

News Release



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Agriculture

Input / Output agricultural price indices: Qtr 1/2006

Output Price Index

In March quarter 2006, the Producer Price Index stood at 100.21, a drop of 4.52 points (-4.32 per cent) from last year's 104.73. This was mainly due to fluctuations in the average prices of fresh fruit and vegetables.

On average, vegetables prices dropped by 22.34 points (-16.41 per cent) from 136.11 points in March quarter 2005 to 113.77 points in March quarter 2006. Decrease in the average prices of dry onions (-59.42 per cent), cabbages (-51.19 per cent) and tomatoes (-42.5 per cent) were responsible for this drop. Fresh fruit did not follow the same pattern as these registered an increase of 21.93 points (+78.98 per cent) from 27.77 points in the first quarter of 2005 to 49.71 points in the corresponding period this year. An increase of 7.66 and 92.46 per cent in the average prices of lemons and oranges was responsible for this increase.

In the first quarter this year, the producer price of potatoes stood at 116.35 points. This increased by 14.6 points (+14.35 per cent) from the 101.75 points which was recorded in the corresponding period last year. The producer price index for slaughtered animals registered a slight increase of 0.46 points (+0.45 per cent) which was due to an increase in the average prices of bulls (+8.73 per cent) and cows (+18.85 per cent). While no increase in the producer price for eggs was recorded, the producer price index for milk declined by 10.50 per cent from 106.11 points in March quarter 2005 to 94.97 points in the corresponding period in 2006.

In the first Quarter, the producer price inflation rate stood at -1.13 per cent.

Input Price Index

The 'Input Index' increased by 3.61 points (+3.42 per cent) from 105.42 points in the first quarter of 2005 to 109.03 points in the first quarter 2006. This was due to higher average prices for 'goods and services' and 'machinery and investment' used in the production of agricultural products.

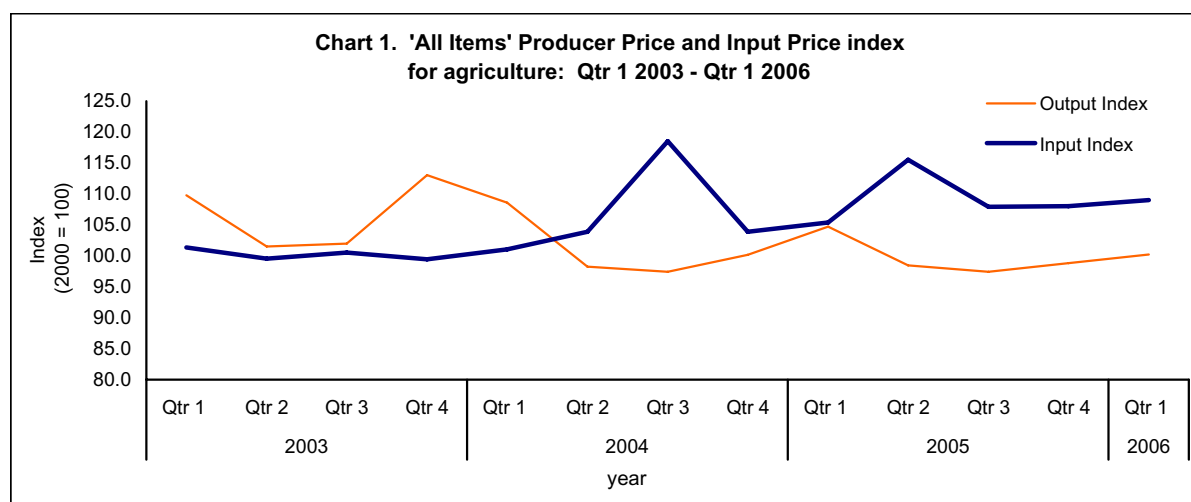
The goods and services index increased by 3.64 points (+3.45 per cent) from 105.53 points in March quarter 2005 to 109.17 points in March quarter 2006. The increase in the index was mainly due to increases in the average prices of motor fuels (+15.89 per cent) and veterinary expenses (+5.89 per cent). The machinery and investment index registered an increase of 1.73 points (+1.77 per cent) from 97.42 points in the first quarter 2005 to 99.15 points in the same quarter this year.

