



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 March 2022

Strictly embargoed until 0.01hrs, Wednesday 30 Mar 2022

March 2022



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Headline commentary



“Consumers were hit once again by rising prices, with March seeing the fifth consecutive month of inflation. There have been mounting cost pressures throughout the supply chain for some time, including rising wages, input costs, global commodity prices, energy, and transport. Many of these costs are beginning to be exacerbated by the situation in Ukraine, but the full impact on prices is yet to be seen. Wheat prices have risen sharply, while the rise in oil prices has not only impacted domestic energy costs, but also the costs of fertiliser and transporting goods.

“Our Shop Price Index has been rising more modestly than other inflation measures as retailers were able to limit price rises on many essential goods. By keeping the prices of key items down and expanding value ranges, retailers are trying to support customers most affected by the cost-of-living squeeze, many of whom will face higher energy prices and National Insurance Contributions from 1 April. With overall inflation likely to rise even higher according to the Bank of England, consumers will not have an easy ride this year. The war in Ukraine, and volatility in commodity markets is likely to further dampen consumer confidence in the coming months.”

Helen Dickinson OBE | Chief Executive | British Retail Consortium



“With cost-of-living increases accelerating, the next few months will be a difficult time for consumers. Rising food prices will start to impact what’s put in the shopping basket so supermarkets will need to adapt ranges to help shoppers manage what they spend on their weekly groceries. Whilst high street retailers will be competing for discretionary spend that’s coming under increasing pressure.”

Mike Watkins | Head of Retailer and Business Insight | NielsenIQ

Executive Summary

In February, Shop Price Inflation rose to its highest level since September 2011.

On top of the already steep rises seen since the start of the year, the turmoil caused by Russia's invasion of Ukraine has driven prices even higher in the month, as energy prices spiked. This was coupled with constriction of food supplies from the region, as both countries are significant producers of wheat and other cereals. This further increase to the cost of living will severely impact consumers' discretionary spending in the near term.

All prices

Shop Price annual inflation accelerated to 2.1% in March, up from 1.8% in February. This is above the 12- and 6-month average price increases of 0.1% and 1.1%, respectively. This marks the highest rate of inflation since September 2011.

2.1%

% change year-on-year

Non-Food

Non-Food inflation accelerated to 1.5% in March, up from 1.3% in February. This is above the 12- and 6-month average price decrease of 0.4% and increase of 0.4%, respectively. This marks the highest rate of inflation since February 2011.

1.5%

% change year-on-year

Food

Food inflation accelerated to 3.3% in March, up from 2.7% in February. This is above the 12- and 6-month average price growth rates of 1.0% and 2.2%, respectively. This is the highest inflation rate since March 2013.

3.3%

% change year-on-year

Fresh

Fresh Food inflation accelerated in March to 3.5%, up from 3.3% in February. This is above the 12- and 6-month average price growth rates of 0.8% and 2.4%, respectively. This is the highest inflation rate since March 2013.

3.5%

% change year-on-year

Ambient

Ambient Food inflation accelerated to 3.0% in March, up from 2.0% in February. This is above the 12- and 6-month average price increases of 1.2% and 1.8%, respectively. This is the highest rate of increase since April 2019.

3.0%

% change year-on-year

% Change	OVERALL SPI		FOOD		NON-FOOD	
	On last year	On last month	On last year	On last month	On last year	On last month
Mar-22	2.1	0.3	3.3	0.5	1.5	0.1
Feb-22	1.8	0.5	2.7	0.3	1.3	0.5

GLOBAL PRICE SHOCKS ADD TO INFLATION CONCERNS

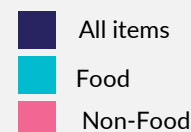
Shop Price Inflation rose even further in March, to 2.1%, which was the highest rate since September 2011. Food price inflation was the main driving force behind this continued increase during the month, with the shock created to wheat prices from Russia's invasion of Ukraine at the end of February a significant factor.

Shop prices have been on the rise since November, thanks to dramatic increases in global commodity prices – particularly crude oil. Up until this point, this has been primarily caused by the dramatic increases in demand caused by the reopening of economies across the globe, coupled with the sluggish recovery of supply struggling to keep pace. However, from the beginning of March the effects of Russia's invasion of Ukraine could be directly seen on global markets, with the supply disruptions and sanctions both driving prices even higher.

