



A summary of key trends in
Food and Non-Food Retail prices

A summary of key pressures on
future prices

SHOP PRICE INDEX

Period covered: 01-05 September 2022

Strictly embargoed until 0.01hrs, Wednesday 28 September 2022

September 2022



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Headline commentary



“With costs mounting across the board, September saw shop price inflation hit yet another high. The war in Ukraine continued to drive up the price of animal feed, fertiliser and vegetable oil, causing fresh food inflation to rise significantly over the past few months, particularly for products such as margarine. While the summer drought diminished some harvests, other produce benefitted from the prolonged sunshine, helping to bring down prices for fruits such as strawberries, blueberries, and tomatoes. Non-food inflation also rose, largely driven by DIY, gardening and hardware products which, as heavier items, have been harder hit by rising transport costs.”



“Retailers are battling huge cost pressures from the weak pound, rising energy bills and global commodity prices, high transport costs, a tight labour market and the cumulative burden of government-imposed costs. And, with business rates set to jump by 10% next April, squeezed retailers face an additional £800m in unaffordable tax rises. Government must urgently freeze the business rates multiplier to give retailers more scope to do more to help households.”

Helen Dickinson OBE | Chief Executive | British Retail Consortium



“With food and household energy prices continuing to rise, it’s no surprise that NielsenIQ data shows that 76% of consumers are saying they expect to be moderately or severely affected by the cost-of-living crisis over the next 3 months, up from 57% in the summer. So households will be looking for savings to help manage their personal finances this autumn and we expect shoppers to become more cautious about discretionary spend, adding to pressure in the retail sector.”



Mike Watkins | Head of Retailer and Business Insight | NielsenIQ

Executive Summary

In September, Shop Price Inflation registered a fresh record since the start of the series in 2005. Food prices continued their surge, as monthly prices rose by more than 1% for the fourth consecutive month. The inflation has become broad-based, as non-food inflation also reached all-time highs. Global commodity prices appear to have peaked but recently have plateaued, raising the risk of inflationary pressures being persistent into 2023. There remains much uncertainty in the geopolitics surrounding the Ukraine-Russia conflict and a sporadic zero-Covid policy in China has the potential to cause further volatility in commodity markets and thus retail prices.

Moreover, we expect inflation in retail prices to continue for the remainder of the year and into 2023. These pressures will find their way into the non-food as well as food categories, because of the knock-on impact of ever-increasing operational costs, particularly within manufacturing and transport.

All prices

Shop Price annual inflation accelerated to 5.7% in September, up from 5.1% in August. This is above the 3-month average rate of 5.1%. This marks another record for shop price inflation since this index started in 2005.

5.7%

% change year-on-year

Non-Food

Non-Food inflation accelerated to 3.3% in September, down from 2.9% in August. This is above the 3-month average rate of 3.1%. Inflation remains rose to a fresh series' high in this category.

3.3%

% change year-on-year

Food

Food inflation accelerated strongly to 10.6% in September, up from 9.3% in August. This is above the 3-month average rate of 9.1%. This is the highest inflation rate in the food category on record.

10.6%

% change year-on-year

Fresh

Fresh Food inflation strongly accelerated in September to 12.1%, up from 10.5% in August. This is above the 3-month average rate of 10.4%. This is the highest inflation rate in the fresh food category on record.

12.1%

% change year-on-year

Ambient

Ambient Food inflation accelerated to 8.6% in September, up from 7.8% in August. This is above the 3-month average rate of 7.4%. This is the fastest rate of increase in the ambient food category on record.

8.6%

% change year-on-year

% Change	Overall SPI		Food		Non-Food	
	On last year	On last month	On last year	On last month	On last year	On last month
Sep-22	5.7	0.7	10.6	1.3	3.3	0.4
Aug-22	5.1	1.1	9.3	2.3	2.9	0.5

INFLATION AT RECORD-HIGHS

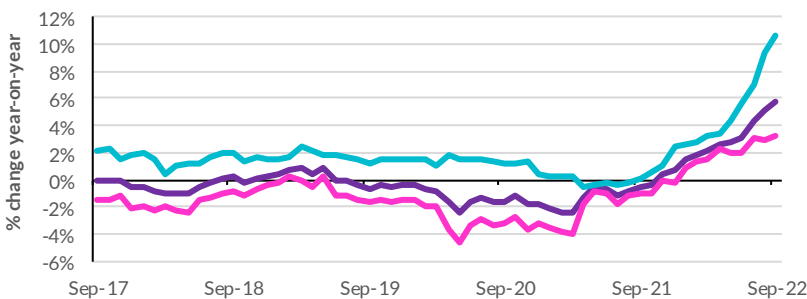
Shop Price Inflation registered another record high in September, hitting 5.7%, the highest rate since the inception of the Shop Price Index data series, and fourteenth consecutive monthly rise. Food price inflation was again the main driving force behind the increase this month, though non-food inflation recorded its own fastest rate. Fresh food inflation was again particularly strong over the past month. The energy price shock induced by the Ukraine-Russia conflict has forced producer input costs up with the pass-through being seen in shops.

