

## Inflation Outlook

CPI rose 2.6% in the 12 months to March 2025, slowing from 2.8% in the 12 months to February. Whilst the January inflation figures were slightly below forecast, it is expected the number will climb more acutely in April as various price increases come into effect.

Trump's trade policies have added further uncertainty to markets as economists are divided on whether tariffs will push inflation higher or drive prices down. It is also unclear whether any revisions to trade agreements will extend to discussions on food standards and a relaxing of producer requirements on imports.

## Meat and Poultry

Beef prices continue to set record highs with deadweight prices now +42% higher than last year. UK beef production is expected to decline by around 5% this year, largely accredited to a contraction in the supply market. Concerns remain regarding the profitability of the industry and the dismantling of production subsidies and redeployment of land to other usages will not support a quick correction on this market.

Retailers have been slow to adjust pricing, though feedback from our supply partners suggest this is anticipated soon. The sensitivity of domestic consumers to retail price changes could have a significant influence overall supply and demand. Forequarter cuts such as mince and diced beef remain the most competitively priced options, however, they are also subject to increased demand as consumers trade down.

Where applicable, some clients are adapting menus to adopt minced beef and pork blends to offset costs. Pork prices remain much more cost effective, so we recommend switching to pork options where possible.

Poultry prices have also seen further increases this month, with the EU price now tracking +10% YoY. Demand has remained strong however challenges of Avian Flu and Newcastle Disease have put pressure on supply, albeit with some success stories re. Avian Flu vaccination programmes in France. The roll out of higher welfare concepts in both the EU and UK (in particular, the investment on lower stocking densities) is also supporting pricing as additional capacity is not readily available and planning permissions for farm expansions limited.

## Eggs

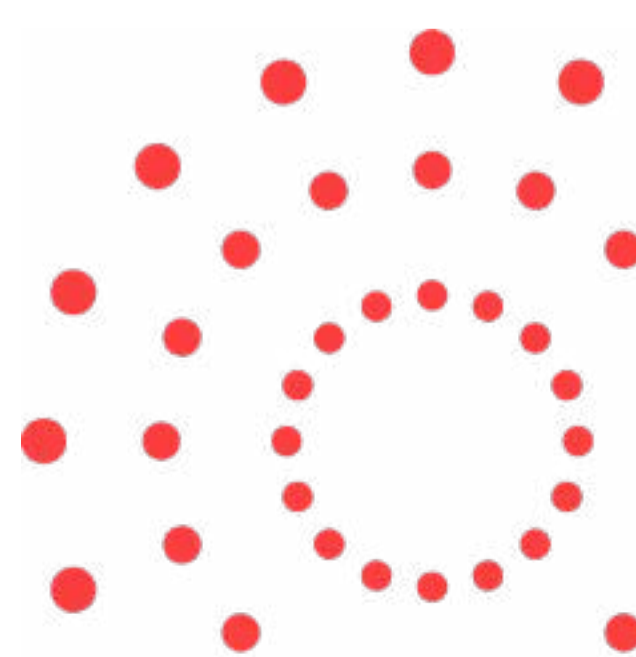
Avian Flu continues to be a major concern for producers. This week, the Government's Chief Veterinary Officer extended the Housing Order to cover further areas of the country. This means that all commercial poultry in those areas must be kept indoors for their protection.

Supply remains tight and we recommend extending catalogues to include liquid egg or alternative specifications to optimise supply agility.

## Fish and Seafood

The whitefish market continues to experience significant pressure and cod prices have reached an all time high with no immediate signs of decline. However, the market will need to stabilise, and processors cannot sustain the ongoing premium pricing.

Haddock pricing has risen nearly 20% since September and market pressures are expected to persist. US processors continue to purchase Norwegian stock and Trump tariffs on Chinese trade could further drive-up prices. As a frozen alternative, Alaskan Pollock presents an excellent option, offering high quality at a lower price whilst maintaining superior sustainability at an MCS rating of 1-2.



## Fresh Produce

The Spanish season will come to a close for some products this month and we will begin to transition to Dutch produce – there is also lots of domestic options to support Easter and Spring menu planning.

UK asparagus season officially starts on April 23rd and runs until June 21st. Prices will be high initially, though expected to stabilise. Indoor Jersey Royal crops are appearing, though pricing remains strong until outdoor yields increase. Early summer cauliflowers are arriving, with positive early reports from growers, UK cavolo nero is also in great supply.

As we exit the Spanish strawberry season, Dutch product will bridge the gap until the British season starts. Imported raspberries, blackberries and blueberries are all in decent supply and good quality. Early Spanish stone fruit is on the horizon for late month although volumes will be low. Melons will continue from the Southern Hemisphere with a gradual transition over to Spanish products beginning late month/ early May.

Winter salad season is ending, making April a volatile month for supply. Bad weather in Murcia, Spain has shortened the season, increasing prices for peppers, iceberg lettuce, tomatoes, and cucumbers.

All Potato lines are in good condition with pricing remaining stable. Core line vegetables such as cauliflower, broccoli, swede, and parsnips are all in good supply and will represent good value on menus.

The summer salad season begins in early April. Early reports on produce and quality have been encouraging with no concerns around supply. Cucumbers have been arriving from Holland with tomatoes and peppers also becoming available.

Spanish strawberries will continue to arrive throughout the month with Dutch also becoming available. Papaya and blood oranges are also at their best this month; product volumes are strong, and both options will add a twist to menus!

Whilst overall produce pricing is steady into March; the produce sector is particularly vulnerable to increasing labour and energy costs which is expected to support long term pricing.

## Dairy

As of April 2025, the UK average farmgate milk price stands at 46.05 pence per litre (ppl), reflecting a slight increase from the previous month.

Headline milk prices for May onwards are mixed as processors await the impact of the ‘spring flush’ – this is typically when cows are returned to pasture post Winter resulting in higher milk yields.

Impact to milk price will be subject to other dairy commodity movements and current cost to serve challenges in the supply base.

Whilst cream prices have steadied, butter and cheddar prices have remained firm this month.




### Any questions?

Please contact your Account Manager if you have any questions about this month's news.

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