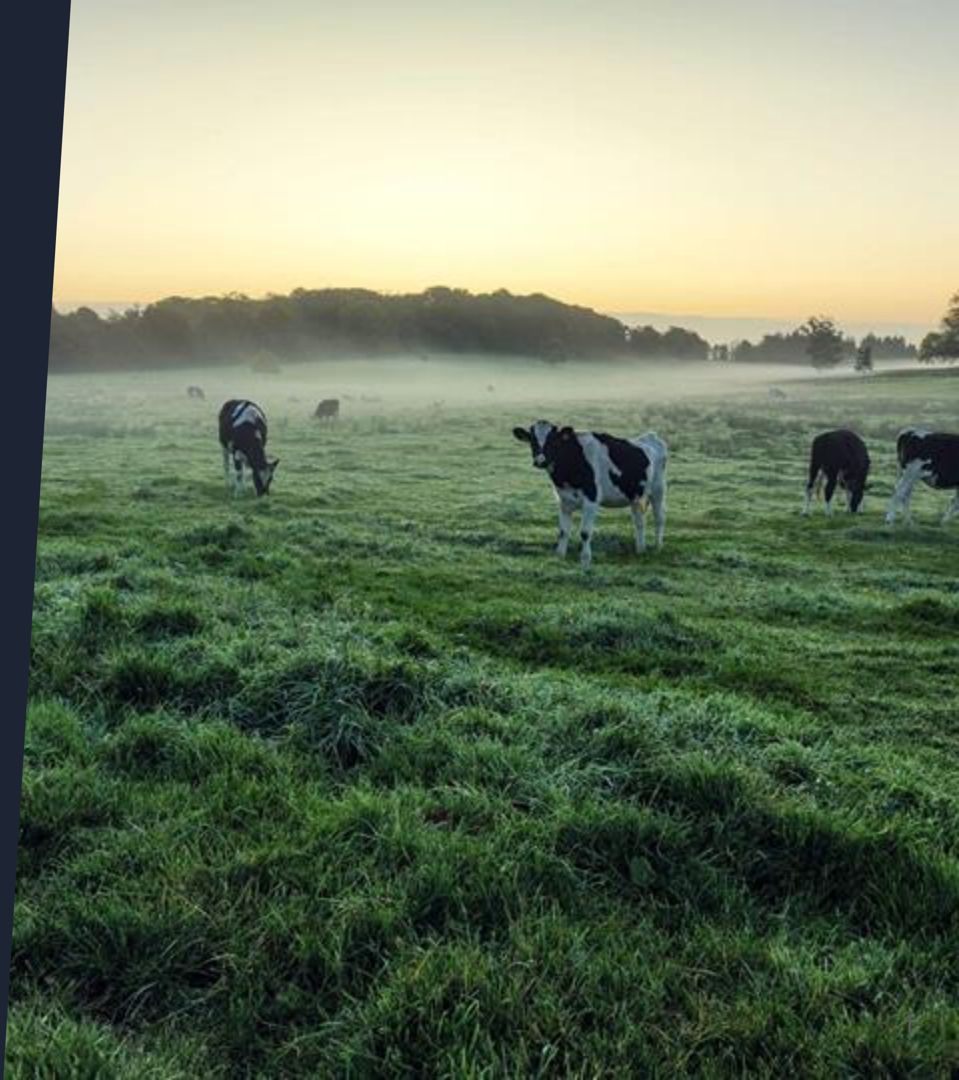
Market Report

July 2025



Procurement Partners

Overview

UK summer has well and truly arrived, with soaring temperatures recorded across the country. Whilst this brings a welcome uplift to outside drinking and dining sales, the unusually high temperatures can impact the availability and quality of goods. This is also the case across Europe which has seen record breaking temperatures in recent weeks. Spain has been hit the hardest; and as a key growing area for the UK, we will likely feel the impact of this for the coming months.

Beef and **Poultry** challenges continue to dominate and prices remain firm.

Haddock and **Cod** prices continue to rise as shortages of both species take effect. The majority of Haddock being caught is being kept for domestic use leaving the export markets struggling or seeking alternative, more expensive origins, where quotas are being stretched or indeed reached.

