



## Working hard to purchase smarter AND protect our planet

WELCOME TO THE SUMMER EDITION OF OUR SEASONAL MARKET GUIDE FOR FOOD BUYERS AND CATERERS - SUPPLYING ALL THE INFORMATION YOU NEED TO MAKE BETTER BUYING DECISIONS.

With the weather all over the place, it certainly is an interesting time for us all. June was one of the wettest on record, which impacted supplies (and prices) of many salad crops including lettuce and brassicas. But as we head into early July, we are seeing soaring temperatures in the UK and across Europe.

The weather is keeping us all on our toes!

In line with our eco credentials, we are pleased that many more clients are requesting certifications for ingredients, including fish. The Marine Stewardship Council (MSC) was the first well known certification for wild fish and there are

now 3 possible certifications for farmed fish: Global GAP, BAP and ASC. The ASC (Aquaculture Stewardship Council) is new and is the sister scheme to the MSC. Ask about these accreditations when you next place an order.

We are My Purchasing Partner and we're here to help you.

My Purchasing Partner will source the **high quality goods and services** that *you* need to exceed your customer's procurement expectations - and to maintain profitable margins. **Call us on 0800 121 6440**

2

THE BIG PICTURE

- The economy
- Pork prices remain high

3

IN THE MARKETS

- Marketplace

4

GENERAL STUFF

- Valuable UK Tourism
- Eat Fish: Live Longer
- Who wants to wait?
- What about Softies?

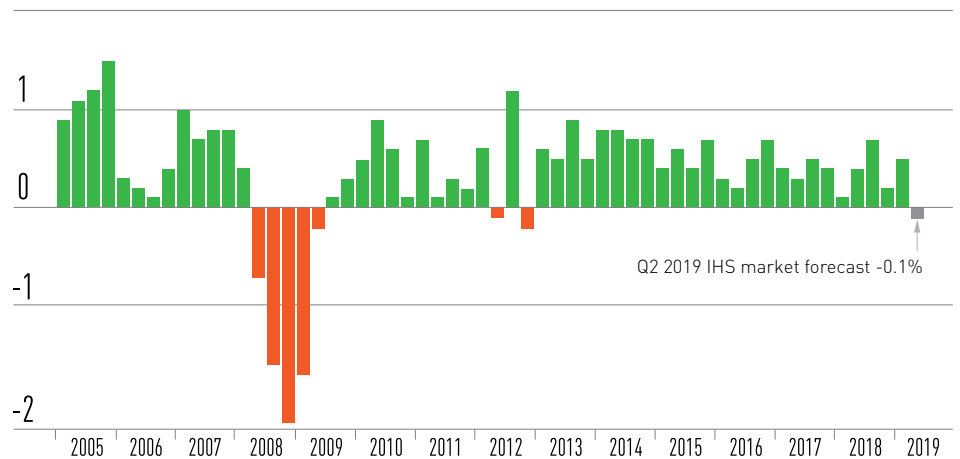
# THE BIG PICTURE

## The economy

Economists predict that the UK economy contracted by 0.1% in the three months to June, mainly due to a stagnating services industry and a paralysed construction sector. Actual figures will be released later in July but the UK is certainly mirroring the economic slowdown in Germany, Italy, Spain and other Eurozone countries. The Pound and the Euro both continue to be volatile against the US Dollar and against each other, as media reports and political activity fuel uncertainty about our economy and the future. As we said in our last issue, we cannot see that anything will settle until a new PM is in place, their economic policies have been revealed, and until Brexit is resolved.

### Growth is forecast to be -0.1% in the second quarter of 2019

Quarter-on-quarter change in GDP, %



Source: ONS

## China's swine fever outbreak pushes up UK pork prices

As per our warnings back in April, the outbreak of African Swine Fever (ASF) in China is sending the price of **pork, gammon, bacon and sausages** soaring in the UK, and it looks like prices will continue to rise. It's time to consider alternatives to pork.

China produces more than half of the world's pigs each year and most of the meat stays within the country.

However, since China reported their first outbreak of ASF in August 2016, which resulted in the cull of about 20% of their pigs, the shortfall has been met by importing pork from around the world, including from the UK, to meet the demand.

We are also closely watching the price of poultry as China looks to supplement their pork supply by switching proteins.



## Spotlight on Jersey Royals



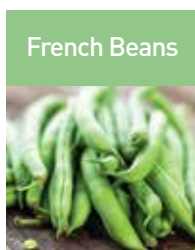
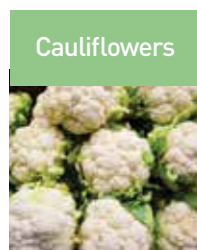
Jersey Royals have been grown on Jersey for 140 years. Today, there are approximately 20 island farmers who grow them, many of them exclusively focused on this crop. They have protected designation of origin status from the EU, meaning they have to be grown in Jersey to be called a Jersey Royal.

Considered a premium new potato, Jersey Royal's have a firm texture and a distinctly sweet, nutty flavour that comes from the rich, earthy soil in which they're grown. Carefully wash their skins before use, any extraneous skins will simply flake off, and prepare them with a simple dash of butter (and maybe a sprinkling of mint) in a salad or as a side dish. Get your orders in fast though, we're nearly at the end of their growing season!

# IN THE MARKETS

## Great British Seasonal Produce

### TOP 5 CHOICES



### SAY GOODBYE TO...



#### POTATOES

Adverse weather has hit potatoes hard. Supply continues to struggle to meet demand, which is forcing up prices despite poor quality levels.

