



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: 01-07 February 2024

Strictly embargoed until 0.01hrs, Tuesday 27th February 2024

February 2024



Contents



3	HEADLINE COMMENTARY
4	EXECUTIVE SUMMARY
5	OVERVIEW
7	FOOD & NON-FOOD
12	COMMODITIES
13	GLOBAL FOOD
14	OIL PRICES
15	DATA TABLES - HEADLINES
16	DATA TABLES - CATEGORIES
17	DATA TABLES - INDEX
18	METHODOLOGY



Headline commentary



“There was good news for consumers as shop price inflation fell to its lowest rate in nearly two years. Food prices fell month-on-month with drops in fresh food including meat, fish and fruit. This was driven by easing input costs for energy and fertiliser while retailers competed fiercely to keep prices down. In non-food, inflation for furniture, electricals, and health & beauty products rose, but the price of clothing continued to fall as many retailers kept promotions in place to entice consumer spend.

Easing supply chain pressures have begun to feed through to food prices, but significant uncertainties remain as geopolitical tensions rise. Prices of non-food goods will be more susceptible to shipping costs, which have risen due to the re-routing of imports around the Cape of Good Hope. Domestically, retailers face a major rise to their business rates bills in April, determined by last September’s sky-high inflation rate. April’s rates rise should be based on April’s inflation, and the Chancellor should use the Spring Budget to make this correction, supporting business investment and helping to drive down prices for consumers.”

Helen Dickinson OBE | Chief Executive | British Retail Consortium



“Shop price inflation has slowed and the underlying trend in prices will be downwards over the next few months. Since the start of the year, food retailers in particular have reduced prices as well as passing on price cuts coming through supply chains. For high street retailers faced with weaker demand, keeping prices stable over the next few months will be key to encourage customers to spend.”

Mike Watkins | Head of Retailer and Business Insight | NielsenIQ

Executive Summary

Shop price inflation eased further to its lowest since March 2022, and overall prices rose on the month, as the January sales unwound. Food price inflation continues to fall, now at mid-single-digits, down from a peak of 15.7% in April. Non-food prices, moreover, primarily accounted for the headline rise, remaining unchanged in annual terms at 1.3%, with prices rising in all but two of the seven constituent categories. Commodity markets remain largely unperturbed (aside from oil), despite ongoing conflict in the Middle East, with natural gas prices now at their lowest since early 2021.

Inflation will continue to ease over H1 and H2 2024, however, categories such as ambient food and durable heavy goods items are anticipated to witness more persistent inflation.

All prices

Shop Price annual inflation eased to 2.5% in February, down from 2.9% in January. This is below the 3-month average rate of 3.3%. Shop price annual growth is its lowest since March 2022.

2.5%

% change year-on-year

Non-Food

Non-Food inflation was unchanged at 1.3% in February. This is below the 3-month average rate of 2.0%. Inflation is its lowest since January 2022.

1.3%

% change year-on-year

Food

Food inflation decelerated to 5.0% in February, down from 6.1% in January. This is below the 3-month average rate of 6.0% and is the tenth consecutive deceleration in the food category. Inflation is its lowest since May 2022.

5.0%

% change year-on-year

Fresh

Fresh Food inflation slowed further in February, to 3.4%, down from 4.9% in January. This is below the 3-month average rate of 4.6%. Inflation is its lowest since February 2022.

3.4%

% change year-on-year

Ambient

Ambient Food inflation decelerated to 7.2% in February, down from 7.7% in January. This is below the 3-month average rate of 7.8% and is the lowest since July 2022.

7.2%

% change year-on-year

OVERVIEW

BRC-NielsenIQ Shop Price Index



% Change	Overall SPI		Food		Non-Food	
	On last year	On last month	On last year	On last month	On last year	On last month
Feb-24	2.5	0.4	5.0	-0.1	1.3	0.7
Jan-24	2.9	-0.7	6.1	0.7	1.3	-1.4

