

High Fuel, High Commodity Prices and High Food: Do you know the real comparison?

We have all heard the nightly news covering the high prices of everything, including fuel and food. With commodity prices high, of course the comparison is made that the high food prices are due to the high commodity prices. Each commodity is different depending on the amount of processing necessary. Below is interesting information, that you may have already seen, but it always good to be aware of the facts to counteract some of the misinformation from consumers. This information is from the AFBF Backgrounder, "Comparing Farm Gate and Retail Prices".

The Value of corn in a box of Corn Flakes:

There are 896 oz. in a bushel of corn and there is 12.9 oz of corn in an 18 ounce box of corn flakes. The table below shows the actual value of the corn in a box of corn flakes.

Amount of corn in Box of corn Flakes	Corn price per Bushel	Time period	Corn cents per ounce	Value of the corn in a box of Corn Flakes
12.9 oz	\$2.28	20 year avg. 1986-2006	.25	3.3 cents
	\$3.40	2007	.38	4.9 cents
	\$5.50	Current price	.61	7.9 cents

The Value of Wheat in bread and flour:

One bushel of wheat produces 42 pounds of flour, which can be used to produce approximately 65 to 70 one- pound loaves of bread, (depending on the wheat variety and where it is grown).

Amount of wheat in one loaf of bread	Current wheat price per bushel	Wheat cost in 1 loaf of bread	Average retail cost 20-oz loaf of bread	Value of wheat in a loaf of bread
.014 bus	\$9.10	13 cents	\$1.78	9 %

The Average % producers receive for milk:

The average price farmers received for fluid milk in Feb. 2008 was \$20.25 per 100 pounds or 12.5 gallons. That equals \$1.62 per gallon received by the farmer or 46 % of the average retail price.

Soybeans compared to soybean oil cost:

One bushel of soybeans, crushed will make 5.5 (32 ounce) bottles of oil.

Soybeans in 5.5 32 oz bottles of oil	Current soybean price per Bushel	Soybean cost in 1 bottle of oil	Average retail cost of 32 oz bottle of oil	Value of soybeans in 1 bottle of oil
1 bushel	\$11.35	\$2.06	\$2.63	78%

Information supplied by ^{USDA}, ERS, ^{USDA} data, April 3, 2008, North Dakota Wheat Commission, Kansas Wheat Commission, Courtesy Chicago Board of Trade