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Note: Readers are invited to make the distinction between official data which are published in the Economic Indicators and the analysis presented for the benefit of general readers. Differences of opinion may arise regarding the analytical part but these do not in any way, undermine the quality of the data. The Editors welcome constructive critical comments.

Producer Price Index – Agriculture (PPI-A)

Fourth quarter 2008

(Base period year 2002 = 100)

1. Introduction

The Producer Price Index-Agriculture (PPI-A) gives a measure of the average change in the selling prices which producers receive for their agricultural products.

This issue of the Economic and Social Indicators presents monthly PPI-A indices for the months of October, November and December 2008 as well as figures for preceding months updated in the light of additional information that have now become available.

Table 7 presents the monthly indices as well as the quarterly and yearly average for the agricultural sector. Comparative monthly indices for the agricultural sector are given in Table 8.

The methodology for the construction of the PPI-A is annexed.

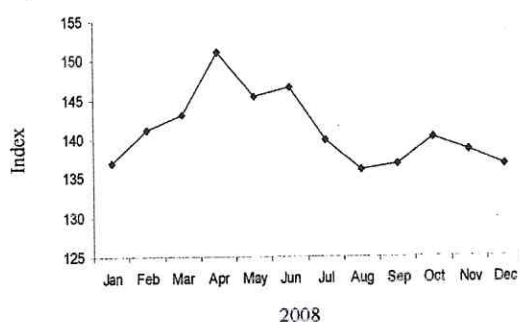
2. Producer Price Index - Agriculture: Fourth Quarter 2008

2.1 Structure of the PPI-A (Base period: 2002=100)

The PPI-A covers two sub-groups, namely "Crop products" and "Animals and animal products". "Crop products" is further subdivided into "Sugar cane" and "Other crop products". Sugar cane heavily influences both the "overall" index and that of sub-group "Crop products", of which it constitutes 61.6% and 74.6% respectively.

2.2 Changes in the monthly index

Overall monthly indices, January 2008 – December 2008



The PPI-A for the month of December worked out to 136.7 following an increase of 2.4% in October, and consecutive drops of 1.1% in November and 1.4% in December respectively. (Table 2).

The index for the sub-group "Crop products", which carries 82.6% of the total weight, rose by 4.1% in October, declined by 1.3% in November and 1.9% in December.

The index of sugar cane for the period July to December 2008 was 126.5 based on the provisional price of sugar for the 2008/2009 crop. It is to be noted that the index may be revised at the end of June 2009 when the final price is available.

The index for "Other crop products" went up by 16.6% in October mostly due to increases in the prices of fresh vegetables (+22.6%) and fruits (+22.5%). The rise in the prices of fresh vegetables was mainly due to high prices of tomato (+57.8%).

The index decreased by 4.8% in November. This was mostly attributable to decreases of 20.3% and 3.6% in the prices of fruits and fresh vegetables respectively. In December, the index further went down by 6.9% due to a combined effect of a decrease of 13.9% in the prices of fresh vegetables and an increase of 21.7% in the prices of fruits. The decrease in the prices of fresh vegetables was due to lower prices of brinjal, chouchou, cucumber, groundnut and voehm.

The index for the sub-group "Animals and animal products" declined by 2.8% in October, due to a 15.1% decrease in the prices of eggs and increases of 6.0%, 3.9% and 23.5% in the prices of pigs, deer and milk respectively. In November, the index fell by 0.2% due to a decrease of 0.5% in the prices of eggs. Increases of 0.9% in the prices of eggs caused the index to rise by 0.2% in December.

More details of changes on a month-to-month basis are given in Table 2 and changes over the corresponding month of the previous year in Table 3.

Table 4 gives the evolution of the PPI-A on a quarterly basis. The overall index for the fourth quarter of 2008 increased by 0.7% compared to the previous quarter and 2.2% over the corresponding quarter of 2007. Percentage changes on a quarterly basis and the net contributions of commodity groups and products are given in Table 5.

2.4 Changes in the yearly index

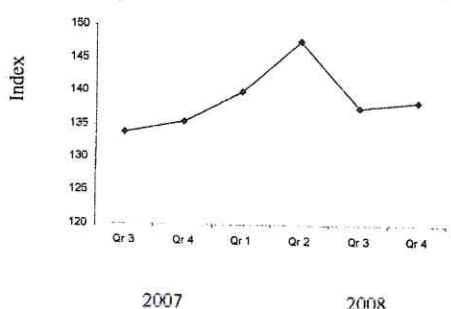
Average prices producers received from the sale of agricultural products in the year 2008 were 3.9% higher compared to the previous year. The annual indices for the years 2006, 2007 and 2008, annual changes and the net contributions of commodity groups and products to the change are presented in Table 6.

