

August 2024

Plant-Based Protein

Monthly Market Insight



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Rebranding Notice

- As of June 25th, Mintec has rebranded to **Expana**
- Please note our new email domain: @expanamarkets.com
- We will update our publications gradually to ensure a smooth transition.

Key Takeaways

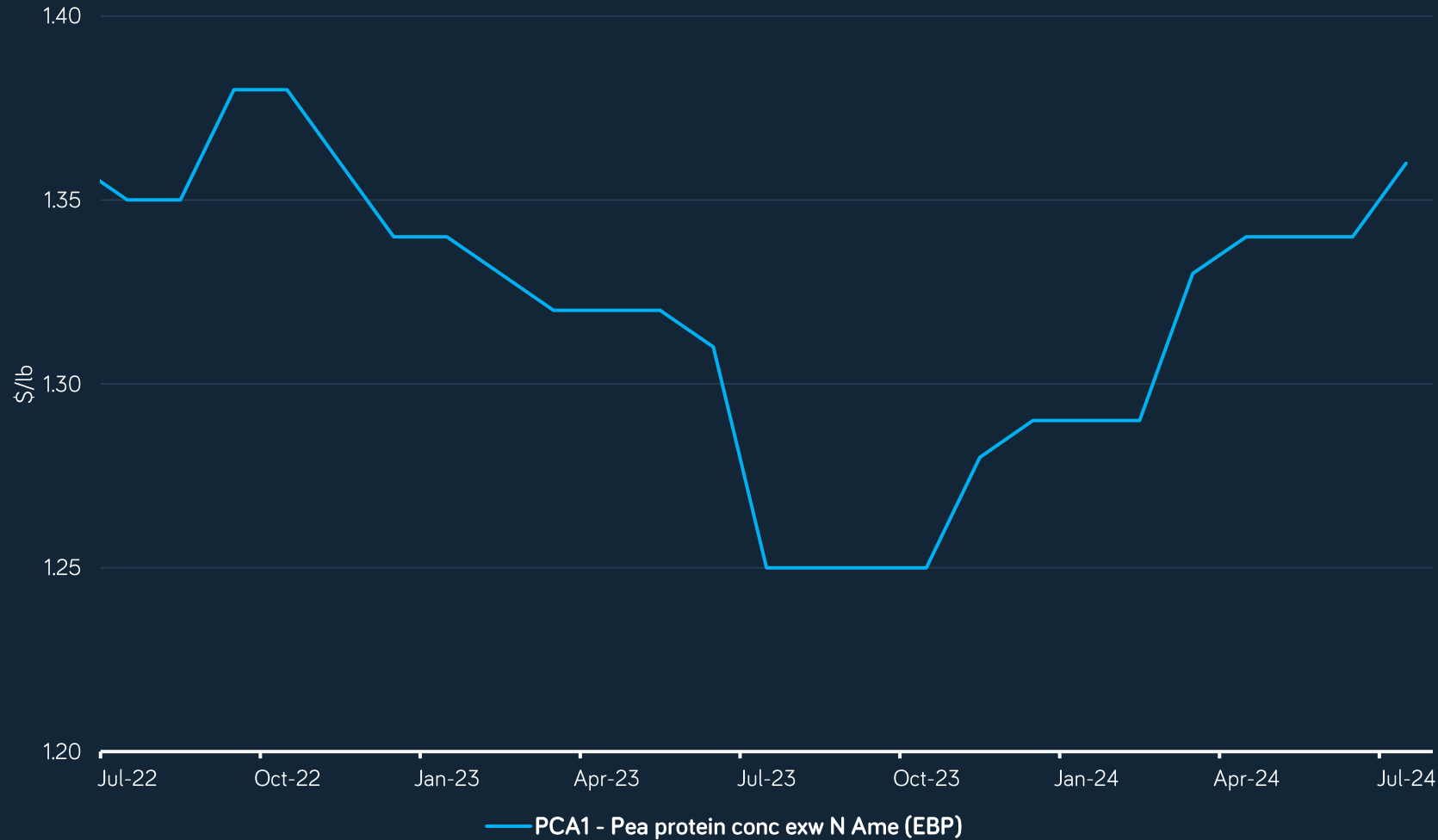
The US Department of Commerce (DOC) has issued a final decision in the anti-dumping case of pea protein imports from China.

Expana Benchmark Prices for pea protein in Europe hit a record low, largely due to weaker consumer demand and improving energy costs.