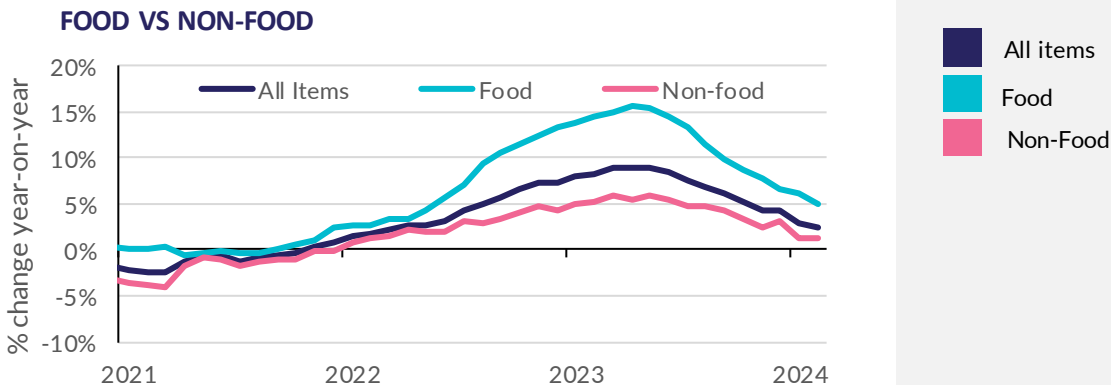
INFLATION LOWEST IN ALMOST TWO YEARS

Shop price inflation fell further to 2.5%, and in monthly terms prices rose by 0.4%, following a fall of 0.7% in the preceding month. Food price inflation is now in mid-single-digits, and prices fell slightly on the month. Non-food inflation remained unchanged, and prices rose following the unwinding of the January sales, with five of seven sub-categories witnessing accelerating inflation. This was mainly driven by price hikes in furniture and flooring as well as electrical items.

Shop price inflation thus continued its easing from all-time highs in May 2023. Considerable easing across food products was counter-balanced by rising non-food prices. Despite price cuts of fresh food items, ambient food products were broadly flat and continued to show the highest rate of annual inflation of the sub-categories. Business input costs, as measured by producer price inflation (PPI) within the domestic supply chain remained in deflation, alongside prices charged by producers. Commodity prices still remain remarkably stable though upside risks remain in oil. Natural gas prices are more than 40% lower than at the end of 2023, likely to bring inflation firmly down by year-end.

Global supply chain conditions improved in January, with the Global Supply Chain Pressure Index calculated by the US Federal Reserve suggesting conditions were only slightly worse than average, following last month's deterioration. Tail risks to the outlook remain in play, and if they materialise, could slow down disinflation over the coming quarters. Certain commodity prices such as sugar and cocoa remain elevated, as well as olive oil prices.

Shop Price Inflation
at lowest rate since
March 2022



% Change	Overall SPI		Food		Non-Food	
	On last year	On last month	On last year	On last month	On last year	On last month
Feb-24	2.5	0.4	5.0	-0.1	1.3	0.7
Jan-24	2.9	-0.7	6.1	0.7	1.3	-1.4

OIL PRICES RISE TO \$83 A BARREL (BRENT)

The Consumer Price Inflation (CPI) measure remained unchanged at 4.0%. Prices across the entire economy remain 21% higher than pre-Covid levels and are unlikely to fall much further back over the coming year. The prospects for inflation falling below the 2% target have now become very likely as natural gas prices fall to their lowest since early 2021.

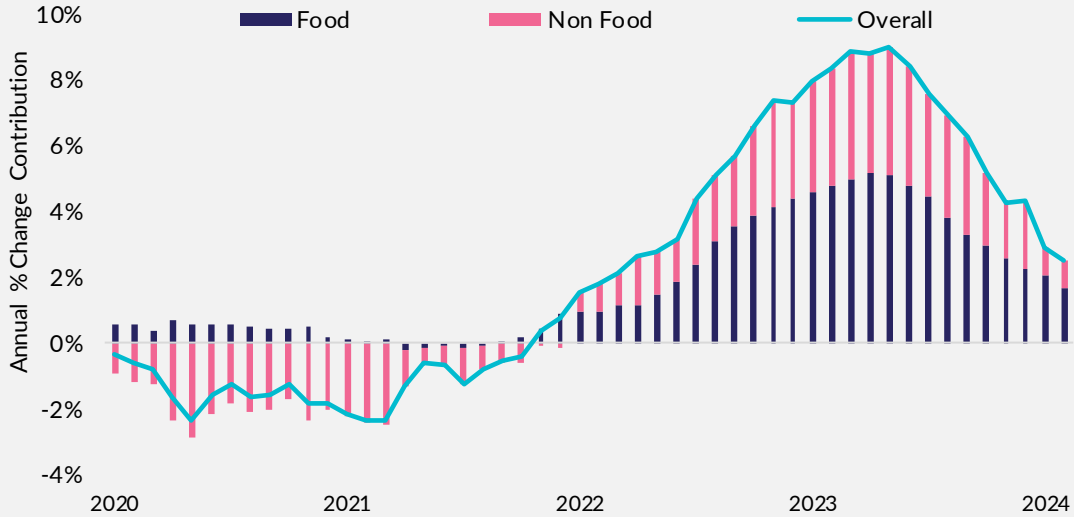
Commodity prices have plateaued, and gas costs easing are expected to put further downward pressure on fertiliser prices. However, business cost bases will remain elevated over 2024, particularly in the case of labour and taxes. This implies a slow pass-through of price cuts.

