

June 2024

UK Key Market Movers (CPI)

The Consumer Price Index (CPI) is a key measure of inflation in the UK. Movements in CPI give a high-level overview of the key categories experiencing inflation. Below is a monthly snapshot of the top food commodity price inflation movements impacting the UK. The data is from Office for National Statistics (ONS).

Item	Percentage Change over 12 months
Vegetables	2.5%
Sugar, Jam, Syrups, Chocolate and Confectionary	3.9%
Oils and Fats	10.3%
Bread and Cereals	0.9%
Meat	1.8%
Fruit	2.6%
Milk, Cheese and Eggs	-1.4%
Fish	-3.1%



Oils

There are concerns over potential Rapeseed crop losses in key production areas like the EU and Australia. If losses do happen, it may lead to short supply.

Ukrainian Rapeseed crops are being affected by extreme weather conditions, with frosts across key growing regions, combined with a lack of rainfall in early May harming yield and production. Some crops have darkened or have been killed entirely.

Due to low Chinese stock levels and high demand, supply concerns have been further heightened by Chinese imports increasing by 13.7% from April to May.

Bakery

Increased living wage and skilled staff shortages mean bakeries are continuing to struggle. Aldi and Lidl, which offer higher wages, are forcing bakeries to raise their wages to attract key skilled workers.

Compared to last year, Cacao prices have uplifted by 151% due to supply issues in West African countries. This is due to bad weather conditions and disease that have impacted Cocoa trees, along with increased global demand.



Fruit and Vegetables

Wet conditions across Kenya are causing significant quality and availability issues for Mangetout.

The effects of El Nino over the Avocado growing period may impact the availability of larger Avocados till the start of the Chilean season in September.

Good weather has helped to advance the British Broccoli season.



Butter

Butter prices have increased by 45% over the last year, by tight availability and increased demands.

Increased demand was supported by uncertainty surrounding milk intakes, with milk production starting to drop earlier than expected due to wet weather. Demands are expected to increase further over the coming month.