

June 2022

A monthly snapshot of key changes within the market

In collaboration with Mintec Global. This monthly report provides you with a snapshot of the key changes within the market including meat and poultry, eggs and oil.

	Month on month (M-O-M)	Year on year (Y-O-Y)	Drivers (M-O-M)
	-10.17%	+16.61%	Demand
Oils and Oilseeds	-8.72%	+11.56%	Supply
Confectionary	-1.97%	+7.7%	Supply
Nuts, Seeds, and Dry Fruit	-1.02%	-10.98%	Currency, Increased input costs
Packaging	-0.33%	+21.55%	Russia – Ukraine Conflict. Increase
Grains and Feed	+0.91%	+42.64%	Russia – Ukraine Conflict. Increase
Fish and Seafood	1.78%	21.54%	Supply
Meat and Poultry	+6.31%	25.41%	Russia – Ukraine Conflict. Increase, Currency and Supply

*Largest decrease M-O-M

*Largest increase M-O-M

* Based on the latest available data from May

Meat and Poultry

The global meat index reached an all time high in April 2022.

Pork

In April 2022 pig meat prices registered sharp monthly increases in the top markets, underpinned by supply shortfalls of slaughter pigs in Western Europe.

Poultry

The three F's (feed, fuel and fertilizer) continue to push poultry prices upwards. Paired with a slow recovery on avian flu going into the spring/summer months we are seeing the supply of UK birds dip. There has also been a consumer switch to a more economical cut of meat; poultry thigh meat. With the demand for thigh meat rising, the supply is causing market-wide carcass imbalance. This in turn is reducing the supply of thigh meat drastically.

Fruit and Vegetable

Heavy rainfall continues to disrupt the harvest of key produce lines in the major Spanish growing regions.

Fresh produce categories impacted continue to include lettuce, tomatoes, cucumbers, peppers, herbs, tender stem broccoli, lemons, aubergines and courgettes.

Oil

Palm Oil

The Indonesian palm oil export is likely to drive prices higher as they account for approximately 56% of the global palm oil exports. Limited supply conditions will see prices rise.

Vegetable oils

With market participants unable to obtain palm oil it is anticipated switches will be made to alternative oils such as rapeseed and soyabean oil. This would have an impact on the prices of the alternative oils in an already tight vegetable oil market.

Eggs

Defra has lifted the housing order of birds allowing them to be allowed back outside unless they are in a protected zone.

British Free-Range Egg Producers Association (BFREPA) study found that 70% of farmers would leave the industry if prices for their eggs did not increase. BFREPA has said that the price of eggs would need to increase by 40 pence per dozen for farmers to remain in the industry due to the inflationary pressures they are facing.

Grains

Wheat

Ukraine combined with Russia produce a quarter of the global wheat exports. The war has pushed the price of wheat to an all-time high.

Feed

Animal feed commodities such as sunflower meal have also seen prices drive to an all-time high.

Feed Costs

Diary farmers are seeing 40% increases YOY while chicken feed costs has increased 50% YOY.

Packaging

Plastics

In March 2022, prices of all grades of EU plastics increased due to uncertainties over feedstock (crude oil and gas) supply.

Prices of all plastics grades in the EU rose due to high demand from processors building up inventories to secure supply amid the Russia-Ukraine conflict.

Russia is a significant producer and exporter of key chemical feedstocks (crude oil and gas). Thus, the Russia-Ukraine conflict put further upwards pressure on prices due to supply uncertainty because of limited feedstocks amid already high input and logistics costs compared to the same period last year.

Paper

While the Russia-Ukraine conflict is not currently directly impacting the European paper industry, market participants expect a further disruption in the logistics and higher input costs. The French kraftliner 175gr price remained stable in March but increased by 33.5% YOY to EUR 997/MT.