

# Food Price Inflation

**Jayson L. Lusk**

**Distinguished Professor and Head  
Department of Agricultural Economics**

**Purdue University**

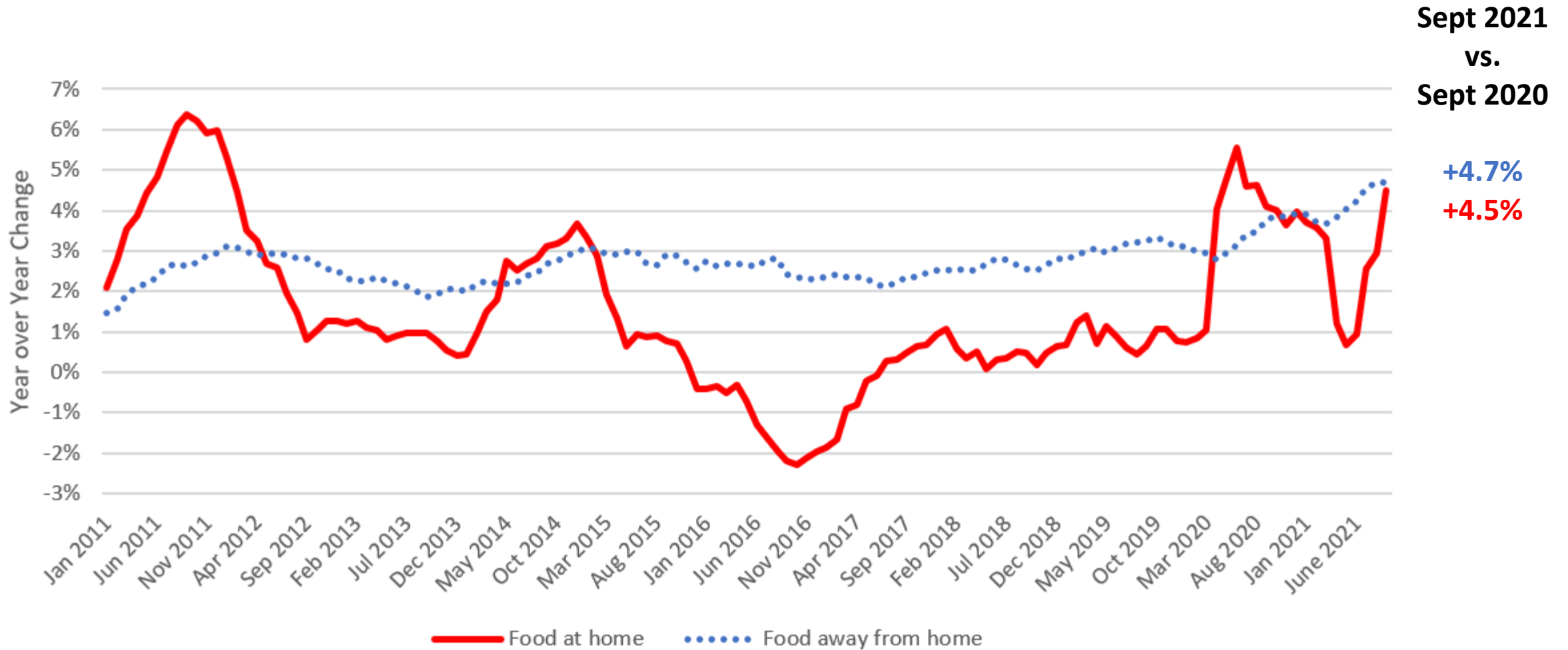
**[jlusk@purdue.edu](mailto:jlusk@purdue.edu)**

