

## MMO Economic Board

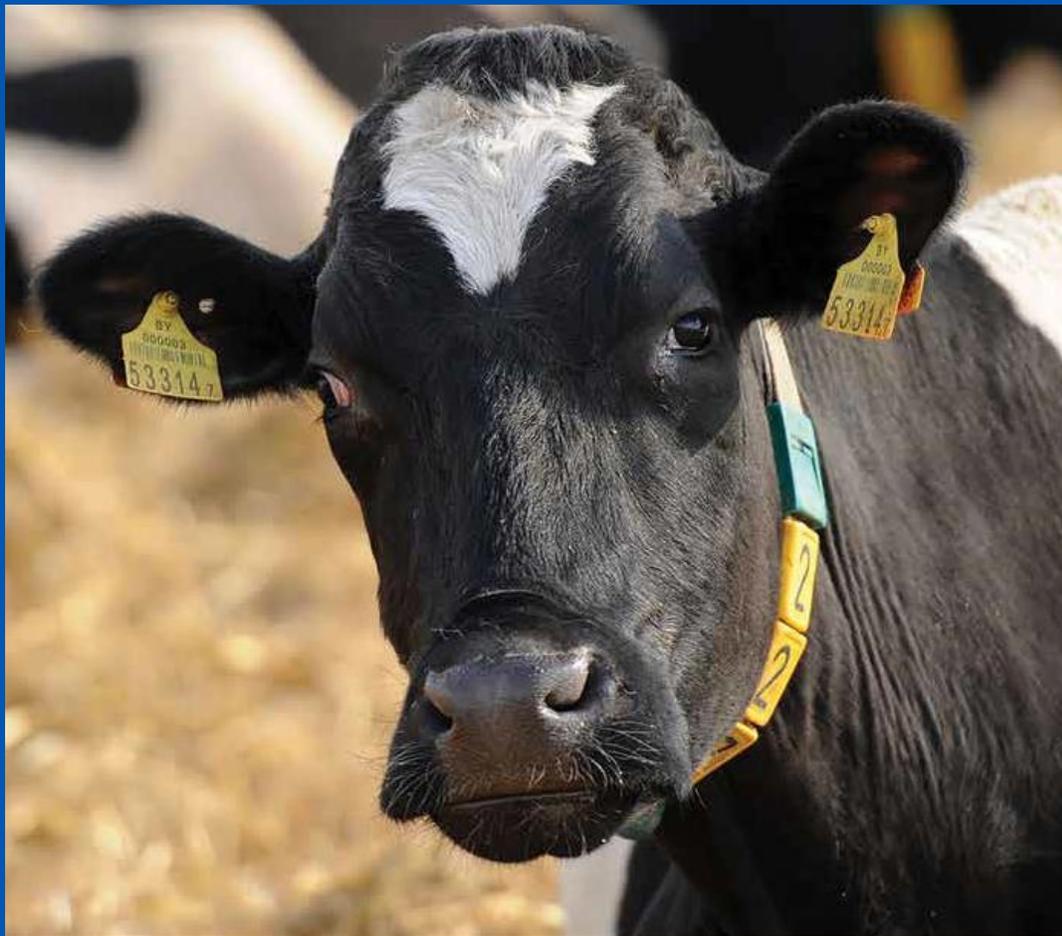
### Meeting of 26 September 2022

- o The 43rd meeting of the MMO Economic Board took place on 26/09/2022 by video-conference, with the participation of experts from the milk supply chain: COPA-COGECA (producers and cooperatives), CEJA (young farmers), EMB (European Milk Board), ECVC (Via Campesina), EDA (dairy industry), Eucolait (dairy trade) and Eurocommerce (retail). Presentations and information exchanged during the meeting highlighted the following:
  - o EU cow's milk collection in January-July 2022 was below last year's levels (-0.5%). 9 MS reported increased milk deliveries, including PL (+2.4%), IT (+0.3%), DK (+0.4%) and BE (+1.3%). Milk collection continues to decline in the main producing countries: DE (-1.3%), FR (-1.3%), ES (-1.9%), IE (-0.4%), NL (-0.2%).
  - o EU cream production increased by 1.1%. Production declined for the other dairy products: WMP (-4.3%), condensed milk (-3.7%), SMP (-2.3%), butter (-1.9%), fermented milk (-1%) and drinking milk (-0.7%).
  - o EU average farm gate milk prices have been increasing for the last 19 months and remain well above recent years' levels (51.1 c/kg in July, +47% above the 5 years avg.). MS' estimates for August 2022 point to a further increase to 52 c/kg. Raw milk prices in all MS were higher than a year ago. The highest increases were reported in LT (+76%), LV (+63%) and BE (+58%) and the lowest in CY (+1%), MT (+8%) and FR (+18%).
  - o In July 2022, 4.3% of total raw milk collected was organic (based on notifications from 23 MS). The price premium for organic raw milk has significantly dropped in the last 12 months (price difference of 4.5c/kg in July). In two MS (LV, BE), raw organic milk prices were lower than for conventional milk.
  - o Feed costs for dairy production in the EU (based on a mix of cereals, rapeseed meal and soybean meal) have increased by some 80% compared to 2020.
  - o EU average dairy prices are at high levels. EU SMP prices increased by 2.8% in the last 4 weeks and are now 43.1% higher than a year ago. WMP prices reached a historical record level at the beginning of July (524 EUR/100kg), decreased by 1.4% last month and are now 48% higher than in September 2021. EU whey powder prices decreased by 6.9% since the beginning of 2022 and are now 8.7% higher than a year ago. Butter prices increased by 74% in the last 12 months and have stayed above 700EUR/100 kg since May 2022. Cheese prices have also generally improved this year.
  - o The assessment of EU stock levels based on a residual approach (EU production + EU imports - EU internal consumption - EU exports) shows that private SMP stocks decreased to very low levels in the first two months of 2022 and improved in March-June reaching some 130 000 t due to lower internal demand and exports. Butter stocks were very low at the beginning of 2022 (approx. 90 000 t) but have improved in the first half of the year (close to 150 000 t). Retail demand is affected by higher prices and production by the low fat-content of collected milk. Nevertheless, the overall market is balanced. Cheese stocks have increased in March-June but are still at low levels compared to previous years (around 250 000 t). Domestic demand for cheese is good but not as strong as a few months ago.
- o By July 2022, milk production had been declining in the EU, NZ, AU, the UK and Uruguay. Overall, milk collection in the main exporting countries/regions (AU, EU, USA, UK, NZ, AR, UY) decreased by -0.1% in July and by -0.9% in the first 7 months of 2022. Milk production may return to growth in 2H2022.
- o Global demand for dairy has remained reasonably solid but combined trade flows are lower than last year due to lower demand from China, where Covid-19 zero policy has impacted on dairy consumption patterns and consumer confidence. Smaller imports of China were partially offset by dynamic buying from other main importers (Mexico, Southeast Asia and Algeria). The EU and NZ lost some export shares in 1H2022 but still accounted altogether for 55% of world export volumes (in milk equivalent) and, together with the USA, 78%. The USA increased export shares from 21% to 23%. The UK, China, Indonesia, the USA and Japan were the top-5 EU export destinations in 1H 2022 (40% share).
- o Consumers are increasingly concerned about their purchasing power. Retail sales of dairy products are decreasing in volume but remained stable in value in some MS. Food inflation is accelerating sharply in many MS and causing lower income households to switch to cheaper alternatives or to buy less. Restaurant sales rebounded in the first half of the year and returned to pre-covid-19 levels.
- o The Commission presented its updated short-term dairy market outlook for 2022/23. A hot and dry summer impacted negatively on grass availability and quality as well as on crop yields. In some cases, farmers are already using part of their winter feed. Therefore, 2022 EU milk production outlook remains negative (-0.5%). Milk solids were also impacted negatively from lower availability and quality of feed, thus further constraining milk availability for processing. An overall drop in EU exports is expected (notably for SMP and WMP) while the domestic use of all dairy products may remain stable.
  - o The current market situation is rather unique, with EU milk collection rather weak despite very high prices. Input costs remain high. War in Ukraine still continues to affect commodity, fertilizer and energy markets. Gas scarcity and energy prices are major concerns for the industry, especially for drying and milk processing. Also environmental constraints, animal welfare standards and shortage of labour are causing problems in certain MS. Dairy prices are expected to remain rather high in the coming months.

# **ANNEX 1**

## **Milk Market Situation**

***European Commission***



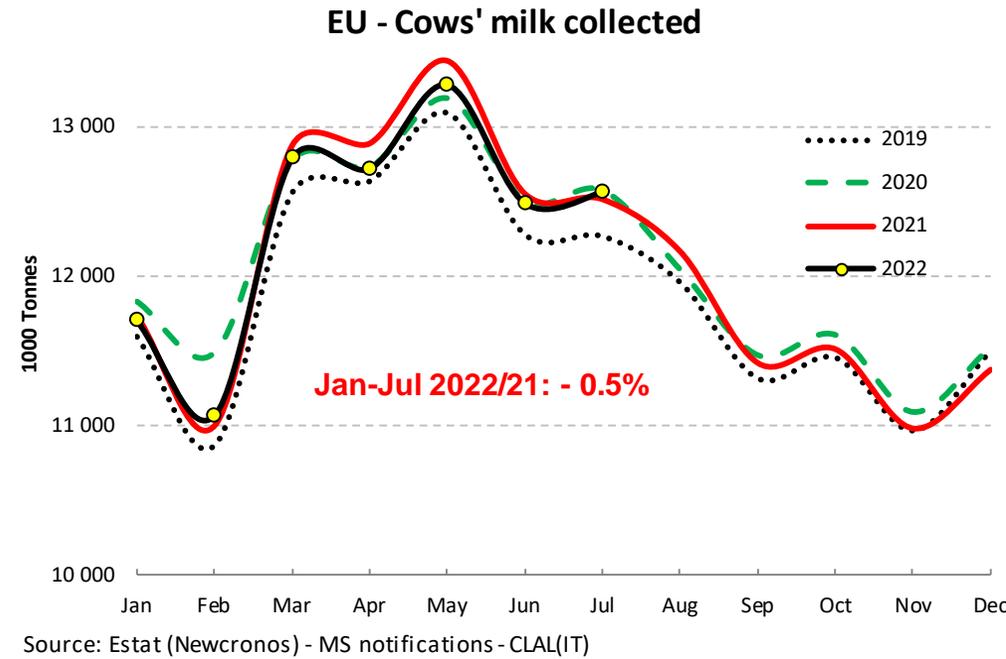
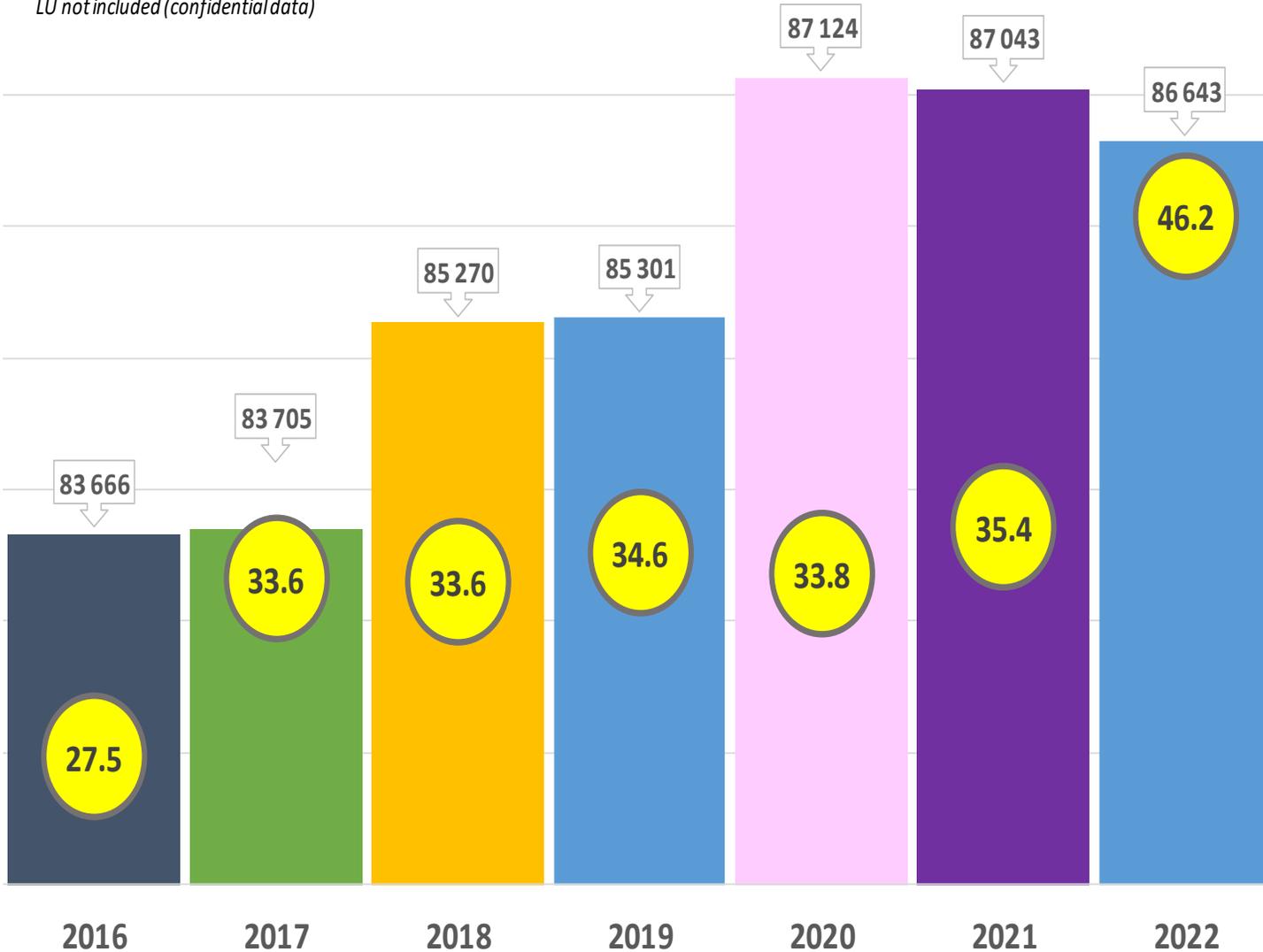
# Milk Market Situation

MMO meeting

Brussels, 26 September 2022

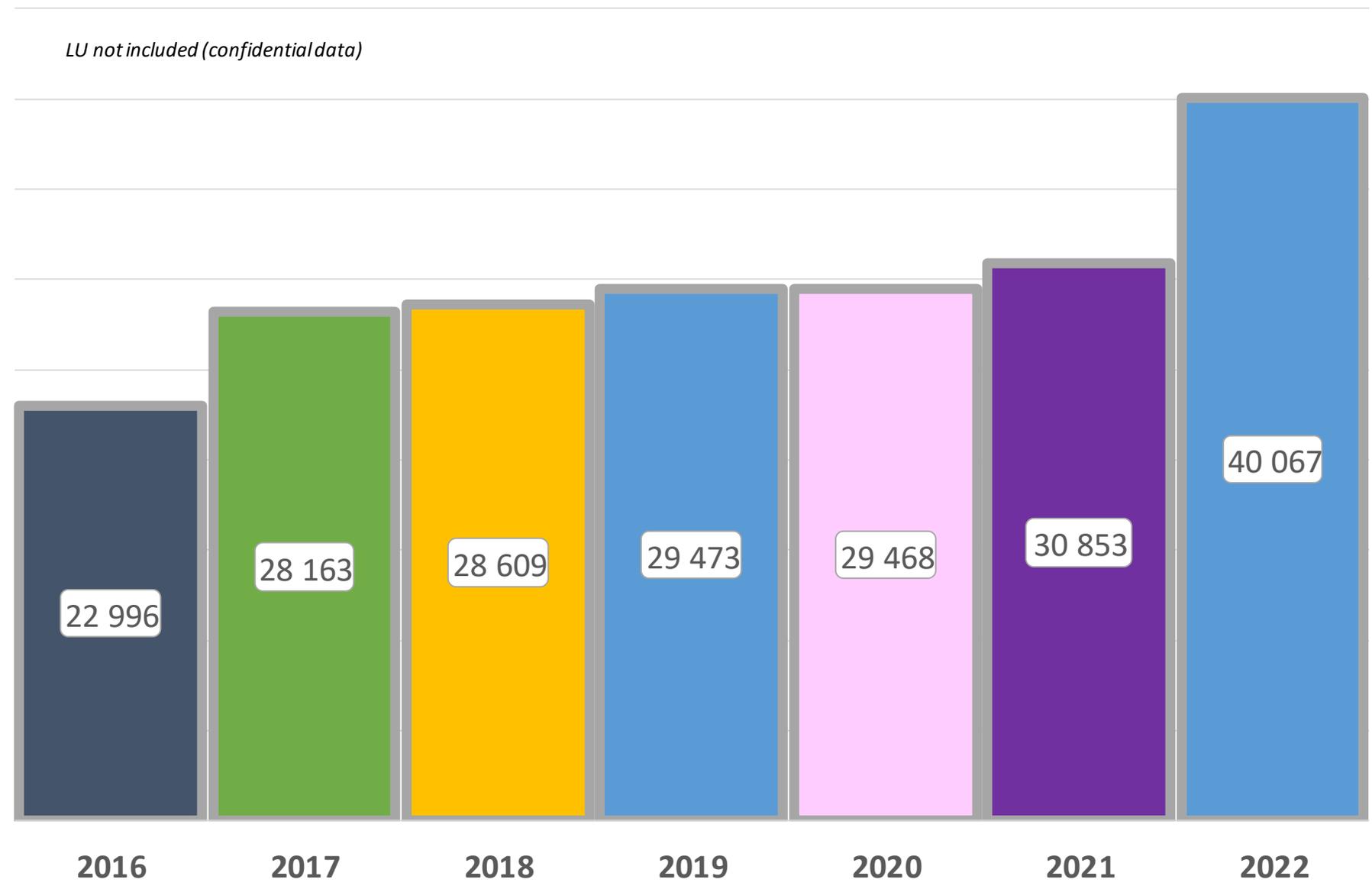
# EU-27 milk deliveries and price Jan-Jul 2016-22 (x1000 t, c/kg)

LU not included (confidential data)



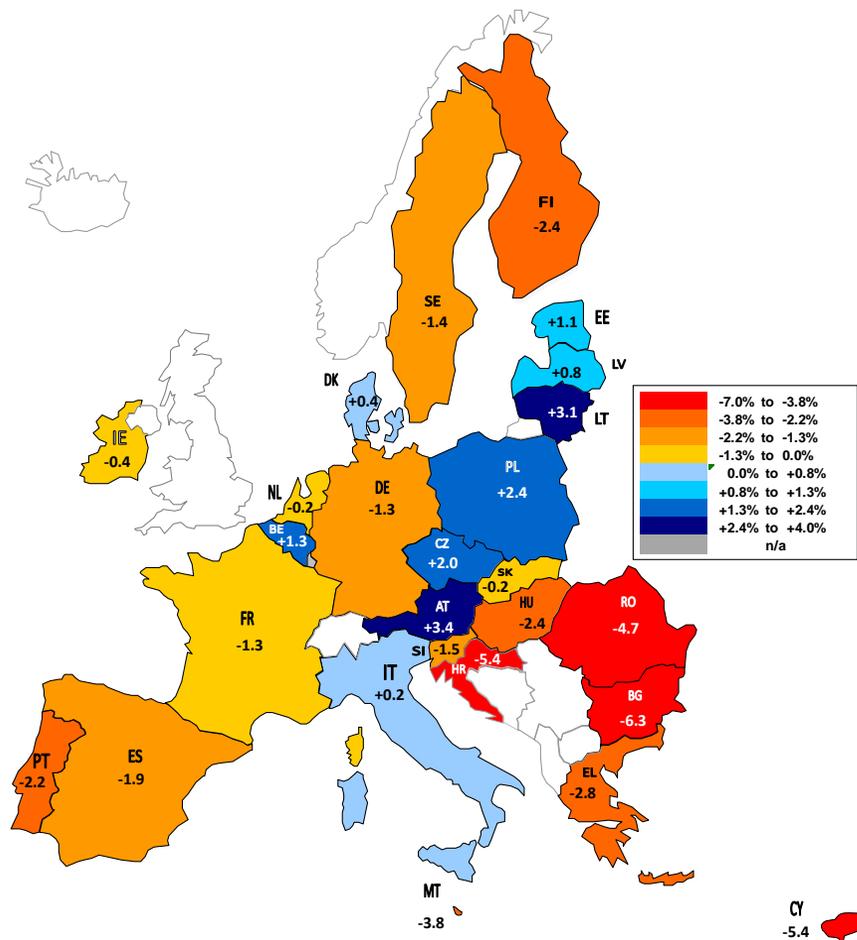
# EU-27 value milk production Jan-Jul 2016-22 (x million €)

*LU not included (confidential data)*



# EU Milk Deliveries compared to last period (in %)

(Jan - Jul 2022 / Jan - Jul 2021)



Source : MS' Communications to Eurostat, FEGA, AGEA, Reg.479/2010.1(a)1

The designations employed and the presentation of material on the map do not imply the expression of any opinion whatsoever on the part of the European Union concerning the legal status of any country, territory or area or of its authorities, or concerning the delimitation of its frontiers or boundaries.

