

WASHINGTON (UPI) — Consumer prices increased at the lowest rate in four years during February as food costs took their sharpest drop since 1956, the Labor Department reported Friday.

The 0.1 per cent rise in the Consumer Price Index compared to 0.4 per cent in January and a 0.6 per cent average for the last quarter of last year.

This put the index at 167.1, before seasonal adjustment, meaning that goods costing \$100 in the 1967 base year went for \$167.10 in February.

The February increase was the smallest since September, 1971, the department said, and the 1.0 per cent drop in overall food prices was the biggest downturn since 1956.

Foods sold in grocery stores declined in price by 1.5 per cent, compared to a 0.4 per cent drop the previous month.

The February figures bore out predictions by administration economists that inflation would continue easing during the early months of this year, reflecting lower food costs and gradual effects of a sharp drop in overall wholesale prices over the last four months.

President Ford's press secretary, Ron Nessen, called the report by the Labor Department's Bureau of Labor Statistics 'excellent news' and 'further evidence that the President's economic policy is

working.

But he said, "At the same time |

think we all feel a sense of caution. it will be difficult to have such a small increase each month."

The February figures showed that

gasoline prices declined while
charges for consumer services rose,
although at a slower rate than in
January.