



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

Snapshot Report - August 2024

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

Monthly Snapshot..

Executive Summary

Foodservice inflation eases again but beverages drive month-on-month rise.

Year-on-year inflation in foodservice eased to 2.8% in August 2024, the latest Foodservice Price Index (FPI) report from Prestige Purchasing and CGA shows. It is the 14th straight month of decline, as prices continue to stabilise after a prolonged period of aggressive inflation. However, the report also reveals a 0.5% month-on-month increase in prices across the basket of goods—a third consecutive rise.

This uptick was primarily fuelled by the Beverage category, with total inflation here reaching 5.8% year-on-year. The Mineral Waters, Soft Drinks & Juices segment recorded a particularly steep increase of 6.7%, while the Tea, Coffee & Cocoa category remained elevated at 4.7%.

In contrast, total food basket prices experienced a more moderate inflation rate of 2.5%. Two of the eight food categories saw year-on-year decreases, with Dairy falling by 0.3% and Oils & Fats by 1.2%. The Vegetables and Sugar, Jam, Syrups & Chocolate categories generated the highest inflation, rising 9.1% and 8.2% respectively—though these figures represent a slight easing from July.

Inflation Ups & Downs against July..



While the overall trend is positive, the persistent month-on-month increases and stubbornly high inflation in specific categories, particularly beverages, highlight the market's fragility. Operators must remain proactive and adaptable in their procurement strategies to navigate these challenging conditions.

Globally, the FAO Food Price Index dipped slightly to 120.7 points in August, signalling a continued easing of global food prices. While the overall trend towards lower inflation remains encouraging, the recent uptick in beverage prices and the lingering impact of weather-related disruptions on certain food categories emphasise the need for continued vigilance and adaptability from industry stakeholders.

The relative stability of both the Euro to GBP (averaging 0.85) and USD to GBP (averaging 0.77) exchange rates in August suggests minimal direct impact on import costs for UK businesses. However, the global market remains sensitive to currency fluctuations, and the decline in the average monthly Brent crude oil price to \$80.36 per barrel in August could have further implications on commodity prices in the coming months.

These factors, combined with the ongoing volatility in certain foodservice categories, emphasise the importance of strategic procurement practices in the sector. While the overall picture is one of gradual stabilisation, the market remains complex and dynamic, requiring operators to remain agile and responsive to evolving conditions.



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.

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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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