



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

Snapshot Report - July 2024

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

Monthly Snapshot..

Executive Summary

Foodservice Inflation Eases for 13th Consecutive Month, But Beverages Buck the Trend

The foodservice industry continues its journey towards price stability, with the latest Foodservice Price Index (FPI) report from Prestige Purchasing and CGA revealing a 13th consecutive month of year-on-year inflation decline, reaching 3.1% in July 2024. This sustained trend aligns with broader economic indicators, suggesting a gradual return to a more predictable pricing environment.

However, the report also highlights a slight uptick in month-on-month prices, with the overall basket increasing by 0.2% compared to June. This modest rise underscores the market's inherent volatility and serves as a reminder that the path to full recovery is not without its challenges.

A key driver of this month-on-month increase lies within the index's beverage categories which saw a combined inflation of 6.2%, as Mineral Waters, Soft Drinks, and Juices pricing rose 7.3%, and Tea, Coffee, and Cocoa pricing increased 4.7% year-on-year.

Inflation Ups & Downs against June..



In contrast, the food categories displayed more encouraging signs, with two out of eight categories experiencing year-on-year deflation. The Vegetable category, however, remains an outlier, with persistent double-digit inflation primarily driven by ongoing challenges in the potato market.

Globally, the FAO Food Price Index remained relatively stable in July, showcasing the complex and interconnected nature of the food supply chain. While the overall trend towards lower inflation is positive, 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.

Elsewhere, the relative stability of both the Euro to GBP and USD to GBP exchange rates throughout Q2 suggests minimal direct impact on import costs for UK businesses. However, it's crucial to remember that the global market remains sensitive to currency fluctuations, and any significant shifts in these exchange rates could have a ripple effect on commodity prices in the coming months.

While the sustained year-on-year decline in foodservice inflation is certainly encouraging, the month-on-month increase and the significant inflation in certain categories, particularly beverages, highlight the market's ongoing volatility. Operators should remain proactive in their procurement strategies, closely monitoring price trends and exploring opportunities to mitigate potential cost pressures.



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.

David Gillham
Commercial Director
T - 07917 303970
E - david.gillham@prestige-purchasing.com

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.

Shaun Allen
Chief Executive Officer
T - 01908 324066
E - shaun.allen@prestige-purchasing.com

Office Address: Aurora House, Deltic Ave, Rooksley Roundabout, Bradwell Common, Milton Keynes MK13 8LW



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™.

Reuben Pullan
Senior Client Director
T - 07816 531 977
E - reuben.pullan@nielseniq.com

Office Address: Strawberry Studios, Watson Square,
Stockport SK1 3AZ

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.

CGA
T: 0161 476 8330
E: hello@cgastrategy.com
Follow us on Twitter: @CGA_insights