



To: KC Farm Bureau
Date: October 16, 2025
Re: Agriculture Trade Report
From: Aaron Hegde

Executive Summary

The October Bakersfield Breakfast Barometer indicates a 5% month-over-month increase in the cost of a typical breakfast. The main driver of this rise is the 24% increase in bacon prices, reflecting both domestic supply constraints and international trade tariffs. Broader grocery prices have shown persistent inflationary pressure, with meats, dairy, and coffee among the largest contributors. Tariff impacts, particularly on imported seafood, continue to affect both consumer costs and market sourcing decisions.

Key Takeaways:

- Breakfast cost up 5% MoM, led by bacon (+24%) and butter (+11%).
- National grocery prices continue to rise due to supply chain issues and tariffs.
- Tariffs on Indian shrimp imports (50%) are shifting demand toward Ecuador, raising domestic shrimp prices.
- Persistent inflation in food commodities could influence consumer spending and local producer margins.

The Economy

Bakersfield Breakfast Barometer

Item	Q	Price (Oct '25)	Cost	Percent Change (MoM)
Toast	2	\$4.39/ loaf	\$0.55	-13%
Butter	1 tbs	\$6.34/lb	\$0.20	+11%
Egg	1	\$5.96/dozen	\$0.50	-7%
Bacon	2 slices	\$10.24/ 12 oz	\$1.46	+24%
Orange Juice	8 oz	\$5.31/ 52 oz	\$0.82	0%
Coffee	8 oz	\$23.62/33.7oz	\$0.10	0%
Cream	0.4 oz	\$4.28/ 32 oz	\$0.05	0%
Total			\$3.68	+5%

Table 1 Cost of breakfast in Bakersfield for 1 person

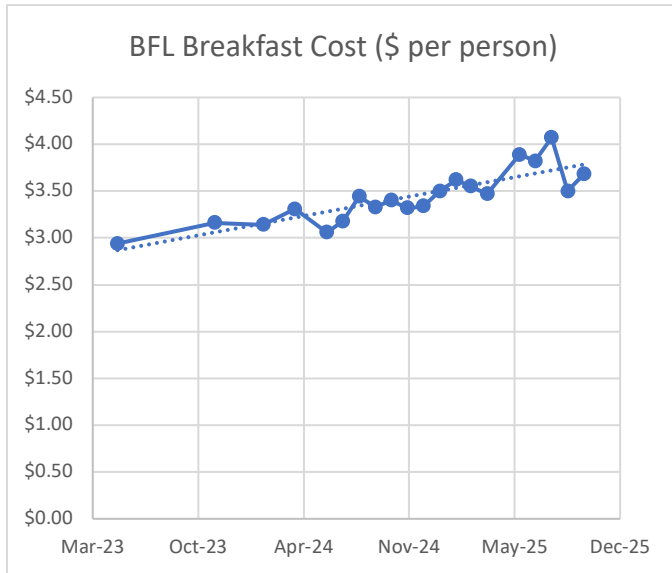


Figure 1 BFL breakfast cost (Mar '23 - Oct '25)

The regularly tracked Bakersfield Breakfast Barometer indicated a 5% increase in the cost of a typical breakfast in Bakersfield for October, compared to the same in September. The big driver, once again, is the cost of bacon (Fig 2). Figure 1 shows the cost of breakfast increasing since Mar 2023.

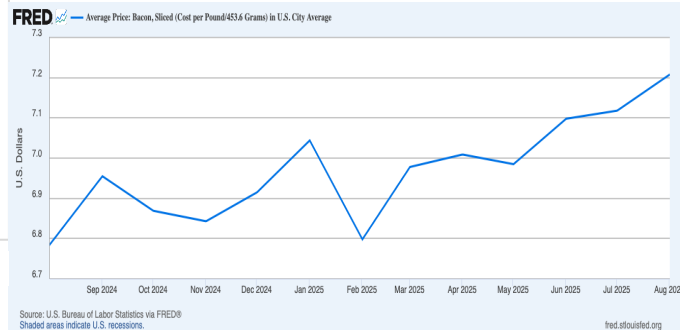


Figure 2 US price of bacon (average) - Sep '24 - Aug '25, Source: FRED

National Food Price Trends and Imports

The continuing trend of increasing grocery prices is a national phenomenon as well. The most basic of commodities is seeing price increases of between 5 and 10%, with some even as high as 40% (coffee, see figure 3)¹. These price increases are forcing consumers to choose cheaper alternatives, or shop more at discount grocery stores. Some of the reasons for the increase in prices, especially in meats,

