Second 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 April, May and June 2008 as well as figures for preceding months updated in the light of additional information that have now become available.

A technical note on the construction of the PPI-A is annexed.

2. Producer Price Index Agriculture: Second 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

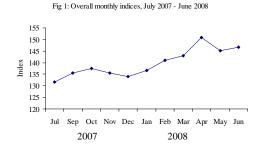


Figure 1 shows the monthly evolution of PPI-A for the period July 2007 to June 2008.

The PPI-A for the month of June worked out to be 146.6. In April the index went up by 5.5% followed by a drop of 3.7% in May and an increase of 1.0% in June (Table 2).

The index for "Crop products", which carries 82.6% of the total weight, increased by 5.9% in April, decreased by 5.2% in May followed by an increase of 0.3% in June

The index of sugar cane for the period July 2007 to June 2008 has been revised upwards from 135.4 to 138.5 in the light of the final price of sugar for the 2007 crop that is now available and it is assumed that the same price prevails during the whole of the crop year.

The index for "Other crop products" went up by 22.7% in April, due to increases of 11.4%, 30.7% and 24.3% in the prices of root crops (eddoes violet and sweet Potato), fresh vegetables (beans, brinjal, carrot, chillies, creepers, petsai, onion and voehm) and tobacco respectively partially offset by declines in the prices of fruits (-11.1%) and flower and ornamental plants (-3.4%). In May, the index decreased by 17.2% mainly due to а drop of 22.0% in the prices of fresh vegetables (beans, brinjal, carrot, lettuce, creepers, tomato and voehm). In June, there was an increase of 1.1% in the index as a result of a rise of 35.3% in the prices of root crops partially offset by decline of 2.4% in the prices of fresh vegetables.

The index for the sub-group "Animals and animal products" rose by 4.0% in April, mainly due to increases of 11.3% and 10.0% in the prices of deer and eggs respectively. In May, the index further went up by 2.5% as a result of increases of 5.1% and 10.7% in the prices of goat and eggs respectively. The 11.7% increase in the price of eggs caused the index to go up by 3.4% in June.

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

2.3 Changes in the quarterly index

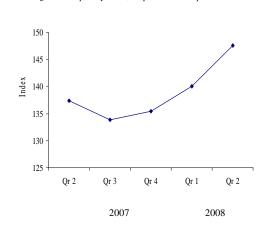


Fig 2: Overall quarterly indices, 2nd quarter2007 - 2nd quarter 2008

Figure 2 shows the movement of the index from 2nd quarter 2007 to 2nd quarter 2008.

Table 4 gives the evolution of the PPI-A on a quarterly basis. The overall index for the second quarter of 2008 went up by 5.4% compared to the previous quarter and 7.4% over the corresponding quarter of 2007.

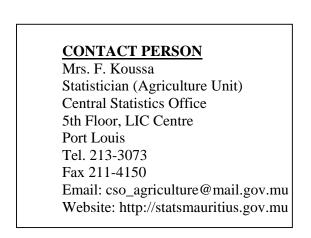
Percentage changes on a quarterly basis and the net contributions of commodity groups and products are given in Table 5.

2.4 Changes in the yearly index

Average prices producers received from the sale of agricultural products in the year 2007 were 7.3% higher compared to the previous year. The annual indices for the years 2005, 2006 and 2007, annual changes and the net contributions of commodity groups and products to the change are presented in Table 6.

Central Statistics Office Ministry of Finance and Economic Development Port Louis

August 2008



(Base period:Year 2002=100)