Non-Food inflation remained unchanged this month as January sales unwound. Price hikes this month were driven significantly by furniture & flooring, electricals as well as DIY, gardening and hardware products. Items of clothing and footwear in addition to books, stationery & home entertainment products were the only ones to have seen price decreases on the month.

Global oil prices have more recently plateaued, following a peak of \$96 a barrel in September, though rose slightly to \$83 (February month-to-date average) from \$79 in the preceding month. Petroleum product input costs remained in deflation, though risks remain skewed to the upside for further movements in oil price levels. The recent rise in oil prices has added a few pence per litre to prices at the pump, in the immediate term.

Input costs in other categories, most notably imported food, fell on the month, with the strong rise in the preceding month revised away. This brought annual inflation in imported food materials down sharply to 4.6%. Domestically produced food prices were flat on the month, and input costs here remained in deflation. Hence food inflation is expected to continue to ease, with more price cuts set to be passed onto the consumer. Despite this, localised supply bottlenecks in key consumables such as sugar, cocoa and coffee are prolonging the inflation felt by the consumer, with certain costs continuing to be passed down the supply chain.

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



Source: BRC-NielsenIQ

FOOD

Food contributed 1.7% to the overall shop price figure, and **inflation** decreased in February to 5.0%. This is below the 12-month and 6-month average price growth rates of 10.9% and 7.4%, respectively. This represents a ninth consecutive deceleration in the food series.

Food

5.0%

February, YOY change

NON-FOOD

Non-Food contributed 0.8% to the overall shop price figure, and **inflation** remained unchanged at 1.3% in February. This is below the 12-month and 6-month average price growth rates of 4.1% and 2.8%, respectively.

Non-Food

1.3%

February, YOY change

% Change	Food		Fresh		Ambient	
	On last year	On last month	On last year	On last month	On last year	On last month
Feb-24	5.0	-0.1	3.4	-0.2	7.2	0.1
Jan-24	6.1	0.7	4.9	0.4	7.7	1.2

FRESH FOOD

Fresh Food inflation decelerated in February to 3.4%, down from 4.9% in January. This is below the 12-month and 6-month average price growth rates of 11.1% and 6.5%, respectively.

Month-on-month Fresh food prices fell by 0.2%.

January UK Dairy wholesale prices (see chart) saw monthly price increases in two of the four categories. Bulk Cream prices fell by 1.6%, Butter prices rose by 0.2%, Skim Milk Powder fell by 2.7% and Mild Cheddar rose by 2.6%. In annual terms, prices remained lower in two of the four dairy categories.

AMBIENT FOOD

Ambient Food inflation decelerated to 7.2% in February, down from 7.7% in January. Inflation in this category remains elevated. This is below the 12-month and 6-month average price increases of 10.6% and 8.8%, respectively.

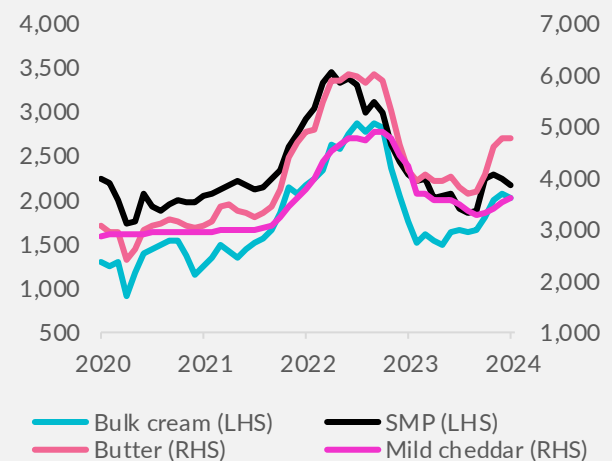
Month-on-month ambient food prices rose by 0.1%.