Russia has become the top exporter of peas to China, accounting for almost half of the country's total imports and overtaking the top spot from Canada.

Monthly Price Movements

Pea Protein Concentrate Prices in North America



Pea Protein Concentrate North America

EXPANA BENCHMARK PRICES

\$1.36/lb

MONTH-ON-MONTH CHANGE

↑ 2%

YEAR-ON-YEAR CHANGE

↑ 7%

- Producers in North America anticipate an upswing in the market as players continue to work through inventory and harvest gets underway this month. Sources tell Expana that there was a fair amount of supply that was brought into the market prior to the three-month period of retroactive tariffs.
- The tariffs could lead to a shift in ingredient sourcing and cause some companies to reformulate to options like soy protein

Monthly Price Movements

PLANT-BASED EXPANA BENCHMARK PRICES	EXPANA CODE	JULY ASSESSMENT	CHANGE	% CHANGE
Soy Concentrate EXW Europe	SCE1	€2.63/kg	€0.00/kg	0%
Soy Texturized Concentrate EXW Europe	SCE2	€3.43/kg	€0.00/kg	0%
Soy Isolate EXW Europe	SIE1	€5.38/kg	€0.00/kg	0%
Soy Concentrate EXW North America	SCA1	\$1.23/lb	\$0.00/lb	0%
Soy Texturized Concentrate EXW North America	SCA2	\$1.88/lb	\$0.00/lb	0%
Soy Isolate EXW North America	SIA1	\$2.58/lb	\$0.00/lb	0%
Soy Concentrate EXW China	SCC1	\$1.03/lb	\$0.00/lb	0%
Soy Isolate EXW China	SIC1	\$2.07/lb	\$0.00/lb	0%
Pea Concentrate EXW North America	PCA1	\$1.36/lb	+\$0.02/lb	+2%
Pea Texturized Concentrate EXW North America	PCA2	\$1.80/lb	+\$0.01/lb	+1%
Pea Isolate EXW North America	PIA1	\$2.52/lb	+\$0.01/lb	+1%
Pea Concentrate EXW Europe	PCE1	€1.10/kg	-€0.05/kg	-4%
Pea Texturized Concentrate EXW Europe	PCE2	€2.70/kg	-€0.05/kg	-4%
Pea Isolate EXW Europe	PIE1	€4.00/kg	€0.00/kg	0%
Pea Isolate EXW China	5G91	\$1.47/lb	\$0.00/lb	0%
DAIRY EXPANA BENCHMARK PRICES	EXPANA CODE	JULY ASSESSMENT	CHANGE	% CHANGE
Whey Protein Concentrate (instant) EXW Europe	WCIEU	€9.65/kg	+€0.54/kg	+6%
Whey Protein Isolate EXW Europe	WIEU	€15.50/kg	+€0.99/kg	+7%
Whey Protein Concentrate (instant) FCA USA	WCIUS	\$9.81/kg	\$0.00/kg	0%
Whey Protein Isolate FCA USA	WIUS	\$16.34/kg	+\$0.52/kg	+3%

Market Sentiment for the Month Ahead

US DOC Issues Final Anti-Dumping Decision

- The US DOC announced its final decision in the anti-dumping investigation of pea protein concentrate imports from China. A similar investigation is underway in Canada
- Based on the DOC's final determination, four Chinese pea protein manufacturers will face countervailing duties of over 355%. Additionally, producers that are under government control will face anti-dumping tariffs of almost 270%. Meanwhile, over a dozen producers and exporters will be required to pay cash deposits of 11.65% of their shipments' value to US Customs and Border Protection

Russia Becomes Top Pea Exporter to China

- According to Russia's Union of Grain Exporters, Russia has become the top exporter of peas to China, accounting for almost half of the country's total imports and overtaking the top spot from Canada. The data shows Russia exported 1.13 million tons of peas to China during the 2023/24 season, a 49% increase in market share. Meanwhile, Canada's share declined to about 47%, a significant drop from about 95% of China's pea imports in recent years. The shift in sourcing comes after Canada followed suit with the United States in an anti-dumping investigation of pea protein imports from China

