



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

A summary of key pressures on  
future prices

# SHOP PRICE INDEX

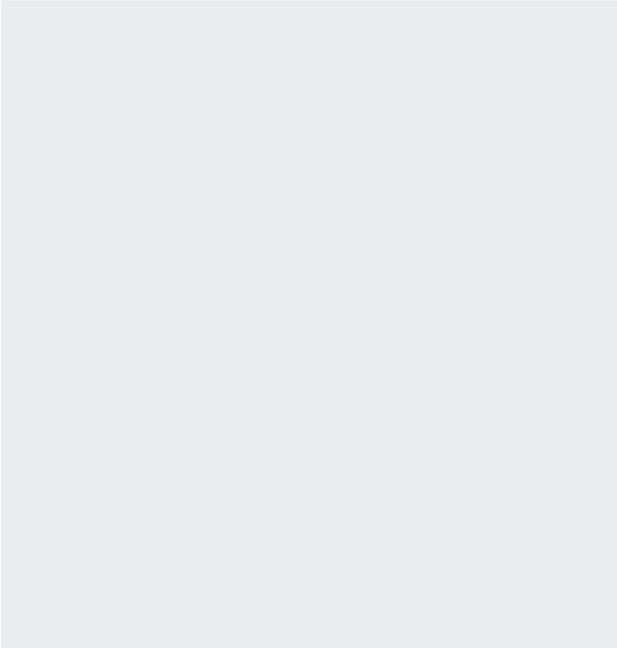
Period covered: 01-07 May 2023

Strictly embargoed until 0.01hrs, Tuesday 30<sup>th</sup> May 2023

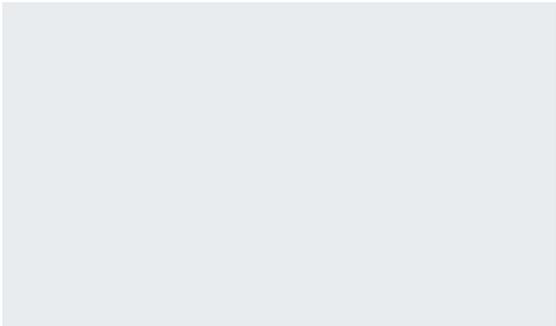
May 2023



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# Headline commentary



“While overall shop price inflation rose slightly in May, households will welcome food inflation beginning to fall. The slow in inflation was largely driven by lower energy and commodity costs starting to filter through to lower prices of some staples including butter, milk, fruit and fish. Conversely, the price of chocolate and coffee rose on the back of the ongoing high global costs for these commodities. While non-food inflation rose, consumers are benefitting from heavy discounts in footwear as well as books and home entertainment.”

“Fierce competition between supermarkets has helped keep British food among the cheapest of the large European economies. While there is reason to believe that food inflation might be peaking, it is vital that government does not hamper this early progress by piling more costs onto retailers and forcing up the cost of goods even further. The biggest risk comes from policies such as the incoming border checks and reforms to packaging recycling fees.”

**Helen Dickinson OBE | Chief Executive | British Retail Consortium**



“To help mitigate the impact of inflation, shoppers are saving money by looking for seasonal promotions on the high street and taking advantage of the price reductions offered by supermarket loyalty schemes. Food retailing in particular is competitive, so hopefully the recent price cuts in fresh foods is a sign that inflation has now peaked, albeit ambient inflation may take a little while longer to slow .”

**Mike Watkins | Head of Retailer and Business Insight | NielsenIQ**

# Executive Summary

Shop Price Inflation slightly increased in May, with prices rising 0.5% month-on-month, following the unwinding of discounts in the previous month. Food products continue to be the strongest driver of overall inflation, however encouragingly the annual rate appears to have peaked. Non-food prices did rise on the month, mainly due to unwinding discounting in the furniture & flooring category. Input inflation looks to be easing significantly, however certain input costs faced by domestic manufacturers and producers continue to increase on the month.

