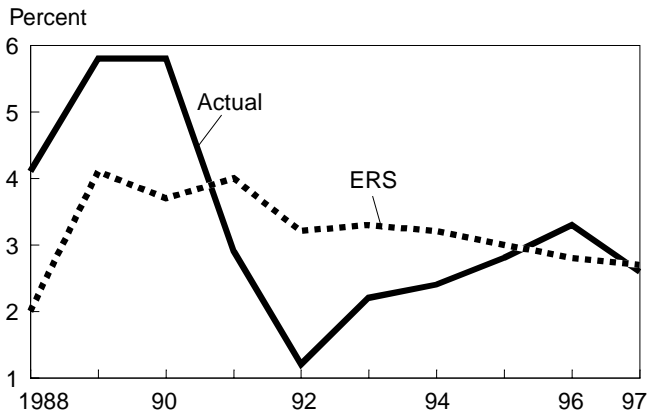
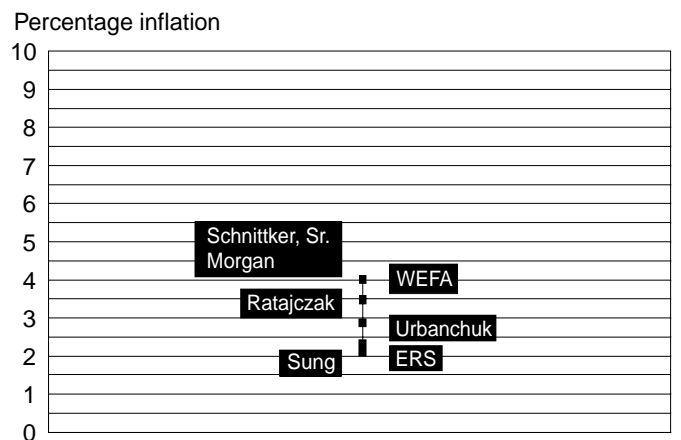


Figure 1
Annual Forecasts by ERS
All food CPI percentage change



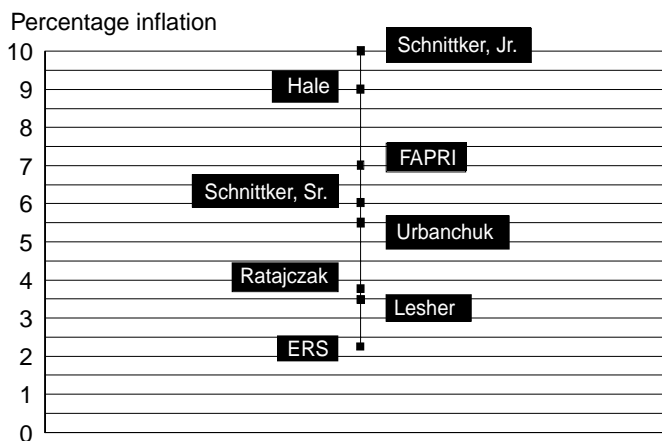
Source: USDA/ERS.

Figure 2
Forecast spread
Food price forecast for 1996



Source: USDA/ERS.

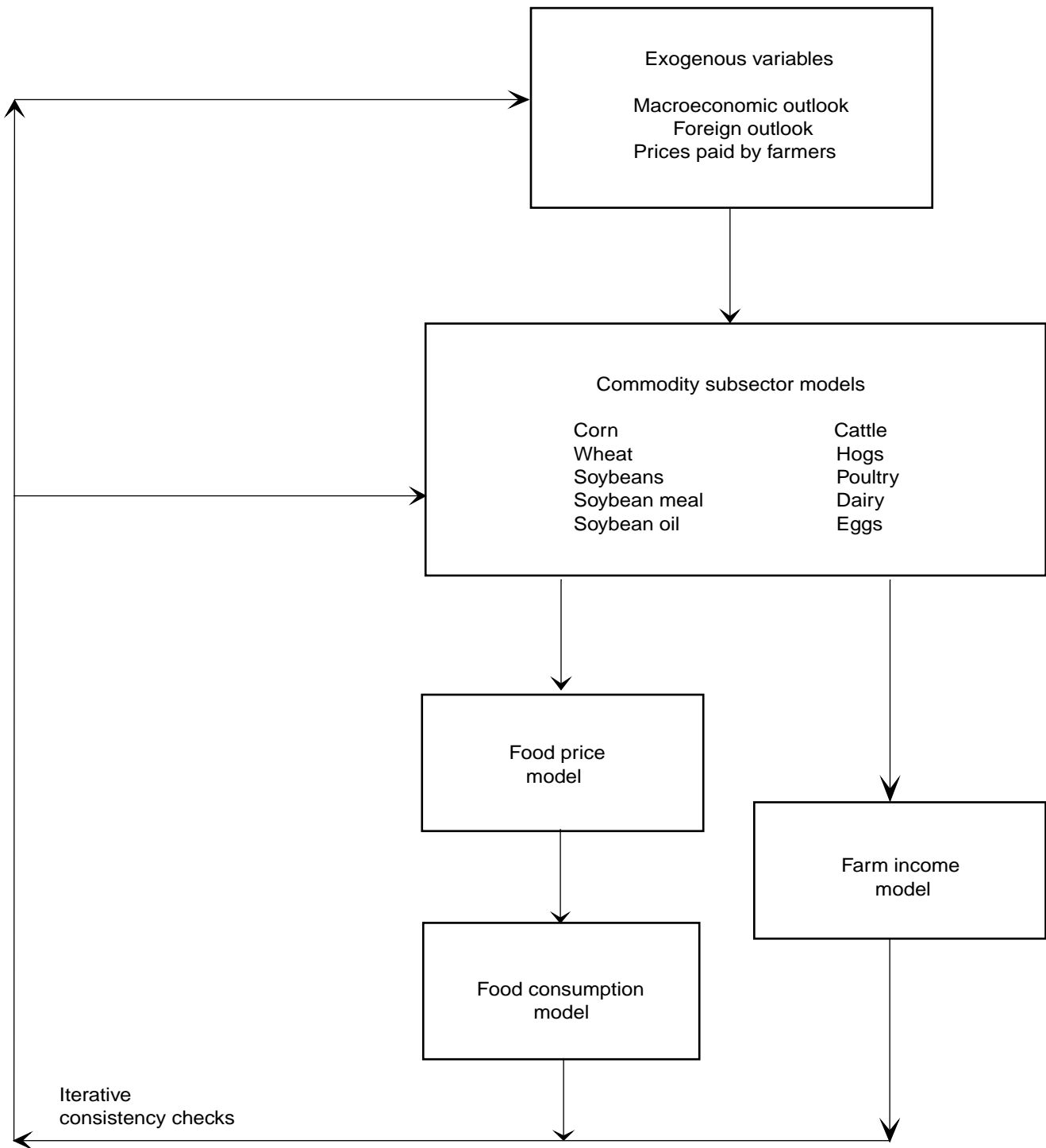
Figure 3
Forecast spread
Food price forecast for 1997



Source: USDA/ERS.

Figure 4

The quarterly agricultural forecasting model

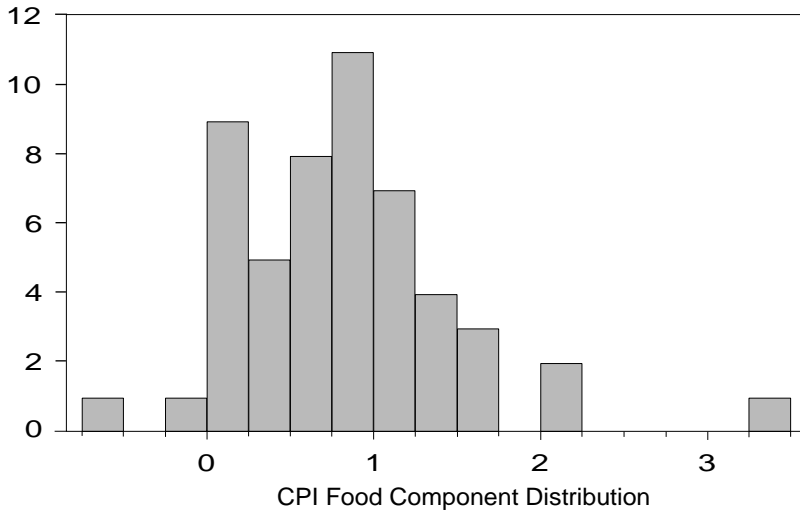


Source: P. C. Westcott, (1986).

Histograms for Food CPI Components

Figure 5a

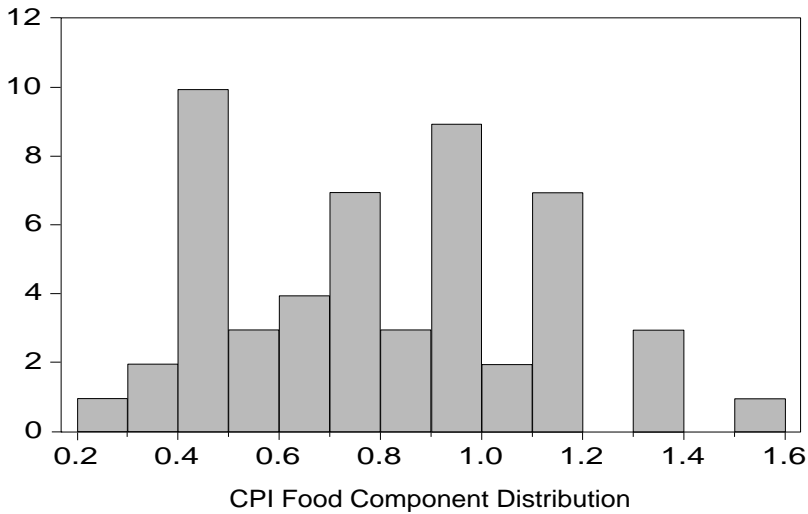
All Food



Series: ALLFOOD	
Sample 1984:2 1997:1	
Observations 52	
Mean	0.817712
Median	0.785000
Maximum	3.310000
Minimum	-0.511000
Std. Dev.	0.648377
Skewness	1.122397
Kurtosis	5.894831
Jarque-Bera	29.07481
Probability	0.000000

Figure 5b

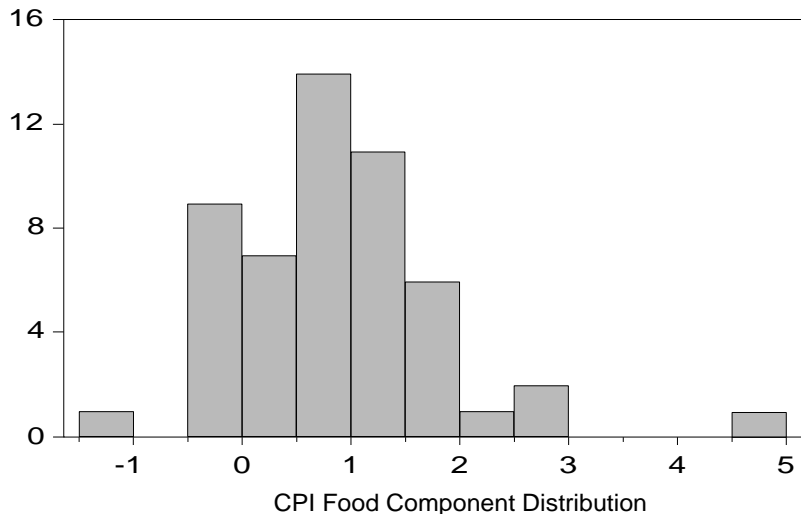
Food Away From Home



Series: FOODAWAY	
Sample 1984:2 1997:1	
Observations 52	
Mean	0.804077
Median	0.786500
Maximum	1.527000
Minimum	0.277000
Std. Dev.	0.310028
Skewness	0.288042
Kurtosis	2.206911
Jarque-Bera	2.081873
Probability	0.353124