UK WHOLESALE DAIRY PRICES, JANUARY 2024

	Bulk cream	Butter	Skim Milk Powder	Mild Cheddar
YoY	15.7%	15.3%	-4.4%	-14.3%
MoM	-1.6%	0.2%	-2.7%	2.6%

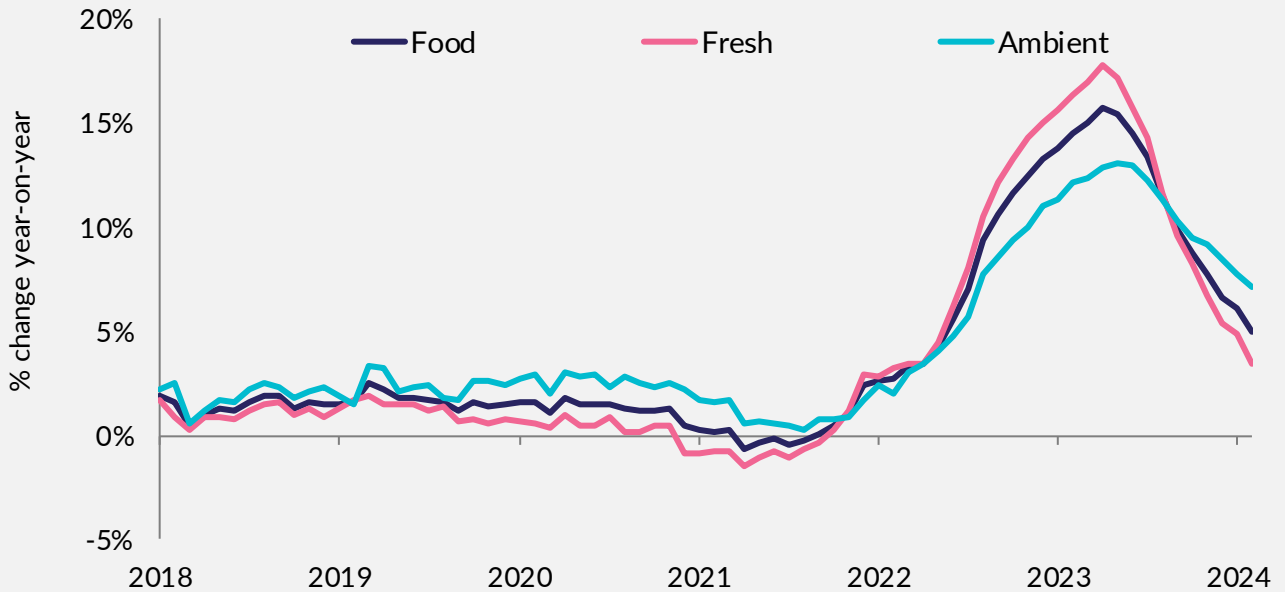
Source: Agricultural & Horticulture Development Board Dairy.

UK WHOLESALE DAIRY PRICES, JANUARY 2024



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

FOOD INFLATION



UK PRODUCE PRICES

Yearly price changes of home-grown produce continued to display a wide degree of variation in February, and no fruit items displayed deflation.

The biggest price decrease in vegetables was -67% for cucumbers and the largest price rise was 59% for Turnips.

Fruit inflation also varied, with apples (Cox's orange group) showing the highest increase at 51% and Doyenne du Comice pears showing the biggest decrease at -1.7%.

WHOLESALE PRODUCE BOTTOM-5/TOP-5 PRICE CHANGES YOY

Cucumbers	-67%
Cauliflower	-46%
Cabbage	-35%
Bulb Brown Onion	-11%
White Cabbage	-8.2%
Brussels Sprouts	36%
Tulips	40%
Cabbage (Round green)	45%
Apples (Cox's orange group)	51%
Turnip	59%

Source: DEFRA wholesale prices of home-grown produce in England and Wales. February 2024 prices are an average of prices in weeks ending: 02/02, 09/02 and 16/02.