## Jul 22 compared to Jul 21

Rank	evolution in %		evolution in 1000 Tons	
	MS	%	MS	Tons
1.	PL	+ 5.8%	PL	+ 62
2.	BE	+ 4.2%	NL	+ 39
3.	NL	+ 3.5%	BE	+ 15
4.	LT	+ 3.4%	IE	+ 10
5.	AT	+ 2.5%	AT	+ 6
6.	SK	+ 2.0%	CZ	+ 4
7.	LV	+ 1.9%	LT	+ 4
8.	CZ	+ 1.6%	LV	+ 1
9.	EE	+ 1.2%	SK	+ 1
10.	IE	+ 1.0%	EE	+ 1
11.	MT	+ 0.6%	SE	+ 0
12.	SE	+ 0.1%	MT	+ 0
13.	DK	+ 0.0%	DK	+ 0
14.	FR	- 0.2%	CY	- 1
15.	DE	- 0.6%	SI	- 1
16.	IT	- 0.8%	EL	- 2
17.	FI	- 1.9%	HR	- 2
18.	HU	- 2.0%	HU	- 3
19.	SI	- 2.8%	BG	- 3
20.	EL	- 3.1%	FR	- 3
21.	CY	- 3.4%	FI	- 4
22.	PT	- 4.1%	RO	- 6
23.	BG	- 4.8%	PT	- 7
24.	RO	- 5.3%	IT	- 9
25.	HR	- 5.5%	DE	- 17
26.	ES	- 6.5%	ES	- 42
	<b>EU</b>	<b>+ 0.4%</b>	<b>EU</b>	<b>+ 48</b>

°: estimates

rem: LU not included (confidential data)

# EU\*+UK+US+NZ+AUS COMBINED MILK PRODUCTION GROWTH

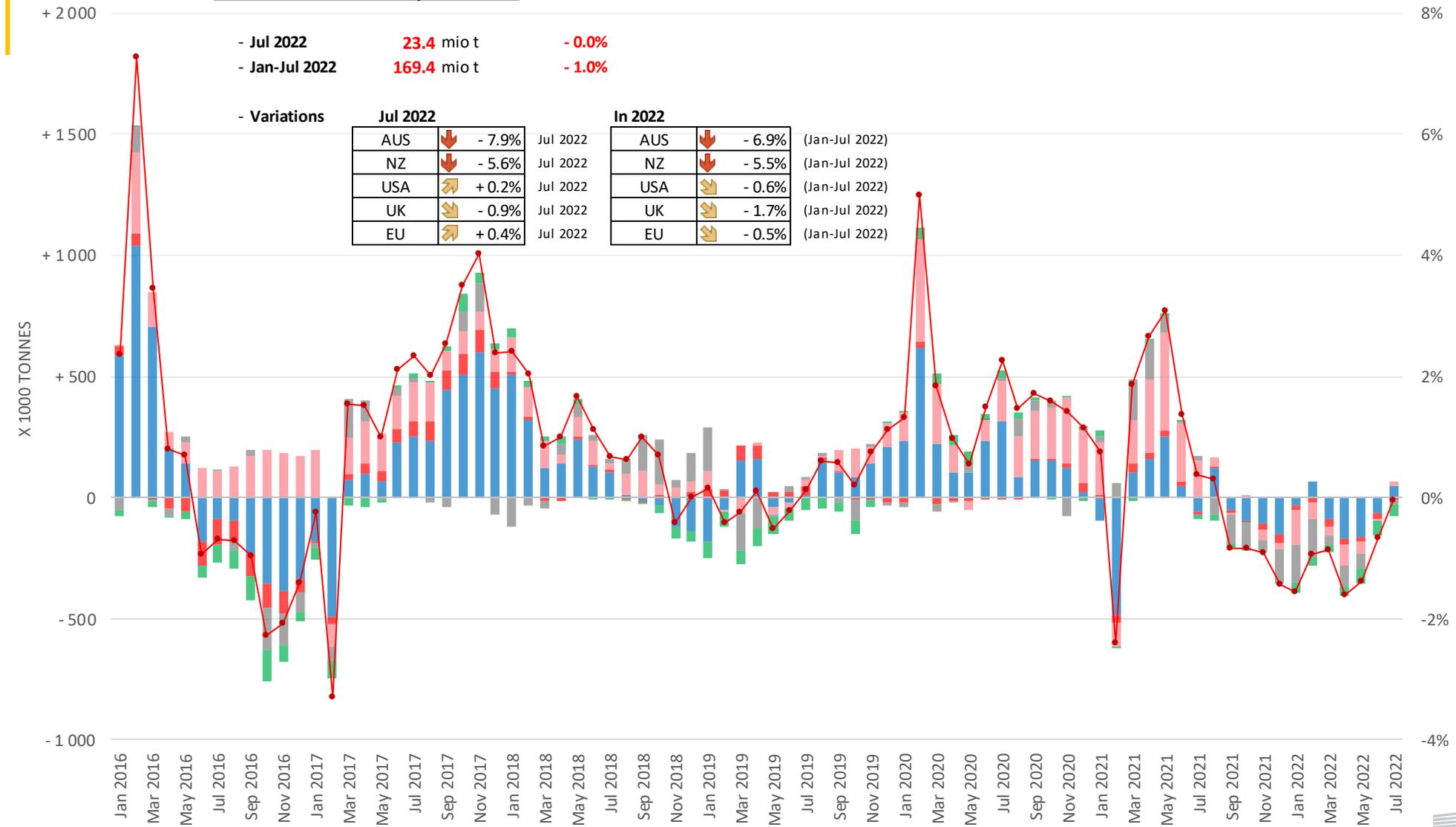
**Combined world milk production** ↓

- Jul 2022 **23.4** mio t **-0.0%**  
 - Jan-Jul 2022 **169.4** mio t **-1.0%**

- Variations

Jul 2022	
AUS	↓ - 7.9%
NZ	↓ - 5.6%
USA	↑ + 0.2%
UK	↓ - 0.9%
EU	↑ + 0.4%

In 2022		
AUS	↓ - 6.9%	(Jan-Jul 2022)
NZ	↓ - 5.5%	(Jan-Jul 2022)
USA	↑ - 0.6%	(Jan-Jul 2022)
UK	↓ - 1.7%	(Jan-Jul 2022)
EU	↑ - 0.5%	(Jan-Jul 2022)



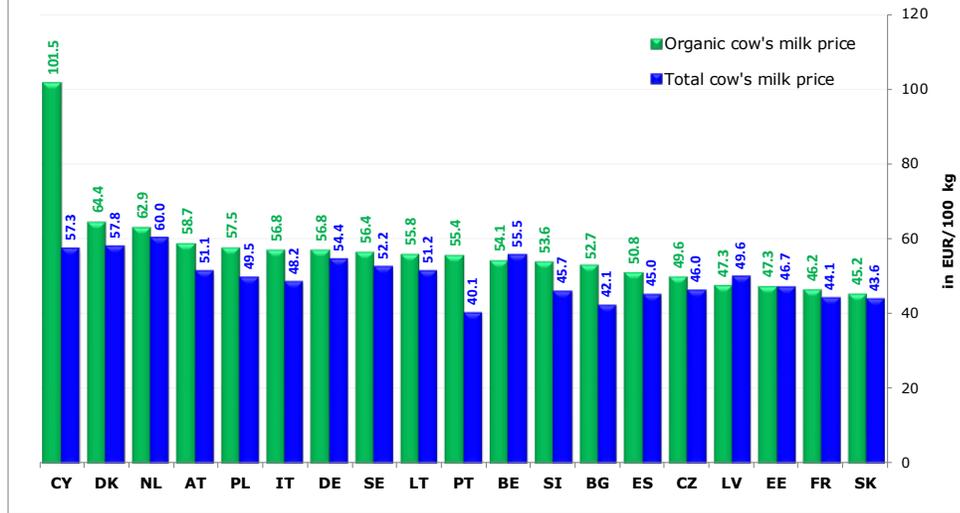
\* not including LU (confidential data)

EU UK US NZ AUS Combined increase

# EU organic raw milk production & prices

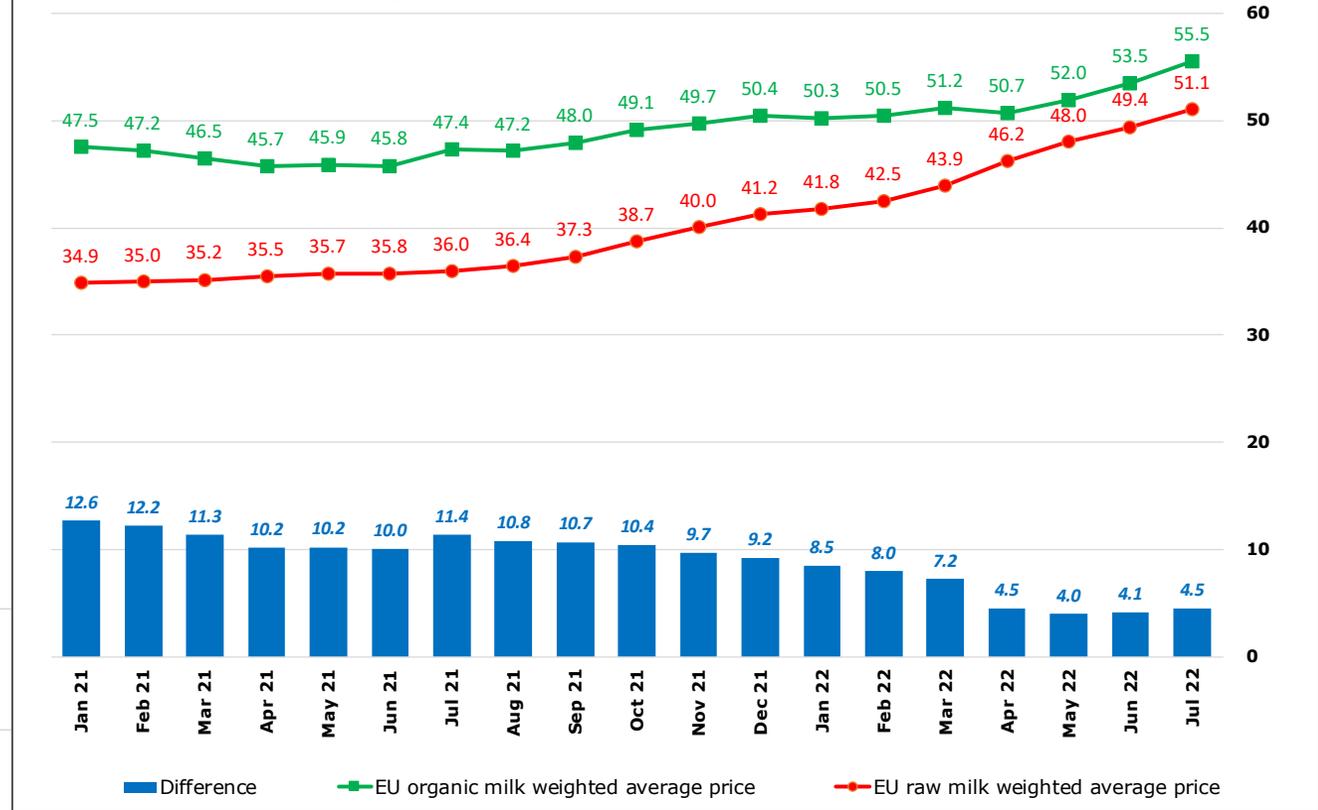
**EU Organic cow's milk prices**  
July 2022

Source : Member States (Regulation (EU) No 2017/1185 Article 12(a) - Annex II.4(a))



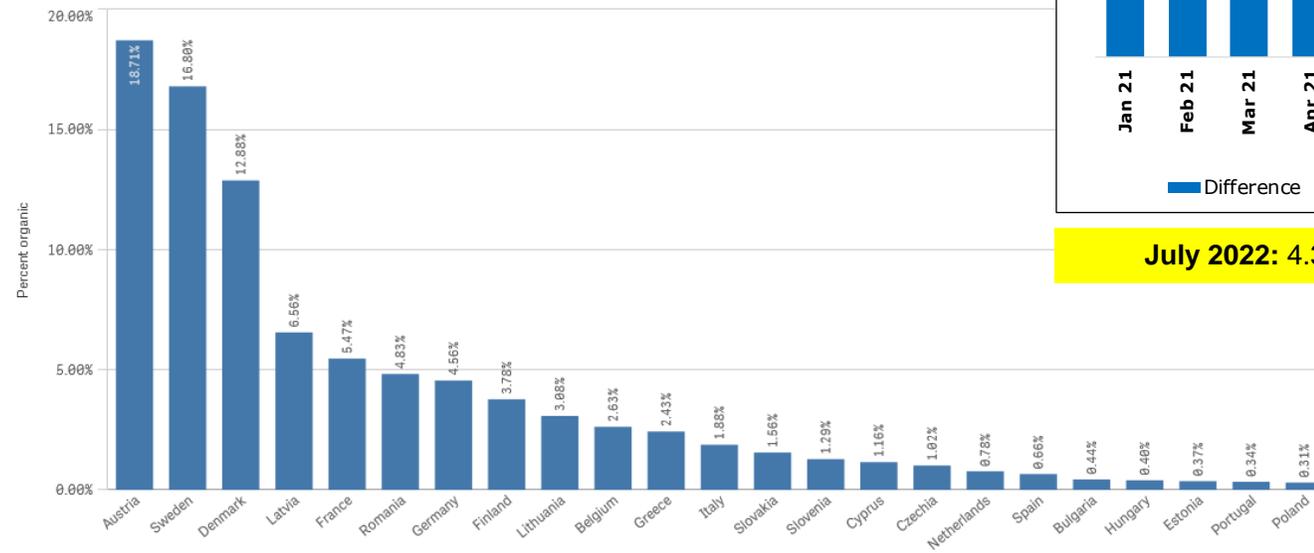
**EU raw milk and organic milk prices**

Source : MS' communications under Reg. (EU) No 2017/1185 Article 12(a) - Annex II.4(a)



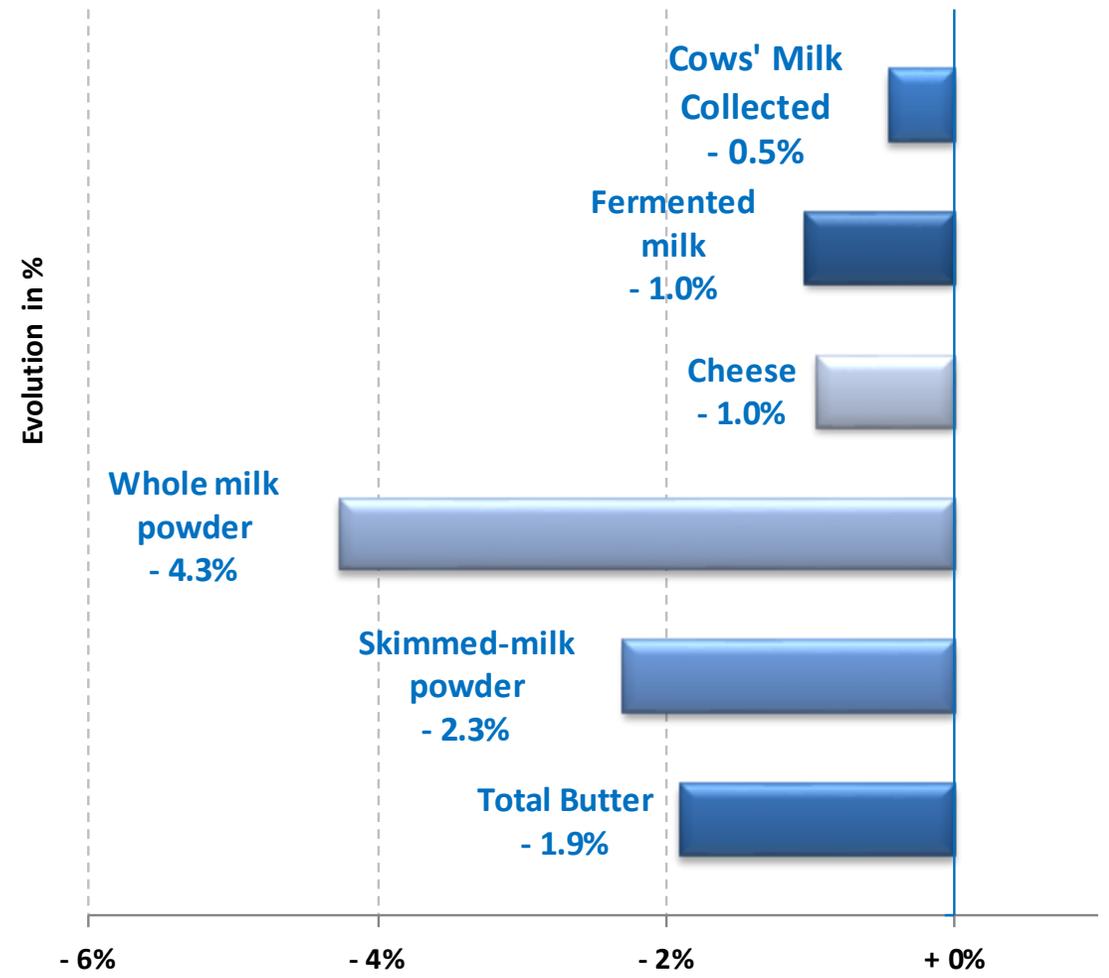
**Organic raw cow's milk delivered to dairies as a percentage of total raw cow's milk**

For years: 2022 > Months: 01, 02, 03, 04, 05, 06, 07 > All Member States



**July 2022: 4.3% of total raw milk collected was organic (based on notifications from 23 MS)**

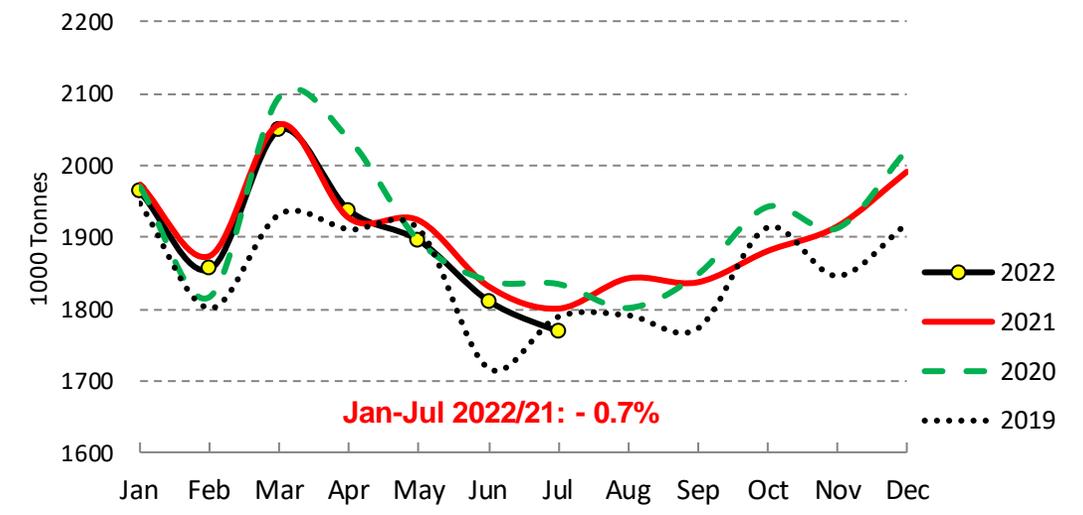
### EU Deliveries/Productions development (Jan-Jul 2022 compared to Jan-Jul 2021)



Source : MS' Communications to Eurostat, and, for milk : AGEA, FEGA, Reg. 2017/1185

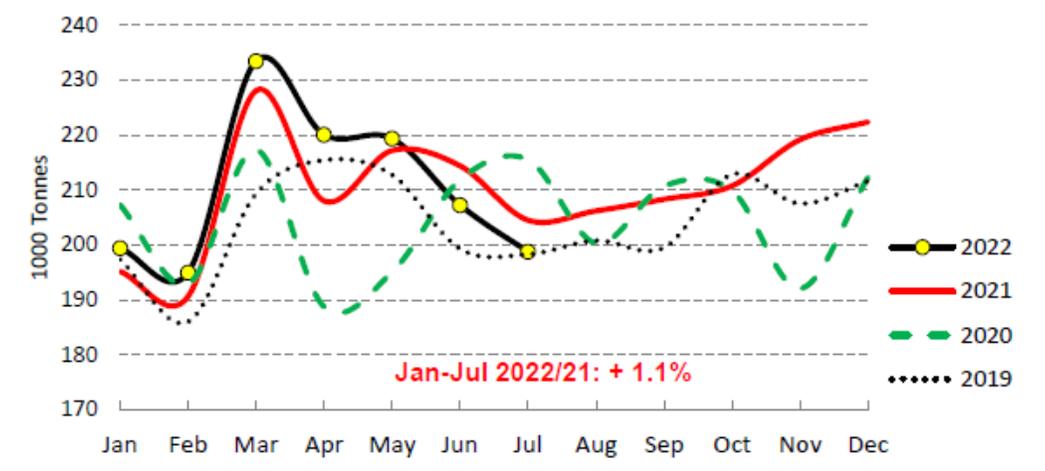
Including estimates for June'22 for SE (dairy products)