Figure 5c

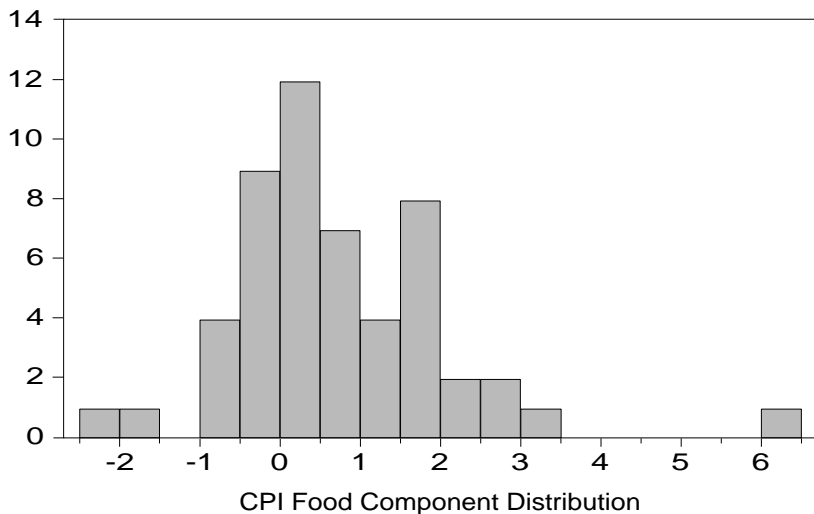
Food At Home



Series: FOODHOME	
Sample 1984:2 1997:1	
Observations 52	
Mean	0.834500
Median	0.772000
Maximum	4.607000
Minimum	-1.313000
Std. Dev.	0.972866
Skewness	1.023017
Kurtosis	5.946235
Jarque-Bera	27.87753
Probability	0.000001

Figure 5d

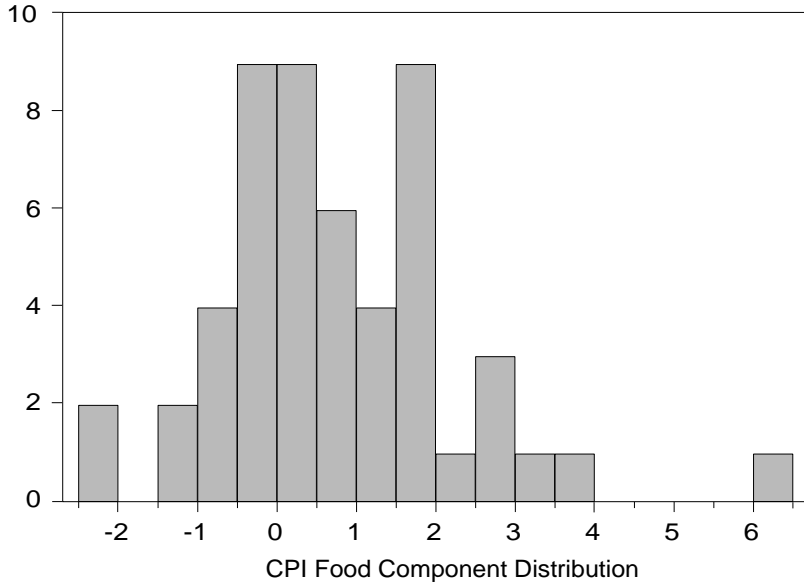
Meat, Poultry & Fish



Series: MPF	
Sample 1984:2 1997:1	
Observations 52	
Mean	0.755308
Median	0.451500
Maximum	6.377000
Minimum	-2.040000
Std. Dev.	1.368059
Skewness	1.322907
Kurtosis	6.975564
Jarque-Bera	49.41180
Probability	0.000000

Figure 5e

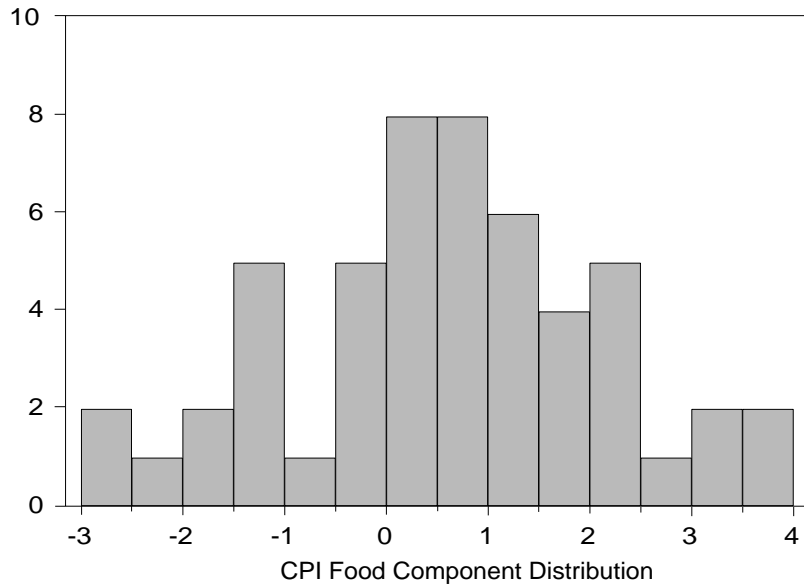
Meats



Series: MEATS	
Sample 1984:2 1997:1	
Observations 52	
Mean	0.713212
Median	0.409000
Maximum	6.010000
Minimum	-2.257000
Std. Dev.	1.474338
Skewness	0.911154
Kurtosis	4.879733
Jarque-Bera	14.85077
Probability	0.000596

Figure 5f

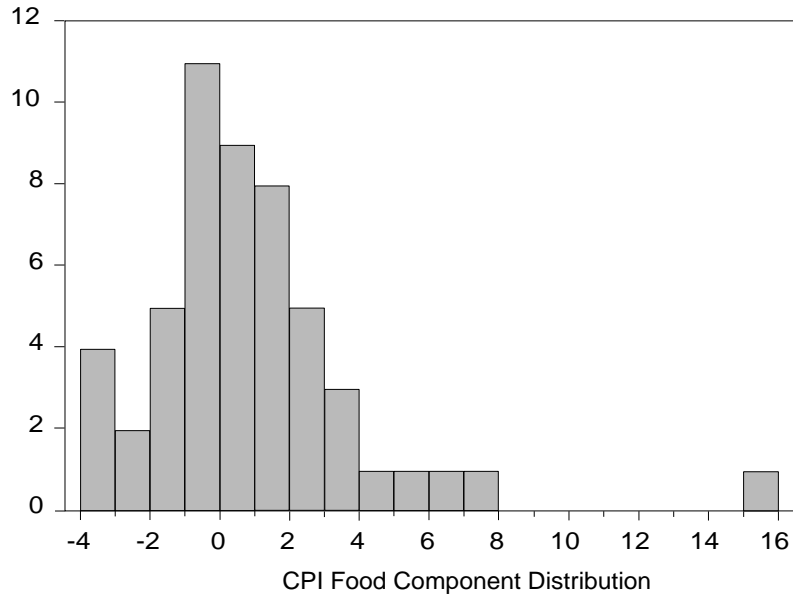
Beef & Veal



Series: BEEFVEAL	
Sample 1984:2 1997:1	
Observations 52	
Mean	0.586212
Median	0.567500
Maximum	3.881000
Minimum	-2.856000
Std. Dev.	1.548838
Skewness	-0.144344
Kurtosis	2.697004
Jarque-Bera	0.379486
Probability	0.827172

Figure 5g

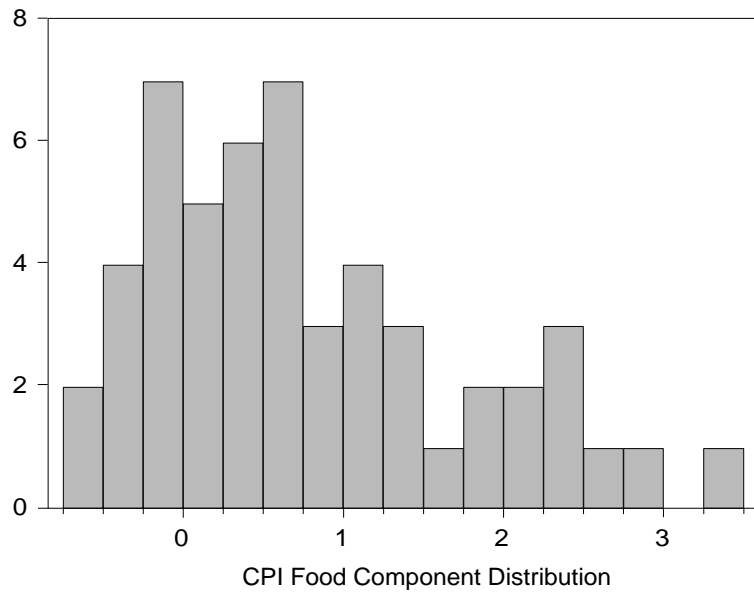
Pork



Series: PORK	
Sample 1984:2 1997:1	
Observations 52	
Mean	0.933173
Median	0.253500
Maximum	15.02200
Minimum	-3.834000
Std. Dev.	3.187910
Skewness	1.836979
Kurtosis	8.885498
Jarque-Bera	104.2969
Probability	0.000000

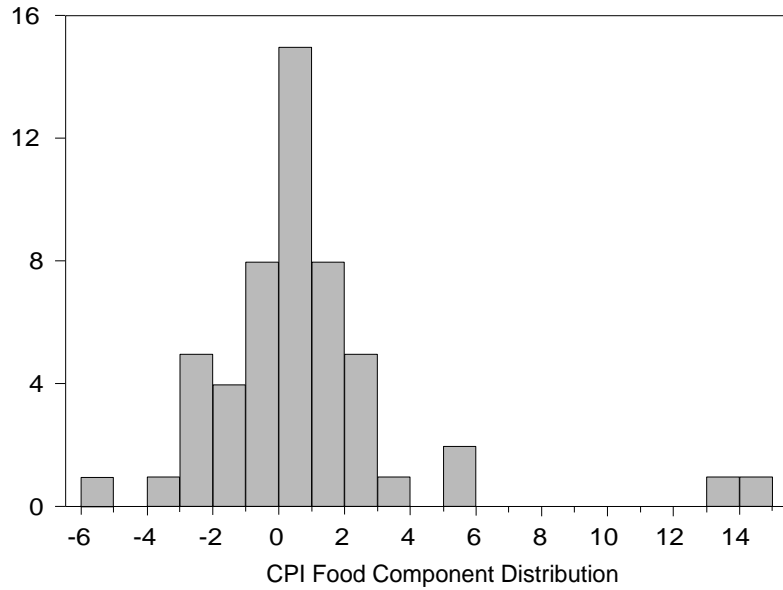
Figure 5h

Other Meats



Series: OTHMEATS	
Sample 1984:2 1997:1	
Observations 52	
Mean	0.771365
Median	0.546000
Maximum	3.380000
Minimum	-0.558000
Std. Dev.	0.965431
Skewness	0.776366
Kurtosis	2.792073
Jarque-Bera	5.317449
Probability	0.070038

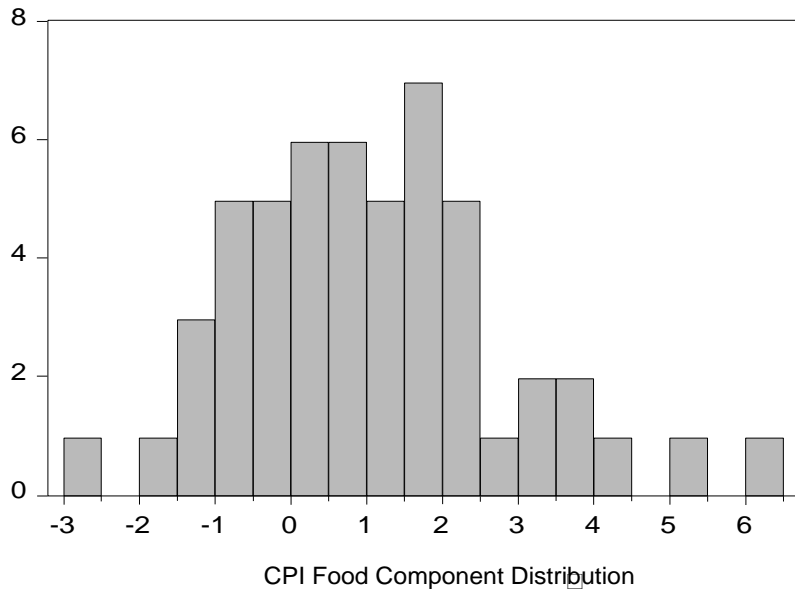
Figure 5i
Poultry



Series: POULTRY
 Sample 1984:2 1997:1
 Observations 52

Mean	0.762058
Median	0.518500
Maximum	14.46000
Minimum	-5.511000
Std. Dev.	3.301617
Skewness	2.307493
Kurtosis	10.56023
Jarque-Bera	169.9862
Probability	0.000000

