



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 2024

Strictly embargoed until 0.01hrs, Tuesday 30th May 2024

May 2024



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Headline commentary



“Relief for customers as shop price inflation returns to normal levels, at just 0.6%. This was helped by slowing food inflation, with fresh food inflation falling to its lowest level since November 2021. Meanwhile, ambient food inflation remained stickier, especially for sugary products which continued to feel the effects of high global sugar prices. In non-food, retailers cut furniture prices in an attempt to revive subdued consumer demand for big-ticket items, and football fans have been able to grab some bargains on TVs and other audio-visual equipment ahead of this summer’s Euros.”

“Retailers are playing a key part in bringing inflation down, but future government policy must support this too. Retail plays a key role in every part of the country, from the smallest village to the largest city, employing millions of people, and serving millions more. As the cost burden of new policies rises - from business rates to packaging taxes - this affects not just the businesses, but their customers too. With an election in a matter of weeks, it is vital that parties detail their support for customers and retailers in their upcoming manifestos.”

Helen Dickinson OBE | Chief Executive | British Retail Consortium



“After a number of months of falling input prices, we are now seeing food inflation stabilise and retailers continue to pass on price cuts to shoppers. Across the industry whilst inflationary pressure has eased and there is some improvement in shopper sentiment, the unseasonable weather has dampened retail sales so lower prices look set to continue and promotional activity is likely to increase drive demand.”

Mike Watkins | Head of Retailer and Business Insight | NielsenIQ

Executive Summary

Shop price inflation continued to ease, though overall prices rose slightly following two consecutive monthly declines. Food price inflation continues to fall, now 3.2%, down from a peak of 15.7% in May. Non-food items remained in deflation but prices on the month only fell in two of the seven constituent categories. The outlook for commodity prices remains uncertain with metals prices soaring though oil prices have stepped back more recently, despite ongoing tensions in the Middle East. Natural gas prices remain low, however.

Inflation is expected to continue easing but will broadly plateau over H2 2024. The ambient food category is anticipated to experience lingering price pressure.

All prices

Shop Price annual inflation eased to 0.6% in May, down from 0.8% in April. This is below the 3-month average rate of 0.9%. Shop price annual growth is its lowest since November 2021.

0.6%

% change year-on-year

Non-Food

Non-Food remained at deflation at -0.8% in May, down from -0.6% in the preceding month. This is below the 3-month average rate of -0.4%. Inflation is its lowest since October 2021.

-0.8%

% change year-on-year

Food

Food inflation decelerated to 3.2% in May, down from 3.4% in April. This is below the 3-month average rate of 3.5% and is the thirteenth consecutive deceleration in the food category. Inflation is its lowest since February 2022.

3.2%

% change year-on-year

Fresh

Fresh Food inflation slowed further in May, to 2.0%, down from 2.4% in April. This is below the 3-month average rate of 2.3%. Inflation is its lowest since November 2021.

2.0%

% change year-on-year

Ambient

Ambient Food inflation decelerated to 4.8% in May, down marginally from 4.9% in April. This is below the 3-month average rate of 5.0% and is the lowest since June 2022.

4.8%

% 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-24	0.6	0.2	3.2	0.2	-0.8	0.2
Apr-24	0.8	-0.3	3.4	0.5	-0.6	-0.8

NON-FOOD REMAINS IN DEFLATION

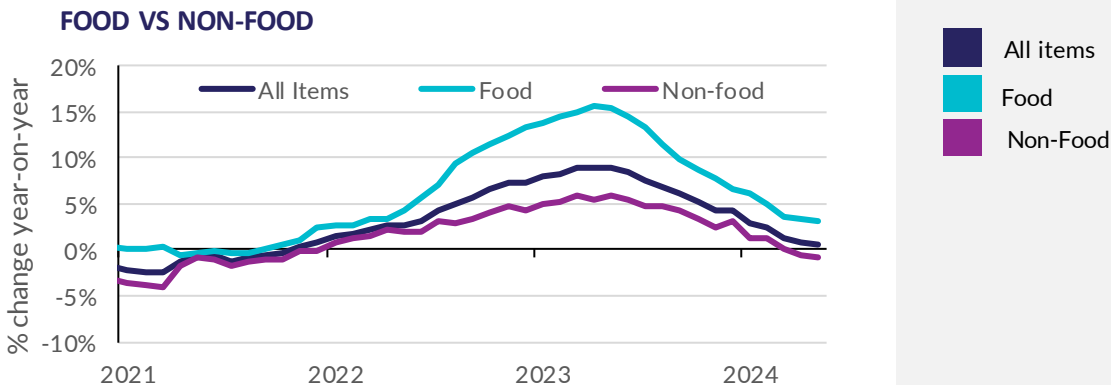
Shop price inflation remained its lowest since the end of 2021 and in monthly terms, prices rose by 0.2%, following a decrease of 0.3% in the preceding month. Food price inflation continues to ease, though price levels remain elevated. Non-food items remained in deflation, but prices slightly inched up, with strong monthly increases in health and beauty and other non-food. However, four of the constituent categories are now in deflation.