European Pea Protein Prices Hit a Record Low

- Expana Benchmark Prices (EBP) for pea protein isolate, texturized concentrate, and concentrate in Europe hit a record low since the series have been launched. The EBP for pea protein isolate EXW Europe was €4.00/kg in July, unchanged m-o-m but 27% lower than a year prior. Texturized pea protein concentrate EXW Europe declined €0.05/kg from a month prior, totaling €2.70/kg and 23% below year ago values. Meanwhile, pea protein concentrate EXW Europe was quoted at €1.10/kg, a €0.05/kg decrease m-o-m and 59% lower than a year ago
- Buyers state that they have been able to negotiate with suppliers for lower prices on product, likely due to weaker consumer demand and improving energy costs. While the market has been in a lull for many months, players state that prices have likely bottomed, with an upswing expected after the summer and we head into the final months of the year

Retailers to Allocate Similar Shelf Space

- Sources tell Expana that retailers are allocating slightly less shelf space to alternative proteins, but it is not a significant change compared to prior years. Companies are becoming more competitive, and there has been a substantial amount of consolidation. Players also note an uptick in activity by private labels

“The pea harvest has started in Southern Europe and Ukraine, with yields in Bulgaria and Romania significantly lower than last year. An increase in demand has led to a 20% uptick in pea prices. The higher cost of raw materials is likely to translate into an increase in prices for further processed ingredients.” - **Producer**

MARKET SENTIMENT



Wait-and-See Approach

Most participants expect an increase in prices given market seasonality as we head into the fall and negotiations begin. Market players are taking a wait-and-see approach as the impact of the tariffs on Chinese pea protein imports are not likely to be felt immediately.

Supply and Demand

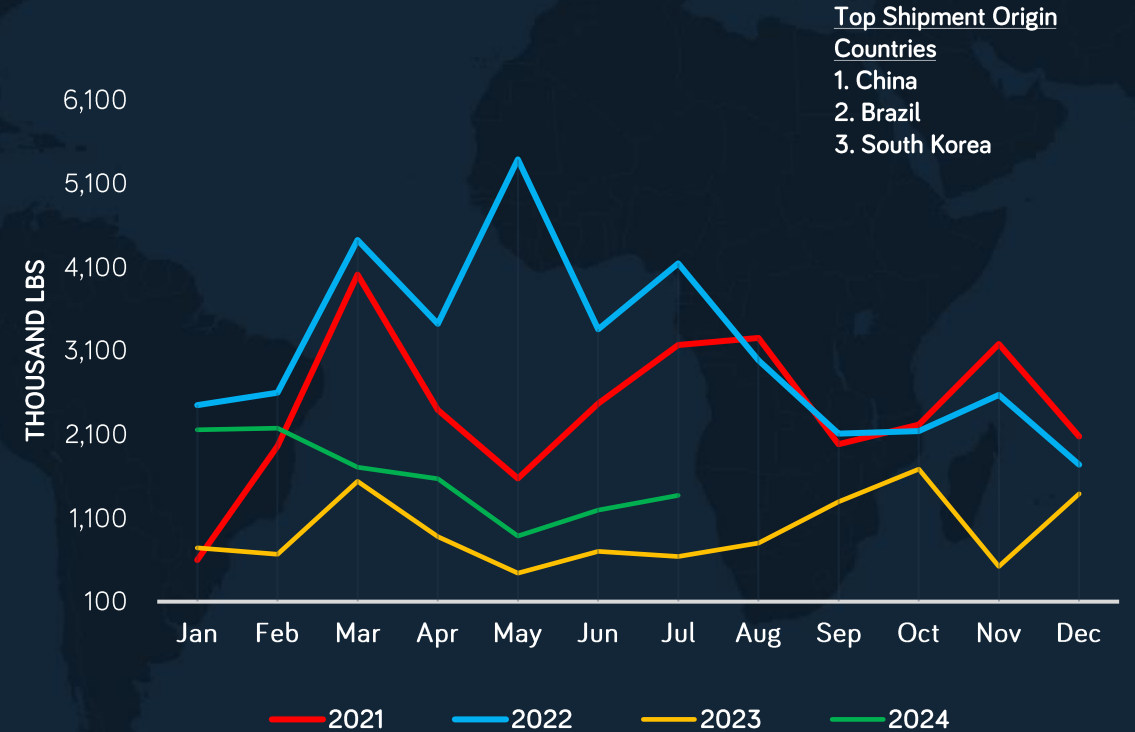
2024 Top Soy Protein Isolate Importers/Exporters YTD

- Customs data does not represent the full scope of trade volume for specified items. Data may exclude large quantities of imported product due to the use of generalized or uneven reporting terms and/or omission of certain company requested records. The import/export figures with the associated importer/exporter name are only for waterborne shipments into the U.S.
- *What appears as “ORDER” indicates that buyers have chosen to not disclose their name to the public.

