



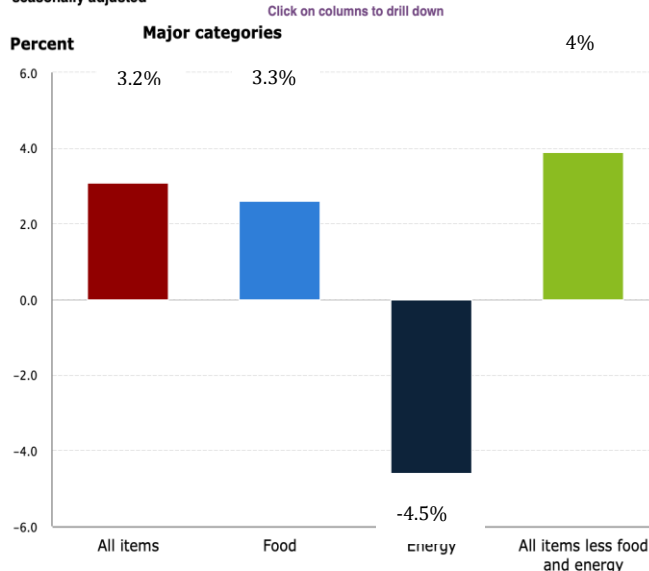
**To:** KC Farm Bureau  
**Date:** February 15, 2024  
**Re:** Agriculture Trade Report  
**From:** Aaron Hegde

## The Economy

The Consumer Price Index (CPI) report for January indicated that prices were unchanged for the month, and 3.2% higher compared to January 2023. The graphs below show the annual inflation rate and the changes in the major components of the CPI. Food prices are still driving some of the higher levels of inflation, although not as much as other goods and services.

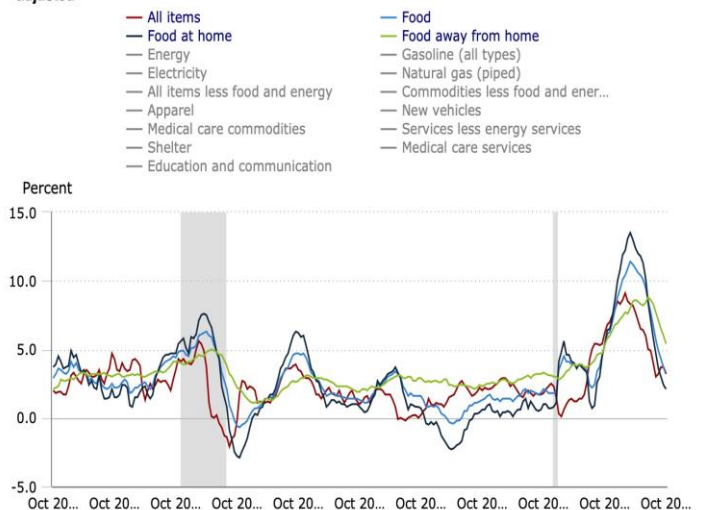
The cost of consuming food at home increased by 1.2% in January from a year ago, while food away from home increased by 5.2% over the same period, which contributed the most

12-month percentage change, Consumer Price Index, selected categories, January 2024, not seasonally adjusted



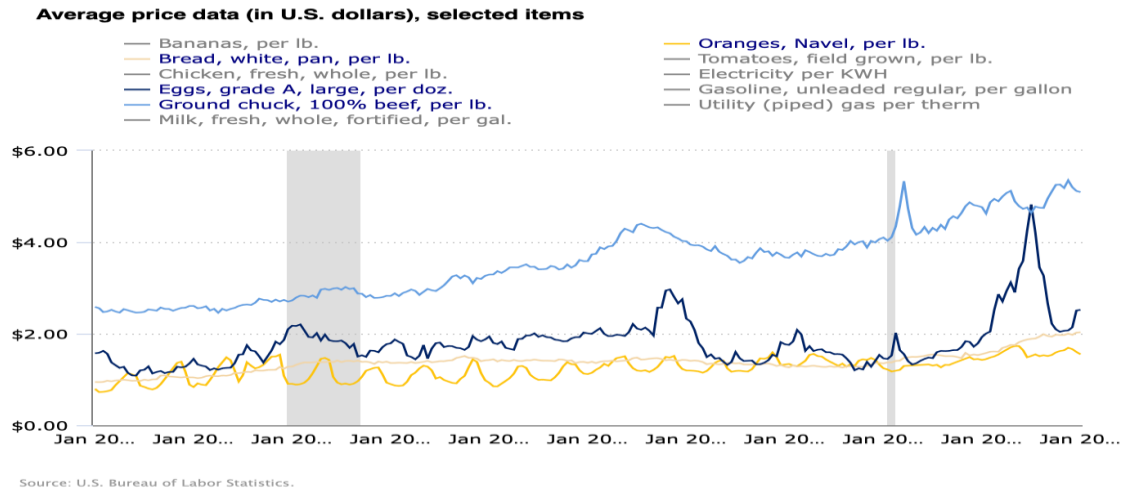
Source: U.S. Bureau of Labor Statistics.