In March quarter, the input price inflation rate stood at 0.83 per cent ■

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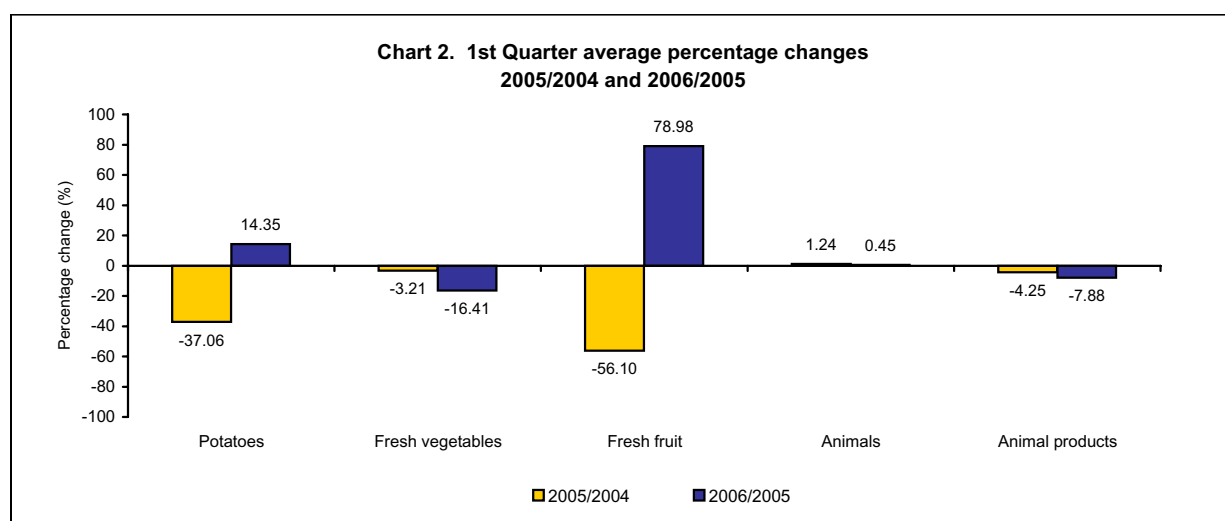
**Table 1. Output and Input index for agriculture
(2000=100)**

Year	Output Index	Input Index
Annual		
2001	112.17	99.67
2002	110.99	99.86
2003	106.27	97.49
2004	101.27	104.63
2005	100.27	106.65
Qtr 1		
2001	103.26	101.13
2002	114.56	101.81
2003	109.82	101.37
2004	108.61	101.04
2005	104.73	105.42
2006	100.21	109.03
Qtr 2		
2001	108.49	101.59
2002	108.36	102.01
2003	101.54	99.57
2004	98.23	103.92
2005	98.49	115.51
2006		
Qtr 3		
2000	100.00	100.00
2001	114.26	101.77
2002	108.54	103.30
2003	101.98	100.56
2004	97.44	118.51
2005	97.45	107.92
2006		
Qt 4		
2001	118.78	102.11
2002	110.84	102.03
2003	113.05	99.44
2004	100.15	103.88
2005	98.84	108.02
2006		



**Table 2. Producer price index for agriculture by type of product
(2000=100)**

Year	Potatoes	Fresh vegetables	Fresh fruit	Animals	Animal products	All Items
Annual						
2001	161.12	118.12	122.16	112.30	100.36	112.17
2002	125.68	125.96	117.51	110.25	102.51	110.99
2003	122.17	133.62	125.61	101.66	101.01	106.27
2004	92.43	106.30	97.25	103.59	101.63	101.27
2005	97.53	108.98	90.09	104.51	93.75	100.27
Qtr 1						
2001	138.03	89.89	41.27	110.57	99.09	103.26
2002	178.36	132.10	41.21	113.24	102.92	114.56
2003	109.23	158.38	50.21	101.96	99.60	109.82
2004	161.65	140.62	63.27	102.73	103.10	108.61
2005	101.75	136.11	27.77	104.01	98.72	104.73
2006	116.35	113.77	49.71	104.47	90.93	100.21
Qtr 2						
2001	115.41	116.43	61.21	112.66	98.00	108.49
2002	93.53	116.86	49.29	113.26	103.02	108.36
2003	112.48	118.32	66.47	101.52	99.33	101.54
2004	88.81	93.34	51.98	103.63	102.77	98.23
2005	84.03	109.42	43.12	104.58	92.16	98.49
2006						
Qtr 3						
2001	202.62	115.94	139.16	113.07	101.24	114.26
2002	100.40	122.81	132.34	108.13	101.40	108.54
2003	118.98	107.32	137.72	101.49	101.76	101.98
2004	57.56	91.33	97.52	103.87	101.19	97.44
2005	89.25	95.66	84.52	104.81	92.75	97.45
2006						
Qtr 4						
2001	188.42	149.07	90.55	112.90	103.12	118.78
2002	130.45	136.55	102.64	106.36	102.70	110.84
2003	147.99	166.13	109.76	101.69	103.36	113.05
2004	61.67	111.91	65.39	104.14	99.47	100.15
2005	115.10	101.30	79.67	104.63	91.38	98.84
2006						