**[www.jaysonlusk.com](http://www.jaysonlusk.com)**

**@JaysonLusk**



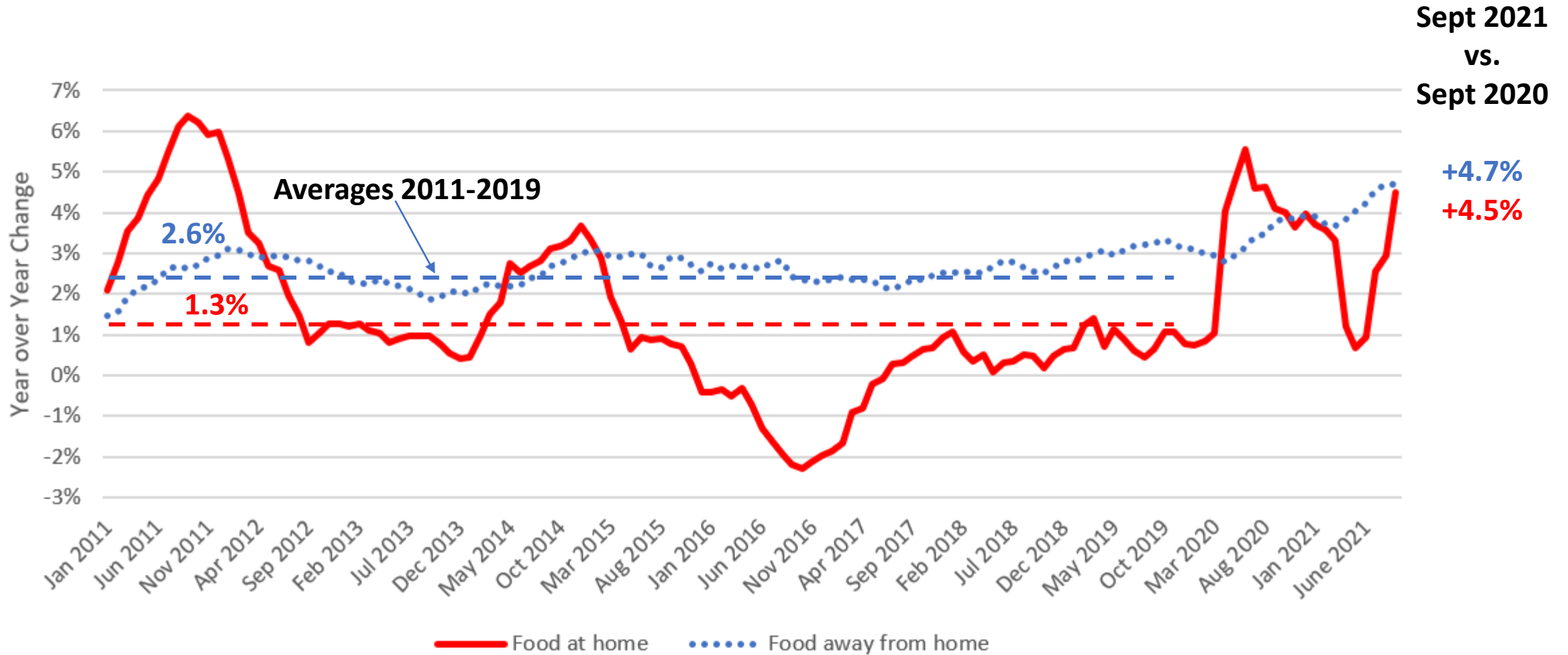
# U.S. Retail Food Prices (Year over Year change)