Central Statistics Office
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Port Louis

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2.3 Changes in the quarterly index

Overall quarterly indices, 3rd quarter 2007 – 4th quarter 2008



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Monthly Producer Price Index -Agriculture (PPI-A)

(Base period: Year 2002=100)

Table 1 : Monthly indices by commodity group and product, January 2006 - December 2008

Commodity Group	Weight	2008											
		Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Crop products	825.8	133.3	137.3	139.3	147.5	139.9	140.3	129.4	124.0	124.9	130.0	128.3	125.9
Sugar cane	615.9	138.5	138.5	138.5	138.5	138.5	138.5	126.5 ¹	126.5 ¹	126.5 ¹	126.5 ²	126.5 ²	126.5 ²
Other crop products	209.9	117.9	133.6	141.8	173.9	144.2	145.8	137.9	116.6	120.2	140.1	133.4	124.2
Root crops	20.2	122.7	87.7	94.9	105.7	104.7	141.7	171.0	170.7	170.2	168.7	169.4	170.2
Fruits	28.8	103.3	94.4	94.3	83.8	84.0	88.0	89.2	90.4	100.2	122.7	97.8	119.0
Fresh vegetables	138.0	116.5	146.8	158.7	207.5	161.8	157.9	141.7	109.1	112.2	137.6	132.7	114.2
Flowers, ornamental plants	11.5	148.0	154.8	149.6	144.5	152.0	152.4	149.6	148.3 ¹	152.9 ¹	158.6 ²	156.2 ²	156.2 ²
Tea	7.3	125.4 ¹	125.4 ¹	125.4 ¹	125.4 ¹	125.4 ¹	125.4 ¹	125.4 ²	125.4 ²	125.4 ²	125.4 ²	125.4 ²	125.4 ²
Tobacco	4.1	145.4	145.4	145.4	180.7 ²	180.7 ²	180.7 ²	180.7 ²	180.7 ²	180.7 ²	180.7 ²	180.7 ²	180.7 ²
Animals & animal products	174.2	153.9	159.0	160.4	168.2	171.4	176.0	189.0	193.7	193.2	187.8	187.5	187.9
Cattle	2.2	148.6	148.6	148.6	148.6	148.6	148.6	148.6	148.6	148.6	158.6	158.6	158.6
Pigs	4.6	112.6	112.6	112.6	112.6	112.6	112.6	156.7	156.7	156.7	166.1	166.1	166.1
Goat	1.3	128.1	128.1	128.1	128.1	134.6	134.6	134.6	134.6	134.6	134.6	134.6	134.6
Deer	5.8	119.0	119.0	119.0	132.4	132.4	132.4	132.4	132.4	132.4	137.6	137.6	137.6
Poultry	111.3	166.9	174.9	175.4	179.4	179.4	180.7	197.6	202.2	205.7	205.7 ²	205.7 ²	205.7 ²
Eggs	45.2	128.6	128.6	132.7	151.4	163.5	178.1	181.9	188.6	178.0	151.2	150.4	151.7
Milk	3.8	188.9	188.9	188.9	188.9	188.9	188.9	188.9	188.9	188.9	233.3	233.3	233.3
Overall Index	1,000.0	136.9	141.1	143.0	151.1	145.4	146.5	139.8	136.1	136.8	140.1	138.6	136.7

¹ Revised

² Provisional

Monthly Producer Price Index -Agriculture (PPI-A)

(Base period: Year 2002 =100)

Table 1 (cont'd) : Monthly indices by commodity group and product, January 2006 - December 2008

Commodity Group	Weight	2007											
		Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Crop products	825.8	128.8	136.0	153.5	148.4	135.0	125.1	127.6	132.0	133.8	135.9	133.9	131.8
Sugar cane	615.9	133.1	133.1	133.1	133.1	133.1	133.1	138.5	138.5	138.5	138.5	138.5	138.5
Other crop products	209.9	116.1	144.7	213.4	193.4	140.7	101.5	95.6	112.8	119.9	128.3	120.6	112.3
Root crops	20.2	117.4	100.5	133.6	196.3	141.3	130.3	131.5	131.6	131.0	140.1	141.7	142.3
Fruits	28.8	98.6	120.1	73.7	87.1	81.6	88.7	98.1	105.4	109.6	136.6	86.0	86.1
Fresh vegetables	138.0	116.7	157.1	266.8	224.9	153.9	94.2	82.4	107.4	117.3	122.5	121.8	109.1
Flowers, ornamental plants	11.5	138.8	151.0	147.0	145.7	145.1	147.7	148.3	144.4	144.6	151.8	143.7	143.8
Tea	7.3	111.9	111.9	111.9	111.9	111.9	111.9	125.4 ¹	125.4 ¹	125.4 ¹	125.4 ¹	125.4 ¹	125.4 ¹
Tobacco	4.1	157.1	157.1	157.1	145.4	145.4	145.4	145.4	145.4	145.4	145.4	145.4	145.4
Animals & animal products	174.2	144.4	144.4	144.5	148.3	148.6	151.0	150.7	144.3	144.6	145.1	144.0	144.5
Cattle	2.2	148.6	148.6	148.6	148.6	148.6	148.6	148.6	148.6	148.6	148.6	148.6	148.6
Pigs	4.6	115.7	119.1	119.1	106.5	106.1	106.1	112.6	112.6	112.6	112.6	112.6	112.6
Goat	1.3	93.8	93.8	93.8	93.8	93.8	93.8	93.8	99.2	99.2	130.7	131.7	128.1
Deer	5.8	109.0	109.0	109.0	116.4	116.4	113.8	113.8	113.8	113.8	119.0	119.0	119.0
Poultry	111.3	149.8	149.8	149.8	150.3	150.8	152.7	156.6	157.5	158.8	158.0	159.3	158.7
Eggs	45.2	142.9	142.6	143.2	154.7	154.7	159.6	148.0	120.9	119.0	119.4	115.3	116.9
Milk	3.8	105.6	105.6	105.6	133.3	133.3	133.3	133.3	133.3	133.3	133.3	133.3	133.3
Overall Index	1,000.0	131.5	137.5	151.9	148.4	137.4	129.6	131.6	134.1	135.7	137.5	135.7	134.0

