

## Table of Contents

## In Press

## Online First

## Article Archive

[AGRICECON \(64\) 2018](#)
[AGRICECON \(63\) 2017](#)
[AGRICECON \(62\) 2016](#)
[AGRICECON \(61\) 2015](#)
[Issue No. 1 \(1-49\)](#)
[Issue No. 2 \(51-103\)](#)
[Issue No. 3 \(105-148\)](#)
[Issue No. 4 \(149-195\)](#)
[Issue No. 5 \(197-247\)](#)
[Issue No. 6 \(249-295\)](#)
[Issue No. 7 \(297-342\)](#)
[Issue No. 8 \(343-392\)](#)
[Issue No. 9 \(393-440\)](#)
[Issue No. 10 \(441-491\)](#)
[Issue No. 11 \(493-541\)](#)
[Issue No. 12 \(543-586\)](#)
[AGRICECON \(60\) 2014](#)
[AGRICECON \(59\) 2013](#)
[AGRICECON \(58\) 2012](#)
[AGRICECON \(57\) 2011](#)
[AGRICECON \(56\) 2010](#)
[AGRICECON \(55\) 2009](#)
[AGRICECON \(54\) 2008](#)
[AGRICECON \(53\) 2007](#)
[AGRICECON \(52\) 2006](#)
[AGRICECON \(51\) 2005](#)
[AGRICECON \(50\) 2004](#)
[AGRICECON \(49\) 2003](#)
[AGRICECON \(48\) 2002](#)

## Editorial Board

## Ethical Standards

## Reviewers 2017

## For Authors

## Author Declaration

## Instruction for Authors

## Submission Templates

## Guide for Authors

## Copyright Statement

## Fees

## The evidence of asymmetric price adjustments

Z. Lajdová, P. Bielik

<https://doi.org/10.17221/220/2014-AGRICECON>

Citation: Lajdová Z., Bielik P. (2015): The evidence of asymmetric price adjustments. *Agric. Econ. – Czech*, 61: 105-115.

[download PDF](#)

The paper provides insights into the price transmission of dairy sector in Slovakia and examined the nature of price adjustments and market efficiency along the vertical chain. The results were based on monthly prices covering the time period 2004–2012. The farm gate prices of raw cow milk Q class and I. class were distinguished and the comparison was made also between the prices of semi-fat milk and durable semi-fat milk. The methodological approach called the Vector Error Correction model (VECM) was applied in the paper due to the fact that the Johansen co-integration test revealed that the time series were co-integrated, meaning that the long run relationship existed between them. The obtained results were in line with the recent empirical findings that have shown that the market power on the demand side, the imperfect market structure existence and also the fact that milk is a highly perishable commodity might be the explanations for the revealed asymmetric price adjustments.

**Keywords:**

asymmetry, co-integration, milk, price transmission, VECM

**References:**

Amikuzuno J., Ogundari K. (2012): The contribution of agricultural economics to price transmission analysis and market policy in Sub-Sahara Africa: What does the literature say? In: 86th Annual Conference of the Agricultural Economics Society, University of Warwick. Available at

[http://ageconsearch.umn.edu/bitstream/134754/2/Joseph\\_Amikuzuno\\_AES2012\\_Conference\\_Amikuzuno\\_Ogundari.pdf](http://ageconsearch.umn.edu/bitstream/134754/2/Joseph_Amikuzuno_AES2012_Conference_Amikuzuno_Ogundari.pdf) (accessed 23 Oct. 2014).

Čechura L., Šobrová L. (2008): The price transmission in pork meat agri-food chain. *Agricultural Economic – Czech*, 54: 77–84.

Bakucs Z., Falkowski J., Ferto I. (2013): What Causes Asymmetric Price Transmission in Agro Food Sector. Institute of Economics, Research Center for Economic and Regional Studies. Hungary Academy of Sciences Budapest, No. 3.

Bakucs Z., Falkowski J., Ferto I. (2012): Does Farm and Processing Industry Structure Matter for Price Transmission? Some Evidence From Transition Countries: A Comparison of Dairy Sectors in Hungary and Poland. Institute of Economics, Research Center for Economic and Regional Studies. Hungary Academy of Sciences Budapest, No. 12.

Capps J.R., Sherwell P. (2005): Spatial asymmetry in farm-retail price transmission associated with fluid milk product. In: American Agricultural Economics Association Annual Meeting 2005. Available at

[http://future.aae.wisc.edu/publications/asymmetryAAEA05\\_capps\\_paper\\_final\\_version.pdf](http://future.aae.wisc.edu/publications/asymmetryAAEA05_capps_paper_final_version.pdf) (accessed 23 Oct. 2014).

cutts michela, kirsten johann (2006): ASYMMETRIC PRICE TRANSMISSION AND MARKET CONCENTRATION: AN INVESTIGATION INTO FOUR SOUTH AFRICAN AGRO-FOOD INDUSTRIES. *The South African Journal of Economics*, 74, 323-333  
<https://doi.org/10.1111/j.1813-6982.2006.00064.x>

Fałkowski Jan (2010): Price transmission and market power in a transition context: evidence from the Polish fluid milk sector. *Post-Communist Economies*, 22, 513-529  
<https://doi.org/10.1080/14631377.2010.518477>

**Impact factor (WoS)**

2017: 0.706

5-Year Impact Factor: 0.6

**SJR (SCOPUS)**

2017: 0.431 – Q2 (Economic  
Econometrics and Finance  
(miscellaneous))

 Share
**New Issue Alert**Join the journal on [Facebook](#)**Similarity Check**

All the submitted manuscripts  
checked by the [CrossRef  
Check](#).

