

Barclays says drought won't have any impact on inflatio...

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FT Alphaville have said in their mid morning email today:

Economists at Barclays note that the rise in food prices brought on by this summer's drought is unlikely to make much of a dent in US inflation. Food as a percentage of items bought by Americans is relatively small, and historically food inflation has less of an impact on other kinds of inflation than does a sudden spike energy costs.

Oh that's all right then.

The fact that people will go hungry is nothing to worry about. because they won't be able spend enough to impact inflation data.

And you wonder why bankers' have the reputation they've worked so hard to achieve