Shop prices have been rising since November 2021, and have set fresh records for the three months running. Global commodity prices are now plateauing if not falling but remain elevated relative to pre-pandemic levels. Input costs continue to rise for businesses across the world, particularly energy, metals and food. Given the lag between global and domestic retail prices, easing commodity price pressure will only start to reduce inflation in 2023H2.

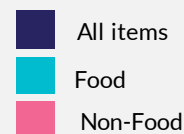
Supply-chain issues are easing, with the Global Supply Chain Pressure Index reflecting this. Shipments of grain exports from the Black Sea have started to pick up though risks abound in Russian policy going forward. Price pressures are expected to remain within the global economic system in the near-term, especially alongside a strengthening dollar.

Shipping costs are now falling fast, though costs are close to three times higher than since the Covid-19 pandemic began. Ahead, shipping firms are expanding container fleets, however these additional vessels are unlikely to be in operation until 2023/24, suggesting shipping costs will remain higher than pre-pandemic averages in the near-term.

FOOD VS NON-FOOD



Highest rise in Shop Prices since the series began



% Change	Overall SPI		Food		Non-Food	
	On last year	On last month	On last year	On last month	On last year	On last month
Sep-22	5.7	0.7	10.6	1.3	3.3	0.4
Aug-22	5.1	1.1	9.3	2.3	2.9	0.5

OIL PRICES FALL, WHOLESALE GAS PLATEAUS

High energy costs have had implications for fertiliser prices, with prices almost quadrupling over the past year. Natural gas is a direct input in the production of fertiliser, and this has driven up the costs incurred by farmers, leaving them with the dilemma of either raising prices or buying less fertiliser, resulting in reduced output levels. This has been compounded by bottlenecks in supply and lower energy imports.

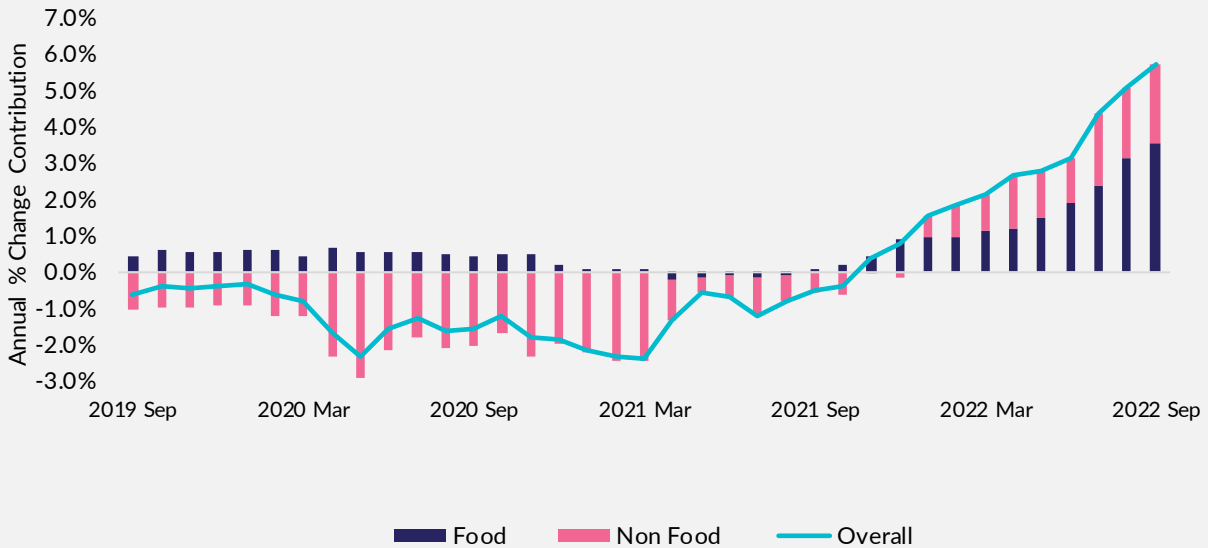
Increasing gas and oil prices affect almost every industry down the supply-chain, albeit to varying degrees. From increased production costs to prices paid for transportation, energy is required at every stage of the process, which in turn increases price inflation for products and increases the cost base of firms.

Non-Food prices have also been affected by these factors, to varying degrees across product categories, with inflation accelerating in the most recent reporting period. Price growth on the month accelerated, with DIY, Gardening & Hardware as well as Health & Beauty products being the main drivers.

