



Brussels, 21/11/2011
LG D (2011)

NOTE TO THE FILE

Subject: NOVEMBER 2011 update on recent agricultural commodity and food price developments in the EU (based on October 2011 prices)

1. Development in agricultural commodity prices

October 2011 revealed a new record price for beef of €366/100kg carcass weight (+3% compared to last month record). Cereal prices started to decline after a period of slow growth.

Monthly developments: Apart from beef and pork meat categories whose prices increased by 3% and 1% respectively, quotations for the selected agricultural commodities in October 2011 were below the levels registered one month ago: durum wheat, butter, cheese (Edam) and poultry prices (each by -1%), barley (-2%), soft wheat (-4%) and maize (-16%). Skimmed Milk Powder price remained stable. (cf. Table 1). Beef category registered a new record price of €366/100kg carcass weight.

Table 1 Change in EU agricultural commodity prices (% , October 2011 compared to September 2011)

	Soft wheat	Durum wheat	Maize	Barley	SMP	Butter	Cheese (Edam)	Beef	Pork	Poultry	
European Union	-4%	-1%	-16%	-2%	0%	-1%		-1%	3%	1%	-1%
Austria	-3%		-7%	-1%				3%	1%	0%	
Belgium	-7%		-18%	-4%	1%	-2%		0%	2%	0%	
Bulgaria	-3%		-11%	3%				-3%	0%	3%	
Cyprus		0%		2%					-1%	0%	
Czech Republic	-5%		-23%	0%	-1%	-2%	1%	0%	-1%	-2%	
Germany	-6%		-17%	-4%	2%	-1%	0%	2%	0%	0%	
Denmark	-1%			-3%				-2%	3%	0%	
Estonia	-1%			0%				-3%	0%	3%	
Spain	-3%	-2%	-11%	-3%		0%	1%	4%	-2%	-4%	
Finland	-4%			3%				1%	0%	0%	
France	-7%	-2%	1%	-5%	-2%	-1%		6%	5%	0%	
Greece	6%	-1%	-3%	3%				-2%	2%	0%	
Hungary	-7%		-9%	-4%					0%	-6%	
Ireland				-2%	-2%	0%		1%	-1%	0%	
Italy	-5%	-3%	-10%	-3%		0%		4%	3%	1%	
Lithuania	-5%			0%				-4%	0%	0%	
Luxembourg								2%	1%		
Latvia	1%			-4%	20%	0%	6%	-4%	-3%	3%	
Malta								6%	3%	0%	
Netherlands			-13%	-3%	1%	-4%	2%	1%	1%	2%	
Poland	-3%		-23%	2%	3%	4%	0%	2%	1%	-5%	
Portugal			-8%	0%	-12%	-1%		0%	-2%	-12%	
Romania	-2%		-6%	1%				-7%	-3%	-1%	
Sweden	1%			1%				-1%	2%	0%	
Slovenia	-1%		-20%					1%	1%	4%	
Slovakia	-10%		-24%	-1%	11%	1%	-6%	-4%	-1%	0%	
United Kingdom	-5%			-5%	-3%	0%		1%	0%	0%	

Source: AgriView

Year-on-year developments: With the exception of soft wheat and maize whose prices declined by -4% and -6% respectively, October 2011 brought higher prices for the rest of selected agricultural products: cheese (Edam) (+2%), SMP (+5%), barley and poultry meat (+7% each), butter (+8%), pork meat (+13%), beef meat (+15%) and durum wheat (+39%) (cf. Table 2, Graphs A2, A3 and A4 in annex).

