

October 2024

Plant-Based Protein

Monthly Market Insight



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Key Takeaways

Sources state that the pea supply is likely dropping by almost 80% in some parts of Europe.

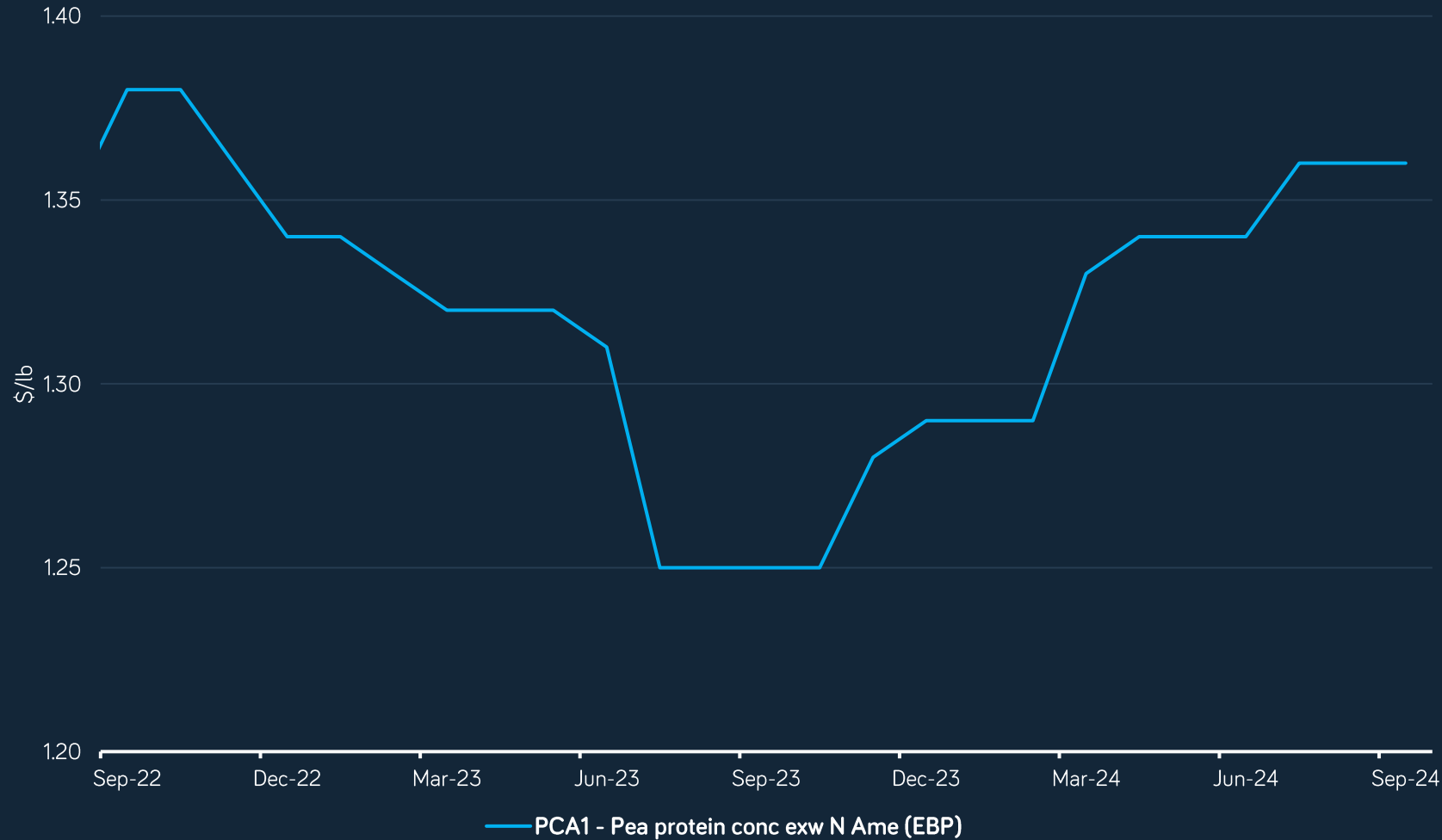
The increasing cost of raw materials has translated into higher prices for pea protein concentrates in the feed and pet food segment.