Figure 5j
Fish & Seafood

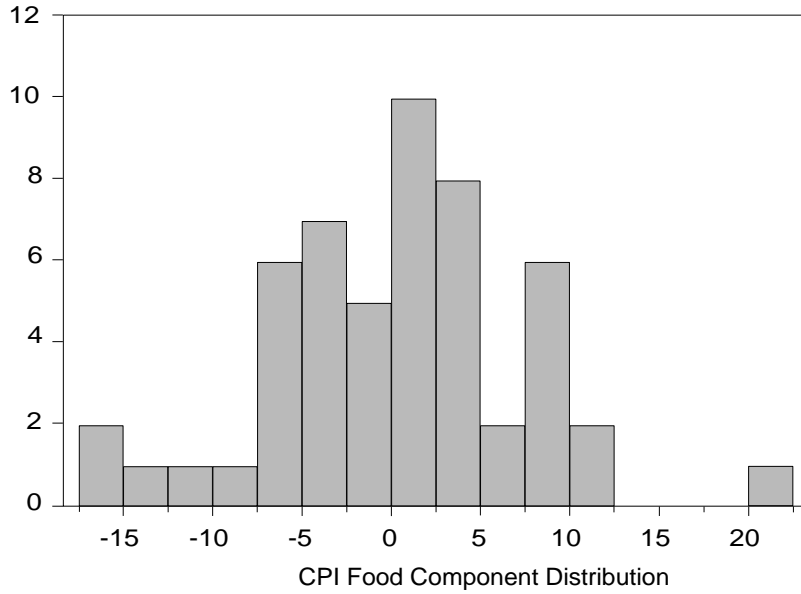


Series: FISH
 Sample 1984:2 1997:1
 Observations 52

Mean	1.085731
Median	0.987500
Maximum	6.358000
Minimum	-2.882000
Std. Dev.	1.790293
Skewness	0.551761
Kurtosis	3.515666
Jarque-Bera	3.214623
Probability	0.200426

Figure 5k

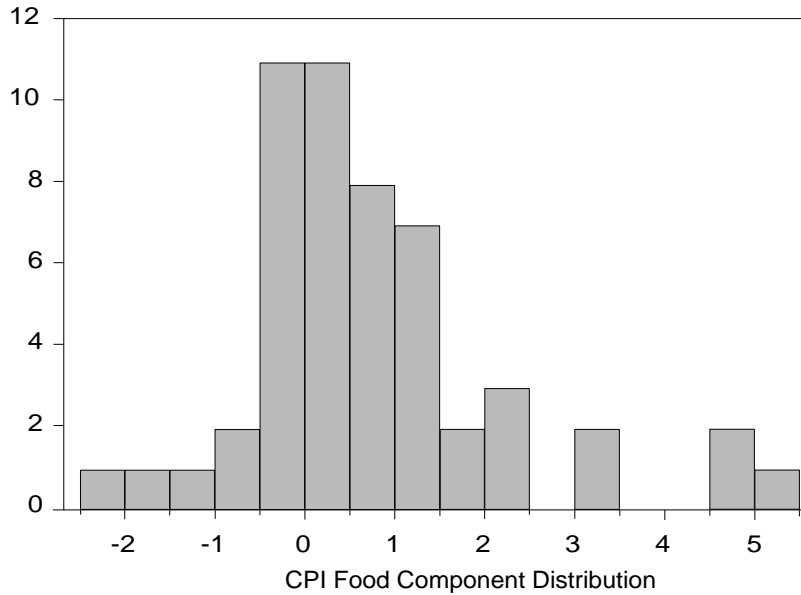
Eggs



Series: EGGS	
Sample 1984:2 1997:1	
Observations 52	
Mean	0.415519
Median	0.965000
Maximum	20.71900
Minimum	-17.37700
Std. Dev.	7.266350
Skewness	-0.045068
Kurtosis	3.445400
Jarque-Bera	0.447428
Probability	0.799544

Figure 5l

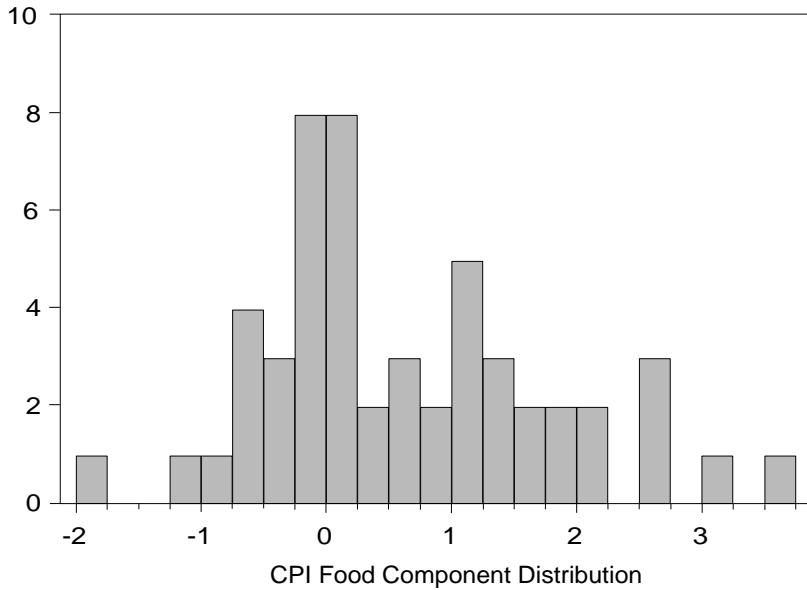
Dairy Products



Series: DAIRY	
Sample 1984:2 1997:1	
Observations 52	
Mean	0.744615
Median	0.461000
Maximum	5.066000
Minimum	-2.113000
Std. Dev.	1.452841
Skewness	1.157293
Kurtosis	4.722606
Jarque-Bera	18.03680
Probability	0.000121

Figure 5m

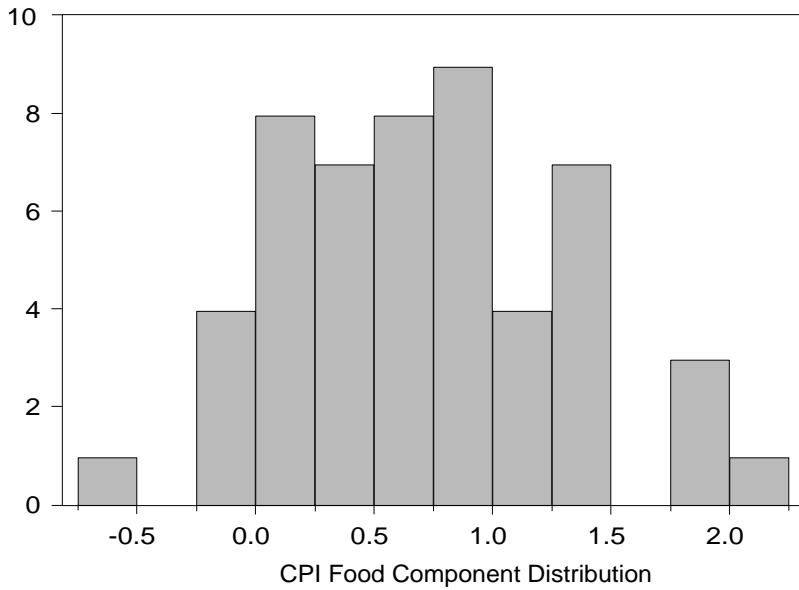
Fats & Oils



Series: FATSOILS	
Sample 1984:2 1997:1	
Observations 52	
Mean	0.618154
Median	0.258500
Maximum	3.667000
Minimum	-1.821000
Std. Dev.	1.165507
Skewness	0.549430
Kurtosis	2.887033
Jarque-Bera	2.643888
Probability	0.266617

Figure 5n

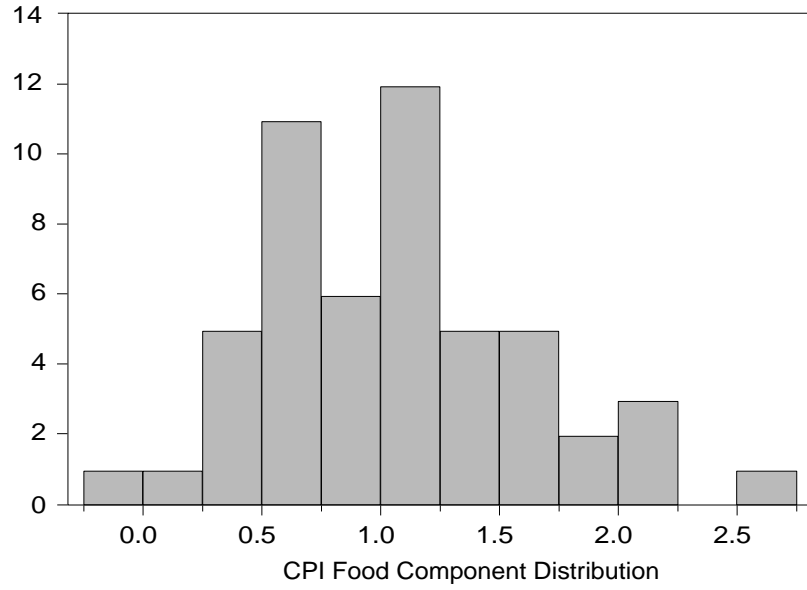
Sugar & Sweets



Series: SUGAR	
Sample 1984:2 1997:1	
Observations 52	
Mean	0.718442
Median	0.693500
Maximum	2.235000
Minimum	-0.673000
Std. Dev.	0.616294
Skewness	0.232404
Kurtosis	2.748751
Jarque-Bera	0.604874
Probability	0.739015

Figure 5o

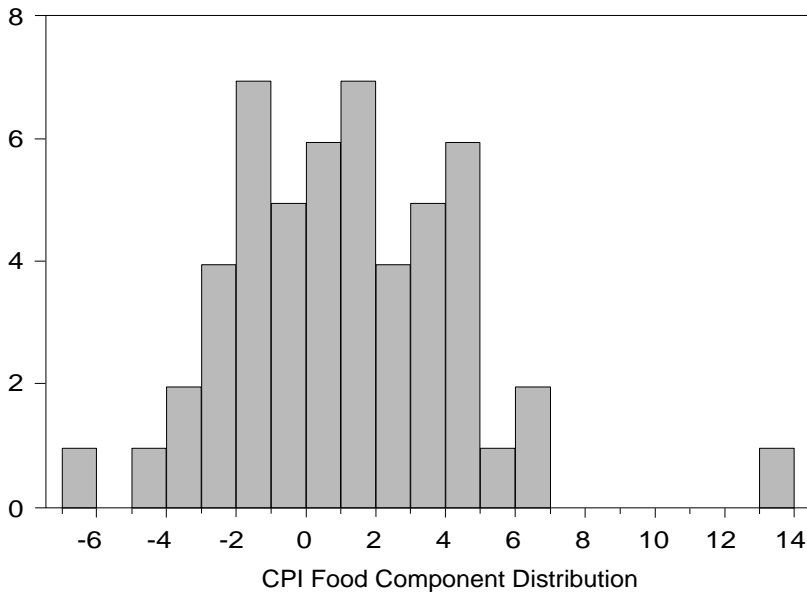
Cereals & Bakery Products



Series: CEREALS	
Sample 1984:2 1997:1	
Observations 52	
Mean	1.057308
Median	1.098000
Maximum	2.743000
Minimum	-0.182000
Std. Dev.	0.577360
Skewness	0.544040
Kurtosis	3.324785
Jarque-Bera	2.793705
Probability	0.247374

