

PRODUCER PRICE INDEX

AGRICULTURE

(PPI-A)

(Base Year 2002=100)

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 2003, 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.

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 because of the unavailability of a list of planters. Hence, in lieu of the farm-gate price, the wholesale price of the produce is recorded at the two 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 sugarcane, tea leaf and tobacco leaf, which are normally fixed for the crop year, are supplied by the respective marketing agencies.

Conversion factors

<u>Vegetable</u>	<u>Average weight per unit(kg)</u>
Beet	0.3
Cabbage	1.09
Cauliflower	1.04
Cucumber	0.4
Leek	0.12
Lettuce	0.15
Petsai	1.2
Squash	0.3
Sweet pepper	0.046

<u>Fruit</u>	<u>Average weight per unit(kg)</u>
Banana	0.125
Litchi	0.025
Mango	0.15
Mandarine	0.1
Pineapple	0.5
Watermelon	1.5
Coconut	0.5

<u>Poultry product</u>	<u>Average weight per unit(kg)</u>
Egg	0.055

Index calculation

The PPI-A is 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 (1997)

W_i is the weight associated with commodity i

Monthly Producer Price Index -Agriculture (PPI-A)

(Base period:Year 2002 =100)

Table 7.1 : Monthly indices by commodity groups and products - Island of Mauritius, January 2006 - December 2007

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	126.7¹	129.4¹	126.2¹	127.3¹	123.0¹	123.5¹
Sugar cane	615.9	131.1	131.1	131.1	131.1	131.1	131.1	133.1¹	133.1¹	133.1¹	133.1¹	133.1¹	133.1¹
Other crop products	209.9	97.2	100.0	143.8	165.3	121.1	100.2	107.9¹	118.6¹	106.0¹	110.2¹	93.3¹	95.5¹
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 ¹	111.9 ¹	111.9 ¹	111.9 ¹	111.9 ¹	111.9 ¹
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

¹ Revised

Monthly Producer Price Index -Agriculture (PPI-A)

(Base period:Year 2002 =100)

Table 7.1 (cont'd) : Monthly indices by commodity group and product - Island of Mauritius, January 2006 - December 2007

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	127.5	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	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	95.1	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	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	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

Annual Producer Price Index -Agriculture (PPI-A)

(Base period:Year 2002=100)

Table 7.2 : Annual indices, annual changes (%) and net contributions of commodity group and product to the change - Island of Mauritius, 2005 - 2007

Commodity Group	Weight	Annual index ¹			Percentage changes from		Net contributions from	
		2005	2006	2007	2005 to 2006	2006 to 2007	2005 to 2006	2006 to 2007
Crop products	825.8	123.9	126.8 ²	133.7	2.3	5.4	2.35	5.70
Sugar cane	615.9	125.7	132.1 ²	135.8	5.1	2.8	3.94	2.28
Other crop products	209.9	118.7	111.1 ²	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	-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 ²	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 ²	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