¹ Revised

Monthly Producer Price Index -Agriculture (PPI-A)

(Base period: Year 2002 =100)

Table 1 (cont'd) : Monthly indices by commodity group and product, January 2006 - December 2008

Commodity Group	Weight	2006											
		Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Crop products	825.8	122.5	123.2	134.3	139.8	128.6	123.2	126.7	129.4	126.2	127.3	123.0	123.5
Sugar cane	615.9	131.1	131.1	131.1	131.1	131.1	131.1	133.1	133.1	133.1	133.1	133.1	133.1
Other crop products	209.9	97.2	100.0	143.8	165.3	121.1	100.2	107.9	118.6	106.0	110.2	93.3	95.5
Root crops	20.2	112.9	97.8	100.8	89.4	94.5	124.9	131.1	131.0	130.7	129.2	130.7	130.9
Fruits	28.8	87.2	105.4	84.2	72.4	74.5	78.7	86.2	90.8	98.5	108.6	78.8	59.1
Fresh vegetables	138.0	92.4	94.8	165.7	201.5	133.1	96.0	104.6	120.0	99.2	103.1	84.1	91.4
Flowers, ornamental plants	11.5	133.7	137.5	133.7	136.3	137.3	136.3	141.9	140.8	140.8	147.4	140.6	141.8
Tea	7.3	107.3	107.3	107.3	107.3	107.3	107.3	111.9	111.9	111.9	111.9	111.9	111.9
Tobacco	4.1	131.7	131.7	131.7	157.1	157.1	157.1	157.1	157.1	157.1	157.1	157.1	157.1
Animals & animal products	174.2	120.3	119.9	126.2	127.1	119.0	123.5	126.8	128.8	128.4	127.9	133.6	135.4
Cattle	2.2	136.8	136.8	136.8	136.8	136.8	136.8	136.8	136.8	136.8	136.8	136.8	136.8
Pigs	4.6	86.7	88.5	88.9	96.7	96.7	96.7	102.6	104.6	106.3	112.4	113.7	113.7
Goat	1.3	105.0	105.0	105.0	105.0	105.0	105.0	105.0	105.0	105.0	105.0	105.0	105.0
Deer	5.8	106.7	106.7	106.7	106.7	106.7	107.1	108.6	108.6	108.6	108.3	109.0	109.0
Poultry	111.3	122.7	121.4	131.9	133.8	121.3	126.9	128.2	128.2	128.2	128.0	137.0	139.4
Eggs	45.2	120.4	121.9	120.5	118.3	118.0	121.3	130.0	137.4	135.9	133.8	133.5	134.4
Milk	3.8	105.6	105.6	105.6	105.6	105.6	105.6	105.6	105.6	105.6	105.6	105.6	105.6
Overall Index	1,000.0	122.1	122.6	132.9	137.6	126.9	123.3	126.7	129.3	126.6	127.4	124.8	125.6

Monthly Producer Price Index -Agriculture (PPI-A)

(Base period: Year 2002=100)

Table 2 : Percentage changes from previous month by commodity group and product, January 2008 - December 2008

	Weight	Percentage changes from											
		Dec 07 to	Jan 08 to	Feb 08 to	Mar 08 to	Apr 08 to	May 08 to	Jun 08 to	Jul 08 to	Aug 08 to	Sept 08 to	Oct 08 to	Nov 08 to
		Jan 08	Feb 08	Mar 08	Apr 08	May 08	Jun 08	Jul 08	Aug 08	Sept 08	Oct 08	Nov 08	Dec 08
Crop products	825.8	1.1	3.0	1.5	5.9	-5.2	0.3	-7.8	-4.2	0.7	4.1	-1.3	-1.9
Sugar cane	615.9	0.0	0.0	0.0	0.0	0.0	0.0	-8.7	0.0	0.0	0.0	0.0	0.0
Other crop products	209.9	5.0	13.3	6.1	22.6	-17.1	1.1	-5.4	-15.4	3.1	16.6	-4.8	-6.9
Root crops	20.2	-13.8	-28.5	8.2	11.4	-0.9	35.3	20.7	-0.2	-0.3	-0.9	0.4	0.5
Fruits	28.8	20.0	-8.6	-0.1	-11.1	0.2	4.8	1.4	1.3	10.8	22.5	-20.3	21.7
Fresh vegetables	138.0	6.8	26.0	8.1	30.7	-22.0	-2.4	-10.3	-23.0	2.8	22.6	-3.6	-13.9
Flowers, ornamental plants	11.5	2.9	4.6	-3.4	-3.4	5.2	0.3	-1.8	-0.9	3.1	3.7	-1.5	0.0
Tea	7.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Tobacco	4.1	0.0	0.0	0.0	24.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Animals & animal products	174.2	6.5	3.3	0.9	4.9	1.9	2.7	7.4	2.5	-0.3	-2.8	-0.2	0.2
Cattle	2.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	6.7	0.0	0.0
Pigs	4.6	0.0	0.0	0.0	0.0	0.0	0.0	39.2	0.0	0.0	6.0	0.0	0.0
Goat	1.3	0.0	0.0	0.0	0.0	5.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Deer	5.8	0.0	0.0	0.0	11.3	0.0	0.0	0.0	0.0	0.0	3.9	0.0	0.0
Poultry	111.3	5.2	4.8	0.3	2.3	0.0	0.7	9.4	2.3	1.7	0.0	0.0	0.0
Eggs	45.2	10.0	0.0	3.2	14.1	8.0	8.9	2.1	3.7	-5.6	-15.1	-0.5	0.9
Milk	3.8	41.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	23.5	0.0	0.0
Overall Change	1,000.0	2.2	3.1	1.3	5.7	-3.8	0.8	-4.6	-2.6	0.5	2.4	-1.1	-1.4