### EU - Drinking milk



Source : Estat - Newcronos

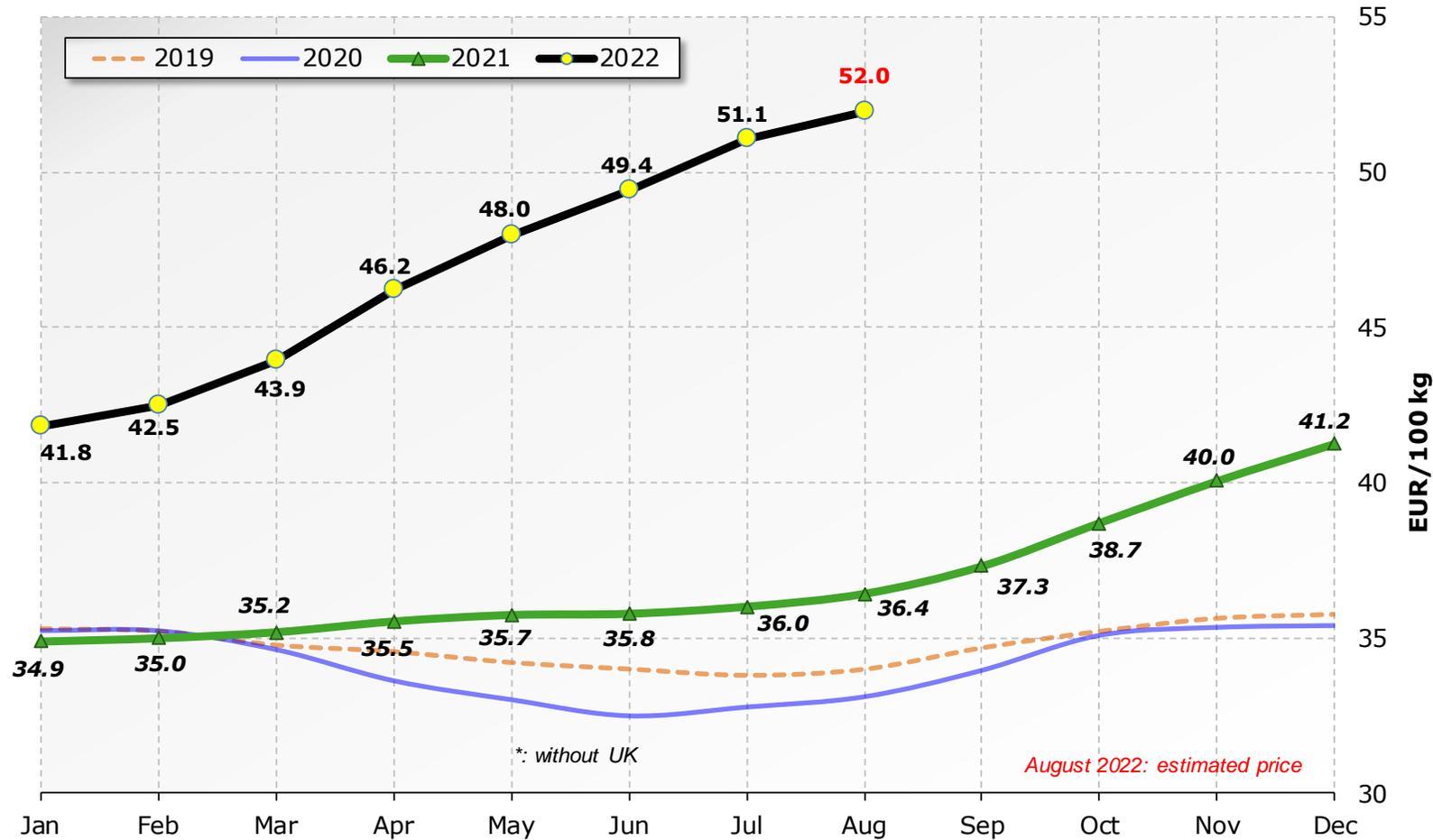
### EU - Cream for direct consumption



Source : Estat - Newcronos

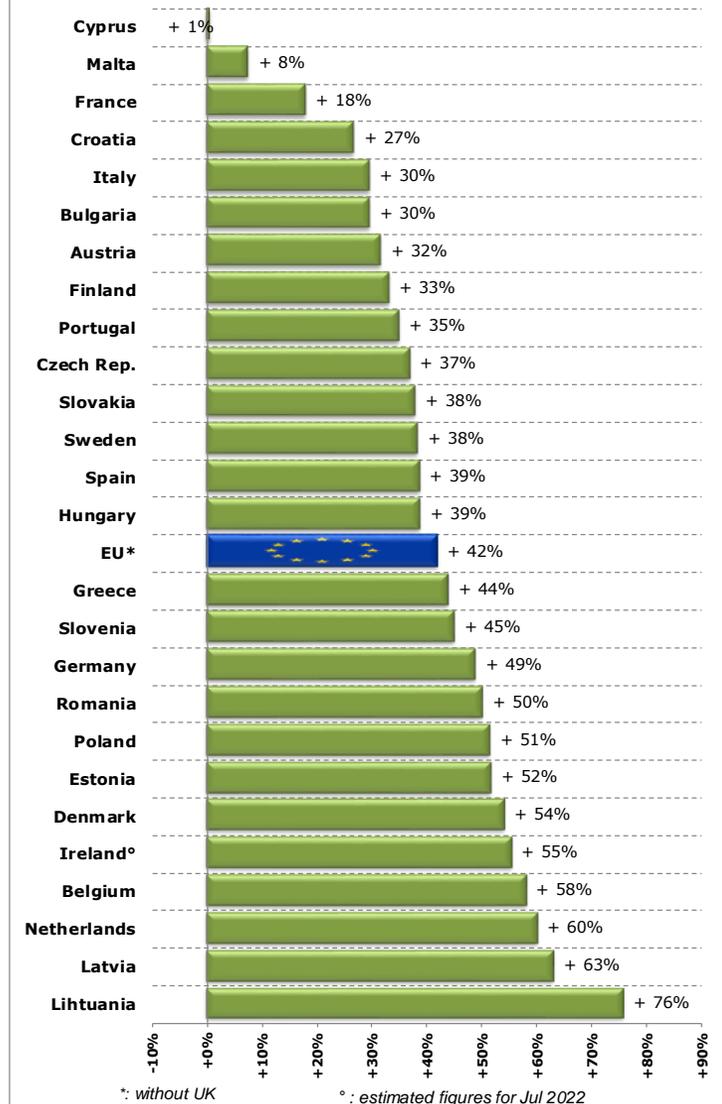
# EU milk prices paid to the producers

## Milk Prices paid to the Producers EU\* (weight. avg.)



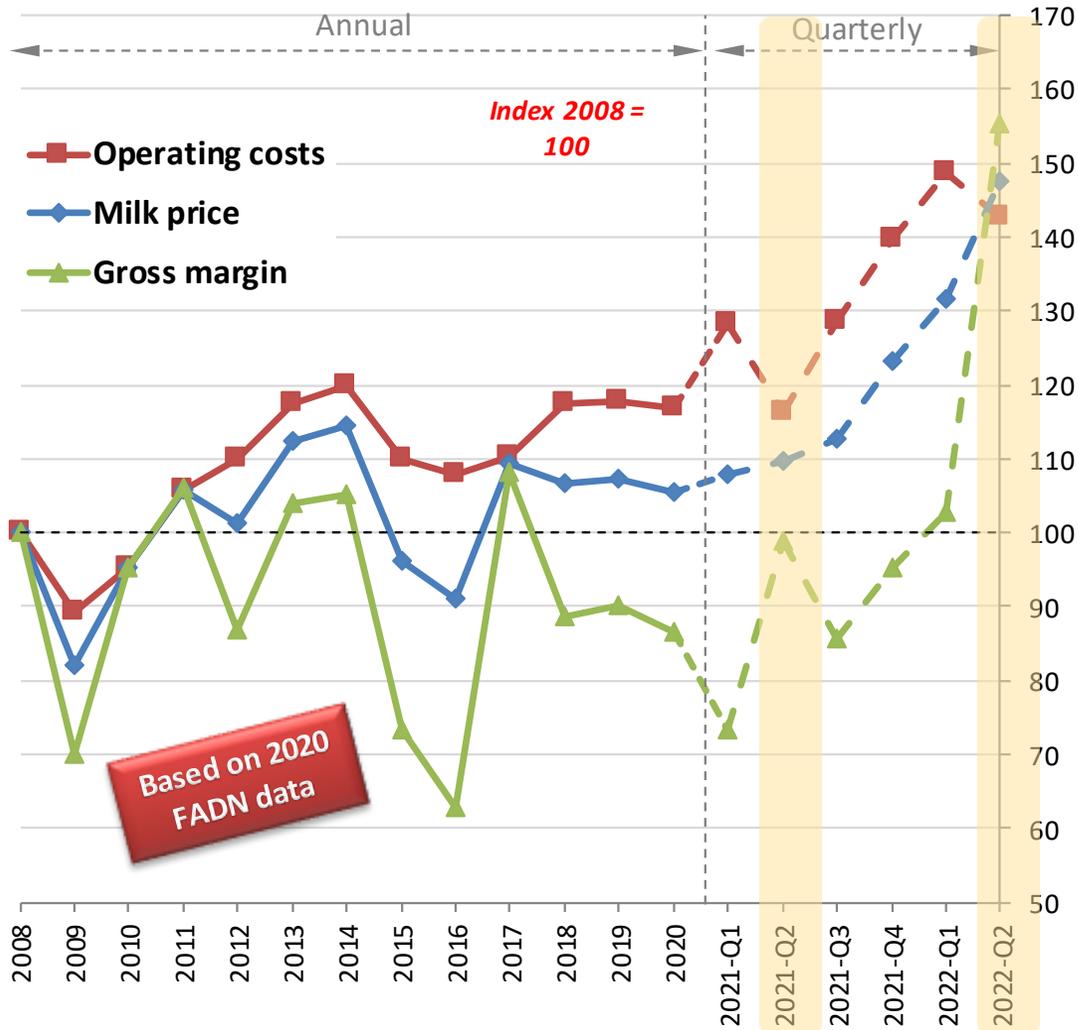
Source : Member States Reg. (EU) No 2017/1185 Article 12(a) - Annex II.4(a)

## Raw Milk Price evolution in July 2022 compared to July 2021



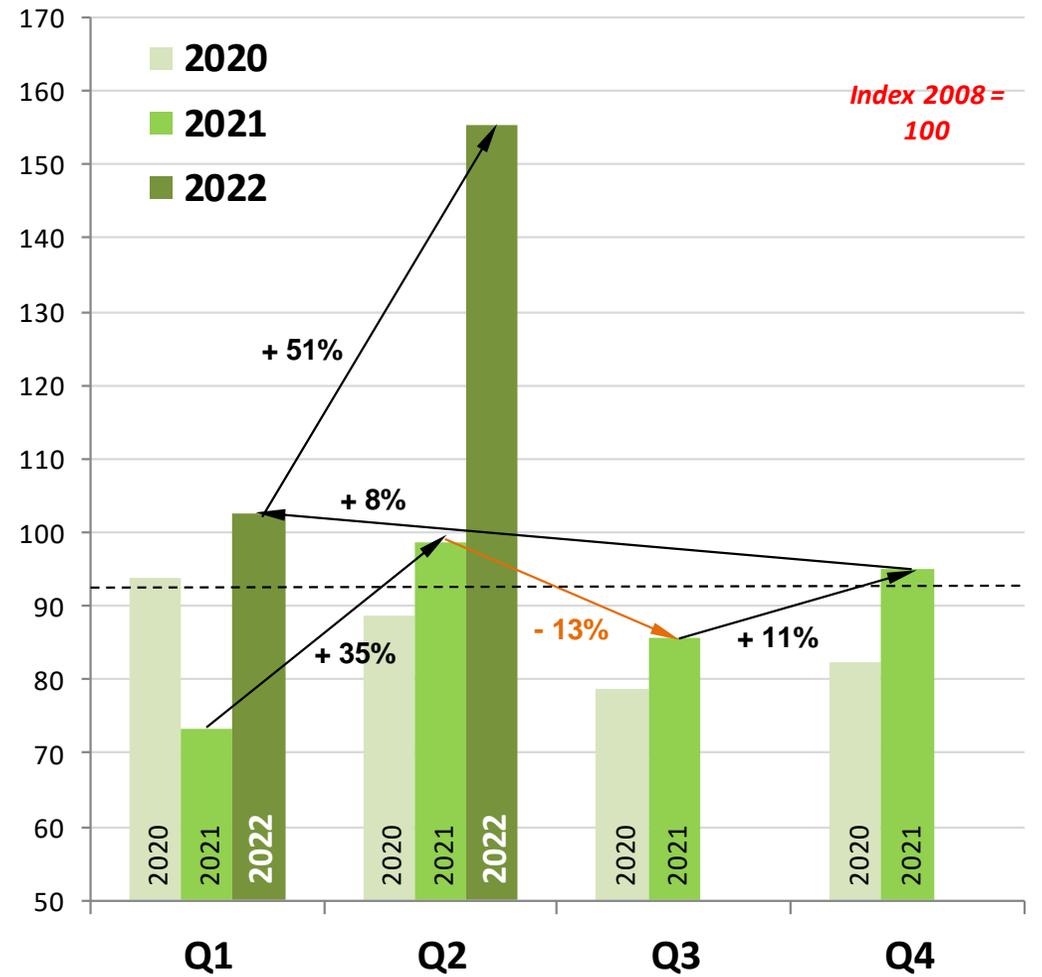
# Margins

## EU Milk price, operating costs and margin per tonne



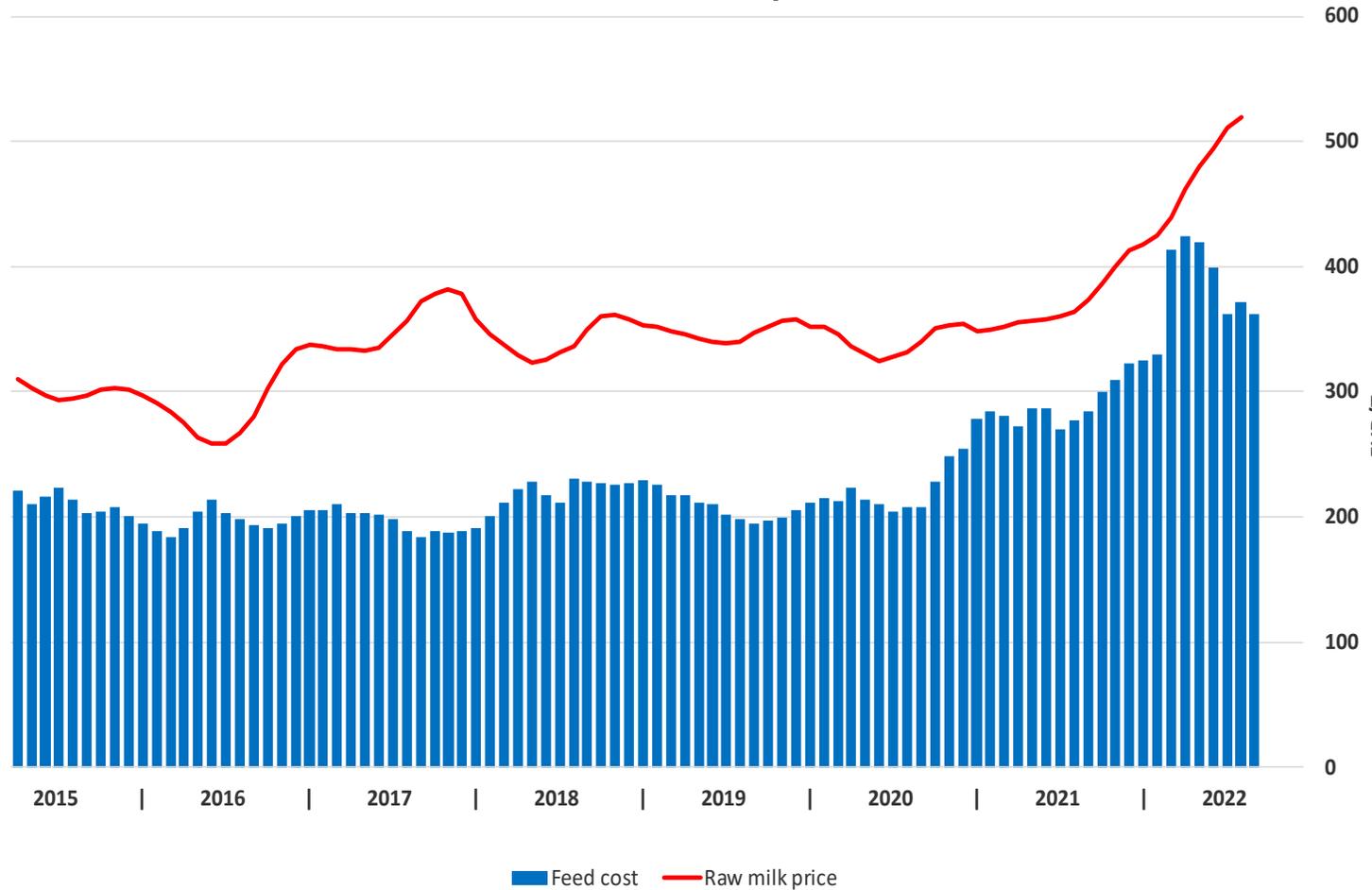
Source : FADN (base year 2020) + indexes (Eurostat, DG AGRI)

## Estimation of EU Gross margin



Source : FADN (base year 2020) + indexes (Eurostat, DG AGRI)

### Feed cost in the Dairy sector



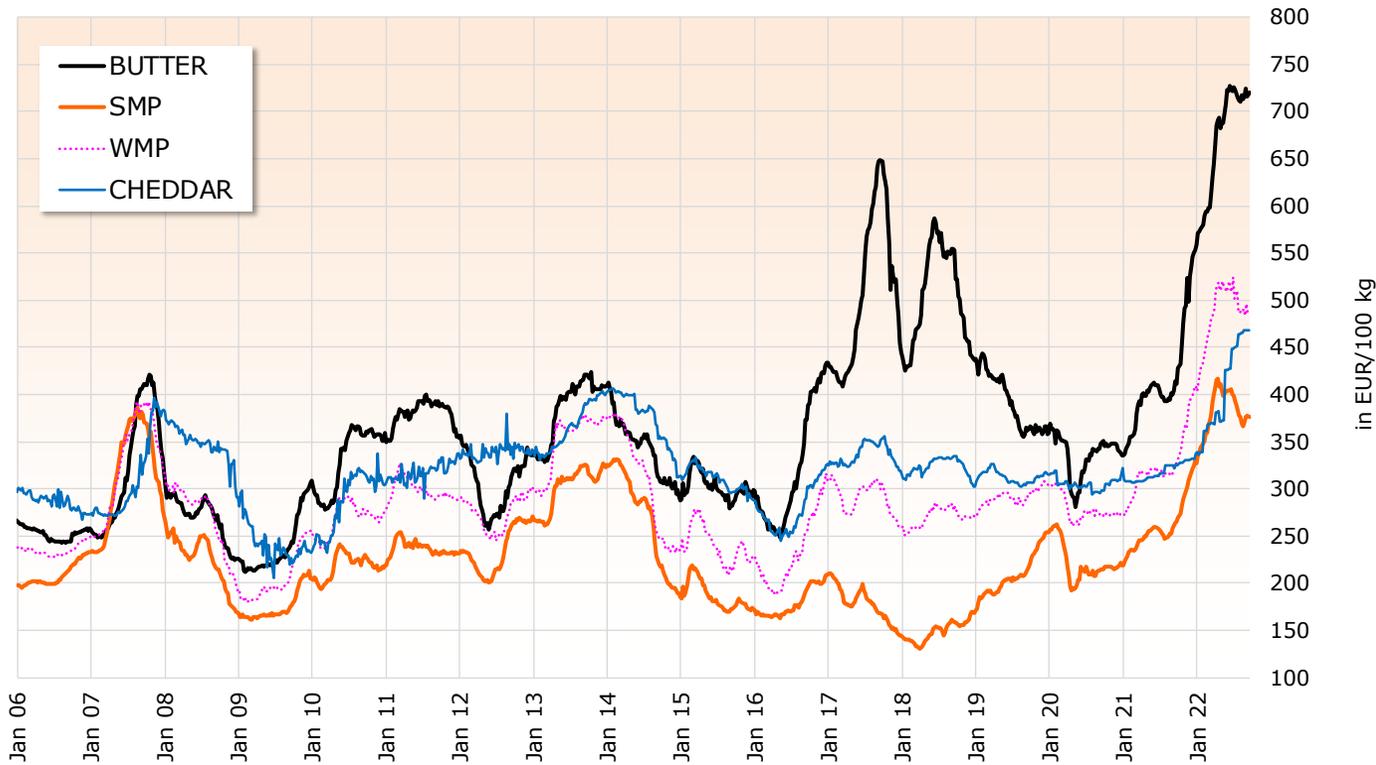
### OIL : Europe Brent Spot Price



# EU dairy quotations

## EU evolutive\* dairy Quotations

(EU Average Prices based on MS communication and weighted by production)



Source: Regulation (EU) No 2017/1185 Article 11 - Annex I.7

Latest prices (EUR/100kg)

<b>721</b>	<b>377</b>	<b>483</b>	<b>468</b>	<b>531</b>	<b>523</b>	<b>605</b>	<b>106</b>
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Prices up to 18/09/2022

BUTTER	SMP	WMP	CHEDDAR	EDAM	GOUDA	EMMENTAL	WHEYPOWDER
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Compared to:

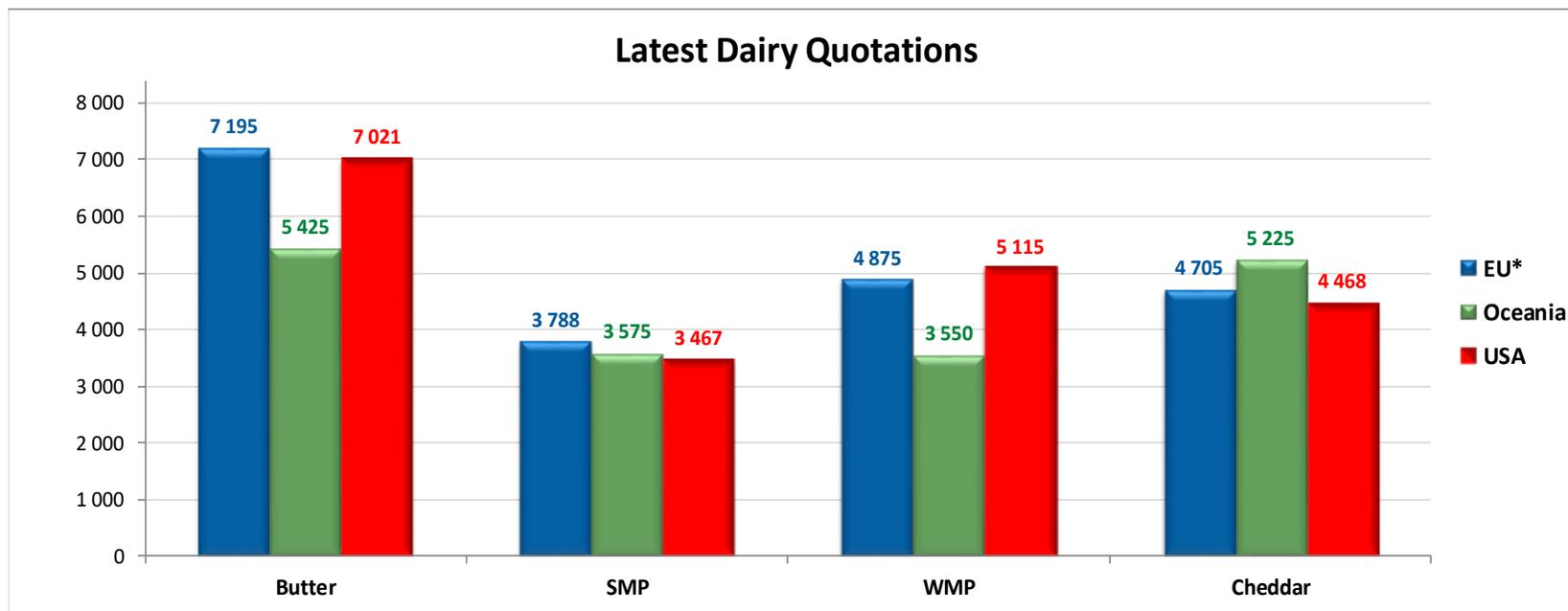
<b>4 weeks ago</b>	+ 0.9%	+ 2.8%	- 1.4%	- 0.1%	+ 2.1%	+ 1.9%	- 1.6%	- 0.6%
<b>begin 2022</b>	+ 29.0%	+ 15.2%	+ 19.7%	+ 38.0%	+ 33.5%	+ 35.1%	+ 29.9%	- 6.9%
<b>5 years avg.</b>	+ 54.6%	+ 84.3%	+ 64.8%	+ 48.3%	+ 63.0%	+ 60.0%	+ 27.2%	+ 34.2%
<b>1 week ago</b>	+ 0.6%	- 0.1%	- 0.4%	+ 0.0%	+ 0.7%	+ 0.4%	- 4.0%	- 3.1%
<b>1 year ago</b>	+ 73.8%	+ 43.1%	+ 48.1%	+ 43.6%	+ 57.5%	+ 56.2%	+ 28.5%	+ 8.7%

