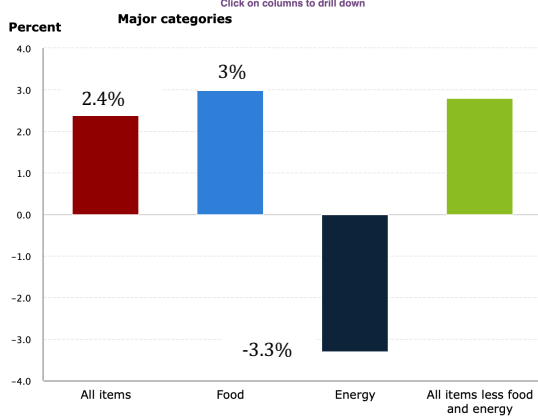




**To:** KC Farm Bureau  
**Date:** April 17, 2025  
**Re:** Agriculture Trade Report  
**From:** Aaron Hegde

## The Economy

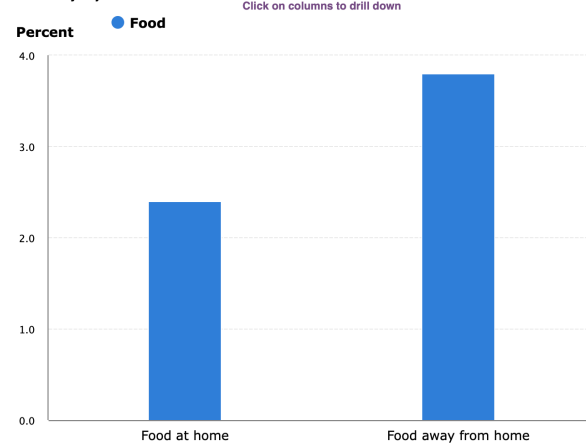
12-month percentage change, Consumer Price Index, selected categories, March 2025, not seasonally adjusted



Source: U.S. Bureau of Labor Statistics.

Figure 1 Twelve-month CPI Change

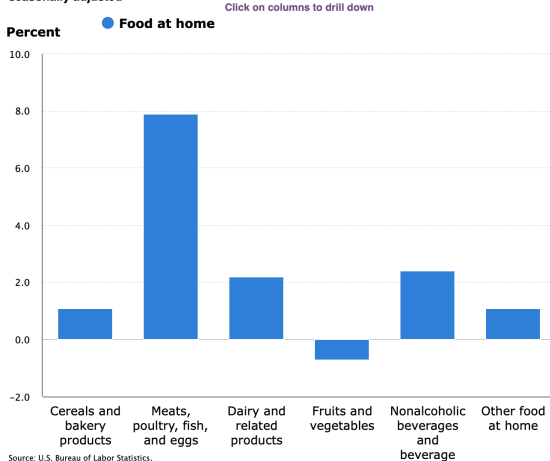
12-month percentage change, Consumer Price Index, selected categories, March 2025, not seasonally adjusted



Source: U.S. Bureau of Labor Statistics.

Figure 2 Change in Food CPI

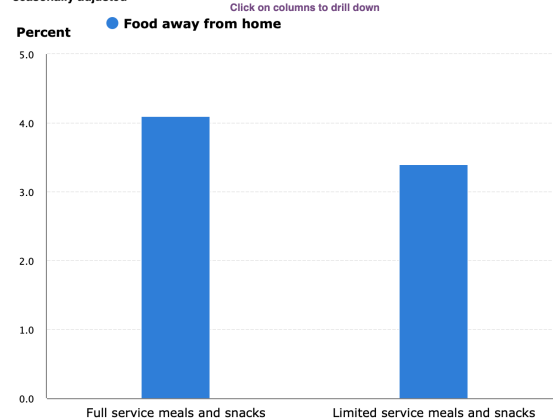
12-month percentage change, Consumer Price Index, selected categories, March 2025, not seasonally adjusted



Source: U.S. Bureau of Labor Statistics.

Figure 3 Food at Home

12-month percentage change, Consumer Price Index, selected categories, March 2025, not seasonally adjusted



Source: U.S. Bureau of Labor Statistics.