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



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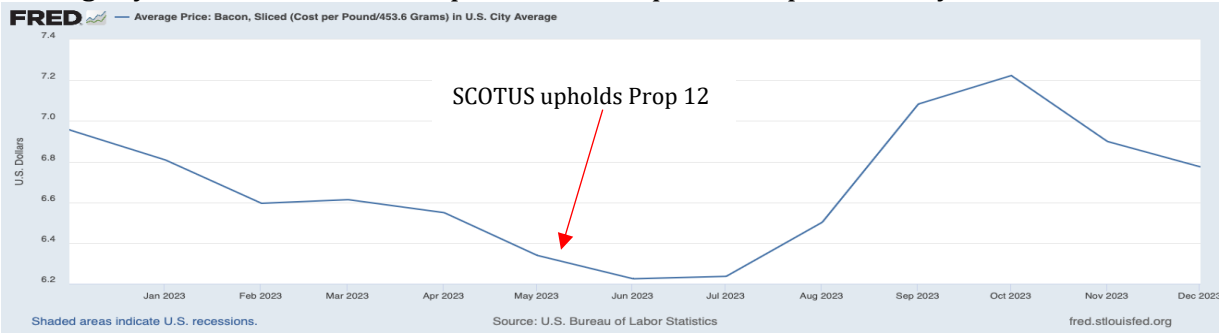
to the overall category of food increasing by 2.6% in January 2024, compared to January 2023.



## Bakersfield Breakfast Barometer

Item	Q	Price	Cost		Percent Change
			Nov 15	Feb 14	
<b>Toast</b>	2	\$4.98/ loaf	\$0.62	\$0.55	-11%
<b>Butter</b>	1 tbs	\$7.14/ lb	\$0.22	\$0.20	-1%
<b>Egg</b>	1	\$4.41/dozen	\$0.37	\$0.38	+3%
<b>Bacon</b>	2 slices	\$8.45/ 16 oz	\$1.21	\$1.27	+5%
<b>Orange Juice</b>	8 oz	\$4.47/ 52 oz	\$0.69	\$0.69	0%
<b>Coffee</b>	8 oz	\$12.89/33.7oz	\$0.05	\$0.05	0%
<b>Cream</b>	0.4 oz	\$3.87/ 32 oz	\$0.05	\$0.05	0%
<b>Total</b>			<b>\$3.21</b>	<b>\$3.19</b>	<b>-1%</b>

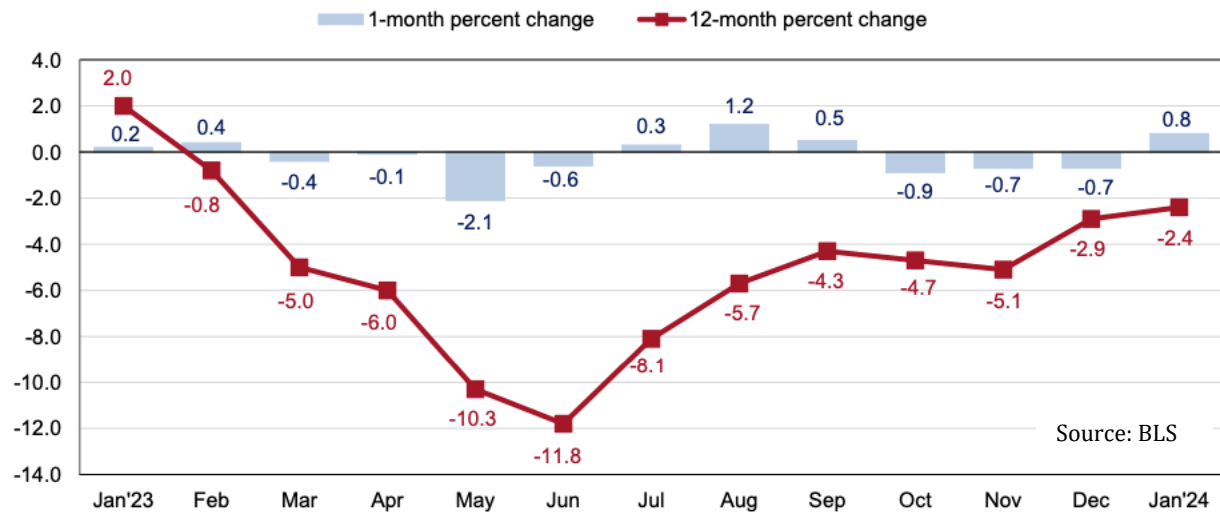
There was a decrease of 1% in the cost of the average breakfast consumed at home in Bakersfield in the last quarter (since Nov). Most items did not see any change in price. Bacon continues to cost more, partly due to Proposition 12 (see graph below). The price of eggs also slightly increased. The US Supreme Court upheld Prop 12 in May of 2023, which was



