

PRICE INDICES IN AGRICULTURE, THIRD QUARTER OF 2022¹

The producer price index in agriculture for the third quarter of 2022 increased by 45.5% compared to the same quarter in 2021 and by 39.0% compared to the previous year, which was due to both an increase in the prices of crop output, as well as of animal output.

In crop output, producer prices increased by 47.7% compared to the third quarter of 2021 and by 40.4% compared to the previous year, and in livestock output, the increase was by 28.6% and 28.4%, respectively.

The price index of products and services currently consumed in agriculture in the third quarter of 2022 was higher by 38.4% compared to the same quarter of the previous year and by 39.9% compared to 2021.

Producer price indices in agriculture

The producer price index in agriculture for the third quarter of 2022 increased by 45.5% in comparison with the same quarter of 2021 as a result of an increase in the price index of crop output by 47.7% and animal output by 28.6%. Compared to the previous year, the prices of agricultural output increased by 39.0%, as in crop output they increased by 40.4% and in animal output by 28.4% (table 1).

In the third quarter of 2022, compared to the same quarter of 2021, the prices of all groups of crops increased, with the highest growth recorded by the prices of cereals - by 63.0% and industrial crops - by 22.5%. This was due to the increase in the prices of soft wheat - by 66.1%, sunflower - by 22.9% and rapeseed - by 22.9%.

Compared to the corresponding quarter of 2021, the prices of live animals increased by 30.3% as a result of the increase in the prices of pigs - by 32.3% and chickens - by 33.8%. In the prices of animal products was recorded an increase of 27.4%, which was the result of higher prices of cow milk - by 22.6% and hen eggs for consumption - by 50.2%.

In the third quarter of 2022, compared to 2021, the prices of all groups of crops were higher, as the prices of cereals increased by 54.0% because of the rise in soft wheat prices - by 55.0% and industrial crops - by 18.3% as a result of the increase in the prices of sunflower - by 15.5% and rapeseed - by 24.9%. The lowest was the increase in the prices of fresh vegetables - by 5.5%.

In animal output, in the third quarter of 2022 compared to 2021, the prices of the animals increased by 30.4%, as a result of the increase in the prices of pigs - by 33.0% and poultry - by 33.3%. The prices of animal products increased by 26.9%, which was the result of the increase in the prices of cow milk - by 23.1% and of chicken eggs for consumption - by 47.0%.

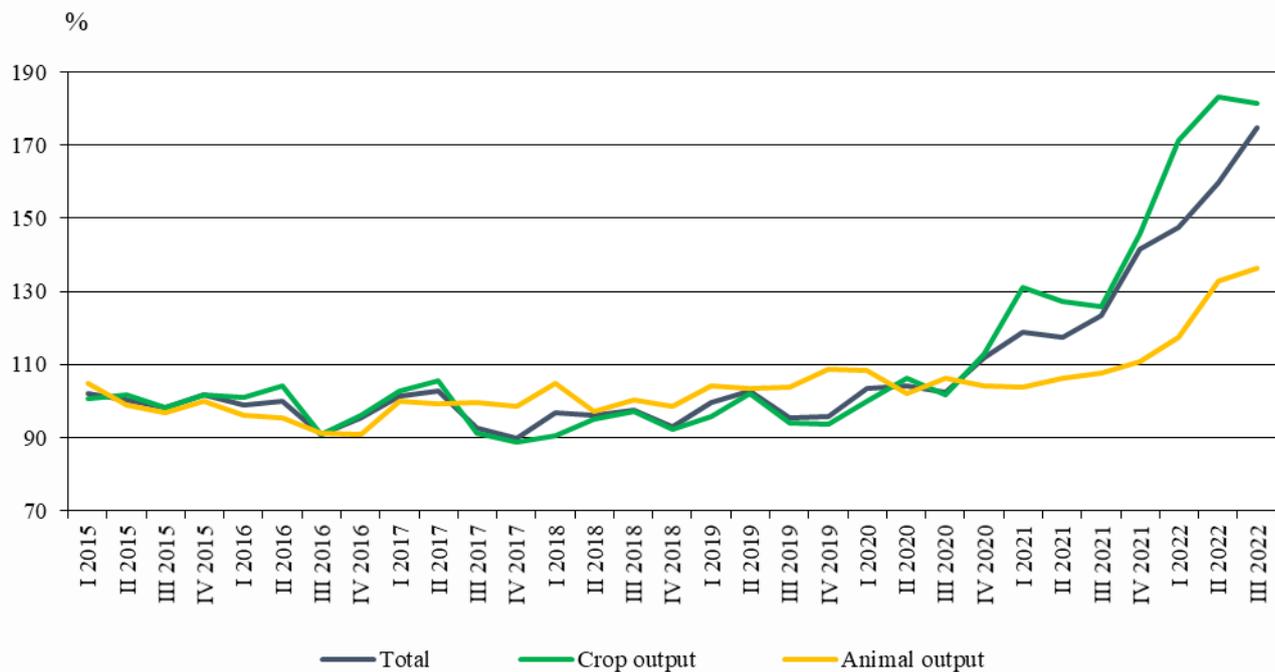
¹ The Agricultural Price Indices were calculated in compliance with requirements of Handbook for EU Agricultural Price Statistics, version 2.0, March 2008. The Handbook was uploaded on the NSI website at the following link: http://www.nsi.bg/sites/default/files/files/metadadata/Agr_Handbook_en.pdf.