Figure 5p

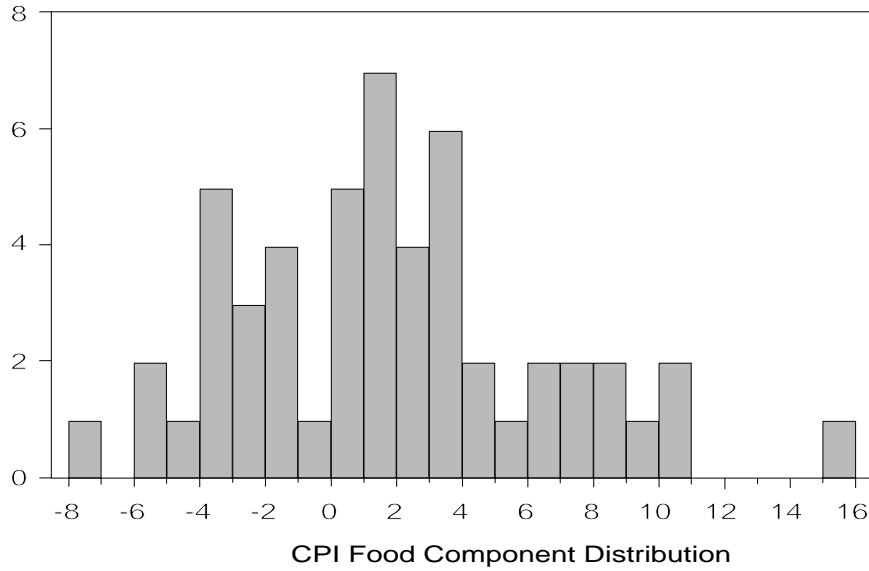
Fruits & Vegetables



Series: FRUITVEG	
Sample 1984:2 1997:1	
Observations 52	
Mean	1.164673
Median	1.072000
Maximum	13.12000
Minimum	-6.878000
Std. Dev.	3.381909
Skewness	0.634926
Kurtosis	4.719961
Jarque-Bera	9.903376
Probability	0.007071

Figure 5q

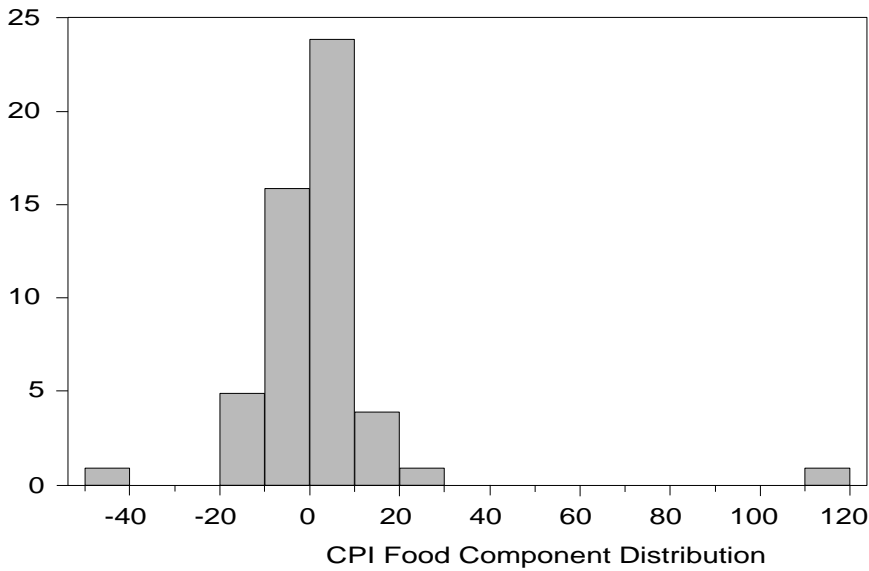
Fresh Fruits



Series: FRESHFRU	
Sample 1984:2 1997:1	
Observations 52	
Mean	1.865115
Median	1.534500
Maximum	15.50500
Minimum	-7.537000
Std. Dev.	4.723324
Skewness	0.484739
Kurtosis	3.121821
Jarque-Bera	2.068577
Probability	0.355479

Figure 5r

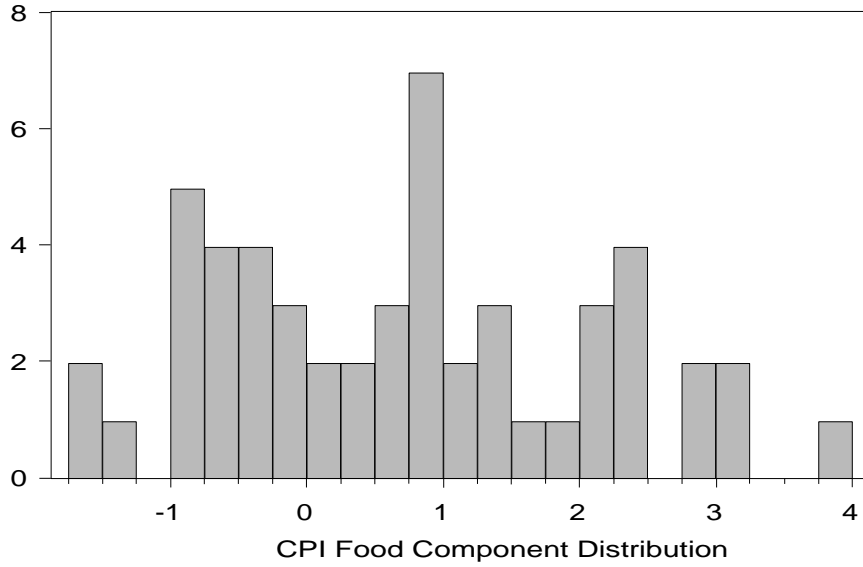
Fresh Vegetables



Series: FRESHVEG	
Sample 1984:2 1997:1	
Observations 52	
Mean	2.325423
Median	1.614000
Maximum	115.3760
Minimum	-48.50200
Std. Dev.	19.28054
Skewness	3.604279
Kurtosis	24.75116
Jarque-Bera	1137.666
Probability	0.000000

Figure 5s

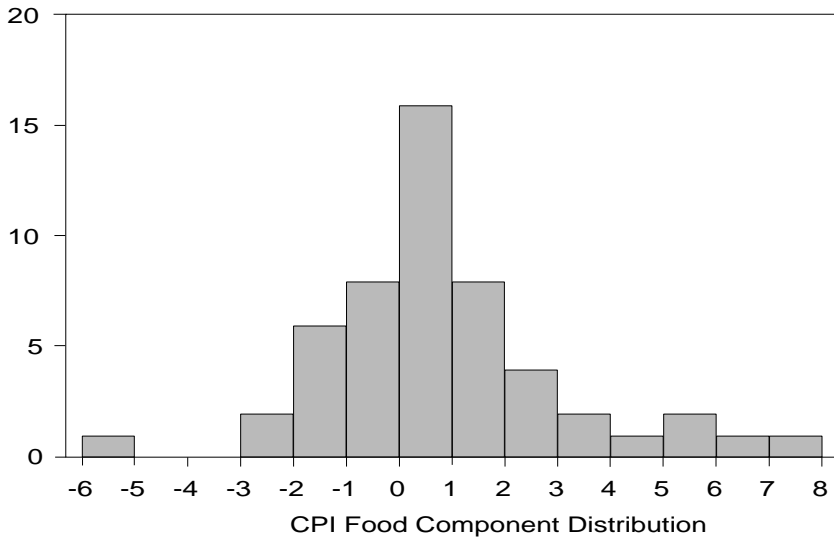
Processed Fruits & Vegetables



Series: PRFRUITV	
Sample 1984:2 1997:1	
Observations 52	
Mean	0.730096
Median	0.780000
Maximum	3.960000
Minimum	-1.638000
Std. Dev.	1.367375
Skewness	0.308207
Kurtosis	2.269416
Jarque-Bera	1.979723
Probability	0.371628

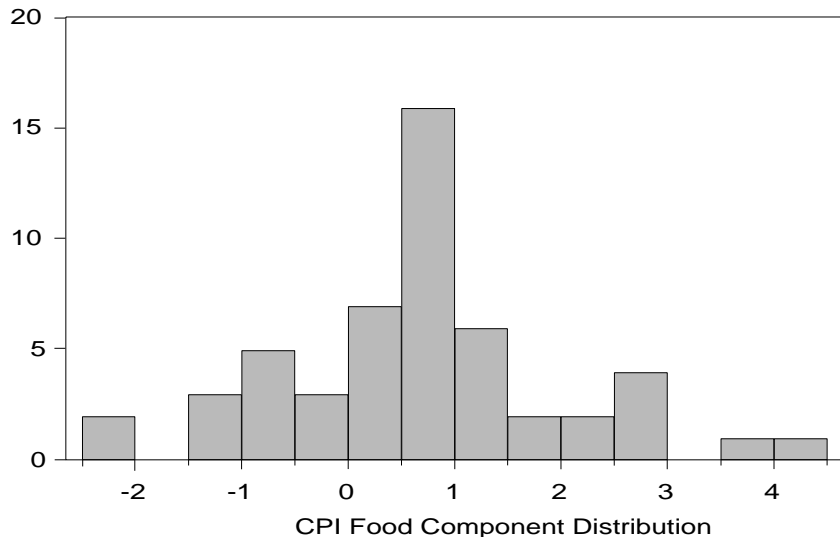
Figure 5t

Processed Fruits



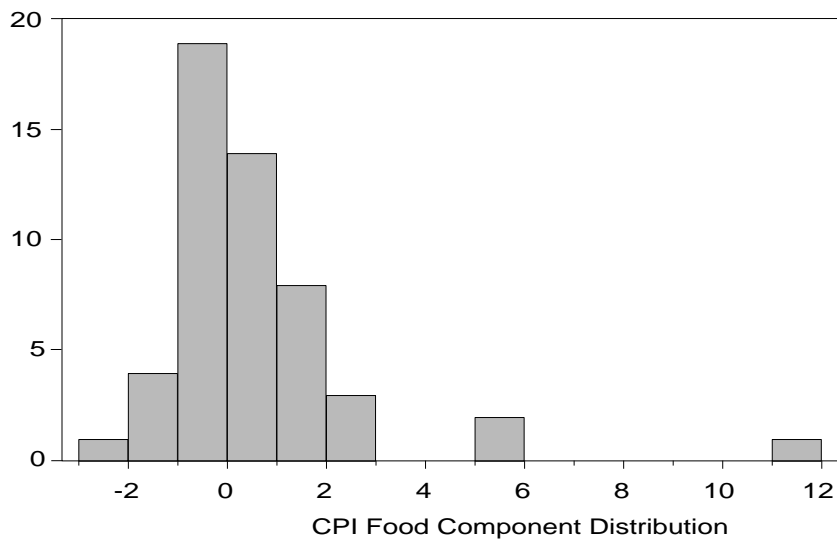
Series: PRFRUITS	
Sample 1984:2 1997:1	
Observations 52	
Mean	0.763865
Median	0.604500
Maximum	7.445000
Minimum	-5.256000
Std. Dev.	2.267095
Skewness	0.584032
Kurtosis	4.230070
Jarque-Bera	6.234466
Probability	0.044280