Shop price inflation has eased considerably from all-time highs in May 2023. This has been primarily driven by price declines in non-food categories. Whilst food price inflation has eased off considerably, price pressures in the ambient category of food items linger. This category is anticipated to see sustained inflationary pressures.

Non-Food items remained in deflation this month, a return to more normal pricing patterns. Price declines were observed in furniture & flooring in addition to electrical items. In contrast, health and beauty and other non-food products & DIY, gardening & hardware items saw slight price rises.

Business input costs, as measured by producer price inflation (PPI) within the domestic supply chain remained in deflation, with prices charged by producers broadly flat over the previous year. Commodity prices are inching up though metals have risen over the past month.

Shop Price Inflation at lowest rate since the end of 2021



% 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-24	0.6	0.2	3.2	0.2	-0.8	0.2
Apr-24	0.8	-0.3	3.4	0.5	-0.6	-0.8

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

The Consumer Price Inflation (CPI) measure fell to 2.3%, a continued easing as overall price levels begin to plateau. Prices across the entire economy remain 23% higher than pre-Covid levels and are unlikely to fall much further back over the coming year. Inflation is expected to broadly plateau though considerable uncertainty remains surrounding whether the rate of inflation will be at or below the 2% target rate by year-end.

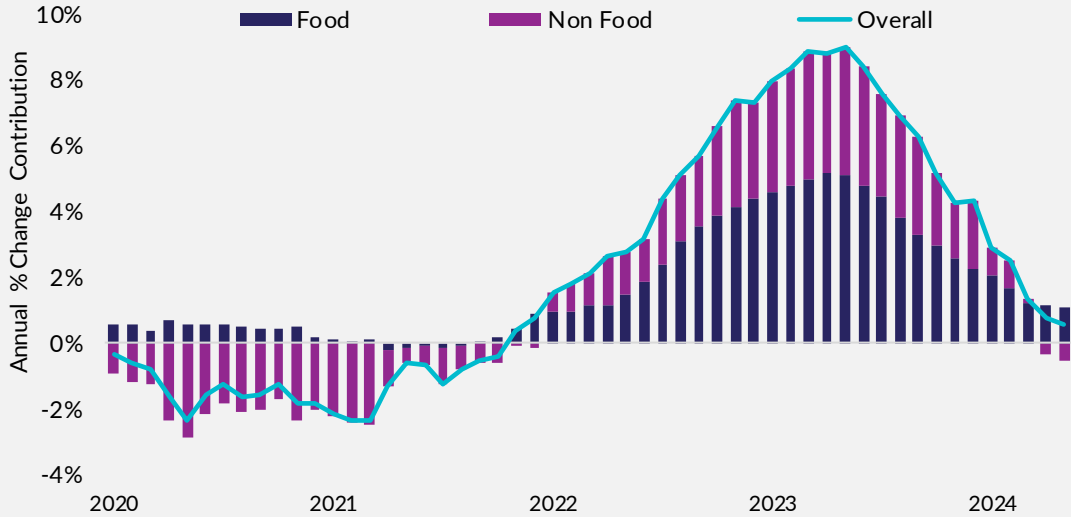
Global supply chain conditions deteriorated in April, with the Global Supply Chain Pressure Index calculated by the US Federal Reserve suggesting conditions were below average, following last month's deterioration. Tail risks to the outlook remain in play, and if they materialise, could slow down disinflation over the coming quarters. Certain commodity prices continue to remain elevated, such as metals and particular food commodities.