1. Producer prices indices in agriculture in the third quarter of 2022

(Per cent)

	2015 = 100	Corresponding quarter of 2021 = 100	2021 = 100
Total	174.8	145.5	139.0
Crop output	181.6	147.7	140.4
Animal output	136.5	128.6	128.4

Figure 1. Producer prices indices in agriculture, by quarters (2015 = 100)





Price indices of goods and services currently consumed in agriculture

The index of prices of goods and services for current consumption in agriculture in the third quarter of 2022 was higher by 38.4% compared to the same quarter of the previous year and by 39.9% compared to 2021.

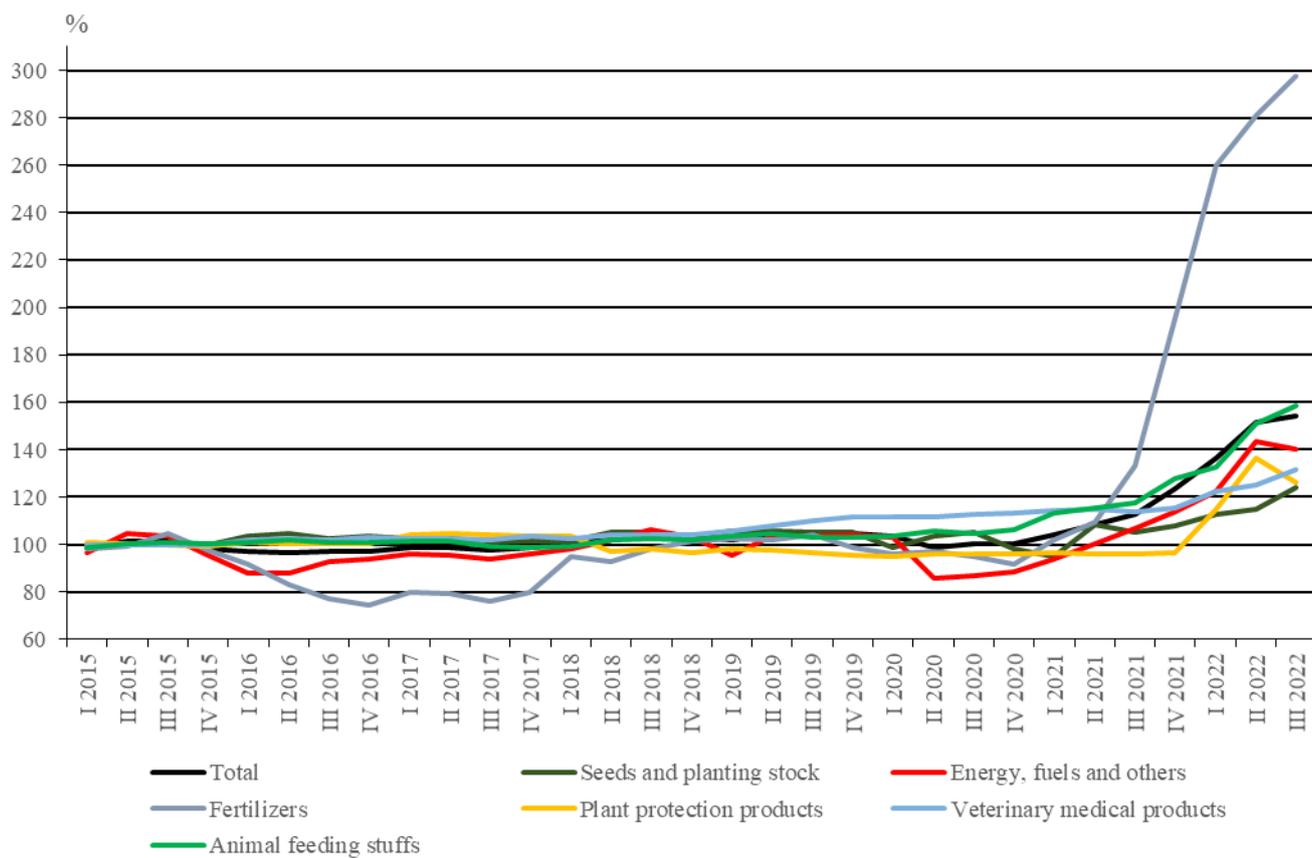
In the third quarter of 2022, compared to the corresponding quarter of 2021, there was an increase in the prices of: seeds and planting stock - by 19.8%, electricity and fuels - by 32.1%, mineral fertilizers - by 122.0%, plant protection products - by 22.0%, veterinary medicinal products - by 12.4% and animal feeding stuffs - by 36.0%.