Our central expectation remains that while inflation is likely to ease over the course of the year, high input costs will force certain categories of inflation such as food to stick higher.

## All prices

Shop Price annual inflation accelerated to 9.0% in May, up slightly from 8.8% in April. This is above the 3-month average rate of 8.9%. Shop price growth remains near record-highs.

# 9.0%

% change year-on-year

## Non-Food

Non-Food inflation accelerated to 5.8% in May, up from 5.5% in April. This is below the 3-month average rate of 5.7%. Inflation remains elevated in this category.

# 5.8%

% change year-on-year

## Food

Food inflation decelerated to 15.4% in May, down from 15.7% in April. This is in-line with the 3-month average rate of 15.4%, and is the first deceleration in the food category in almost two years.

# 15.4%

% change year-on-year

## Fresh

Fresh Food inflation slowed in May, to 17.2%, down from 17.8% in April. This is below the 3-month average rate of 17.2% and inflation in this category remains elevated.

# 17.2%

% change year-on-year

## Ambient

Ambient Food inflation accelerated to 13.1% in May, up from 12.9% in April. This is above the 3-month average rate of 12.8% and is the fastest rate of increase in the ambient food category on record.

# 13.1%

% 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
May-23	9.0	0.5	15.4	0.5	5.8	0.5
Apr-23	8.8	0.2	15.7	0.8	5.5	-0.1

## NON-FOOD PRICES PICK UP

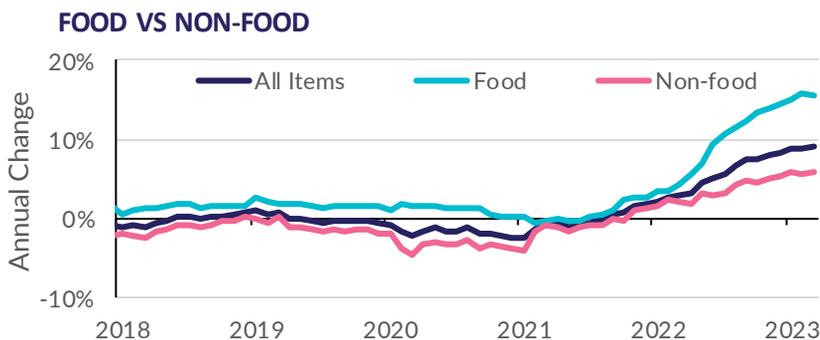
Shop Price Inflation accelerated to 9.0% in May, and in monthly terms price growth picked up slightly to 0.5%. Food price inflation continues to be the strongest driver, with some non-food categories seeing discounts this month. Fresh and ambient food products are both witnessing double-digit inflation, however there are indications of price growth now slowing.

Despite a headline increase in shop prices, over May, we expect inflation to have now largely peaked, following a strong rise since the end of 2021. The slowest monthly food price growth since then has meant inflationary pressure should ease over the coming months, suggesting we may be starting to turn a corner on price levels. However, inflationary pressures are increasingly likely to linger, particularly imported food materials. Nonetheless, input costs as measured by domestic producer price inflation (PPI) continued to ease in annual terms. We estimate upwards of a 3-9 month lag between producer and domestic retail prices.

Global supply chain conditions continue to improve, and the Global Supply Chain Pressure Index calculated by the US Federal Reserve suggests a normalisation and indeed improvement relative to pre-pandemic levels, with delivery times notably down. However, tail risks remain high, and the re-extension of the Black Sea Grain Initiative is for two months, which could push up food prices beyond current levels, in July. Sugar, cocoa beans and olive oil are recent examples of a food items witnessing sharp rates of price growth.

Other commodities such as energy are now falling in price, and this is likely to give some reprieve to consumer demand over the coming quarters and also lower business costs. However, price pressures are set to remain within the global economic system over the next few months.

