

UK key market movers (CPI)

The Consumer Price Index (CPI) is a key measure of inflation in the UK. Movements in CPI give a high-level overview of the key categories experiencing inflation. Below is a monthly snapshot of the top food commodity price inflation movements impacting the UK. The data is from Office for National Statistics (ONS).

Item	Percentage change over 12 months
Milk, cheese and eggs	-0.2%
Oil and fats	-4.0%
Breads and cereals	1.0%
Vegetables	1.0%
Meat	0.7%
Sugar, jam, syrups, chocolate and confectionery	2.5%
Fish	7.0%
Fruit	2.1%

Inflation figures

Food and non-alcoholic beverage prices rose by 1.3% in the 12 months to July 2026, down from 1.7% the previous. The annual rate was last lower in September 2021, when it was 0.8%. On a monthly basis, food and non-alcoholic beverage prices were little changed in July 2026, compared with a rise of 0.4% a year ago. The Retail Price Index (RPI) is now 3.2% vs 3.0% last month.

Latest inflation figures as of May 2026*	
Foodservice Price Index (FPI) January to February	0.2%
Food Price Inflation (FPI)	1.3%
Retail Price Index (RPI)	3.2%
Consumer Price Index (CPI)	2.9%
Producer Price Index (PPI)	0.8%

*Source: Office for National Statistics (ONS), Trading Economics

Food inflation is expected to increase modestly during the next three months due to drought-related impacts on agricultural yields along with continued higher energy and transport costs. With fresh produce, dairy and meat categories facing the greatest risk of price increases.

Bakery

Wheat: This commodity is in an inflationary state, due to the heat and droughts across many European countries the yield so far this year has dropped significantly.

Sugar: Due to a drop in sugar beet production, we could expect to see some minimal inflation in this area. Production and yields are currently tracking c.8% down YoY as a result of the prolonged dry hot weather. Prices remain volatile whilst we navigate through these pressures.

Overall, we're hopeful that late August rain will alleviate some of the harvest and supply issues helping towards stabilisation and even deflation although, this wouldn't be expected to hit until early 2027 due to the above points.

Fish and seafood

Seafood supply remains generally stable, with good availability and value in seasonal species such as plaice, brill, megrim, sea bass and gilthead bream, providing opportunities to manage costs.

White fish remains a key inflation risk, with continued cost pressures on cod and haddock driven by reduced catch quotas, higher fishing and processing costs, sanctions affecting Russian supply, and global trade pressures. These market conditions are expected to keep prices elevated in the near term and may require menu flexibility and alternative species to mitigate budget impacts.

Dairy

Dairy markets are facing increasing inflationary pressure as extreme heat and drought conditions across Europe reduce milk yields and raise production costs for farmers. Lower milk availability is creating greater competition among processors for supply, tightening the overall market.

Expect ongoing cost pressures across key dairy categories, including milk, cheese, butter, cream and yoghurt, over the coming months. If adverse weather conditions persist, supply constraints and further price increases are likely, creating additional budget pressures for healthcare catering services and requiring close monitoring of dairy contracts and menu costs.

Meat

Meat markets remain under significant inflationary pressure, with lamb prices at historic highs due to reduced UK and EU supply and limited imports, while beef costs continue to be driven by tight cattle availability, lower slaughter numbers and ongoing production cost pressures.

Chicken is facing increasing demand and supply constraints, as foodservice operators switch from higher-cost red meats, resulting in tighter availability and pricing volatility. Rising feed costs are adding further upward pressure, making poultry and red meat categories key cost risks for NHS foodservice contracts through the remainder of Q3.

Pork continues to offer stability in both availability and pricing. With cost pressures affecting most other animal proteins, pork presents a cost-effective alternative where suitable.

Fruit and vegetables

Weather: Prolonged heat, drought conditions and water restrictions across the UK and Europe are creating pressure across the Fresh Produce category. Growers are experiencing pest pressure, reduced yields, smaller produce due to the lack of water with availability challenges to continue through August.

Brassica: Hot weather and reduced rainfall are challenging the growing conditions which will continue for the next few weeks across; broccoli, cauliflower, red, white, and sweetheart cabbage. Concessions are in place, expect smaller than spec crops.

Tomatoes: Expecting to see challenging supply and quality for the next few weeks, the heat is causing reduced shelf life especially on beef and plum tomatoes. Isle of Wight production is improving weekly but not fully recovered.

Peppers: Tight market due to heat, Spanish quality is impacted by the heat, however Dutch growers are harvesting immature fruit to maintain shelf life which may affect quality and taste.