In the third quarter of 2022, compared to 2021, there was an increase in the prices of: seeds and planting stock - by 20.4%, electricity and fuels - by 36.3%, mineral fertilizers - by 119.9%, plant protection products - by 31.4%, veterinary products - by 11.3% and animal feeding stuffs - by 35.5% (Table 2).

2. Price indices of the goods and services currently consumed in agriculture, third quarter of 2022

	(Per cent)		
	2015 = 100	Corresponding quarter of 2021 = 100	2021 = 100
Total	154.0	138.4	139.9
Seeds and planting stock	124.1	119.8	120.4
Energy, fuels and others	140.0	132.1	136.3
Fertilizers	297.6	222.0	219.9
Plant protection products	126.1	122.0	131.4
Veterinary medical products	131.7	112.4	111.3
Animal feeding stuffs	158.4	136.0	135.5
Maintenance of materials	133.4	111.4	111.7
Maintenance of buildings	138.9	122.1	123.2
Other goods and services	124.7	108.3	108.2

**Figure 2. Prices indices of the goods and services currently consumed in agriculture, by quarters
(2015 = 100)**





Methodological notes

Methodology and main definition

The surveys about the prices in agriculture are carried out in accordance with the main requirements of the EU Handbook for Agricultural Price Indices. In this way harmonization with the EU practices in the domain of agricultural price statistics is achieved from the point of view of:

- Definitions used;
- Techniques of prices registration;
- Type of calculated indices;
- Survey periodicity;
- Nomenclatures used;
- Defining of the selected products by their quality, quantity, variety and other price characteristics.

The object of observation are the producer prices of produced by farm crops, live animals and animal products and prices of goods and services currently consumed in agriculture.

Producer price in agriculture is the price received by a farm selling its own agricultural products/live animals. It is recorded at the first market stage of goods - 'farm gate price'. Producer price excludes subsidies on agricultural products/animals, transport costs and taxes. VAT is also excluded from the price.

The examination of the prices of goods and services currently consumed in agriculture (Input I) includes five surveys that supply the information about the prices of:

- Mineral fertilizers;
- Feeding stuffs;
- Plant protection products;
- Veterinary medicinal products;
- Seeds and planting stocks.