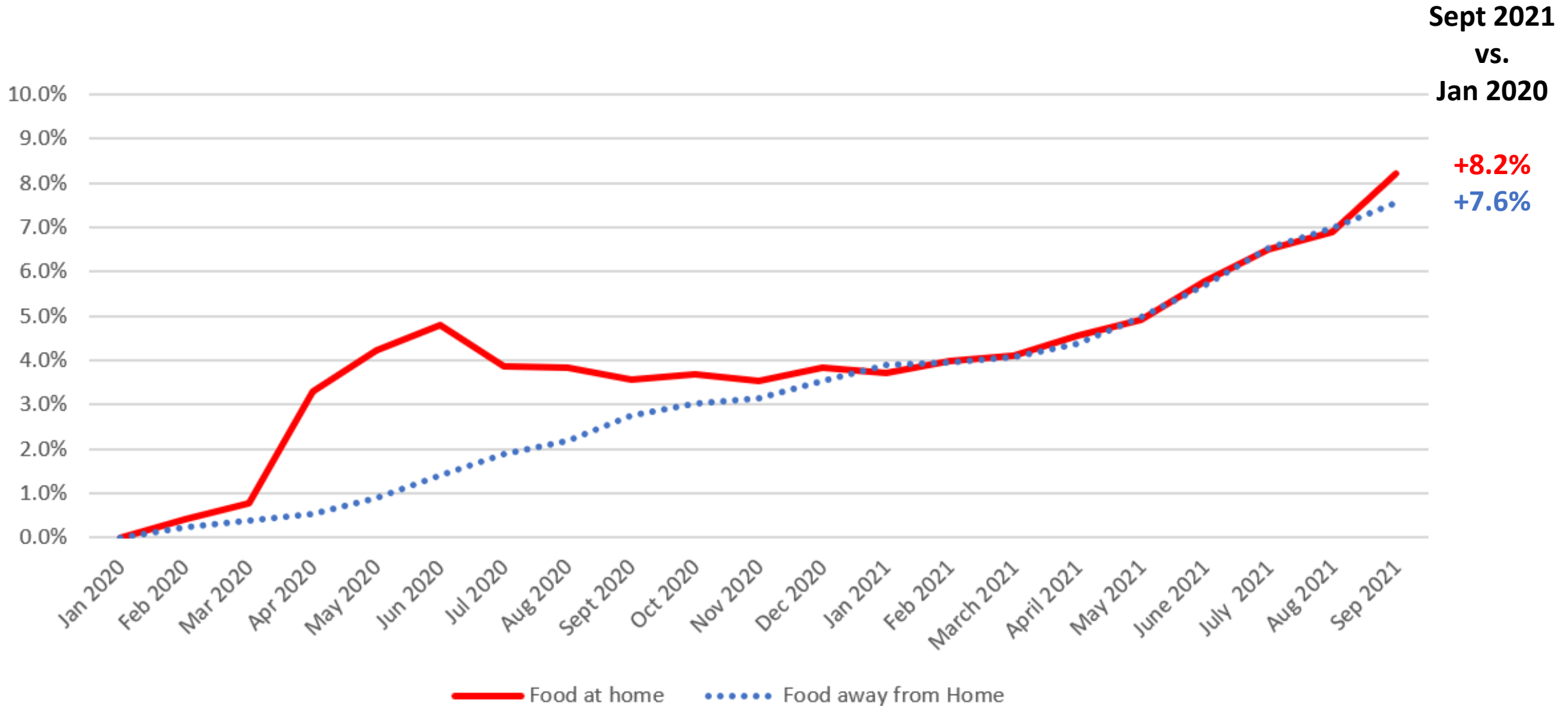
Sept 2021  
vs.  
Sept 2020

+4.7%  
+4.5%

# U.S. Retail Food Prices (Year