

# Wholesale Prices in U.S. Increase by Most in Five Months

*By Alex Kowalski - Mar 15, 2012*

Wholesale prices in the U.S. climbed in February by the most in five months, reflecting a jump in fuel costs that Federal Reserve officials project will be temporary.

The [producer price index](#) rose 0.4 percent following a 0.1 percent increase the prior month, Labor Department figures showed today in Washington. Economists projected a 0.5 percent gain, according to the median estimate in a Bloomberg News survey. The [core measure](#) excluding volatile food and energy rose 0.2 percent, less than in the prior month.

Rising energy costs may make it more expensive to manufacture goods, restraining profits as companies find it difficult to pass the increases to customers. Fed policy makers this week projected they'll keep interest rates low at least until late 2014, predicting inflation will remain in check.

"There has not been a significant amount of price pressure at the producer level that would suggest they'll have to increase prices anytime soon," said Kevin Cummins, an economist at UBS Securities LLC in [Stamford, Connecticut](#), and the third most accurate forecaster of wholesale prices.

Projections in the Bloomberg survey ranged from increases of 0.2 percent to 1 percent.

Core wholesale prices were projected to rise 0.2 percent following the prior month's 0.4 percent gain, the Bloomberg survey showed.