# Latest world dairy quotations

## Latest World Quotations of Dairy Products

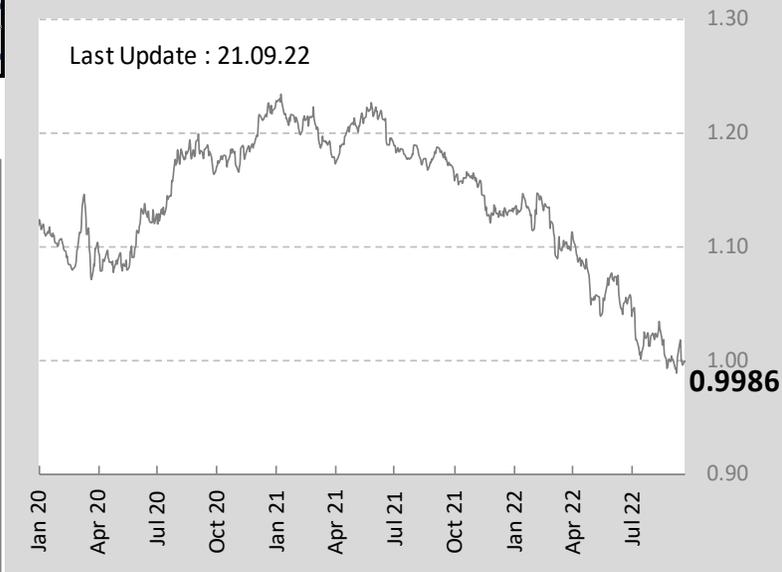
In US\$/t	Latest Quotations			Week - 2						Year - 1					
	18/09/2022			04/09/2022			% change (previous quotation)			19 September 2021			% change (1 year)		
	EU*	Oceania	USA	EU*	Oceania	USA	EU*	Oceania	USA	EU*	Oceania	USA	EU*	Oceania	USA
Butter	7 195	5 425	7 021	7 164	5 250	6 781	+0.4%	+3.3%	+3.5%	4 793	4 875	3 847	+50%	+11%	+82%
SMP	3 788	3 575	3 467	3 707	3 550	3 406	+2.2%	+0.7%	+1.8%	3 083	3 175	2 994	+23%	+13%	+16%
WMP	4 875	3 550	5 115	4 838	3 375	5 115	+0.8%	+5.2%	nc	3 846	3 638	4 134	+27%	-2%	+24%
Cheddar	4 705	5 225	4 468	4 688	5 088	3 832	+0.4%	+2.7%	+16.6%	3 814	4 325	3 799	+23%	+21%	+18%

Source : Member States Notifications under Reg. 2017/1185, USDA



EU\* = EU without UK

## EUR / USD Exchange Rate



# Keep in touch and thank you!



[ec.europa.eu/agriculture](https://ec.europa.eu/agriculture)



[EUagri](https://www.youtube.com/EUagri)



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[EU agri-food Data portal](#)

# **ANNEX 2**

## **EU dairy products monthly stock estimates up to end of June 2022**

***EDA***



**EU dairy products  
monthly stock estimates  
up to end of June 2022**

**Milk Market Observatory  
Economic Board**

**September 26th, 2022**

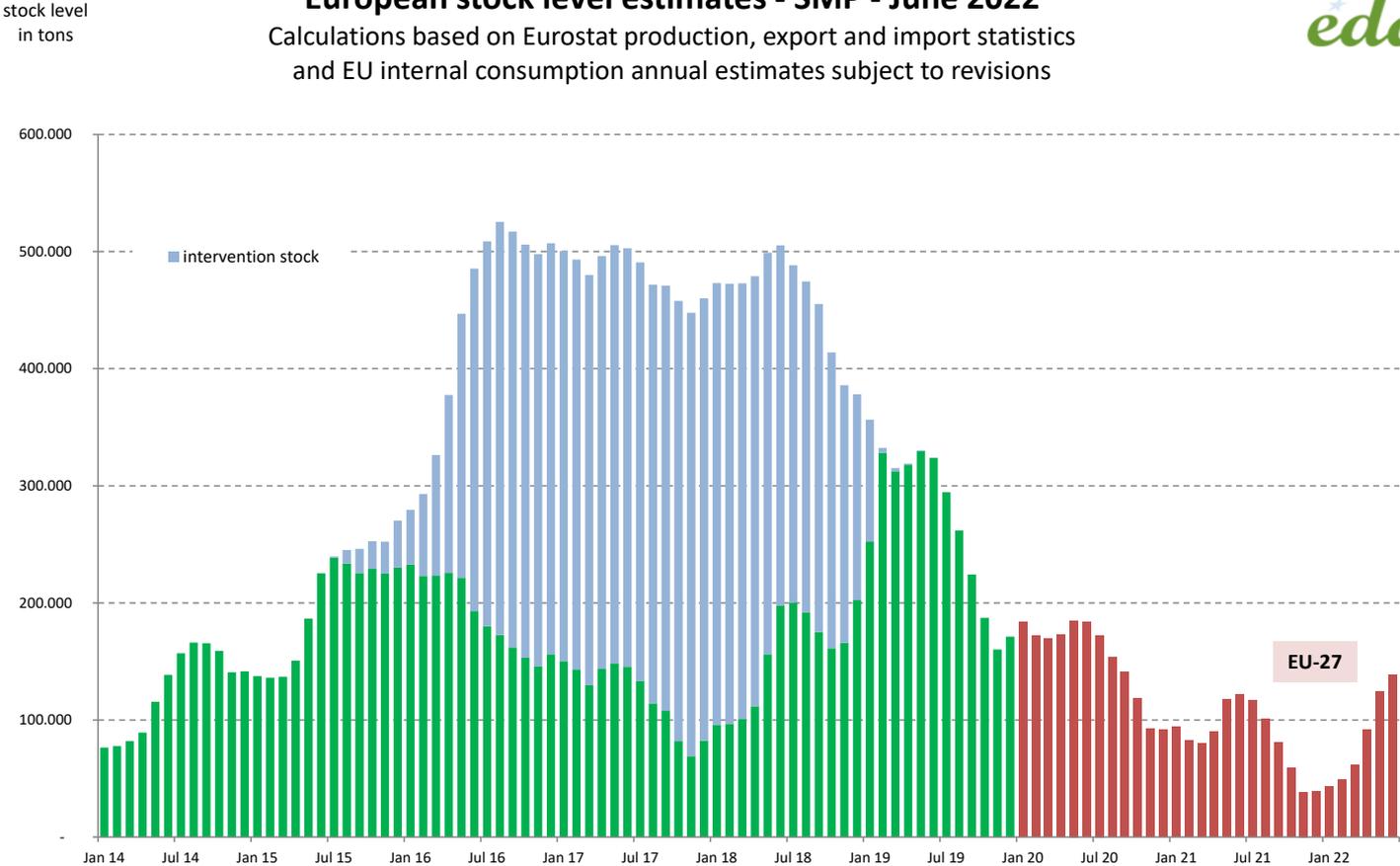
# Methodology

- For each dairy product and each month, the stock estimates are based on the equation:
  - $\text{Stock variation} = \text{EU production} + \text{EU import} - \text{EU internal consumption} - \text{EU exports}$
- ZMB balance sheets and forecasts have been used as references for :
  - End of year stock levels
  - Yearly consumption levels
- Monthly production statistics are based on ZMB Dairy World publications.
- Exports and imports figures are based on MMO website figures and Eurostat. From 2020 onwards, data refer to the EU-27 (coloured in red).
- The initial stocks entered in the model at the beginning of 2012 are :
  - SMP: 152 000 t
  - Butter: 80 000 t
  - Cheese: 200 000 t (arbitrary basis)
- The green/red parts in each graph mean that this stock level can be considered as normal for the month.
- Orange parts mean that this stock level can be considered as too high for the month; intervention stocks are coloured blue.
- These qualifications are based on the EDA analysts' personal views and past market observations.

SMP: The availability improved in recent months while demand was more quiet and production picked up to a certain extent. Demand on internal and international level weakened. Stocks recovered from extremely low to more normal. Prices declined, but are still on a high level. Rising energy-cost are a major concern for drying milk.

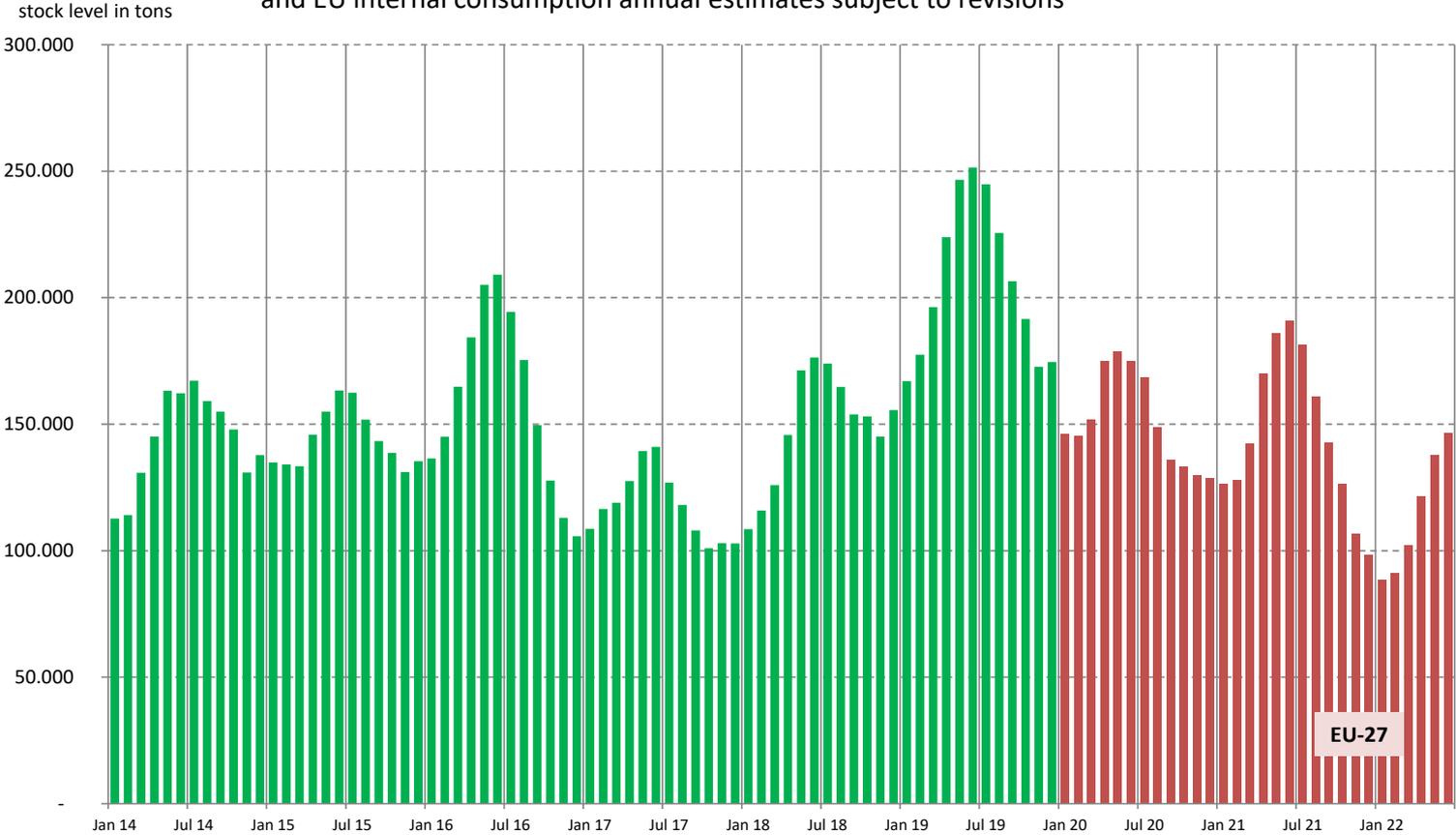


**European stock level estimates - SMP - June 2022**  
 Calculations based on Eurostat production, export and import statistics  
 and EU internal consumption annual estimates subject to revisions



Butter-stocks had been very low at the beginning of the year and recovered in spring-time. They are lower than normal in the mid of the year. The market is balanced despite of reduced retail sales. Production is affected by low fat-contents in delivered milk. Prices moving on a historical high level.

**European stock level estimates - Butter - June 2022**  
Calculations based on Eurostat production, export and import statistics  
and EU internal consumption annual estimates subject to revisions



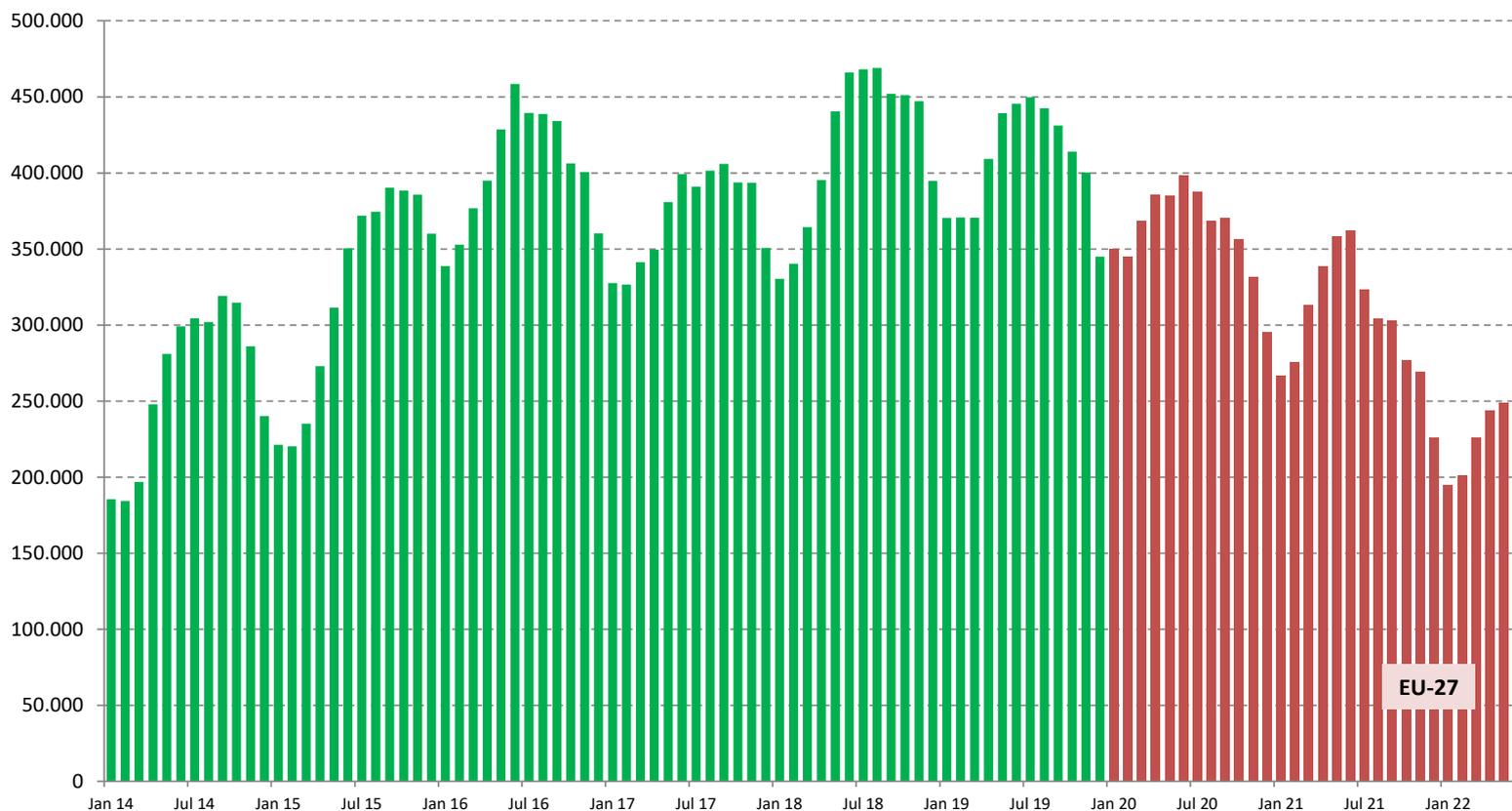
The cheese market was balanced in summer-time after a shortage in the first quarter. The strong increase of spot-market-prices came to an end. Demand is still good, but less strong compared with the beginning of the year. Stocks at the of June had been lower than in the years before,

### European stock level estimates - Cheese - June 2022

Calculations based on Eurostat production, export and import statistics and EU internal consumption annual estimates subject to revisions



stock level in tons



# Situation

Milk deliveries are lower than last year, but stabilized in recent weeks, despite of challenging weather-conditions in many regions of Europe. Milk prices increased strongly and reached levels never seen before, but costs of production are very high, too. Milk output in all exporting countries decreased in total.

Heavy uncertainties are weighing over the market. Availability of natural gas for milk processing, energy-prices, sharply increasing input costs and consumer reactions to unknown high inflation are major concerns.

The availability of dairy products improved in recent months. Stocks recovered somewhat, but are still low for the time of year.

Prices of most dairy commodities passed their peak. The EU lost competitiveness at the world market despite of the weak Euro.

# **ANNEX 3**

## **Global Dairy Trade Flows**

***Eucolait***



**eucolait**

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*European Dairy Trade  
Association*

# Global dairy trade flows

MMO EXPERT GROUP

26/09/2022

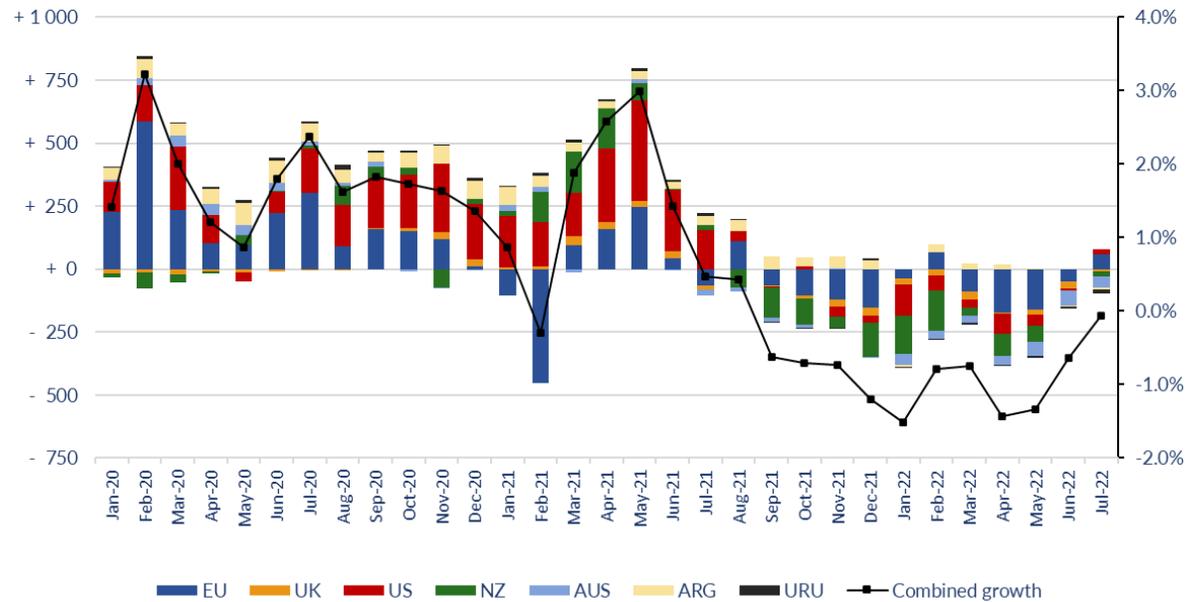
[www.eucolait.eu](http://www.eucolait.eu)

# Outline

- Global supply
- Global exports & imports
- Demand in China
- EU – UK trade flows
- Trade with Ukraine
- Conclusions

# Global supply

World milk supply growth in 2020-2022  
(EU27, UK, US, NZ, Australia, Argentina, Uruguay)



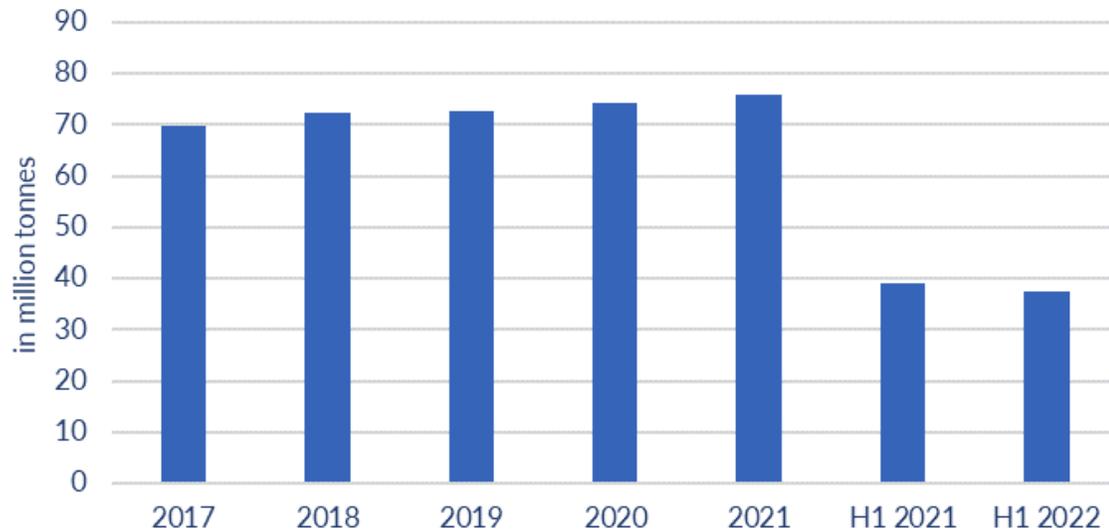
MILK COLLECTION OF MAIN EXPORTERS - JULY 2022					
Country	Volume in '000 tonnes	Δ% YOY 22/21	Volume YTD in '000 tonnes	Δ% YTD 22/21	Δ% Season to date 22/23
EU27	12 576	↑ +0.5%	86 642	↓ -0.4%	
United States	8 688	→ +0.2%	60 500	→ +0.0%	
New Zealand	288	↓ -5.6%	522	↓ -4.6%	↓ -5.6%
Australia	581	↓ -7.0%	581	↓ -6.4%	↓ -7.0%
Argentina	1 019	↓ -1.0%	6 419	↑ +0.7%	
Uruguay	182	↓ -7.1%	1 121	↓ -3.7%	
United Kingdom	1 211	↓ -0.9%	8 727	↓ -1.6%	
<b>TOTAL</b>	<b>24 545</b>	<b>→ -0.1%</b>	<b>164 513</b>	<b>↓ -0.9%</b>	