Table 2 Change in EU agricultural commodity prices (% , October 2011 compared to October 2010)

	Soft wheat	Durum wheat	Maize	Barley	SMP	Butter	Cheese (Edam)	Beef	Pork	Poultry
European Union	-4%	39%	-6%	7%	5%	8%	2%	15%	13%	7%
Austria	-11%		-11%	20%				13%	14%	2%
Belgium	-4%		-10%	4%	6%	8%		10%	14%	13%
Bulgaria	-10%		1%	17%				7%	4%	10%
Cyprus		51%		6%					1%	1%
Czech Republic	-5%		-19%	11%	3%	4%	-4%	8%	9%	-1%
Germany	-8%		-10%	9%	8%	4%	5%	17%	12%	2%
Denmark	-9%			13%				13%	13%	13%
Estonia	2%			26%			-3%		11%	7%
Spain	2%	31%	-2%	9%		21%	5%	14%	17%	2%
Finland	-3%			11%				6%	2%	4%
France	-13%	36%	-8%	3%	3%	11%		16%	16%	10%
Greece	8%	47%	7%	6%				-1%	9%	1%
Hungary	-18%		-3%	2%					9%	-12%
Ireland				-3%	2%	4%		19%	10%	0%
Italy	-3%	34%	-7%	12%		3%		12%	21%	22%
Lithuania	-3%		-31%	8%				20%	7%	7%
Luxembourg								10%	10%	
Latvia	9%			19%	11%	10%	12%	37%	14%	-1%
Malta								21%	-1%	4%
Netherlands			-7%	4%	4%	3%	2%	21%	13%	8%
Poland	-3%		-19%	7%	-2%	3%	-2%	25%	17%	16%
Portugal			0%	6%	5%	6%		4%	7%	3%
Romania	-3%		9%	26%				4%	-1%	-1%
Sweden	-1%			6%				7%	0%	6%
Slovenia	3%		-3%					14%	11%	10%
Slovakia	-3%		-4%	11%	11%	7%	-11%	8%	13%	7%
United Kingdom	-9%			2%	14%	8%		28%	6%	9%

Source: AgriView

2. Development in consumer prices

In October 2011, the monthly rates of both overall inflation and food price inflation situated at 0.3%. The annual rate of overall inflation remained unchanged since last month (+3.3%) while food price inflation increased to 3.1% (cf. Tables 3 and 4 and Graphs 1 and 2).

Compared to last month all food categories recorded further price increases in October 2011, notably the "Fruit" (+1.5%) and "Sugar" categories (+0.5%).

Higher levels in consumer food prices were observed also when compared to a year earlier (except for "Vegetables" whose price declined by -5%), "Oils and fats" (+7.5%) and "Sugar" (+5.8%) being the categories to register the highest price increases.

Table 3 Change in EU consumer prices for food (%, October 2011 compared to September 2011)