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

Commodity Crown	Waiaht			20	08		
Commodity Group	Weight	January	February	March	April	May	June
Crop products	825.8	133.1	137.1	139.2	147.4	139.8	140.2
Sugar cane	615.9	138.5 ¹	138.5 ¹	138.5 ¹	138.5	138.5	138.5
Other crop products	209.9	117.4	133.1	141.3	173.4	143.5	145.1
Root crops	20.2	122.7	87.7	94.9 ¹	105.7	104.7	141.7
Fruits	28.8	103.3	94.4	94.3	83.8	84.0	88.2
Fresh vegetables	138.0	116.5	146.8	158.7 ¹	207.5	161.8	157.9
Flowers, ornamental plants	11.5	148.0 ¹	154.8 ¹	149.6 ¹	144.5	148.0 ²	148.0 ²
Tea	7.3	111.9	111.9	111.9	111.9	111.9	111.9
Tobacco	4.1	145.4	145.4	145.4	180.7 ²	180.7 ²	180.7 ²
Animals & animal products	174.2	153.9	159.0	160.4	166.8	170.9	176.7
Cattle	2.2	148.6	148.6	148.6	148.6	148.6	148.6
Pigs	4.6	112.6	112.6	112.6	112.6	112.6	112.6
Goat	1.3	128.1	128.1	128.1	128.1	134.6	134.6
Deer	5.8	119.0	119.0	119.0	132.4	132.4	132.4
Poultry	111.3	166.9	174.9	175.4	179.4	179.4	180.7
Eggs	45.2	128.6	128.6	132.7	146.0	161.6	180.5
Milk	3.8	188.9	188.9	188.9	188.9	188.9	188.9
Overall Index	1,000.0	136.7	140.9	142.9	150.8	145.2	146.6

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¹ Revised

² Provisional

(Base period:Year 2002 =100)

Table 1 (cont'd) : Monthly indices by commodity group and product, January - December 2007

	XX/							2007					
Commodity Group	Weight	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	127.5	131.9	133.6	135.8	133.8	131.7
Sugar cane	615.9	133.1	133.1	133.1	133.1	133.1	133.1	138.5 ¹	138.5 ¹	138.5 ¹	138.5 ¹	138.5 ¹	138.5 ¹
Other crop products	209.9	116.1	144.7	213.4	193.4	140.7	101.5	95.1	112.4	119.4	127.8	120.1	111.8
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 ¹	107.4 1	117.3 ¹	122.5 ¹	121.8 1	109.1 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	111.9	111.9	111.9	111.9	111.9	111.9
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	131.5	134.1	135.5	137.4	135.6	133.9

¹ Revised

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(Base period:Year 2002 =100)

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

							20	06					
Commodity Group	Weight	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

(Base period:Year 2002=100)

Table 2 : Percentage changes from previous month by commodity group and product , July 2007 - June 2008

						Per	centage cl	hanges fro	m				
Commodity Group	Weight		July 07 to	U	-							-	, i
		July 07	Aug 07	Sept 07	Oct 07	Nov 07	Dec 07	Jan 08	Feb 08	Mar 08	Apr 08	May 08	Jun 08
Crop products	825.8	1.9	3.5	1.3	1.6	-1.5	-1.6	1.1	3.0	1.5	5.9	-5.2	0.3
Sugar cane	615.9	4.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other crop products	209.9	-6.3	18.2	6.2	7.0	-6.0	-6.9	5.0	13.4	6.2	22.7	-17.2	1.1
Root crops	20.2	0.9	0.1	-0.5	6.9	1.1	0.4	-13.8	-28.5	8.2	11.4	-0.9	35.3
Fruits	28.8	10.6	7.4	4.0	24.6	-37.0	0.1	20.0	-8.6	-0.1	-11.1	0.2	5.0
Fresh vegetables	138.0	-12.5	30.3	9.2	4.4	-0.6	-10.4	6.8	26.0	8.1	30.7	-22.0	-2.4
Flowers, ornamental plants	11.5	0.4	-2.6	0.1	5.0	-5.3	0.1	2.9	4.6	-3.4	-3.4	2.4	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	0.0	0.0	0.0	0.0	0.0	0.0	24.3	0.0	0.0
Animals & animal products	174.2	-0.2	-4.2	0.2	0.3	-0.8	0.3	6.5	3.3	0.9	4.0	2.5	3.4
Cattle	2.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Pigs	4.6	6.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Goat	1.3	0.0	5.8	0.0	31.8	0.8	-2.7	0.0	0.0	0.0	0.0	5.1	0.0
Deer	5.8	0.0	0.0	0.0	4.6	0.0	0.0	0.0	0.0	0.0	11.3	0.0	0.0
Poultry	111.3	2.6	0.6	0.8	-0.5	0.8	-0.4	5.2	4.8	0.3	2.3	0.0	0.7
Eggs	45.2	-7.3	-18.3	-1.6	0.3	-3.4	1.4	10.0	0.0	3.2	10.0	10.7	11.7
Milk	3.8	0.0	0.0	0.0	0.0	0.0	0.0	41.7	0.0	0.0	0.0	0.0	0.0
Overall Change	1,000.0	1.5	2.0	1.0	1.4	-1.3	-1.3	2.1	3.1	1.4	5.5	-3.7	1.0