#### STRAWBERRIES

The first English strawberries are now available and prices are becoming more competitive as supply increases. Quality is good thanks to the early rain and now the ripening sunshine.

#### COFFEE

The price of both Arabica and Robusta coffee beans remains high, impacting both freshly ground and instant coffee.

A recent Reuters poll indicates that Arabica beans will cost 25% more by the end of this year.

#### CITRUS JUICE

Orange juice prices remain on average 7-8% higher than this time last year. Grapefruit juice continues to be in very short supply and consequently, is expensive to purchase. Pink grapefruit can be found but white grapefruit is almost non-existent this year.

#### FISH

As quotas are now full, white fish is in short supply. Cod, for example, is already expensive and we expect prices to rise throughout the rest of the year, and

Haddock quality is low. Coley remains a great alternative for fish and chips, as well as in pies, goujons and fish cakes. Current seasonal buyer recommendations include halibut, farmed sole, mackerel, sardines and MSC clams.

#### TEA

Tea continues to thrive in popularity, with robust growth of demand mainly in domestic markets and Muslim countries, according to the 2019 Global Tea Market Report. However, like most crops, it is facing rising production costs and threats from climate change. Growers must also ensure that crops and growing methods are sustainable, while fulfilling their social responsibilities.

## In a nutshell...

The weather and economic uncertainty continue to impact the cost of many food and non-food products. Here are a few key areas to watch out for:

**Dairy**

Overall dairy prices have stabilised. Butter prices have dropped slightly, whilst milk and cheese remain the same.

**Meat**

Beef prices are still high but our concern is over the increasing pork and chicken prices.

**Fish**

White fish prices are high due to the impact of quotas and farmed salmon from Norway is impacted by an algae bloom reducing stock fast. Look for alternatives to compensate.

**Transport**

Brent Crude Oil and wholesale diesel prices are down compared to last month but remain volatile.

**Packaging**

Ongoing high packaging prices are impacting many. These are caused by myriad reasons including the price of paper, labour costs, and increased transport fees.

**Wages**

UK's total earnings, including bonuses, increased by 3.2% in Q1 19, slightly down on the expected 3.4%.

# HEADS UP ON 2019

## UK Tourism industry is a key driver of economic growth

The first ever Tourism Sector Deal has been announced by the Government recognising tourism as a key driver of future economic growth in the UK. The deal sees the creation of an additional 10,000 apprenticeships and a Hospitality and Tourism Skills Board, local Tourism Zones, commitment to build an additional 130,000 hotel rooms

and funding a three-year industry-led recruitment campaign.

Tourism and hospitality are inextricably linked, with over 80% of tourism jobs within hospitality, so this will have a positive impact on our ability to recruit and retain the people we need.

## Eat fish to live longer and reduce greenhouse gas

Studies show that fish has the lowest greenhouse gas footprint per unit of protein. Couple this with a new research study in the British Medical Journal that says swapping a daily portion of red meat with one of fish can reduce the risk of early death by one fifth (17% over 8 years). Great reasons to include more fish in our diets!



## Half of teenagers wouldn't consider a career in hospitality

A recent survey by an online recruiter showed that 53% of 16-20-year-olds wouldn't consider a career in the hospitality industry because it's seen as only having 'limited career prospects' or is viewed as 'a part-time job whilst studying'. It seems that the hospitality industry has to do more to attract potential recruits and showcase

the benefits and development programmes available in the sector.

Interestingly, two thirds of respondents claimed to be considering an apprenticeship - the recent announcement of 10,000 new apprenticeships as part of the Tourism Sector Deal should help!

## Soft drinks are NOT for softies

Creating a soft-drink specials board helps to promote the range of non-alcoholic drinks on offer - after all, we don't all want syrupy fizzy drinks just because we're on a health kick or are driving. When creating yours, think about using fresh flavours and innovative combinations that suit the range of meals on offer. The forecast for the most popular flavours this

summer are strawberry, lemon, pineapple, passion fruit and mango. The challenge is to discover ways to deliver the same excitement with the choice of non-alcoholic cocktails as you do with a core cocktail list. With 38% of consumers more likely to go for drinks in the summer - it's prudent to consider the "softies".

## Promotional Weeks Summer 2019

**8-14 JULY**  
**GREAT BRITISH PEA WEEK**  
<https://greatbritishpeaweek.co.uk>

**12-18 AUGUST**  
**AFTERNOON TEA WEEK**  
<https://afternoontea.co.uk/blog/the-afternoontea-co.uk-team/afternoon-tea-week-2019>

**SEPTEMBER**  
**ORGANIC SEPTEMBER**  
<https://www.soilassociation.org/organic-living/try-organic/organicseptember>

**2-6 SEPTEMBER**  
**ZERO WASTE WEEK**  
<https://www.zerowasteweek.co.uk>

### BOOK NOW FOR LUNCH!

**19-29 SEPTEMBER**  
**FOOD-TO-GO TRADE**  
<https://www.lunchshow.co.uk>

## Helping you buy better

My Purchasing Partner works hard to source the products that you demand. We closely analyse the markets and negotiate with suppliers to alleviate volatile pricing impacts on our customers. Be assured that whilst we cannot control the future, we can be smart and transparent about what is happening.

We pledge to keep you abreast of developments and give you the information and tools necessary to support your strategic business planning. Look out for our next market report as we head into the summer and visit our new website for the very latest information. In the meantime, if you have any questions, feel free to contact us on:

**info@mypurchasingpartner.co.uk**  
**or 0800 121 6440**

Thank you for your continued support.