over Year change)



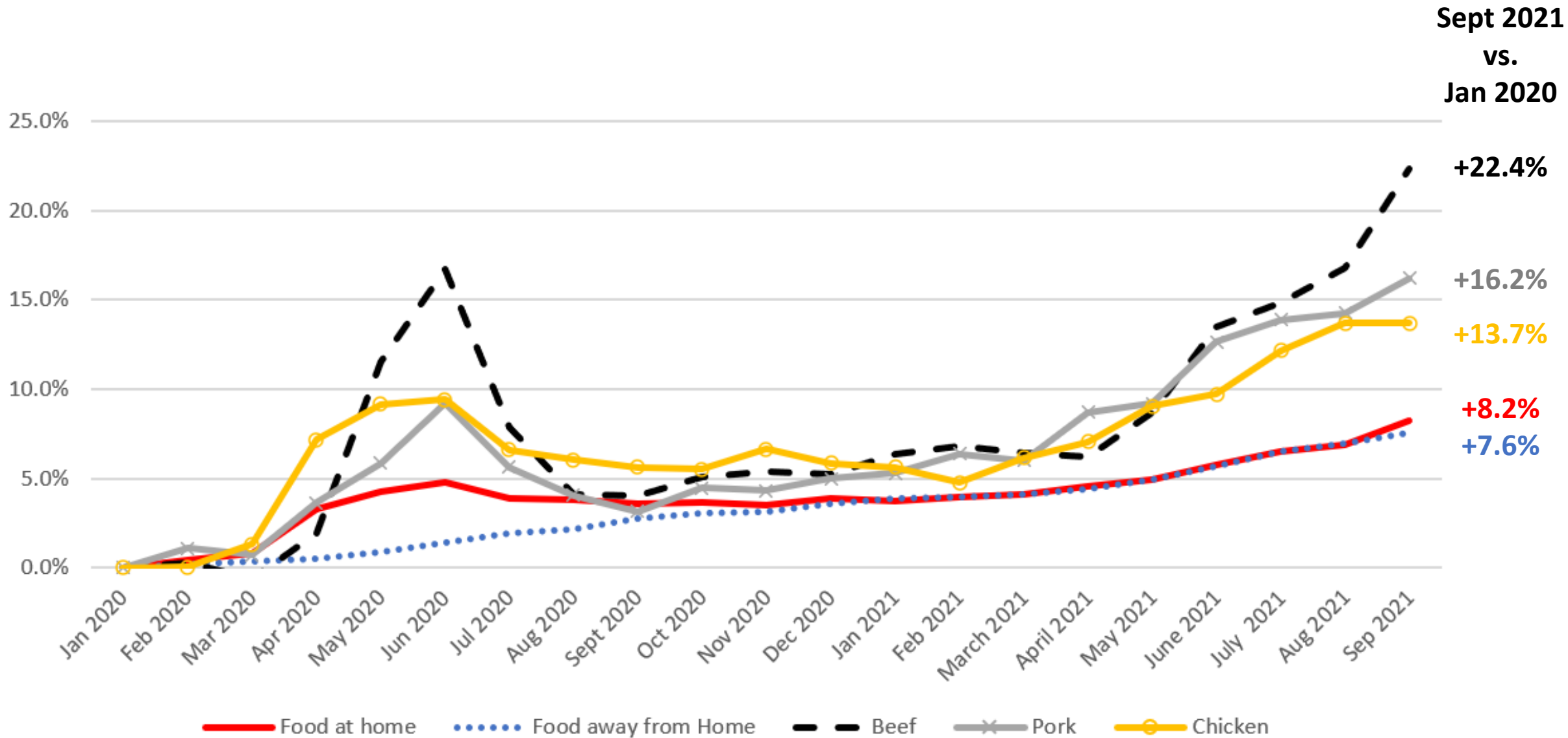
# U.S. Retail Food Prices (change since Jan 2020)