Figure 5u
Processed Vegetables



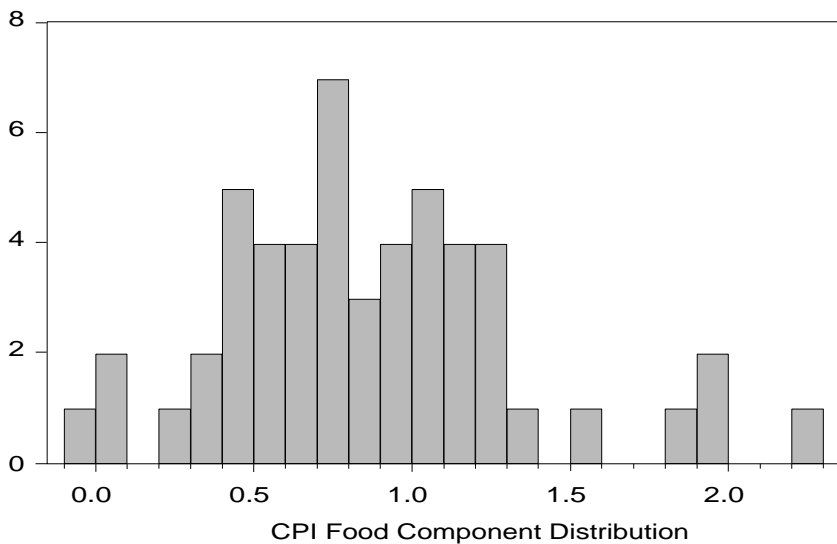
Series: PRVEGS	
Sample 1984:2 1997:1	
Observations 52	
Mean	0.715212
Median	0.663500
Maximum	4.495000
Minimum	-2.206000
Std. Dev.	1.342913
Skewness	0.393190
Kurtosis	3.638291
Jarque-Bera	2.222588
Probability	0.329133

Figure 5v
Nonalcoholic Beverages



Series: NONALC	
Sample 1984:2 1997:1	
Observations 52	
Mean	0.545596
Median	0.090000
Maximum	11.33200
Minimum	-2.750000
Std. Dev.	2.131902
Skewness	2.930832
Kurtosis	14.54617
Jarque-Bera	363.2919
Probability	0.000000

Figure 5w
Other Prepared Foods



Series: OTHPREP	
Sample 1984:2 1997:1	
Observations 52	
Mean	0.878135
Median	0.797500
Maximum	2.246000
Minimum	-0.067000
Std. Dev.	0.480678
Skewness	0.654350
Kurtosis	3.707567
Jarque-Bera	4.795588
Probability	0.090918

Food CPI Components and ERS One-Quarter-Ahead Forecasts

Figure 6a

All Food

Percentage change

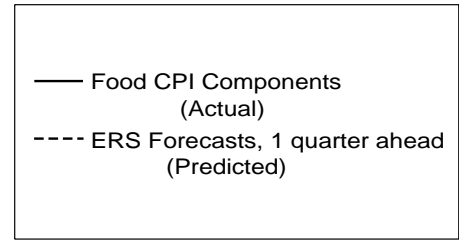
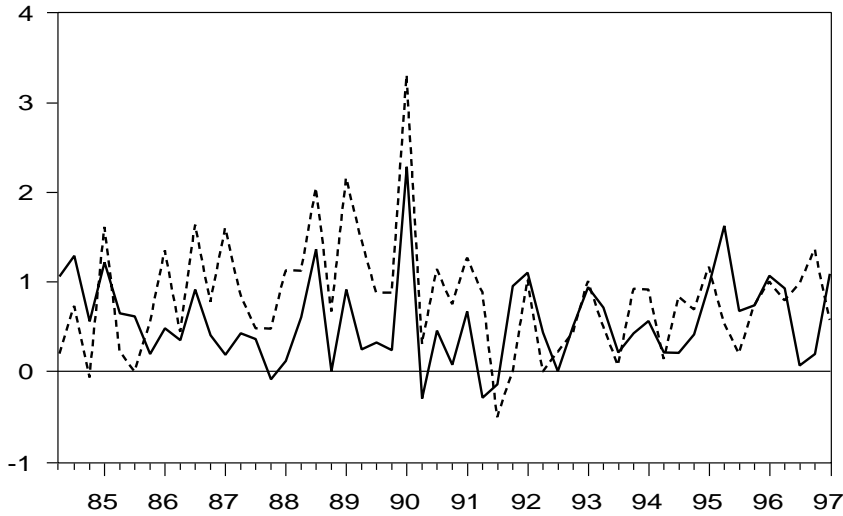


Figure 6b

Food Away from Home

Percentage change

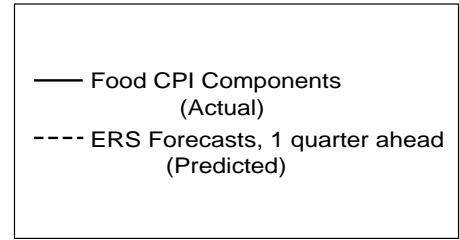
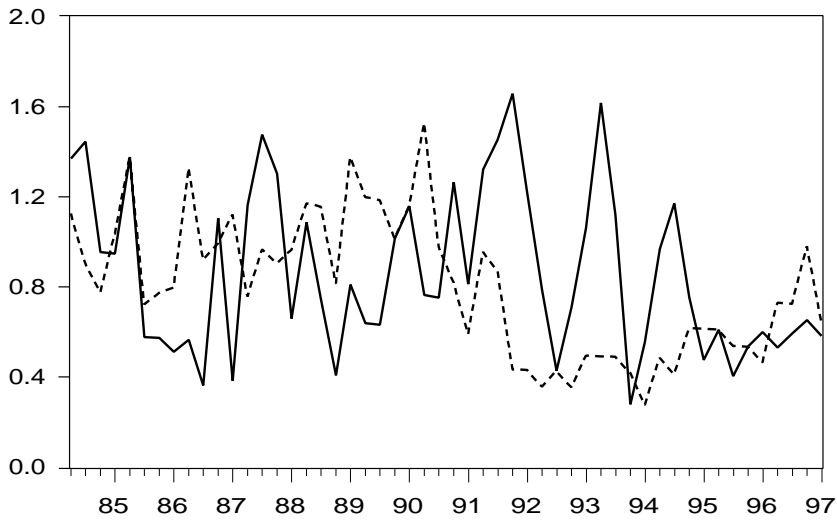


Figure 6c

Food at Home

Percentage change

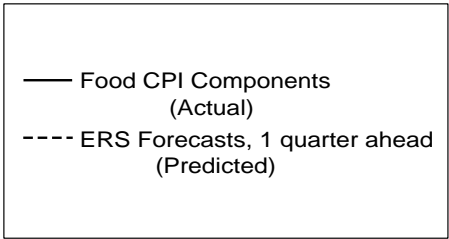
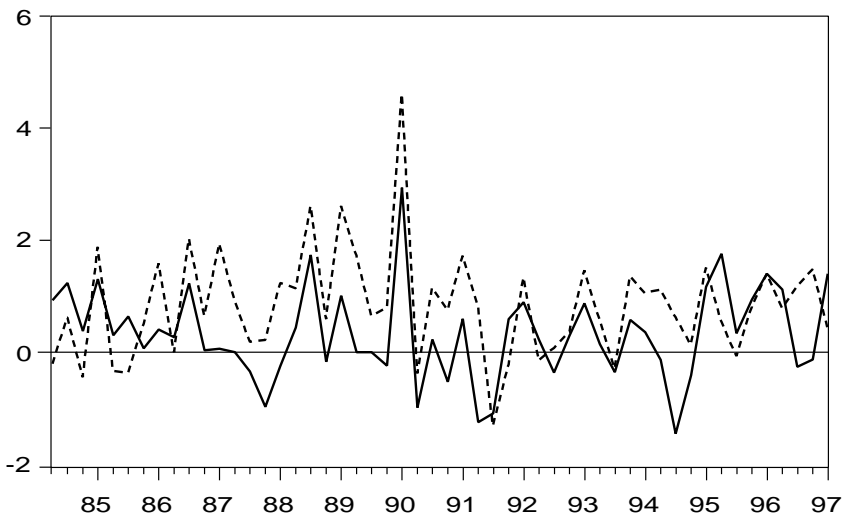


Figure 6d

Meats

Percentage change

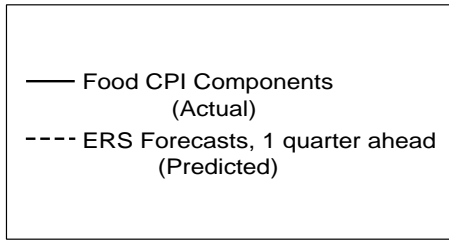
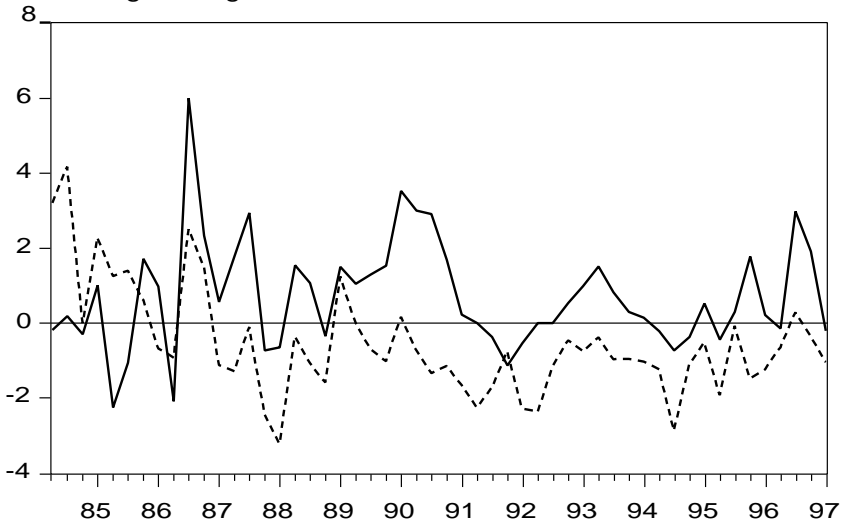