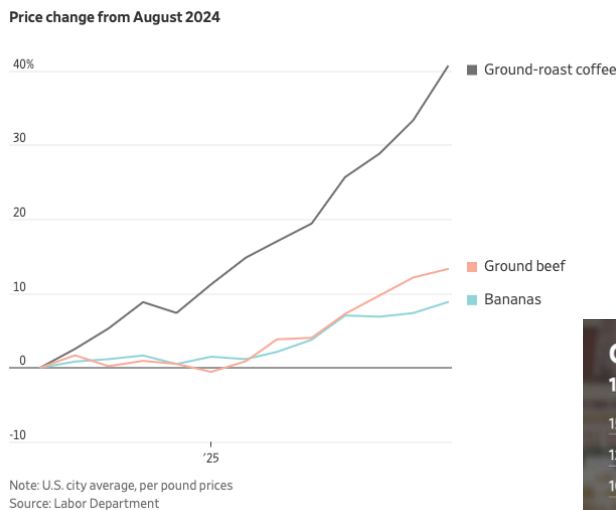


Figure 3 Price changes, select items, Source: WSJ

has to do with supply chain issues, while others have to do with tariffs. Pre-tariff inventory is being replenished and being replaced by higher cost inventory. So,

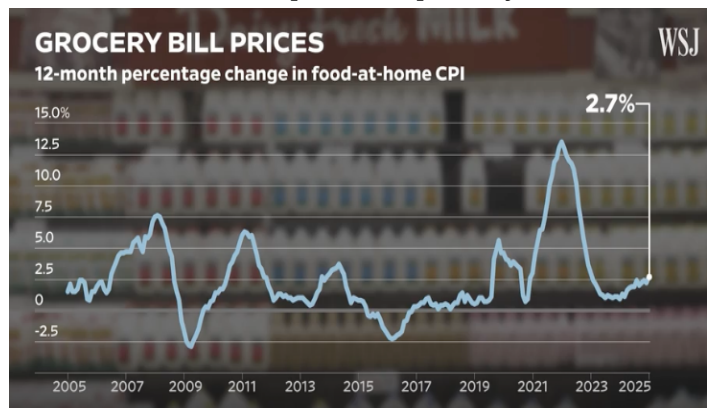


Figure 4 Changes in grocery prices over two decades

¹ WSJ.com. "Grocery Prices Keep Rising. Frustrated Consumers Are Trying to Adapt". Accessed Oct 15, 2025..

prices are being passed along to consumers.

While grocery prices regularly fluctuate (see Figure 4), the general trend in the last few years, especially since the pandemic, has been increasing.

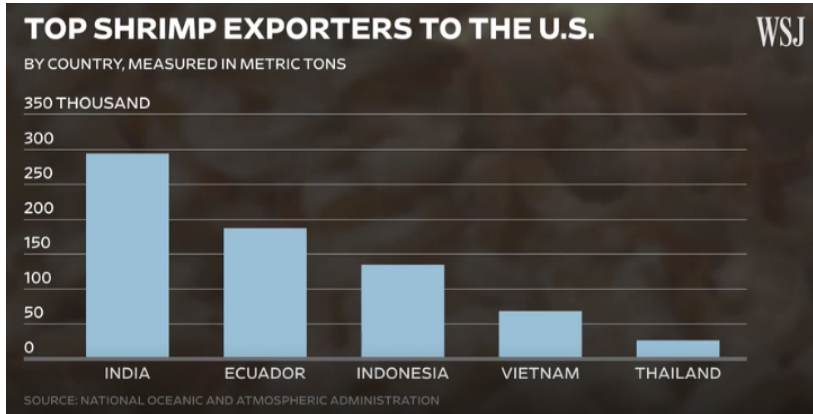


Figure 5 Shrimp Imports

According to WSJ reporting tariffs have been impacted the increase in grocery prices.

