

FOOD

by Michelle Bowles

4.51
billion bushels

The amount of corn, wheat and soybeans, as of April 28, controlled by commodity index funds through the Chicago Board of Trade—a 66 percent increase since January 2006. Also in late April, index investment from speculators accounted for more than \$35 billion.

SOURCE: JEFF WILSON, BLOOMBERG; POET LLC

43%

The increase in fuel costs paid by farmers during the first four months of 2008 over the first four months of 2007. Farmers are paying more across the board: Fertilizer costs in the first four months of 2008 were up 67 percent over the same time period in 2007, while feed prices were up 23 percent.

SOURCE: JOSEPH GLAUBER, USDA

What's behind the rising
food prices?

& FUEL FACTS

112%

The increase in meat consumption per capita in China since 1995. In 2007, meat consumption was 117 pounds per person per year, compared to 68 pounds in 1999 and 55 pounds in 1995. China's growing middle class demands more protein, and in turn more livestock feed is needed.

SOURCE: BIOFUELS DIGEST

2.5

billion bushels

The expected amount of corn to be exported from the United States this year—an almost 70 percent increase from 1997–1998, when approximately 1.5 billion bushels of corn were exported. Demand increased more than 17 percent since last year, when exports clocked in at 2.1 billion bushels.

SOURCE: POET LLC

A quick trip to the supermarket proves that food prices are high and rising. Various factors are contributing to elevated prices for food and commodities, including increased demand for U.S. corn exports, China's GDP growth and upward middle class, all-time high energy prices and agriculture index investment by speculators.