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

Snapshot Report - March 2026

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

Monthly Snapshot..

Executive Summary

The Foodservice Price Index fell to 150.4 in March 2026, recording a sharp month-on-month decline of -1.4%. While this represents one of the strongest monthly deflationary movements in recent periods, it must be viewed as a momentary respite rather than a sustained market correction. Year-on-year inflation remains structurally embedded at +3.7%, and severe global macroeconomic indicators point toward an impending, aggressive return to inflation across the foodservice sector. The defining characteristic of the March data is the extreme divergence between a highly volatile global commodity environment and a temporarily insulated UK domestic market. The UK supply chain is currently in the "eye of the storm," absorbing and delaying the pass-through of international shocks through established contract structures, forward buying, and intense domestic competition. However, should the current situation continue, it appears likely cost will begin to rise.

The primary catalyst for likely future inflation is the escalating geopolitical crisis in the Near East and the closure of the Strait of Hormuz. This has triggered an unprecedented energy shock, with average Brent Crude Oil prices surging to £87.21 in March, up from £49.98 in February—an astonishing increase of 74.5% month-on-month. Simultaneously, global food commodities are reacting aggressively to both energy costs and market fundamentals. The FAO Food Price Index averaged 128.5 points in March 2026, up 3.0 points or 2.4% from its revised February level, marking a second consecutive month of increase. Crucially, price indices across all commodity groups, including cereals, meat, dairy, vegetable oils, and sugar, rose in March, pushing the global index 1.0% above its value a year ago.

Inflation Ups & Downs against February..

FISH

Up 0.2%

FRUIT

Up 0.2%

MEAT & POULTRY

Down 1.3%

MILK, CHEESE & EGGS

Down 2.6%

Despite these surging global benchmarks, the UK index recorded deflation in almost every corresponding category due to the delayed transmission of costs. Oils and Fats fell by -2.7% month-on-month, entirely bucking the global trend where international palm oil prices hit their highest level since mid-2022 due to crude oil spillover effects. UK pricing is currently being artificially depressed by earlier forward buying and substitution strategies. Similarly, Milk, Cheese and Eggs dropped by -2.6%, reflecting ample domestic milk supply shielding buyers from a recovering global dairy market. Bread and Cereal declined by -2.1% as operational efficiencies protected UK operators from a sharp spike in international wheat prices. The Sugar, Jam, Syrups and Chocolate category also fell by -0.9%, benefiting from earlier procurement that hides the reality of a 7.2% jump in the global sugar index, driven heavily by Brazil diverting sugarcane toward ethanol production to capitalise on the oil crisis.

Further deflation was seen in fresh produce and proteins, with Vegetables dropping -2.2% to benefit legitimately from improved early-season harvests across southern Europe. Meat and Poultry eased by -1.3% on the back of seasonal promotional activity, though underlying global farmgate prices remain highly constrained. However, not all categories experienced relief, as persistent systemic issues kept Fruit and Fish in inflationary territory, both edging up by +0.2%. These categories continue to battle strict whitefish quota reductions, high labour costs, and a heavy reliance on imports.

Ultimately, the March data illustrates a highly favourable, yet exceptionally fragile, procurement environment. UK suppliers cannot indefinitely absorb a 74.5% surge in crude oil prices alongside uniformly rising global food indices. Sustained oil prices at £87 per barrel will rapidly inflate freight, packaging, agricultural inputs, and energy-intensive manufacturing costs. Procurement teams must not interpret this month's drop as market safety, but rather as a rapidly closing window of opportunity. Strategies for the remainder of the year must operate with absolute urgency, leveraging the current domestic softness to lock in long-term contracts and fortify supply chains before the reality of the geopolitical energy shock inevitably breaks through to the UK border.

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.

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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NielsenIQ (NYSE: NIQ) is a leading consumer intelligence company, delivering the most complete and trusted understanding of consumer buying behavior and revealing new pathways to growth. By combining an unmatched global data footprint and granular consumer and retail measurement with decades of AI modeling expertise, NIQ builds decision systems that help companies turn complex data into confident action.

With operations in more than 90 countries, NIQ covers approximately 82% of the world's population and more than $7.4 trillion in global consumer spend. Through cloud-based platforms, advanced analytics and AI-driven insights, NIQ delivers The Full View™—helping brands and retailers understand what consumers buy, why they buy it, and what to do next.

For more information, please visit www.niq.com

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