Figure 6e

Meat, Poultry, and Fish

Percentage change

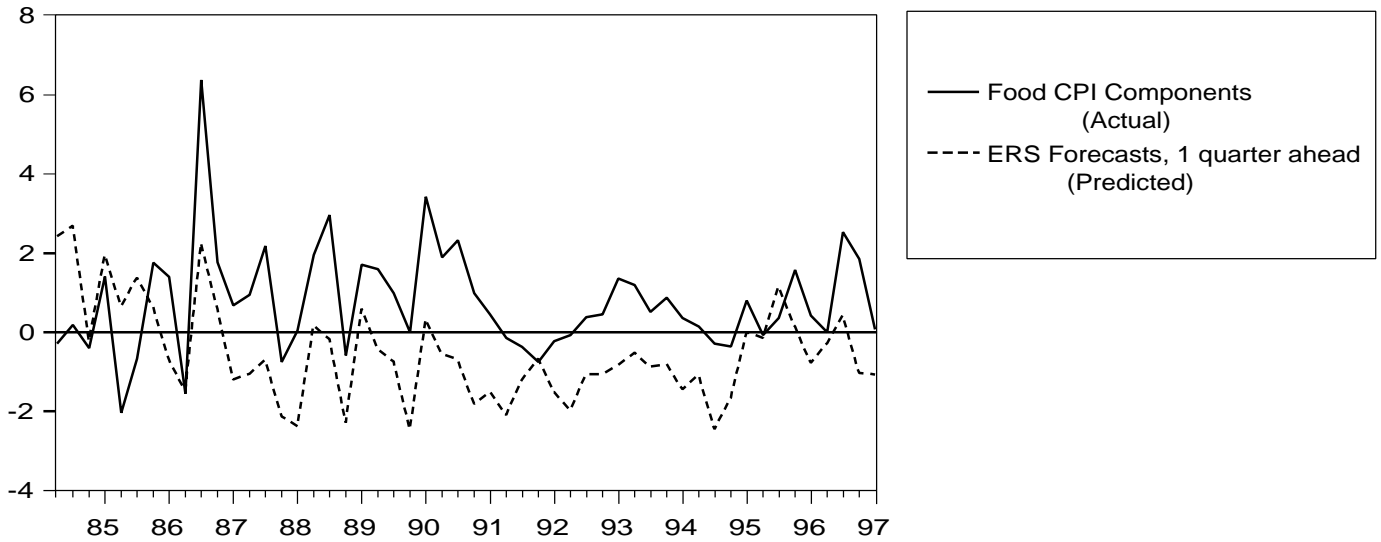


Figure 6f

Beef and veal

Percentage change

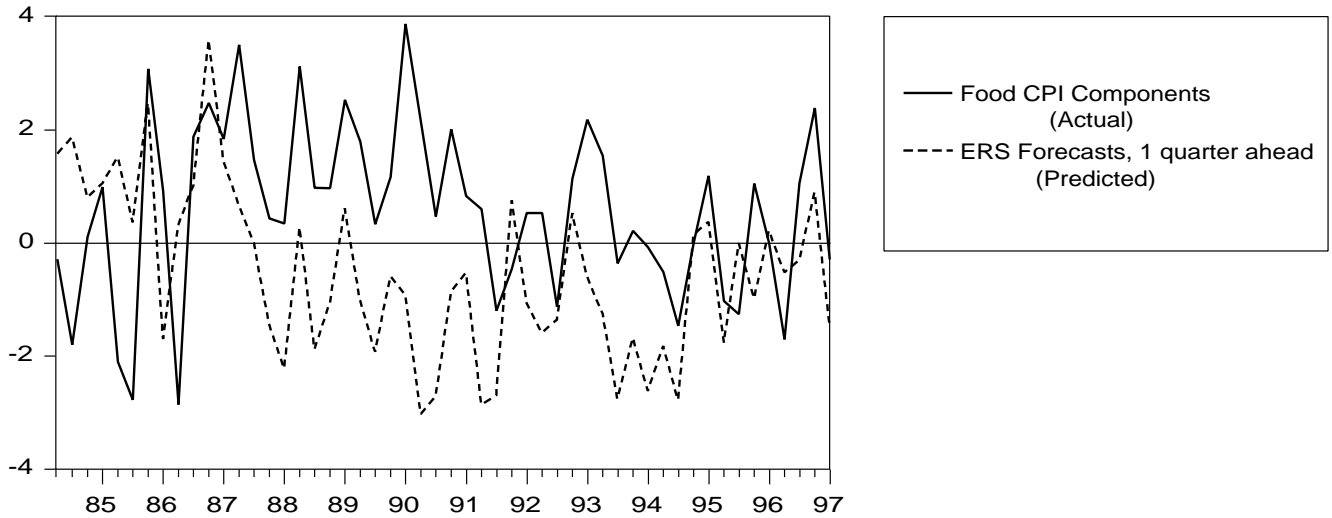


Figure 6g

Pork

Percentage change

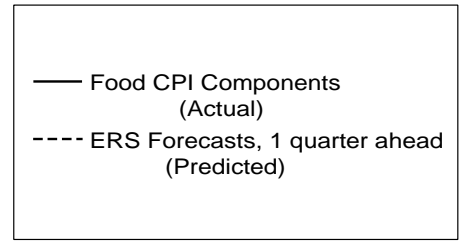
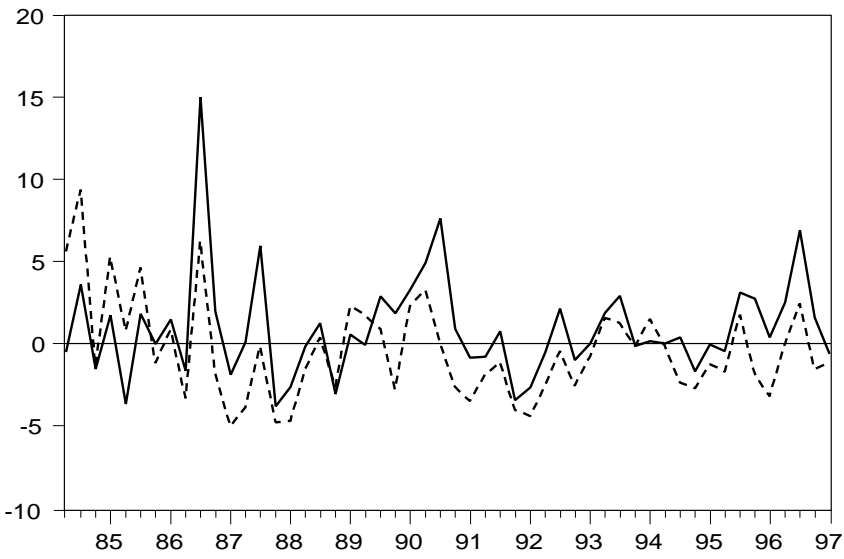


Figure 6h

Other Meats

Percentage change

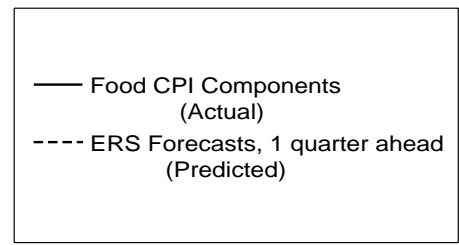
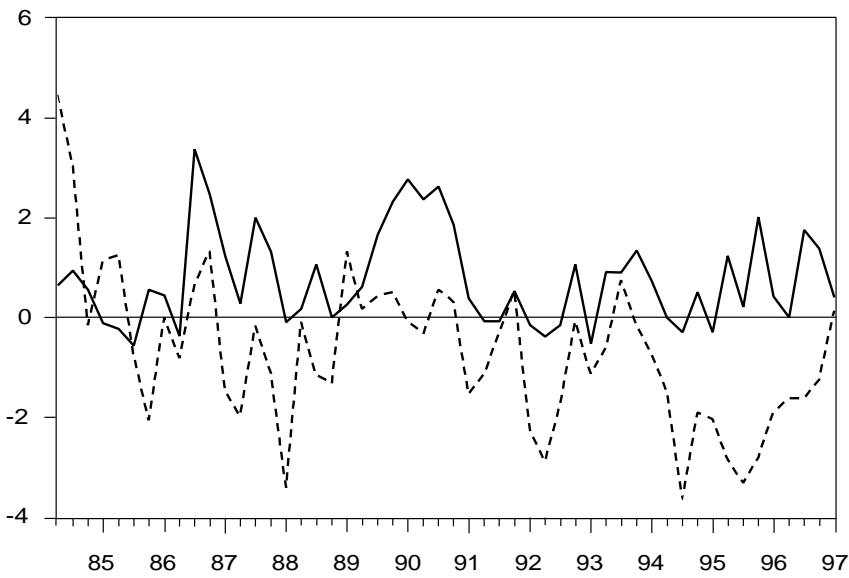


Figure 6i

Poultry

Percentage change

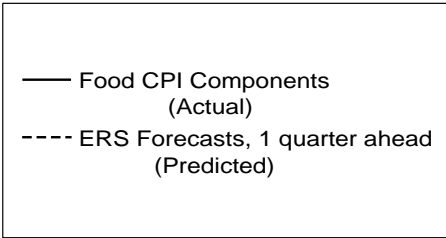
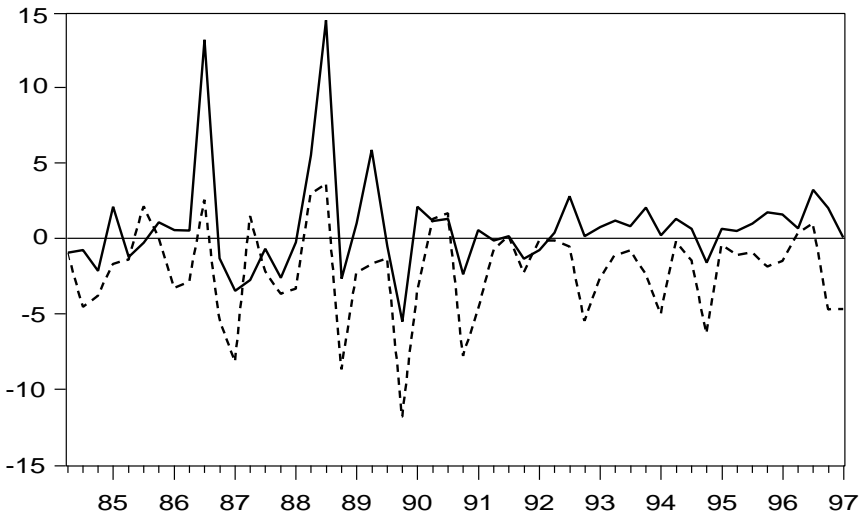


Figure 6j

Fish and Seafood

Percentage change

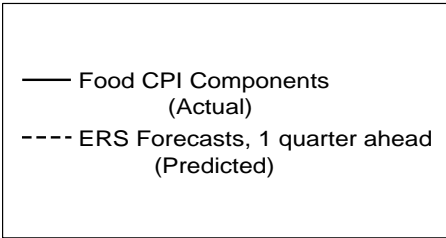
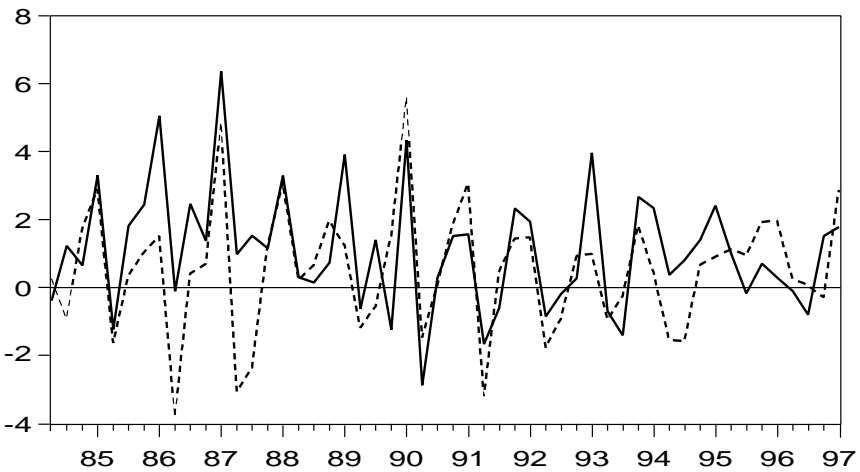


Figure 6k

Eggs

Percentage change

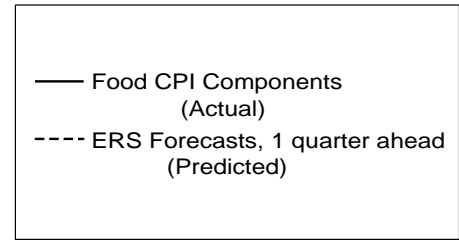
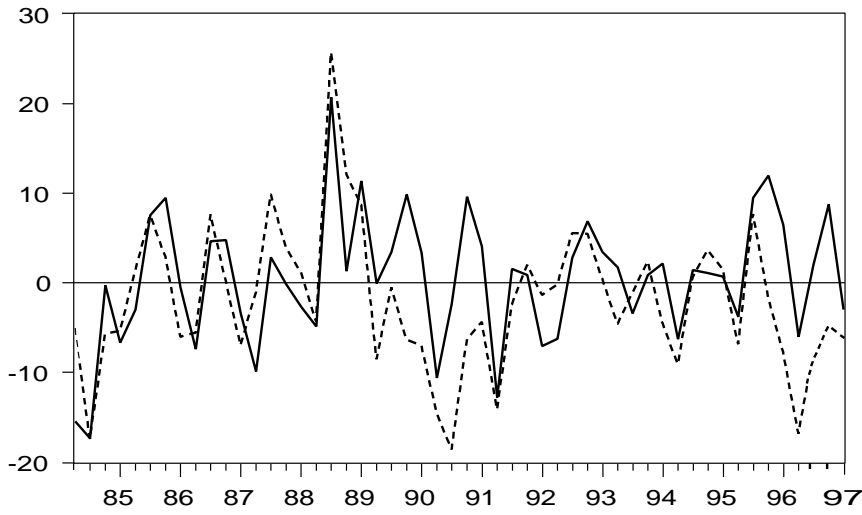