Commodity prices have inched up slightly, though lower gas costs are providing downward pressure on fertiliser prices for food producers. Input costs are in deflation but are showing signs of re-entering positive territory. Moreover, business cost bases will remain elevated over 2024, particularly when factoring in labour costs and taxes. This implies a slow pass-through of price cuts.

Global oil prices have fallen back slightly, down to \$83 a barrel (May month-to-date average) from \$90 in the preceding month. Petroleum product input costs rose over the previous year, and risks remain skewed to the upside for further movements in oil price levels. The recent rise in oil prices had added a few pence per litre to prices at the pump, in the immediate term, but assuming price stability over the coming months, this trend should start to unwind.

Input costs in other categories, most notably food, did pick up on the month, particularly in the case of domestically produced food. This brought domestic food materials into annual inflation of 1.1%. Imported food prices rose slightly on the month but input costs remained in deflation. Hence food inflation is expected to continue easing. Despite this, localised supply bottlenecks in key consumables such as olive oil, 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 1.1% to the overall shop price figure, and **inflation** decreased in May to 3.2%. This is below the 12-month and 6-month average price growth rates of 8.4% and 4.7%, respectively. This represents a thirteenth consecutive deceleration in the food series.

Food

3.2%

May, YOY change

NON-FOOD

Non-Food contributed -0.5% to the overall shop price figure, and remained in **deflation**, decreasing to -0.8% in May. This is below the 12-month and 6-month average price growth rates of 2.8% and 0.8%, respectively.

Non-Food

-0.8%

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-24	3.2	0.2	2.0	0.0	4.8	0.6
Apr-24	3.4	0.5	2.4	0.5	4.9	0.6

FRESH FOOD

Fresh Food inflation decelerated in May to 2.0%, down from 2.4% in April. This is below the 12-month and 6-month average price growth rates of 8.0% and 3.5%, respectively.

Month-on-month Fresh food prices were flat.

April UK Dairy wholesale prices (see chart) saw monthly price increases in only one of the four categories. Bulk Cream prices fell by 0.4%, Butter prices rose by 1.2%, Skim Milk Powder fell by 2.0% and Mild Cheddar fell by 0.6%. In annual terms, prices remained lower in two of the four dairy categories.

AMBIENT FOOD

Ambient Food inflation decelerated to 4.8% in May, down from 4.9% in April. Inflation in this category remains elevated. This is below the 12-month and 6-month average price increases of 9.0% and 6.4%, respectively.

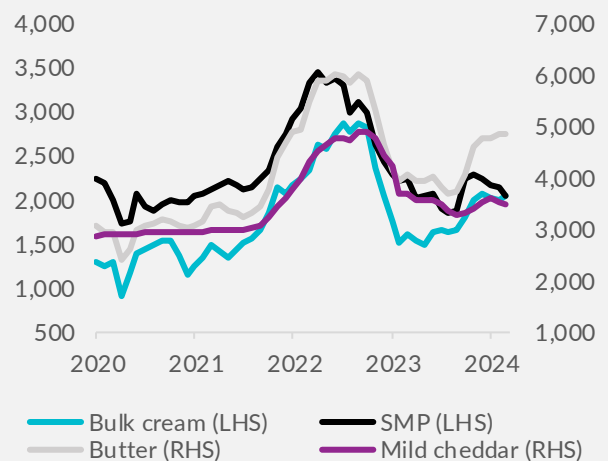
Month-on-month ambient food prices rose by 0.6%.

UK WHOLESALE DAIRY PRICES, APRIL 2024

	Bulk cream	Butter	Skim Milk Powder	Mild Cheddar
YoY	34.2%	25.3%	-1.0%	-2.3%
MoM	-0.4%	1.2%	-2.0%	-0.6%