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
May-23	9.0	0.5	15.4	0.5	5.8	0.5
Apr-23	8.8	0.2	15.7	0.8	5.5	-0.1

## OIL AND GAS PRICES BOTH FALL

Gas spot prices have fallen to levels last seen in June 2021. Despite strong falls, the domestic Ofgem price cap is typically set with a close to 5-month lag. Government subsidies had shielded households from higher energy bills, however top-up grant support has now been removed, with bill levels kept the same until Q3 2023, at which point they are expected to fall further. Businesses benefit from the extension of energy bill support until 2024, however many will find that their energy bills have increased upon renewal.

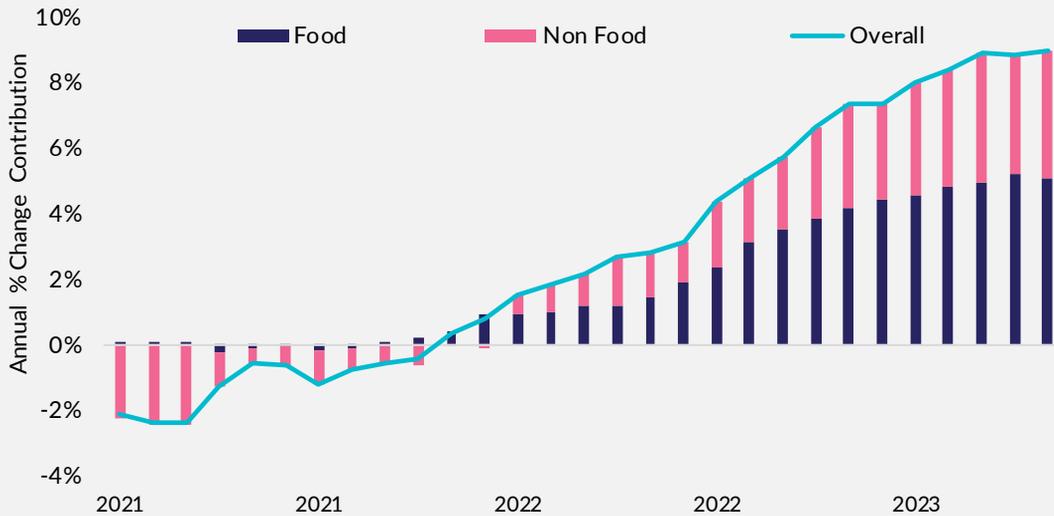
Gas costs have had major implications for fertiliser prices, with high oil and gas prices affecting almost every industry in the supply chain, though to varying degrees. According to the ONS, the wholesale and retail sector is ranked fourth in seeing production or supply issues due to rising energy prices). From increased production costs to prices paid for transportation and storage, energy is required at every stage of the process, which in turn increases price inflation for products as the cost base of firms widens.

Non-Food prices have been affected by these factors, to varying degrees across product categories. However, unwinding furniture and flooring discounting brought the inflation rate back up. Price cuts in Books, Stationery & Home Entertainment items as well as clothing footwear contained further increases. Price inflation on the month was 0.5%.

Global oil prices have been volatile over the past few months, though more recently fell back below \$80 as concerns surrounding the resilience of the global financial system linger. Petroleum product input costs are expected to continue easing, raising demand. However, energy prices remain vulnerable to rising demand from China as its economy reopens.

Input costs in other categories, most notably food, are still increasing on the month, and particularly in the case of imported food. With a weaker pound and greater vulnerability to a terms of trade shock (being a net importer of energy products), the UK has hitherto imported the bulk of its inflation. Localised supply bottlenecks in key consumables such as sugar and palm oil are worsening the inflation felt by the consumer, with costs still being passed-down the supply-chain.

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



Source: BRC-NielsenIQ

## FOOD &amp; NON-FOOD

**Food** contributed 5.1% to the overall shop price figure, and **inflation** decreased in May to 15.4%. This is well above the 12- and 6-month average price growth rates of 12.0% and 14.6%, respectively. This represents a first deceleration in the food series for almost two years.