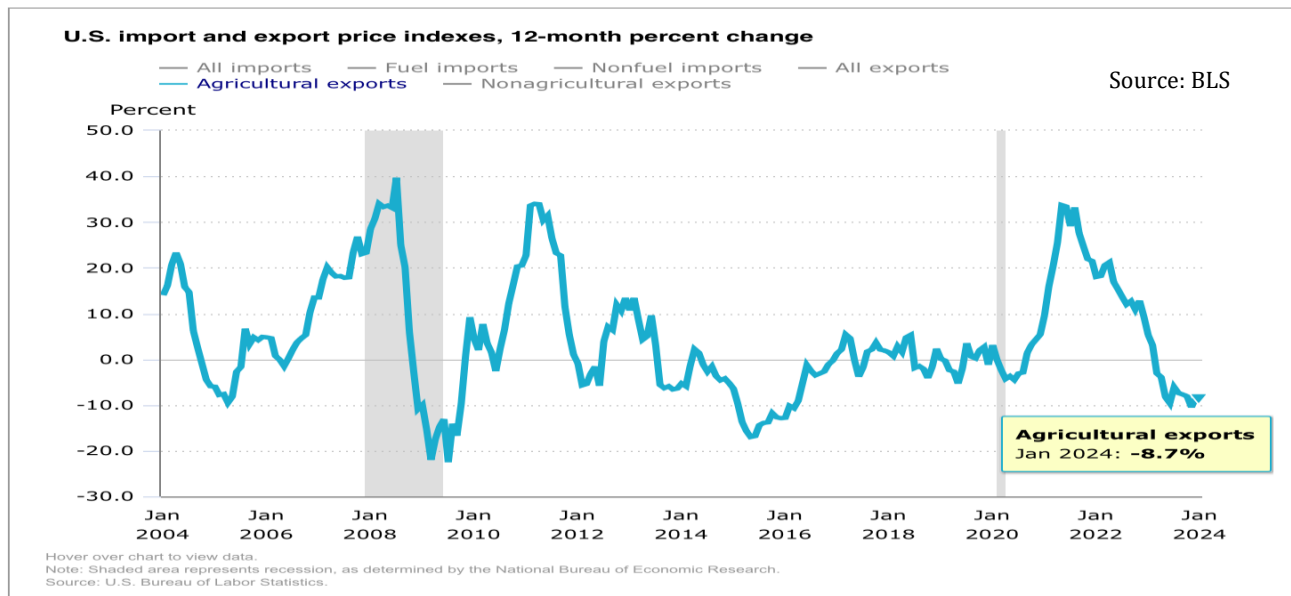
then implemented starting July 2023. California consumes roughly 15% of pork products, which could explain the increase in the average price of bacon starting in July 2023.

## Trade

### One-month and 12-month percent changes in the Export Price Index: Jan 2023 – Jan 2024



Overall export prices increased by 0.8% in January, compared to December. However, for the year ending January, they fell by 2.4%, lower than the year-over-year (YOY) for December. However, when we break it down into categories and see the change in agricultural export prices, we see a different story.



Since December 2023, prices for agricultural exports fell by 1%, mostly due to lower prices for soybeans, animal feed, vegetables and fruit. Compared to January 2023, the YOY decline in agricultural export prices was 8.7%, mostly because of soybeans and corn (30% decrease) (BLS.gov). When you further investigate and consider various categories within agricultural

exports, you can see that specifically the category of *Foods, feeds, and beverages* declined the most (9.3% lower for January YOY).