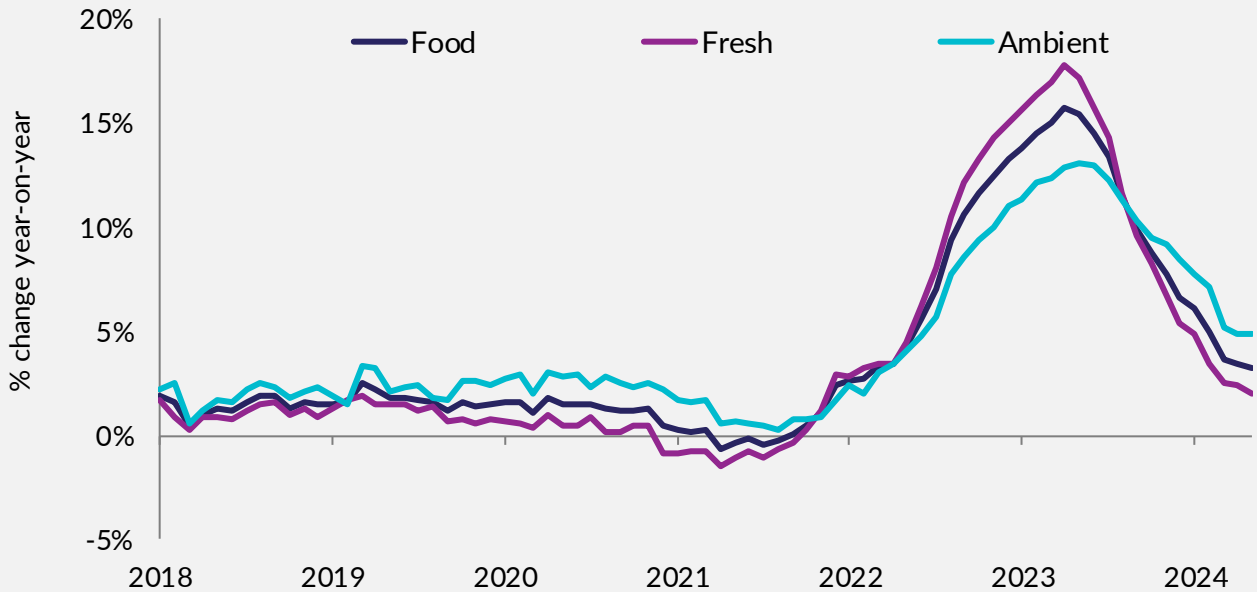
Source: Agricultural & Horticulture Development Board Dairy.

UK WHOLESALE DAIRY PRICES, APRIL 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 May, and no fruit items displayed deflation.

The biggest price decrease in vegetables was -43% for bulb brown onions and the largest price rise was 90% for coriander.

Fruit inflation also varied, with apples (Bramley's seedling) showing the highest increase at 53% and conference pears showing the biggest decrease at -38%.

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

Bulb Brown Onion	-43%
Conference Pears	-38%
Vine Tomatoes	-30%
Red Cabbage	-27%
White Cabbage	-26%
Parsnips	52%
Apples (Bramley's seedling)	53%
Bulb Red Onion	54%
Pre-packed Spring Greens	57%
Coriander	90%

Source: DEFRA wholesale prices of home-grown produce in England and Wales. May 2024 prices are an average of prices in weeks ending: 03/05, 10/05 and 17/05.

	MAY-24		APRIL-23	
	On last year	On last month	On last year	On last month
Clothing & Footwear	-7.5	0.0	-7.9	-1.9
Electrical	-1.6	-0.2	-0.8	0.4
Health & Beauty	2.0	0.6	1.5	-0.5
Other Non-Food	-0.1	0.5	0.5	-0.8
Books, Stationery & Home Entertainment	5.3	0.1	2.6	2.4
Furniture & floor covering	-1.0	-0.1	0.5	-1.0
DIY, Gardening & Hardware	1.9	0.3	1.7	-0.9
Total NON-FOOD	-0.8	0.2	-0.6	-0.8

NON-FOOD

Non-Food inflation remained in negative territory at -0.8% in May. This is below the 12-month and 6-month average price increase of 2.8% and 0.8%, respectively. Two of the sub-categories entered deflation, two remained in deflation and the other three saw inflation rise in the annual rate in the index's basket of goods. On the month, overall Non-Food prices rose, and prices fell in two of the seven categories of the index.

Clothing & Footwear prices were 7.5% lower over the previous year, compared to 7.9% lower in April. This is below the 12-month and the 6-month average price inflation rate of -2.4% and -5.0%, respectively. **Men's, Women's, Children's and Other Clothing** as well as **Footwear** remained in deflation. **Baby Clothing** remained in inflationary territory. Month-on-month, headline prices were flat.