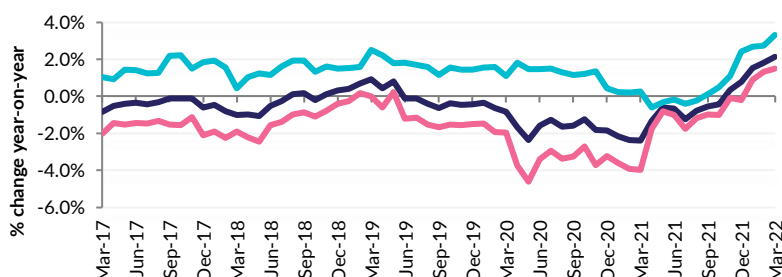
Shipping costs remain extremely high, relatively speaking, with the five-fold increases since the coronavirus crisis began persisting into spring. These will, in all likelihood, be exacerbated in the near term by the invasion, as the imposition of sanctions on Russia impact operating costs of shipping companies worldwide.

Ukraine, and to a lesser extent Russia, play a pivotal role in Europe's food supply chain as major producers of cereals – particularly wheat. The invasion is dramatically constricting the output from the region, as the population exodus has limited production levels and the supply lines have been cut to the rest of Europe. This has had a negative effect on a wide variety of food, due to wheat's (and flour's) presence in a plethora of products, both fresh and ambient.

Highest rise in Shop Prices since September 2011



FOOD VS NON-FOOD



% Change	OVERALL SPI		FOOD		NON-FOOD	
	On last year	On last month	On last year	On last month	On last year	On last month
Mar-22	2.1	0.3	3.3	0.5	1.5	0.1
Feb-22	1.8	0.5	2.7	0.3	1.3	0.5

GLOBAL PRICE SHOCKS ADD TO INFLATION CONCERNS (cont)

Rising energy prices have also affected fertiliser production, as natural gas is a direct input in the process, which will in turn drive up costs on farmers going forward. Prices of nitrogen fertilisers have doubled over the past year, which is leaving farmers with the dilemma of either raising their sale prices or buying less fertiliser and so reducing output levels. This could not have come at a worse time, just as supply from abroad is constricted.

However, increasing oil prices effect all industries in the economy, albeit to varying degrees. From increased production costs to prices paid for transportation, energy is required at every stage of the process, which in turn increases price inflation for products.

Non-Food prices have also been afflicted by these factors, with inflation for the third consecutive month, rising to 1.5%. This was the highest rate seen in the UK since February 2011, when the country was still mired in the effects of the financial crisis that began in 2008. While the spike in global oil prices has subsided somewhat from its high point earlier in March, volatility in the market remains high, energy prices for manufacturers and transporters are not likely to come down under current conditions. This will in turn the upward pressure on Non-Food prices in the near term.

To mitigate the worst effects of the current geopolitical turmoil, significant efforts are being made to plug some of the shortfall in resource supply, by increasing output from other oil and gas producing nations. An agreement has been achieved between the US and Europe, with the former committing to increase supply of liquified natural gas. Discussions are also ongoing with the members of OPEC and the EU, over the possibility of increasing supply, but these have as yet proved unsuccessful.

UK INPUT & OUTPUT INFLATION

February Output prices (those for goods leaving the factory) rose by 10.1% from the same point in 2021, which was an increase of 0.8% from January.

Of the 10 product groups, nine displayed upward contributions to the annual rate in February. Food products provided the largest upward contribution of 2.37 percentage points to the annual rate and had annual price growth of 6.2% in February 2022. This is the highest that the rate has been since December 2017, and the increase was mainly driven by preserved meat and meat products for domestic market.

Tobacco and alcohol was the only product group to display a downward contribution to the annual rate. Despite showing positive annual growth, it provided a downward contribution because of the reduction in weight between 2021 and 2022.

The largest upward contribution to the annual input inflation rate came from metals and non-metallic minerals, which contributed 3.41 percentage points and had positive annual price growth of 18.0% in February 2022. This was mainly driven by basic iron and steel and of ferro-alloys for domestic market.

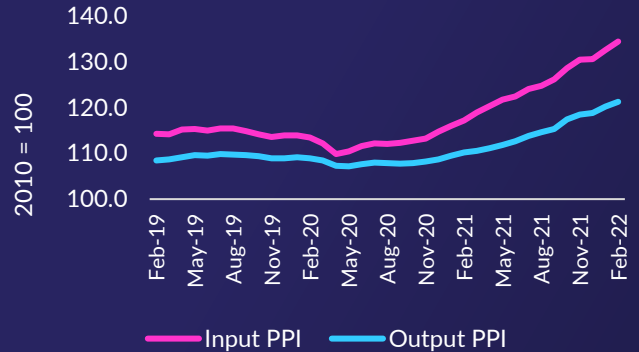
COMMODITY PRICE INDEX

Commodity prices spiked in early March, before briefly dropping and rebounding in a volatile month. The Thomson Reuters/Core Commodity CRB Index, a weighted commodities benchmark, rose by 73.7% on the year. Using the 3-month average figures for comparison, March prices were 45.6% higher on the 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