Figure 4 Food Away from Home

**Grimm Family Center for Agricultural Business**

California State University, Bakersfield  
9001 Stockdale Hwy. • Mail Stop: 12 AE • Bakersfield, CA 93311

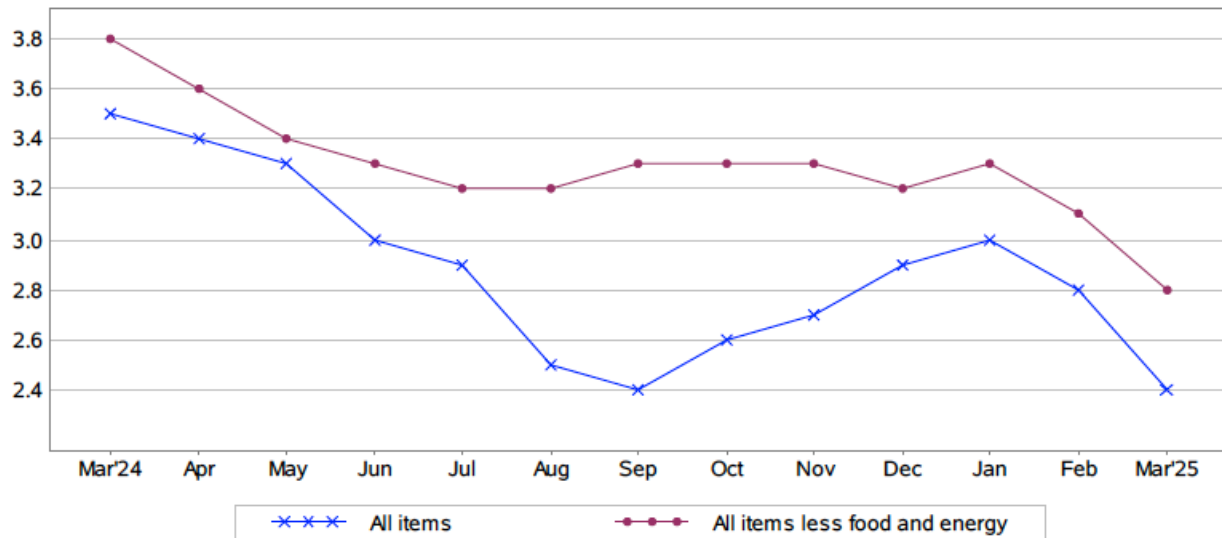


Figure 5 12-month % change in CPI

Source: BLS

Cost of food increased 3% YoY, while *Food at Home* increased 2.4% and *Food away from home* increased 3.8%, mostly driven by the increase in food consumed at full-service (sit-down) restaurants. *Food at home* increase was mostly driven by the continued increase in the cost of eggs (5.9%).

### Bakersfield Breakfast Barometer

Item	Q	Price (Apr)	Cost		Percent Change
			March	April	
<b>Toast</b>	2	\$4.14/ loaf	\$0.52	\$0.52	0%
<b>Butter</b>	1 tbs	\$6.11/ lb	\$0.21	\$0.19	-10%
<b>Egg</b>	1	\$6.98/dozen	\$0.79	\$0.58	-27%
<b>Bacon</b>	2 slices	\$8.92/ 16 oz	\$1.13	\$1.27	+12%
<b>Orange Juice</b>	8 oz	\$5.10/ 52 oz	\$0.78	\$0.78	0%
<b>Coffee</b>	8 oz	\$16.23/33.7oz	\$0.06	\$0.07	+17%
<b>Cream</b>	0.4 oz	\$4.03/ 32 oz	\$0.05	\$0.05	0%
<b>Total</b>			<b>\$3.53</b>	<b>\$3.47</b>	<b>-1.7%</b>

Table 1: Breakfast Cost

As displayed above in Table 1, the cost of *Food at home* in Bakersfield decreased by 1.7%, opposite to the nationwide measure. The primary driver here was the decrease in the local price of eggs, which has been much higher than the average price nationwide.