	FEBRUARY-24		JANUARY-23	
	On last year	On last month	On last year	On last month
Clothing & Footwear	-5.5	-0.7	-3.8	-5.9
Electrical	0.4	1.6	-0.5	-1.1
Health & Beauty	3.1	0.6	2.7	0.3
Other Non-Food	1.9	0.5	2.6	-0.3
Books, Stationery & Home Entertainment	0.3	-0.4	0.1	-1.7
Furniture & floor covering	4.1	1.8	2.6	-1.2
DIY, Gardening & Hardware	3.0	1.2	2.7	-0.6
Total NON-FOOD	1.3	0.7	1.3	-1.4

NON-FOOD

Non-Food inflation remained unchanged at 1.3% in February. This is below the 12-month and 6-month average price increase of 4.1% and 2.8%, respectively. Inflation fell only in one of the sub-categories, one remained in deflation and the rest saw increases in the annual rate in the index's basket of goods. On the month, overall Non-Food prices rose, and prices rose in five of the seven categories of the index.

Clothing & Footwear prices were 5.5% lower over the previous year, compared to 3.8% lower in January. This is below the 12-month and the 6-month average price inflation rate of 0.0% and -0.4%, respectively. **Men's, Women's and Other Clothing** as well as **Footwear** remained in deflation. **Baby** and **Children's Clothing** remained in inflationary territory. Month-on-month, headline prices fell by 0.7%.

Electricals prices rose over the previous year, by 0.4%. This was above the 12-month and the 6-month average price decreases of -0.3% and -0.1%, respectively. **Audio-Visual Equipment** remained in deflationary territory, but **Household Appliances** rose significantly back into inflationary territory. Month-on-month, headline prices rose by 1.6%.

Health & Beauty inflation rose to 3.1% in February. This is below the 12-month and below the 6-month average price growth rates of 4.9% and 4.0%, respectively. This category has eased since a peak in May. Inflation for both **Toiletries & Cosmetics** and **Personal Care** accelerated. Month-on-month, headline prices increased by 0.6%.

	FEBRUARY-24		JANUARY-23	
	On last year	On last month	On last year	On last month
Clothing & Footwear	-5.5	-0.7	-3.8	-5.9
Electrical	0.4	1.6	-0.5	-1.1
Health & Beauty	3.1	0.6	2.7	0.3
Other Non-Food	1.9	0.5	2.6	-0.3
Books, Stationery & Home Entertainment	0.3	-0.4	0.1	-1.7
Furniture & floor covering	4.1	1.8	2.6	-1.2
DIY, Gardening & Hardware	3.0	1.2	2.7	-0.6
Total NON-FOOD	1.3	0.7	1.3	-1.4

NON-FOOD (cont.)

Other Non-Food inflation decreased to 1.9% in February, down from 2.6% in January. This is below the 12-month average of 5.3% and the 6-month average of 3.8%. **Pets, Related Products & Services** and **Non-Durable Household Goods** inflation decelerated, accelerated for **Tobacco**, but remained in deflation for **Personal Effects** and **Recreation & Sport**. Month-on-month, headline prices rose by 0.5%.

Books & Stationery inflation increased to 0.3% in the 12 months to February. This is lower than the 12-month average price increase of 2.3% and the 6-month average price growth rate of 1.9%. Yearly deflation decelerated in February for **Home Entertainment**. **Stationery** inflation eased off while for **Books & Newspapers** price growth picked up slightly. Month-on-month, headline prices fell by 0.4%.

Furniture inflation picked up to 4.1% in February, up from 2.6% in January. This is below the 12-month average price increase of 5.8% and the 6-month average price increase of 4.3%. Inflation accelerated for **Furniture & Furnishings** and decelerated for **Household Textiles**. Month-on-month, headline prices fell by 1.8%.

DIY & Gardening inflation accelerated to 3.0% in the 12 months to February. This is below the 12- and 6-month average price growth rates of 6.4% and 3.8%, respectively. **House & Garden products'** saw price growth accelerate though **Household Utensils** saw it decelerate. Month-on-month, headline prices fell by 1.2%.

UK OUTPUT INFLATION

January Output prices (those for goods leaving the factory) fell by 0.6% compared to the same point last year, down from a rise of 0.1% in December 2023.

Of the ten product groups, nine displayed downward contributions to the change in output inflation in January. Food products provided the largest downward contribution to the annual rate and had annual price inflation of 0.6%.