**Referred to in**

Agricola  
Agrindex of AGRIS/FAO d  
CAB Abstracts  
Czech Agricultural and Fo  
Bibliography  
CNKI  
DOAJ (Directory of Open  
Journals)  
EBSCO – Academic Search  
Ultimate  
FSTA (formerly Food Scie  
Technology Abstracts)  
Google Scholar  
ISI Web of Knowledge®  
J-Gate  
Scopus  
Web of Science®

**Licence terms**

All content is made freely  
for non-commercial purp  
users are allowed to copy  
redistribute the material,  
transform, and build upo  
material as long as they c  
source.

**Open Access Policy**

This journal provides imr  
open access to its conten  
principle that making res  
freely available to the put  
supports a greater global  
exchange of knowledge.

**Contact**

Ing. Vendula Pospíšilová,  
Executive Editor  
e-mail: [agricecon@cazv.c](mailto:agricecon@cazv.c)

**Address**

Agricultural Economics  
(Zemědělská ekonomika)  
Czech Academy of Agric  
Sciences  
Slezská 7, 120 00 Praha 2,  
Republic

[Submission/Login](#)[For Reviewers](#)[Guide for Reviewers](#)[Reviewers Login](#)[Subscription](#)

Haussouneh I., von Cramon-Traubadel S., Serra T., Gil J.M. (2012): Recent Developments in the Econometric Analysis of Price Transmission. Working Paper No. 2, Transparency of Food Pricing TRANSFOP. Seventh Framework Programme Grant Agreement No. KBBE-265601-4-TRANSFOP. Available at [http://www.transfop.eu/media/universityofexeter/businessschool/documents/centres/transfop/recent\\_developments\\_in\\_e](http://www.transfop.eu/media/universityofexeter/businessschool/documents/centres/transfop/recent_developments_in_e) (accessed 24 Oct. 2014).

Holm T., Loy J.P., Steinhagen C. (2012): Vertical price transmission in differentiated product markets: A disaggregated study for milk and butter. In: Agricultural & Applied Economics Association's 2012 AAEA Annual Meeting, Seattle, Washington. Available at <http://ageconsearch.umn.edu/bitstream/123284/2/AAEA%202012%20Vertical%20Price%20Transmission%20Milk%20Holm> (accessed 24 October 2014).

Jacobs Jan P.A.M., Wallis Kenneth F. (2010): Cointegration, long-run structural modelling and weak exogeneity: Two models of the UK economy. *Journal of Econometrics*, 158, 108-116 <https://doi.org/10.1016/j.jeconom.2010.03.017>

Kinnucan W.H., Forker O.D. (1987): Asymmetry in farm-retail price transmission for major dairy products. *American Journal of Agricultural Economics*, 69: 285–292.

Kisaka E.S., Kithitu W.J., Kamuti H.M. (2014): The causal relationship between interest rates and foreign exchange rates in Kenya. *Research Journal of Finance and Accounting*, 5: 136–151.

Lajdová Z., Bielik P. (2013): Vertical price transmission analysis: The case of milk in the Slovak dairy sector. *Applied Studies in Agribusiness and Commerce*, 2013, 7: 89–96.

Lajdová Z. (2013): Vertical Price Transmission Analysis in the Slovak Agri-Food Chain of Selected Products. [Unpublished doctoral dissertation.] Slovak University of Agriculture in Nitra.

Matulová K.N., Bubáková P., Škubna O., Taussigová T. (2010): Econometric analysis of milk value chain. *Agris on-line Papers in Economics and Informatics*, 2: 51–61.

Matošková D. (2011): Volatility of agrarian markets aimed at the price development. *Agricultural Economics – Czech*, 57: 34–40.

Matriz M.J.R (2008): Price ransmission Mechanism in the Philippine Price Industry. Available at (accessed 21 Oct. 2014).

Minot N. (2010): Transmission of World Food Price Changes to Markets in Sub-Saharan Africa. International Food policy research Institute. Available at [http://www.ifpri.org/sites/default/files/Minot\\_2010.pdf](http://www.ifpri.org/sites/default/files/Minot_2010.pdf) (accessed 24 Oct. 2014).

Rumánková L. (2014): Asymmetry in price transmission of the Czech wheat agri-food chain. *Agris on-line Papers in Economics and Informatics*, 6: 63–71.

Saghaian S., Özertan G., Tekgüc H. (2014): Beef and Milk Price Links in Turkey. International Food and Agribusiness Management Association. Available at <http://www.ifama.org/files/conf/papers/1000.pdf> (accessed 30 Oct. 2014).

Stewart H., Blayney D.P. (2011): Retail dairy prices fluctuate with the farm value of milk. *Agricultural and Resource Economics Review*, 40: 201–217.

Vavra P., Goodwin B.K. (2005): Analysis of Price Transmission along the Food Chain. Agriculture and Fisheries Working Papers No. 3. OECD Publishing, OECD.

Research Institute of Agricultural and Food Economics: Available at <http://www.vuepp.sk>

Statistical Office of the Slovak Republic: Available at <http://www.statistics.sk>

[download PDF](#)