	All-items HICP	Food	Bread and cereals	Meat	Fish and seafood	Milk, cheese and eggs	Oils and fats	Fruit	Vegetables	Sugar	Other food
European Union	0.3	0.3	0.1	0.3	0.0	0.1	0.3	1.5	0.4	0.5	0.4
Belgium	0.2	0.6	0.3	0.4	-0.4	-0.1	0.3	2.8	3.3	0.2	-0.4
Bulgaria	0.3	1.3	-0.1	1.1	1.0	0.6	-0.4	0.4	10.2	-0.4	0.3
Czech Republic	0.3	1.0	-0.1	0.8	-0.5	0.9	1.0	8.8	-1.7	1.7	0.0
Denmark	0.2	1.4	1.1	2.1	0.2	1.8	9.4	-1.3	0.6	0.3	1.4
Germany	0.1	0.2	0.2	0.1	0.2	0.2	0.6	0.5	-1.1	0.8	0.6
Estonia	-0.1	-1.2	-0.7	0.0	-3.1	-1.1	-0.5	-2.3	-4.4	-1.2	-1.3
Ireland	0.3	0.1	0.6	-0.7	0.5	0.5	1.4	0.1	-0.2	1.5	-0.8
Greece	0.1	0.5	0.6	0.0	-0.5	0.1	-0.6	4.9	1.1	0.2	0.3
Spain	0.4	0.3	0.1	0.3	-0.3	-0.2	0.4	3.6	-0.4	0.3	-0.1
France	0.3	0.4	0.1	0.1	0.0	0.1	0.2	4.5	-0.4	0.2	0.2
Italy	0.9	0.5	0.2	0.4	-0.4	0.3	0.5	0.8	1.9	0.6	0.7
Cyprus	1.2	1.3	-0.1	0.1	2.7	0.4	0.6	-5.0	8.1	0.7	0.7
Latvia	0.2	0.4	0.7	0.1	-0.5	0.1	2.0	0.4	2.8	-0.1	-0.6
Lithuania	-0.1	0.0	-0.1	-0.1	0.7	0.3	0.1	2.1	-4.1	1.3	0.0
Luxembourg	0.1	-0.3	-0.1	-0.5	1.0	0.1	-0.1	-3.3	-0.8	0.8	0.4
Hungary	0.5	0.3	-0.3	-0.1	-0.5	0.4	0.4	0.3	2.1	0.9	0.2
Malta	-0.9	3.2	0.0	0.0	12.5	0.0	-0.2	18.9	9.6	0.9	0.2
Netherlands	0.0	0.3	0.0	0.6	0.2	0.7	2.2	-0.8	-0.8	0.5	1.4
Austria	0.2	0.8	0.3	1.3	-0.5	0.6	-0.5	-0.9	3.5	0.6	0.6
Poland	0.7	1.1	0.5	1.4	1.5	0.6	0.6	0.9	3.9	0.7	0.5
Portugal	0.9	0.5	0.2	-0.4	1.3	-0.1	0.3	4.5	-0.4	0.9	-0.1
Romania	0.6	0.9	0.1	0.1	0.2	0.9	0.1	3.2	5.0	0.1	0.1
Slovenia	0.8	0.5	-0.5	0.2	0.5	-0.5	-0.1	6.3	0.5	0.6	-0.2
Slovakia	0.2	0.2	0.7	0.7	0.4	0.4	0.0	-1.8	-1.0	0.3	0.8
Finland	0.2	0.6	0.2	0.1	-1.4	0.1	0.0	1.4	4.4	0.4	0.6
Sweden	-0.1	0.0	0.0	-0.2	-1.1	0.2	-0.8	-1.6	3.1	-0.8	0.3
United Kingdom	0.1	-0.9	-0.4	-0.7	1.3	-1.2	-1.4	-1.6	-2.4	0.4	0.5

Table 4 Change in EU consumer prices for food (%, October 2011 compared to October 2010)

