



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

Snapshot Report - October 2023

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

Monthly Snapshot..

Executive Summary

Falling FPI inflation now a clear trend.

Inflation as measured by the CGA Prestige Foodservice Price Index (FPI) decreased for the fifth consecutive month in October, dipping below 20% year-on-year at 16.7% - its lowest level since August 2022. There remains however a marked contrast between FPI and the measure of supermarket pricing (CPI) which is now rising at roughly half the rate (8.5%) year-on-year. October also marked the first month-on-month fall in FPI since September 2021.

In October, FPI saw just one category (Oils & Fats) perform below 10% inflation at 4.0%, but this was in stark contrast to Vegetables where inflation remained extremely high at 30%. Overall, inflation within FPI has fallen 6.2% pts since its peak of 22.9% [YOY] in December 2022.

Inflation Ups & Downs against September..



The UN FAO Food Commodity Index (the overall measure of international food commodity prices) averaged 120.6 points in October, down 0.7 points (0.5 percent) from September, continuing the downward trend and standing 14.8 points (10.9 percent) below its corresponding value a year ago. Brent Crude has eased after a September spike in price. Further inflationary pressure may be felt in the months ahead because the Sterling has been weaker since the summer against both the \$ and the €, whilst UK wage inflation remains around 8%, acting as a brake on the rate of inflation reduction.

The FPI index has risen over the past 24-months by 40%, and with FPI still at 16.7% inflation, the compound effects of these continued high numbers need to be carefully monitored and managed. As of today, the journey down to normal levels of inflation (about 1%-3%) is only about one-third complete.





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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CGA by NIQ works with food and beverage suppliers, consumer brand owners, wholesalers, government entities, pubs, bars, and restaurants to protect and shape the future of the On Premise experience. Using the most complete and clear understanding of measurement and insights, CGA by NIQ provides a competitive edge to guide winning strategies for On Premise businesses.

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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