Monthly Producer Price Index -Agriculture (PPI-A)

(Base period: Year 2002=100)

Table 3 : Percentage changes from corresponding month of previous year by commodity group and product , January 2008 - December 2008

Commodity Group	Weight	Percentage changes from											
		Jan 07 to Jan 08	Feb 07 to Feb 08	Mar 07 to Mar 08	Apr 07 to Apr 08	May 07 to May 08	Jun 07 to Jun 08	Jul 07 to Jul 08	Aug 07 to Aug 08	Sept 07 to Sept 08	Oct 07 to Oct 08	Nov 07 to Nov 08	Dec 07 to Dec 08
Crop products	825.8	3.5	1.0	-9.3	-0.6	3.6	12.2	1.4	-6.1	-6.7	-4.3	-4.2	-4.5
Sugar cane	615.9	4.1	4.1	4.1	4.1	4.1	4.1	-8.7	-8.7	-8.7	-8.7	-8.7	-8.7
Other crop products	209.9	1.6	-7.7	-33.6	-10.1	2.5	43.6	44.2	3.4	0.3	9.2	10.6	10.6
Root crops	20.2	4.5	-12.7	-29.0	-46.2	-25.9	8.7	30.0	29.7	29.9	20.4	19.5	19.6
Fruits	28.8	4.8	-21.4	28.0	-3.8	2.9	-0.8	-9.1	-14.2	-8.6	-10.2	13.7	38.2
Fresh vegetables	138.0	-0.2	-6.6	-40.5	-7.7	5.1	67.6	72.0	1.6	-4.3	12.3	8.9	4.7
Flowers, ornamental plants	11.5	6.6	2.5	1.8	-0.8	4.8	3.2	0.9	2.7	5.7	4.5	8.7	8.6
Tea	7.3	12.1	12.1	12.1	12.1	12.1	12.1	0.0	0.0	0.0	0.0	0.0	0.0
Tobacco	4.1	-7.4	-7.4	-7.4	24.3	24.3	24.3	24.3	24.3	24.3	24.3	24.3	24.3
Animals & animal products	174.2	6.6	10.1	11.0	13.4	15.3	16.6	25.4	34.2	33.6	29.4	30.2	30.0
Cattle	2.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	6.7	6.7	6.7
Pigs	4.6	-2.7	-5.5	-5.5	5.7	6.1	6.1	39.2	39.2	39.2	47.5	47.5	47.5
Goat	1.3	36.6	36.6	36.6	36.6	43.5	43.5	43.5	35.7	35.7	3.0	2.2	5.1
Deer	5.8	9.2	9.2	9.2	13.7	13.7	16.3	16.3	16.3	16.3	15.6	15.6	15.6
Poultry	111.3	11.4	16.8	17.1	19.4	19.0	18.3	26.2	28.4	29.5	30.2	29.1	29.6
Eggs	45.2	-10.0	-9.8	-7.3	-2.1	5.7	11.6	22.9	56.0	49.6	26.6	30.4	29.8
Milk	3.8	78.9	78.9	78.9	41.7	41.7	41.7	41.7	41.7	41.7	75.0	75.0	75.0
Overall Change	1,000.0	4.1	2.6	-5.9	1.8	5.8	13.0	6.2	1.5	0.8	1.9	2.1	2.0

Quarterly Producer Price Index -Agriculture (PPI-A)

(Base period: Year 2002=100)

Table 4: Quarterly indices¹ by commodity group and product, 1st Quarter 2007 - 4th Quarter 2008

Commodity Group	Weight	2007				2008			
		1st Qr	2nd Qr	3rd Qr	4th Qr	1st Qr	2nd Qr	3rd Qr	4th Qr
Crop products	825.8	138.1	134.9	131.2	133.7	136.4	142.7	126.1	128.2
Sugar cane	615.9	133.1	133.1	138.5	138.5	138.5	138.5	126.5 ²	126.5 ³
Other crop products	209.9	152.8	140.3	109.8	119.4	130.2	155.0	124.8	133.1
Root crops	20.2	116.7	137.9	131.4	141.5	112.0	133.9	170.7	169.5
Fruits	28.8	100.1	85.9	104.8	94.0	99.6	85.3	93.7	114.0
Fresh vegetables	138.0	171.7	152.9	102.8	118.2	137.4	173.9	120.7	128.8
Flowers, ornamental plants	11.5	145.6	146.2	145.8	146.4	150.8	149.6	150.3 ²	157.0 ³
Tea	7.3	111.9	111.9	125.4 ²	125.4 ²	125.4 ²	125.4 ²	125.4 ²	125.4 ³
Tobacco	4.1	157.1	145.4	145.4	145.4	145.4	180.7 ³	180.7 ³	180.7 ³
Animals & animal products	174.2	144.4	149.3	146.5	144.5	157.8	171.9	192.0	187.7
Cattle	2.2	148.6	148.6	148.6	148.6	148.6	148.6	148.6	158.6
Pigs	4.6	118.0	106.2	112.6	112.6	112.6	112.6	156.7	166.1
Goat	1.3	93.8	93.8	97.4	130.2	128.1	132.4	134.6	134.6
Deer	5.8	109.0	115.5	113.8	119.0	119.0	132.4	132.4	137.6
Poultry	111.3	149.8	151.3	157.6	158.7	172.4	179.8	201.8	205.7 ³
Eggs	45.2	142.9	156.3	129.3	117.2	130.0	164.3	182.8	151.1
Milk	3.8	105.6	133.3	133.3	133.3	188.9	188.9	188.9	233.3
Overall Index	1,000.0	139.2	137.4	133.9	135.6	140.1	147.8	137.6	138.6