**Table 3. Input price index for agriculture by type
(2000=100)**

Year	Goods and services consumed in agriculture	Machinery and Investment	All Items
Annual			
2001	99.67	99.68	99.67
2002	99.87	99.50	99.86
2003	97.45	100.32	97.49
2004	104.68	101.42	104.63
2005	106.77	97.71	106.65
Qtr 1			
2001	101.16	99.16	101.13
2002	101.85	99.16	101.81
2003	101.39	100.38	101.37
2004	101.04	101.35	101.04
2005	105.53	97.42	105.42
2006	109.17	99.15	109.03
Qtr 2			
2001	101.61	100.03	101.59
2002	102.04	99.84	102.01
2003	99.56	100.38	99.57
2004	103.95	101.48	103.92
2005	115.77	97.61	115.51
2006			
Qtr 3			
2001	101.80	99.50	101.77
2002	103.35	99.50	103.30
2003	100.56	100.26	100.56
2004	118.75	101.48	118.51
2005	108.07	97.61	107.92
2006			
Qtr 4			
2001	102.14	100.02	102.11
2002	102.06	99.48	102.03
2003	99.43	100.26	99.44
2004	103.92	101.36	103.88
2005	108.16	98.21	108.02
2006			

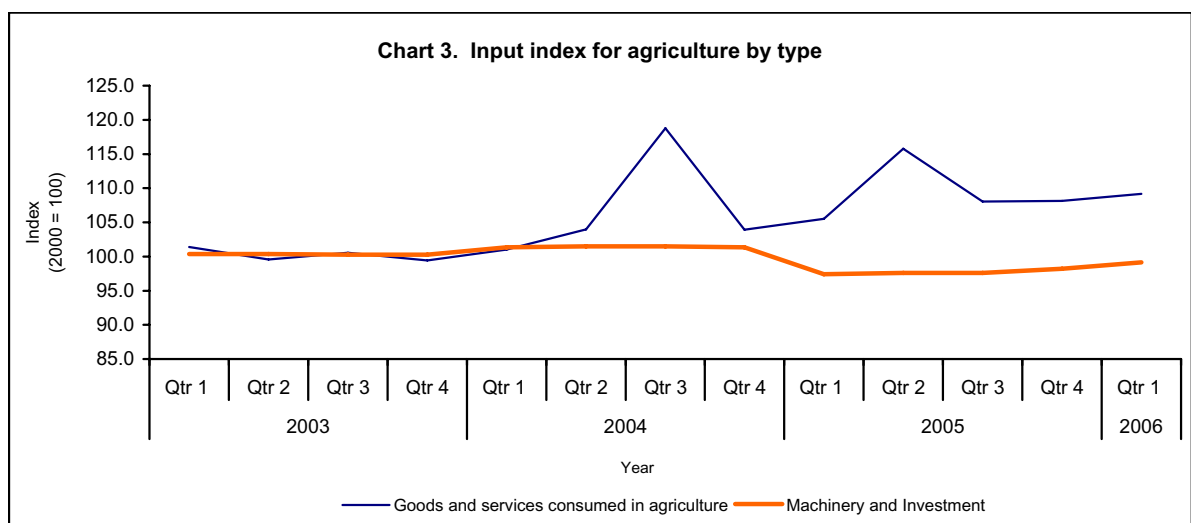


Table 4. Price indices for agriculture - annual and quarterly changes

Item	Annual change			
	2005 - Qtr 1	2006 - Qtr 1	Points change	% change
Output Price Index	104.73	100.21	-4.52	-4.32
Input Price Index	105.42	109.03	3.61	3.42
Item	Quarterly change			
	2005 - Qtr 4	2006 - Qtr 1	Points change	% change
Output Price Index	94.86	100.21	5.35	5.64
Input Price Index	108.02	109.03	1.01	0.93

Table 5. Producer price index for agriculture by type of product - annual and quarterly changes

Item	Annual change			
	2005 - Qtr 1	2006 - Qtr 1	Points change	% change
Potatoes	101.75	116.35	14.60	14.35
Fresh Vegetables	136.11	113.77	-22.34	-16.41
Fresh Fruit	27.77	49.71	21.93	78.98
Animals	104.01	104.47	0.46	0.45
Animals Products	98.72	90.93	-7.78	-7.88
Item	Quarterly change			
	2005 - Qtr 4	2006 - Qtr 1	Points change	% change
Potatoes	115.10	116.35	1.26	1.09
Fresh Vegetables	101.30	113.77	12.47	12.31
Fresh Fruit	79.67	49.71	-29.96	-37.61
Animals	104.63	104.47	-0.16	-0.15
Animals Products	75.14	90.93	15.79	21.02