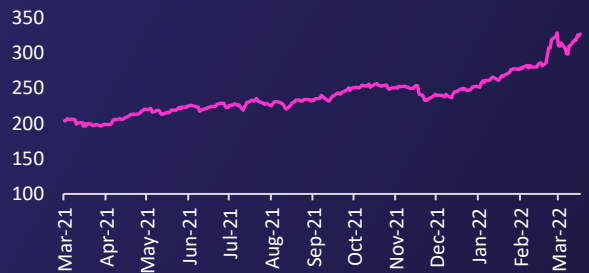
Global food prices rose by 5.3 percentage points from January and 24.1 percentage points from February 2021. The February rise was led by large increases in vegetable oil and dairy price sub-indices.

PRODUCER PRICE INDEX (PPI)



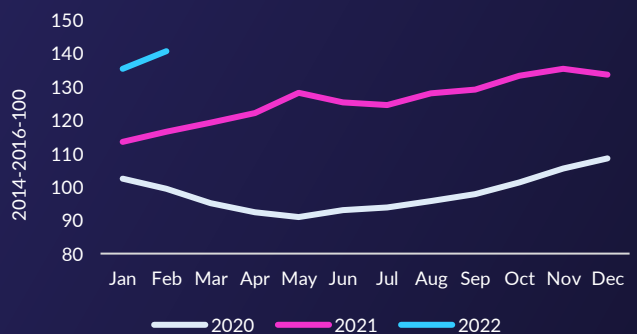
Source: ONS

COMMODITY PRICE INDEX



Source: Refinitiv (formerly Thomson Reuters)

GLOBAL FOOD PRICE INDEX



Source: UN, The Food and Agricultural Organisation

GLOBAL FOOD PRICES -- FEBRUARY

Global food prices rose to a new all-time high in February, rising by 5.3 percentage points from the previous record in January and 24.1 percentage points from February 2021. The February rise was led by large increases in vegetable oil and dairy price sub-indices.

SUGAR

Prices rose 10.4% year-on-year



Favourable production prospects in major exporting countries, notably India and Thailand, coupled with improved growing conditions in Brazil continued to weigh on world sugar prices. Ethanol prices in Brazil declined for the third successive month in February on the back of reduced domestic demand, exerting further downward pressure on world sugar prices.

MEAT

Prices rose by 15.3% year-on-year



Meat prices increased by 15.3% on the year and by 1.1% on the month. In February, international bovine meat quotations reached a new record high, driven by strong global import demand amidst tight supplies of slaughter-ready cattle in Brazil and high demand for herd rebuilding in Australia.

DAIRY

Prices rose 24.8% year-on-year



In February, international quotations for all dairy products represented in the index firmed, underpinned by the continued tightening of global markets on the back of lower-than-expected milk supplies in Western Europe and Oceania. In addition, tight global supplies, persistent import demand, especially from North Asia and the Middle East, led to steep increases in whole milk powder and cheese price quotations.

CEREALS

Prices increased 14.8% year-on-year



In February, prices of all major cereals increased from their respective values last month. World wheat prices increased by 2.1 percent, largely reflecting new global supply uncertainties amidst disruptions in the Black Sea region that could potentially hinder exports from Ukraine and the Russian Federation, two major wheat exporters.