¹ using data for base period as weights, and not a simple average of the monthly indices

² Revised

³ Provisional

(Base period: Year 2002=100)

Table 5: Quarterly changes (%) and net contributions of commodity groups and products to the change, 4th Quarter 2007 - 4th Quarter 2008

Commodity Group	Weight	Percentage changes from previous quarter								Percentage changes from corresponding quarter of previous year								Net contributions from																			
		4th Qr 07 to				1st Qr 08 to				2nd Qr 08 to				3rd Qr 08 to				4th Qr 08 to				1st Qr 09 to				2nd Qr 09 to				3rd Qr 09 to				4th Qr 09 to			
		07	08	08	08	07	08	08	08	07	08	08	08	07	08	08	08	07	08	08	08	07	08	08	08	07	08	08	08	07	08	08	08				
Crop products	825.8	2.0	4.6	-11.6	1.7	-1.2	5.8	-3.9	-4.1	2.26	5.20	-13.74	1.76	2.26	5.20	-13.74	1.76	2.26	5.20	-13.74	1.76	2.26	5.20	-13.74	1.76	2.26	5.20	-13.74	1.76	2.26	5.20	-13.74	1.76				
Sugar cane	615.9	0.0	0.0	-8.7	0.0	4.1	4.1	-8.7	-8.7	0.00	0.00	-7.39	0.00	0.00	0.00	-7.39	0.00	0.00	0.00	-7.39	0.00	0.00	0.00	-7.39	0.00	0.00	0.00	-7.39	0.00	0.00	0.00	-7.39	0.00				
Other crop products	209.9	9.0	19.0	-19.5	6.7	-14.8	10.5	13.7	11.5	2.26	5.20	-6.35	1.76	2.26	5.20	-6.35	1.76	2.26	5.20	-6.35	1.76	2.26	5.20	-6.35	1.76	2.26	5.20	-6.35	1.76	2.26	5.20	-6.35	1.76				
Root crops	20.2	-20.8	19.6	27.5	-0.7	-4.0	-2.9	29.9	19.8	-0.60	0.44	0.74	-0.02	-0.60	0.44	0.74	-0.02	-0.60	0.44	0.74	-0.02	-0.60	0.44	0.74	-0.02	-0.60	0.44	0.74	-0.02	-0.60	0.44	0.74	-0.02				
Fruits	28.8	6.0	-14.4	9.8	21.7	-0.5	-0.7	-10.6	21.3	0.16	-0.41	0.24	0.58	0.16	-0.41	0.24	0.58	0.16	-0.41	0.24	0.58	0.16	-0.41	0.24	0.58	0.16	-0.41	0.24	0.58	0.16	-0.41	0.24	0.58				
Fresh vegetables	138.0	16.2	26.6	-30.6	6.7	-20.0	13.7	17.4	9.0	2.65	5.04	-7.34	1.12	2.65	5.04	-7.34	1.12	2.65	5.04	-7.34	1.12	2.65	5.04	-7.34	1.12	2.65	5.04	-7.34	1.12	2.65	5.04	-7.34	1.12				
Flowers, ornamental plants	11.5	3.0	-0.8	0.5	4.5	3.6	2.3	3.1	7.2	0.05	-0.01	0.01	0.08	0.05	-0.01	0.01	0.08	0.05	-0.01	0.01	0.08	0.05	-0.01	0.01	0.08	0.05	-0.01	0.01	0.08	0.05	-0.01	0.01	0.08				
Tea	7.3	0.0	0.0	0.0	0.0	12.1	12.1	0.0	0.0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				
Tobacco	4.1	0.0	24.3	0.0	0.0	-7.4	24.3	24.3	24.3	0.00	0.14	0.00	0.00	0.00	0.14	0.00	0.00	0.00	0.14	0.00	0.00	0.00	0.14	0.00	0.00	0.00	0.14	0.00	0.00	0.00	0.14	0.00	0.00				
Animals & animal products	174.2	9.2	8.9	11.7	-2.2	9.3	15.1	31.1	29.9	2.31	2.46	3.49	-0.74	2.31	2.46	3.49	-0.74	2.31	2.46	3.49	-0.74	2.31	2.46	3.49	-0.74	2.31	2.46	3.49	-0.74	2.31	2.46	3.49	-0.74				
Cattle	2.2	0.0	0.0	0.0	6.7	0.0	0.0	0.0	6.7	0.00	0.00	0.00	0.02	0.00	0.00	0.00	0.02	0.00	0.00	0.00	0.02	0.00	0.00	0.00	0.02	0.00	0.00	0.00	0.02	0.00	0.00	0.00	0.02				
Pigs	4.6	0.0	0.0	39.2	6.0	-4.6	6.0	39.2	47.5	0.00	0.00	0.00	0.04	0.00	0.00	0.00	0.04	0.00	0.00	0.00	0.04	0.00	0.00	0.00	0.04	0.00	0.00	0.00	0.04	0.00	0.00	0.00	0.04				
Goat	1.3	-1.6	3.4	1.7	0.0	36.6	41.2	38.2	3.4	0.00	0.01	0.00	0.00	0.00	0.01	0.00	0.00	0.00	0.01	0.00	0.00	0.00	0.01	0.00	0.00	0.00	0.01	0.00	0.00	0.00	0.01	0.00					
Deer	5.8	0.0	11.3	0.0	3.9	9.2	14.6	16.3	15.6	0.00	0.08	0.00	0.03	0.00	0.08	0.00	0.03	0.00	0.08	0.00	0.03	0.00	0.08	0.00	0.03	0.00	0.08	0.00	0.03	0.00	0.08	0.00	0.03				
Poultry	111.3	8.6	4.3	12.2	1.9	15.1	18.8	28.0	29.6	1.52	0.82	2.45	0.43	1.52	0.82	2.45	0.43	1.52	0.82	2.45	0.43	1.52	0.82	2.45	0.43	1.52	0.82	2.45	0.43	1.52	0.82	2.45	0.43				
Eggs	45.2	10.9	26.4	11.3	-17.3	-9.0	5.1	41.4	28.9	0.58	1.55	0.84	-1.43	0.58	1.55	0.84	-1.43	0.58	1.55	0.84	-1.43	0.58	1.55	0.84	-1.43	0.58	1.55	0.84	-1.43	0.58	1.55	0.84	-1.43				
Milk	3.8	41.7	0.0	0.0	23.5	78.9	41.7	41.7	75.0	0.21	0.00	0.00	0.17	0.21	0.00	0.00	0.17	0.21	0.00	0.00	0.17	0.21	0.00	0.00	0.17	0.21	0.00	0.00	0.17	0.21	0.00	0.00	0.17				
Total	1,000.0	3.3	5.5	-6.9	0.7	0.6	7.6	2.8	2.2	4.57	7.66	-10.25	1.02	4.57	7.66	-10.25	1.02	4.57	7.66	-10.25	1.02	4.57	7.66	-10.25	1.02	4.57	7.66	-10.25	1.02	4.57	7.66	-10.25	1.02				

