# UK Shop Inflation Hits Lowest Level Since November 2021 Amid Price Cuts on Non-Food Items



Shop price inflation in the UK has dropped to its lowest level since November 2021, with an annual rise of 0.6% in May, down from 0.8% in April, according to a report by the British Retail Consortium (BRC) and NielsenIQ. This decline marks the slowest pace of price increases in shops for over two years, led by significant reductions in the cost of non-food items, which experienced a 0.8% deflation.

The easing in inflation is largely attributed to retailers cutting prices of big-ticket items, such as furniture and televisions, in response to subdued consumer demand driven by the cost-of-living pressures and poor weather conditions. Fresh food prices also rose at a slower rate of 3.2% compared to 3.4% in April, the lowest since November 2021, although ambient food prices remained more resilient due to high global sugar prices.

Helen Dickinson, CEO of the BRC, highlighted the role of unseasonable weather in dampening retail sales, necessitating continued promotions to boost consumer spending. Mike Watkins from NielsenIQ noted an improvement in shopper sentiment but emphasized the ongoing impact of poor weather on retail activity.

The report suggests that while inflationary pressures have eased, retailers are likely to persist with price cuts and promotional activities to stimulate demand amidst challenging economic conditions.