**Non-Food** contributed 3.9% to the overall shop price figure, and **inflation** accelerated to 5.8% in May, up from 5.5% in April. This is above the 12- but below the 6-month average price growth rates of 4.3% and 5.3%, respectively. There were fewer discounts this month, keeping price inflation elevated

## Food

# 15.4%

May, YOY change

## Non-Food

# 5.8%

May, YOY change

% Change	Food		Fresh		Ambient	
	On last year	On last month	On last year	On last month	On last year	On last month
May-23	15.4	0.5	17.2	0.3	13.1	0.6
Apr-23	15.7	0.8	17.8	0.7	12.9	0.9

## FRESH FOOD

Fresh Food inflation decelerated in May to 17.2%, down from 17.8% in April. This is above the 12-month and 6-month average price growth rates of 13.5% and 16.5%, respectively.

Month-on-month Fresh food price growth decelerated to 0.3%.

May UK Dairy wholesale prices (see chart) saw monthly price decreases in two categories. Prices of Bulk Cream decreased by 1.8% and Butter by 0.3%. In contrast Skim Milk Powder rose by 1.0% and Mild Cheddar prices remained flat. In annual terms, prices remained lower across all dairy categories.

## AMBIENT FOOD

Ambient Food inflation accelerated to 13.1% in May, up from 12.9% in April. This is the highest rate of inflation for the category on record. This is above the 12-month and 6-month average price increases of 9.9% and 12.1%, respectively.

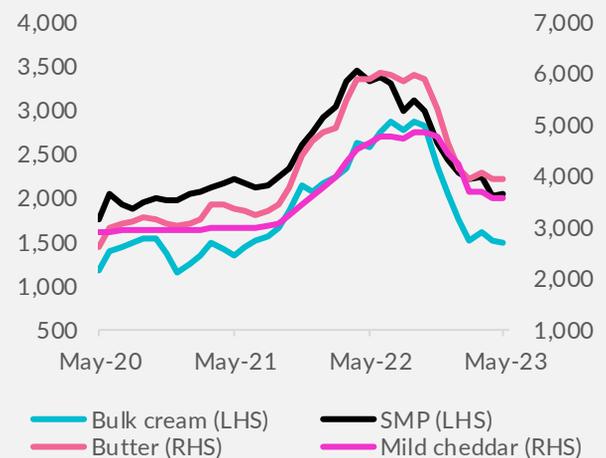
Month-on-month price growth decelerated slightly to 0.6%.

## UK WHOLESALE DAIRY PRICES, MAY 2022

	Bulk cream	Butter	Skim Milk Powder	Mild cheddar
YoY	-42%	-34%	-38%	-24%
MoM	-1.8%	-0.3%	1.0%	0%

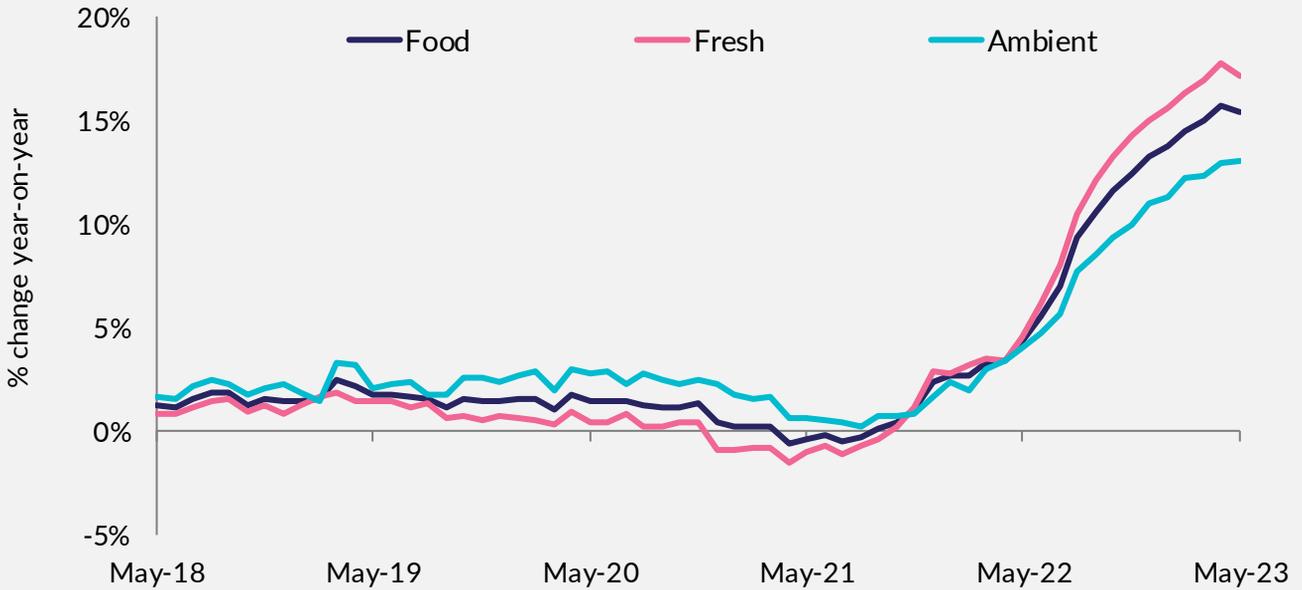
Source: Agricultural & Horticulture Development Board Dairy.

