

Developing Excellence in Agricultural Purchasing

Anglia Farmers Limited



AF Ag Inflation Index

- Anglia Farmers launched the Ag Inflation Index in February 2008 and produced by AF Director Jim Alston.
- It is intended to reflect the changing expenditure of a typical farm and is a weighted average of 9 cost centres and 95 cost items.
- Weightings within each cost centre and between them are based on real farm situations.
- Costs are noted when they are experienced not when they are used.
- Prices reflect the prudent “planned purchasing” option so may include fertiliser not applied to the following year.

History of the AF Ag Inflation Index

- Year 1 - Oct 2006 to Sept 2007 was **7.08%**
- Year 2 – Oct 2007 to Sept 2008 was **35.53%**
- Now into Year 3first 6 months results

AF Ag Inflation Index of - 0.77%

Last 6 months AF Ag Inflation Index (Sept 08 to Feb 09)

September 2008 to February 2009	Inflation within Group	Weighting	Contribution to overall Inflation
Seed	- 4.4%	6	-0.27%
Fertiliser	3.5%	11	0.38%
Agrochemicals	4.6%	11	0.51%
Animal Costs	1.2%	12	0.14%
Contract & Hire	-1.6%	8	-0.13%
Machinery	3.5%	15	0.52%
Fuel	-17.5%	5	-0.87%
Labour	4.4%	14	0.62%
Rent,Rates,Property&Office	-9.3%	18	-1.67%
	Ag Inflation	100	-0.77%

Overall Summary of AF Ag Inflation Index

Reminder that the 6 months from Sept 2008 & February 2009 is -0.77%

By Enterprise:

- Cereals & OSR -3.10%
- Potatoes -1.12%
- Sugar Beet -3.04%
- Dairy -1.25%
- Beef & Lamb -2.91%

The index figure represents the increase since the the inception of the inflation index with the starting point being 100

Sept 2008 to February 2009	Index since October 06	“Average percentage increase per year”
Seed	126	10
Fertiliser	295	118
Agrochemicals	120	8
Animal Costs	163	25
Contract & Hire	115	6
Machinery	134	14
Fuel	120	8
Labour	113	5
Rent, Rates, Property & Office	108	3

Overall AF Ag Inflation Index for the last 2 ½ years (between October 2006 & February 2009)

AF Ag Inflation Index since Oct 06

Overall	143
Cereals & OSR	143
Potatoes	155
Sugar Beet	142
Dairy	147
Beef & Lamb	146

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AF Ag Inflation Index of - 0.77%

Too much information? Need more?

Members Input Briefings (please book your space)



12 th March - Whittlesey	• 7.30 pm
19 th March - Wellingborough	• 7.30 pm
25 th March - Honingham	• 9.30 am • 2.30pm • 7.30 pm