	All-items HICP	Food	Bread and cereals	Meat	Fish and seafood	Milk, cheese and eggs	Oils and fats	Fruit	Vegetables	Sugar	Other food
European Union	3.3	3.1	4.5	3.7	5.0	4.1	7.5	1.0	-5.0	5.8	2.8
Belgium	3.4	2.1	4.2	2.4	3.0	4.0	11.8	-3.7	-6.9	6.5	2.6
Bulgaria	3.0	6.1	7.8	3.2	11.1	8.6	8.4	2.1	-7.4	29.0	6.7
Czech Republic	2.6	6.1	19.1	1.6	2.3	5.2	10.5	8.1	-13.1	8.1	3.5
Denmark	2.7	3.7	8.3	3.0	1.1	6.6	20.3	-3.5	-2.0	1.2	2.9
Germany	2.9	3.2	4.4	4.3	4.1	5.5	14.7	5.6	-8.5	2.4	1.7
Estonia	4.7	4.4	6.8	5.8	5.8	1.5	21.3	8.0	-12.1	11.4	8.3
Ireland	1.5	1.1	2.0	0.8	0.3	2.4	9.8	0.4	-1.9	2.3	-1.1
Greece	2.9	2.9	3.5	1.2	6.1	3.2	4.6	5.6	-0.4	3.9	3.5
Spain	3.0	2.1	2.4	2.4	3.8	2.8	1.8	0.6	-4.4	6.9	2.8
France	2.5	3.2	3.0	3.8	4.1	3.3	7.8	3.5	-0.7	3.0	2.4
Italy	3.8	2.6	3.1	2.6	5.0	4.5	1.8	-2.0	-0.1	4.0	2.0
Cyprus	3.2	2.6	7.4	1.4	16.9	-0.7	9.6	5.5	-13.7	6.6	13.5
Latvia	4.3	5.9	2.3	6.5	5.8	10.5	18.8	2.1	-11.4	12.5	7.5
Lithuania	4.2	6.0	7.9	2.9	12.9	10.2	15.5	0.1	-3.9	8.9	3.5
Luxembourg	3.8	1.7	3.8	2.5	5.3	2.7	6.6	-1.4	-10.9	4.0	2.2
Hungary	3.8	5.0	9.4	3.6	2.2	7.1	12.4	5.2	-18.6	21.2	6.4
Malta	2.4	6.0	2.3	5.4	33.6	4.1	9.9	-0.2	4.4	6.7	1.8
Netherlands	2.8	1.9	2.6	3.2	3.7	3.1	6.6	1.8	-6.8	1.8	3.7
Austria	3.8	3.9	3.7	4.0	7.0	7.0	11.7	2.6	-3.8	5.5	0.2
Poland	3.8	2.5	6.8	8.1	7.6	4.1	8.4	-13.5	-23.2	11.4	4.0
Portugal	4.0	2.2	2.1	1.4	10.0	-0.6	8.6	-0.6	-8.5	6.1	2.7
Romania	3.6	1.7	6.0	1.7	2.7	4.7	9.0	0.8	-18.3	11.1	2.4
Slovenia	2.9	5.6	4.8	5.1	3.3	5.8	8.2	21.9	-7.2	8.0	5.2
Slovakia	4.6	5.5	9.8	6.6	6.9	7.4	10.2	5.3	-16.1	14.8	1.7
Finland	3.2	4.5	4.9	5.7	3.6	4.9	10.9	-1.2	-6.7	15.4	6.5
Sweden	1.1	0.5	3.8	0.1	-4.3	3.5	1.5	0.5	-5.1	-0.2	0.4
United Kingdom	5.0	4.6	6.2	5.8	10.0	2.6	10.5	0.9	2.3	8.5	2.9

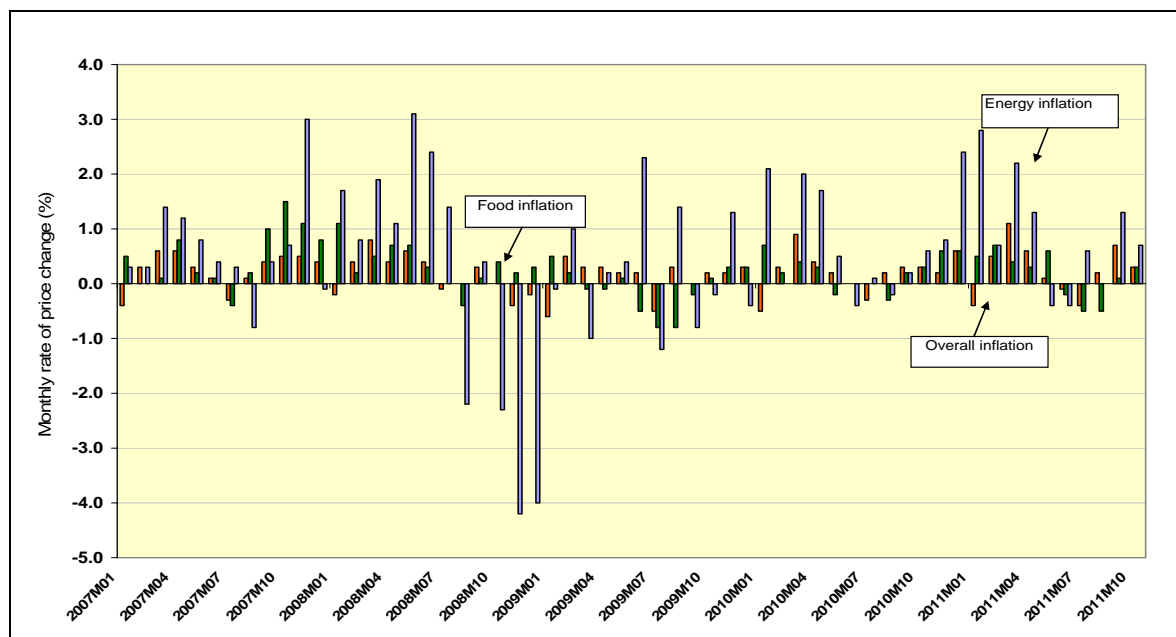
Source: Eurostat (Theme "Economy and finance", Harmonised Indices for Consumer Prices)