Sept 2021  
vs.  
Jan 2020

+8.2%  
+7.6%

# U.S. Retail Food Prices (change since Jan 2020)



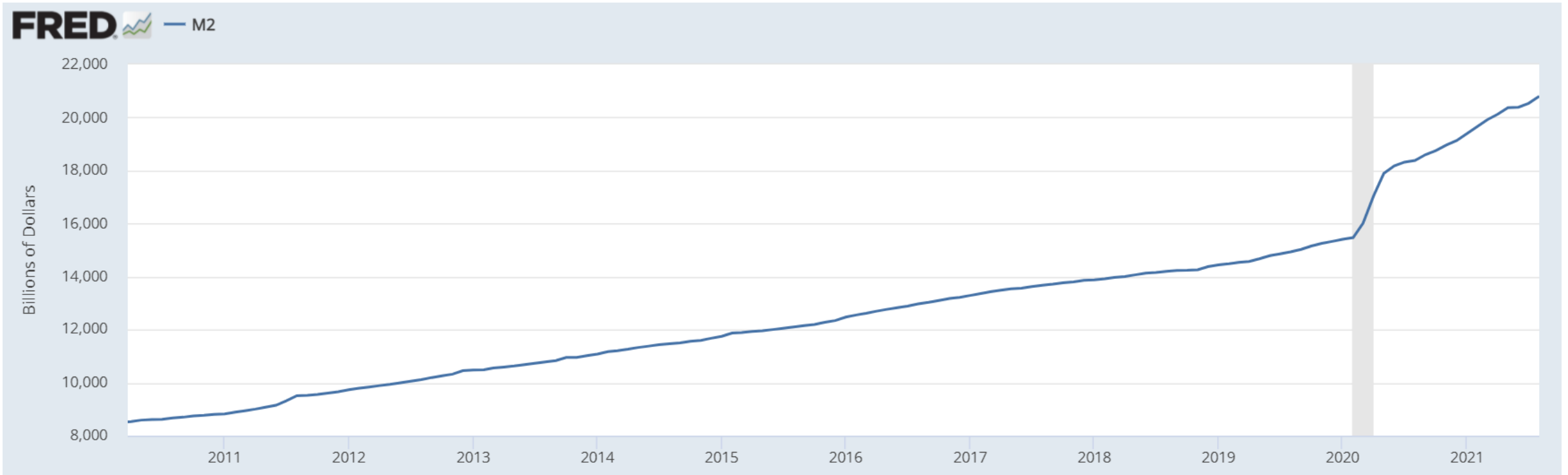
Source: Lusk analysis of data from Bureau of Labor Statistics

# Drivers

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- Monetary
- Demand Side
- Supply Side