## UK WHOLESALE DAIRY PRICES, MAY 2022



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 May.

The largest price decrease in vegetables was -36% for coriander, and the largest price rise was 223% for onions.

Fruit inflation also varied, with Conference pears showing the highest increase at 127% and Bramley apples showing the most significant price decrease at 42%.

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

Bramley Apples	-42%
Coriander	-36%
Tulips	20%
Chinese Leaf	-19%
Cucumbers	-18%
Carrots	111%
White Cabbage	116%
Conference Pears	127%
Cauliflower	149%
Onions	223%

Source: DEFRA wholesale prices of home-grown produce in England and Wales. May 2023 prices are average of prices in weeks ending: 28/04, 05/05, 12/05 and 19/05.

	MAY-23		APR-23	
	On last year	On last month	On last year	On last month
Clothing & Footwear	0.1	-0.4	0.6	-0.8
Electrical	-0.3	0.6	-0.6	-0.4
Health & Beauty	6.7	0.1	5.7	0.9
Other Non-Food	7.6	1.1	6.9	0.6
Books, Stationery & Home Entertainment	0.6	-2.4	3.5	0.0
Furniture & floor covering	7.6	1.5	6.6	-1.1
DIY, Gardening & Hardware	10.2	0.1	9.9	0.1
Total NON-FOOD	5.8	0.5	5.5	-0.1

## NON-FOOD

Non-Food inflation accelerated to 5.8% in May, up from 5.5% in April. This is above the 12-month and 6-month average price increases of 4.3% and 5.3%, respectively. Most non-food categories saw sustained inflationary pressures, remaining positive for six of the seven categories (exception being electricals) in the index's basket of goods. On the month, Non-Food prices rose by 0.5%, with prices falling in two out of the seven categories of the index, following seasonal discounting.

**Clothing & Footwear** prices rose over the previous year in the Non-Food index and inflation was 0.1% in May, compared to 0.6% in April. This is above the 12- and below the 6-month average price decreases of -1.0% and of 0.4%, respectively. Deflation accelerated for **Women's Clothing** and **Other Clothing**. **Baby, Children and Men's Clothing, and Footwear** are the four constituent clothing categories showing signs of inflation, accelerating for all except Footwear and Children's clothing. Month-on-month, headline prices fell by 0.4%.

**Electricals** prices were the only category to have fallen over the previous year, by -0.3%. This was below the 12- and 6-month average price decreases of 0.6% and 0.4%, respectively. **Audio-Visual Equipment** saw deflation intensify, with household appliances remaining in deflation though decelerating. Month-on-month, headline prices increased by 0.6%.