NB: The category "bread and cereals based products" includes rice in all forms, cereals in the form of grain, flour or meal, bread and other bakery products, pasta, couscous and other cereal preparations.

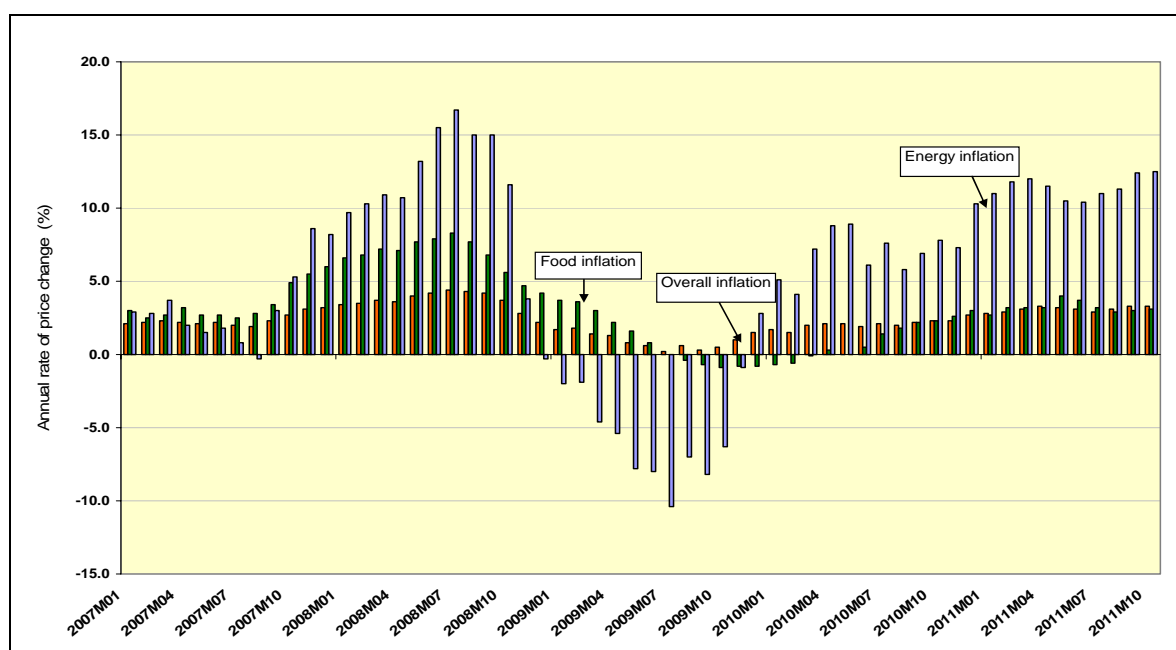
3. Overall and food inflation against energy inflation

Energy consumer prices in October 2011 were 0.7% higher than one month ago (cf. Graph 1), "Solid fuels" and "Heat energy" categories registering the highest price increases (+1.4% and 2.2% respectively). As compared to the previous year, energy consumer prices increased by 12.5% (cf. Graph 2) among which "Liquid fuels" category registered the highest increase rate of 24.5%.