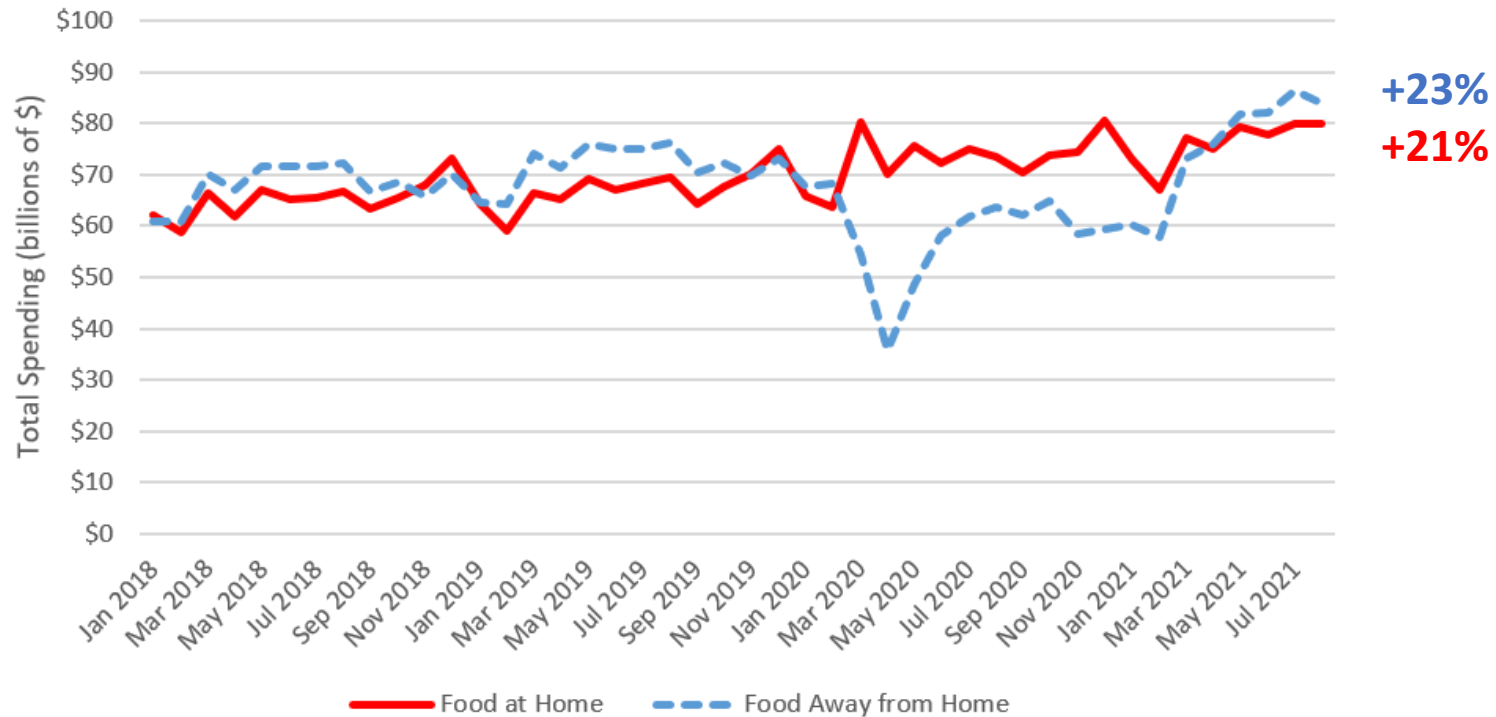
# Money Supply



# Demand

- Pantry loading
- Return of food away from home

Aug 2021  
vs.  
Jan 2020





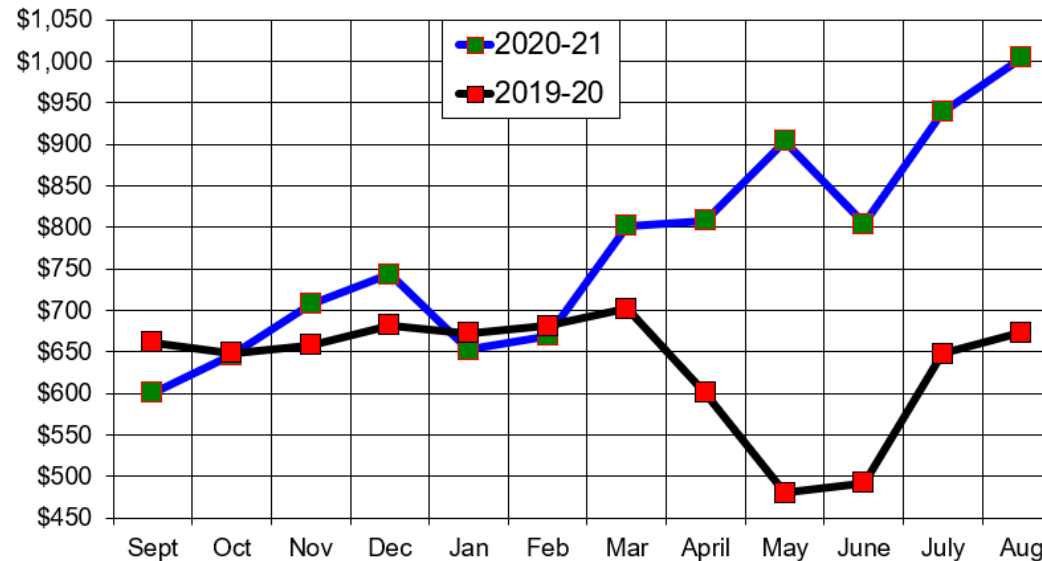
# Demand

- Strong export demand

## U.S. Beef Exports Year-over-Year

(Including variety meat)

Value: Millions of Dollars



# Supply

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- Agricultural commodity prices
  - Corn since January 2020



# Supply

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- Labor challenges and wage rates
  - Changes in weekly wage rates since Jan 2020
    - food manufacturing +10.3%
    - food retail (grocery) +7.1%
    - food service (restaurant) +13.4%
    - Animal slaughtering +17.6%
  - Policy or COVID induced?

# Supply

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- Logistics and cost of transportation
- Supply chain disruptions

# Transitory or Permanent?

**Contact:**

**[jlusk@purdue.edu](mailto:jlusk@purdue.edu)**

**765-494-1903**

**[www.jaysonlusk.com](http://www.jaysonlusk.com)**

**@JaysonLusk**