Global oil prices trended lower, towards \$90 /bl by the end of September, though supply-constraints in the market remain. Wholesale gas prices remain volatile, however, with constricted Russian pipelines reducing supplies to Europe, pushing prices up. Increased imports of liquefied natural gas (LNG) from alternative suppliers such as the US and Algeria will help alleviate tight supply, though energy prices for manufacturers and transporters are not likely to come down meaningfully until 2023H2, generating upward pressure on Non-Food prices.

To limit the effects of the current geopolitical turmoil, efforts are being made to plug the gap in energy resource supply, by increasing output from other oil and gas producing nations. However, with fears of a looming recession, oil producers are stepping back and bringing down production levels. Despite constraining supply, prices are expected to trend further downwards as the world's major economies enter a period of economic contraction.

SHOP PRICE INFLATION ANNUAL % CHANGE, FOOD AND NON-FOOD CONTRIBUTION



Source: BRC-NielsenIQ

FOOD & NON-FOOD

Food inflation increased in September to 10.6%. This is well above the 12- and 6-month average price growth rates of 3.5% and 5.4%, respectively. This represents a record-high for the food price series, registering double-digit growth.

Non-Food inflation accelerated to 3.3% in September, up from 2.9% in August. This remains above both the 12- and 6-month average price changes of 1.5% and 2.6%, respectively. This was also a record-high for the non-food price series.

Food

10.6%

September, YOY change

Non-Food

3.3%

September, YOY change

	Food		Fresh		Ambient	
% Change	On last year	On last month	On last year	On last month	On last year	On last month
Sep-22	10.6	1.3	12.1	1.6	8.6	0.9
Aug-22	9.3	2.3	10.5	2.4	7.8	2.2

FRESH FOOD

Fresh Food inflation accelerated in September to 12.1%, up from 10.5% in August. This is above the 12- and 6-month average price growth rates of 5.0% and 7.6%, respectively. Monthly fresh food prices continued to grow at a very swift pace, at 1.6%, though decelerated.

September UK Dairy wholesale prices (See Chart) saw significant annual increases for all categories, with prices of Bulk Cream rising by 73%, Butter by 74%, Mild Cheddar by 58% and Skim Milk Powder by 40%. In monthly terms, prices rose for all categories.

AMBIENT FOOD

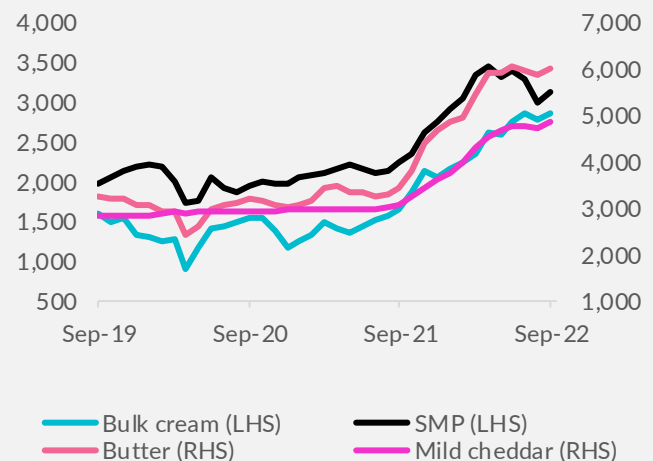
Ambient Food inflation accelerated to 8.6% in September up from 7.8% in August. This is the highest rate of inflation for the category on record. This is above the 12- and 6-month average price increases of 3.8% and 5.8%, respectively. Monthly prices increased by 0.9%.

UK WHOLESALE DAIRY PRICES, SEPTEMBER 2022

	Bulk cream	Butter	Skim Milk Powder	Mild cheddar
YoY	73%	74%	40%	58%
MoM	3%	2%	4%	3%