Graph 1 Monthly rate of change in overall, food and energy inflation (% , January 2007 until October 2011)



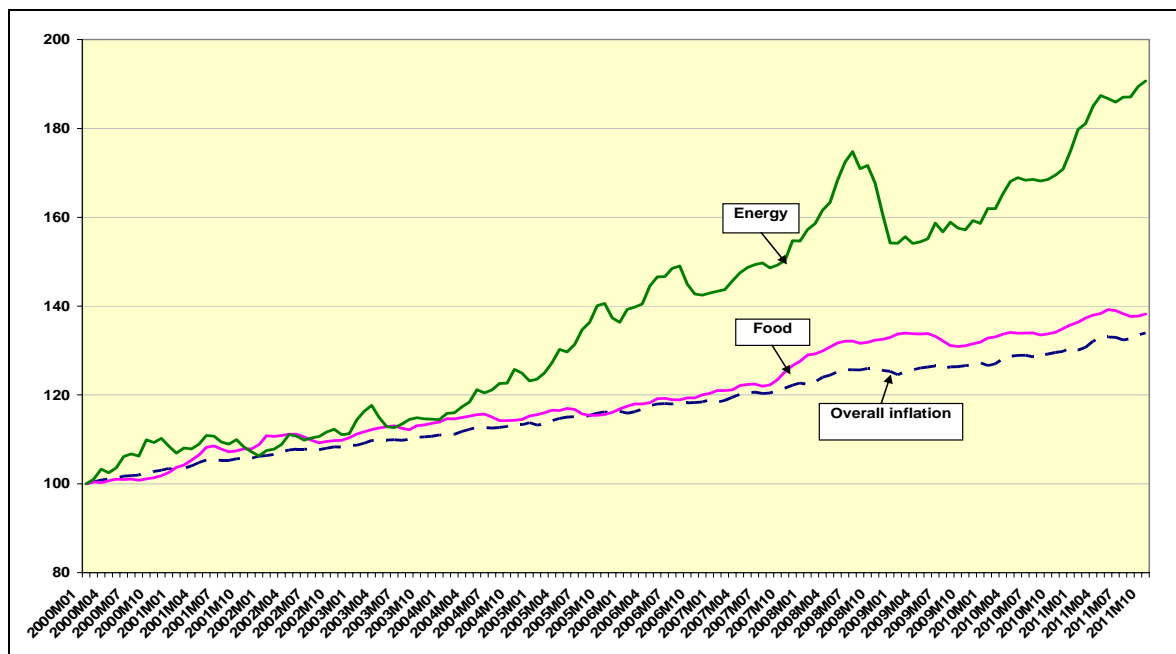
Graph 2 Annual rate of change in overall, food and energy inflation (% , January 2007 until October 2011)



Source: Eurostat (Theme "Economy and finance", Harmonised Indices for Consumer Prices)