Chemical products provided the only upward contribution to the change in the output rate.

UK INPUT INFLATION

The largest downward contribution to the annual input inflation rate came from inputs of crude oil, which contributed -0.5 percentage points (respectively) of the overall -3.3% figure. Inputs of crude oil exhibited an annual decrease of 11.4 in January 2023.

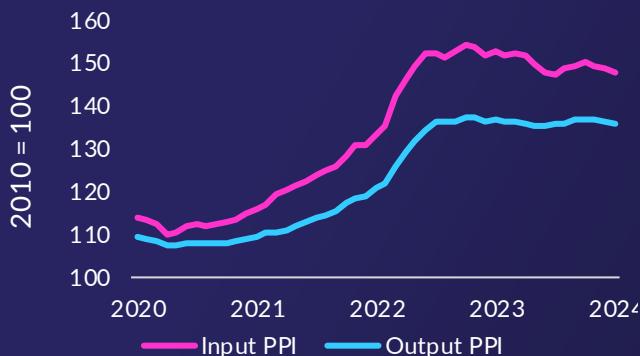
COMMODITY PRICE INDEX

Global Commodity prices rose over February and are now higher than a year ago. Since the June 2022 peak, prices have fallen by 11.4% 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 3.6% lower than over the previous three months. Prices are 2.6% higher than in the previous year. 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

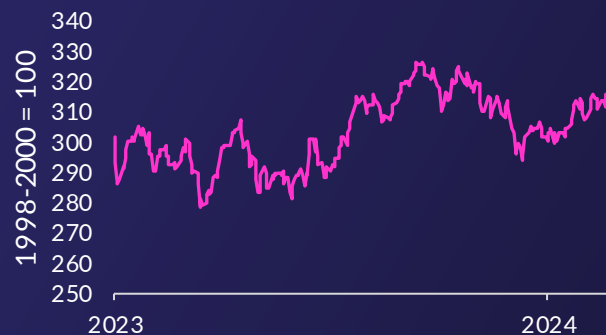
Global food prices fell in January 2023 to average 118.0 points, down 1.5% when compared to the preceding month. Cereal prices fell the most, followed by meat. Prices were flat for vegetable oils and dairy products. In contrast, sugar prices rose slightly.

PRODUCER PRICE INDEX (PPI)



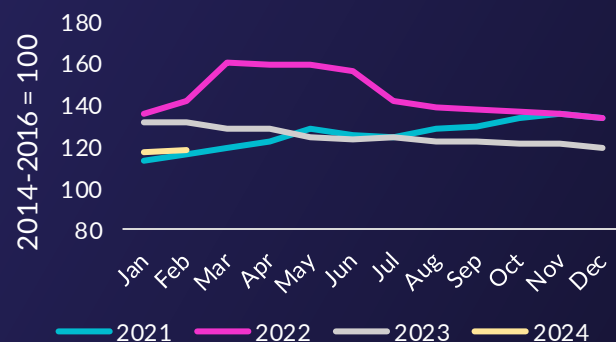
Source: ONS

COMMODITY PRICE INDEX



Source: Refinitiv (formerly Thomson Reuters)

GLOBAL FOOD PRICE INDEX



Source: UN, The Food and Agricultural Organisation

GLOBAL FOOD PRICES - JANUARY

Global food prices (according to the United Nations) fell by 1.0%, following a decrease of 1.4% in the preceding month. Prices more broadly have settled down from the all-time record in March 2022, and prices are 10.4% lower than a year ago. A decrease in cereal prices, as well as a lesser decline in meat, brought prices down on the month.

SUGAR

Prices rose 15.9% year-on-year



Sugar prices rose slightly on the month, following a huge decrease in the preceding month, though price pressures are lingering. Prices generally remain high (11.3% higher than the 2022 peak). This month's increase was primarily due to concerns surrounding below average rains in Brazil, as well as unfavourable production prospects in Thailand and India.

MEAT

Prices fell 1.2% year-on-year



Meat prices decreased by 1.2% on the year and decreased by 1.4% on the month. World prices for meats decreased for a seventh consecutive month, reflecting higher export availabilities of all meats, helped by weaker import demand in Asia. The exception to this was ovine meat, due to lower supplies of animals for slaughter.

