Market Movers

April 2025

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
Milk, cheese and eggs	1.4%
Oil and fats	8.5%
Breads and cereals	2.8%
Vegetables	1.9%
Meat	1.9%
Sugar, jam, syrups, chocolate and confectionary	9.5%
Fish	-0.7%
Fruit	4.2%

Inflation Figures

The Consumer Prices Index (CPI) rose by 2.8% in the 12 months to February 2025 and was up 0.4% vs. last month. The Retail Price Index (RPI) is now at 3.4% vs 3.6% last month.

Food and non-alcoholic beverage prices rose by 3.3% in the year to February 2025, unchanged from the previous month. Although the FPI remains lower at 1.8% there remains significant concern about the potential level of inflation impacting the UK Hospitality sector over the coming months.

Latest Inflation Figures as of December 2024*:	
Foodservice Price Index (FPI) in January	1.8%
Food Price Inflation (CPI)	3.3%
Retail Price Index (RPI)	3.4%
Consumer Price Index (CPI)	2.8%
Producer Price Index (PPI)	Not released

*Source: Office for National Statistics (ONS), Trading Economics

Market Movers

Fruit and Veg

There has been very heavy rain and flooding in parts of Spain. Harvesting has been difficult, leading to quality and availability issues.

Cauliflower, along with Broccoli and Sweetheart Cabbage, have been impacted by the heavy rains. The Cavolo Nero crop continues to be affected by white fly and poor quality - availability remains difficult due to the small number of farmers who grow this product.

There are availability problems for Lettuce, with all varieties affected. There is widespread crop damage due to mud getting into the product and pinking due to the amount of water present. Batavia is most affected.

Peppers are still impacted by the Thrips virus.

The European Apple season is proving difficult this year due to early season frosts. There are quality and availability issues, with Granny Smith's being worst affected. It will remain a difficult market until the South African season starts in 2 months' time.

Berries have been impacted by the poor weather conditions in Spain, with market-wide shortages for Raspberries, Strawberries and Blackberries.

The Spanish weather has restricted access to orchards and means that Lemon harvesting has been very limited.

There are likely to be shortages of Salad Potatoes, red potatoes and larger potatoes later in the season, although there are currently no major problems.

We are anticipating Sweet Potato availability issues from April. The American harvest is down by 30-40% due to poor weather during the growing period.

There have been problems with rugose virus in Tomatoes, caused by wet conditions in Spain, with two weeks of persistent rain impacting shelf life and quality.

We recommend keeping summer salad vegetables off menus until they're back in season. Instead, steer menus around what's in season in early spring, such as Asparagus, Purple Sprouting Broccoli, Spring Cabbage and Cauliflower.

NHS Supply Chain

Fish and Seafood

The 2025 Cod quota is set with a 20% reduction, adding pressure to prices. Poor weather has also disrupted landings, making peak prices uncertain. Haddock prices face 20-30% inflation, and the Whitefish market remains under strain. Fresh Coley or Alaskan Pollock provide more price-sensitive menu alternatives.

As spring approaches, the storms of early 2025 are expected to ease on the south coast, allowing for improved fishing conditions, bringing relief to the fresh, native fish market.

Salmon prices have not reached the highs of previous years, and reports from Norway are indicating a 5% increase in stock compared to last year, meaning availability is expected to remain strong. Whole salmon prices have dropped but future pricing remains uncertain.

Farmed Bass and Bream prices remain largely unchanged, though larger bass have eased slightly. Wild bass is in its closed season throughout February and March, with only frozen stock available.

ChalkStream Trout prices have remained steady for the past year, but an increase was seen in February. This was driven by rising energy costs and the UK budget - new minimum wage requirements and national insurance changes. Pricing is expected to remain steady for the next year.

Flat Fish prices remain variable, but quality is excellent at this time of year. Plaice will soon begin to roe-up in preparation for spawning and should be avoided for the next couple of months. Brill and wild Turbot prices are expected to decrease throughout March.

