

# EVERYDAY ECON



*Kirkland  
Signature  
eggs at  
Costco*

## THE ECONOMICS OF SOARING EGG PRICES

Within the past year, egg prices across the nation have spiked dramatically to \$8.16 per dozen this past March. This price surge can be attributed to the severe outbreak of Highly Pathogenic Avian Influenza (HPAI), commonly known as the bird flu, which has reduced supply by 100-166 million hens.

In response to the egg prices, grocery stores have limited purchases, and the U.S. has imported cartons to ameliorate shortages. Ultimately, as supply chains adjust and producers respond, consumers may need to prepare for continued volatility in the egg aisle.

## WHY BUYING IN BULK ISN'T ALWAYS A SMART ECONOMIC CHOICE

We often hear that buying bulk items saves money, and this is often true because unit prices typically decrease as quantities increase. However, it's important to consider the hidden costs, waste, and behavioral traps that occur when bulk buying. When we spend more on the upfront costs of bulk goods, we're missing out on either spending that money elsewhere or saving it.

Bulk purchases, however, can make sense in some occasions. Buying non-perishable goods in bulk and splitting bulk items with others are both good options. Bigger isn't always better; economic choices are only smart when they fit your needs, space, and budget.



*Bulk  
packages  
of paper  
towels at  
Costco*