

Agricultural producer price indices (IPPAP) - Base 2005

Stopped series

Producing organisation: INSEE

- [Read the “Informations Rapides” related to this indicator.](#)

Introduction

IPPAP measures the variations of prices received in return for agricultural deliveries. It is based on successive values of a sample of representative transactions whose structure corresponds to a base year (Laspeyres' index). It is currently calculated in base 2005 for 160 elementary items and 44 groupings

Observation of agricultural prices

Involved in short-term economic analysis and the drawing-up of the Agriculture Accounts, the IPPAP measures growth in prices charged by farmers. It is therefore necessary to observe market prices of goods leaving the farms.

The trade function is, however, provided more and more by cooperatives and groupings of producers, manufacturers and wholesalers, and the price is not formed when the goods leave the farm. The nature of the product and the market configuration dictate the content of the statements: the inclusion or not of harvesting, storage and packaging fees, subsidies, margins, financial costs and methods of payment. You therefore observe the price on entering the abattoir, leaving the packaging centre and on delivery to the port of embarkation, and not the price at production, which, taking the examples of cereals stocked and sold by cooperatives, is known later, sometimes at the end of the season when the different deposits and payments have been made.

Traditionally provided by a great number of organizations (municipalities maintaining a physical market, local or trade press, trade organizations, Ministry for Agriculture), the observation of agricultural prices has been concentrated:

- Ministry for Agriculture: Cows' milk, poultry
- FranceAgriMer: Fruit and vegetables, horticulture, oilseed and protein crops, table wine, beets
- Trade organisations: Wine of designated origin, vegetables for processing, hops, dried vegetables, flax, nursery stock
- Trade press: Cereals

Index calculations

Prices which are missing on publication of the indices, be it because the product is not priced or because the information is not available on time, are estimated from series with information from the same item.

Each month, the item indices are calculated by comparing the monthly average price to that of the year in question. It is expressed as a percentage to make it more readable. The groupings index is deduced from that of the items using an arithmetic method weighted by the value of deliveries taken from Agriculture Accounts for the year 2005.

Products	Weightings
General index	1,000
Except fruit and vegetables	878
Vegetable products except fruit and vegetables	417
Cereals	115
Potatoes	20
Wines	161
Oilseed and protein crops	28
Horticultural products	51
Animal products	461
Adult beef	108
Veal	29
Pork	64
Lamb	14
Milk	159
Poultry, eggs and rabbit	83
Fruit and vegetables	122
Vegetables	61
Fruit	39

The season's prices change each month of the trading season.

In sectors such as fruit, vegetables or flowers where the deliveries follow a very pronounced seasonal profile and the prices are very sensitive to the season and short-term incidents, the groupings index is calculated by weighting coefficients modelled on seasonal deliveries (variable basket).

These indices only provide year-on-year comparisons, however.

For further information

- [INSEE Méthodes - 121 - November 2009](#) (in French only).