**Health & Beauty** inflation accelerated to 6.7% in May. This is above the 12- and 6-month average price growth rates of 4.1% and 5.2%, respectively. This remains near all-time highs for this category. Inflation for both **Toiletries & Cosmetics** and **Personal Care** accelerated. Month-on-month, headline prices increased by 0.1%.

	MAY-23		APR-23	
	On last year	On last month	On last year	On last month
Clothing & Footwear	0.1	-0.4	0.6	-0.8
Electrical	-0.3	0.6	-0.6	-0.4
Health & Beauty	6.7	0.1	5.7	0.9
Other Non-Food	7.6	1.1	6.9	0.6
Books, Stationery & Home Entertainment	0.6	-2.4	3.5	0.0
Furniture & floor covering	7.6	1.5	6.6	-1.1
DIY, Gardening & Hardware	10.2	0.1	9.9	0.1
Total NON-FOOD	5.8	0.5	5.5	-0.1

### NON-FOOD (cont.)

**Other Non-Food** inflation accelerated to 7.6% in May, up from 6.9% in April. This is above the 12-month average of 5.3% and the 6-month average of 6.5%. Inflation for **Pets, Related Products & Services** and **Personal Effects**. **Non-Durable Household Goods** saw inflation ease, but remained high. **Tobacco** and **Recreation & Sport** inflation did decelerate but picked up notably for **Personal Effects**. Month-on-month, headline prices increased by 1.1%.

**Books & Stationery** inflation slowed considerably to 0.6% in the 12 months to May. This is lower than the 12-month average price increase of 4.3% and the 6-month average price growth rate of 4.2%. Yearly deflation decelerated in May for **Home Entertainment**. **Stationery** inflation and **Books & Newspapers** price growth also decelerated, with the latter falling into deflation. Month-on-month, headline prices fell by 2.4%.

**Furniture** inflation accelerated to 7.6% in May, up from 6.6% in April. This is above the 12-month average price increase of 6.7% and the 6-month average price increase of 7.0%. Inflation accelerated for **Furniture & Furnishings** but accelerated for **Household Textiles**. Month-on-month, headline prices fell by 1.5%.

**DIY & Gardening** inflation accelerated to 10.2% in the 12 months to May. This is above the 12- and 6-month average price growth rates of 7.9% and 9.6%, respectively. **House & Garden** products' saw price growth accelerate as well as **Household Utensils**. Month-on-month, headline prices increased by 0.1%.

## UK OUTPUT INFLATION

April Output prices (those for goods leaving the factory) rose by 5.4% compared to the same point last year, down from 8.4% in March 2023.

Of the ten product groups, nine displayed downward contributions to the change in output inflation in April. Food products provided the largest upward contribution to the annual rate and had annual price growth of 14.0%. This remains at elevated levels, and the increase was mainly driven by condiments and seasonings, as well as fresh bread, pastry goods and other bakers' wares, with ingredients and energy costs pushing prices up.

Petroleum products provided the largest downward contribution to the change in the output rate, with fuel now notably coming down in price.

## UK INPUT INFLATION

The largest upward contribution to the annual input inflation rate came from other parts and equipment, which contributed 2.2 percentage points of the overall 3.9% figure, with this particular category exhibiting annual price growth of 4.5% in April 2022, following monthly growth of 0.2%. Geopolitical tensions are seeing high metals prices, with the subsequent rises being shouldered by factory gates, particularly in heavy industry.

