

FEATURE – FOOD PRICES GOING UP

INTRO: A U-S Department of Agriculture economist says food prices are going to start going up. The USDA's Bob Ellison has more. (1:01)

EXPECT THAT TRIP TO THE GROCERY STORE TO GET MORE EXPENSIVE IN THE COMING MONTHS. THE U-S DEPARTMENT OF AGRICULTURE'S ECONOMIC RESEARCH SERVICE SAYS FOOD PRICES SHOULD RISE THREE PERCENT ACROSS THE BOARD WITH PRODUCE LEADING THE WAY.

Ephraim Leibtag, USDA ERS: Fruit and vegetable prices were very weak in two thousand and nine. Especially fresh fruits and vegetables. Those are areas where we've had the highest projected inflation.

PRICES ON THE MEAT AND FISH AISLE WILL BE GOING UP, BUT NOT AS MUCH AS OTHER FOOD ITEMS.

Leibtag: On the low end the meat products are just around two percent for beef and pork and a little bit higher for poultry and fish.

LEIBTAG SAYS ONE OF THE BIG REASONS FOR INCREASES WILL BE GROCERY STORES RETURNING TO NORMAL PRICING AS THE ECONOMY IMPROVES.

Leibtag: As costs have begun to stabilize a little bit in terms of the food products they are buying and hopefully as consumers and the economy in general improve, we see a little bit less of that aggressive price cutting.

I think there is potential for resurgence of inflation this year and into two thousand eleven.

IN WASHINGTON D-C FOR THE U-S DEPARTMENT OF AGRICULTURE I'M BOB ELLISON.