Table 6. Input price index for agriculture by type of product - annual and quarterly changes

Item	Annual change			
	2005 - Qtr 1	2006 - Qtr 1	Points change	% change
Goods and services consumed in agriculture	105.53	109.17	3.64	3.45
Machinery and Investment	97.42	99.15	1.73	1.77
Item	Quarterly change			
	2005 - Qtr 4	2006 - Qtr 1	Points change	% change
Goods and services consumed in agriculture	108.16	109.17	1.01	0.93
Machinery and Investment	98.21	99.15	0.94	0.96

Table 7. Producer price indices for the main products in agriculture in the 1st Quarter - annual changes

Item	2005 - Qtr1	2006 - Qtr1	Points change	% change
Potatoes	101.75	116.35	14.60	14.35
Peaches	-	-	-	-
Grapes	-	-	-	-
Lemons	25.98	52.01	26.03	100.16
Tomatoes	169.87	100.70	-69.17	-40.72
Dry onions	305.84	124.11	-181.73	-59.42
Vegetable marrows	284.23	227.26	-56.98	-20.05
Sugar melons	198.10	195.89	-2.21	-1.12
Water melons	-	-	-	-
Mushrooms	101.90	112.50	10.60	10.40
Bulls	90.65	98.57	7.92	8.73
Cows	76.83	91.32	14.48	18.85
Pigs	81.75	81.75	-	-
Poultry	89.76	89.76	-	-
Rabbits	151.27	149.19	-2.08	-1.37
Milk	106.11	94.97	-11.14	-10.50
Eggs	81.58	81.58	-	-

Table 8. Input price indices for the main products in agriculture in the 1st Quarter - annual changes

Item	2005 - Qtr1	2006 - Qtr1	Points change	% change
Motor fuels	148.70	172.32	23.63	15.89
Animal feedingstuffs	96.14	96.14	-	-
Maintenance of materials	103.15	105.47	2.32	2.25
Maintenance of buildings	103.74	104.13	0.39	0.37
Veterinary services	126.81	134.27	7.47	5.89
Other goods and services	124.11	132.11	8.00	6.45
Machinery and plant for cultivation	93.62	93.62	-	-

Table 9. Producer price inflation rate
12 month moving average rate

Year	Qtr1	Qtr 2	Qtr 3	Qtr 4
2001	0.82	2.10	3.46	4.41
2002	2.54	-0.03	-1.25	-1.76
2003	-1.07	-1.56	-1.52	0.52
2004	-0.28	-0.78	-1.08	-3.09
2005	-0.96	0.06	0.00	-0.33
2006	-1.13			

Table 10. Input price inflation rate
12 month moving average rate

Year	Qtr1	Qtr 2	Qtr 3	Qtr 4
2001	0.28	0.40	0.44	0.52
2002	0.17	0.10	0.37	-0.02
2003	-0.11	-0.60	-0.67	-0.64
2004	-0.08	1.08	4.43	1.05
2005	1.02	2.69	-2.39	0.96
2006	0.83			

Methodological Notes

1. Agricultural price indices are calculated both for input and output price movements of goods and services.
2. Output price indices provide information about the developments in the prices of fruit, vegetables, animals, and animal products over a particular period, whereas input price indices monitor changes in the purchase prices of raw and auxiliary materials and services from other industries. Output price indices are calculated using '*producer prices*', which are prices obtained by farmers, **excluding subsidies**. Input price indices are calculated using purchase prices of raw and auxiliary materials and services. Both the output and input prices used in the calculation of output and input indices are calculated net of VAT.
3. The input and output price Indices have been calculated quarterly using 2000 as a base year. The indices are published quarterly with reference to the quarter that have elapsed.
4. Administrative sources are mainly used in the compilation of the output price index, whilst major retail outlets specializing in the provision of agricultural products used for intermediate consumption provide monthly data on input prices.
5. This news release on agricultural prices includes three different measures of inflation as follows:
 - (a) the **quarterly rate** compares prices levels between two consecutive quarter. This index is up-to-date but is highly affected by seasonality factors, especially in the producer price index.
 - (b) The **annual rate** monitors price changes the current quarter and the same quarter of the previous year. This measure is responsive to recent changes in price levels but can be influenced by one-off changes.
 - (c) the **12-month average rate** overcomes the volatility of the previous two rates by comparing average producer and input price indices in the latest 12 months to the average producer and input price indices of the previous 12 months. This measure is less sensitive to transient changes in prices.
6. The data in this release are considered as final and are not normally subject to revisions.
7. The data is compiled and published by the NSO and can be directly obtained from the NSO website <http://www.nso.gov.mt>