

# Global food prices jump 1.4% in September

October 4 2012

---



People buy vegetables at a market in Huaibei, in eastern China's Anhui province. Global food prices rose by 1.4 percent in September after holding steady for two months as cereals, meat and dairy prices climbed, the UN Food and Agricultural Organization said Thursday.

Global food prices rose by 1.4 percent in September after holding steady for two months as cereals, meat and dairy prices climbed, the UN Food and Agricultural Organization said Thursday.

The , a monthly measure of changes in a basket of food commodities, edged up three points to 216 points in September.

"Following two months of stability, the Index rose slightly, mostly on strengthening dairy and meat [prices](#) and more contained increases for cereals," a FAO statement said.

Prices of sugar and oils fell, it added.

The overall index remains far off the record 238 points reached in February 2011, and is four percent lower than in September 2011.

The cereals sub-index also rose, by one percent or three points from August to 263 points in September, as gains in wheat and rice offset a decline in [maize](#).

While gains in maize, or corn, prices had been behind most of the increases in recent months, the FAO said tightening wheat supplies were also becoming a concern.



A field of maize in Godewaersvelde, northern France. Gains in maize, or corn, prices have been behind most of the world food price increases in recent months, but the FAO says tightening wheat supplies are also becoming a concern.

The FAO said the Cereal Price Index is seven percent higher than in the corresponding period last year but still four percent below the peak of 274 points registered in April 2008.

The meat [price index](#) rose 2.1 percent, with pork and chicken prices seeing the biggest gains.

The dairy index jumped by seven percent from August, registering its sharpest monthly gain since January 2011, said the FAO.

The FAO said its latest forecasts confirm a decline in global cereal production this year from the record registered in 2011.

"At the currently forecast level, world cereal production in 2012 would be 2.6 percent down from the previous year's record crop but close to the second largest in 2008," said the FAO.

The overall decrease comprises a 5.2 percent reduction in [wheat production](#) and a 2.3 percent reduction for coarse grains, it added.

The FAO has already forecast for two months that grains consumption would outstrip production, with stocks being drawn down.

It expects grains stocks to fall by 28 million tonnes to 499 million tonnes at the end of seasons in 2013, despite global demand sliding as a result of high prices.

It noted that production has been affected by drought in key producing areas such as the United States, Europe and Central Asia.

However the FAO noted that record harvests are expected in what it calls Low-Income Food-Deficit Countries (LIFDCs), except for India where the harvest is expected to be stable.

Nevertheless, the higher prices are expected to drive the [cereals](#) import bills for those 65 countries up by 3.7 percent from last year a record \$36.5 billion in 2012/2013, said the FAO.

(c) 2012 AFP

Citation: Global food prices jump 1.4% in September (2012, October 4) retrieved 26 April 2024 from <https://phys.org/news/2012-10-global-food-prices-september.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.