Importers	Pounds
1. PGP International	2,694,110
2. Order	2,514,990
3. Flexport International	1,562,630
4. Phil Patterson Inc	1,111,630
5. FedEx Trade Networks	753,232
6. T Full North America LLC	726,784
7. Archer Daniels Midland Co	423,402
8. TQL Global LLC	265,654
9. Bunge North America Inc	177,356
10. Prime Agency	126,918

Exporters	Pounds
1. Order	3,805,850
2. Dezhou Ruikang Bio Technology Co	2,082,990
3. Flexport International	790,347
4. FedEx International Freight Forward	753,232
5. Qingdao Topway International	726,784
6. Shandong Yuwang Ecological Food	611,119
7. Flexport International Shanghai	609,039
8. ADM Japan Ltd	423,402
9. Shanghai Milkyway Chemical	265,654
10. Bunge Asia PTE Ltd	177,356

Soy Protein Isolate Imports
US Customs Waterborne Shipment Volume



Supply and Demand

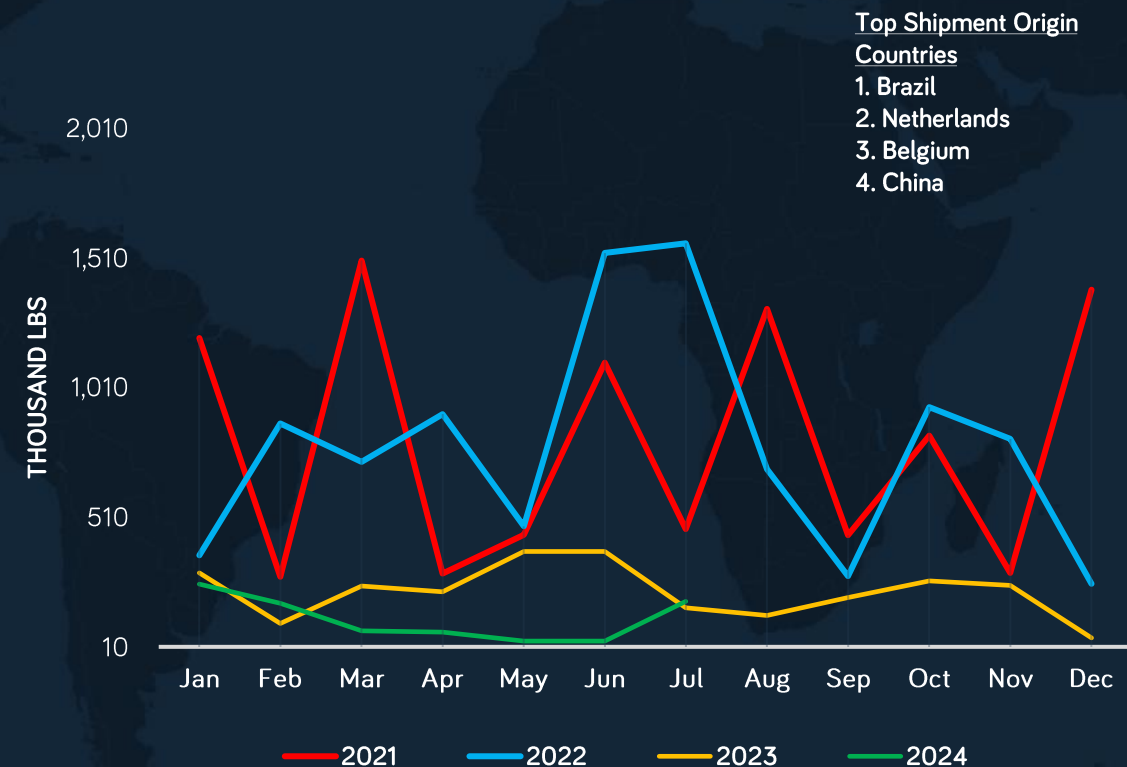
2024 Top Soy Protein Concentrate Importers/Exporters YTD

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- *What appears as "ORDER" indicates that buyers have chosen to not disclose their name to the public.

