



Decreasing output of agriculture compensated by price rises in 2017 (Economic accounts for agriculture, 2017 – second estimate)

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Introduction

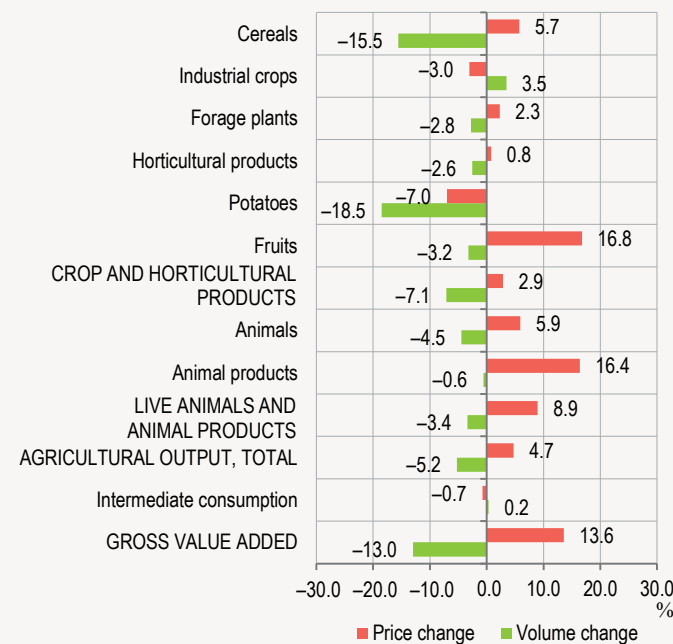
The volume of crop and livestock production both decreased, so the output of agriculture was 5.2% lower compared to the previous year. Intermediate consumption remained practically unchanged. Gross value added and labour input went down, too.

Crop and livestock production volumes decrease

The volume of output of crop production was 7.1% lower than in the previous year according to the second estimate of economic accounts for agriculture. The output of cereals was 16% less compared to the high base in 2016, within which the output of the three major cereals decreased as well: that of wheat by 6.4%, the output of barley by 12% and that of maize by 22%. The large fall in maize output can be explained by the outstanding yield in the previous year.

Figure 1

Economic accounts for agriculture – price and volume changes compared to previous year, 2017



The output of industrial crops went up by 3.5%, which was mainly influenced by growths of 6.4% and 1.5% in the volume of sunflower and rape, respectively, accounting for a large part of the crop group. Sugar beet output rose by 2.0%, while the volume of forage plants became 2.8% and that of horticultural products 2.6% smaller. The harvested area of potatoes went on decreasing, their output was 18% less. The volume of fruit production also lessened, the volume of apples, making up a significant part of the sector, was 5% smaller.

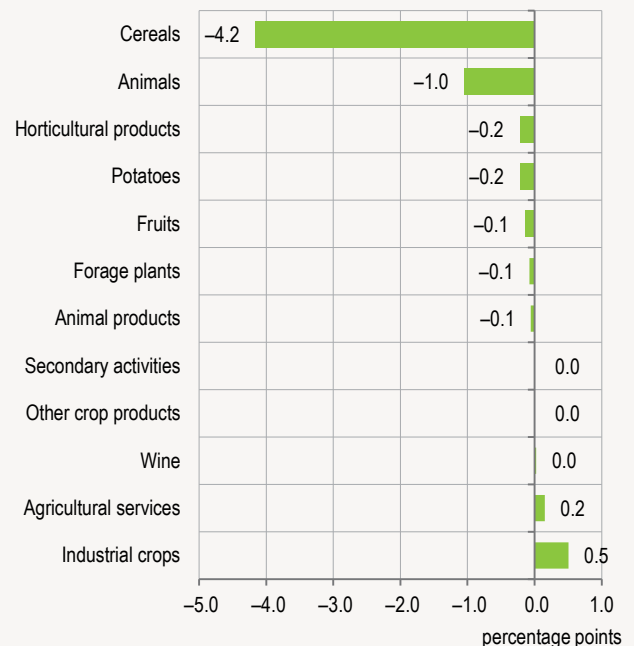
The output of live animals was 4.5% and the total volume of output of livestock production 3.4% lower than one year earlier. Cattle output stagnated, while poultry and pig output was reduced. Out of animal products the volume of milk minimally decreased and that of eggs remained unchanged, while their price went up; that of milk by 22% and the price of eggs by 15%.