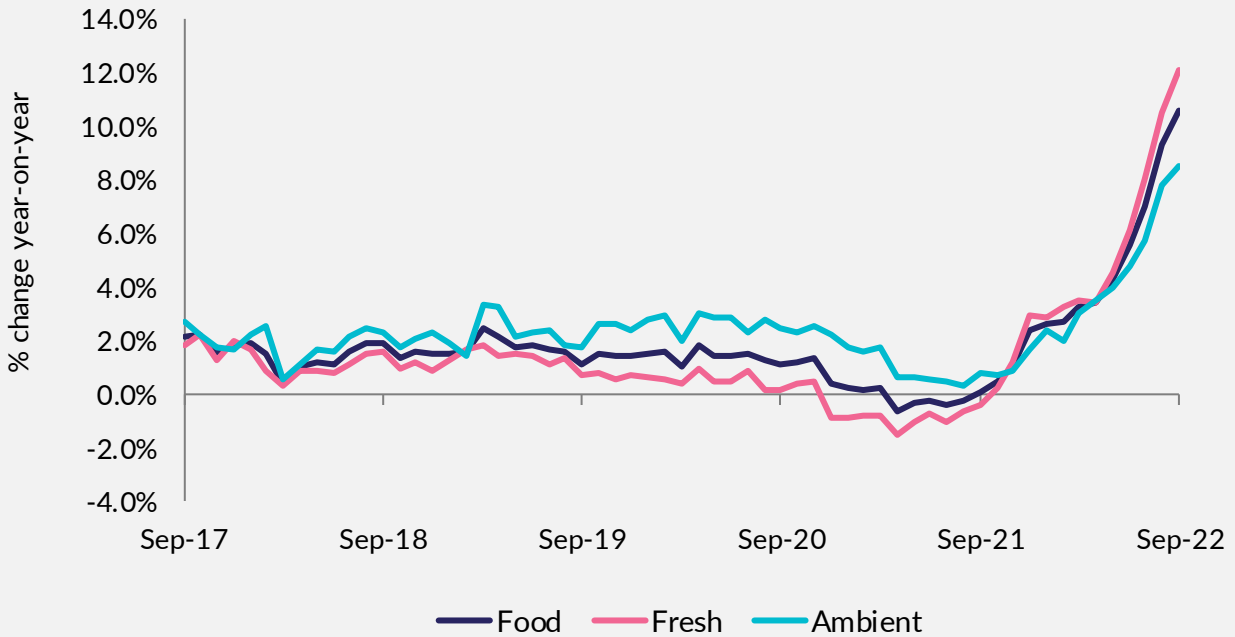
Source: Agricultural & Horticulture Development Board Dairy.

UK WHOLESALE DAIRY PRICES, SEPTEMBER 2022



Source: Agricultural & Horticulture Development Board Dairy, £/tonne.

FOOD INFLATION



UK PRODUCE PRICES

Yearly price changes of home-grown produce continued to display a significant degree of dispersion in September.

Changes in Vegetable prices varied. The largest price decline was 78% for cherry tomatoes, and the largest price rise was 95% for spring greens and capsicum (red pepper).

Fruit inflation varied also, with apples showing the highest increase at 40% and raspberries showing the largest price decline at 34%.

WHOLESALE PRODUCE BOTTOM-5/TOP-5 PRICE CHANGES, September 2022, YOY

Cherry Tomatoes	-78%
Round Tomatoes	-35%
Brussels Sprouts	-35%
Raspberries	-34%
Blueberries	-18%
Runner Beans	56%
Cucumbers	66%
Coriander	72%
Capsicum	95%
Spring Greens	95%

	SEP-22		AUG-22	
	On last year	On last month	On last year	On last month
DIY, Gardening & Hardware	6.8	0.6	6.3	1.3
Furniture & Floorcovering	5.6	0.8	5.4	0.6
Books, Stationery & Home Entertainment	5.2	-0.6	5.7	1.6
Other Non-Food	3.8	0.4	3.2	0.0
Health & Beauty	3.1	1.1	2.5	-0.2
Electricals	-1.2	-0.7	-0.6	0.8
Clothing & Footwear	-1.8	-0.1	-2.1	0.6
Total Non-Food	3.3	0.4	2.9	0.5

NON-FOOD

Non-Food inflation accelerated to 3.3% in September, down from 2.9% in August. This is above the 12- and 6-month average price increases of 1.5% and 2.6%, respectively. Most non-food categories saw inflationary pressures sustained, remaining positive for five out of the seven categories in the index's basket of goods. On the month, Non-Food prices rose by 0.4%, with prices increasing in four out of the seven categories of the index.

Books & Stationery prices increased by 5.2% in the 12 months to September. This is considerably higher than the 12-month average price increase of 2.2% and the 6-month average price growth rate of 3.9%. Yearly deflation decelerated in September for **Home Entertainment**. **Books & Newspapers** inflation eased while **Stationery** price growth was flat. Month-on-month, headline prices decreased by 0.6%.

Health & Beauty inflation accelerated to 3.1% in September. This is above the 12- and 6-month average price growth rates of 2.1% and 2.4%, respectively. This is the swiftest pace of inflation for this category on record. Inflation for **Toiletries & Cosmetics** as well as for **Personal Care** accelerated. Month-on-month, headline prices increased by 1.1%.

Furniture inflation accelerated to 5.6% in September, up from 5.4% in August. This is well above the 12-month average price increase of 4.1% and in line with the 6-month average price increase of 5.6%. Inflation accelerated for both **Furniture & Furnishings** and for **Household Textiles**. Month-on-month, headline prices rose 0.8%.

	SEP-22		AUG-22	
	On last year	On last month	On last year	On last month
DIY, Gardening & Hardware	6.8	0.6	6.3	1.3
Furniture & Floorcovering	5.6	0.8	5.4	0.6
Books, Stationery & Home Entertainment	5.2	-0.6	5.7	1.6
Other Non-Food	3.8	0.4	3.2	0.0
Health & Beauty	3.1	1.1	2.5	-0.2
Electricals	-1.2	-0.7	-0.6	0.8
Clothing & Footwear	-1.8	-0.1	-2.1	0.6
Total Non-Food	3.3	0.4	2.9	0.5

NON-FOOD (cont.)