Importers	Pounds
1. Gestion Cargo Zona Franca S A S	320,888
2. ADM Bio Productos SA DE C V	179,014
3. Kerry Apex	103,638
4. Solex Logistics Inc	86,949
5. Centrans Marine Shipping Inc	86,949
6. Archer Daniels Midland Co	78,358
7. FedEx Trade Networks	73,991
8. Skretting Canada Inc	67,260
9. Sunshine Logistics Inc	54,806
10. Gushen America Inc	43,475

Exporters	Pounds
1. ADM Do Brasil LTDA	320,888
2. Sojaprotein A D Becej	179,014
3. K-Apex Logistics (Qingdao) Co Ltd	103,638
4. Maxwide Logistics Inc	86,949
5. Pudong Prime International	86,949
6. FedEx International Freight Forward	73,991
7. CJ Selecta S A	67,620
8. Americana Express (Shandong) Co	54,806
9. Archer Daniels Midland Co	50,580
10. Dezhou Gushen Protein Technology Co	43,475

Soy Protein Concentrate Imports
US Customs Waterborne Shipment Volume



Supply and Demand

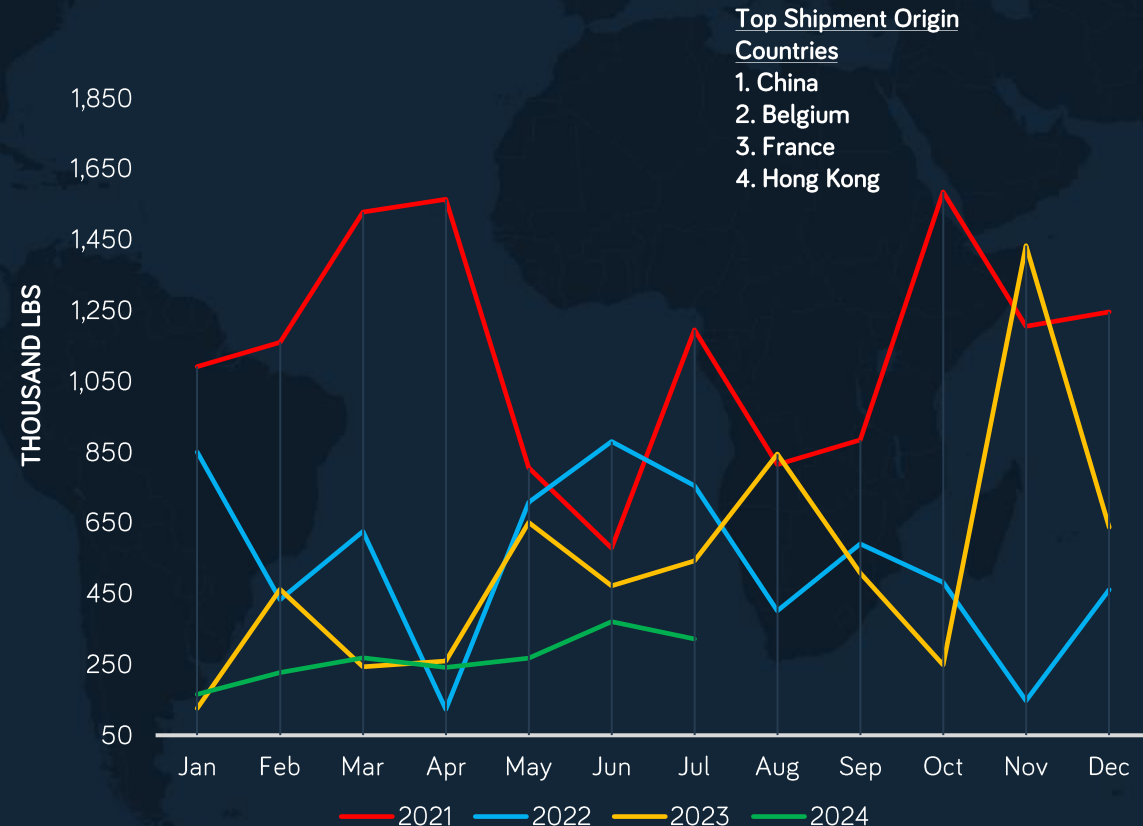
2024 Top Pea Protein Isolate Importers/Exporters YTD

- Customs data does not represent the full scope of trade volume for specified items. Data may exclude large quantities of imported product due to the use of generalized or uneven reporting terms and/or omission of certain company requested records. The import/export figures with the associated importer/exporter name are only for waterborne shipments into the U.S.
- What appears as "ORDER" indicates that buyers have chosen to not disclose their name to the public.

