



MARKET UPDATE JUNE 2024

The UK market for canned, pouched, and IQF peppers in the food manufacturing industry is influenced by various international factors. Spain remains a key supplier, but with higher costs due to weather and wage increases.

Turkey and Egypt provide more affordable alternatives with stable quality, while China offers the lowest price but faces logistical challenges. Monitoring weather patterns, labour costs, and logistics will be crucial for making informed purchasing decisions in 2024.

Spain

Over the past few years, the prices of bell peppers in Spain have been on an upward trajectory due to consecutive years of poor weather. The compounded effects of soaring temperatures and dry conditions have led to difficulties in stock carryover and availability. However, the 2024/25 campaign shows signs of improvement with milder temperatures and more stable weather conditions, which may help stabilize prices.

However, an increase in the minimum wage has significantly impacted the cost of manually harvesting peppers, pushing raw material prices up by approximately 10% year-on-year. Processing costs, including energy, have stabilized, further highlighting the influence of raw material costs. If favourable weather conditions persist, there may be a reduction in market prices next year.

Turkey and Egypt

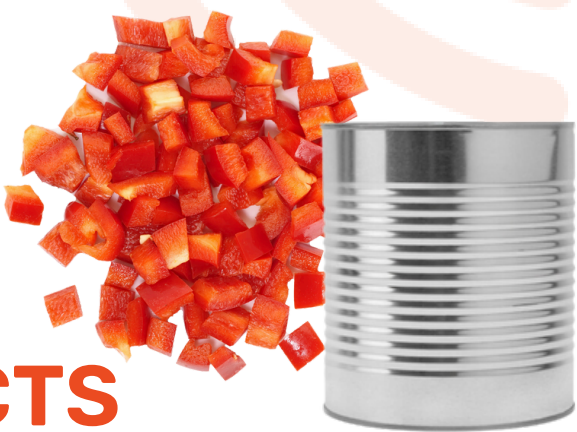
Peppers from Turkey and Egypt are offered at more competitive prices, averaging around 50% below Spanish peppers. Despite being cheaper, the prices in these regions have also increased by about 10% year-on-year. These origins present a viable alternative for budget-conscious buyers while maintaining acceptable quality standards.

China

Chinese peppers remain the most affordable option at the origin. Increased planting has led to abundant raw material availability, allowing prices to decrease by approximately 15%.

Supply Chain and Logistics

The transportation routes from Spain to the UK are well-established, ensuring reliable supply chains despite occasional weather-related disruptions. Turkey and Egypt provide competitive alternatives, benefiting from relatively stable logistics networks to the UK. China’s primary challenge lies in the logistics, with fluctuating shipping costs and potential delays affecting overall supply chain stability.



PRODUCTS

Can		Case	Origin
VEGE161	Diced Roasted Red Peppers 10mm	6 x 2.5kg	Spain
NEW	Diced Roasted Red Peppers 10mm	6 x 3kg	Turkey
VEGE587	Roasted Red Peppers	6 x 2.5kg	Spain
NEW	Roasted Red Peppers	6 x 3kg	Turkey
VPRSC15	Pimiento Sliced Red Roasted Peppers	6 x 2.5kg	Spain
VPYSC15	Pimiento Sliced Yellow Roasted Peppers	6 x 2.5kg	Spain
VEGE590	Roasted Yellow Peppers	6 x 2.5kg	Spain
Pouch			
NEW	Diced Roasted Red Peppers 10mm	6 x 2.5kg	Spain
NEW	Roasted Red Peppers	6 x 2.5kg	Spain
IQF			
NEW	IQF Red Diced Peppers 10mm	10kg	Turkey
65-180274A	IQF Red Diced Peppers 10mm	10kg	Spain
65-180477	IQF Red Sliced Peppers 7mm	10kg	Spain
65-180746	IQF Red Diced Peppers 20mm	10kg	Spain
65-181111	IQF Red and Green Diced Peppers 10mm	10kg	Spain
65-180690	IQF Green Sliced Peppers 6mm	10kg	Spain
65-180691	IQF Green Diced Peppers 20mm	10kg	Spain

For more information and assistance please get in touch!

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