



CGA Prestige **Foodservice Price Index (FPI)**

Snapshot Report - June 2024

Your source for accurate data, analysis and insights into today's food prices.

Monthly Snapshot..

Executive Summary

Foodservice Price Index Reaches 12-Month Milestone, But Inflation Returns Amidst Global Market Volatility.

The latest Foodservice Price Index (FPI) report from Prestige Purchasing and CGA reveals a complex landscape for the foodservice sector in June 2024. While year-on-year inflation continued its downward trend, reaching 3.6% – a rate considered normal for the industry and marking a full year of consecutive declines – the month saw a return to inflation, with prices increasing 1.3% month-on-month.

This marks the most significant monthly increase in five months, following a period of relative stability and even deflation. The shift suggests that while the overall trajectory of food inflation is moving towards normalcy, the market remains susceptible to fluctuations.

Only the Vegetable category remains in double-digit inflation, primarily driven by challenges in the potato market due to adverse weather conditions impacting crops and availability. Additional pressure on vegetable prices comes from delayed planting and subsequent poor availability of other outdoor crops, such as carrots, onions, and brassicas.

Inflation Ups & Downs against May..



Mirroring the FPI's findings, the FAO Food Price Index remained relatively stable in June 2024, albeit with slight increases in vegetable oil, sugar, and dairy prices offsetting a decrease in cereal prices. While the FAO index is still lower than last year's levels, its recent uptick, combined with the potential impact of weather events and geopolitical factors, warrants close monitoring as it could influence the trajectory of food inflation in the UK.

Furthermore, the relative stability of the Euro to GBP and USD to GBP exchange rates during May and June suggests a minimal direct impact on import costs. However, the complex interplay of global supply and demand dynamics, along with the potential for further fluctuations in oil prices, necessitates ongoing vigilance from industry stakeholders.

The June 2024 FPI report underscores the importance of proactive and adaptable procurement strategies for hospitality operators. While the overall trend towards lower inflation is encouraging, the return to month-on-month increases and the volatile global market highlight the need for continued diligence and careful monitoring of price fluctuations.





Prestige Purchasing are a leading expert in Value Chain. We provide knowledge, insight, and practical support to hospitality and foodservice businesses. We improve profitability by improving the way in which our clients source and manage what they sell.

Our services are tailored to allow us to assist businesses of any scale in the sector. Offering a bespoke consultancy based model we offer services contextualised in the statements below for our clients.

Supply Optimisation

For growing businesses that have not yet established a mature supply chain function we provide outsourced services that deliver profit improvement through the application of best in class techniques, using our team of experienced and capable buyers.

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Procurement Transformation

For established businesses that have yet to establish "strategic procurement" and wish to introduce national, regional or global supply arrangements, often establishing their own team to develop and maintain them.

Procurement Support Services

A portfolio of services to support fully established procurement and supply chain teams in their mission to add value to their organisation. Services include Insight, Training, Analytics and Benchmarking.

Our services are 100% Transparent FIXED fee based and deliver between 2 and 7 times return on investment all backed up with financial guarantees.

We do not aggregate volume with other operators and build each project or service bespoke for each of our clients' needs delivering the maximum benefit to our clients bottom line.

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CGA by NIQ provides definitive On Premise consumer intelligence that reveals new pathways to growth for the world's most successful food and drink brands. With more than 30 years of best-in-class research, data, and analytics, CGA by NIQ provides the Full View™.

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NIQ was founded in 1923 and is an Advent International portfolio company. For more information, visit NIQ.com or www.cgastrategy.com.

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