

Inflation Outlook

The Consumer Prices Index (CPI) rose by 3.5% in the 12 months to April 2025, up from 2.6% in the 12 months to March 2025. On a monthly basis, CPI rose by 1.2% in April 2025 compared with a rise of 0.3% in April 2024.

The largest upward contributions to the change in CPI came from housing and household services, transport, recreation and culture, the largest, partially offsetting downward trend, came from clothing and footwear.

Food and non-alcoholic beverages prices rose by 3.4% in the 12 months to April 2025, up from 3% in the 12 months to March 2025. The upward effects came from meat, bread, cereals, sugar and jam.

On a monthly basis, food and non-alcoholic beverages price rose by 0.7% in the 12 months to April 2025, up 0.3% from the previous year.

Eggs

There have been outbreaks of Avian Influenza globally, leading to circa 50m laying birds being lost in the UK, US & Europe. With this affecting various parts of the world at the same time this has exacerbated the issue creating a huge amount of demand displacement with countries forced to find alternative sources.

Many producers have decided to leave impacted sheds empty for an extended period and often for at least 12 months to ensure that any new birds are not affected. Whereas others have ceased using them to ensure that they don't lose all their birds on site and affect further supply of eggs.

Added to the impact, many producers are pivoting to cage free eggs meaning a lower number will be produced as it allows for more space for roaming. We recommend optimising range flexibility, extending to the inclusion of liquid egg where possible.

Meat and Poultry

Beef deadweight prices have started to slow after a relentless incline over 2025. Whilst prices are still tracking almost +40% year on year, recent weeks have seen some softening, with prices marginally lower month on month.

Beef inflation has been driven by a constrained supply chain and sustained consumer demand; with adjustments to production subsidies and redeployment of land to other usages exacerbating this trend. The most recent British Cattle Movement Service (BCMS) data for April 2025 reports continued declines in total GB cattle numbers, suggesting further supply tightness on the horizon (cattle population available for beef production was down -3% vs. April last year) and elevated prices likely to remain for 2025. Slight increases in the population of cattle aged 0-6 months indicates that producer sentiment might be changing in light of exceptionally high beef prices.

The Agriculture and Horticulture Development Board (ADHB)'s supermarket price tracker, illustrated that fresh meat inflation increased by 11.53% year-on-year and by 3.48% for the month of April. Consumers willingness to absorb these prices will also influence supply dynamics in the wider market.

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 across the EU demonstrated further increases in June fuelled by ongoing supply chain constraints across Europe and sustained demand. The growing demand for chicken meat driven by its convenience and affordability has been supporting production output, however the prevalence of Avian Influenza cases across Europe is prompting regional control zones and supply chain disruption.

Feed costs are expected to move lower over the coming months and are trending near year ago levels – hopefully this can put some pressure on input costs.



Fresh Produce

As summer officially arrives, we will see a growing abundance of soft fruit, UK veg and a great selection of Dutch produce coming into season. Thanks to the warmer weather, some produce has arrived earlier than expected.

UK courgettes will be arriving in small pockets throughout the month, along with some wonderful UK broad beans and UK runner beans. Early summer UK brassicas such as cavolo nero, tender stem and broccoli will all be available.

Asparagus will come to an end by late-month, meaning only imported asparagus will be available.

As the main carrot, swede and potato crops come to an end, shelf life will become noticeably shorter. Keep both Old season Potato & Swede stock in cool darkened room and we would advise not to overstock, particularly towards the end of the month.

UK salad season is also in full swing with lollo, oakleaf, little gem and iceberg all arriving daily. Due to the higher temperatures, yields and quality of all whole head lettuce varieties is strong.

UK strawberries and raspberries supply is also underway, with quality performing well.

Lemons – there is to expected to be a 3-week delay to the start of the core South African season due to heavy rain and severe flooding which has led to market supply issues.

Melons – There have been availability issues following the poor weather conditions that led to the end of the Central American season, however the transition to Spanish crop is underway.

Sweet Potato – The American Harvest which is around 40% down is likely to impact the market and last until August.

Fish and Seafood

Mackerel prices have dropped significantly as fish arrived to feed closer to shore. Please note availability will be very patchy and cannot be relied upon.

Haddock prices have finally begun to stabilise after a year or so of pressures in the market therefore some much needed relief in this area.

Fresh cod remains very stable across the month with a small reduction on most sizes. The frozen lines are all significantly up in price, a result of the Barents Quota impact.



Any questions?

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



0161 337 9154



nationalaccounts@ef-group.co.uk



ef-group.co.uk



Willow house
Orbital 24
Oldham Street
Manchester
M34 3SU