DIY & Gardening inflation increased to 6.8% in the 12 months to September, up from 6.3% in the preceding month. This is above the 12- and 6-month average price growth rates of 3.4% and 4.5%, respectively. **House & Garden** products' inflation increased with **Household Utensils'** prices also showing a significant increase. Month-on-month, headline prices increased by 0.6%.

Other Non-Food inflation accelerated to 3.8% in September up from 3.2% in August. This is above the 12-month average of 2.5% and the 6-month average of 3.4%. Inflation for **Tobacco** and **Pet-related Products** both increased. **Non-Durable Household Goods** and **Tobacco** saw annualised inflation accelerate, though it eased for **Personal Effects** and decelerated for **Recreation & Sport**. Month-on-month, headline prices grew by 0.4%.

Electricals prices were 1.2% lower over the previous year, in September, the only category to see intensifying deflation. This is below the 12- and 6-month average price increases of -0.3% and -0.5%, respectively. Deflation decelerated for **Household Appliances** and **Audio-Visual Equipment**. Month-on-month, headline prices decreased by 0.7%.

Clothing & Footwear was the only other category exhibiting signs of deflationary pressure in the Non-Food index with the pace of deflation decelerating slightly to -1.8% in September, compared to -2.1% in August as summer sales set in. This is a resultingly slower pace of decline than the 12- and 6-month average price decreases of -4.4% and of -2.9%, respectively. Deflation accelerated further for **Women's Clothing** and **Accessories**. **Baby Clothing** and now **Men's Clothing** are the only two clothing categories showing signs of inflation. Month-on-month, headline prices were flat.

UK Input & Output Inflation

August Output prices (those for goods leaving the factory) rose by 20.5% compared to the same point in 2021, down from 22.6% in July 2022.

Of the ten product groups, nine displayed upward contributions to the annual output inflation rate in August. Food products provided the largest upward contribution to the annual rate and had annual price growth of 14.2% in August 2022. This is the highest recorded rate since records began in 1997, with the increase mainly driven by preserved meat and meat products for the domestic market.

Tobacco and alcohol was the only product group to display a downward contribution to the annual rate, though it nonetheless did rise by 4.6% in the year to August 2022. It provided a downward contribution due to a change in the weight, as a result of methodological shifts by the ONS.

The largest upward contribution to the annual input inflation rate came from metals and non-metallic minerals, which contributed 3.9 percentage points of the overall 20.5% figure, exhibiting annual price growth of 18.2% in August 2022 following a monthly fall of 0.5%. Geopolitical tensions are seeing metals prices soar, with the subsequent rises being shouldered by factory gates, particularly in heavy industry.

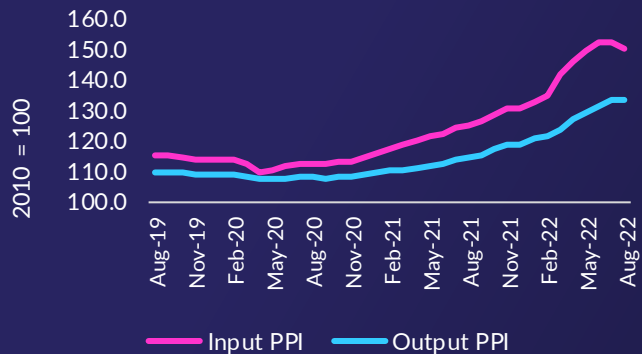
COMMODITY PRICE INDEX

Global Commodity prices plateaued over the course of September, having peaked on the 9th of June. Since then, prices have steadily fallen by 14.6% from this most recent high point, according to the Thomson Reuters/Core Commodity CRB Index. Using the 3-month average of commodity prices to smooth out the volatility somewhat, prices were 7.4% lower than in June. Furthermore, prices remain significantly inflated from the same point last year, with an increase of 33.6%. Of the goods in the basket used to compute the index, 41% are agricultural, 39% are energy-related and 20% are precious or industrial metals.

GLOBAL FOOD PRICE INDEX

Global food prices fell by 1.9% in August 2022 to average 138.0 points, down from 140.7 in the preceding month. The August drop was led by a strong monthly fall in vegetable oil as well as the sugar price sub-index.

