Box 2: Why the Rise in Food Prices and Where Are They Headed?

Box 2: Inflation Report March 2015 Keep in mind
The Monetary Policy Report presents the Bank's technical staff's analysis of the economy and the inflationary situation and its medium and long-term outlook. Based on it, it makes a recommendation to the Board of Directors on the monetary policy stance. This report is published on the second business day following the Board of Directors' meetings in January, April, July, and October.

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Since early last year relative food prices has shown an upward trend, which has not reverted yet (Graph B2.1). In annual terms, food inflation has risen almost steadily since December 2013, the month when it reached 0.9%, before jumping to 4.7% a year later and ending the first quarter of 2015 at 7.4% (see Graph 38 in Chapter III). Will food prices continue this upward drift or will they drop? Before answering this question, let us look at the causes behind this raise and then analyze how these prices might perform during the rest of the year.

Fuente: https://d1b4gd4m8561gs.cloudfront.net/en/publicaciones/informe-sobre-inflacion/box-2-why-the-rise-in-food-prices-and-where-are-they-headed