# Global dairy exports in ME

Global dairy exports:  
Growth rate H1 22/21: -4.3%

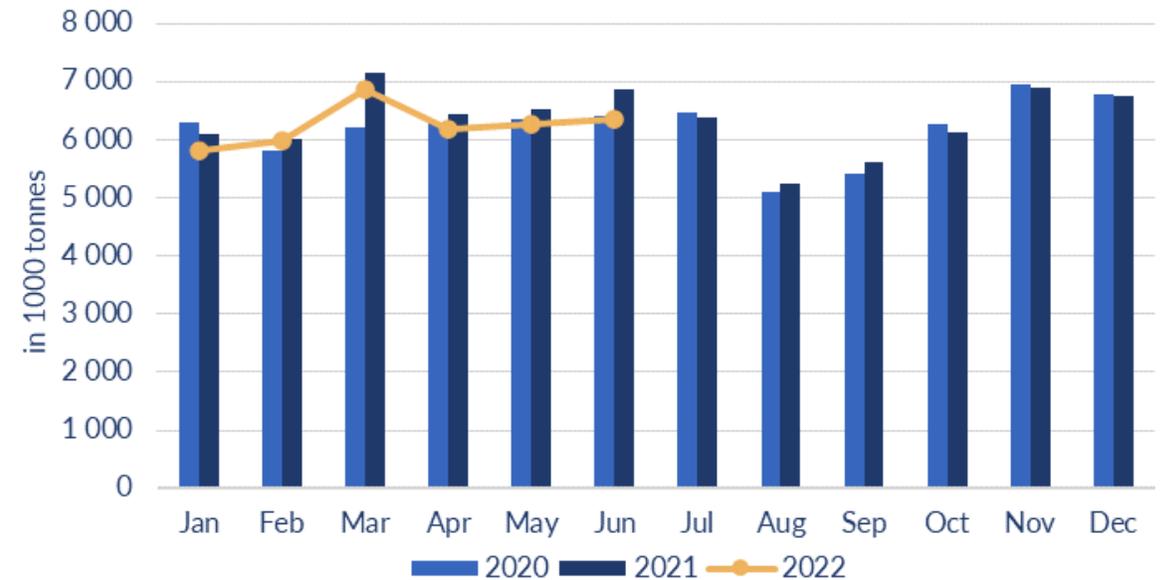
## Global dairy exports in milk equivalent

WMP, SMP, butter(oil), cheese, casein(ate)s, whey, lactose



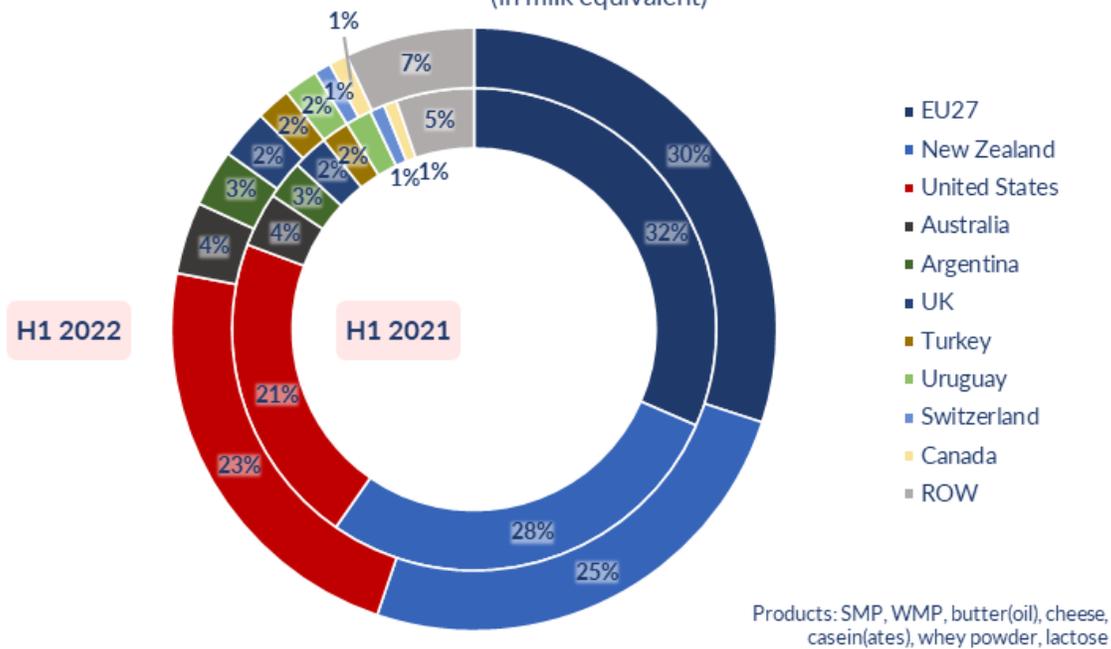
## Monthly global dairy exports in milk equivalent

Cheese, butter(oil), SMP, WMP, whey, lactose, casein(ates)

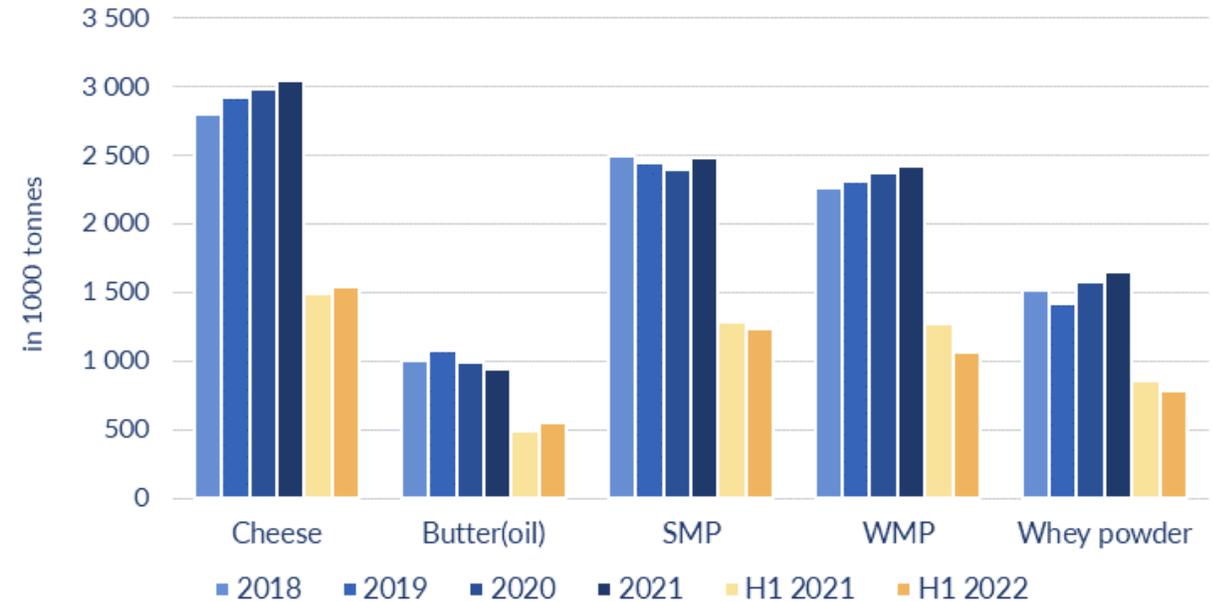


# Global dairy exports

Export shares in % of total export volumes  
(in milk equivalent)

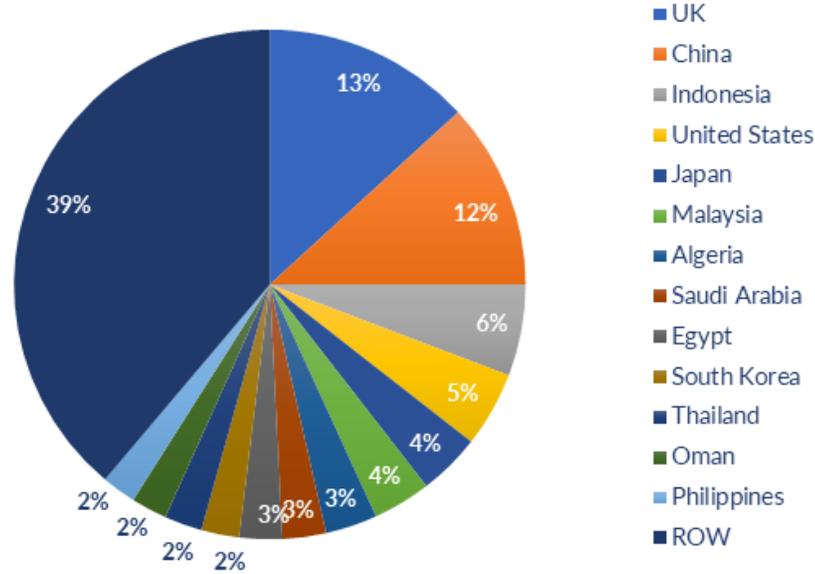


Global exports of main dairy commodities



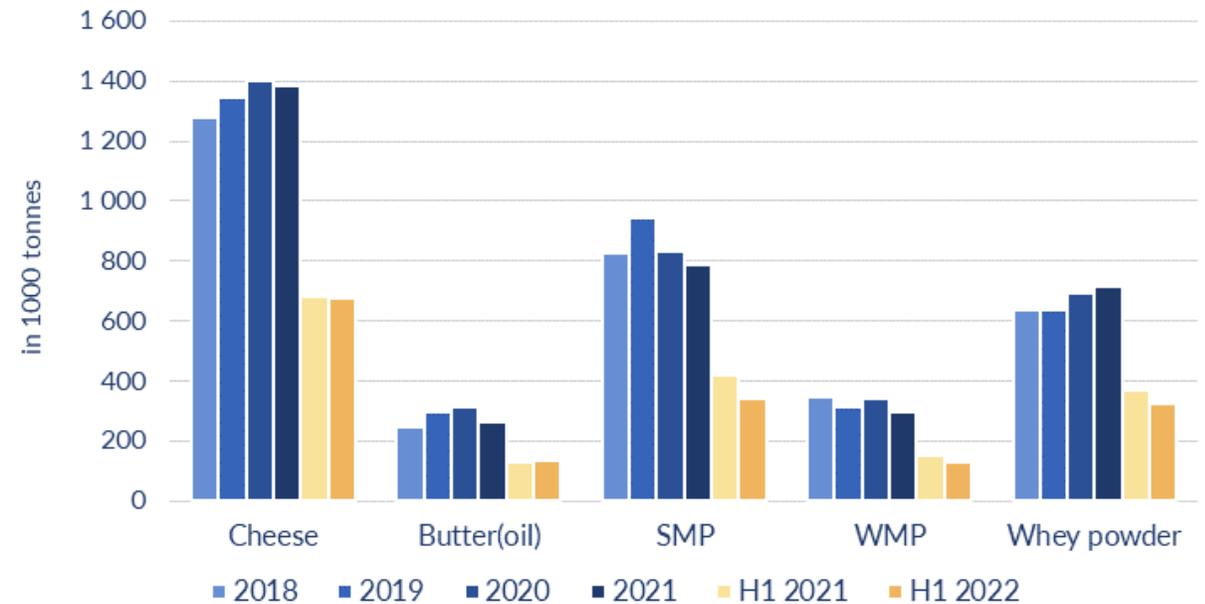
# EU exports by product and destination

EU export destinations in H1 2022  
(in milk equivalent)



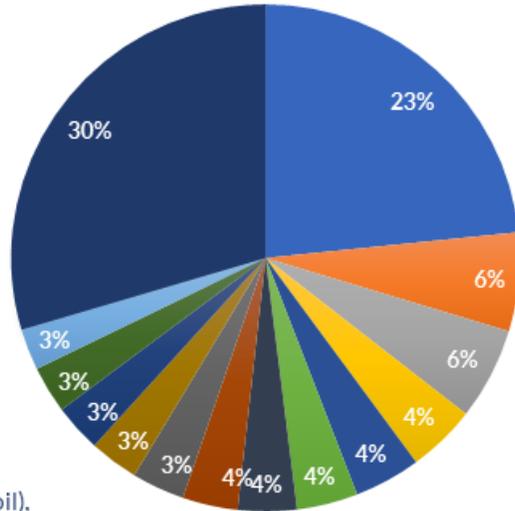
Products: cheese, butter(oil), SMP, WMP, whey, lactose, casein(ates)

EU exports of main dairy commodities



# Main import markets

Main import markets in H1 2022  
(in milk equivalent)



- China
- Mexico
- Indonesia
- Algeria
- Philippines\*
- UK
- Japan
- Malaysia
- Saudi Arabia
- Thailand
- EU27
- United States
- Vietnam
- ROW

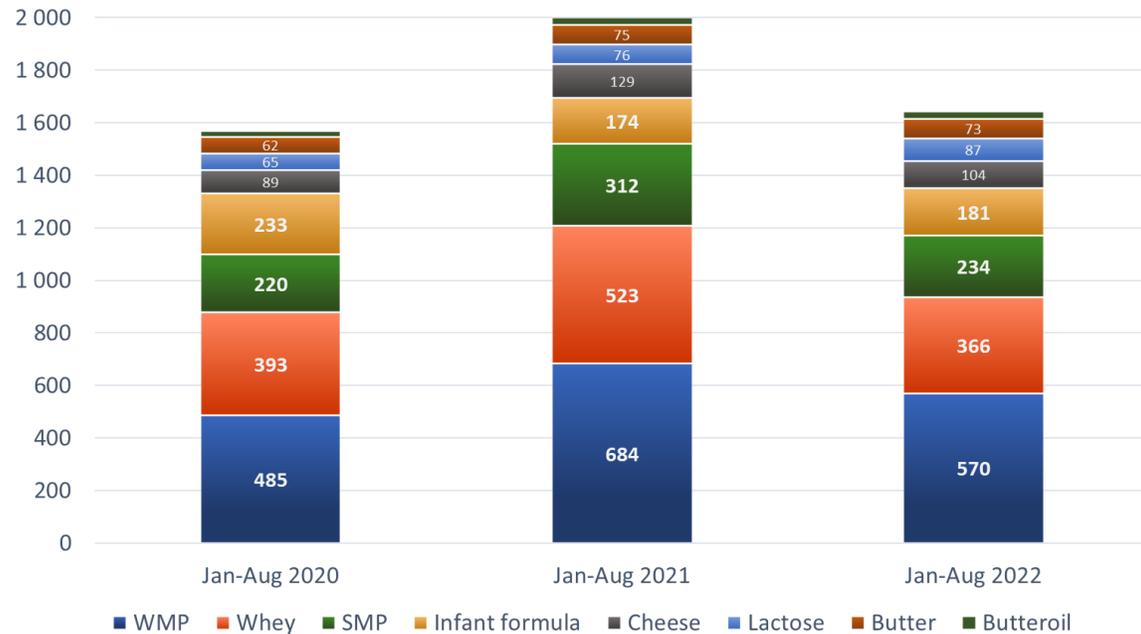
\* Estimate for June

Products: cheese, butter(oil),  
SMP, WMP, whey, lactose,  
casein(ates)

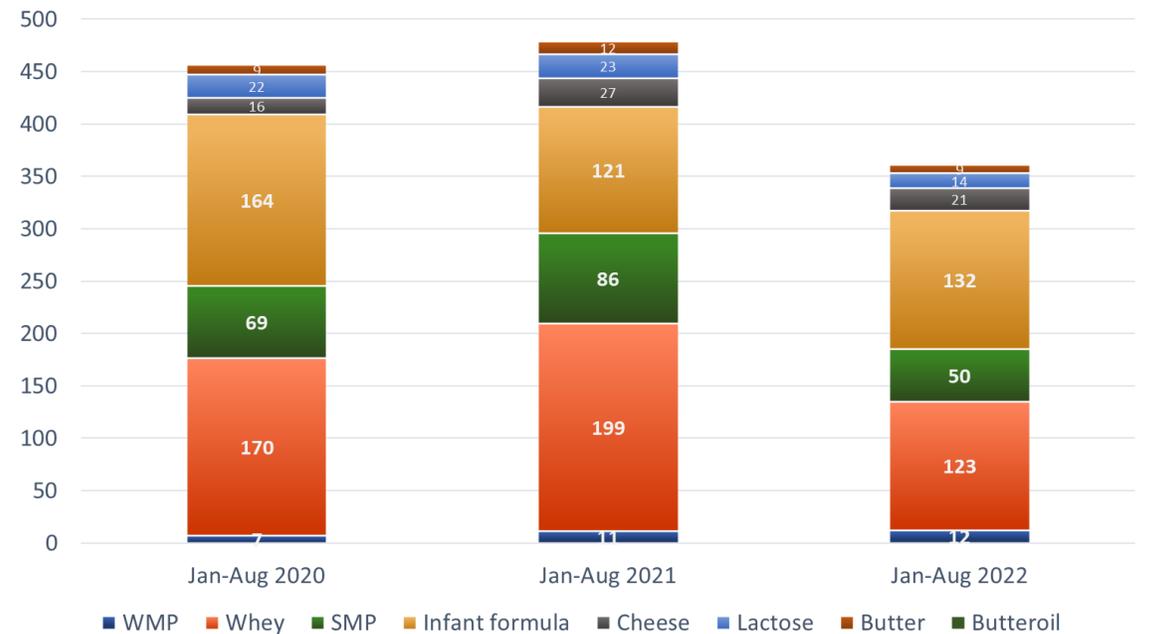
Main import markets in H1 2022	
Importers	Δ% 22/21
World	↓ -2%
China	↓ -18%
Mexico	↑ +11%
Indonesia	↑ +13%
Algeria	↑ +9%
Philippines*	↑ +25%
UK	↑ +9%
Japan	↑ +3%
Malaysia	↑ +10%
Saudi Arabia	↑ +9%
Thailand	↑ +17%
EU27	↑ +16%
United States	↑ +10%
Vietnam	↓ -22%
ROW	↓ -2%

# China imports

## Cumulated China imports (in 1000 tonnes)



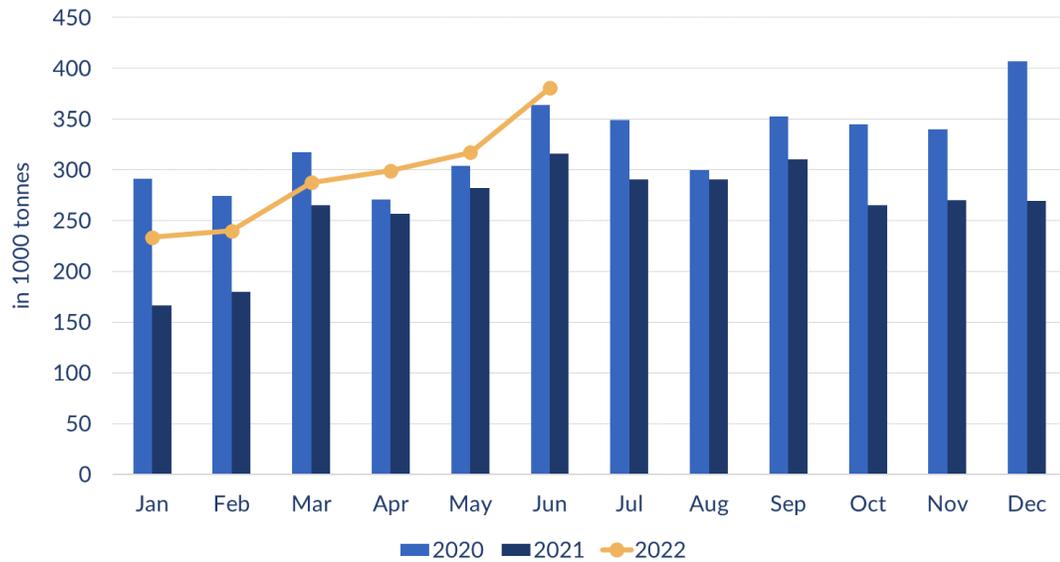
## Cumulated China imports from the EU (in 1000 tonnes)



# EU-UK trade

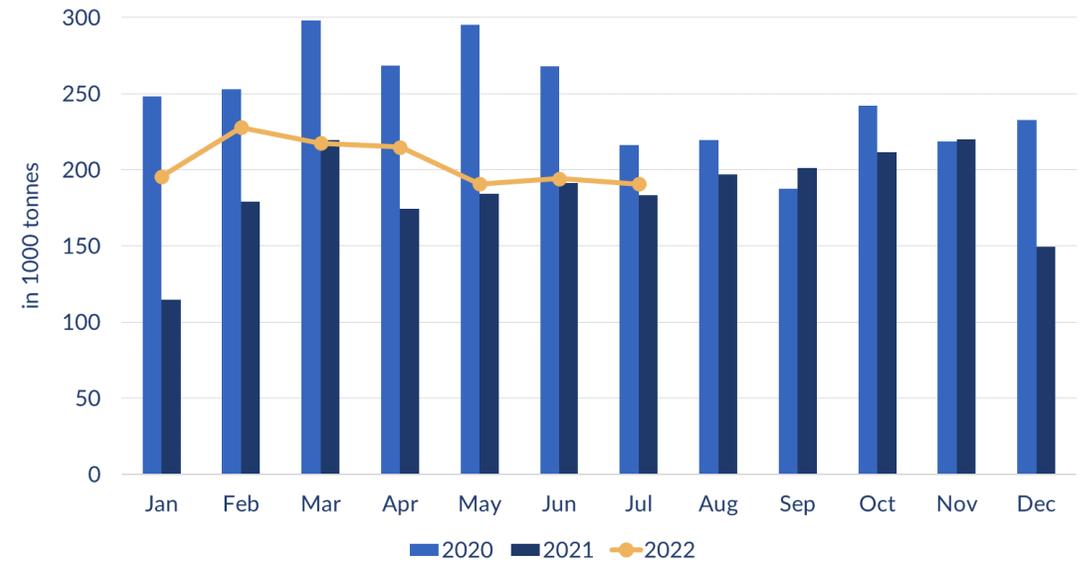
## EU dairy exports to the UK in milk equivalent

