

September 2022

A monthly snapshot of key changes within the market

In collaboration with Mintec Global, the leading global provider of pricing data and insight to the food and beverage sector, we bring you Market Movers. This monthly report provides you with a snapshot of the key changes within the market.

Within the CPI rate of 10.1% (as of July 2022) , food prices went up to 12.6% from 9.8% in June, with all classes of food showing an upward move.



*Largest decrease by Y-O-Y

*Largest increase by Y-O-Y



	Year on year (Y-O-Y)	Drivers (Y -O-Y)
Nuts, Seeds and Dry Feed	- 23.58%	Currency
Packaging	- 10%	Demand
Meat & Poultry	+ 2.67%	Demand
Dairy & Eggs	+ 23.16%	Demand
Grains & Feed	+ 26.36%	Russia – Ukraine conflict
Energy	+ 35.81%	Russia – Ukraine conflict
Fish and Seafood	42.31%	Russia – Ukraine conflict and Demand

Dairy

- Butter, skimmed milk powder, cheddar and whole milk powder have experienced a significant jump in price.
- With elevated butter prices, domestic demand has started to subside.
- Both skimmed milk and whole powder European prices have declined from their peaks due to lower buying interest from foreign markets.
- Cheese prices have steadily risen over the twelve months. Buyers have increased purchases ahead of the summer, and an uptick in demand is not expected until the end of the summer.



Packaging

- The EU plastic prices across all grades declined during the month, which according to market sources, was to demand destruction.
- The EU paper packaging market prices stayed flat m-o-m for most grades in June 2022 due to lessened demand.



Energy

- EU gas supply fears intensify as Russia further cuts supplies driving EU natural gas prices higher. In response, the EU set out emergency plans in July requesting that countries voluntarily cut their gas. The plan is expected to help increase buffer stocks, to prepared for winter months.
- The challenge across Europe is to accelerate the energy transition to alternative sources to make up for the shortfall prior to the winter months.

Meat and Poultry

- The Mintec price for chicken in the EU fell 1.5% to EUR 261/100kg between mid-May and late-June 2022.
- According to the European Commission, the impact of Avian Influenza on meat production has been moderate in France and chicken production in the country could increase slightly by 0.5% y-o-y in 2022.
- As per market participants, all primary chicken-producing EU states have been realigning their prices (price correction) from the historically high prices seen since the beginning of 2022. As a result, EU chicken prices have eased in recent months.
- Recent Pork inflation was 10%. This increase is driven by the price of wheat, staff shortages, as well as rising energy and fuel costs.

Brassica

- The UK and Europe are experiencing brassica shortage due to extreme weather. Cauliflower, broccoli, spring greens and savoy cabbage are the most impacted.

Fish and Seafood

- Norwegian frozen cod price rebounds and closes in on new record high amid supply tightness. One of the key factors is the war in Ukraine and the consequent sanctions placed on Russian seafood exporters by Europe and North America.
- The war has disrupted substantial flows of frozen cod into Europe, increasing the burden on Norway.
- Moreover, the cod catch quota in the Barents Sea that is shared between Norway and Russia, was reduced by 20% in 2022 for sustainability reasons, further exacerbating the tightness currently seen in Europe.
- Based on current dynamics, and with the anticipated increase in demand in August, the cod price could surpass NOL 60/kg during Q3 2022, according to one trader.
- Haddock is seeing increased costs of 8% due to increased costs in production, transportation. Prices are likely to remain high for some time.
- Monsoon season has reduced fishing ability in Sri Lanka, driving tuna prices up.