Electricals prices fell over the previous year, by 1.6%. This was below the 12-month and the 6-month average price decreases of -0.5% and -0.5%, respectively. **Audio-Visual Equipment** remained in deflationary territory, but **Household Appliances** remained in inflationary territory. Month-on-month, headline prices fell by 0.2%.

Health & Beauty inflation picked up to 2.0% in May. This is below the 12-month and below the 6-month average price growth rates of 4.2% and 2.6%, 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%.

	MAY-24		APRIL-23	
	On last year	On last month	On last year	On last month
Clothing & Footwear	-7.5	0.0	-7.9	-1.9
Electrical	-1.6	-0.2	-0.8	0.4
Health & Beauty	2.0	0.6	1.5	-0.5
Other Non-Food	-0.1	0.5	0.5	-0.8
Books, Stationery & Home Entertainment	5.3	0.1	2.6	2.4
Furniture & floor covering	-1.0	-0.1	0.5	-1.0
DIY, Gardening & Hardware	1.9	0.3	1.7	-0.9
Total NON-FOOD	-0.8	0.2	-0.6	-0.8

NON-FOOD (cont.)

Other Non-Food fell into deflation at -0.1% in May. This is below the 12-month average of 4.0% and the 6-month average of 1.8%. **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 increased by 0.5%.

Books & Stationery inflation accelerated to 5.3% in the 12 months to May. This is above the 12-month average price increase of 2.0% and the 6-month average price growth rate of 1.6%. Yearly deflation decelerated in May for **Home Entertainment**. **Stationery** inflation picked up while for **Books & Newspapers** price growth picked up notably. Month-on-month, headline prices rose by 0.1%.

Furniture also fell into deflation at -1.0% in May, down from 0.5% in April. This is below the 12-month average price increase of 4.2% and the 6-month average price increase of 2.0%. Inflation accelerated for **Household Textiles** but decelerated for **Furniture, Furnishings & Carpets**. Month-on-month, headline prices fell by -0.1%.

DIY & Gardening inflation accelerated to 1.9% in the 12 months to May. This is below the 12- and 6-month average price growth rates of 4.9% and 2.7%, respectively. **House & Garden products'** saw price growth decelerate though **Household Utensils** saw it re-enter inflation. Month-on-month, headline prices picked up by 0.3%.

UK OUTPUT INFLATION

April Output prices (those for goods leaving the factory) rose by 1.1% compared to the same point last year, up from 0.7% in March.

Of the ten product groups, six displayed upward contributions to the change in output inflation in April. The largest upward contributions to the annual rate came from petroleum products and other outputs, both having annual price inflation of 13.3% and 1.9%, respectively.

The biggest offsetting downward contributions came from chemicals and paper products.

UK INPUT INFLATION

The largest downward contribution to the annual input inflation rate came from inputs of chemicals, and inputs of other parts and equipment, which contributed -1.1 and 0.7 percentage points (respectively) of the overall -1.6% figure. Inputs of chemicals and of fuels exhibited (respectively) annual decreases of 6.0% and an annual decrease of 13.4%, respectively, in April 2024.

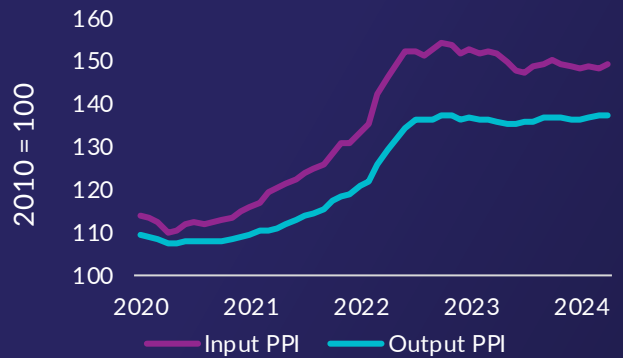
COMMODITY PRICE INDEX

Global Commodity prices rose over May and are higher than a year ago. Since the June 2022 peak, prices are lower by 1.6% 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 6.8% higher than over the previous three months. Prices are 11.2% 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

