Almost all agricultural products became more expensive last year compared to the year before, on average, the prices in November last year compared to the same month in 2020 were 30.5 percent higher, the Republic Bureau of Statistics announced. Vegetables became more expensive the most, as much as 55.4 percent, the prices of cereals jumped by almost 40 percent in the same period, and of industrial plants by 37.5 percent. In terms of products, potatoes rose in price the most in one year, by as much as 83 percent, wheat by 42.7 percent and corn by 39.4 percent. Last November, cattle and poultry were 20 percent more expensive than in 2020, eggs 21.6 percent more expensive, and the lowest price increase was 5.1 percent more in milk. In that period, it was the only fruit that fell in price by less than 17%.

If you look at all 11 months of last year in relation to the same period, from January to November 2020, the price of fruit increased by 52.8 percent. Potatoes, whose price “exploded” in November 2021, fell by 10% on an annual level, while slightly lower prices on an annual level were also for cattle and poultry. However, everything else became more expensive, on average in the first 11 months of 2021, everything was 20 percent more expensive than a year earlier.

Agrarian analyst Zarko Galetin told Danas that the prices of cereals and oilseeds were at a historical record during 2021, but that the trend of rising prices was not followed by the prices of products in stores, especially meat and processed products, milk and sugar. “It was clear that over time, the prices of processed products will start to rise, and that happened at the end of the year, which is not a surprise. We had a lot of factors that encouraged that growth, from global inflation to rising energy prices, but also problems in logistics and transport. When such tectonic changes occur in the food market, then it cannot be expected that those prices will fall overnight. What we can generally expect in the first half of 2022 is that these prices will remain high, I think the wave of price increases will last at least until the middle of next year,” says Galetin and adds that some FAO and UN forecasts go in the direction that is not excluded to make food even more expensive.

How it will be later, Galetin points out, will depend a lot on the situation on the global level, primarily health. “Last year, we had a world record in the total yield of corn, soybeans and sunflowers. It is not logical when three crops have record yields, and when there are record five-year stocks in the world, to have such a rise in prices. By the logic of things, when you have such yields, the price should be lower, but it is not,” he notes.

Galetin says that all this shows that some major drivers had to influence the growth of prices, as soon as that market factor, which should be the strongest indicator of what the prices will be, could not change that. That circumstance, as he says, helps those who have resources when it comes to primary agricultural products, and Serbia has them. “Serbia has a surplus in the balance sheets, and countries that have resources could “catch”
The wave of rising food prices in Serbia will last at least until the middle of 2023.

a good price and profit. We had a good situation last year in terms of wheat, corn, soybeans and sunflower failed, but we had a good export result of some five billion dollars,” emphasizes Galetin.

Food prices will not fall, he notes, even if we have record yields in 2022, because stock exchange goods are such that the price is dictated at the world level. Another thing, he points out, is how the state consumer protection policy can influence.

“Currently, we have frozen prices of certain products, but it is short-lived, it can stop some price growth in the first place, but in the long run these measures are not sustainable, nor does the state have that capacity,” Galetin points out, Danas reports.