

UK food price inflation at third-highest level since 2008

Joanna Partridge, 23 May 2023, *The Guardian*

UK food price inflation remains at the third-highest level since the financial crisis, with the annual rate at which the cost of groceries is increasing at the elevated level of 17.2%, retail industry data shows.

Prices barely eased during the four weeks to 14 May to only marginally below April's 17.3% figure, according to the latest release from the analytics firm Kantar, representing the third-highest rate of grocery inflation since 2008.

Even though the average cost of four pints of milk has come down by 8p since last month, it remains 30p higher than it was this time last year at £1.60.

Stubbornly high food and drink prices have added an extra £833 a year to shoppers' bills, Kantar found, unless consumers make changes to their usual habits to try to cut the cost.

More consumers are turning to supermarket own-brand products, a trend also reported in April, in an attempt to keep their bills under control. Sales of the cheapest own-label products soared by 15.2% over the past month, almost double the 8.3% increase for branded products.

Fraser McKevitt, the head of retail and consumer insight at Kantar, said: "The drop in grocery price inflation, which is down by 0.1 percentage points on last month's figure, is without doubt welcome news for shoppers – but it is still incredibly high."

Shoppers flocked to the discount supermarkets, Aldi and Lidl, as they sought bargains. Aldi became the fastest-growing grocer over the past month as its sales increased by 24%, while sales at Lidl rose by 23.2%.

However, Waitrose benefited from shoppers splashing out on extra treats before the coronation of King Charles. Its sales grew by 4.8%, the highest growth rate it has experienced for more than two years.

Despite the pressure on household budgets, consumers spent an extra £218m on groceries during the week of the coronation, when there was a rise in sales of wine and quiche.

318 words

1. How are consumers impacted by inflation and what are the solutions?
2. Why is there inflation in the UK? Do you know other solutions to fight against inflation?