Cheese, butter(oil), SMP, WMP, whey, lactose, casein(ates), milk, cream



## UK dairy exports to the EU in milk equivalent

Cheese, butter(oil), SMP, WMP, whey, lactose, casein(ates), milk, cream



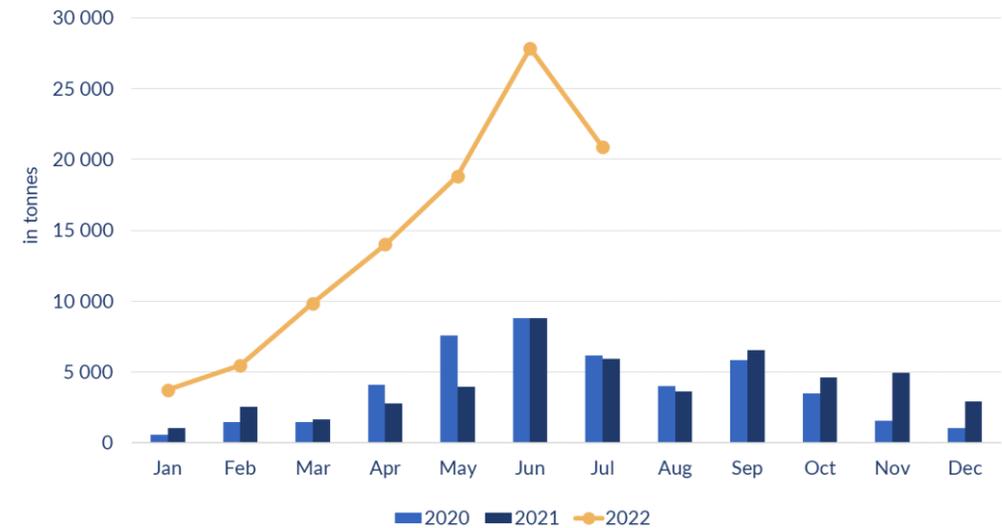
# Ukraine trade flows

UKRAINE IMPORTS - JULY 2022				
Product	Volume in tonnes	Δ% YOY 22/21	Volume YTD in tonnes	Δ% YTD 22/21
Cheese	3 386	↓ -22%	20 273	↓ -29%
Butter	23	↓ -97%	579	↓ -84%
SMP	42	↓ -91%	343	↓ -85%
Whey	165	↓ -43%	1 302	↓ -26%

Source: Trade Data Monitor

## Ukraine exports to the EU in milk equivalent

Cheese, butter(oil), SMP, WMP, whey, lactose, casein(ates)



# Conclusions

- Milk production in the main exporting regions has stabilised and could return to growth in H2. There are however several caveats, especially in Europe where structural factors compound weather and price considerations.
- The war continues to heavily affect commodity, fertilizer and energy markets. Gas scarcity and energy prices are major concerns for the industry.
- Global demand for dairy has remained reasonably solid but has not prevented a decline in combined trade flows so far this year. The drop in Chinese buying has been the main factor and its zero tolerance covid policy will continue to affect dairy consumption patterns. Reduced availability of milk and record high prices have also played a role.
- Southeast Asia remains the most dynamic region, with import volumes up by double digits in Indonesia, Philippines, Malaysia and Thailand. Strong buying in other key markets such as Mexico, Algeria and Saudi Arabia also contributed to partly offsetting the losses in China.
- Cheese is the only product category showing constant growth. Butter trade has recovered this year, while all commodity powders are seeing big declines because of the weight of China in the trade of these products.
- In Europe, food inflation is causing lower income consumers to switch to cheaper alternatives or to buy less. Exports are constrained by low milk flows and uncompetitive pricing.
- The full effects of the inflationary pressures are yet to materialise but significant corrections to dairy prices are not expected in the short term unless there is a strong recovery of supply.

# Thank You

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# **ANNEX 4**

## **Trends in sales of milk & dairy products – a retail perspective**

***EuroCommerce***



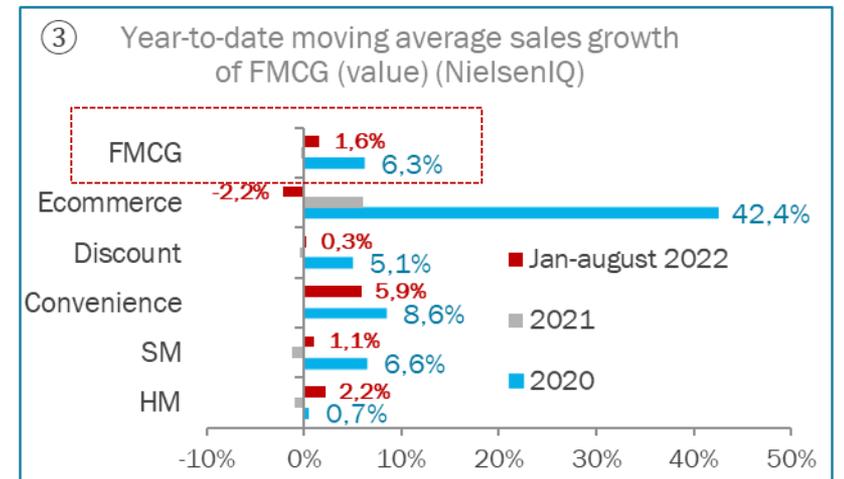
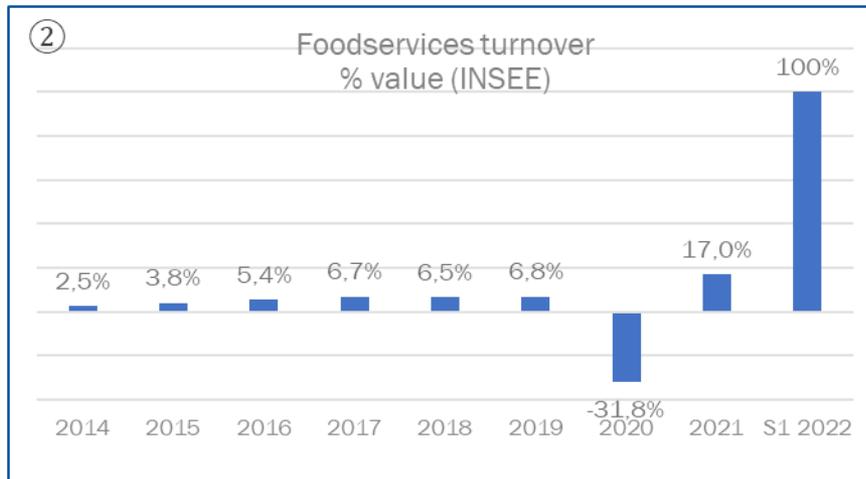
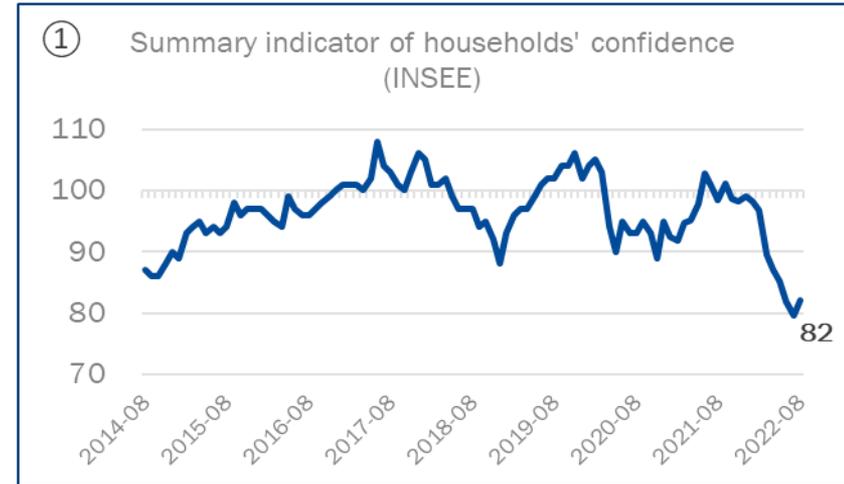
# TRENDS IN SALES OF MILK & DAIRY PRODUCTS – A RETAIL PERSPECTIVE

**Milk Market Observatory**  
**26 September 2022**

# France

## Economic context (1)

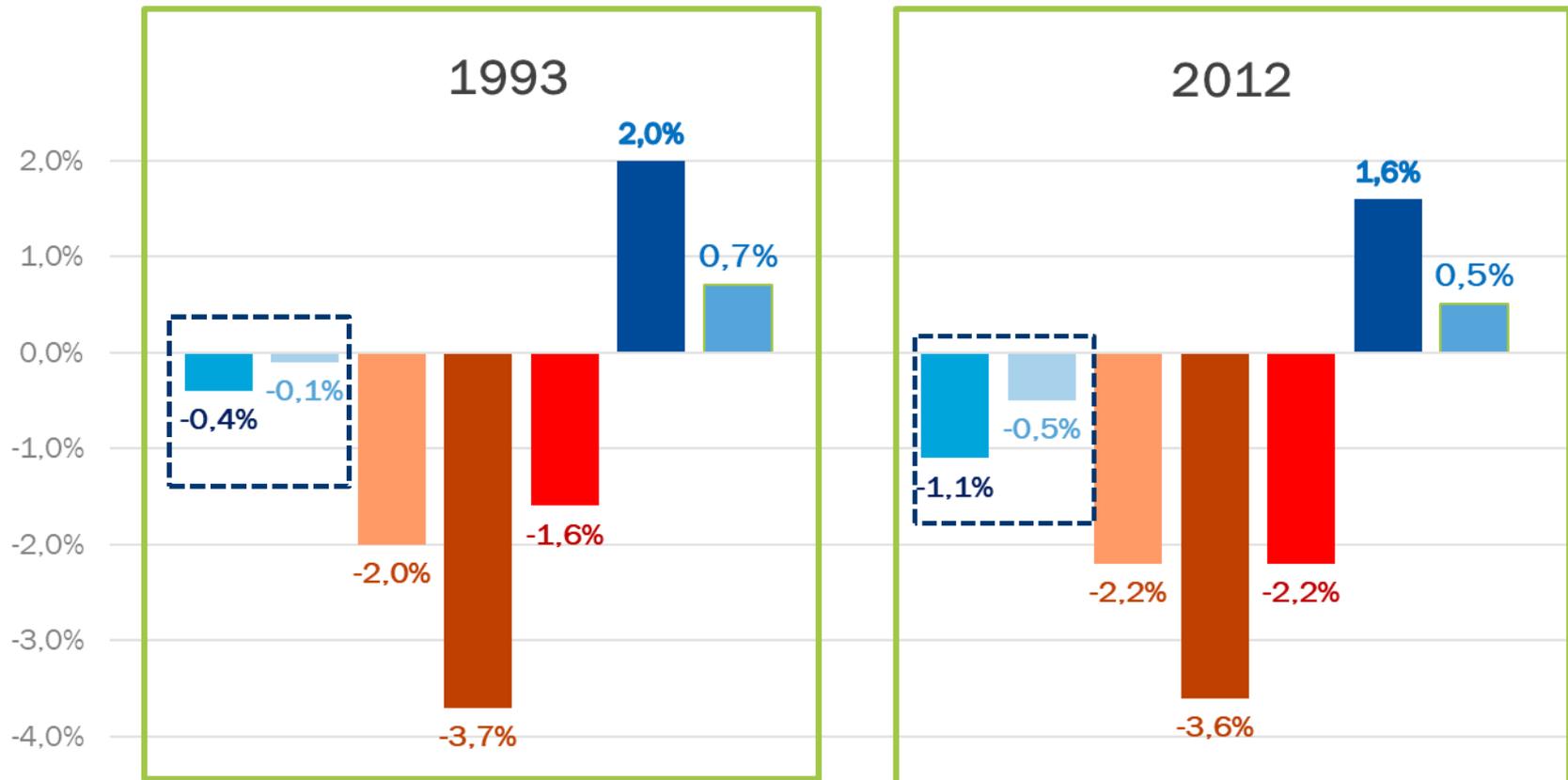
- ① In August 2022, **households' confidence** in the economic situation has rebounded slightly. At 82, the indicator that summarizes it has increased by two points but remains well below its long-term average (100)
- ② **Restaurant sales** rebounded 100% in S1 2022, the sector has finally returned to its pre-crisis level : revenues are 11% higher in S1 2022 than in S1 2019. Within the European Union, the trend is similar: +183% in S1 2022.
- ③ **FMCG sales** increased slightly during the first 8 months of the year (+1,6%) but decreased in volume (-1,7%).



# France

## Economic context (2)

Purchasing power and consumption choices (% in volume)

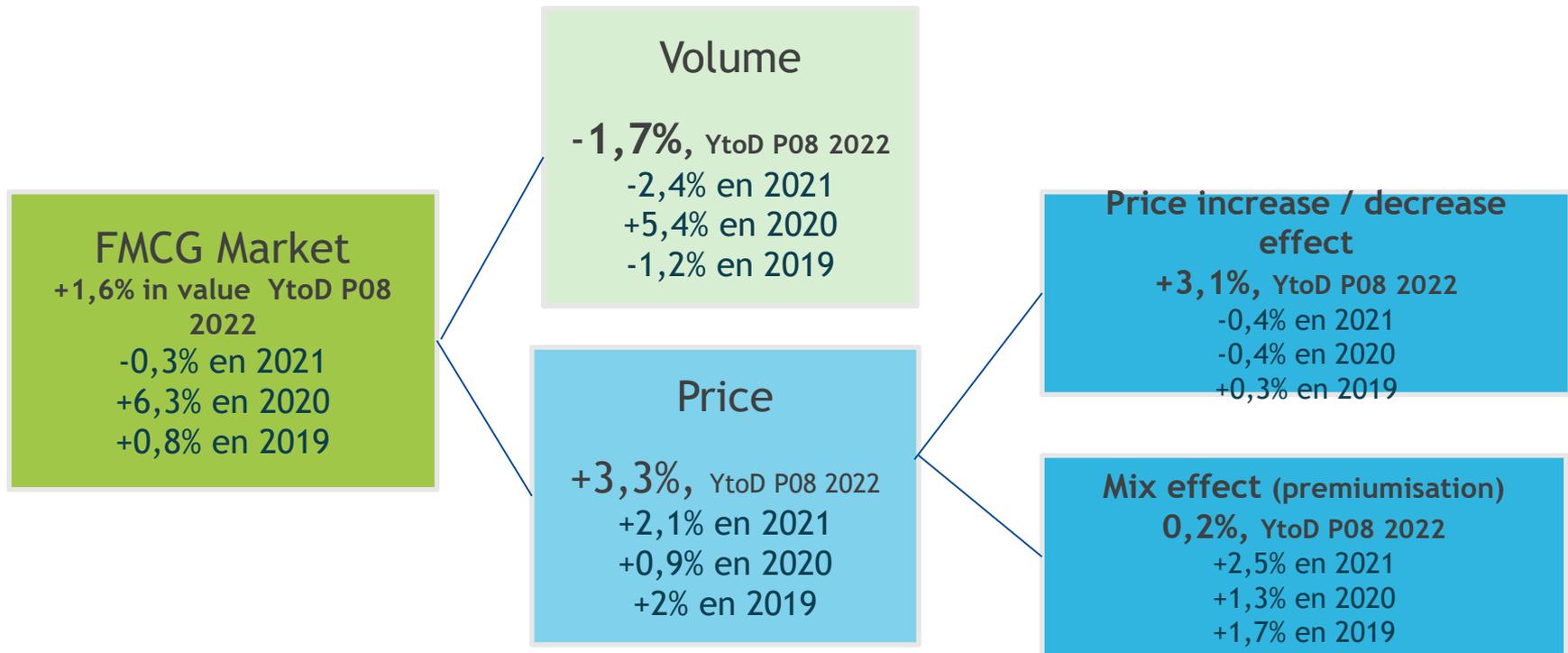


■ Purchasing power per consumption unit ■ Consumption ■ Clothing ■ Furniture ■ Out-of-home catering ■ Housing ■ Food

# France

## Economic context (3)

- ❖ Growth in FMCG sales during the January-August 2022 period was exclusively due to a price effect (+3.3%). volumes were down by 1.7%.
- ❖ The value-added effect (upmarket consumption) is now almost non-existent : +0,2% during the January-August 2022 period vs +2,5% in 2021.



Source : NielsenIQ - YtoD to 14 August 2022

# France

## Economic context (4)

85% of French people say they are worried about their purchasing power (compared to 71% in 2021), which is one of the main issues of concern for the French, along with climate change (86%) and the future of young people (85%).

Les questions économiques inquiètent plus nettement cette année : le pouvoir d'achat constitue le deuxième sujet d'inquiétude. En parallèle, la pandémie de Covid inquiète beaucoup moins, ainsi que le chômage

Pour chacun des sujets suivants, diriez-vous qu'il vous inquiète ou pas... ?

- À tous, en % de réponses « Vous inquiète » -

	Classement 2022	En %	Classement 2021	En %
	1	<b>Le dérèglement climatique</b>		<b>86</b>
	2	<b>Votre pouvoir d'achat</b> ▼ + 14 pts		<b>85</b>
	3	<b>L'avenir des jeunes**</b>		<b>85</b>
4	L'avenir de vos enfants*	84	La délinquance	82
5	La délinquance	83	Les inégalités	81
6	Le niveau des impôts et des taxes ▼ + 7 pts	82	La pandémie de Covid-19	76
7	Le terrorisme	81	Le niveau des impôts et des taxes	<b>75</b>
8	Les inégalités	81	Le chômage	73
9	La démocratie en France**	69	Votre pouvoir d'achat	71
10	La paix en France**	69	La place de l'Islam	64
11	Le chômage ▲ - 9 pts	64	Les fakes news ou fausses informations	64
12	La mondialisation	64	La mondialisation	64
13	L'immigration	62	L'immigration	63
14	La place de l'Islam ▲ - 3 pts	61		
15	Les fakes news ou fausses informations ▲ - 7 pts	57		
16	La pandémie de Covid-19 ▲ - 20 pts	56		

# France

## Focus on hypermarkets and supermarkets

Sales of dairy products in hypermarkets and supermarkets fell by 3,7% in volume during the first 8 months of 2022, compared to the same period in 2021 but remained stable in value.

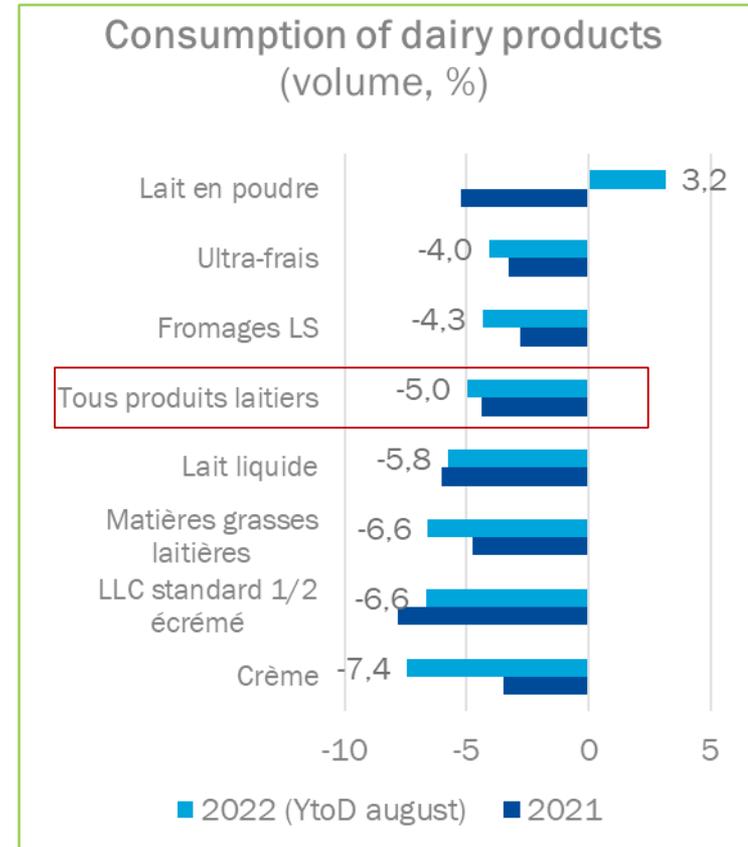
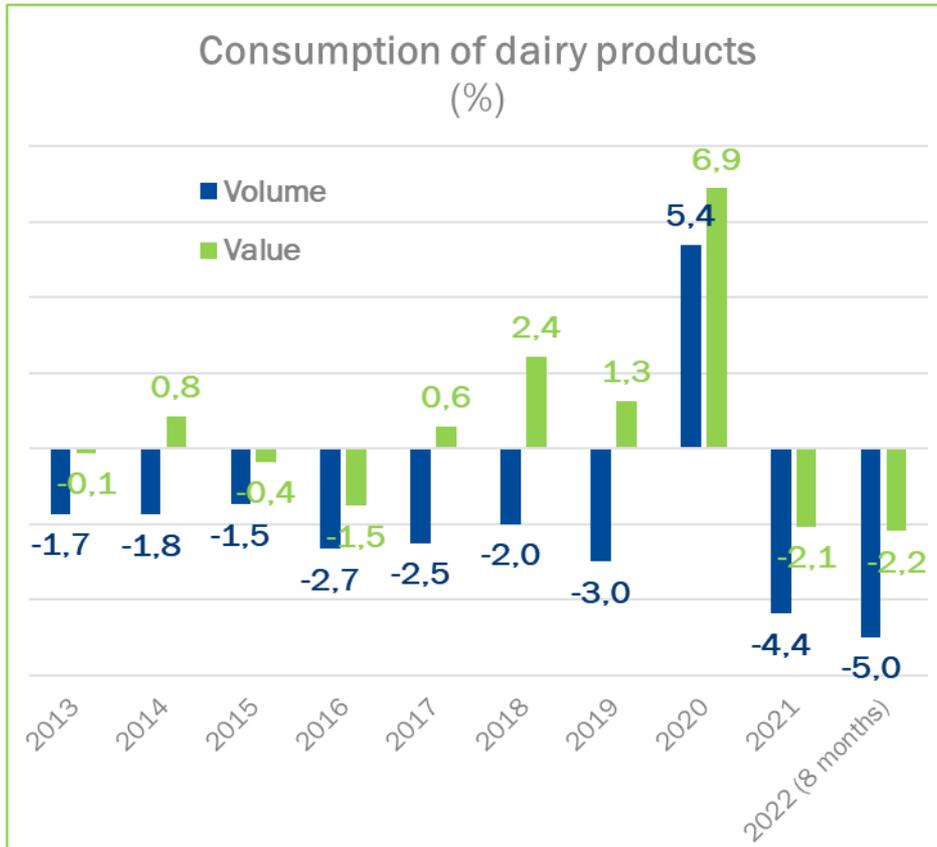
CUMUL A DATE HMSM+SDMP+ECCOMMERCE+PROXI	EVOLUTION VALEUR	POIDS VALEUR	CONTRIBUTION GAINS/PERTES	EVOLUTION VOLUME UC
<b>PGC FLS</b>	1.6%			-1.4%
<b>DPH</b>	1.9%	14.9%		-2.4%
DPH - ENTRETIEN	-0.4%	5.7%	-4%	-4.3%
DPH - HYGIENE BEAUTE	3.1%	7.1%	10%	-1.3%
DPH - PAPIER	4.3%	2.1%	4%	-0.6%
<b>EPICERIE</b>	2.4%	29.6%		-1.7%
EPICERIE SALEE	3.8%	13.1%	23%	-1.6%
EPICERIE SUCREE	1.3%	16.5%	10%	-1.7%
<b>FRAIS</b>	1.1%	34.1%		-2.4%
FRAIS - LAITIER	-0.2%	15.7%	-6%	-3.7%
FRAIS - NON LAITIER	2.3%	18.4%	20%	-0.9%
<b>LIQUIDES</b>	0.8%	16.8%		3.2%
LIQUIDES - ALCOOL	-3.7%	9.5%	-62%	-3.3%
LIQUIDES - SANS ALCOOL	7.3%	7.3%	23%	5.8%
<b>SURGELES</b>	1.0%	4.6%		-2.6%
SURGELE SALE	-5.2%	3.1%	-28%	-8.6%
SURGELE SUCRE	16.1%	1.5%	10%	12.6%

Source: NielsenIQ - year-to-date 14 august 2022

# France

## Focus on hypermarkets and supermarkets

The market for dairy products declined again in 2021. It has contracted by 4.4% in volume in 2021, and by a further 5% in 2022 (to the end of August). Sales volumes have fallen below their 2019 level.