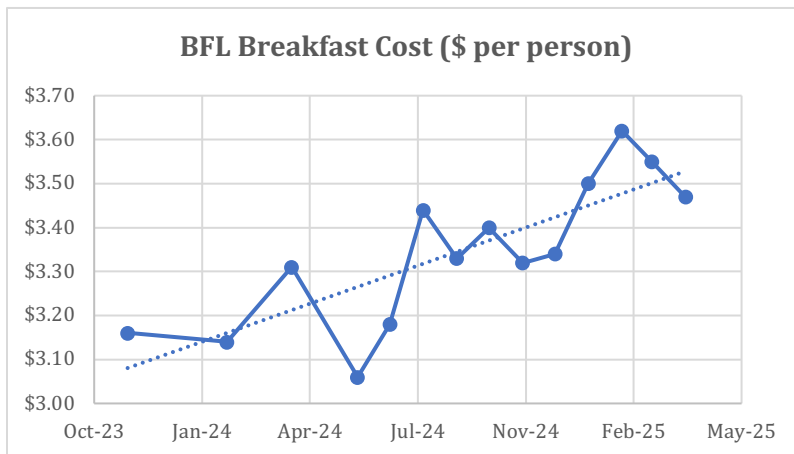


Figure 6 BFL Breakfast Cost

Figure 6 shows the cost of breakfast in Bakersfield over the last twenty months. The YOY increase in the barometer is 4.8%. The general trend in this cost has been increasing over this period, reflecting the same situation nationwide.

Figure 7 shows the nationwide Grocery Price Index for various food purchased at grocery

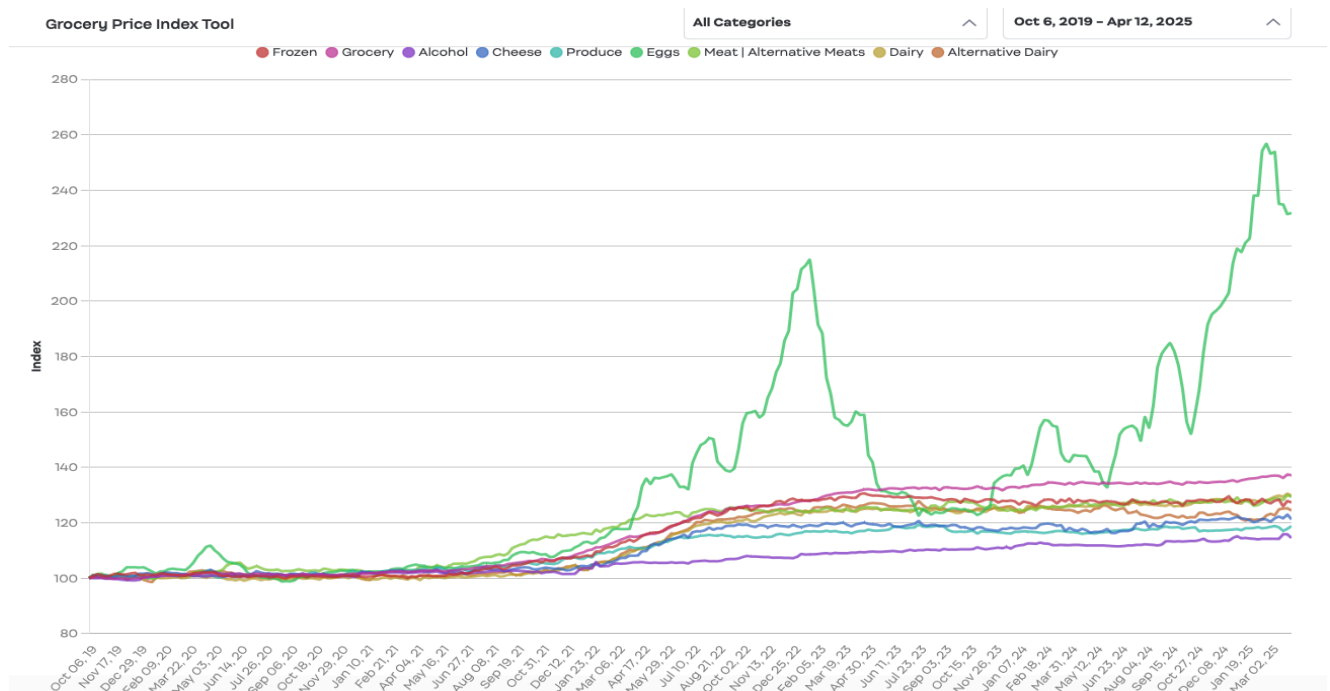


Figure 7 Grocery Price Index various food items

Source: Datasembly.com

stores (*Food consumed at home*). The sharpest rise is in the index for eggs starting with the bird flu in the fall of 2022.