Importers	Pounds
1. A & B Ingredients Inc	1,033,350
2. Delmar International Inc	439,870
3. Cosucra Inc	359,336
4. Natures Value Inc	128,890
5. Cosucra Inc 2080 Hassell Road	80,534
6. TopAsia International Logistics	44,092
7. Stauber Warehouse	40,267
8. AMS Logistics	40,232
9. DSV Air & Sea	39,872
10. SPI Group	39,872

Exporters	Pounds
1. Cosucra Groupe Warcoing S A	1,432,960
2. Krishna Enzytech Private Limited	128,890
3. Order	120,371
4. Delmar International	53,660
5. Delmar International China Inc	45,503
6. Shanghai Milkyway Chemical	44,092
7. Cosucra Group Warcoing SA	40,267
8. DSV Air Sea NV - I441	39,872
9. Yosin Biotechnology (Yantai) Co Ltd	39,202
10. Anhui Light Industrial Co Ltd	15,560

Pea Protein Isolate Import Volume US Customs Shipment Volume



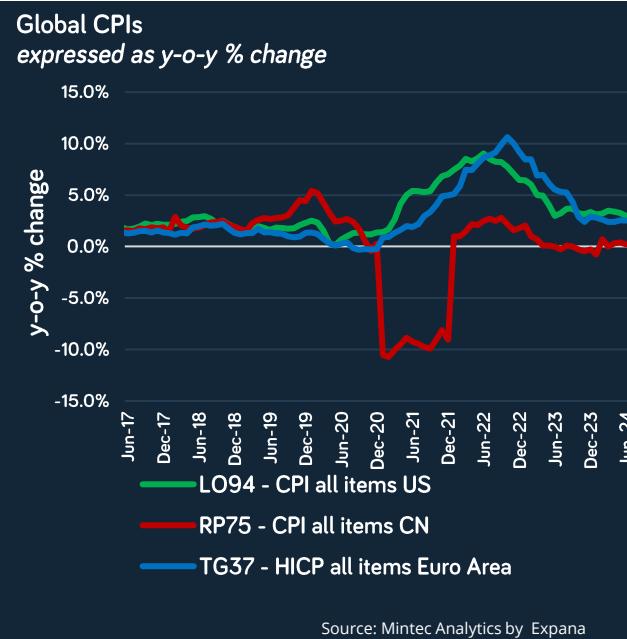
Source: USDOC, Urner Barry by Expana

Other Price Drivers

Macroeconomic Environment



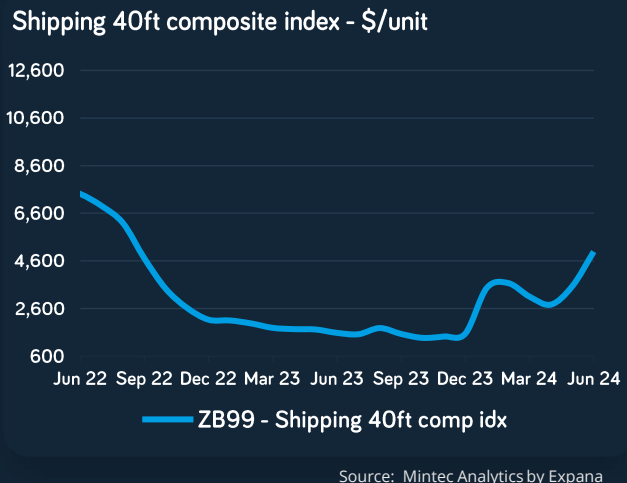
- Inflation in the US was **3.0% y-o-y in June**, down from **3.3% y-o-y in May**, representing the first m-o-m decline since May 2020. The headline result was slightly below market forecasts of 3.1% y-o-y
- **Annualized inflation in the Eurozone was 2.5% y-o-y in June**, down from **2.6% y-o-y in May**. Annualized declines were observed in the food, alcohol, and tobacco, and energy subindices, which fell by 2.4% y-o-y and 0.2% y-o-y, respectively. However, the services subindex showed the greatest m-o-m increase, rising by 0.6%