The largest exporter of shrimp to the US has been India. Given the 50% tariff rate (currently) imposed on Indian imports, many retailers are switching to Ecuador. This substitution

effect increases the average price of imported shrimp and impacts the overall grocery bill. While the global price of shrimp has been declining the last few years (see Figure 6), the domestic price has seen an increase (see Figure 7).

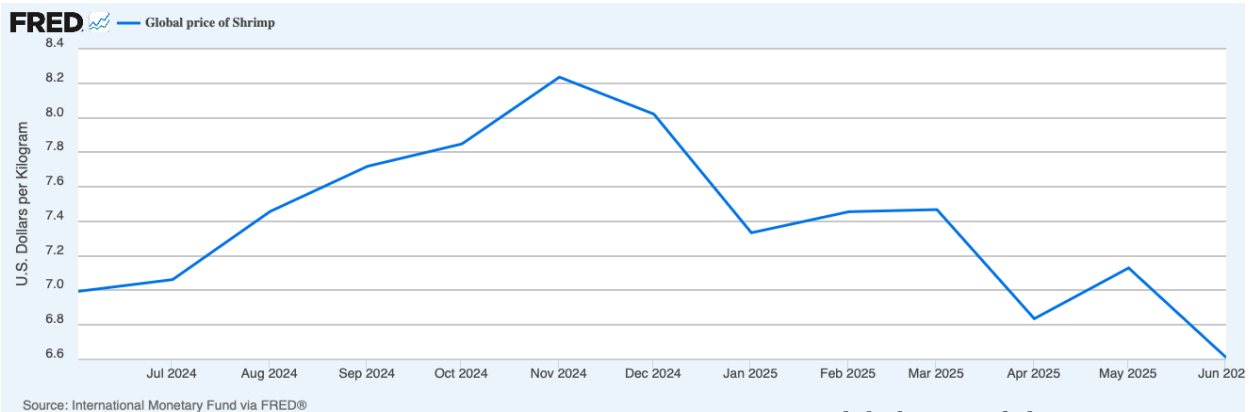


Figure 6: Global price of Shrimp fred.stlouisfed.org

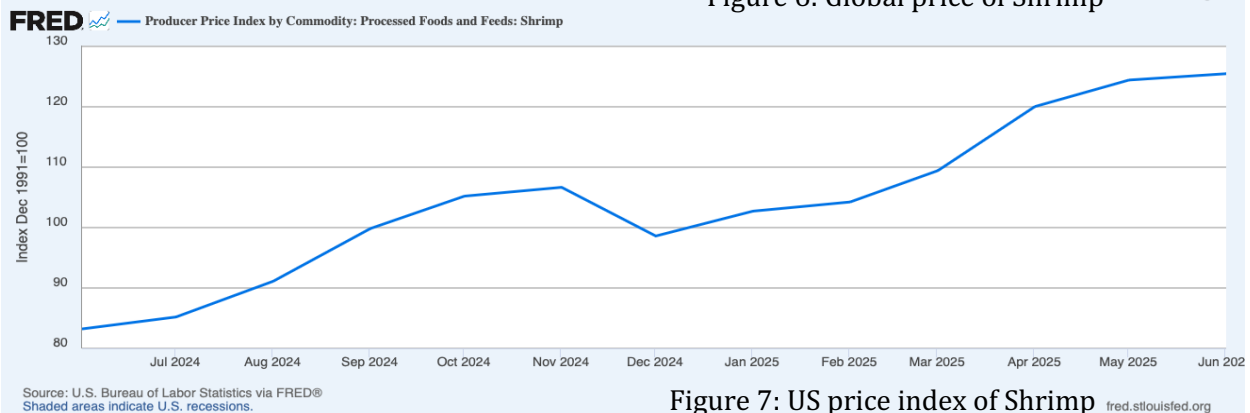


Figure 7: US price index of Shrimp fred.stlouisfed.org

Implications for Kern County

Shoppers are increasingly choosing discount retailers and substituting lower-cost proteins. Rising feed, labor, and input costs remain a challenge for farmers, even as demand for certain commodities remains steady. Global price adjustments may open new market opportunities for local producers if tariffs persist or shift further.