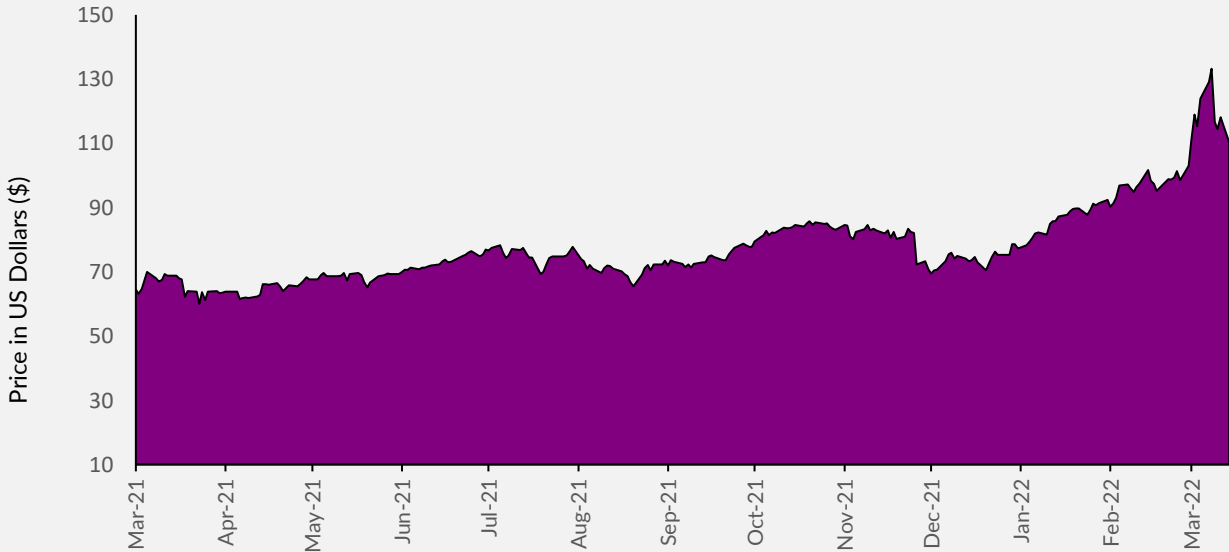
VEGETABLE OILS

Prices rose 36.7% year-on-year



Vegetable Oils prices rose by 36.7% on the year and by 8.5% on the month. The continued price strength mostly stemmed from rising palm, soy, and sunflower oil prices. In February, international palm oil prices increased for the second consecutive month due to the sustained global import demand that coincided with reduced export availabilities from Indonesia, the world's leading palm oil exporter.

GLOBAL BRENT CRUDE, DAILY SPOT PRICE



Source: US Energy Information Administration

OIL PRICES

In March, oil prices spiked in the aftermath of Russia's invasion of Ukraine, to over \$130 / barrel, before settling down slightly later in the month. The increase was a direct result of sanctions imposed on the Russian state, with the US and other NATO nations banning the import of Russian oil, limiting worldwide supply.

The OPEC meeting held on 2nd March resulted in an agreement to increase production by 0.4 million barrels per day through April 2022. However, the meeting occurred prior to the main price spike mid-month, so the next meeting scheduled for 31st March may provide more support going forward in terms of price stability. That being said, efforts to encourage an increase in production from influential OPEC members have had little impact over the course of the month.

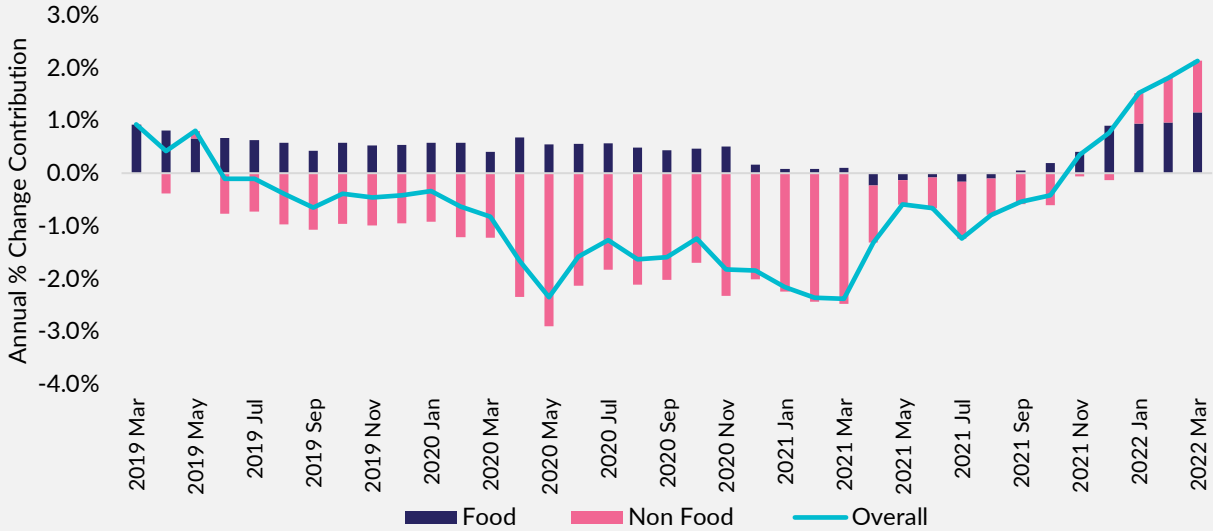
March YoY change

60%

March MoM change

9%

SHOP PRICE INFLATION ANNUAL % CHANGE, FOOD AND NON-FOOD CONTRIBUTION



Source: BRC-NielsenIQ

FOOD & NON-FOOD

Food inflation increased in March at 3.3%. This is above the 12- and 6-month average price growth rates of 1.0% and 2.2%, respectively. This remains the highest inflation rate since March 2013.