PRODUCER PRICE INDEX (PPI)



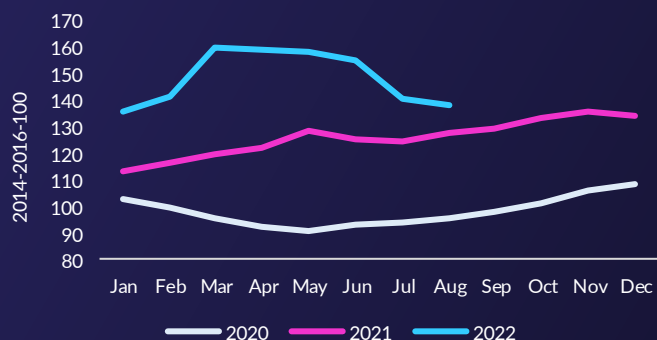
Source: ONS

COMMODITY PRICE INDEX



Source: Refinitiv (formerly Thompson Reuters)

GLOBAL FOOD PRICE INDEX



Source: UN, The Food and Agricultural Organisation

GLOBAL FOOD PRICES - SEPTEMBER

Global food prices (according to the United Nations) continued to ease, contracting on the month by 1.9%. Prices continued to settle down from the all-time record in March, though prices remain 7.9% higher than a year ago. The August fall was led by strong monthly contraction in vegetable oil and sugar prices as well as a slight drop in the dairy price sub-indices.

SUGAR

Prices fell 8.4% year-on-year



Sugar prices declined for the fourth consecutive month, in August, at their lowest level since February. A cap on sugar exports in India, in addition to lower ethanol prices in Brazil (raising expectations of sugarcane consumption) placed downward pressure on prices. Concerns over yield potential in the European Union prevented further price declines in sugar.

MEAT

Prices rose by 8.2% year-on-year



Meat prices increased by 8.2% on the year though decreased 1.5% on the month. Remaining close to all-time highs, world prices for all meats appear to have peaked and are on their way down. International quotations for poultry meat fell as demand from key importers fell. Weak domestic demand increased export supplies for leading producers of bovine meat with a modest increase in Australian supplies also placing downward pressure on meat prices.

DAIRY

Prices rose 23.5% year-on-year



In August, prices for dairy products fell further though remain higher relative to a year ago. Milk powder (in addition to butter) quotations fell as inventories remained steady to cover immediate needs. Better than expected prospective supply in New Zealand also weighed on international prices. Cheese price, in contrast, continued to rise for a tenth consecutive month.

CEREALS

Prices increased 11.4% year-on-year



Monthly cereal prices fell by 1.4% in August, driven by seasonal availability from new harvests in the northern hemisphere, and crucially the agreement reached by Russia and Ukraine to unblock the latter's main Black Sea ports. World maize prices, in contrast, grew 1.5% on the month, as a result of lower production prospects in the European Union and United States.

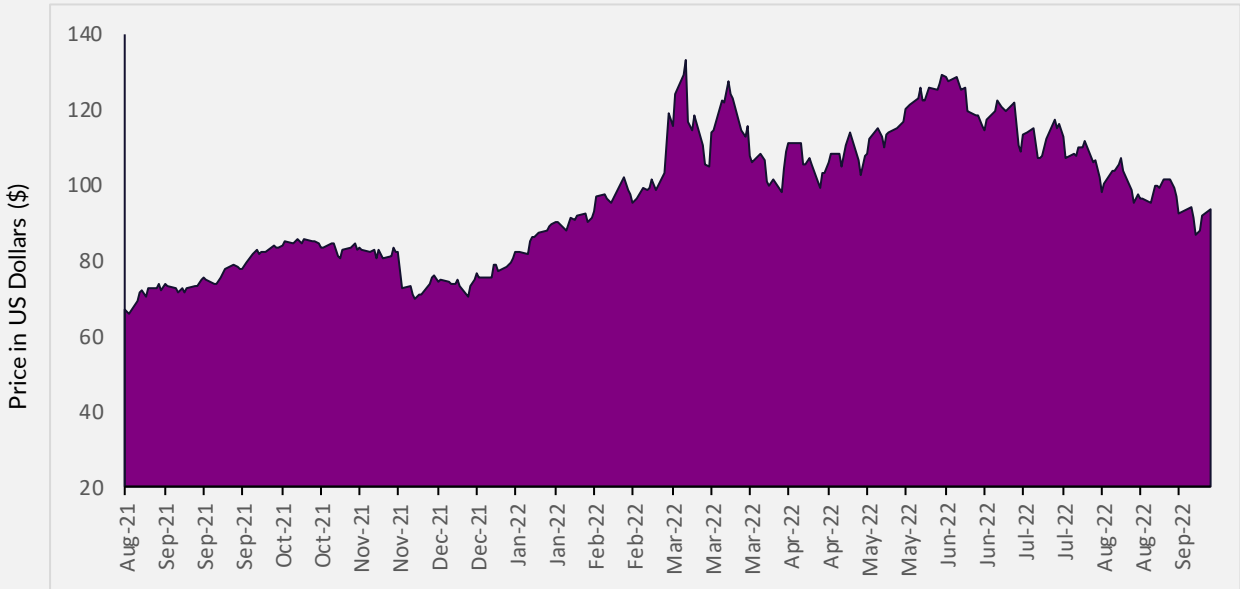
VEGETABLE OILS

Prices fell 1.5% year-on-year



Vegetable Oils prices fell by 1.5% on the year and 3.3% on the month. The fall in August was primarily driven by lower world prices of palm, sunflower and rapeseed oils. Indonesia's lowering of export taxes helped boost availability of supply in addition to elevated seasonal output in Southeast Asia, exerting downward pressure on prices. International soy prices rebounded slightly due to unfavourable weather in the United States raising concerns around soybean production.

