



## Frozen Growth Bucks Flat Retail Trend

SOURCE: KANTAR

KANTAR WORLD PANEL

*The latest data kindly supplied by Kantar Worldpanel shows that the frozen food retail market grew by 2.1% in value for the 52 weeks ending March 30, 2014 comparing very favourably with the latest sales figures announced by the big four retailers which were depressing to various degrees.*

**THE EXCEPTION TO** the retailers' gloom and doom results has been Farmfoods. The company has shown incredibly impressive growth whilst Iceland continues to grow faster than the retail market. Frozen sectors that have performed well in

the last year include ice cream, buoyed by last year's great summer. Year on year growth for ice cream was 7.2%, whilst potatoes enjoyed a 7.7% growth and meat and poultry were up 3.4% on last year.

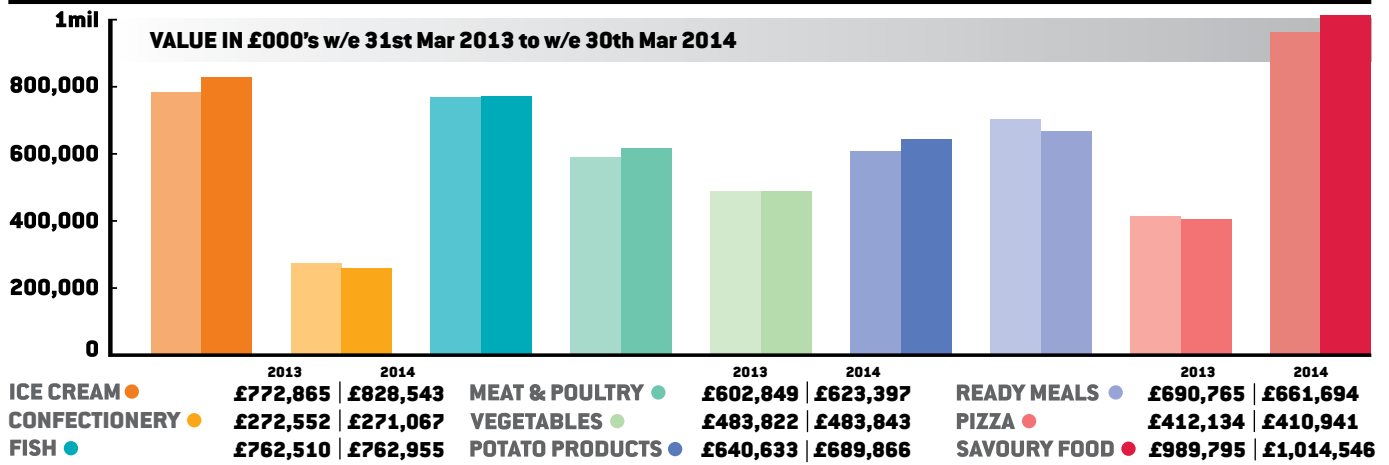
Data also showed more positive signs for the first time in a year for the ready meals market as the horrendous events of 2013 begin to fade. Although the ready meals market continues to decline, the rate has slowed. It posted a 4.2% year on year figure - significantly better than the 8% decline posted just three months ago.

The total retail frozen market is now worth £5.75 billion and has grown by £750 million in the past three years which, given the malign economic climate and the difficulty that major retailers have had in achieving

growth, speaks volumes for the success of the frozen food market.

The latest economic data continues to show an improving picture for the UK economy. GDP is rising more than many forecasters had dared hope for 12 months ago and inflation has fallen significantly. It's also encouraging to see for the very first time in many years that earnings may have crept ahead of cost increases for hard pressed consumers. However a 0.1% increase in disposable income for consumers will do nothing to fuel the feel good factor and indeed over the Easter weekend, despite the warm weather, retailers did not see the expected increase in footfall in stores. It may well take a long time for consumer confidence to be restored enough for spending to really take off.

### RETAIL FROZEN FOOD STATS YEAR ON YEAR GROWTH TO 30 MARCH 2014



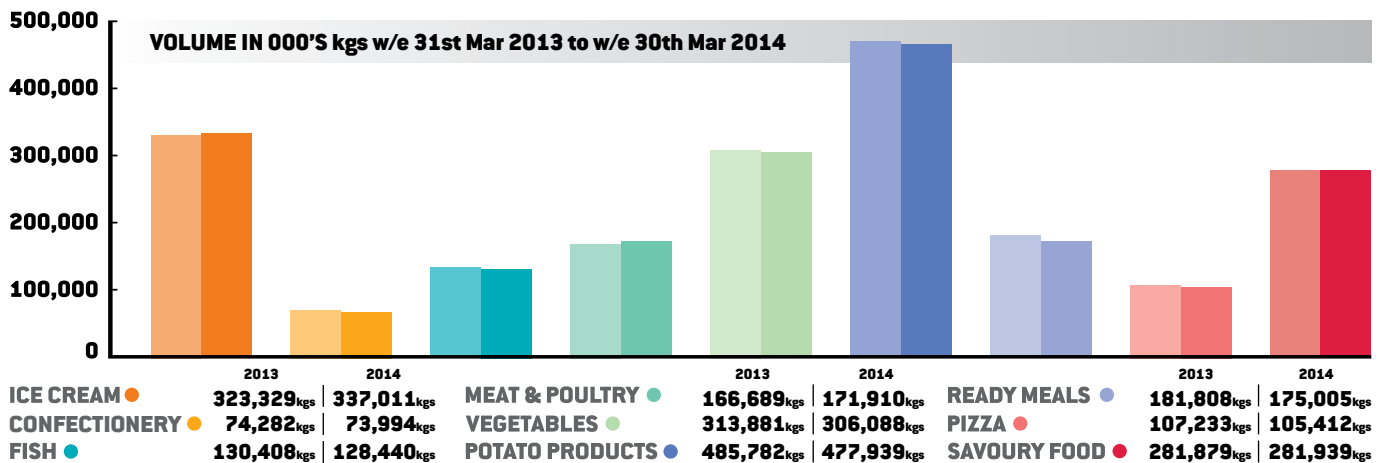
#### TOTAL FROZEN FOODS VALUE

2013

£5.63bn

2014

£5.75bn



#### TOTAL FROZEN FOODS VOLUME

2013

2.07bn kgs

2014

2.06bn kgs