Non-Food inflation accelerated to 1.5% in March, up from 1.3% in February, the third consecutive month of growth. This is in contrast to the 12- and 6-month average price changes of -0.4% and -0.4%, respectively.

Food

3.3%

March, YOY change

Non-Food

1.5%

March, YOY change

% Change	FOOD		FRESH		AMBIENT	
	On last year	On last month	On last year	On last month	On last year	On last month
Mar-22	3.3	0.5	3.5	0.1	3.0	1.0
Feb-22	2.7	0.3	3.3	0.7	2.0	-0.2

FRESH FOOD

Fresh Food inflation accelerated in March to 3.5%, up from 3.3% in February. This is above the 12- and 6-month average price growth rates of 0.8% and 2.4%, respectively.

March UK Dairy wholesale prices (See Chart) saw significant annual increases for all categories, with prices of Bulk Cream rising by 58%, of Butter by 59%, of Skim Milk Powder by 59% and of Mild Cheddar by 45%. All prices accelerated from February levels apart from Bulk Cream, which remained unchanged.

AMBIENT FOOD

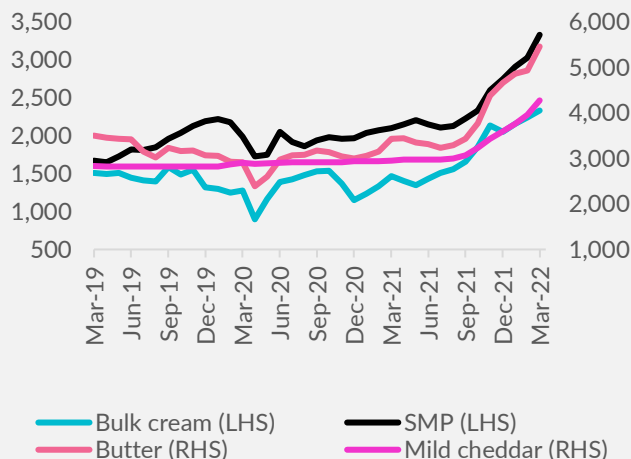
Ambient Food inflation accelerated to 3.0% in March, up from 2.0% in February. This is the highest rate of inflation for the category since April 2019. This is above the 12- and 6-month average price increases of 1.2% and 1.8%, respectively. Monthly prices declined by 1.0%.

UK WHOLESALE DAIRY PRICES, MAR 2022

	Bulk cream	Butter	Skim Milk Powder	Mild cheddar
YoY	58%	59%	59%	45%
MoM	4%	11%	10%	8%

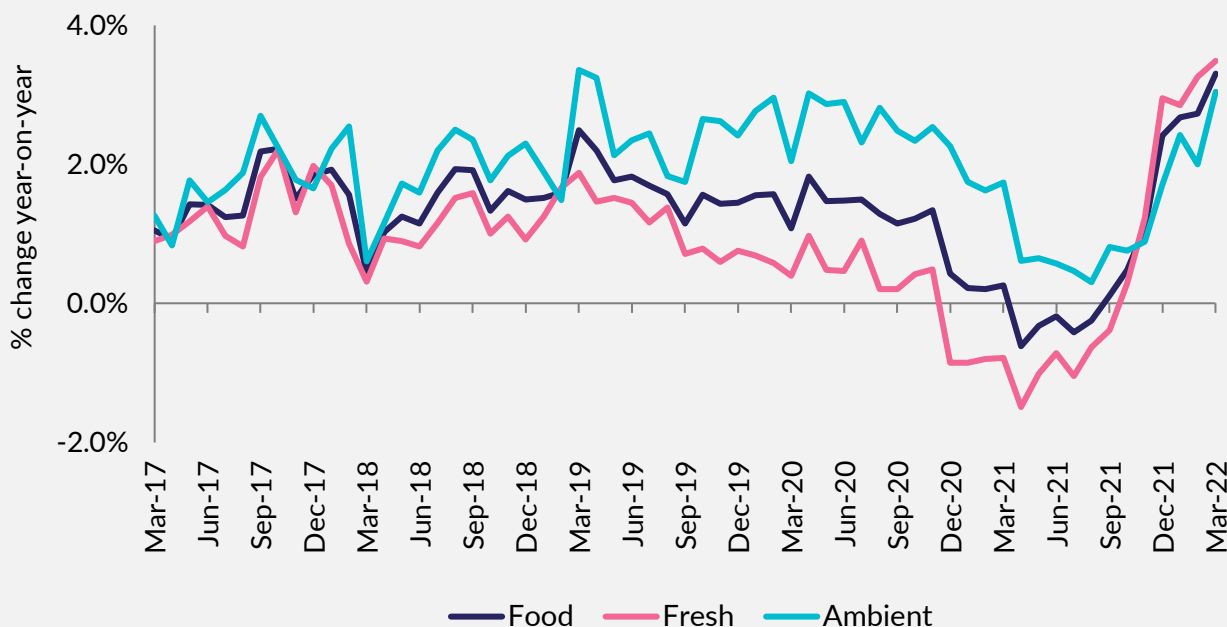
Source: Agricultural & Horticulture Development Board Dairy.