Figure 6l

Dairy Products

Percentage change

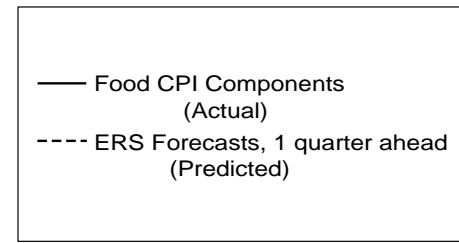
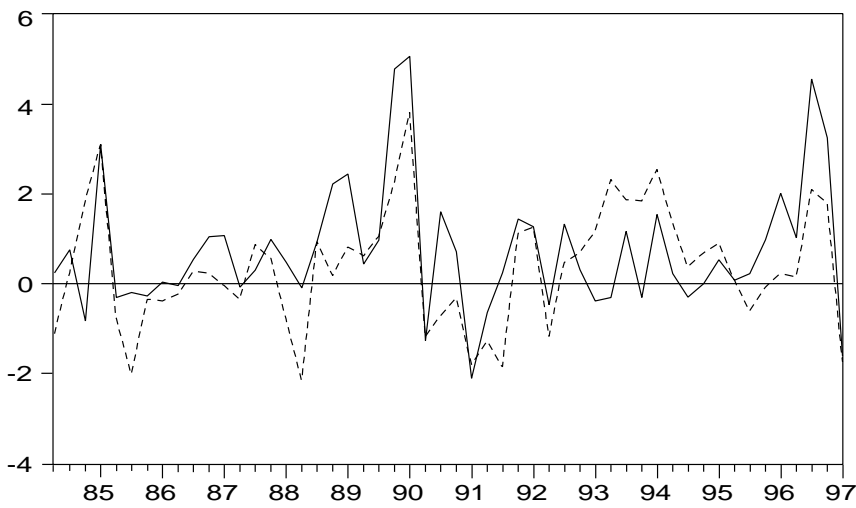


Figure 6m

Fats & Oils

Percentage change

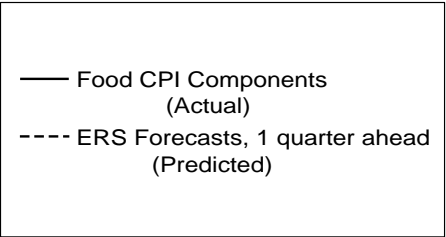
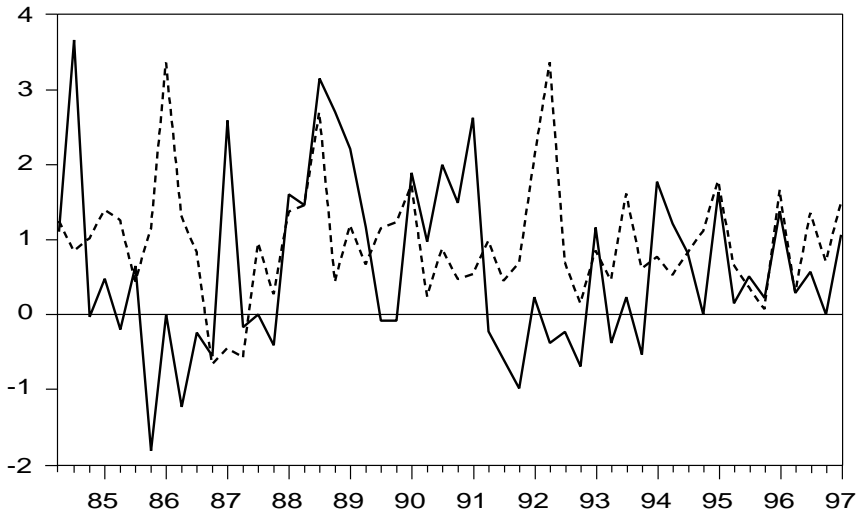


Figure 6n

Sugar & Sweets

Percentage change

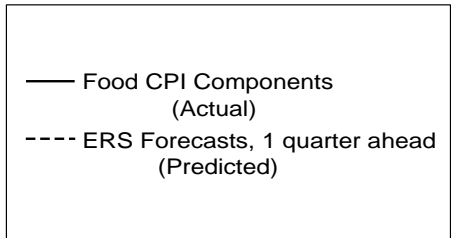
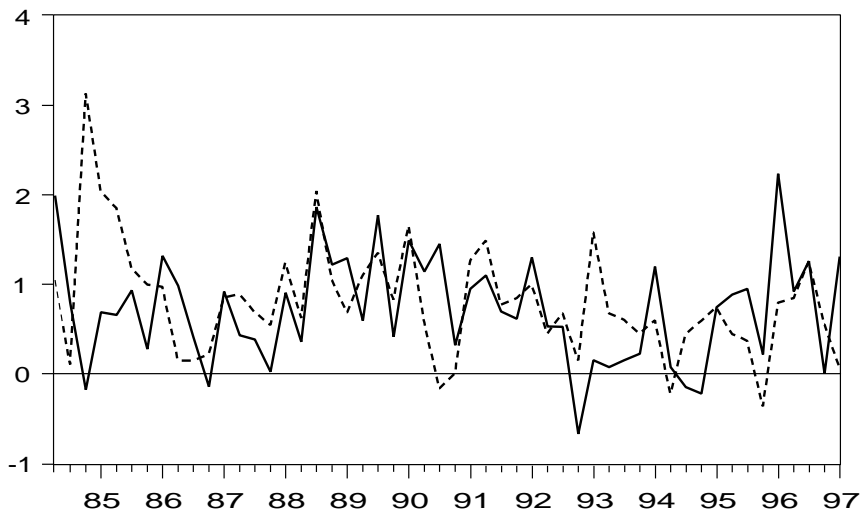