Annual Producer Price Index -Agriculture (PPI-A)
(Base period: Year 2002=100)

Table 6 : Annual indices, annual changes (%) and net contributions of commodity groups and products to the change, 2006 - 2008

Commodity Group	Weight	Annual index ¹			Percentage changes from		Net contributions from	
		2006	2007	2008	2006 to 2007	2007 to 2008	2006 to 2007	2007 to 2008
Crop products	825.8	126.8	133.7	133.6	5.4	-0.1	5.75	-0.05
Sugar cane	615.9	132.1	135.8	132.5	2.8	-2.4	2.28	-2.03
Other crop products	209.9	111.1	127.6	137.0	14.9	7.4	3.47	1.98
Root crops	20.2	129.2	135.5	166.0	4.9	22.5	0.13	0.62
Fruits	28.8	81.1	96.3	103.2	18.7	7.2	0.44	0.20
Fresh vegetables	138.0	111.3	131.3	138.1	18.0	5.2	2.76	0.94
Flowers, ornamental plants	11.5	139.0	146.0	151.9	5.0	4.0	0.08	0.07
Tea	7.3	109.6	118.7 ²	125.4	8.3	5.6	0.07	0.05
Tobacco	4.1	150.8	148.3	171.9	-1.7	15.9	-0.01	0.10
Animals & animal products	174.2	126.4	146.2	177.3	15.7	21.3	3.45	5.43
Cattle	2.2	136.8	148.6	151.7	8.6	2.1	0.03	0.01
Pigs	4.6	101.2	112.2	138.3	10.9	23.3	0.05	0.12
Goat	1.3	105.0	105.5	132.4	0.5	25.5	0.00	0.03
Deer	5.8	107.7	114.3	130.4	6.1	14.1	0.04	0.09
Poultry	111.3	128.9	154.3	189.9	19.7	23.1	2.83	3.96
Eggs	45.2	127.1	136.4	157.1	7.3	15.2	0.42	0.94
Milk	3.8	105.6	126.4	200.0	19.7	58.2	0.08	0.28
Total	1,000.0	126.7	135.9	141.2	7.3	3.9	9.20	5.38

¹ using data for base period as weights, and not a simple average of the monthly indices

² Revised

Table 7: Monthly indices for the Agricultural Sector, January 2002 - December 2008
(Base period: Year 2002=100)