Cucumbers: Unstable supply and limited volumes due to heat affecting yields. Tight availability expected until new season arrival.

Mushrooms: Hot weather is affecting the compost cooling, this is delaying the harvest and leading to reduced yields and sizes. Most impact seen on large mushroom lines.

Root vegetables: Potatoes and parsnips: The lack of water over the past month is affecting the root vegetable crops. The hardground is not taking the water, therefore irrigation is ineffective. Baking potatoes will be affected the most due to the sizing, expect to see issues with 40s and 50s in the coming season. In addition to this parsnips are seeing smaller roots and lower yields, leading to reduced quality.

Rapeseed oil: The rapeseed oil market continues to experience significant volatility driven largely by heightened geopolitical uncertainty and weather events. Energy markets remain elevated by continued conflict in the Middle East, which are supporting elevated rapeseed oil prices. Russian attacks on key Ukrainian ports and low Rhine water levels have created logistics delays in edible oil markets. Finally, a strong El Niño is predicted to remain through the remainder of the year impacting vegetable oil production globally.

As the inflation outlook is high especially in the areas of:

- Bread
- Milk
- Root vegetables including potatoes

To alleviate cost pressures the recommendations would be to buy seasonal produce, review switches and menu rationalisation where viable with your customer account manager.

[NHS Supply Chain: Food - Enquiry Form](#)

Meat

Beef: Beef remains the strongest inflationary pressure over the past quarter. Tight UK and Irish cattle supplies, robust consumer demand and competition from export markets have continued to support elevated pricing.



Chicken: Pricing has been relatively stable throughout the quarter. Improved production has helped offset ongoing labour, feed and energy cost pressures, providing greater pricing consistency than other protein categories such as beef and lamb.

Pork: Prices have remained broadly stable, supported by improved domestic supply and balanced demand.

Lamb: Lamb pricing has remained high throughout the quarter, driven by seasonal demand and short domestic supply.

Overall summary: Over the past three months, meat inflation has become more concentrated in beef and lamb. Overall market conditions have improved. Limited livestock supply continues to restrict wider price reductions.

Fish and seafood

Salmon: Pricing has remained volatile over the past three months, initially rising before easing as global supply improved. Despite recent softening, limited biomass growth means the market remains susceptible to future price increases.

Sea bass and bream: Pricing has largely stabilised following earlier volatility. Supply continues to be influenced by last year's poor growing conditions, although improved availability has helped ease prices in recent weeks.

Whitefish: Prices continue to be under pressure due to reduced supply, particularly for cod. This is also impacting other species such as haddock and hake. While there has been some short-term easing, longer-term inflation is still expected.

The seafood market has shown signs of stabilisation across several farmed species, but structural supply constraints in whitefish and ongoing geopolitical uncertainty continue to present potential inflationary risks.



Fruit and vegetables

Sweet Potato: Very limited availability expected for the next month due to the end of European season, significant US crop losses, and vessel delays. Issues with availability seen since May.

Peppers: In the month of May, Spain and Morocco still had extremely limited supply. Sweet pointed peppers are also limited due to the lack of volume from Holland which is keeping prices elevated.

Lettuce and leaves: Spinach has strong availability from Spain and Portugal however due to the high temperatures and tired fields there is more risk of insect pressure and yellowing. In April, there was a gap in planting due to weather which is impacting Cos lettuce availability.

Broccoli: Volumes from Spain remain significantly reduced due to earlier adverse weather, which created a planting gap that has not yet recovered, there have been shortages since May.

Cabbage: Supply remains tight following an early end to the UK savoy season, with quality issues on imports; new season British sweetheart cabbage due shortly to ease pressure.

Lemons and easy peelers: Smaller sizes remain tight due to delayed South African crops impacted by severe weather, with supply constraints expected through July and August.

Melons: Tight supply due to region handover (Central America to Spain), Honeydew remains tight as we wait for Spanish season to get going.

Dairy

Dairy: Short-term uplift in March, followed by rising milk production and downward price pressure through April and May.

Cheddar: Prices softened due to increased availability and quieter demand.

Mozzarella: More stable, supported by consistent foodservice demand.

Eggs: Market remains impacted by Avian Influenza, with ongoing supply constraints and no near-term improvement expected

Bakery



Cocoa: Prices have stabilised following recent volatility, with improved supply easing cost pressures, although some risk remains.

Wheat: Prices have eased following a short-term spike driven by market sentiment around global events, returning to a downward trend.

Sugar: Sugar prices remain relatively stable, despite ongoing sensitivity to global volatility. Following a brief reactive increase between March and early June, the market has resumed its downward trend.