

August 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
Milk, Cheese and Eggs	-0.2%
Oil and Fats	9.2%
Breads and Cereals	0.2%
Vegetables	2.1%
Meat	0.7%
Sugar, Jam, Syrups, Chocolate and Confectionary	5.1%
Fish	-4.2%
Fruit	2.7%

Fish and Seafood

Cod prices are starting to rise as supply tightens, with the last quota's volume nearing its end. Some relief is anticipated once the new quota is established in September.

The scarcity of halibut, particularly larger specimens, has resulted in higher prices.

Poultry

EU poultry prices have remained stable. Poultry supply is currently challenging and placing pressure on price, driven by a number of key factors:

- The EU has introduced a cap on Ukrainian poultry imports, significantly impacting supply.
- UK boarder health controls for animal-origin products have increased certification costs, adding administrative burdens, causing delays.
- Feed costs are expected to increase slightly in the next few months due to turmoil in the Middle East and weather-related risks in Russia.



Fruit and Veg

The early potato harvest has begun, with yields slightly below last year's levels. Quality is variable, with typical early-season issues expected, such as loose skins and green tops.

This year there may be availability challenges for small potatoes due to increased demand outpacing supply. The full impact on the season won't be clear until November, once most of the crop has been harvested and quality can be thoroughly accessed.



Beef

Following heavy periods of rainfall and sunny spells in late July, grass is growing, meaning farmers continue to leave the cattle in the field.

Producers continue to struggle with cattle numbers, resulting in higher livestock pricing than expected. This is impacting throughout, with a reduction of steers of around -3% through July (-5% in June), causing GB cattle prices to move higher.