Month	2002	2003	2004	2005	2006	2007	2008
January	100.4	98.9	112.9	112.6	122.1	131.5	136.9
February	107.8	104.7	113.5	119.7	122.6	137.5	141.1
March	109.1	110.1	117.4	129.3	132.9	151.9	143.0
<i>1st quarter</i>	<i>104.9</i>	<i>103.8</i>	<i>114.6</i>	<i>119.5</i>	<i>125.5</i>	<i>139.2</i>	<i>140.1</i>
April	99.2	110.6	118.5	138.3	137.6	148.4	151.1
May	93.6	113.0	115.0	129.1	126.9	137.4	145.4
June	93.7	109.9	111.9	117.9	123.3	129.6	146.5
<i>2nd quarter</i>	<i>95.3</i>	<i>111.1</i>	<i>115.0</i>	<i>127.8</i>	<i>129.1</i>	<i>137.4</i>	<i>147.8</i>
July	100.5	109.7	114.4	119.3	126.7	131.6	139.8
August	101.5	107.7	113.6	118.9	129.3	134.1	136.1
September	102.3	105.4	111.6	121.1	126.6	135.7	136.8
<i>3rd quarter</i>	<i>101.4</i>	<i>107.5</i>	<i>113.2</i>	<i>119.8</i>	<i>127.5</i>	<i>133.9</i>	<i>137.6</i>
October	102.9	105.0	112.4	124.8	127.4	137.5	140.1
November	99.1	107.4	111.5	120.9	124.8	135.7	138.6
December	100.6	106.9	110.0	121.4	125.6	134.0	136.7
<i>4th quarter</i>	<i>100.9</i>	<i>106.4</i>	<i>111.4</i>	<i>122.1</i>	<i>125.7</i>	<i>135.6</i>	<i>138.6</i>
Yearly average ¹	100	106.9	112.8	121.8	126.7	135.9	141.2
<i>Annual change (%)</i>		6.9	5.5	8.0	4.0	7.3	3.9

¹ Using data for base period as weights, and not a simple average of the monthly indices

Table 8: Monthly indices for the Agricultural Sector, January 1993 - December 2008¹
(Base period: Year 2002=100)

Month	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
January	61.2	65.2	77.0	81.5	91.3	87.7	97.3	87.1	84.9	100.4	98.9	112.9	112.6	122.1	131.5	136.9
February	62.1	69.7	77.4	84.4	90.1	89.4	97.9	95.9	87.1	107.8	104.7	113.5	119.7	122.6	137.5	141.1
March	64.6	75.4	81.3	87.0	89.3	98.5	98.7	95.9	85.2	109.1	110.1	117.4	129.3	132.9	151.9	143.0
April	60.6	71.9	82.0	87.1	89.5	98.0	101.2	90.6	87.8	99.2	110.6	118.5	138.3	137.6	148.4	151.1
May	59.3	71.1	78.8	88.2	91.8	90.6	99.7	90.5	90.1	93.6	113.0	115.0	129.1	126.9	137.4	145.4
June	59.6	68.3	77.4	86.1	91.8	88.9	97.8	88.7	91.9	93.7	109.9	111.9	117.9	123.3	129.6	146.5
July	65.6	77.8	82.0	88.9	88.2	95.6	92.9	86.0	96.3	100.5	109.7	114.4	119.3	126.7	131.6	139.8
August	66.3	77.8	82.7	87.2	87.8	96.0	92.8	87.1	94.7	101.5	107.7	113.6	118.9	129.3	134.1	136.1
September	66.9	77.1	82.4	88.3	86.8	95.8	91.0	86.0	93.0	102.3	105.4	111.6	121.1	126.6	135.7	136.8
October	65.8	77.2	81.6	88.8	86.0	95.9	91.1	84.3	93.9	102.9	105.0	112.4	124.8	127.4	137.5	140.1
November	65.7	78.5	80.7	88.0	85.4	95.1	91.5	83.3	92.6	99.1	107.4	111.5	120.9	124.8	135.7	138.6
December	64.9	78.0	81.1	88.9	86.0	95.8	90.9	83.1	95.2	100.6	106.9	110.0	121.4	125.6	134.0	136.7
Yearly Average ²	63.4	73.6	79.8	86.6	88.2	93.4	94.4	87.7	91.4	100.0	106.9	112.8	121.8	126.7	135.9	141.2
Annual change (%)		16.1	8.4	8.6	1.8	5.8	1.2	-7.2	4.3	9.4	-6.9	5.5	8.0	4.0	7.3	3.9

¹ The indices for January 1993 to December 1999 originally based on 1993=100 and indices for January 2000 to December 2001 originally based on 1997=100 have been converted to the new base 2002=100

² Using data for base period as weights, and not a simple average of the monthly indices

Producer Price Index – Agriculture (PPI-A) Methodology for the Construction of the PPI-A

1. Introduction

The analysis of price data implies comparison of current and past prices. Comparison over time is required to study the price movement in order to understand the history and to indicate future outlook. While price relatives of single commodities can be studied in isolation, general conclusion can only be derived from averages, covering a given set or class of commodities. The indicators of average price changes are the price indices.

2. Purpose of the agricultural price indices

The purpose of the price indices is to provide information on trends in producer prices of agricultural products and purchase prices of the means of agricultural production.

The selling prices of agricultural products and the purchase of the means of production have a decisive influence on farmer's income. It would, therefore, seem useful to have indicators showing how agricultural revenue and expenditure are influenced by their price component.

The agricultural price indicators are of two types:-

- (i) Price received by farmers represent the producer prices of agricultural products (output prices)
- (ii) Prices paid by farmers are the purchase prices of agricultural requisites (input prices)

The two classes of prices mentioned above, are considered important in the context of economic analysis and agricultural policy decisions. Index numbers based on them show the average changes of these prices.

In the first instance, only the output price index for different groups of commodities has been compiled. Later on, an input price index will be constructed.

3. Uses of agricultural prices indices

The construction of agricultural price index numbers may serve various purposes as shown below:-

- (i) Economic analysis, in particular the estimation of general price trends and their relationship with other pertinent variable, e.g the study of domestic price changes

in relation to prices observed in external markets or the movement of agricultural production.

