

EGG AND BEEF PRICES EXPECTED TO DECLINE IN 2016

After leading the pack of price increases for 2015, egg and beef prices are both projected to decline in 2016, according to the latest forecasts by USDA's Economic Research Service revealed at the 2016 Agricultural Outlook Forum in Washington, DC Feb. 25 in a presentation by Annemarie Kuhns. Beef due to favorable pasture conditions in some areas in 2015 and lower feed prices have allowed cattle producers to feed cattle longer and to hold cattle for herd expansion and eggs due to a rebound from the HPAI outbreak.

Changes in Food Price Indexes, 2013 through 2016

(Source: USDA, Bureau of Labor Statistics)

Item	Relative Importance ¹	Annual 2013	Annual 2014	Annual 2015	20-Year Historical Average	Forecast 2016
Consumer Price Indexes	Percent					
All food	100.0	1.4	2.4	1.9	2.6	2.0 to 3.0
Food away from home	41.3	2.1	2.4	2.9	2.7	2.5 to 3.5
Food at home	58.7	0.9	2.4	1.2	2.5	2.0 to 3.0
Meats, poultry, and fish	12.3	2.1	7.2	1.9	3.1	1.5 to 2.5
Meats	7.9	1.2	9.2	3.0	3.4	1.0 to 2.0
Beef and Veal	3.6	2.0	12.1	7.2	4.5	-1.0 to 0.0
Pork	2.4	0.9	9.1	-3.9	2.5	1.5 to 2.5
Other meats	1.9	-0.1	3.9	4.1	2.5	2.5 to 3.5
Poultry	2.5	4.7	2.0	0.4	2.6	2.0 to 3.0
Fish and seafood	1.9	2.5	5.8	-0.9	2.6	2.5 to 3.5
Eggs	1.1	3.3	8.4	17.8	4.9	-1.5 to -0.5
Dairy products	6.0	0.1	3.6	-1.3	2.7	2.0 to 3.0
Fats and oils	1.7	-1.4	0.1	-1.0	2.6	0.0 to 1.0
Fruits and vegetables	10.0	2.5	1.5	-0.2	2.6	2.0 to 3.0
Fresh fruits & vegetables	7.9	3.3	1.9	-0.5	2.5	2.5 to 3.5
Fresh fruits	4.2	2.0	4.8	-2.2	2.4	2.5 to 3.5
Fresh vegetables	3.7	4.7	-1.3	1.6	2.7	2.5 to 3.5
Processed fruits & vegetables*	2.1	0.3	0.1	0.7	2.6	1.5 to 2.5
Sugar and sweets	2.1	-1.7	-0.8	3.2	2.3	1.5 to 2.5
Cereals and bakery products	7.8	1.0	0.2	1.1	2.5	1.0 to 2.0
Nonalcoholic beverages	7.0	-1.0	-0.5	1.1	1.2	1.5 to 2.5
Other foods	10.7	0.5	1.0	1.6	2.0	2.0 to 3.0

¹ BLS estimated expenditure shares, December 2015. Food prices represent approximately 14 percent of the total CPI.