Volume down, prices up

The value of output (including services and secondary activities) of the agricultural division diminished by 0.8% at current basic prices and amounted to 2,568 billion forints in 2017. Along with a 5.2% decrease in volume, prices were up by 4.7%. The price level of crop products and animals and animal products both went up, the former by 2.9% and the latter by 8.9%.

Figure 2

Contribution to volume change, 2017



The change in the volume of output was mostly affected by cereals (-4.2 percentage points) and animals (-1.0 percentage point).

The volume of intermediate consumption minimally increased, while its price index slightly went down, so its value was 0.5% less in total than in 2016.

Gross value added decreased by 13% at the previous year's prices and by 1.2% at current prices. Factor income was 0.5% and entrepreneurial income 5.2% smaller than a year earlier. Labour input in agriculture became 1.9% and real factor income per work unit (indicator 'A') 1.4% lower.

Agricultural output of the European Union increases

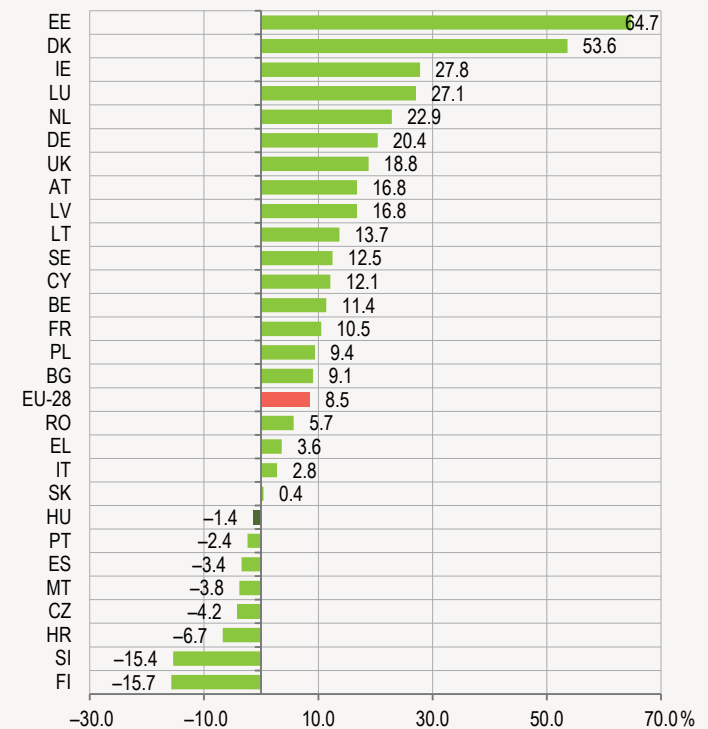
The value of the total agricultural output of the EU was 427 billion euros at current basic prices in 2017 according to the first preliminary data, 5% higher than one year earlier. The 2016 basis can be considered as an average one. The current-price value of crop production grew by 1.6% and that of livestock production by 10%. Within crop production the highest increase of 6.0% was recorded in the current-price value of cereals out of the major groups of products. The output of industrial crops rose by 5.5% and that of horticultural products by 2.4%, while the output of forage and fruits stagnated. Potatoes output was down by 12%.

Out of live animals the output of pigs increased by 10%, cattle output by 3.7% and the output of poultry by 1.2%. The current-price value of milk and eggs grew by 19% and 16% respectively.

Real factor income per work unit (indicator 'A') rose by 8.5% in 2017. This was due to a 10% increase in factor income, while labour input was practically unchanged. The value of the indicator went up to the highest extent in Estonia and Denmark, while the highest rates of decrease occurred in Finland and Slovenia.

Figure 3

Change of indicator 'A' in the European Union, 2017* (2016=100%)



* First estimates (of November 2017). Second estimates (of January 2018) for Hungary.
[Abbreviations of country names.](#)

**Further data,
information (links):**

[Methodology](#)
[Tables \(STADAT\)](#)

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