agricultural Producers Price Index for the Months of February 2016 and January 2016.

Crop	Jan-16	Feb-16
All Products	92.0	102.5
Potato	100.0	89.2
Cabbage	150.1	169.0
Hot Pepper	100.1	99.9
Sweet Pepper	123.8	135.5
Marrow	55.4	70.5
Eggplant	105.1	128.6
Cucumber	51.9	53.9
Tomato	115.7	120.1
Watermelon	182.3	100.0
Sweet Melons	121.3	80.0
Lettuce	67.7	96.8
Onion	99.8	116.9
Parsley	-	139.6
Beans	91.7	114.0
Carrot	68.4	100.8
Cauliflower	136.2	127.7
Pumpkin	103.6	125.0
Corn	99.6	113.8
Broccoli	112.1	107.5

The largest contributors to the increase in the APPI sub-indices were recorded for Carrot (47.4%), Lettuce (43.0%), Marrow (27.2%), Beans (24.3%), Eggplant (22.4%), Pumpkin (20.6%), Onion (17.2%), Corn (14.3%), Cabbage (12.6%), Sweet Pepper (9.4%), Cucumber (4.0%) and Tomato (3.8%), with an overall relative importance of 85.6%.

Relative Importance and Percentage Change in the APPI for Vegetables that Showed Price Rises in February of 2016 compared with January of 2016.

Crop	Relative Importance (%)	Percentage rise in price (%)
Carrot	0.17	47.4
Lettuce	1.37	43.0
Marrow	2.58	27.2
Beans	0.55	24.3
Eggplant	4.21	22.4
Pumpkin	0.44	20.6
Onion	0.17	17.2
Corn	1.47	14.3
Cabbage	5.39	12.6
Sweet Pepper	7.24	9.4
Cucumber	26.81	4.0
Tomato	35.17	3.8

Source: Statistics Centre - Abu Dhabi

By contrast, the sub-index Prices Fell for some crops, including: Watermelon, Sweet Melons, Potato, Cauliflower, Broccoli and Hot Pepper by 45.1%, 34.0%, 10.8%, 6.3%, 4.1% and 0.2% respectively. The overall relative importance of the price increases was 14.4%.

Relative Importance and Percentage Change in the APPI for Vegetables that Showed Prices Fell during February of 2016 compared with January of 2016

Crop	Relative Importance (%)	Percentage fall in price (%)
Watermelon	2.95	45.1-
Sweet Melons	0.02	34.0-
Potato	0.69	10.8-
Cauliflower	2.83	6.3-
Broccoli	0.19	4.1-
Hot Pepper	7.77	0.2-

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 February of 2016.

Data source:

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

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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