## Trade and Tariffs

**Average U.S. tariff rate on all imports**

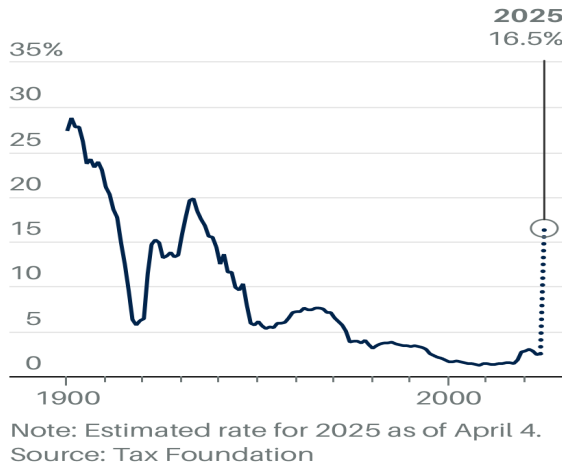


Figure 8 Average tariff

Source: Barrons

## New Trade War: Who Has More Leverage?

Value of U.S. goods imports/exports with major partners (in billion U.S. dollars) and significance to partners' trade

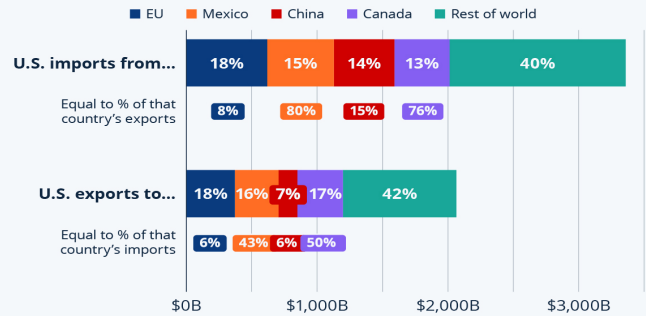


Figure 9 Trade significance

**U.S. agricultural exports to China, by fiscal year, 1999-22 (year ending September 30)**

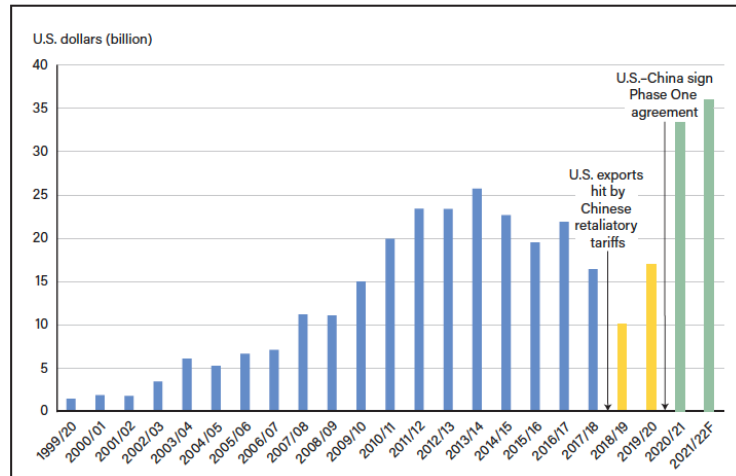


Figure 10 Ag Exports to China

Source: ERS, USDA

Exports decreased dramatically, while imports did not, as can be seen in the trade balance in Figure 11.

Late 2017 - US tariffs on steel and aluminum.

2018 – Canada (targets 16% of US ag exports), EU (7%), China (98%), India (43%), Mexico (14%) and Turkey (8%) retaliatory tariffs – US ag export value of \$30.4B (~20% of total);