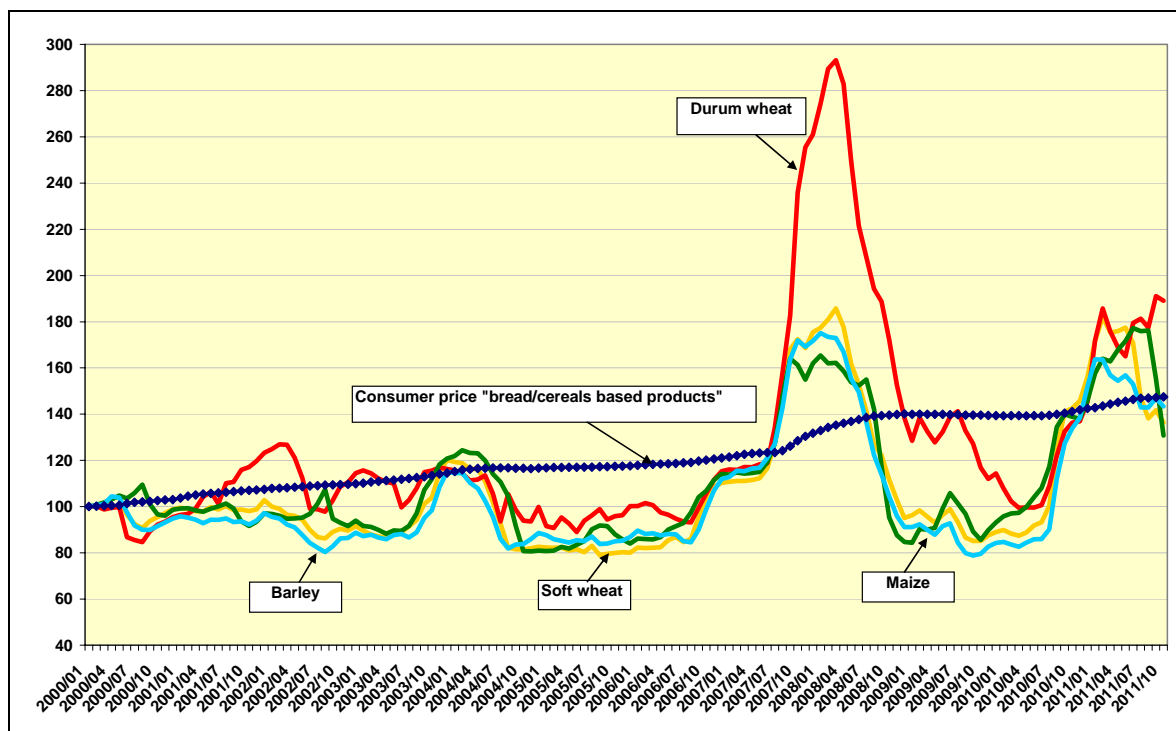
NB: The energy category includes electricity, gas, liquid and solid fuels, heat energy and fuels and lubricants for personal transport equipment.

Graph A1: Overall and food price inflation against energy inflation in the EU (January 2000 until October 2011, Jan2000=100)