GLOBAL BRENT CRUDE, DAILY SPOT PRICE



Source: US Energy Information Administration

OIL PRICES

In September, oil prices fell, averaging \$95 / barrel, having peaked at over \$130 / barrel in the immediate aftermath of Russia's invasion of Ukraine. The increase followed a series of sanctions imposed on the Russian state, with the US and other NATO nations banning the import of Russian oil, limiting worldwide supply. Worldwide recession risks are now placing downward pressure on prices.

The OPEC meeting held on the 5th of September resulted in an agreement to revert production to August levels (amounting to a 100,000 cut in barrels per day production) through October 2022. The meeting delivered reduced oil production, as recession risks mount and concerns surrounding future demand grow. The oil cartel's next meeting takes place on the 5th of October, determining output levels for the month of November.

September YoY change

32%

September MoM change

-8%

HEADLINE YEAR-ON-YEAR CHANGE

	OVERALL	NON-FOOD	FOOD	FRESH	AMBIENT
Sep-21	-0.5	-1.0	0.1	-0.4	0.8
Oct	-0.4	-1.0	0.5	0.3	0.8
Nov	0.3	-0.1	1.1	1.2	0.9
Dec	0.8	-0.2	2.4	3.0	1.7
Jan	1.5	0.9	2.7	2.9	2.4
Feb	1.8	1.3	2.7	3.3	2.0
Mar	2.1	1.5	3.3	3.5	3.0
Apr	2.7	2.2	3.5	3.4	3.5
May	2.8	2.0	4.3	4.5	4.0
Jun	3.1	1.9	5.6	6.2	4.8
Jul	4.4	3.0	7.0	8.0	5.7
Aug	5.1	2.9	9.3	10.5	7.8
Sep-22	5.7	3.3	10.6	12.1	8.6

HEADLINE MONTH-ON-MONTH CHANGE

	OVERALL	NON-FOOD	FOOD	FRESH	AMBIENT
Sep-21	0.1	0.1	0.2	0.2	0.2
Oct	0.4	0.3	0.5	0.5	0.6
Nov	0.2	0.0	0.6	0.8	0.3
Dec	0.4	0.4	0.3	0.8	-0.3
Jan	0.1	-0.3	0.8	0.2	1.6
Feb	0.5	0.5	0.3	0.7	-0.2
Mar	0.3	0.1	0.5	0.1	1.0
Apr	0.3	0.3	0.2	0.0	0.4
May	0.3	0.1	0.7	0.9	0.5
Jun	0.7	0.4	1.3	1.9	0.5
Jul	0.7	0.4	1.3	1.6	0.8
Aug	1.1	0.5	2.3	2.4	2.2
Sep-22	0.7	0.4	1.3	1.6	0.9

CATEGORY YEAR-ON-YEAR CHANGE

	CLOTHING & FOOTWEAR	FURNITURE & FLOOR COVERING	ELECTRICALS	DIY, GARDENING & HARDWARE	BOOKS, STATIONERY & HOME ENT.	HEALTH & BEAUTY	OTHER NON-FOOD
Sep-21	-9.4	2.8	0.7	1.7	-0.9	0.9	-0.1
Oct	-8.3	1.3	-0.5	1.2	-0.4	1.6	0.5
Nov	-6.9	2.1	0.5	2.9	-1.0	1.2	1.0
Dec	-7.1	1.6	-0.4	2.0	0.6	1.6	1.6
Jan	-5.4	3.6	-0.1	1.8	1.9	1.8	2.2
Feb	-4.1	3.3	-0.1	3.0	1.9	2.1	2.0
Mar	-3.5	3.6	0.3	3.0	0.6	2.1	2.4
Apr	-2.9	4.9	0.3	3.2	3.2	2.0	3.4
May	-3.8	4.7	0.2	2.6	3.3	1.8	3.6
Jun	-3.7	5.6	-0.1	2.9	2.8	2.2	2.5
Jul	-3.1	7.2	-1.6	4.9	2.9	2.6	4.3
Aug	-2.1	5.4	-0.6	6.3	5.7	2.5	3.2
Sep-22	-1.8	5.6	-1.2	6.8	5.2	3.1	3.8

