

Global food prices have leapt by 10% in the month of July, raising fears of soaring prices for the planet's poorest, the World Bank has warned.

The bank said that a US heatwave and drought in parts of Eastern Europe were partly to blame for the rising costs. The price of key grains such as corn, wheat and soybean saw the most dramatic increases, described by the World Bank president as "historic".

The bank warned countries importing grains will be particularly vulnerable.

From June to July this year, corn and wheat prices each rose by 25% while soybean prices increased by 17%, the World Bank said. Only rice prices decreased - by 4%.

In the United States, the most severe, widespread drought in half a century has wreaked havoc on the corn and soybean crops while in Russia, Ukraine and Kazakhstan, wheat crops have been badly damaged.

The World Bank said that the use of corn to produce ethanol biofuel - which represents 40% of US corn production - was also a key factor in the sharp rise in the US maize price.

Overall, the World Bank's Food Price Index - which tracks the price of internationally traded food commodities - was six percent higher than in July of last year, and one percent over its previous peak, in February 2011.