Freight Rates



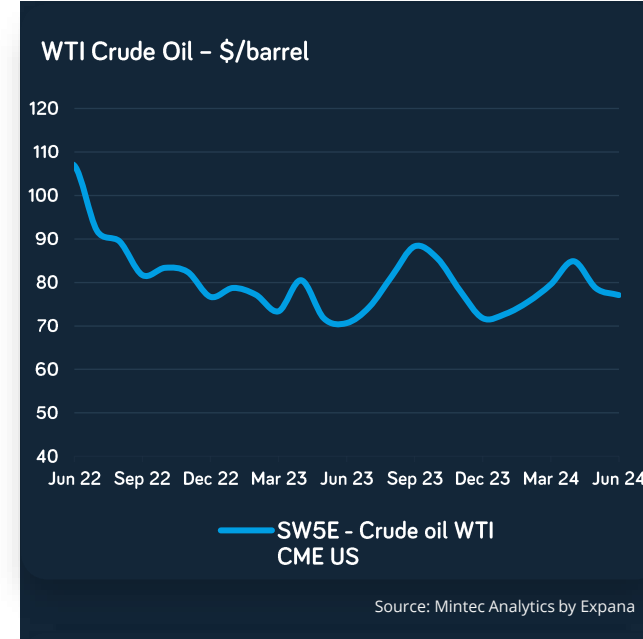
- The shipping 40ft composite index continued its steady rise in June, increasing **41% m-o-m** and **217% y-o-y to \$4,988 per unit**. The index exceeded \$5,000 per unit by the end of the month and continues to grow in July. Ship shortages and port congestion exacerbated the global capacity shortage.
- At the same time, **importers of industrial goods in Europe report that there are no supply disruptions**, but the peak in freight demand has not yet passed, so the risks of supply disruptions remain.



Crude Oil



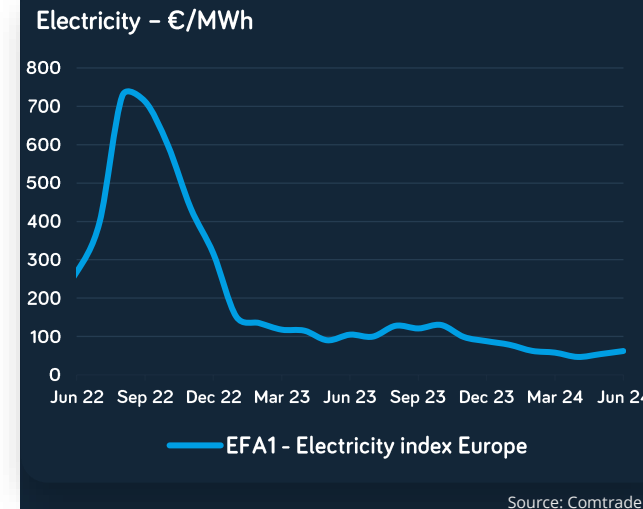
- WTI crude oil prices fell by **2.0% m-o-m to \$77.08/barrel in June**, representing a **9.1% y-o-y increase**. The crude oil price has been in a sideways trend in recent months as elevated US production and inventories counterweigh OPEC output cut extensions and geopolitical uncertainty in the Middle East. Any change to the military situation between Israel and Palestine, or between Russia and Ukraine, will have a marked impact on the crude oil price, either through escalation or a peace deal



Electricity Index



- European power prices increased by **14.7% m-o-m to €62.7/MWh in June**. European power prices have increased due higher EU gas prices. Gas is used as an input fuel in the power generation mix. EU gas prices have risen due to a lower number of LNG cargo arrivals and geopolitical tensions. Electricity demand has also increased across Europe, with demand destruction policies coming to an end in March 2024



Abbreviations and Acronyms

Commodity Market Insight

CPI	Consumer Price Index
DOC	US Department of Commerce
KG	Kilograms
LB	Pounds
USD	US Dollar

Calculation methodology

Recent price movements

Y-O-Y The average price of the current period (quarter, six months, or year) compared to the average price of the same period in the previous year

Q-O-Q The average price of the current quarter compared to the average price of the previous quarter

M-O-M The average price in a month compared to the average price of the previous month

Methodology, Feedback & Forward-Looking Statements

Expana is committed to ensuring all published Expana Benchmark Prices are representative of market value, and in line with Expana's transparency principles, we encourage industry participants to reach out to the Proprietary Pricing Team. Any feedback and comments related to this document and the prices contained within are welcomed and should be directed to PRA@expanamarkets.com.

All forward-looking statements in this report are the views and expectations of the individual market participants. The Expana Proprietary Pricing Team does not have a forward-looking view and is not involved in price forecasting.

For details on the methodology used to assess the Expana Benchmark Prices, visit this [link](#).