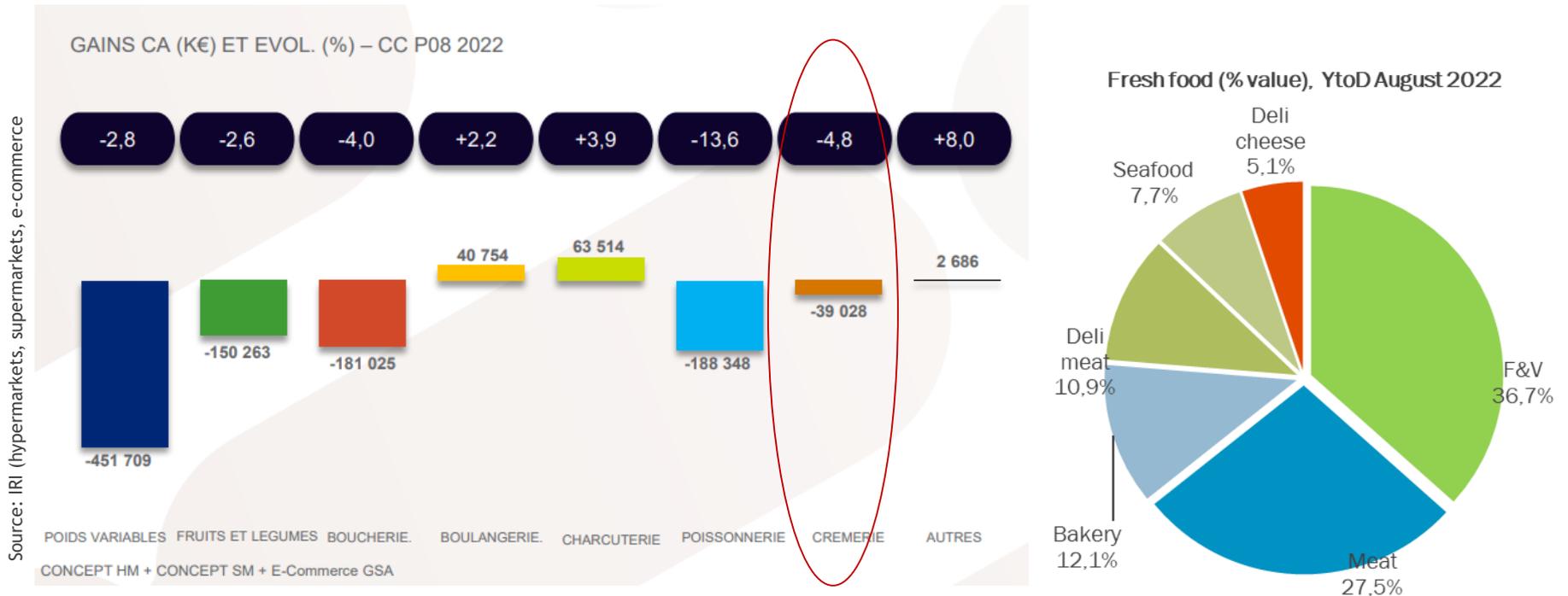


Source: IRI - HMSM Discount Ecommerce

# France

## Focus on fresh food in hypermarkets and supermarkets

The sales of fresh food products (unpacked products) decreased by 2,8% during the first 8 months of 2022 compared to 2021. The sales of **cheese** decreased by 4,8% during this period compared to 2021 (-7% compared to the same period in 2019).



# France

## Focus on inflation (1)

### Inflation in August 2022 : FMCG

- ❖ One-year inflation accelerated sharply to +7,9% overall.
- ❖ All types of brands are now inflationary, including national brands at +6,82%.
- ❖ The dairy product section is now the most inflationary section at +11,1% between August 2021 and August 2022. Between July and August, the increase was : +1,74% (vs 1,02% for the FMCG).
- ❖ Dairy products sold under “first prices” (premiers prix) jumped 15,76% in one year

Source: IRI (hypermarkets, supermarkets, e-commerce)

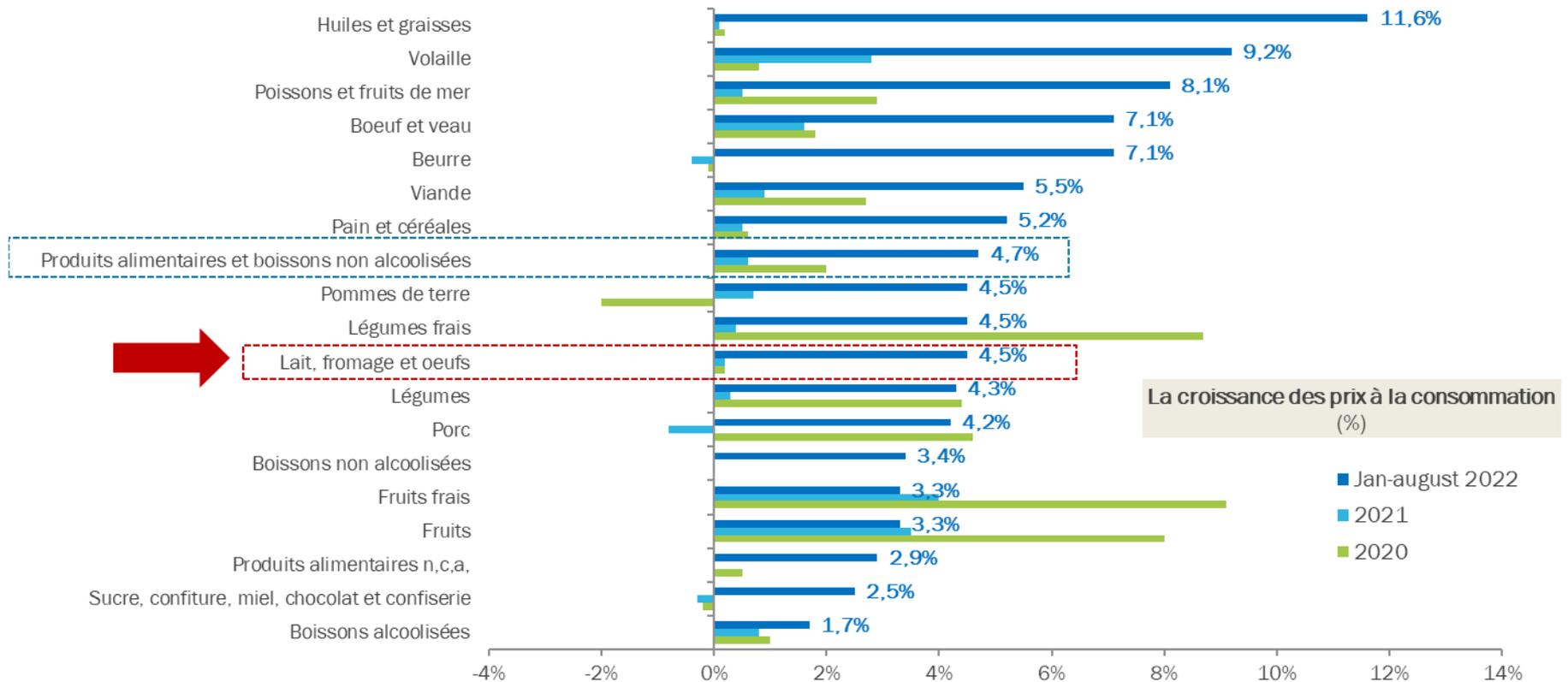
	Tous Circuits			
	Tous produits	MN	MDD	PPX
<b>TOTAL INFOSCAN IRI</b>	<b>7,90</b>	<b>6,82</b>	<b>10,34</b>	<b>12,87</b>
<b>INFOSCAN ALIMENTAIRE</b>	<b>7,97</b>	<b>6,88</b>	<b>10,43</b>	<b>13,05</b>
<b>DPH</b>	<b>5,34</b>	<b>3,46</b>	<b>9,79</b>	<b>14,15</b>
ENTRETIEN	4,15	2,47	8,78	9,97
HYGIENE	6,01	4,05	10,31	15,62
<b>EPICERIE</b>	<b>8,76</b>	<b>7,91</b>	<b>11,04</b>	<b>12,28</b>
EPICERIE SALEE	9,29	8,34	11,29	13,00
EPICERIE SUCREE	8,23	7,53	10,70	11,13
<b>FLS POIDS FIXE</b>	<b>10,20</b>	<b>9,34</b>	<b>11,21</b>	<b>15,02</b>
<b>CREMERIE</b>	<b>11,10</b>	<b>10,82</b>	<b>11,33</b>	<b>15,76</b>
FRAIS NON LAITIERS LS	9,32	8,23	10,60	12,84
SURGELES GLACES	10,07	7,89	13,04	22,72
<b>LIQUIDES</b>	<b>4,75</b>	<b>4,54</b>	<b>6,00</b>	<b>6,53</b>
BIERES ET CIDRES	4,87	4,79	5,62	10,27
BRSA ET EAUX	6,23	5,98	7,15	9,38
SPIRITUEUX ET CHAMPAGNES	2,47	2,26	3,74	3,01
<b>INFOSCAN BAZAR</b>	<b>6,00</b>	<b>4,99</b>	<b>7,84</b>	<b>10,02</b>



# France

## Focus on inflation (2)

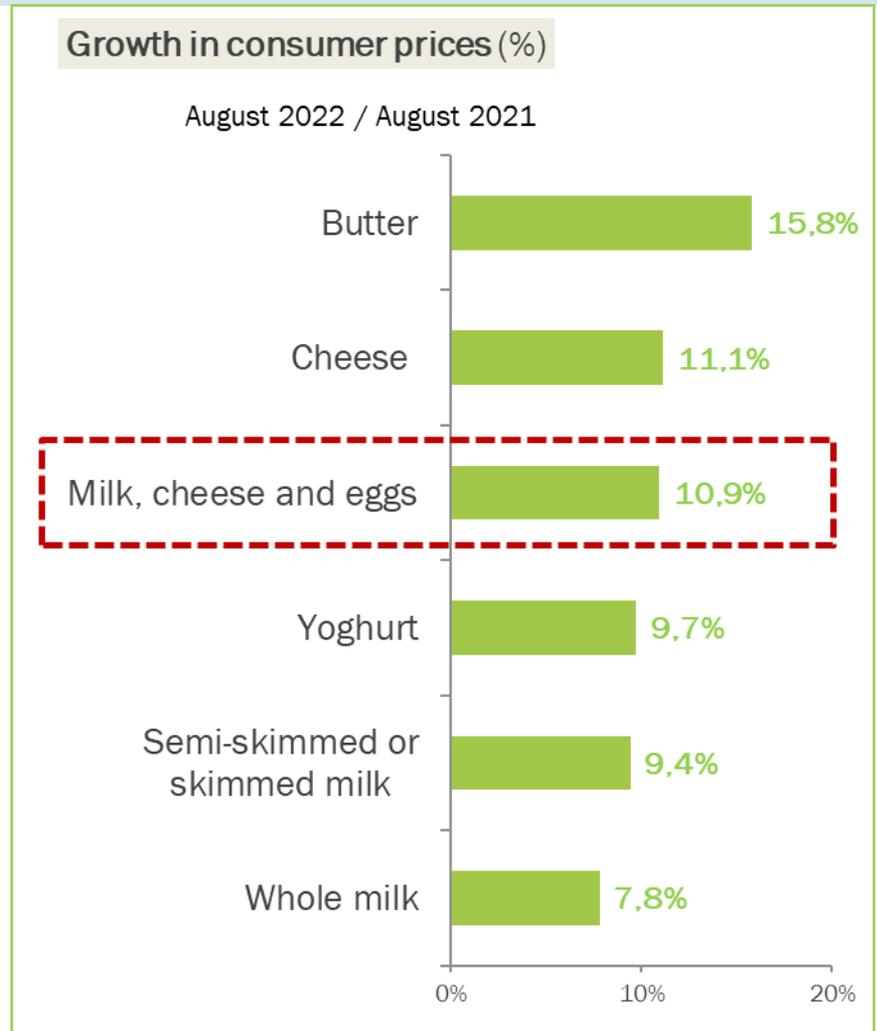
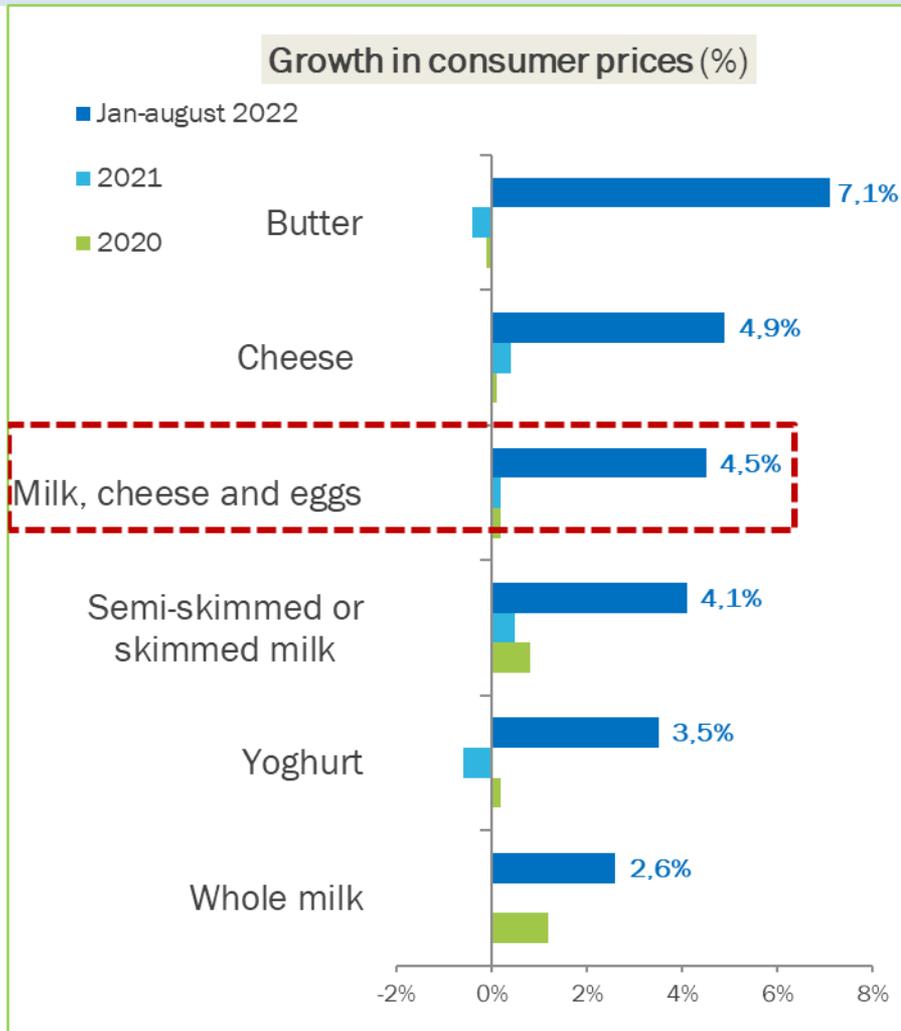
The growth of consumer prices of food products has tended to accelerate in recent months. Oil & fats prices have risen by 11,6%, poultry by 9,2% in the first 8 months of the year, etc. The growth in dairy products prices was less marked: 4,5% over 8 months



(\*) IPC : indice des prix à la consommation (ensemble des ménages / France) / Source : INSEE - dernière donnée août 2022

# France

## Focus on inflation (3) : dairy products



(\*) IPC : indice des prix à la consommation (ensemble des ménages / France) / Source : INSEE - dernière donnée août 2022

# France

## Organic market (hyper, supermarkets, discount, ecommerce)

Trend Reversal. According to Nielsen data, organic sales have decreased by -4,7% over the last 12 months to mid-August 2022 (vs +0,5% for the overall market). Organic represents 4,9% of FMCG sales, down slightly from 5.2% a year ago. In terms of distribution channels, organic sales in hypermarkets fell by -5,8% (+0,6% for all FMCG), in supermarkets they fell by -4,7%. Note an increase of +5,4% in the discount channel.



**97.5%**  
-0.1 point  
vs An-1



Sommes dépensées  
par acheteur (€)

**168.1 €**  
-6.81 € vs  
An-1



### CAM P08

	Evolution PGC FLS	Evolution BIO	Poids du BIO (vs PGC FLS)	Contribution du BIO aux gains valeur	Contribution des fabricants et distributeurs aux pertes du BIO
<b>HMSM+SDMP+ECCOMMERCE+PROXI</b>	<b>0.5%</b>	<b>-4.7%</b>	<b>4.9%</b>	<b>-100.0%</b>	<b>-73.2 -26.8</b>
ENSEIGNES HM	0.6%	-5.8%	4.2%	-100.0%	-77.0 -22.9
ENSEIGNES SM	0.0%	-4.7%	5.4%	-100.0%	-84.3 -15.7
ENSEIGNES PROXI	4.8%	-2.4%	5.7%	-100.0%	-100.0 100.0
TOTAL ECCOMMERCE	-1.0%	-8.7%	7.8%	-72.6%	-47.3 -52.7
ENSEIGNES SDMP	-0.5%	5.4%	3.2%	100.0%	5.5 94.5

	Basket
2017	109,5 €
2018	130,6 €
2019	152,7 €
2020	172,2 €
2021	172,1 €
2022 (CAM P08)	168,1 €

Source: NielsenIQ

# France

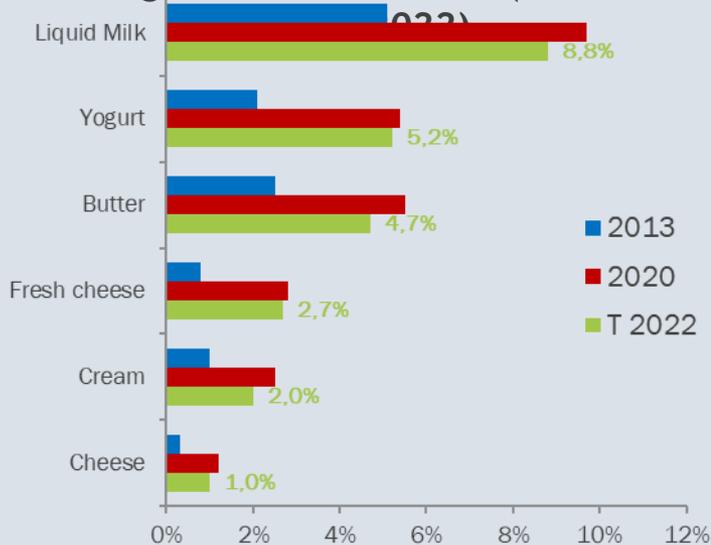
## Sales of organic versus conventional milk & dairy products



### Organic milk & dairy products

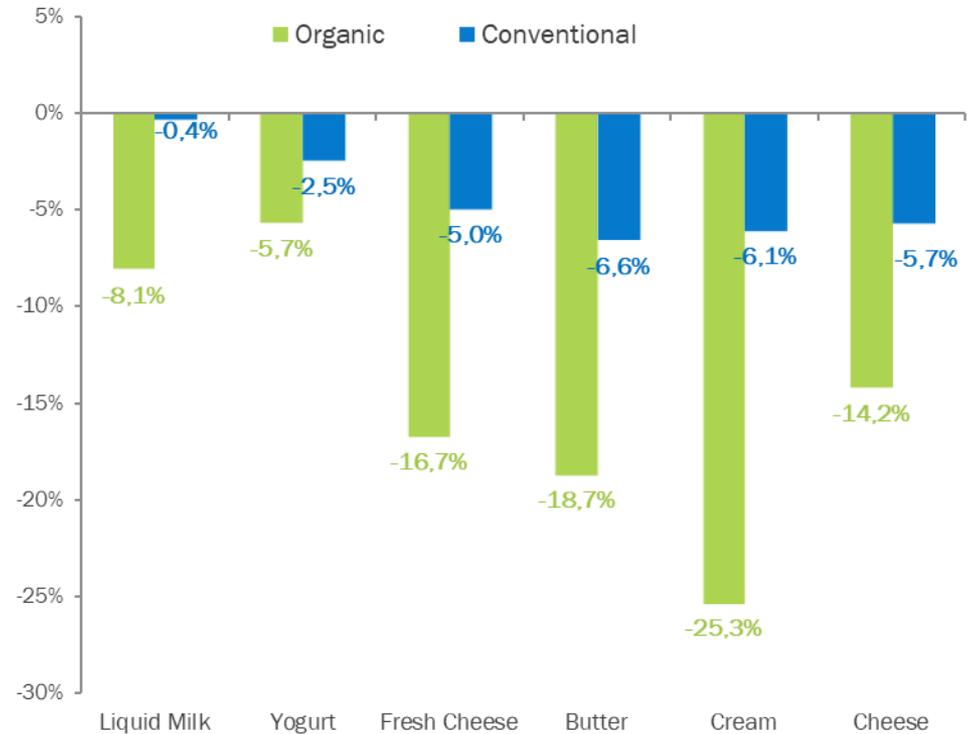
- ❖ Organic dairy products sales decreased during in 2021 & Q1 2022. Their decline was stronger than that of conventional products

### Organic market shares (% vol.)



### Consumption of organic vs conventional milk & dairy products

%, vol, Q1 2022 / Q1 2021



Source: Kantar World Panel via FranceAgriMer (Min. de l'Agriculture)

# France

## Plant-based options in 2022

- ❖ **Plant-based desserts** : 137 M€, +2,6% (12 months, to May 2022).
- ❖ The market of Plant-based desserts increased by 1% in **volume** (12 months to May 2022) vs a decrease by 4% for the fresh dairy products market.
- ❖ The segment represents 2% of the volume of the fresh dairy products market.

