Egg prices rise since recall

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Wholesale egg prices are climbing in the wake of a massive egg recall, which could lead to higher prices at the supermarket.

The U.S. Department of Agriculture said prices have increased markedly since Aug. 13, when the recall was first announced.

The USDA did not have a national average price available. But the price for a dozen eggs jumped around 40 percent in the New York market, selling for around 89 to 93 cents before the recall to $1.27 to $1.31 this week. In the Midwest, that prices rose from 72 to 81 cents per dozen to $1.01 to $1.10. Prices are up in other parts of the country as well during what is normally the lowest time of the year for egg prices.

Those increases will likely be passed on to consumers within the next few weeks or months, said Richard Stillman, at the Economic Research Service of the USDA.

The roughly 550 million eggs from two Iowa farms involved in the recall represent less than 1 percent of the roughly 80 billion eggs sold in their shell each year, according to the trade group United Egg Producers. But demand on other egg suppliers across the country is up as consumers continue to buy and eat them.

Eggs are OK to eat, as long as they are not on the recall list. Federal regulators say until they complete their investigation, they suggest consumers thoroughly cook eggs as an added safety measure to kill bacteria.

Some shoppers may have shied away from eggs temporarily due to fears over the recall. But eggs remains a staple in most U.S. diets and as an ingredient in processed foods. Americans consume about 220 million eggs a day, based on industry estimates.

United Egg Producers said it is far to early to determine how egg sales have been affected by the recall.

Morningstar analyst Erin Swanson agreed, saying it's still too early to see what effect the recall has on egg sales, but she expects demand will remain high.

Swanson noted that in other major food recalls in recent years - such as peanuts and spinach - sales of all goods with those ingredients, whether they were included in the recall or not, fell. But because eggs are used in so many dishes and apparent limited outbreak, she expects demand will hold up better.

Experts say that could change if the recall expands.

Food and Drug Administration investigators have yet to determine the cause of the

salmonella outbreaks at Wright County Egg and Hillandale Farms, the farms involved in the recall of eggs linked to as many as 1,300 cases of salmonella poisoning. The FDA investigation could take months, and sources of contamination are often difficult to find.

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