

Agricultural Exports Volume October 2015

Release date: 23 December 2015

	Oct 15	Sep 15	Aug 15	Jul 15
Total volume* (tonnes)	1,496.5	570.6	413.8	273.1

Squash exports driving monthly increase

Total agricultural exports volume almost tripled over the month. The increase was caused mainly by squash products as it is currently in its harvesting season. Other vegetable products such as beans and leaf vegetables (Pele) also contributed to the monthly rise. Furthermore, watermelon, kava products, and vanilla exports supported the increase. Information with liaison from growers and rainfall data coincides with the movement in exports. On the other hand, root vegetable products decreased as a result of lower yam exports whilst there was also lower breadfruit and coconut exports.

The annual agricultural exports decreased by 31.6% caused by declines in all major exports except for Sandalwood and Other exports such as Kava and Vanilla products which increased over the year. Liaisons with growers have indicated that the adverse weather conditions throughout the year mainly affected output. The annual rainfall data collected from Fua'amotu and Nuku'alofa areas show that rainfall fell by 50.3%. Agricultural proceeds also decreased, in line with the yearly fall in exports, by 34.3%. These actual figures are lower than the NRBT's projections for 2015/16; however the recent positive developments with the harvesting of the squash is expected to be reflected in later months' data. In addition, the yearly fall in agricultural supply coincides with the increase in Domestic Food prices which resulted in higher Domestic inflation.

The NRBT continues to expect the agricultural sector to rebound in the 2015/16 financial year. This projection is supported by the latest actual data available and liaisons with growers who have indicated that they remain optimistic for the new

financial year due to the upcoming harvest period for vanilla, coffee, and squash. Additionally, the possibility of opening up a new market for Tonga squash exports to China would provide additional incentive for local exporters which should also support NRBT's forecast. However, the latest revised media release by the Meteorology Division remains unchanged, advising of stronger El Niño conditions (drier than normal) for the upcoming three to six months. This poses a significant risk for the outlook of the agricultural sector.

Agricultural Export Volumes

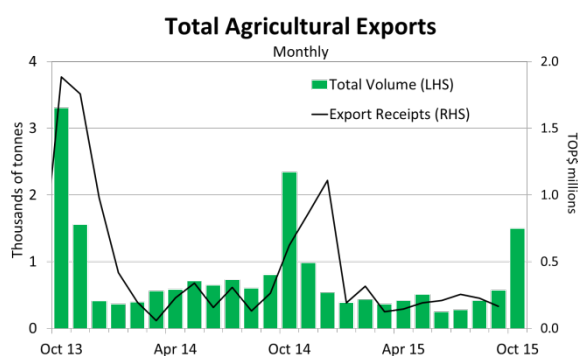
Tonnes

	Month Ended*			Oct 14	Year-ended		Memo: Share**
	Oct 15	Sep 15	Aug 15		Oct 15	Oct 14	
Total	1,496.5	570.6	413.8	2,340.3	6,625.4	9,689.1	100
Squash	1,009.0	78.3	0.0	1,653.7	1,537.1	2,657.3	23
Coconut	106.7	228.7	182.6	158.2	1,655.9	1,818.7	25
Cassava	171.1	164.8	146.0	158.4	213.1	346.0	23
Yam	24.4	40.5	69.8	98.1	760.6	1,396.6	11
Taro	14.5	14.4	3.1	227.3	453.9	1,943.3	7
Other	170.7	43.4	12.2	44.5	693.9	743.5	10
Vanilla	1.7	1.1	0.0	1.7	4.3	2.6	0

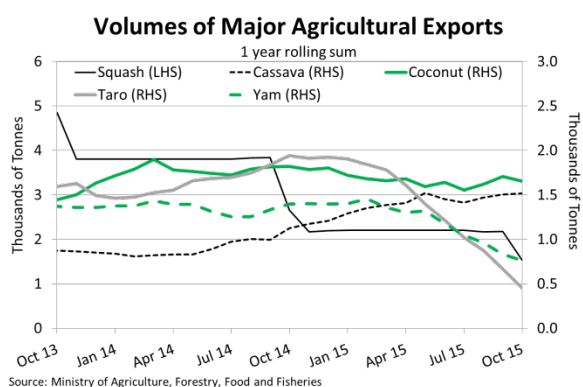
* Series is volatile due to seasonality of crops

** Based on the most recent 12 months data

Source: Ministry of Agriculture, Forestry, Food, and Fisheries



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