The object of observation is the purchase price of goods and services currently consumed in agriculture. The observed unit price is the price that the buyer actually paid for the means of production. It includes taxes and fees but excludes subsidies and VAT refunded.

Statistical unit

Observation units within the surveys of agricultural prices are farms - juridical and physical persons and agricultural and veterinary pharmacies. For each survey, a list of respondents is established, and over the years, a stable number of price registrations of products/livestock categories and means of production is maintained.

The conducted surveys are exhaustive and include all units above certain threshold defined in value terms. For the survey on the producer prices in agriculture as selection criteria a value of sales of agricultural products/animals is used and for the surveys on the prices of goods and services currently consumed in agriculture - the expenditures rising from purchases of goods and services for intermediate consumption. The representativeness of prices is assured, both by the maintenance of a regular number of price registrations and the coverage of at least 50% of the value of sales for each product/livestock category or the purchase value of goods and services for intermediate consumption in the respective year.



Data sources

The sources of information are statistical questionnaires for the collection of qualitative and quantitative characteristics of agricultural products/live animals and goods and services currently consumed in agriculture and quarterly questionnaires supplying information about the producer prices of agricultural products/live animals and the purchasing prices of goods and services currently consumed in agriculture.

The questionnaires on the qualitative and quantitative characteristics of agricultural products/live animals and goods and services currently consumed in agriculture provide data for the establishment of a list of representative products defined with their quantitative and qualitative, variety and other characteristics that may have an influence on the variation of prices. The established lists of products are periodically updated, as usual in the years ending in 0 or 5, when the Eurostat weighting scheme is rebased.

The quarterly questionnaires provide regular data about the prices of included in the scope of the surveys agricultural products/live animals or goods and services currently consumed in agriculture.

Calculation of average prices

Within the quarterly surveys, average monthly and quarterly prices are calculated. The average monthly prices are calculated as arithmetical mean derived from all registered prices. The quarterly prices are calculated as arithmetical mean from monthly prices.

Type of index and calculation

The calculation of price indices is carried out by the Laspeyres formula. This type of index has a constant weighting scheme, so that the base period of weights and prices is the same. For the calculation of producer price indices as weights, the value of sales of agricultural output is used, and for the indices of prices of goods and services currently consumed in agriculture - the value of purchased intermediate consumption. The weights are calculated within satellite economic accounts for agriculture.

The indices are calculated at three bases: previous year, the corresponding quarter of the previous year and the year ending in 0 or 5 (Eurostat base).

The total index of goods and services currently consumed in agriculture (Input I) is calculated on the base of price indices of five groups of products as well as on the indices of goods and services calculated within the Survey on consumer prices index.

Classifications

For the survey of producer prices in agriculture the National classification of production in agriculture, forestry and fisheries (PRODAGRO) is used. Classification PRODAGRO is used as a basis for further product breakdown in accordance with their qualitative and quantitative characteristics. For the surveys on the prices of goods and services currently consumed in agriculture own proper classifications are used. These classifications are compiled within the surveys for the establishment of lists of representative products. For calculation and providing Eurostat with harmonized data of price indices in agriculture classification PRAG (Nomenclature of agricultural prices in the Eurostat New CRONOS database) is used.



Consideration of the impact of quality on the prices of agricultural products

To eliminate differences in prices associated with changes in the quality, type, quantity, packaging, selected products are defined by quality, quantity, species and other characteristics that affect the changes of prices. When particular product is dropped down from the list it has to be replaced by a new one defined by the same or approximately similar characteristics. The new product should also be representative.

The calculation of the indices of goods and services contributing to the agricultural investments (Input II)

The calculation of the price index of goods and services contributing to agricultural investments is also done by a Laspeyres formula. As weights the values of goods and services purchased by farms for further investments, calculated within the satellite economic accounts for agriculture are used. For the calculation of the total index of goods and services contributing to agricultural investments, indices from other surveys conducted by NSI in the domain of the Consumer prices Statistics, Foreign trade statistics and Short-term business statistics are also used.

On the basis of indices of goods and services currently consumed in agriculture and contributing to agricultural investments, the total index of prices of means of production used in agriculture (Total Input) is calculated.