UK WHOLESALE DAIRY PRICES, MAR 2022



Source: Agricultural & Horticulture Development Board Dairy, £/tonne.

FOOD INFLATION



UK PRODUCE PRICES

Yearly price changes of home-grown produce continued to display a significant degree of dispersion in February.

Changes in Vegetable prices varied. The largest price decline was 41% for Leeks, and the largest price rise was 71% for Red Cabbage.

Similarly, Fruit inflation varied by product. Prices for Conference Pears were 25% lower on the year, while prices of Bramley Apples rose by 85%.

WHOLESALE PRODUCE PRICE CHANGES, MARCH 2022, YOY

Red Cabbage	71%
White Cabbage	16%
Celeriac	14%
Beetroot	13%
Red Onion	9%
Kale	9%
Brown Onion	-6%
Carrots	-12%
Brussels Sprouts	-18%
Leeks	-41%
Bramley Apples	85%
Doyenne du Comice Pears	75%
Braeburn Apples	0%
Gala Apples	-1%
Conference Pears	-25%

Source: DEFRA wholesale prices of home-grown produce in England and Wales. March 2022 prices are average of prices in weeks ending: 4/03, 11/03, 18/03 and 25/03.

	MAR		FEB	
	On last year	On last month	On last year	On last month
Clothing & Footwear	-3.5	0.1	-4.1	0.0
Electricals	0.3	0.1	-0.1	0.7
Books, Stationery & Home Entertainment	0.6	0.3	1.9	-0.3
Health & Beauty	2.1	-0.1	2.1	0.1
Other Non-Food	2.4	0.1	2.0	0.6
DIY, Gardening & Hardware	3.0	0.1	3.0	1.0
Furniture & Floorcovering	3.6	0.4	3.3	1.0
Total Non-Food	1.5	0.1	1.3	0.5

NON-FOOD

Non-Food inflation accelerated to 1.5% in March, up from 1.3% in February. This is above the 12- and 6-month average price decrease of 0.4% and increase of 0.4%, respectively. Non-Food categories again saw a mix of inflationary and deflationary trends, with annual prices rising for six out of the seven categories of the index. On the month, Non-Food prices rose by 0.1%, with prices also increasing for six out of the seven categories of the index.

Books & Stationery prices inflation slowed to 0.6% in March. This is above the 12-month average price increase of 0.5% and equal to the 6-month average price growth rate of 0.6%. Yearly deflation accelerated in March for **Home Entertainment**. **Books & Magazines** inflation slowed whilst **Stationery** prices increased. On the month, prices increased by 0.3%.

Health & Beauty inflation remained at 2.1%, the same as February. This is above the 12- and 6-month average price growth rates of 1.0% and 1.7%, respectively. Combined with last month, this is the highest inflation rate for the category since July 2019. Inflation for **Toiletries & Cosmetics** slowed but inflation for **Personal Care** accelerated.

Furniture inflation accelerated to 3.6% in March, up from 3.3% in February. This is above the 12- month average price increase of 2.3% and 6-month average price increase of 2.6%. Inflation decelerated for **Furniture & Furnishings**, whilst deflation of **Household Textiles** slowed. Monthly prices rose by 0.4%.

	MAR		FEB	
	On last year	On last month	On last year	On last month
Clothing & Footwear	-3.5	0.1	-4.1	0.0
Electricals	0.3	0.1	-0.1	0.7
Books, Stationery & Home Entertainment	0.6	0.3	1.9	-0.3
Health & Beauty	2.1	-0.1	2.1	0.1
Other Non-Food	2.4	0.1	2.0	0.6
DIY, Gardening & Hardware	3.0	0.1	3.0	1.0
Furniture & Floorcovering	3.6	0.4	3.3	1.0
Total Non-Food	1.5	0.1	1.3	0.5

NON-FOOD (cont.)

DIY & Gardening inflation remained unchanged at 3.0% in March, the same as February. This is above the 12- and 6-month average price growth rates of 1.2% and 2.3%, respectively. Both **Glassware & Tableware** and **Tools & Equipment** prices rose. Month-on-month, prices rose by 0.1%.