Figure 6o

Cereals & Bakery Products

Percentage change

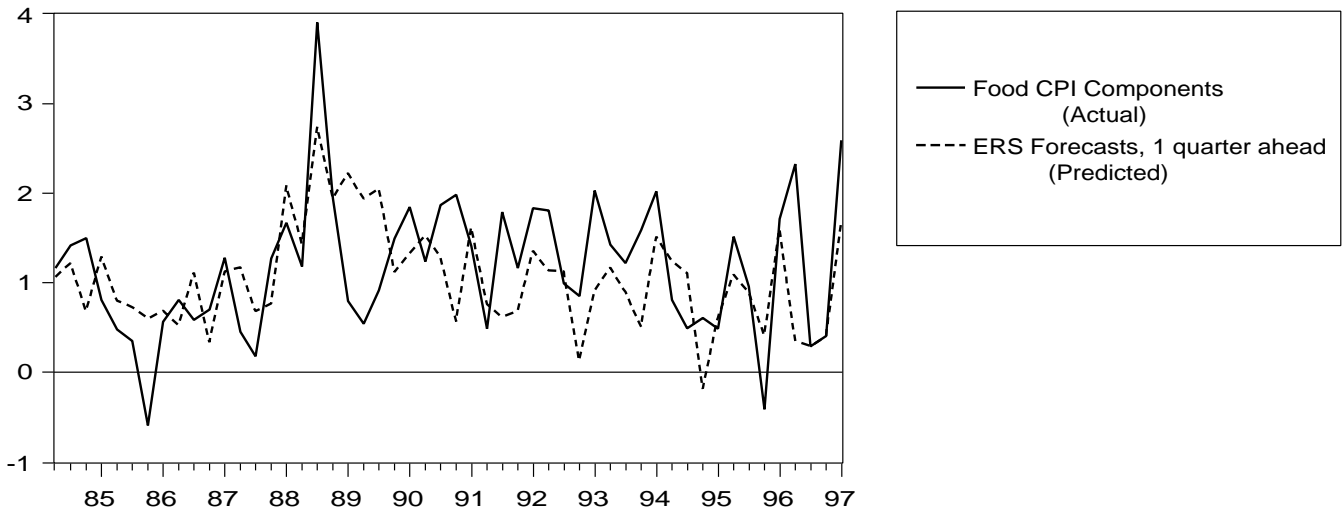


Figure 6p

Fruits and Vegetables

Percentage change

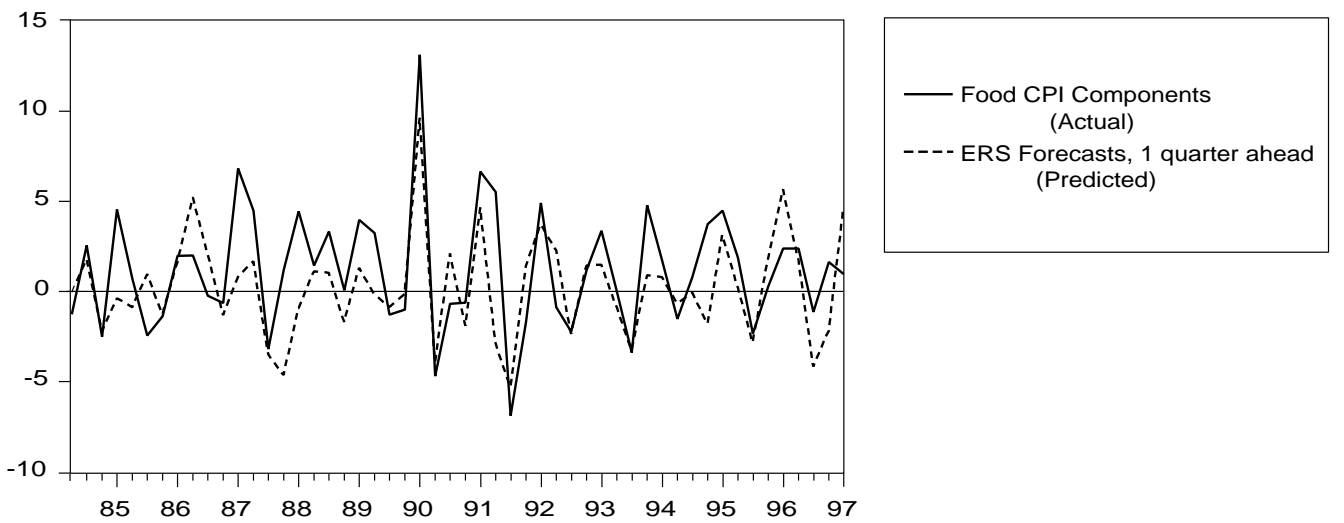


Figure 6q

Fresh Fruits

Percentage change

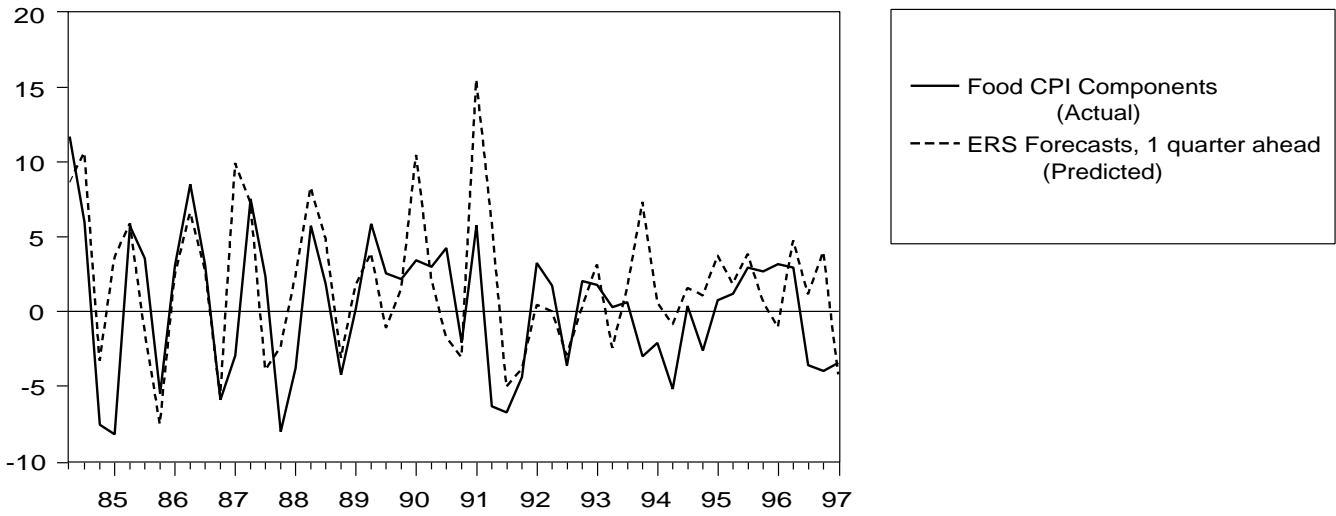


Figure 6r

Fresh Vegetables

Percentage change

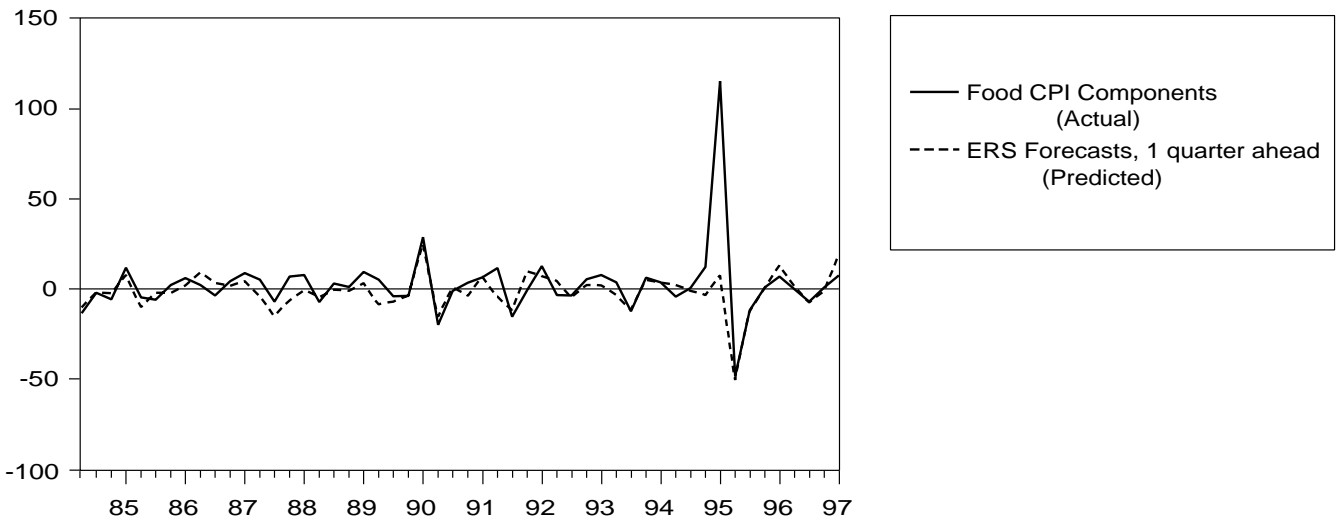


Figure 6s

Processed fruits and Vegetables

Percentage change

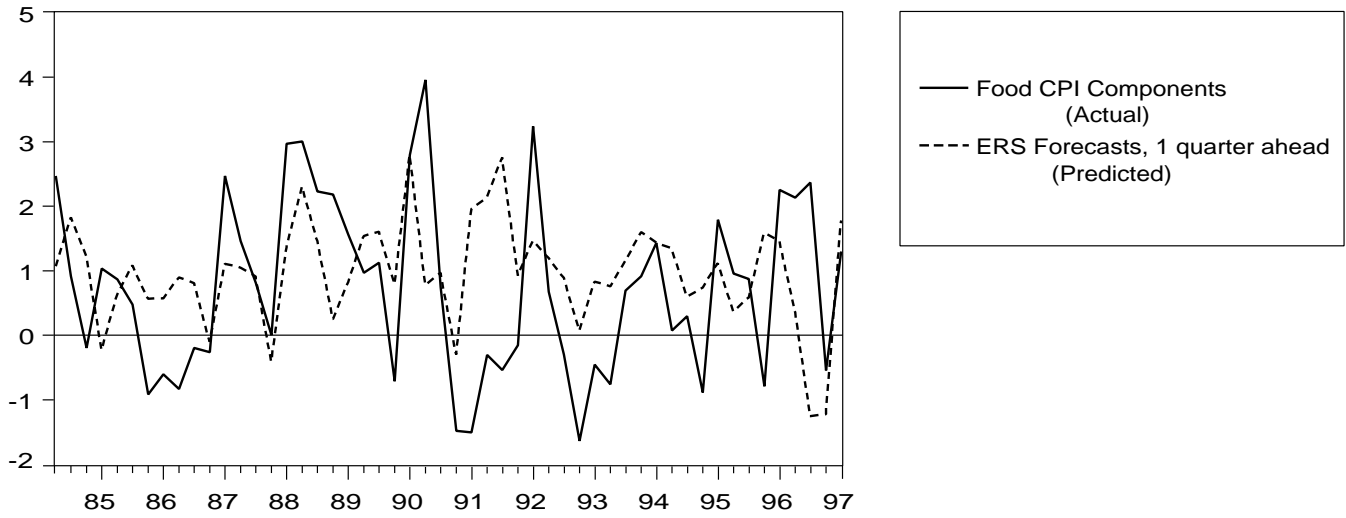


Figure 6t

Processed Fruits

Percentage change

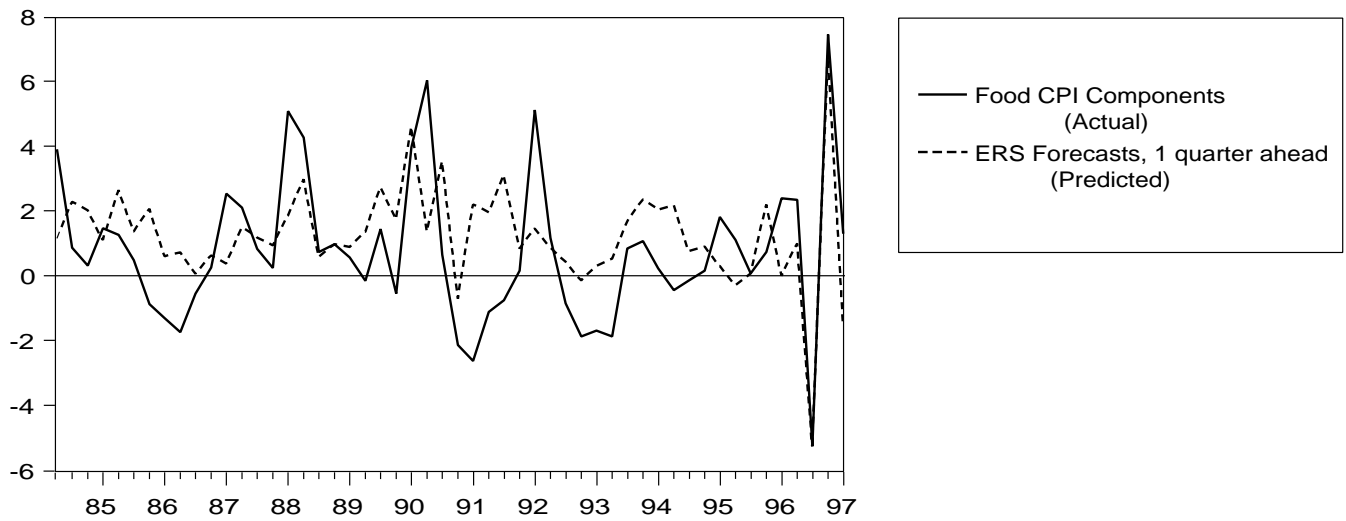


Figure 6u

Processed Vegetables

Percentage change

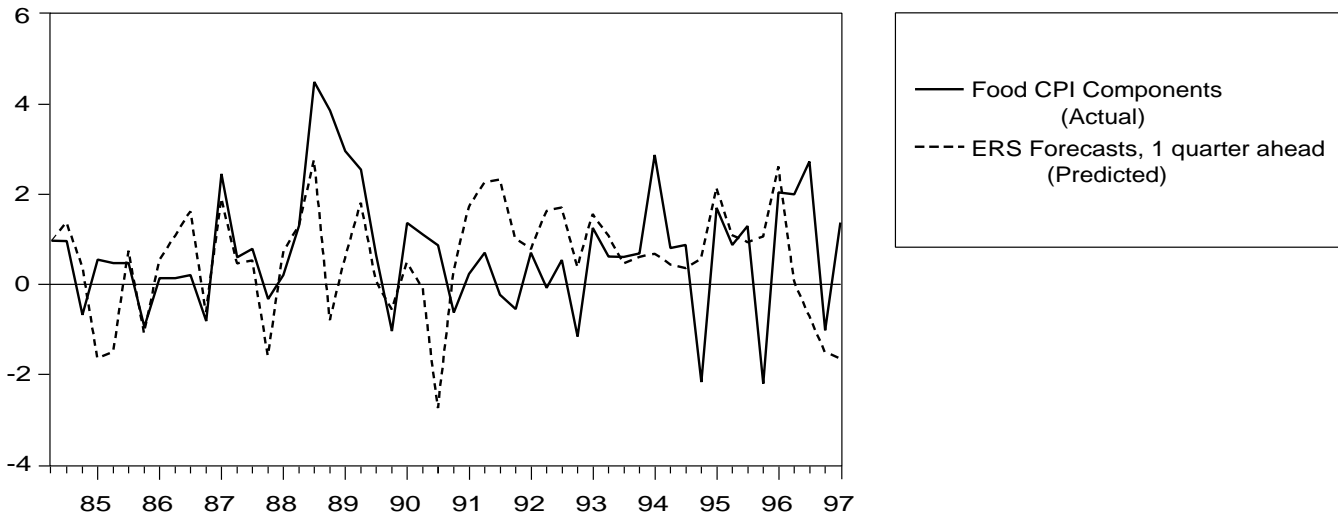


Figure 6v

Nonalcoholic Beverages

Percentage change

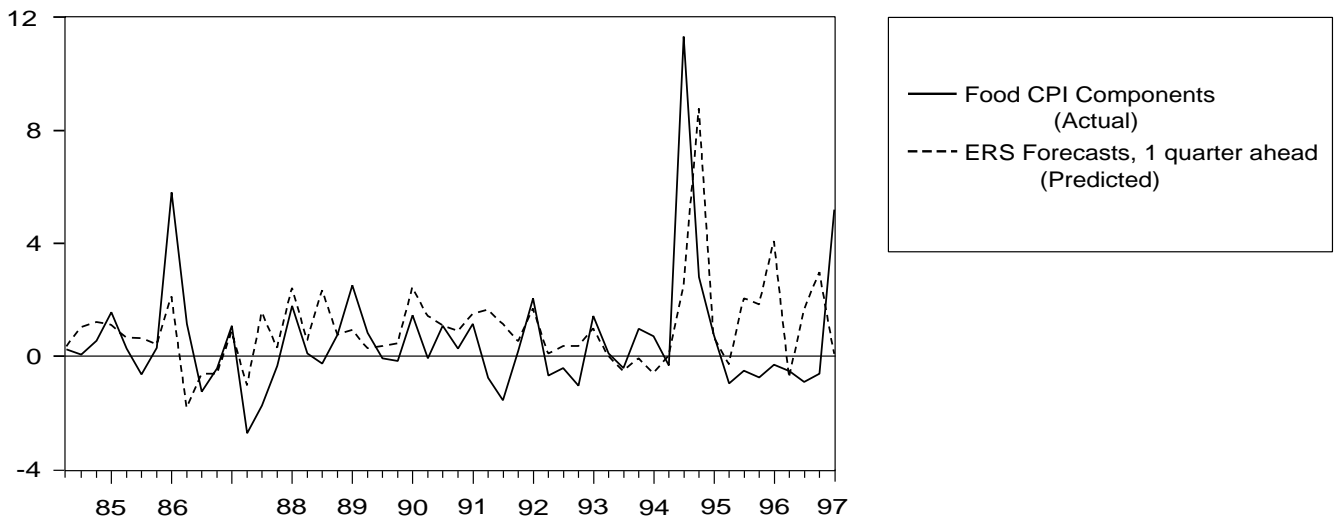


Figure 6w

Other Prepared Foods

Percentage change