The **UK inflation** rate rose to 3.6 % for the month of June according to the Office of National Statistics; with the food index at 4.5% for June, a 0.1% movement from the previous month. Chocolate, jam and sugar were the major contributors to this, with chocolate rising at a record rate since records began in 2016.

Our report will take you through the most recent developments in each category.

Reach out today and find out how our team can help save you money on your food purchases - hello@procurement-partners.co.uk

Meat & Poultry

- There has been some softening in deadweight **beef** pricing over the last month but this is not yet translating into reductions to the end users. Associated costs of rearing cattle and reduced herds yoy are keeping prices high albeit with some stabilisation – prices increases this month have topped out at around 5%.

- Demand remains high for UK **poultry** domestically and limited availability from the continent has put increased pressure on UK product – with price increases of around 2-3% this month. There is an estimated 20% drop in bird availability in the UK.

- **Pork** remains the cheapest meat protein available and suppliers are promoting this as a good replacement for beef and chicken. This has of course pushed pricing up, with around a 5% increase month on month but pricing is still favourable against other options.

- Wild **venison** can contribute a significant carbon reduction versus beef as well as more price stability long term, with flat prices maintained across the year.

- Despite high pricing vs. last year, **lamb** remains stable with around a 0.5% increase recorded across the last quarter. A combination of surplus numbers of lambs from last season, favourable weather and reduced disease instances should see more favourable conditions in the category into next year.

Seafood

- Quotas on **whitefish** remain tight with a reported 8% left of Icelandic stocks before the new quotas start in September. Native fishing conditions remain favourable; with some shortages reported on a daily basis, however overall, the longer days and fishing hours are supporting good landings.

- **Cod and Haddock prices** continue to rise due to short supply and high demand as we approach the season end. Expect increases anywhere between 5 and 15% this month across the two species.

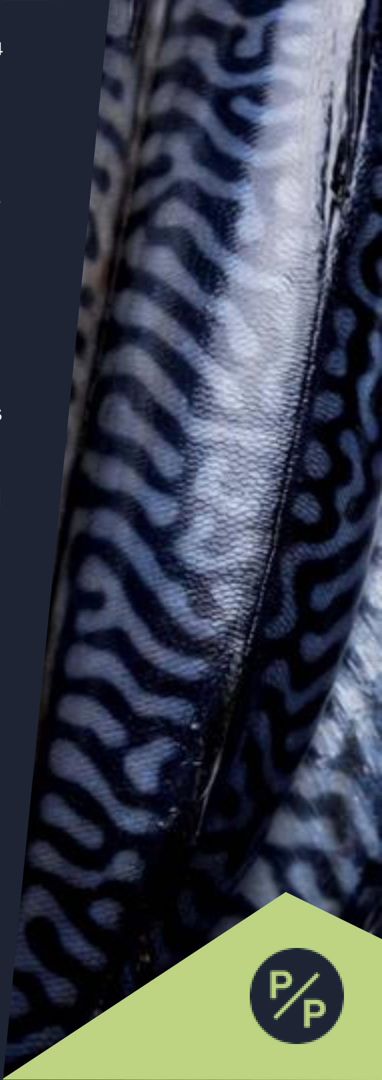
- **Hake** is seeing a surge in popularity due to challenges elsewhere in the white fish category. This has led to rising prices, that are expected to remain through the summer, prices have risen by around 10% this month.

- **Sea Bass and Bream** remain consistent, and no price increases are expected.

- **Salmon** pricing has softened again this month with reductions of up to 3% recorded. Global demand has reduced slightly due to the proposed USA tariffs on Norway and quality of stock has improved, having a positive impact on pricing this season.

- **Mackerel** has seen a resurgence in popularity in recent years. Reduced quotas due to overfishing and the demand from Asia and Europe has seen landed prices push up by around 10% this month.

- **Sardines** and **monkfish** become more plentiful in July and we will see the UK **bluefin tuna** season starting. All great local species to add to menus.



Grocery

- **Chocolate** prices continue to push upwards, being highlighted as a significant contributor to year on year inflation in the UK. Poor harvests affecting major cocoa-producers in Ghana and Ivory Coast sent chocolate prices soaring 17.7% in the year to May, according to the ONS. This has translated into price increases on finished products of around 10% across the last quarter.