DAIRY

Prices fell 17.8% year-on-year



In January, prices for dairy products were virtually unchanged though remained lower than a year ago. The plateau last month was led by mixed trends, where price quotations for butter and whole milk powder increased, a function of improving Asian and European demand, respectively. In contrast, price quotations fell for skim milk powder and cheese due to muted demand.

CEREALS

Prices decreased 18.6% year-on-year



The decrease this month reflected a monthly decrease in wheat prices, due to strong competition among exporters. Maize prices dropped sharply, due to improving crop conditions and larger export availabilities from the US. Barley and sorghum prices also fell in tandem. In contrast, rice prices rose further, reflecting strong demand from Thailand, Pakistan and Indonesia.

VEGETABLE OILS

Prices fell 12.8% year-on-year



Vegetable Oil prices fell by 12.8% on the year and were broadly flat on the month, following a mild decrease in the previous month. Price quotations increased for palm oil and sunflower seed oil, with lower supplies of the former and heightened demand for the latter. In contrast, ample supply availabilities for soy and rapeseed oil meant lower prices.

GLOBAL BRENT CRUDE, DAILY SPOT PRICE



Source: US Energy Information Administration

OIL PRICES

In February, oil prices rose slightly, averaging \$83 per barrel, having recently peaked at \$96 per barrel towards the end of September. The increase followed production cuts by the OPEC cartel of oil producers. Slowing global economic activity is placing downward pressure on prices, though geopolitical tensions in the Middle East are providing considerable price support.

The OPEC group announced at the end of January voluntary cuts in oil production, by 2.2 million per day for early 2024, not enough to prevent further declines in the price of oil.

The oil cartel's next meeting takes place on 1st June 2024, to determine output levels for 2024/25.

February YoY change

+0.3%

February MoM change

+4.4%

HEADLINE YEAR-ON-YEAR CHANGE

Y-O-Y Change	OVERALL	NON-FOOD	FOOD	FRESH	AMBIENT
Feb-23	8.4	5.3	14.5	16.3	12.2
Mar	8.9	5.9	15.0	17.0	12.4
Apr	8.8	5.5	15.7	17.8	12.9
May	9.0	5.8	15.4	17.2	13.1
Jun	8.4	5.4	14.6	15.7	13.0
Jul	7.6	4.7	13.4	14.3	12.3
Aug	6.9	4.7	11.5	11.6	11.3
Sep	6.2	4.4	9.9	9.6	10.4
Oct	5.2	3.4	8.8	8.3	9.5
Nov	4.3	2.5	7.8	6.7	9.2
Dec	4.3	3.1	6.7	5.4	8.4
Jan	2.9	1.3	6.1	4.9	7.7
Feb-24	2.5	1.3	5.0	3.4	7.2

HEADLINE MONTH-ON-MONTH CHANGE

M-O-M Change	OVERALL	NON-FOOD	FOOD	FRESH	AMBIENT
Feb-23	0.8	0.7	1.0	1.2	0.6
Mar	0.8	0.7	0.9	0.7	1.2
Apr	0.2	-0.1	0.8	0.7	0.9
May	0.5	0.5	0.5	0.3	0.6
Jun	0.2	0.0	0.5	0.6	0.4
Jul	-0.1	-0.2	0.3	0.4	0.1
Aug	0.5	0.4	0.6	0.0	1.3
Sep	0.0	0.1	-0.1	-0.3	0.1
Oct	0.3	0.2	0.4	0.4	0.5
Nov	0.0	-0.1	0.3	0.1	0.6
Dec	0.4	0.5	0.0	0.2	-0.1
Jan	-0.7	-1.4	0.7	0.4	1.2
Feb-24	0.4	0.7	-0.1	-0.2	0.1