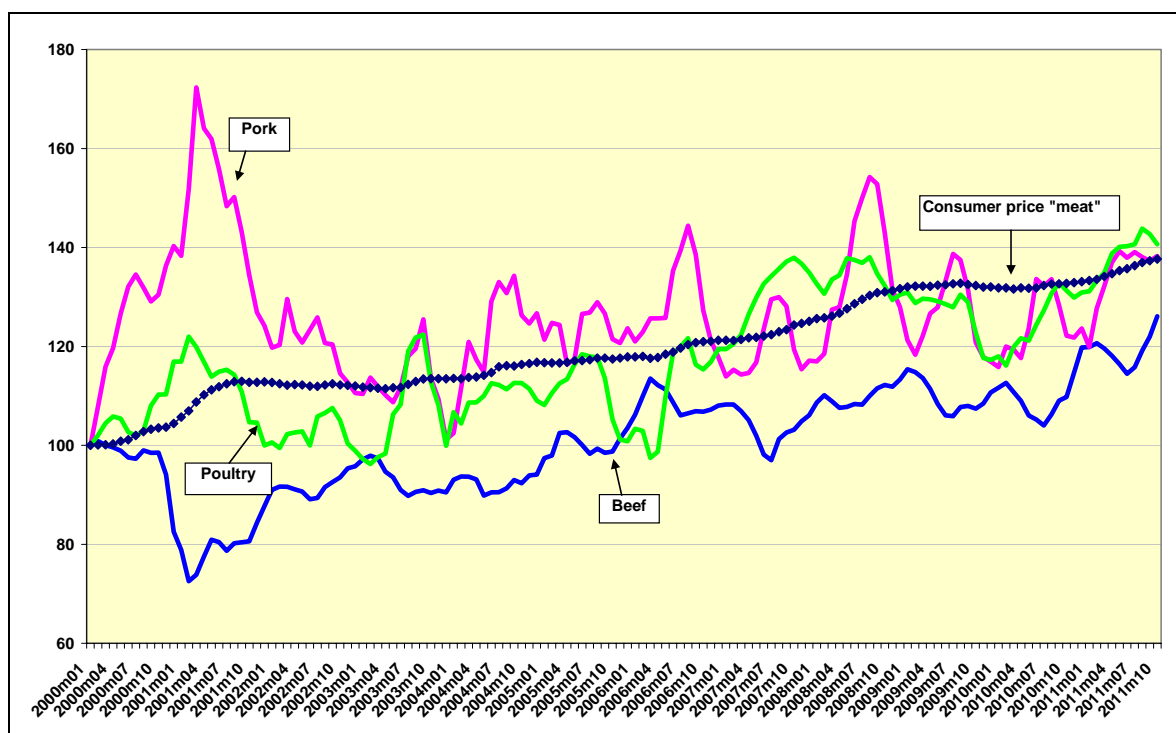
Source: Eurostat

Graph A2: Cereals/bread and cereals based products: EU agricultural market and consumer price developments (January 2000 until October 2011, Jan2000=100)



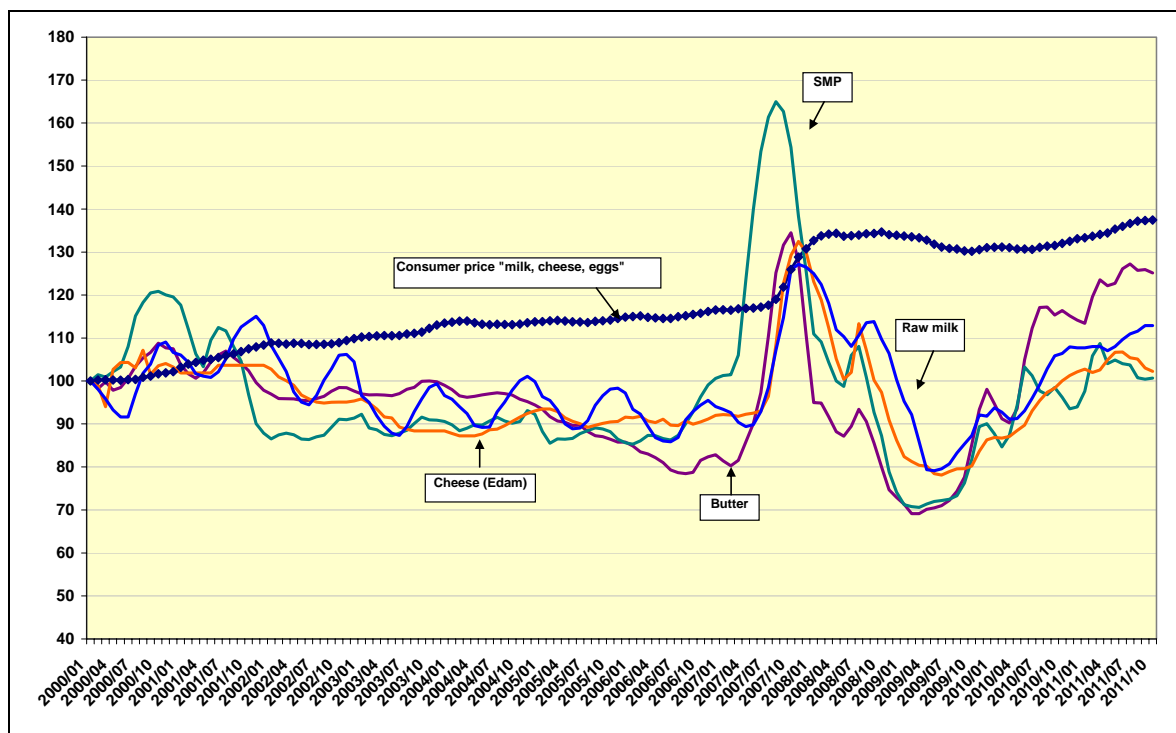
Source: AgriView, Eurostat

Graph A3: Meat: EU agricultural market and consumer price developments (January 2000 until October 2011, Jan2000=100)



Source: AgriView, Eurostat

Graph A4: Dairy: EU agricultural market and consumer price developments (January 2000 until October 2011, Jan2000=100)



Source: AgriView, Eurostat