**U.S. agricultural trade, 2004-24**



Figure 11 Ag Trade Balance

Source: ERS

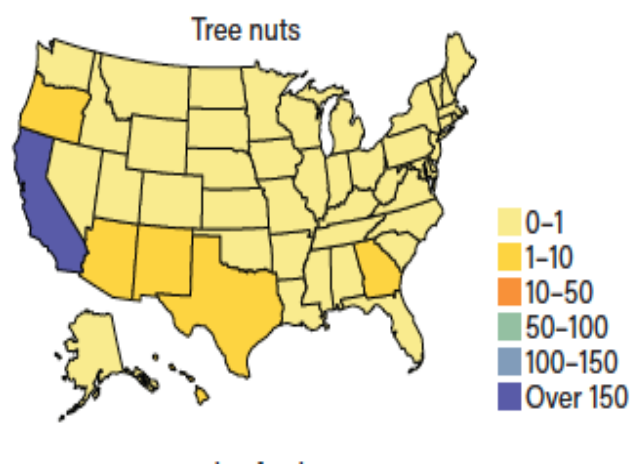
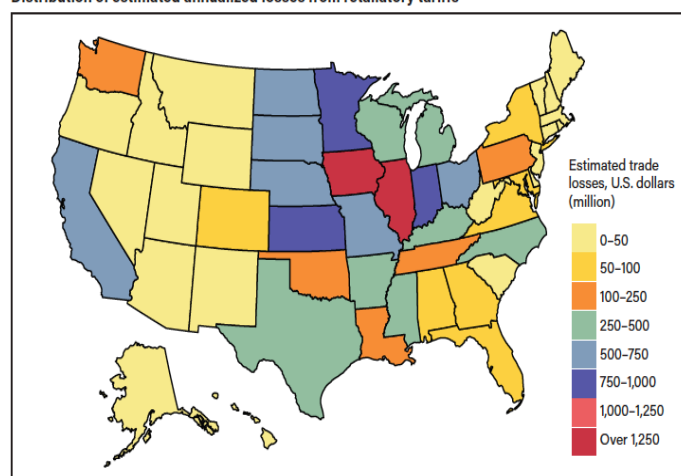
**Percent reduction in U.S. export agricultural value by trading partner due to retaliation from mid-2018 to end of 2019**

Retaliatory partner	Dates tariffs imposed	Percent estimated U.S. export reduction due to retaliatory tariff	Value of U.S. products targeted by retaliation in 2017 (USD) billions	Estimated U.S. agriculture export losses 2018–2019 U.S. losses (USD) billions
China	Section 232 imposed April 2018*; Section 301 July 2018	-76	\$22.5	-\$25.7
Mexico	Imposed July 2018, removed May 2019	-20	\$2.6	-\$0.5
Canada	Imposed July 2018, removed May 2019	-4	\$3.3	-\$0.1
European Union	Imposed June 2018	-42	\$0.9	-\$0.6
Turkey	Imposed June 2018	-22	\$0.3	-\$0.1
India	Imposed June 2019	-27	\$0.8	-\$0.1
<b>Total</b>				<b>-\$27.2</b>

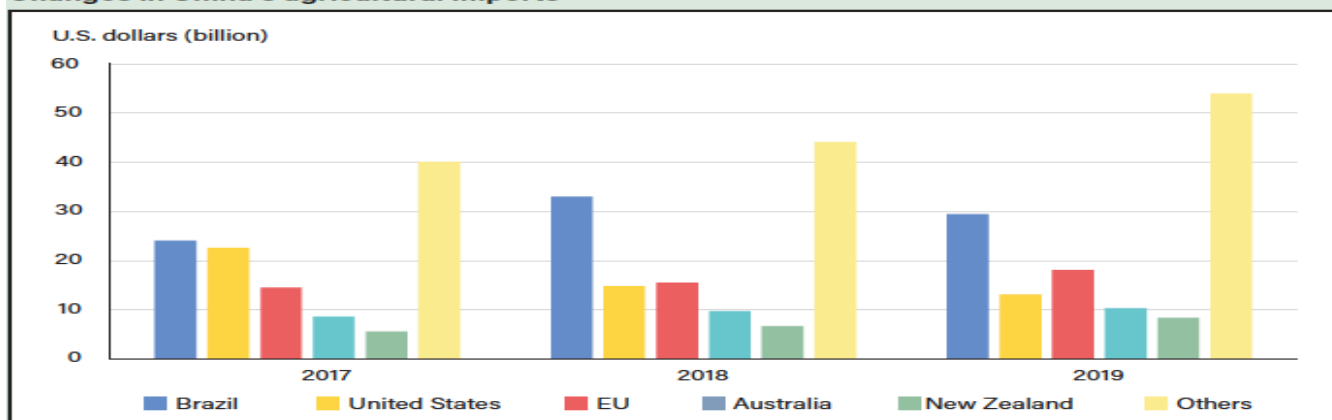
*Table 2: Impact of retaliation*

Source: ERS<sup>1</sup>

Distribution of estimated annualized losses from retaliatory tariffs



**Changes in China's agricultural imports**



<sup>1</sup> Morgan, Stephen, Shawn Arita, Jayson Beckman, Saquib Ahsan, Dylan Russell, Philip Jarrell, and Bart Kenner. January 2022. *The Economic Impacts of Retaliatory Tariffs on U.S. Agriculture*, ERR-304, U.S. Department of Agriculture, Economic Research Service.