CATEGORY MONTH-ON-MONTH CHANGE

	CLOTHING & FOOTWEAR	FURNITURE & FLOOR COVERING	ELECTRICALS	DIY, GARDENING & HARDWARE	BOOKS, STATIONERY & HOME ENT.	HEALTH & BEAUTY	OTHER NON-FOOD
Sep-21	-0.4	0.6	-0.1	0.1	-0.2	0.5	-0.1
Oct	1.0	-0.1	-0.7	0.2	0.5	0.5	0.4
Nov	-1.2	0.2	1.1	0.4	0.3	-0.7	0.5
Dec	0.2	0.5	-1.1	0.0	1.1	1.2	0.5
Jan	-2.3	0.2	-0.4	0.4	0.0	0.0	0.0
Feb	0.0	1.0	0.7	1.0	-0.3	0.1	0.6
Mar	0.1	0.4	0.1	0.1	0.3	-0.1	0.1
Apr	0.0	0.9	-0.2	0.2	1.5	0.4	0.1
May	0.1	0.5	0.3	-0.3	0.4	-0.8	0.4
Jun	0.1	0.8	-0.3	0.7	0.0	1.1	0.1
Jul	-0.3	-0.4	-0.6	2.2	0.4	0.5	0.7
Aug	0.6	0.6	0.8	1.3	1.6	-0.2	0.0
Sep-22	-0.1	0.8	-0.7	0.6	-0.6	1.1	0.4

CATEGORY INDEX

(Base = Dec 2005)

	Overall	Food	Fresh	Ambient	Non-Food	Clothing & Footwear	Furniture & floor covering	Electrical	DIY, Gardening & Hardware	Books, Stationery & Home Entertainment	Health & Beauty	Other Non-Food
Sep-21	99.7	142.6	135.8	152.6	81.1	36.7	91.9	59.4	108.7	103.2	118.5	113.8
Oct	100.1	143.3	136.6	153.5	81.3	37.1	91.8	59.0	109.0	103.6	119.2	114.2
Nov	100.3	144.2	137.6	154.0	81.4	36.7	92.0	59.6	109.4	104.0	118.4	114.7
Dec	100.7	144.6	138.7	153.4	81.7	36.7	92.5	59.0	109.3	105.2	119.8	115.3
Jan	100.7	145.8	139.0	155.9	81.4	35.9	92.7	58.7	109.7	105.1	119.8	115.2
Feb	101.2	146.2	140.0	155.6	81.9	35.9	93.7	59.1	110.8	104.8	119.9	115.9
Mar	101.5	147.0	140.1	157.2	82.0	35.9	94.0	59.2	111.0	105.2	119.7	116.0
Apr	101.7	147.3	140.1	157.9	82.2	35.9	94.9	59.0	111.1	106.7	120.2	116.1
May	102.1	148.3	141.3	158.7	82.3	35.9	95.3	59.2	110.8	107.2	119.2	116.6
Jun	102.8	150.2	144.0	159.4	82.6	36.0	96.1	59.0	111.6	107.1	120.5	116.7
Jul	103.5	152.1	146.4	160.7	83.0	35.9	95.7	58.6	114.0	107.5	121.1	117.6
Aug	104.6	155.6	149.9	164.2	83.4	36.1	96.3	59.1	115.5	109.3	120.9	117.5
Sep-22	105.4	157.7	152.3	165.7	83.7	36.1	97.0	58.7	116.1	108.6	122.2	118.0

About this monitor

The SPI is administered by NielsenIQ, who collate and analyse the data on behalf of the BRC. Economic analysis is conducted by the BRC.

The index provides an indicator of the direction of price changes in retail outlets. The BRC launched the Shop Price Index to give an accurate picture of the inflation rate of 500 of the most commonly bought high street products in stores.

As the Index is designed to reflect changes in shop prices, the sampling points chosen are five large urban areas, spread nationally. Not all sample stores are in city centres; they have been selected to reflect local shopping habits.

The sample therefore includes superstores on out-of-town sites, town centre department stores, local parade stores, and shopping centres. In each location, NielsenIQ collect and process the data for the BRC, visit stores of differing types, e.g. grocery, confectionery, DIY, department stores – including small and large multiples and independents. Data collection is monthly and always in the same stores to maintain consistency.

The items for which prices are collected reflect standard consumer purchasing patterns in terms of branded/own label split and price distribution. The Index is constructed of seven main sectors of purchase: food, DIY, gardening and hardware, furniture, books, stationery and home entertainment, electrical, clothing and footwear, and other Non-Food. In total there are 500 items representing the seven main sectors, there are around 6,500-7,000 price points collected each period. Each product class category has an individual weighting based on the “All households” expenditure measured in the Family Expenditure Survey. This data is also used to weight the Office for National Statistics Retail Price Index (RPI).

Although it is a proxy measure of inflation, the Shop Price Index is more focused than the Retail Price Index and demonstrates the extent to which retailers contribute to inflation through their pricing of a range of commonly bought goods.

ENQUIRIES



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