Native Shellfish are in peak condition until the end of March, making them an excellent menu addition. Mussels and other bi-valves offer great value. Lobster availability may increase as sea temperatures rise.

Market Movers

Dairy

We are approaching the 'Spring Flush', where cows are put out to pasture and Milk production increases. With an increase in the Farmgate price in March, production is 1.6% up on last year, providing a positive outlook.

Cheddar prices are starting to spike, with a 17% increase YOY. The increase is likely to continue until we head into Summer. The Milk for Cheese Value Equivalent (MCVE) has increased by 16% in the last year, driven by extreme wet weather in 2024. The imbalance between exports vs. imports is also putting further pressure on pricing, with a 24% increase on exports in 2024 vs. just 4% on imports.

Avian Influenza is impacting Shell and Liquid Eggs, with 1 million laying hens and 400,000 chicks culled in January. This means the UK's supply is 5% smaller. The liquid egg market has increased by 36% since October 2024. The result of Avian Influenza, alongside the increases in National Living Wage and National Insurance will likely further impact price throughout the next quarter.

We recommend moving away from Cheddar cheese where possible and switching into the more cost-effective Mozzarella cheese.

Bakery

Labour expenses are the primary factor driving current inflation in the bakery category. The increases in the National Living Wage (NLW) and National Insurance (NI) in April have significantly impacted suppliers.

The impact of increasing labour costs is somewhat alleviated (particularly in the Bread category) due to a downward trend in commodity prices, where we are seeing softening in the cost of Wheat and Milk.

The Sweet Bakery category is anticipated to experience significant inflation due to increasing Butter prices, which reached a five-month peak last month, and rising Egg prices, which have risen on average 15% since January.

We recommend moving to less butter heavy sweet pastry products, swapping to Margarine or Butter-blend pastries to mitigate cost increases where possible. Also, with Cocoa prices high consider having less chocolate on offer, swapping for Fruit or Caramel based desserts including Plant-based alternatives.

Meat

The Beef market is up 31% year on year (March 24 to March 25). There has been a 17% increase since January 2025. Demand is still strong, and total cattle availability is reducing YOY, which will mean the price may continue to rise.

Chicken has seen increased availability pressure, primarily driven by increased cases of Avian Influenza in the UK and Europe. European availability has tightened, meaning increased demand for UK poultry. Demand remains strong for UK poultry domestically. We anticipate this easing as we move towards warmer months as this should see reduced cases of Avian Influenza. The cost pressure is also due to the recent switches to reduced stocking densities in line with the 'Better for Chicken' commitment.

We recommend moving away from Beef in favour of more cost-effective proteins such as Chicken or Pork.

Next Quarter Outlook

NHS Supply Chain

Dairy

As we approach the spring, farmers are looking to return cows to the fields in what is termed the ‘spring flush’ which typically results in increased Milk production. The current year on year increase is 1.6% which is equivalent to an additional 500,000 litres of milk produced.

Meat

Demand on Beef is expected to remain high with total cattle availability reduced year on year. Beef inflation is continuing with the market up 31% year on year (March 24 to March 25). We expect the coming months to be challenging from both a pricing and availability perspective.

Chicken. Poor weather assists the spread of Avian Influenza across the UK and Europe. We have seen outbreaks across Europe (13 countries confirmed) and 1 instance in the UK. We anticipate this easing as we move towards warmer weather months as this should mean reduced cases of Avian Influenza.

Fruit & Veg

With Spain still suffering from extreme flooding and rain, we expect to see quality and availability issues into the coming months.

However, over the next quarter we start to move towards more home-grown fruit and veg, which will help to alleviate some of the shortages and quality issues currently being seen.

Fish & Seafood

Economic & Operational Pressures: Volatile foreign exchange rates are likely to continue to put pressure on frozen fish and seafood, in particular Cod, Haddock, Tuna and Prawns.

2025 quotas for Cod in the Barents sea have been agreed at a 20% reduction further increasing pressures in the whitefish market as we move into the next quarter.