- (ii) Monitoring the implementation of agricultural price policy decision such as the introduction or modification of support prices
- (iii) Forecasting price movements in connection with market studies or business cycle research.
- (iv) Compilation of national accounts at constant prices. In order to estimate the growth of the real product of the agricultural sector, deflator indices are needed. They are appropriately weighted indices of agricultural commodities or input items

4. Definition of prices

A price is a pure price when the same amount of money refers to what the buyer pays and what the seller receives. Since the price series form the basis for calculation, the index of the output prices must be representative of what the farmer actually receives.

The prices must be recorded at a point in the marketing of the product which is as close as possible to the farmer. This means that the selling prices should be recorded at the farm gate or (if this is not possible or advisable) at the next stage of the commodity flow.

5. Price received by agricultural producers

As mentioned earlier, the prices for the index should be farm-gate prices, but this is not possible in many cases. Hence, in lieu of the farm-gate price, the wholesale price of the produce is recorded at the two auction markets located in Vacoas and Port Louis.

As regards sugarcane, there is no actual market price for the product. The final price for a crop is only available after the crop year to which it refers. The solution has been found in such a way that every quarter an updated provisional price of sugar (obtained from Mauritius Sugar Syndicate) is used which, however, is corrected afterwards as soon as the final price is available. The same procedure is applied to tea and tobacco.

6. Weighting Scheme and Choice of the base period

As price data are associated with commercial transaction, it is logical to relate prices to sales rather than total production. However, since value of production for the market (sales) is not available here, the value of the total production is considered as a proxy in calculation of weights. Furthermore, since meteorological conditions and market forces may generate high fluctuations, the weight base is taken as the average of the total production for three years.

It may be noted that 'FAO' and 'Eurostat' recommend that if the quantity weight base is the average of 3 years, then the reference base for prices should be the middle year. The weights are

derived by multiplying the average of production during 2001, 2002 and 2003 by the average of unit prices in 2002, the reference period. The weight is assigned to each commodity group on the basis of total production (as a proxy for sales) pertaining to the particular group. At commodity level, the weights are apportioned within the commodity group on the basis of production of each product.

Quarterly and annual indices have been computed using a weighting system based on the production value for the base period.

7. Type of Index

The PPI will be calculated according to a modified Laspeyres formula:

$$I_t = \frac{\sum W_i (P_{ti}/P_{oi})}{\sum W_i} \times 100$$

Where:

- I_t is the index for the current period t
- P_{ti} is the price of commodity I in the current period t
- P_{oi} is the price of the commodity I in the reference period o (2002)
- W_i is the weight associated with commodity I

8. Commodity Coverage

The bulk of the products in agriculture, with the exception of forestry, fishing and agricultural services, is taken into account in the producer price index. Thus, about 83% of the total value of agricultural production is covered.

9. Observation Units

There are essentially three types of observation units for collecting producer prices (i) producers (ii) purchasers and (iii) markets. However, in the context of Mauritius, different type of observation units are used for different commodities as shown below:

- (i) For main Commercial crops (sugarcane, tea leaf and tobacco leaf etc) the respective marketing agency is the source of the price data.
- (ii) For vegetables, price data are obtained mainly at the two auction markets which are situated at Vacoas and Port Louis respectively
- (iii) For fruits, prices are recorded from different sources such as planters and first middlemen
- (iv) For animals and animal products, price data are available at sources varying from marketing agencies to producers.

10. Frequency of Price Collection

The frequency of price collection varies from weekly for some commodities to only once a year in others. Broadly speaking, the frequency of price collection is as follows:-

- (i) For vegetables, price data are collected once a week at the two auction markets
- (ii) For commodities for which prices are fairly stable, data suppliers are visited on a quarterly basis, but prices are collected for each month of the quarter.

Example of such commodities are:-

- (a) Crop products – potato, onion and garlic etc.
- (b) Animals & Animal products – cattle, pigs and cow's milk etc.
- (iii) For the main Commercial crops like Sugarcane, tea leaf and tobacco leaf, the reported prices are normally fixed for the crop year by the respective marketing agency.
- (iv) For the remaining type of items not mentioned above, the price data are collected on a monthly basis.

11. Seasonality

Prices and quantities of many agricultural commodities show seasonal variations. As vegetables and fruits are extremely seasonal products, it is therefore decided to use the method of variable baskets with fixed monthly weights in the base year.

There are 12 monthly baskets of representative products. The composition of these baskets varies each month. Certain products whose marketing period covers the whole year appear in all 12 monthly baskets, while others, which are more seasonal, appear only in some of them. However, the composition of the basket for a given month is fixed overtime.

12. Missing Prices

There is also in the field of agricultural price observation the case of missing prices for a product which must be taken into account because there is an index weight for respective month. In such a case, it is recommended that a fictitious price be used; the least bad way, which is to make use of the last real price, has been adopted.

13. Periodicity

The index is calculated on a monthly, quarterly as well as on an annual basis. While quarterly and annual price indices can normally be calculated as the simple (unweighted) average of the monthly indices, it is recommended that the monthly sales figures for the base year be used as weights to calculate the quarterly and annual indices. If sales figures are not available, total production can be used as a proxy when most of the production is available for sales. Such is the case in Mauritius and the values of total production have been used as weights.

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