### Chiffre d'affaires : un voyant au vert



C'EST LE CHIFFRE D'AFFAIRES DU RAYON VÉGÉTAL, EN PROGRESSION DE + 2,6 %.

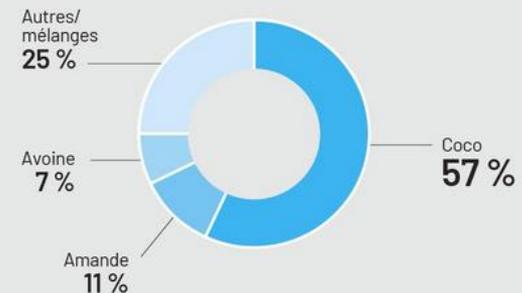
Source : panel distributeurs d'après fabricant. Données tous circuits sur un an, arrêtées à mai 2022.

### Le soja accapare encore l'essentiel des volumes

	Volumes	% vol	Évol. 1 an
Desserts végétaux au soja	23 200 t	68 %	- 6 %
Desserts végétaux hors soja	9 600 t	32 %	+ 22 %
Total	32 800 t		+ 1 %

Source: Linéaires

### Autres végétaux : la coco domine



Source : panel distributeurs d'après fabricant. Données sur un an tous circuits arrêtées à mai 2022. Données volumes.

# Italy – Modern retail

## Milk and dairy products

Product category	<u>VOLUME</u> (1H 2022 vs. 1H 2021) % change)	<u>VALUE</u> (1H 2022 vs. 1H 2021) % change)	<u>VOLUME</u> (2Q 2022 vs 2Q 2021 % change)	<u>VALUE</u> (2Q 2022 vs 2Q 2021 % change)
Fresh milk	-0,5	2,9	0,8	5,8
UHT milk	-4,1	0,7	-5,9	3,1
Fresh cheese*	-3,2	1,5	0,8	7,6
Cheese*	-0,6	4,9	0,4	9,5
Fresh dessert	21,2	25,4	23,5	30,4
Dessert	14,8	36,1	13,1	37,1
Butter	-11,3	2,6	-4,3	15,3
Béchamel / Cream	-8,3	-5,2	-3,6	2,8
Yoghurt	-3,0	0,6	-1,6	3,6

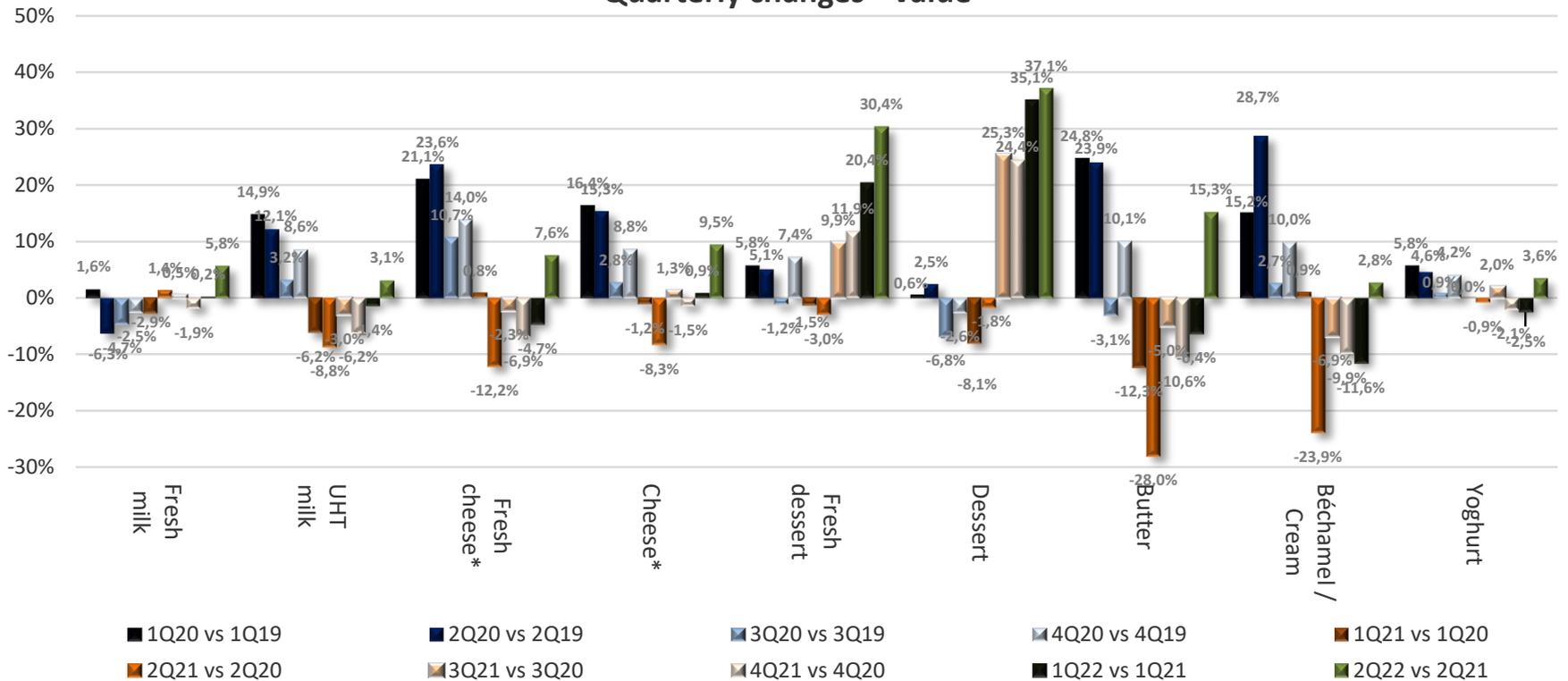
Source: Market Track Nielsen

\* Peso imposto

# Italy – Modern retail

## Milk and dairy products – Quarterly changes (value)

### Milk and dairy products Quarterly changes - Value

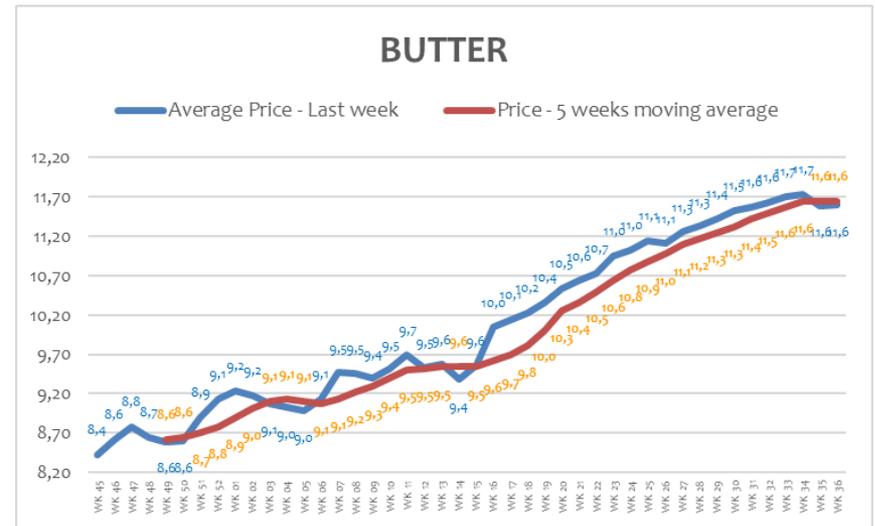
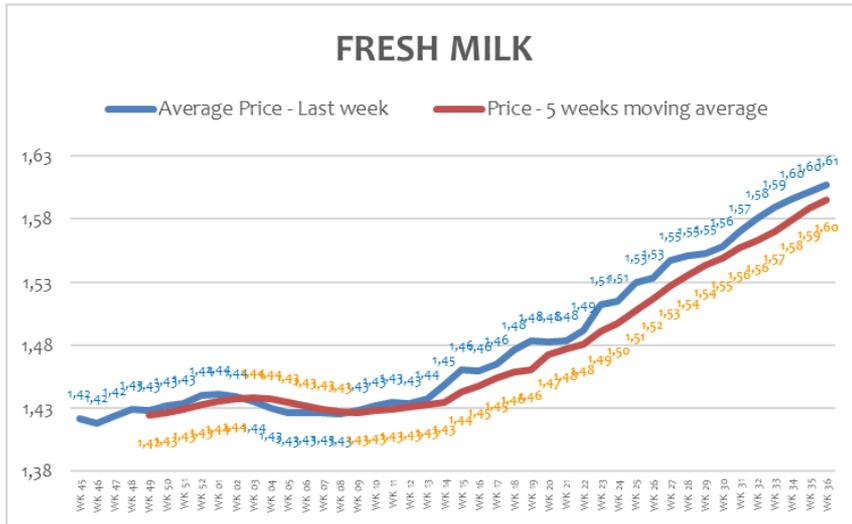


Source: Market Track Nielsen

\* Peso imposto

# Italy – Modern retail

## Weekly average prices (€)

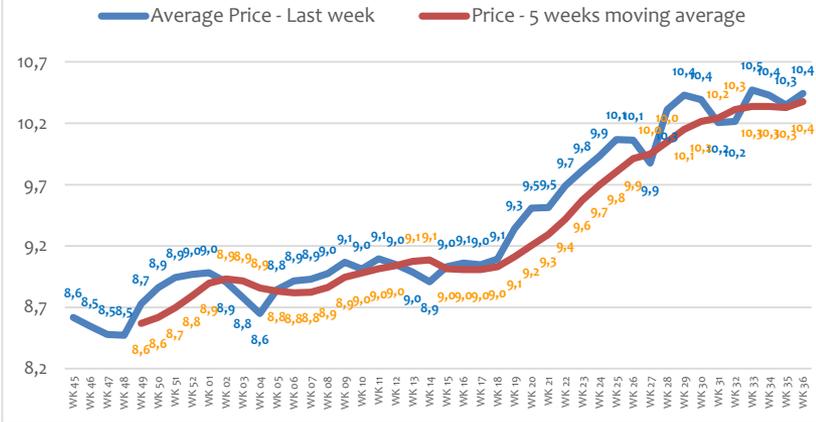


Source: Nielsen

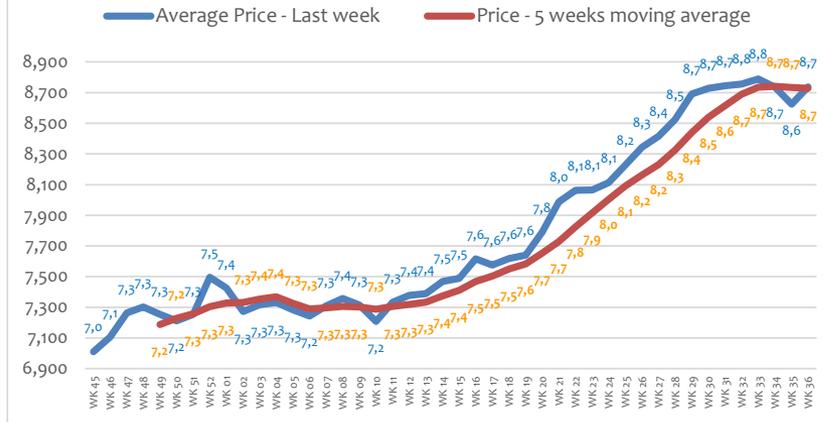
# Italy – Modern retail

## Weekly average prices (€)

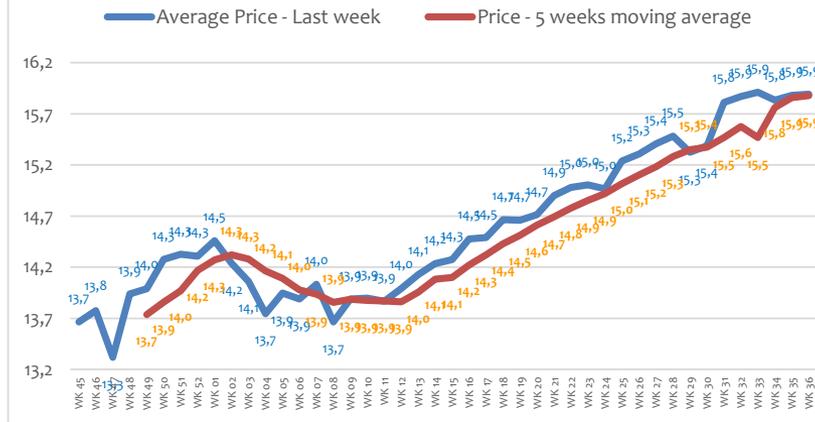
### TABLE CHEESES



### MOZZARELLA



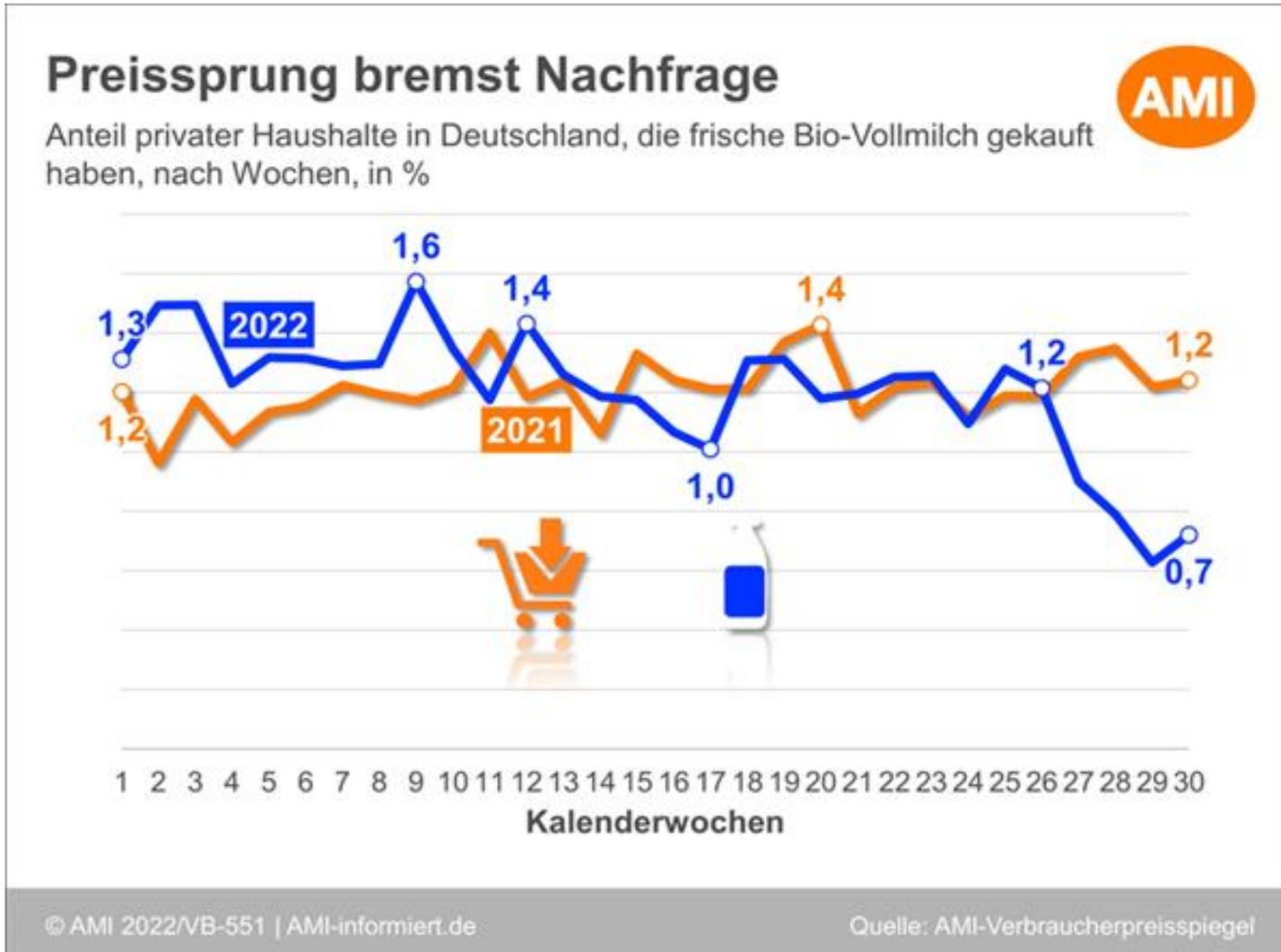
### GRANA AND SIMILAR



Source: Nielsen

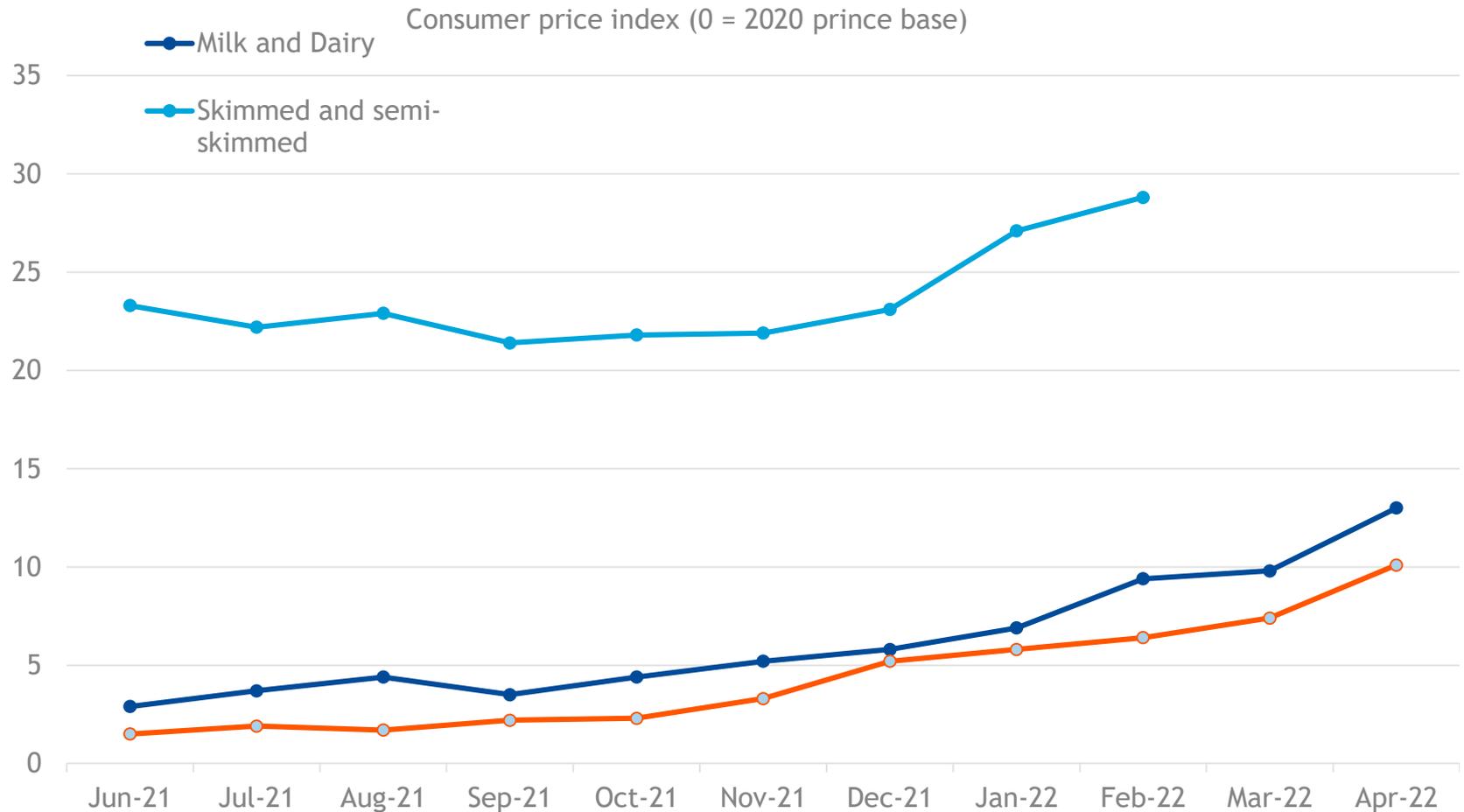
# Germany

## Organic milk - price



# Netherlands

## Consumer prices



Source: statista

# Sweden

	Value trend		Volume trend	
	Last 4 weeks	Last 52 weeks	Last 4 weeks	Last 52 weeks
MILK	16,1	4,2	-4,1	-4,5
HARD CHEESE	17,8	7,7	-3,8	-1,2
CREAM	13,6	2,1	-6,6	-5,8
YOGHURT	17,2	7,1	-3,5	-1,7
COTTAGE CHEESE, CURD CHEESE	8,1	2,5	-10,3	-4,6
COLD DESSERTS	12,4	10,0	-2,0	2,4
BUTTER	1,0	-1,4	-10,4	-4,8

Source: NielsenIQ, week 38 2022