(Base period:Year 2002=100)

Table 3 : Percentage changes from corresponding month of previous year by commodity group and product , July 2007 - June 2008

						P	ercentage	changes f	rom				
Commodity Group	Weight	Jul 06 to Jul 07	Aug 06 to Aug 07	Sept 06 to Sept 07	Oct 06 to Oct 07	Nov 06 to Nov 07	Dec 06 to Dec 07	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
Crop products	825.8	0.6	1.9	5.9	6.7	8.8	6.6	3.3	0.8	-9.3	-0.7	3.6	12.1
Sugar cane	615.9	4.1	4.1	4.1	4.1	4.1	4.1	4.1	4.1	4.1	4.1	4.1	4.1
Other crop products	209.9	-11.9	-5.2	12.6	16.0	28.7	17.1	1.1	-8.0	-33.8	-10.3	2.0	43.0
Root crops	20.2	0.3	0.5	0.2	8.4	8.4	8.7	4.5	-12.7	-29.0	-46.2	-25.9	8.7
Fruits	28.8	13.8	16.1	11.3	25.8	9.1	45.7	4.8	-21.4	28.0	-3.8	2.9	-0.6
Fresh vegetables	138.0	-21.2	-10.5	18.2	18.8	44.8	19.4	-0.2	-6.6	-40.5	-7.7	5.1	67.6
Flowers, ornamental plants	11.5	4.5	2.6	2.7	3.0	2.2	1.4	6.6	2.5	1.8	-0.8	2.0	0.2
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	-7.4	-7.4	-7.4	-7.4	-7.4	-7.4	-7.4	-7.4	-7.4	24.3	24.3	24.3
Animals & animal products	174.2	18.8	12.0	12.6	13.4	7.8	6.7	6.6	10.1	11.0	12.5	15.0	17.0
Cattle	2.2	8.6	8.6	8.6	8.6	8.6	8.6	0.0	0.0	0.0	0.0	0.0	0.0
Pigs	4.6	9.7	7.6	5.9	0.2	-1.0	-1.0	-2.7	-5.5	-5.5	5.7	6.1	6.1
Goat	1.3	-10.7	-5.5	-5.5	24.5	25.4	22.0	36.6	36.6	36.6	36.6	43.5	43.5
Deer	5.8	4.8	4.8	4.8	9.9	9.2	9.2	9.2	9.2	9.2	13.7	13.7	16.3
Poultry	111.3	22.2	22.9	23.9	23.4	16.3	13.8	11.4	16.8	17.1	19.4	19.0	18.3
Eggs	45.2	13.8	-12.0	-12.4	-10.8	-13.6	-13.0	-10.0	-9.8	-7.3	-5.6	4.5	13.1
Milk	3.8	26.2	26.2	26.2	26.2	26.2	26.2	78.9	78.9	78.9	41.7	41.7	41.7
Overall Change	1,000.0	3.8	3.7	7.0	7.8	8.7	6.6	4.0	2.5	-5.9	1.6	5.7	13.1

Quarterly Producer Price Index -Agriculture (PPI-A)

(Base period:Year 2002=100)

Table 4: Quarterly indices ¹ by commodity group and product, 3rd Quarter 2006 - 2nd Quarter 2008