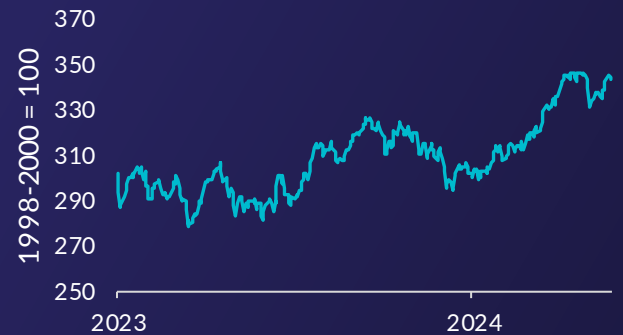
Global food prices rose in April 2024 to average 119.1 points, up 0.3% when compared to the preceding month. Meat prices rose the most, followed next by oils and cereal prices. Providing compensating downward pressure on prices was sugar and dairy.

PRODUCER PRICE INDEX (PPI)



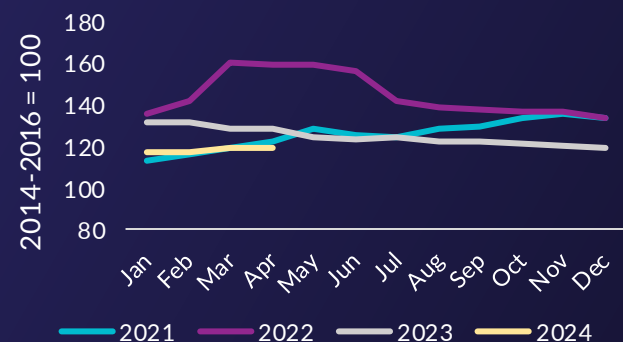
Source: ONS

COMMODITY PRICE INDEX



Source: Refinitiv (formerly Thomson Reuters)

GLOBAL FOOD PRICE INDEX



Source: UN, The Food and Agricultural Organisation

GLOBAL FOOD PRICES - April

Global food prices (according to the United Nations) rose by 0.3%, following an increase of 1.2% in the preceding month. Prices more broadly have settled down from the all-time record in May 2022, and prices are 7.4% lower than a year ago. A strong increase in meat prices, as well as lesser decreases in cereal and dairy prices, increased prices on the month.

SUGAR

Prices fell 14.7% year-on-year



Sugar prices fell once more on the month, though prices generally remain high (4.9% higher than the 2022 peak). This month's decrease was primarily due to better-than-expected supply prospects in India as well as an improved harvest in Thailand. However, concerns remain about Brazilian crop yields given prolonged higher crude oil and ethanol prices.

MEAT

Prices fell 0.4% year-on-year



Meat prices decreased by 0.4% on the year though increased by 1.6% on the month. World prices for meats increased, reflecting steady import demand, with both poultry and bovine prices seeing sustained price pressure over recent month. In contrast, pig meat prices fell marginally due to subdued import demand, especially from China.

DAIRY

Prices fell 4.3% year-on-year



In April, prices for dairy products decreased and remained lower than a year ago. The fall in April was led by a sharp fall in the skim milk powder, underpinned by sluggish important demand, especially in Western Europe. Additionally, cheese prices fell however butter and whole milk prices bucked the trend, rising slightly on the month.

CEREALS

Prices decreased 18.3% year-on-year



The increase this month reflected a monthly increase in maize and barley due to unfavourable crop conditions in key exporter countries and logistical disruptions in Ukraine. Rice declined amid falls in Indica quotations, driven by harvest pressure. Sorghum prices also declined on the month.