Other Non-Food inflation accelerated to 2.4% in March, up from 2.0% in February. This is above the 12- and 6-month average price growth rates of 0.7% and 1.6%, respectively. This is the highest inflation rate for the category since December 2011. Inflation for **Tobacco and Recreation, Pets & Related goods, Non-Durable Household goods** and **Personal Effects** all increased. Month-on-month, prices rose 0.1%.

Electricals prices rose by 0.3% in March, up from a 0.1% fall in February. This is above the 12- and 6-month average price increase of 0.1% and decrease of 0.1%, respectively. In March, deflation for **Household Appliances** and inflation for **Audio-Visual Equipment** prices slowed. Month-on-month, prices increased by 0.1%.

Clothing & Footwear was again the most deflationary category of the Non-Food index although deflation eased further to 3.5% in March, compared to a decline of 4.1% in February. This is a slower pace of decline than the 12- and 6-month average price decreases of -7.1% and of -5.8%, respectively. Deflation eased for **Women's Clothing** and **Men's Clothing** but accelerated for **Children's Clothing**. Prices for **Other Clothing** crossed into inflationary territory. Month-on-month, prices increased by 0.1%.

HEADLINE YEAR-ON-YEAR CHANGE

	OVERALL	NON-FOOD	FOOD	FRESH	AMBIENT
Mar-21	-2.4	-4.0	0.3	-0.8	1.7
Apr	-1.3	-1.7	-0.6	-1.5	0.6
May	-0.6	-0.8	-0.3	-1.0	0.7
Jun	-0.7	-1.0	-0.2	-0.7	0.6
Jul	-1.2	-1.8	-0.4	-1.0	0.5
Aug	-0.8	-1.2	-0.2	-0.6	0.3
Sep	-0.5	-1.0	0.1	-0.4	0.8
Oct	-0.4	-1.0	0.5	0.3	0.8
Nov	0.3	-0.1	1.1	1.2	0.9
Dec	0.8	-0.2	2.4	3.0	1.7
Jan	1.5	0.9	2.7	2.9	2.4
Feb	1.8	1.3	2.7	3.3	2.0
Mar-22	2.1	1.5	3.3	3.5	3.0

HEADLINE MONTH-ON-MONTH CHANGE

	OVERALL	NON-FOOD	FOOD	FRESH	AMBIENT
Mar-21	-0.1	-0.1	-0.1	-0.1	0.0
Apr	-0.3	-0.4	0.0	0.0	0.0
May	0.2	0.4	-0.1	-0.2	0.0
Jun	0.3	0.5	0.1	0.3	-0.3
Jul	-0.5	-0.7	-0.1	-0.1	-0.1
Aug	0.4	0.6	0.2	0.1	0.2
Sep	0.1	0.1	0.2	0.2	0.2
Oct	0.4	0.3	0.5	0.5	0.6
Nov	0.2	0.0	0.6	0.8	0.3
Dec	0.4	0.4	0.3	0.8	-0.3
Jan	0.1	-0.3	0.8	0.2	1.6
Feb	0.5	0.5	0.3	0.7	-0.2
Mar-22	0.3	0.1	0.5	0.1	1.0

CATEGORY YEAR-ON-YEAR CHANGE

	CLOTHING& FOOTWEAR	FURNITURE & FLOOR COVERING	ELECTRICALS	DIY, GARDENING & HARDWARE	BOOKS, STATIONERY & HOME ENT.	HEALTH & BEAUTY	OTHER NON- FOOD
Mar-21	-14.2	-0.7	-0.3	-3.3	2.9	-0.7	-1.9
Apr	-9.4	3.3	-0.4	-1.5	0.8	0.1	-1.3
May	-5.9	2.8	0.5	-0.3	1.0	-1.1	-0.1
Jun	-7.5	1.7	-0.1	-0.2	1.3	0.0	0.6
Jul	-8.7	0.0	0.4	-0.1	0.4	0.6	-0.5
Aug	-9.0	1.9	0.8	0.4	-0.5	0.9	0.2
Sep	-9.4	2.8	0.7	1.7	-0.9	0.9	-0.1
Oct	-8.3	1.3	-0.5	1.2	-0.4	1.6	0.5
Nov	-6.9	2.1	0.5	2.9	-1.0	1.2	1.0
Dec	-7.1	1.6	-0.4	2.0	0.6	1.6	1.6
Jan	-5.4	3.6	-0.1	1.8	1.9	1.8	2.2
Feb	-4.1	3.3	-0.1	3.0	1.9	2.1	2.0
Mar-22	-3.5	3.6	0.3	3.0	0.6	2.1	2.4