- **Sugar, alongside jams, syrups and confectionery** are said to have increased by around 11% over the last 12 months. Confectionery alone has seen around 10% increases in price across the last quarter.

- **Rapeseed and Soya oil** prices remain high, keeping UK cooking oil costs elevated. There are some pockets of opportunity where suppliers are recontracting and this can provide benefits of up to 15% in some cases. Demand for **olive oil** has dropped since the record-breaking prices of last year, so we are seeing some continued softening of prices.

- **Bread** and **cereal** pricing is being driven by a combination of global supply chain pressures, commodity costs and domestic production challenges. Pricing remains elevated and we are still seeing increases of around 5-10% on some lines.

- **Rice** is seeing the benefit of favourable conditions in the market. India, the largest exporter, has lifted export restrictions leading to increased supply and a subsequent decrease in pricing. We have seen up to 5% reduction this year so far with further decreases set to come into play later in the year.

Dairy

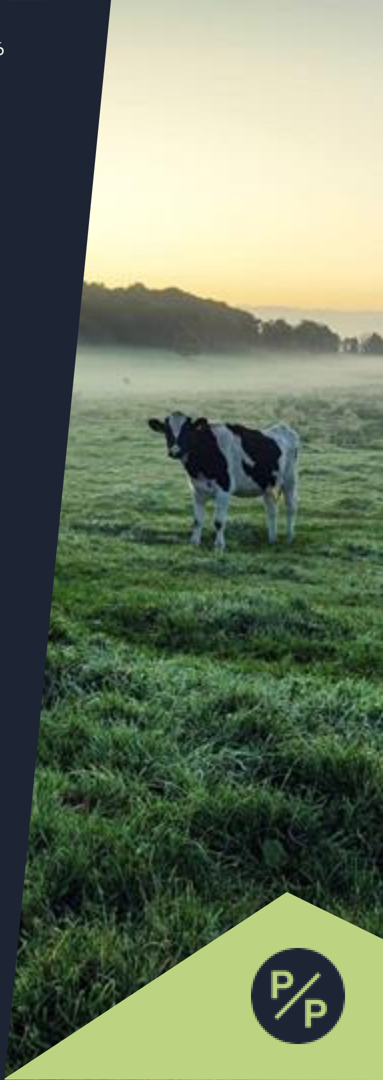
- Milk, cheese and eggs have, according to the ONS, been a key contributor to inflation over the last 12 months, with a 3.2% increase over the period. That said, we are experiencing some relief from price increases.

- **Milk** prices remain buoyant this month but have benefited from around a 2.5% reduction over the last 3 months. The surplus milk recorded in the market has helped to bring prices down.

- **Butter** pricing has not yet seen the benefit of the lower milk prices but prices do remain flat this month. Farmers have opted to sell milk direct to market or produce more financially beneficial products such as milk powders and cream.

- The same can also be said for **cheese** which has seen the availability of milk for production decline by around 20% year on year. Pricing has remained flat this month.

- Eggs - Avian flu remains present in UK poultry flocks but with summer in play there is a slow down in transmissions and this provides some relief. Pricing remains high but we have seen little to no movement on egg pricing month on month.



Fruit & Veg

- We are mid-way through the UK growing season with prices steady across most of the home grown produce categories. We are still seeing new arrivals to the market including golden king potatoes, broccoli, cauliflowers, carrots and leeks. **Girolles** should be arriving at the end of the month, but this will be weather dependent.

- Where shorter seasons exist e.g. **asparagus** and **rhubarb**, prices are shifting sharply upwards as origin moves to Europe and beyond. We are seeing prices rise anywhere between 20-60% month on month.

- **Potato** pricing remains favourable as new season crop continues to enter the market. Prices have been reducing by up to 15% across the range.

- **Blackberries** are more abundant now as we progress through the season, with UK cherries also making an appearance. The season is short so take advantage while you can.

- New UK **salad** varieties are also still coming through with oakleaf, radicchio and lollo lettuces increasing in availability throughout the month. Beautifully paired with UK tomatoes, expect some price benefit (of around 5-10%) whilst there is an abundance in the market.