

V Commodity Price Index of Agriculture

Explanation

For statistics on price index of agricultural products and price index of materials for agricultural production, "Statistical Survey on Agriculture Commodity price Index" by the Statistics Department of MAFF is recorded in this part.

This is conducted to grasp prices to be directly connected with farming, and to measure the fluctuation in the prices of agricultural inputs and outputs.

In the revision for 2000 base, along with the discontinuation of the index numbers of materials for daily life, the "price index to measure the economic trends in rural areas and price level fluctuation" was replaced by the "price index to measure the price fluctuation in agricultural input and output," and "Index numbers of commodity prices in rural areas" was also revised as "Index numbers of commodity prices in agriculture." Index numbers of wages for temporary agricultural employees were-discontinued in the revision for 2005 base.

The current indices are calculated by 2020 bases. The weight, which is used for calculating the index of the yearly national average price, is calculated by Laspeyres formula using the national average per agricultural management entity of "Agricultural gross income" and of "Agricultural expenditures" which data provided by "Statistical survey on Farm management and Economic in 2020."

The base year price is the yearly national price in 2020 by "Statistics survey on Agriculture Commodity price Index."

For the price indices, indices (2020 = 100) of each commodity is calculated by the national average price by commodity, furthermore classification index, general index, etc. are weight-averaged to those indices by weight (ratio to agricultural gross income or agricultural expenditures).

When the revision of bases, price indices are doing linking process new and old indices for purpose of making it possible to time series analysis of long-term price changes.

Linking of new and old indices is carry out by covering the exponent of the old indices by ratio of the yearly national average price by new indices (new indices = 100) to one by old indices. In the actual calculation, the link coefficients are calculated by reciprocal number of the yearly average indices that are used to link to new indices, furthermore these are linked by dividing by old indices. This lining process was made separately for the general index and classification index.

Summary of the price index on agricultural products and the price index of materials for agricultural production are as follows:

1 Price Index of Agricultural Products

It is calculated by the producer prices on the agricultural products which were sold by agriculture management entities and categorize into ten types by similar products.

2 Price Index of Materials for Agricultural Production

It is calculated by the retail prices of materials needed for agricultural production which were purchased by agricultural management entities and categorize into twelve types by similar products.

Table on weights and number of items commodity price index of agriculture

Group of items	Weights	Number of items
Agricultural products	10,000	112
Rice	1,572	2
Wheat and barley	80	4
Miscellaneous cereals	6	1
Pulses	84	3
Potatoes and sweet potatoes	274	5
Vegetables	2,464	41
Fruits and nuts	966	24
Industrial crops	297	8
Flowers	352	7
Livestock products	3,905	17
Materials for agricultural Production	10,000	150
Seeds and seedlings	454	17
Livestock	1,131	11
Fertilizers	776	18
Feed	2,296	13
Agricultural chemicals	805	28
Miscellaneous materials	604	9
Light, heat and power	850	7
Agricultural implements	1,326	21
Automobiles and charges	274	4
Materials for building	807	8
Agricultural clothing	50	5
Rent and charges	627	9

