

FBN Shopping Cart Prices Fall for First Time in Four Month



By [Mark Lieberman, Senior Economist](#)/ FOXBusiness

Despite a sharp increase in the price of dairy products, the price of the items in the FOX Business shopping cart dropped in January . the first monthly decline in four months.

The 31-item shopping cart cost \$71.43 in January, 59 cents - or 0.8% - less than in December, the steepest month-month decline since September. Year-over-year, though, the cost of the items in the shopping cart has dropped for seven straight months, the longest such stretch since June through December 2005.

The month-month decline in prices, combined with an increase in average hourly [earnings](#) . from \$18.84 in December to \$18.89 in January - meant it took the average wage earner about two and a half minutes less to earn the cost of the cart in January than in December and more than 12 minutes less than it took in January 2009. The month-month decline in minutes-to-earn was the largest since last July.

FBN calculates [minutes-to-earn](#) by dividing the cost of the basket by average hourly earnings as reported by the Bureau of Labor Statistics ([BLS](#): undefined, undefined, undefined%), which also collects average price data in compiling the [Consumer Price Index](#) report.

Prices declined in four of the five categories of foods which make up the shopping cart, increasing only for dairy products, which increased 3.8%. Prices for produce fell 2.5%, for meat 1.2%, for grain products 0.7% and [other](#) items such as cola, chocolate chip cookies, beer, potato chips peanut butter and sugar dropped 0.3%.

Ice cream and milk led prices up in the dairy category with a half gallon of ice cream up almost 6%, or 25 cents, to \$4.48 and the price of a gallon of milk up 13 cents, or 4.2%, to \$3.24.

Some other January price increases . for ham and snack foods . were expected. Ham, according to analysts, had dropped in price in December to accommodate holiday dinners. The price of ham rebounded in January, up about 3.5%. At the same time, food stores had increased the prices of some snack foods for holiday entertaining but lowered them in January as demand weakened with New Years [weight loss resolutions](#). The price of a pound of chocolate chip cookies, for example, fell 13 cents, or 3.7%, from December to January. The price of a pound of cookies has come down from December in four of the last five Januarys.

According to Bill Hahn of the Department of Agriculture's Economic Research Service ([ERS](#): undefined, undefined, undefined%), production of beef and pork products has increased in the last year, adding to supply and bringing prices down.

The BLS reported that for January food prices increased about 0.2% in January, with the cost of [food at home](#) up 0.4%, while the cost of [food away from home](#) was up 0.1%. In the last year, the cost of food is down 0.4% led by a 2.0% drop in the cost of food at home while the cost of food away from home rose 1.6%.

Prices rose in January for 13 of the 31 items in the FBN cart compared with December, when prices increased for 20 items.

MONTH-MONTH INCREASES (%)

Item	Price	%
Ice cream, prepackaged, per 1/2 gal.	\$4.48	5.90%
Flour, white all purpose, per lb.	\$0.49	5.80%
Milk, fresh, whole, fortified, per gal.	\$3.24	4.20%
Butter, salted, grade AA, stick, per lb.	\$2.78	4.10%
All ham, per lb	\$2.23	3.50%

MONTH-MONTH INCREASES (\$)

Item	Price	\$
Ice cream, prepackaged, per 1/2 gal.	\$4.48	\$0.25
Milk, fresh, whole, fortified, per gal.	\$3.24	\$0.13
Butter, salted, grade AA, stick, per lb.	\$2.78	\$0.11
All ham, per lb	\$2.23	\$0.07
All pork chops, per lb.	\$3.08	\$0.06

YEAR-YEAR INCREASES (%)

Item	Price	%
Tomatoes, field grown, per lb.	\$1.84	10.50%
Sugar, white, per lb	\$0.61	7.70%
Grapefruit	\$0.84	5.90%
Cookies, chocolate chip, per lb.	\$3.28	5.30%
Malt beverages, all types, per 16 oz.	\$1.23	3.50%

YEAR-YEAR INCREASES (\$)

Item	Price	\$
Tomatoes, field grown, per lb.	\$1.84	\$0.18
Cookies, chocolate chip, per lb.	\$3.28	\$0.17
Bologna, all beef or mixed, per lb.	\$3.16	\$0.05
Grapefruit, per lb	\$0.84	\$0.05
Sugar, white, per lb	\$0.61	\$0.04

MONTH-MONTH DECREASES (%)

Item	Price	%
Steak, sirloin, USDA Choice, boneless, per lb.	\$5.31	-6.40%
Tomatoes, field grown, per lb.	\$1.84	-6.30%
Broccoli	\$1.56	-6.30%
Grapefruit	\$0.84	-3.70%
Cookies, chocolate chip, per lb.	\$3.28	-3.70%

MONTH-MONTH DECREASES (\$)

Item	Price	\$
Steak, sirloin, USDA Choice, boneless, per lb.	\$5.31	(\$0.36)
Beef for stew, boneless, per lb.	\$3.63	(\$0.13)
Cookies, chocolate chip, per lb.	\$3.28	(\$0.13)
Tomatoes, field grown, per lb.	\$1.84	(\$0.12)
Broccoli	\$1.56	(\$0.10)

YEAR-YEAR DECREASES (%)

Item	Price	%
Potatoes, white, per lb.	\$0.56	-16.70%
Butter, salted, grade AA, stick, per lb.	\$2.78	-12.20%
Broccoli	\$1.56	-9.90%
All Ham, per lb	\$2.23	-9.50%
Milk, fresh, whole, fortified, per gal.	\$3.24	-9.50%

YEAR-YEAR DECREASES (\$)

Item	Price	\$
Steak, sirloin, USDA Choice, boneless, per lb.	\$5.31	(\$0.43)
Butter, salted, grade AA, stick, per lb.	\$2.78	(\$0.39)
Milk, fresh, whole, fortified, per gal.	\$3.24	(\$0.34)
American Cheese, per lb.	\$3.88	(\$0.25)
All Ham, per lb	\$2.23	(\$0.23)

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