

Agricultural Exports Volume June 2014

Release date: 16 July 2014

	Jun 14	May 14	Apr 14	Mar14
Total volume (tonnes)	642.9	708.7	577.7	559.6

Decline in coconut exports driving the fall

The volume of agricultural exports declined over the month of June 2014, mainly due to a fall in coconut exports. We suspect Tonga may be losing market share to Samoa as coconut exports have recorded negative growths for the last two quarters whilst data suggest Samoa's coconut exports are recovering from Cyclone Evan in 2012.

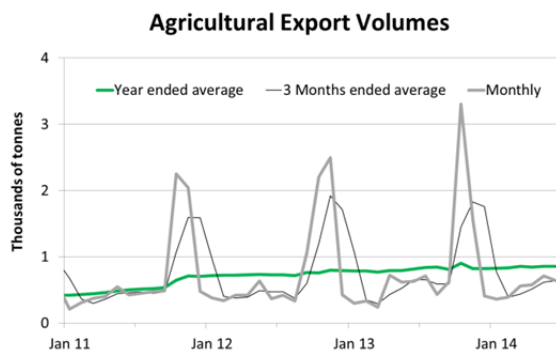
Total volumes increased in year-ended terms, driven by lifts in coconut and root vegetable exports. The overall outcome is broadly consistent with recent developments in agricultural export values recorded in the banks' foreign exchange transactions data.

Looking forward, activity in the agriculture sector is expected to grow only modestly, as coconut exporters continue to lose market share to Samoa. Offsetting this, Tonga's real trade-weighted exchange rate index has depreciated slightly over the past two years, promoting the competitiveness of Tongan produce in domestic and overseas markets. Growers are also expanding the range of crops they export to Australia, New Zealand, Fiji and Samoa. The developments in this release have not been material enough to change our foreign reserves forecast, or imply pressure to the NRBT's monetary policy stance.

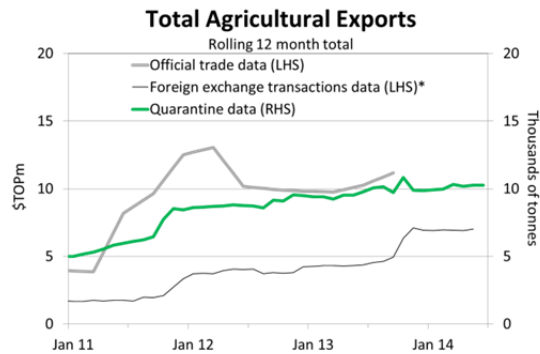
Agricultural Export Volumes

	Tonnes									Memo: Share*
	Month Ended (Volatile)			Three month-ended (Volatile)			Year-ended			
	Jun 14	May 14	Apr 14	Jun 14	Mar 14	Dec 13	Jun 14	Jun 13		
Total	642.9	708.7	577.7	1,929.4	1,311.9	5,267.4	10,269.3	9,768.3	100	
Squash	0.0	0.0	0.0	0.0	2.3	3,734.5	3,807.9	4,329.6	37	
Taro	188.3	234.1	189.0	611.4	249.5	408.0	1,686.2	1,586.5	16	
Coconut	94.1	201.2	86.8	382.1	470.1	560.0	1,743.6	1,337.3	17	
Yam	176.0	124.2	168.5	468.6	235.7	96.8	1,310.7	1,139.1	13	
Cassava	125.7	94.3	86.8	306.8	161.5	163.4	388.4	183.7	9	
Vanilla	0.0	0.0	0.0	0.0	0.0	0.0	4.5	2.6	0	
Other	58.8	54.9	46.7	160.5	191.8	303.7	826.8	566.5	8	

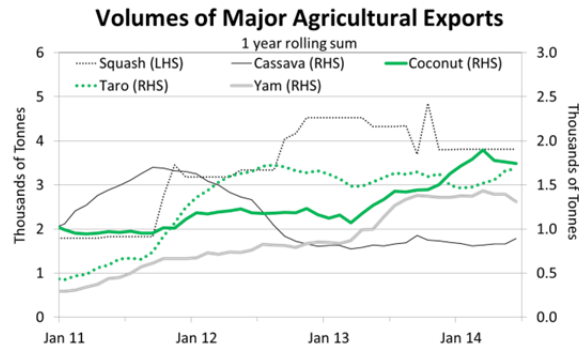
* Based on the most recent 12 months data
Source: Ministry of Agriculture, Forestry, Food, and Fisheries



Source: Ministry of Agriculture, Forestry, Food and Fisheries



* Excludes all agricultural receipts that are channeled through foreign exchange dealers.
Sources: NRBT; Ministry of Agriculture, Forestry, Food and Fisheries; Tonga Department of Statistics



Source: Ministry of Agriculture, Forestry, Food and Fisheries