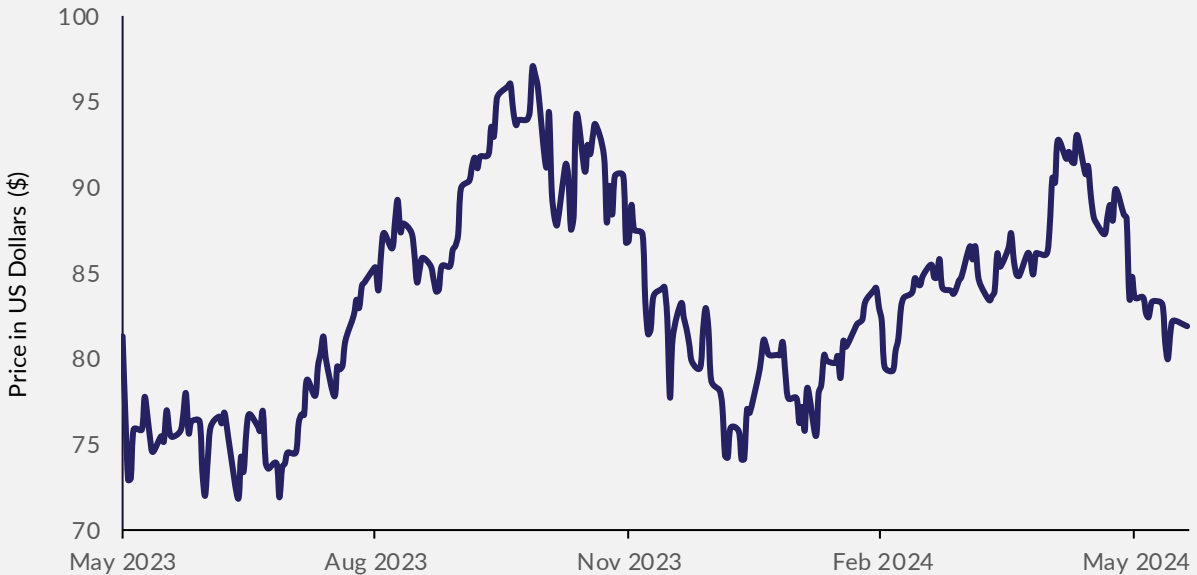
VEGETABLE OILS

Prices rose 0.7% year-on-year



Vegetable Oil prices fell by 0.7% on the year though rose slightly on the month, following a sharp rise in the previous month. Price quotations increased for sunflower and rapeseed oils, reflecting supply concerns and precautionary demand. Palm and soy oil prices, in contrast, fell, due to higher than expected seasonal output.

GLOBAL BRENT CRUDE, DAILY SPOT PRICE



Source: US Energy Information Administration

OIL PRICES

In May, oil prices fell notably, averaging \$83 per barrel, having recently risen as high as \$93 per barrel in mid-April. The increase followed production increases by the United Arab Emirates, within 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 start of April to extend voluntary cuts in oil production, currently 2.2 million per day until the end of June, adding some upward price pressure.

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

May YoY change

+6.6%

May MoM change

-6.9%

HEADLINE YEAR-ON-YEAR CHANGE

Y-O-Y Change	OVERALL	NON-FOOD	FOOD	FRESH	AMBIENT
May-23	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	2.5	1.3	5.0	3.4	7.2
Mar	1.3	0.2	3.7	2.6	5.2
Apr	0.8	-0.6	3.4	2.4	4.9
May-24	0.6	-0.8	3.2	2.0	4.8

HEADLINE MONTH-ON-MONTH CHANGE

M-O-M Change	OVERALL	NON-FOOD	FOOD	FRESH	AMBIENT
May-23	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	0.4	0.7	-0.1	-0.2	0.1
Mar	-0.4	-0.4	-0.3	-0.1	-0.7
Apr	-0.3	-0.8	0.5	0.5	0.6
May-24	0.2	0.2	0.2	0.0	0.6

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
May-23	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	-5.5	4.1	0.4	3.0	0.3	3.1	1.9
Mar	-6.9	0.4	-1.6	2.8	0.1	2.9	1.9
Apr	-7.9	0.5	-0.8	1.7	2.6	1.5	0.5
May-24	-7.5	-1.0	-1.6	1.9	5.3	2.0	-0.1

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
May-23	-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	-0.7	1.8	1.6	1.2	-0.4	0.6	0.5
Mar	-1.0	-0.8	-2.2	0.5	0.1	-0.1	-0.2
Apr	-1.9	-1.0	0.4	-0.9	2.4	-0.5	-0.8
May-24	0.0	-0.1	-0.2	0.3	0.1	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
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
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	112.4	175.9	168.3	187.1	87.3	34.3	103.4	59.3	124.7	110.5	129.8	126.1
Mar	112.0	175.3	168.2	185.9	86.9	33.9	102.7	58.0	125.3	110.7	129.7	125.8
Apr	111.6	176.2	169.0	187.0	86.2	33.3	101.6	58.2	124.2	113.3	129.1	124.8
May-24	111.8	176.6	168.9	188.1	86.4	33.3	101.6	58.1	124.5	113.4	129.8	125.4

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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