Commodity Crown	Weight	20	06		2	2007		200)8
Commodity Group	Weight	3rd Qr	4th Qr	1st Qr	2nd Qr	3rd Qr	4th Qr	1st Qr	2nd Qr
Crop products	825.8	127.4	124.3	138.1	134.9	131.1	133.5	136.3	142.5
Sugar cane	615.9	133.1	133.1	133.1	133.1	138.5 ²	138.5 ²	138.5 ²	138.5
Other crop products	209.9	110.8	98.4	152.8	140.3	109.3	119.0	129.8	154.4
Root crops	20.2	131.0	130.3	116.7	137.9	131.4	141.5	112.0 ²	133.9
Fruits	28.8	92.3	72.1	100.1	85.9	104.8	94.0	99.6	85.4
Fresh vegetables	138.0	107.8	93.0	171.7	152.9	102.8 ²	118.2 ²	137.4 ²	173.9
Flowers, ornamental plants	11.5	141.2	143.3	145.6	146.2	145.8	146.4	150.8 ²	146.8
Tea	7.3	111.9	111.9	111.9	111.9	111.9	111.9	111.9	111.9
Tobacco	4.1	157.1	157.1	157.1	145.4	145.4	145.4	145.4	180.7
Animals & animal products	174.2	128.0	132.3	144.4	149.3	146.5	144.5	157.8	171.5
Cattle	2.2	136.8	136.8	148.6	148.6	148.6	148.6	148.6	148.6
Pigs	4.6	104.5	113.3	118.0	106.2	112.6	112.6	112.6	112.6
Goat	1.3	105.0	105.0	93.8	93.8	97.4	130.2	128.1	132.4
Deer	5.8	108.6	108.8	109.0	115.5	113.8	119.0	119.0	132.4
Poultry	111.3	128.2	134.8	149.8	151.3	157.6	158.7	172.4	179.8
Eggs	45.2	134.4	133.9	142.9	156.3	129.3	117.2	130.0	162.7
Milk	3.8	105.6	105.6	105.6	133.3	133.3	133.3	188.9	188.9
Overall Index	1,000.0	127.5	125.7	139.2	137.4	133.8	135.4	140.0	147.6

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

² Revised

³ Provisional

Quarterly Producer Price Index -Agriculture (PPI-A)

(Base period:Year 2002=100)

Table 5: Quarterly changes (%) and net contributions of commodity group and product to the change, 2nd Quarter 2007 - 2nd Quarter 2008

		Pe	0	changes fr	om	. ~		from corr			Net contributions from				
Commodity Group	Weight	to	3rd Qr 07 to	to	to	3rd Qr 06 to	4th Qr 06 to	to	2nd Qr 07 to	to	3rd Qr 07 to 4th Qr 07	to	1st Qr 08 to 2nd Qr 08		
Crop products	825.8	-2.8	1.8	2.1	4.5	2.9	7.4	-1.3	5.6	-3.17	2.03	2.26	5.16		
Sugar cane	615.9	4.1	0.0	0.0	0.0	4.1	4.1	4.1	4.1	3.33	0.00	0.00	0.00		
Other crop products	209.9	-22.1	8.9	9.1	19.0	-1.4	20.9	-15.1	10.0	-6.50	2.03	2.26	5.16		
Root crops	20.2	-4.7	7.7	-20.8	19.6	0.3	8.6	-4.0	-2.9	-0.13	0.20	-0.60	0.44		
Fruits	28.8	22.0	-10.3	6.0	-14.3	13.5	30.4	-0.5	-0.6	0.54	-0.31	0.16	-0.41		
Fresh vegetables	138.0	-32.8	15.0	16.2	26.6	-4.6	27.1	-20.0	13.7	-6.91	2.13	2.65	5.04		
Flowers, ornamental plants	11.5	-0.3	0.4	3.0	-2.7	3.3	2.2	3.6	0.4	0.00	0.01	0.05	-0.05		
Tea	7.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.00	0.00	0.00	0.00		
Tobacco	4.1	0.0	0.0	0.0	24.3	-7.4	-7.4	-7.4	24.3	0.00	0.00	0.00	0.14		
Animals & animal products	174.2	-1.9	-1.4	9.2	8.7	14.5	9.2	9.3	14.9	-0.50	-0.36	2.31	2.39		
Cattle	2.2	0.0	0.0	0.0	0.0	8.6	8.6	0.0	0.0	0.00	0.00	0.00	0.00		
Pigs	4.6	6.0	0.0	0.0	0.0	7.8	-0.6	-4.6	6.0	0.03	0.00	0.00	0.00		
Goat	1.3	3.8	33.7	-1.6	3.4	-7.2	24.0	36.6	41.2	0.00	0.04	0.00	0.01		
Deer	5.8	-1.5	4.6	0.0	11.3	4.8	9.4	9.2	14.6	-0.01	0.03	0.00	0.08		
Poultry	111.3	4.2	0.7	8.6	4.3	22.9	17.7	15.1	18.8	0.70	0.12	1.52	0.82		
Eggs	45.2	-17.3	-9.4	10.9	25.2	-3.8	-12.5	-9.0	4.1	-1.22	-0.55	0.58	1.48		
Milk	3.8	0.0	0.0	41.7	0.0	26.2	26.2	78.9	41.7	0.00	0.00	0.21	0.00		
Total	1,000.0	-2.6	1.2	3.4	5.4	4.9	7.7	0.6	7.4	-3.67	1.67	4.57	7.55		