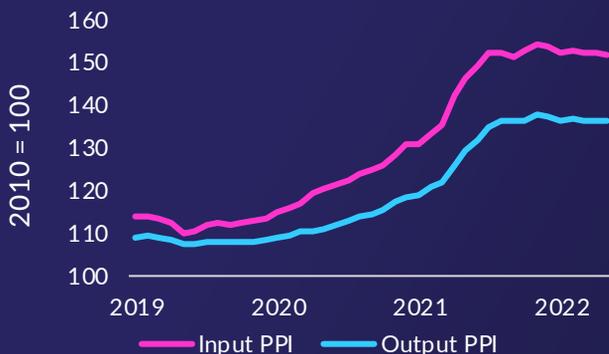
## COMMODITY PRICE INDEX

Global Commodity prices fell gradually by the end of April, having peaked in June 2022. Since then, prices have fallen by 16.8% 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 1.4% lower than over the previous three months. Prices are 4.4% lower 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 by 2.1% in April 2022 to average 126.9 points, down from 129.7 in the preceding month. The April drop was driven by a strong monthly fall in cereals and vegetable oils, as well as lesser declines in dairy. In contrast, sugar prices continued to rise in the latest reference period.

## PRODUCER PRICE INDEX (PPI)



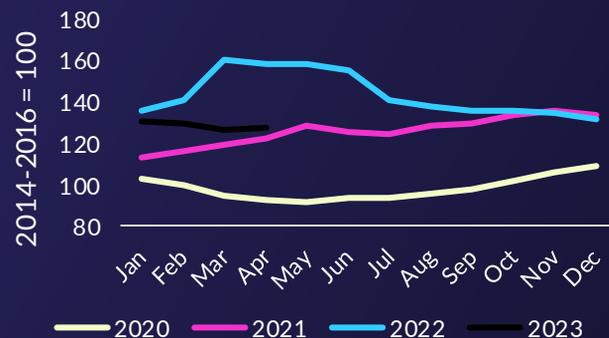
Source: ONS

## COMMODITY PRICE INDEX



Source: Refinitiv (formerly Thomson Reuters)

## GLOBAL FOOD PRICE INDEX



Source: UN, The Food and Agricultural Organisation

## GLOBAL FOOD PRICES - MAY

Global food prices (according to the United Nations) increased for the first time in a year, with an increase of 0.6%. Prices more broadly have settled down from the all-time record in May 2022, and prices are now 19.7% lower than a year ago. The May increase was led by a strong monthly expansion in sugar prices, though countered by a monthly rise in dairy and cereals prices

### SUGAR

Prices rose 22.9% year-on-year



Sugar prices rose sharply in May, following three consecutive monthly rises, and reached the highest level since October 2011. This month's increase was primarily due to concerns surrounding lower availability over the 2022/23 season, following lower production prospects in key producer nations such as India, Thailand and China.

### MEAT

Prices fell -6.1% year-on-year



Meat prices decreased by 6.1% on the year though increased 1.3% on the month. World prices for meats picked up as price quotations for pig meat rose, following elevated levels of demand from Asian countries. Poultry prices also started to rebound, having declined for much of the past year.

### DAIRY

Prices fell 15.1% year-on-year



In May, prices for dairy products decreased, and remained lower than a year ago. Lower international prices for cheese and milk powders underpinned the decrease. In contrast, butter prices remained stable as supplies were enough to meet increased import demand.

### CEREALS

Prices decreased 19.8% year-on-year



Cereals fell the most on the month, with the decrease reflecting falls in all major cereals. International barley prices declined the most, falling by 4.3% as global demand weakened. Wheat and maize prices also fell, driven by strong seasonal supplies in South America. The extension of the Black Sea Grain Initiative also helped place downward pressure on prices.

### VEGETABLE OILS

Prices fell 45.3% year-on-year



Vegetable Oils prices fell by 45.3% on the year and decreased 1.3% on the month. Lower price quotations across soy, sunflower and rapeseed oils led the decrease in April, with palm oil prices plateauing following a rebound in March. Unfavourable weather in Southeast Asia and floodings hampered palm oil harvest progress. Abundant levels of global exportable supplies kept downward pressure on prices.

## GLOBAL BRENT CRUDE, DAILY SPOT PRICE



Source: US Energy Information Administration

## OIL PRICES

In May, oil prices rose, averaging around \$75 per barrel, having peaked at over \$130 per barrel in the immediate aftermath of Russia's invasion of Ukraine. The increase followed surprise production cuts by the OPEC cartel of oil producers. Heightening recession risks, as the global financial system's robustness comes into question, is placing downward pressure on prices, though production cutbacks are providing price support.