CATEGORY YEAR-ON-YEAR CHANGE

Y-O-Y Change	Clothing & Footwear	Furniture & floor covering	Electrical	DIY, Gardening & Hardware	Books, Stationery & Home Ents	Health & Beauty	Other Non-Food
Feb-23	1.1	6.1	-0.1	9.2	5.0	5.0	6.7
Mar	1.4	8.8	-0.3	9.9	5.0	5.3	6.4
Apr	0.6	6.6	-0.6	9.9	3.5	5.7	6.9
May	0.1	7.6	-0.3	10.2	0.6	6.7	7.6
Jun	-0.2	6.8	-0.8	10.0	2.8	6.0	7.2
Jul	-1.3	7.4	-0.2	7.7	3.1	5.8	6.0
Aug	0.0	6.8	-1.1	6.5	1.2	5.8	6.4
Sep	-0.3	6.2	-0.5	5.4	3.3	5.3	6.5
Oct	-0.1	4.2	-0.6	4.0	1.3	5.3	5.0
Nov	0.5	3.3	-0.2	3.5	3.5	4.0	2.6
Dec	0.9	4.9	0.8	3.7	2.3	3.3	3.6
Jan	-3.8	2.6	-0.5	2.7	0.1	2.7	2.6
Feb-24	-5.5	4.1	0.4	3.0	0.3	3.1	1.9

CATEGORY MONTH-ON-MONTH CHANGE

M-O-M Change	Clothing & Footwear	Furniture & floor covering	Electrical	DIY, Gardening & Hardware	Books, Stationery & Home Ents	Health & Beauty	Other Non-Food
Feb-23	1.1	0.3	0.7	0.9	-0.7	0.2	1.2
Mar	0.4	2.9	-0.1	0.8	0.3	0.1	-0.2
Apr	-0.8	-1.1	-0.4	0.1	0.0	0.9	0.6
May	-0.4	1.5	0.6	0.1	-2.4	0.1	1.1
Jun	-0.2	0.0	-0.9	0.4	2.1	0.4	-0.3
Jul	-1.5	0.2	0.0	0.0	0.7	0.3	-0.4
Aug	2.0	0.0	0.0	0.2	-0.2	-0.2	0.4
Sep	-0.5	0.2	-0.2	-0.5	1.5	0.6	0.5
Oct	0.9	-0.2	0.5	0.0	-0.9	0.6	0.0
Nov	0.7	-0.7	0.4	0.2	1.5	-0.3	-0.6
Dec	0.5	0.7	0.2	1.0	0.1	-0.3	0.7
Jan	-5.9	-1.2	-1.1	-0.6	-1.7	0.3	-0.3
Feb-24	-0.7	1.8	1.6	1.2	-0.4	0.6	0.5

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
Feb-23	109.7	167.5	162.8	174.6	86.2	36.3	99.3	59.0	121.0	110.1	125.9	123.7
Mar	110.5	169.1	164.0	176.7	86.8	36.4	102.2	59.0	122.0	110.5	126.1	123.4
Apr	110.7	170.4	165.1	178.3	86.7	36.1	101.1	58.7	122.1	110.5	127.1	124.1
May	111.2	171.2	165.6	179.4	87.1	36.0	102.6	59.1	122.2	107.8	127.2	125.5
Jun	111.4	172.1	166.6	180.2	87.1	35.9	102.6	58.6	122.7	110.1	127.8	125.1
Jul	111.4	172.5	167.2	180.4	86.9	35.4	102.8	58.5	122.7	110.8	128.2	124.6
Aug	111.9	173.5	167.3	182.7	87.3	36.1	102.8	58.5	123.0	110.6	128.0	125.1
Sep	112.0	173.3	166.9	182.9	87.4	35.9	103.0	58.4	122.4	112.2	128.7	125.7
Oct	112.3	174.1	167.5	183.7	87.6	36.3	102.8	58.7	122.4	111.1	129.4	125.7
Nov	112.3	174.7	167.8	184.9	87.5	36.5	102.1	58.9	122.7	112.7	129.0	124.9
Dec	112.7	174.7	168.1	184.7	87.9	36.7	102.9	59.0	123.9	112.9	128.6	125.8
Jan	111.9	176.0	168.7	187.0	86.7	34.5	101.6	58.4	123.2	110.9	129.0	125.4
Feb-24	112.4	175.9	168.3	187.1	87.3	34.3	103.4	59.3	124.7	110.5	129.8	126.1

About this monitor

The index provides an indicator of the direction of price changes in retail outlets across the UK. 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.

The sample includes superstores on out-of-town sites, town centre stores, local parade stores, 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 500 item list 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.

6,500-7,000 prices are collected each period. Each product class has an individual weighting based on the “All households” expenditure measured in the Family Expenditure Survey.

The Shop Price Index is more focused than the Retail Price Index and Consumer Prices Index, as it excludes services and household costs, and thus shows the extent that retailers contribute to inflation through pricing of a range of commonly bought goods.

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