



Metals Prices Climb Along with Gas and Food Prices According to Dillon Gage Metals

Gasoline is up 25 percent on the year while grain, meat and tomato prices have surged

ADDISON, TEXAS (May 18, 2011)...Consumers are digging into their pockets to pay rising gasoline and food prices, and that's one of the factors spurring investors to buy precious metals, experts at [Dillon Gage Metals](#) in Dallas say. Gasoline has leaped nearly \$1.00 a gallon from a year ago and is expected to keep rising into Memorial Day. Drivers are paying more than \$4.00 a gallon to fill up in a number of states now.

"Investors know everyone's feeling the pinch from high gas and food prices," said Terry Hanlon, president of **Dillon Gage Metals**. "People are buying gold, silver and platinum, because precious metals are a classic hedge against inflation." He notes that Americans with money tied up in their residences or sitting in bank accounts have seen declines in home equity and minimal returns on savings, making precious metals an attractive investment.

Gold hit an all-time high in late April, while silver reached a 31-year high.

The U.S. Consumer Price Index, a closely-watched inflation measure tracking changes in the cost of a basket of goods for urban consumers, rose 0.5 percent in March. Three-fourths of that increase was from food and gasoline prices, according to the U.S. Dept. of Labor.

Prices of major foodstuffs—grain, meat and tomatoes—have climbed recently. At the Chicago Board of Trade, corn more than doubled in the past year, wheat surged 75 percent and soybeans gained 38 percent. One reason for corn's surge is that rising oil and gasoline prices have stimulated demand for grain used to make biofuels like ethanol and biodiesel.

Global corn supplies are shrinking, inventories of vegetable oils will drop in 2011 to their lowest levels in over 35 years, and U.S. beef inventories will be the smallest in over a decade, according to the U.S. Dept. of Agriculture.

U.S. wholesale beef and pork prices have risen by between 10 and 22 percent in the first four months of 2011. And tomato prices have more than doubled following freezes in Mexico and Florida this winter, so some consumers are forgoing them in salads. Fast food chains and other restaurants are worried about whether they can pass higher food prices on to their customers.

The United Nation's food-price index, covering 55 commodities, reached an all-time high in February. Pricier food has been one of the influences in this year's riots across North Africa and the Middle East, ending regimes in Egypt and Tunisia.

Consumers in many nations will continue paying more for food, because it will take farmers a few years to expand production to meet demand, the International Monetary Fund said in a first-quarter 2011 report.

For those wishing to buy or sell precious metals, **Dillon Gage Metals** deals in gold, platinum, palladium and silver bars and coins, and has its own electronic trading system as well as an

independently operated precious metals storage facility in New Castle, Delaware, Diamond State Depository.. **Dillon Gage Metals** caters to the precious-metals dealer network and high-wealth private investors, and requires that orders and transactions be a minimum of \$5,000.

For more information on **Dillon Gage Metals**, please visit www.dillongage.com/metals or phone 800-375-4653. Follow **Dillon Gage** on Twitter @DillonGage and on Facebook <http://www.facebook.com/dillongage>.

About Dillon Gage

Dillon Gage (www.DillonGage.com) was founded in 1976, and its companies include:

- **Dillon Gage Securities, Inc.**, a full-service NASD member firm that specializes in financial planning.
- **Dillon Gage Metals**, one of the largest precious metals dealers in the U.S.
- **Dillon Gage Inc.**, a firm dealing in futures markets.
- **Diamond State Depository**, a wholly owned, independently operated precious-metals storage facility located in New Castle, Delaware.

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