The OPEC group announced a surprise cut on the 2<sup>nd</sup> of May, an agreement to cut the production of oil by a further 1.2 million barrels per day until the end of 2023 in a response to recession risks, pushing up oil prices.

The oil cartel's next meeting takes place on the 4 June 2023, to determine output levels for 2024.

May YoY change

**-32%**

May MoM change

**-10%**

## HEADLINE YEAR-ON-YEAR CHANGE

Y-O-Y Change	OVERALL	NON-FOOD	FOOD	FRESH	AMBIENT
May-22	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	5.7	3.3	10.6	12.1	8.6
Oct	6.6	4.1	11.6	13.3	9.4
Nov	7.4	4.8	12.4	14.3	10.0
Dec	7.3	4.4	13.3	15.0	11.0
Jan	8.0	5.1	13.8	15.7	11.3
Feb	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-23	9.0	5.8	15.4	17.2	13.1

## HEADLINE MONTH-ON-MONTH CHANGE

M-O-M CHANGE	OVERALL	NON-FOOD	FOOD	FRESH	AMBIENT
May-22	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	0.7	0.4	1.3	1.6	0.9
Oct	1.3	1.2	1.5	1.6	1.3
Nov	0.9	0.7	1.3	1.6	0.9
Dec	0.3	0.0	1.1	1.4	0.6
Jan	0.7	0.3	1.3	0.8	1.9
Feb	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-23	0.5	0.5	0.5	0.3	0.6

## CATEGORY YEAR-ON-YEAR CHANGE

Y-O-Y CHANGE	Clothing & Footwear	Furniture & floor covering	Electrical	DIY, Gardening & Hardware	Books, Stationery & Home Entertainment	Health & Beauty	Other Non-Food
May-22	-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	-1.8	5.6	-1.2	6.8	5.2	3.1	3.8
Oct	-2.1	7.5	0.0	8.0	5.9	3.1	4.8
Nov	-0.9	7.4	-1.0	8.4	4.8	4.9	6.2
Dec	-1.0	6.0	-0.7	9.3	5.0	4.0	5.3
Jan	0.0	6.8	-0.1	9.3	5.4	4.8	6.1
Feb	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-23	0.1	7.6	-0.3	10.2	0.6	6.7	7.6

## CATEGORY MONTH-ON-MONTH CHANGE

M-O-M CHANGE	Clothing & Footwear	Furniture & floor covering	Electrical	DIY, Gardening & Hardware	Books, Stationery & Home Entertainment	Health & Beauty	Other Non-Food
May-22	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	-0.1	0.8	-0.7	0.6	-0.6	1.1	0.4
Oct	0.7	1.7	0.5	1.4	1.1	0.5	1.4
Nov	0.0	0.1	0.0	0.7	-0.7	1.0	1.8
Dec	0.1	-0.7	-0.8	0.8	1.3	0.3	-0.3
Jan	-1.3	1.0	0.2	0.4	0.4	0.9	0.7
Feb	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-23	-0.4	1.5	0.6	0.1	-2.4	0.1	1.1

## 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
May-22	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	105.4	157.7	152.3	165.7	83.7	36.1	97.0	58.7	116.1	108.6	122.2	118.0
Oct	106.7	160.0	154.7	167.8	84.7	36.3	98.7	59.0	117.7	109.7	122.9	119.7
Nov	107.7	162.1	157.2	169.3	85.3	36.3	98.8	59.0	118.6	109.0	124.1	121.8
Dec	108.0	163.8	159.5	170.3	85.3	36.4	98.1	58.5	119.5	110.4	124.5	121.4
Jan	108.8	165.9	160.8	173.6	85.6	35.9	99.1	58.6	119.9	110.9	125.6	122.3
Feb	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-23	111.2	171.2	165.6	179.4	87.1	36.0	102.6	59.1	122.2	107.8	127.2	125.5

## 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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