

Agricultural Exports Volume April 2017

Release date: 30th June 2017

| | Apr 17 | Mar 17 | Feb 17 | Jan 17 |
|-----------------------|--------|--------|--------|--------|
| Total volume (tonnes) | 537.5 | 583.1 | 407.1 | 218.3 |

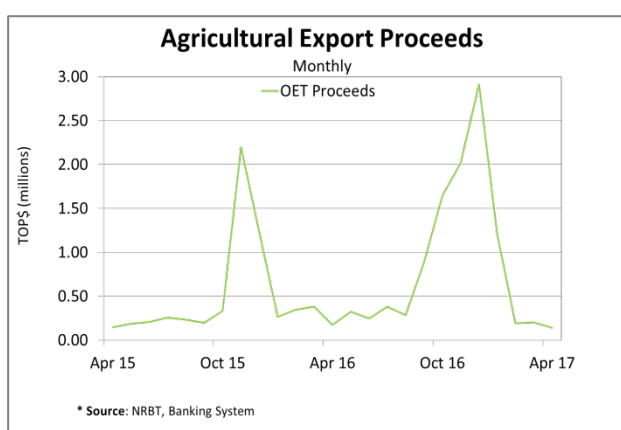
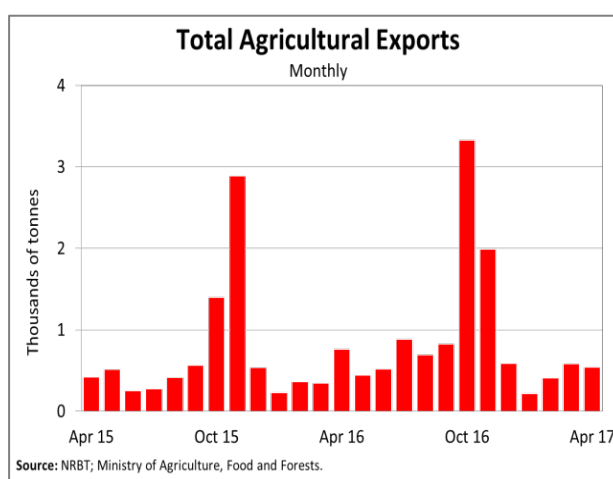
Drop in cassava exports drive total agricultural exports lower

The total agricultural exports volume slightly declined over the month of April by 45.6 tonnes (7.8%). This was largely driven by a 66.0 tonnes (22.6%) decline in the exports of cassava. Other exported produce that decreased over the month included giant taro, breadfruit, green coconut, kava powder, pele leaves, and taro tarua leaves.

However, April was the second month in 2017 to record exported mulberry juice of 16.2 tonnes compared to none last month. Other crops which also rose over the month included yam, brown coconut, swamp taro, taro tarua, plantain, and sweet potato.

The agricultural export proceeds received slightly declined by \$0.1 million (32.1%) which coincided with the lower exports during the month.

Over the year, the total agricultural export volume rose by 2,447.1 tonnes (29.1%), supported by the favourable squash season and better harvest of root crops. The continuous support from the Government's development loan scheme also supported the growth in the agricultural sector, with a rise of \$2.8 million (40.4%) growth in loans to the agricultural sector.



The annual agricultural export receipts also rose by \$4.4 million (73.9%) to \$10.5 million. The higher export receipts were for squash and crops (root crops and traditional crops), supported by the strengthening of the Japanese Yen and US dollar against the Tongan Pa'anga. On the other hand, the export of kava-Tonga, coconuts, sandalwood, vanilla, onion, and pele leaves declined over the year but were offset by an increase in the export of root crops, squash, watermelon, and breadfruit.

On the outlook, the Reserve Bank anticipates that the volume of exports will continue to increase in the near term supporting the expected growth in the agricultural sector. The year 2016/17 has seen better weather conditions than that of the previous years which will likely have favourable effects on the agricultural sector's growth. In addition, the signing of the Pacific Agreement on Closer Economic Relations (PACER) Plus trade agreement scheduled for June 2017 may contribute to growth in the sector. On the downside, the export of Kava Tonga will continue to decline due to its low supply as a result of the drought in 2015 which also affected the kava rootstock.

| Total Agricultural Export Volumes by Major Categories | | | | | | | |
|-------------------------------------------------------|--------------|--------|--------|--------|------------|---------|----------------|
| Tonnes | | | | | | | |
| | Month-ended* | | | Apr 16 | Year-ended | | Memo: Share |
| | Apr 17 | Mar 17 | Feb 17 | | Apr 17 | Apr 16 | |
| Total | 537.5 | 583.1 | 407.1 | 762.0 | 10,996.9 | 8,519.8 | 100 |
| Fruit products | 117.4 | 107.5 | 73.5 | 196.5 | 5,632.2 | 5,608.5 | 51.2 |
| Root vegetable products | 409.8 | 465.0 | 328.5 | 554.2 | 5,243.1 | 2,720.7 | 47.7 |
| Other vegetable products | 4.4 | 3.3 | 1.7 | 2.1 | 29.0 | 16.6 | 0.3 |
| Sandalwood | 0.0 | 0.0 | 0.0 | 0.0 | - | 1.1 | 0.0 |
| Vanilla | 0.0 | 0.0 | 0.0 | 0.0 | 2.4 | 6.6 | 0.0 |
| Other** | 5.9 | 7.2 | 3.4 | 9.0 | 92.6 | 172.9 | 0.8 |

* Series is volatile due to seasonality of crops
** Includes kava products and coffee beans.
Source: Ministry of Agriculture, Food and Forests.