(Base period:Year 2002=100)

Table 6 : Annual indices, annual changes (%) and net contributions of commodity group and product to the change, 2005 - 2007

Commodity Group	Weight		Annual index	1	Percentage cl	nanges from	Net contrib	outions from
Commodity Group	Weight	2005	2006	2007	2005 to 2006	2006 to 2007	2005 to 2006	2006 to 2007
Crop products	825.8	123.9	126.8	133.7	2.3	5.4	2.35	5.70
Sugar cane	615.9	125.7	132.1	135.8 ²	5.1	2.8	3.94	2.28
Other crop products	209.9	118.7	111.1	127.4	-6.4	14.7	-1.59	3.42
Root crops	20.2	125.9	129.2	135.5	2.6	4.9	0.07	0.13
Fruits	28.8	89.8	81.1	96.3	-9.7	18.7	-0.25	0.44
Fresh vegetables	138.0	123.1	111.3	131.3 ²	-9.6	18.0	-1.63	2.76
Flowers, ornamental plants	11.5	130.6	139.0	146.0	6.4	5.0	0.10	0.08
Tea	7.3	103.5	109.6	111.9	5.9	2.1	0.04	0.02
Tobacco	4.1	131.0	150.8	148.3	15.1	-1.7	0.08	-0.01
Animals & animal products	174.2	111.9	126.4	146.2	13.0	15.7	2.52	3.45
Cattle	2.2	117.5	136.8	148.6	16.4	8.6	0.04	0.03
Pigs	4.6	62.9	101.2	112.2	60.9	10.9	0.18	0.05
Goat	1.3	105.0	105.0	105.5	0.0	0.5	0.00	0.00
Deer	5.8	106.3	107.7	114.3	1.3	6.1	0.01	0.04
Poultry	111.3	110.0	128.9	154.3	17.2	19.7	2.10	2.83
Eggs	45.2	122.9	127.1	136.4	3.4	7.3	0.19	0.42
Milk	3.8	105.6	105.6	126.4	0.0	19.7	0.00	0.08
Total	1,000.0	121.8	126.7	135.9	4.0	7.3	4.87	9.15

¹ using data for base period as weights, and not a simple average of the monthly indices ² Revised

ANNEX

Technical Note

Producer Price Index - Agriculture (PPI-A)

Methodology for the construction of the PPI-A

Weighting scheme

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 product.

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

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.

Price collection

In principle, prices collected should refer to farm-gate prices, but it is extremely difficult to obtain such prices for vegetables, not only because of the enormous resources to be mobilised but also crop plantations tend to be very dynamic among planters. Hence, in lieu of the farm-gate price, the wholesale price of the produce is recorded at the two main auction markets (Vacoas and Port-Louis) once a week.

In the case of 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.

Prices of the main commercial crops like sugar cane, tea leaf and tobacco leaf, which are normally fixed for the crop year, are supplied by the respective marketing agencies.

Index calculation

The PPI-A is calculated according to a modified Laspeyres formula:

$$I_{t} = \sum W_{i}(P_{ti}/P_{oi}) \times 100$$

where :

 \mathbf{I}_t is the index for the current period t

 \mathbf{P}_{ti} is the price of commodity i in the current period t

 \mathbf{P}_{oi} is the price of the commodity i in the reference period o (2002)

W_i is the weight associated with commodity i