CATEGORY MONTH-ON-MONTH CHANGE

	CLOTHING& FOOTWEAR	FURNITURE & FLOOR COVERING	ELECTRICALS	DIY, GARDENING & HARDWARE	BOOKS, STATIONERY & HOME ENT.	HEALTH & BEAUTY	OTHER NON- FOOD
Mar-21	-0.5	0.1	-0.3	0.1	1.6	-0.2	-0.3
Apr	-0.6	-0.4	-0.2	0.0	-1.1	0.5	-0.9
May	1.1	0.7	0.4	0.3	0.3	-0.7	0.3
Jun	0.0	-0.1	-0.1	0.4	0.4	0.7	1.2
Jul	-1.0	-1.8	0.9	0.3	0.3	0.1	-1.1
Aug	-0.3	2.2	-0.2	0.0	-1.1	-0.1	1.1
Sep	-0.4	0.6	-0.1	0.1	-0.2	0.5	-0.1
Oct	1.0	-0.1	-0.7	0.2	0.5	0.5	0.4
Nov	-1.2	0.2	1.1	0.4	0.3	-0.7	0.5
Dec	0.2	0.5	-1.1	0.0	1.1	1.2	0.5
Jan	-2.3	0.2	-0.4	0.4	0.0	0.0	0.0
Feb	0.0	1.0	0.7	1.0	-0.3	0.1	0.6
Mar-22	0.1	0.4	0.1	0.1	0.3	-0.1	0.1

CATEGORY INDEX

	OVERALL	FOOD	FRESH	AMBIENT	NON-FOOD	CLOTHING & FOOTWEAR	FURNITURE & FLOOR COVERING	ELECTRICAL	DIY, GARDENING & HARDWARE	BOOKS, STATIONERY & HOME ENTERTAINMENT	HEALTH & BEAUTY	OTHER NON-FOOD
Mar-21	99.35	142.29	135.42	152.59	80.75	37.22	90.78	59.02	107.73	104.59	117.30	113.33
Apr	99.10	142.34	135.47	152.62	80.41	36.98	90.42	58.89	107.68	103.46	117.89	112.27
May	99.30	142.18	135.23	152.57	80.71	37.37	91.03	59.11	107.97	103.76	117.11	112.58
Jun	99.64	142.26	135.65	152.15	81.09	37.38	90.97	59.07	108.38	104.19	117.98	113.89
Jul	99.16	142.09	135.48	151.98	80.56	37.01	89.34	59.60	108.65	104.48	118.05	112.67
Aug	99.59	142.30	135.61	152.32	81.02	36.88	91.33	59.49	108.61	103.35	117.96	113.90
Sep	99.69	142.56	135.83	152.64	81.07	36.72	91.88	59.40	108.74	103.16	118.53	113.77
Oct	100.09	143.34	136.56	153.49	81.34	37.09	91.81	58.98	108.97	103.64	119.18	114.21
Nov	100.31	144.16	137.60	153.96	81.37	36.66	92.00	59.60	109.36	103.98	118.37	114.73
Dec	100.66	144.61	138.70	153.45	81.67	36.73	92.49	58.96	109.32	105.16	119.76	115.28
Jan	100.74	145.80	139.00	155.95	81.42	35.89	92.72	58.71	109.73	105.14	119.81	115.25
Feb	101.20	146.24	139.95	155.63	81.86	35.88	93.66	59.12	110.85	104.84	119.90	115.91
Mar-22	101.46	146.99	140.14	157.23	81.96	35.92	94.01	59.17	110.98	105.18	119.73	116.02

About this monitor

The SPI is administered by NielsenIQ, who collate and analyse the data on behalf of the BRC. Economic analysis is managed by the BRC.

The index provides an indicator of the direction of price changes in retail outlets. 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. Not all sample stores are in city centres; they have been selected to reflect local shopping habits.

The sample therefore includes superstores on out-of-town sites, town centre department stores, local parade stores, and 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 items for which prices are collected 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. In total there are 500 items representing the seven main sectors, there are around 6,500-7,000 price points collected each period. Each product class category has an individual weighting based on the “All households” expenditure measured in the Family Expenditure Survey. This data is also used to weight the Office for National Statistics Retail Price Index (RPI).

Although it is a proxy measure of inflation, the Shop Price Index is more focused than the Retail Price Index and demonstrates the extent to which retailers contribute to inflation through their pricing of a range of commonly bought goods.

ENQUIRIES



JAMES HARDIMAN
SENIOR ANALYST

E: james.hardiman@brc.org.uk
T: 020 7854 8970

