

Agricultural Exports Volume September 2015

Release date: 2 December 2015

| | Sep 15 | Aug 15 | Jul 15 | Jun 15 |
|---------------------------|--------|--------|--------|--------|
| Total volume* (tonnes) | 570.6 | 413.8 | 273.1 | 249.2 |

Squash, Coconut, and Cassava exports drive rise

Over September, total agricultural exports continued to increase largely supported by the current squash exporting season. Volumes rose by 37.9% driven by more root vegetable, fruit, and other vegetable products. Specifically, items such as Squash, Coconut, and Cassava mainly contributed to the overall monthly increase. The improved weather conditions over the quarter have assisted in increasing agricultural yields. Rainfall data supports this despite the El Niño Advisory media release. However, agricultural exports receipts decreased by 26.9% over the month which could possibly be due to a time lag in receiving proceeds.

Contrastingly, the agricultural exports have decreased by 29.9% over the year. This was caused by declines in all major exports except for Sandalwood 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 are optimistic for the current financial year due to the upcoming harvest period for vanilla, coffee, and squash. However, the Meteorology Division's advise of stronger El Niño conditions (drier than normal) for the upcoming three to six months remains unchanged. This poses a significant risk for the outlook for the agricultural sector.

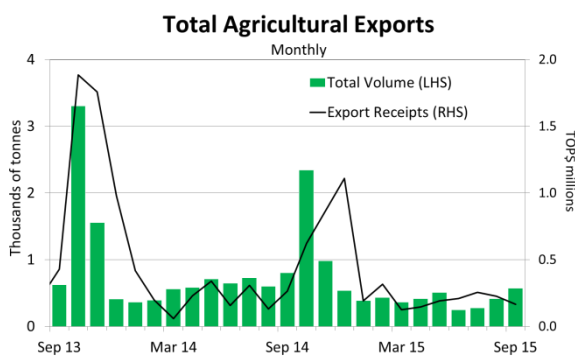
Total Agricultural Export Volumes by Major Categories

| | Tonnes | | | | | | Memo: Share |
|--------------------------|--------------|--------|--------|------------|---------|----------|----------------|
| | Month-ended* | | | Year-ended | | | |
| | Sep 15 | Aug 15 | Jul 15 | Sep 14 | Sep 15 | Sep 14 | |
| Total | 570.6 | 413.8 | 273.1 | 804.3 | 7,469.2 | 10,651.1 | 100 |
| Fruit products | 327.8 | 185.2 | 56.1 | 253.4 | 4,191.1 | 6,107.2 | 56.1 |
| Root vegetable products | 223.4 | 219.0 | 186.5 | 529.1 | 3,041.6 | 4,258.0 | 40.7 |
| Other vegetable products | 2.7 | 1.0 | 1.9 | 5.7 | 26.7 | 61.0 | 0.4 |
| Sandalwood | 0.6 | 0.0 | 0.0 | 0.0 | 7.4 | 4.4 | 0.1 |
| Vanilla | 1.1 | 0.0 | 0.5 | 0.9 | 4.4 | 0.9 | 0.1 |
| Other** | 16.2 | 8.6 | 28.7 | 16.3 | 202.3 | 220.7 | 2.7 |

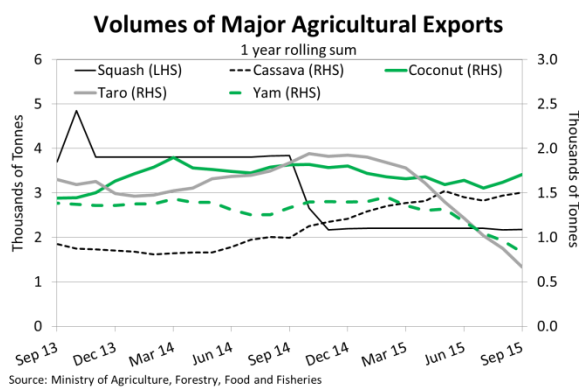
* Series is volatile due to seasonality of crops

** Includes kava products and coffee beans.

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



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