Market participants note that there has been little change on pea protein and soy protein prices, as Chinese manufacturers likely moved most volumes into the US before the tariffs on Chinese pea protein took effect.

Expana Webinars: for registration links and recordings, please click [here](#).

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

> 0%

YEAR-ON-YEAR CHANGE

^ 9%

- Sources in North America note the lack of transparency from Chinese suppliers regarding the anti-dumping tariffs on Chinese pea protein. According to market participants, there is still inventory available prior to the duties taking effect.
- China is offering product at lower values than the US and Europe, which players expect to be the case until inventory starts to dwindle.

Monthly Price Movements

PLANT-BASED EXPANA BENCHMARK PRICES	EXPANA CODE	SEPT ASSESSMENT	CHANGE	% CHANGE
Soy Concentrate EXW Europe	SCE1	€2.65/kg	+€0.03/kg	+1%
Soy Texturized Concentrate EXW Europe	SCE2	€3.45/kg	+€0.03/kg	+1%
Soy Isolate EXW Europe	SIE1	€5.40/kg	+€0.03/kg	+1%
Soy Concentrate EXW North America	SCA1	\$1.23/lb	+\$0.03/lb	+1%
Soy Texturized Concentrate EXW North America	SCA2	\$1.88/lb	+\$0.03/lb	+1%
Soy Isolate EXW North America	SIA1	\$2.58/lb	+\$0.03/lb	+1%
Soy Concentrate EXW China	SCC1	\$1.03/lb	+\$0.03/lb	+1%
Soy Isolate EXW China	SIC1	\$2.08/lb	+\$0.03/lb	+1%
Pea Concentrate EXW North America	PCA1	\$1.36/lb	\$0.00/lb	0%
Pea Texturized Concentrate EXW North America	PCA2	\$1.80/lb	\$0.00/lb	0%
Pea Isolate EXW North America	PIA1	\$2.54/lb	+\$0.02/lb	+1%
Pea Concentrate EXW Europe	PCE1	€1.05/kg	€0.00/kg	0%
Pea Texturized Concentrate EXW Europe	PCE2	€2.60/kg	€0.00/kg	0%
Pea Isolate EXW Europe	PIE1	€3.95/kg	€0.00/kg	0%
Pea Isolate EXW China	5G91	\$1.47/lb	\$0.00/lb	0%
DAIRY EXPANA BENCHMARK PRICES	EXPANA CODE	SEPT ASSESSMENT	CHANGE	% CHANGE
Whey Protein Concentrate (instant) EXW Europe	WCIEU	€10.76/kg	+€0.66/kg	+7%
Whey Protein Isolate EXW Europe	WIEU	€18.32/kg	+€0.74/kg	+4%
Whey Protein Concentrate (instant) FCA USA	WCIUS	\$10.25/kg	+\$0.09/kg	+1%
Whey Protein Isolate FCA USA	WIUS	\$18.85/kg	+\$1.13/kg	+6%

Market Sentiment for the Month Ahead

China Attempts to Remain Competitive ➤

- Buyers tell Expana that Chinese suppliers are attempting to maintain customers in the North American market despite anti-dumping duties by negotiating to cover the cost of the tariffs.
- Also, buyers state that they are receiving offers that are not in line with the anti-dumping rates or subsidy rates. The increases anticipated, based on the government's guidelines, are not being recognized. As a result, players are skeptical of how long prices can be held at these levels, and what risk is associated with committing to these terms for the foreseeable future.

Plant-Based Pet Food Ingredient Prices Rising ⬆

- Similarly to food purchases, consumers are looking for transparency from the brands they support when it comes to pet food. Soy protein remains the most cost-effective option, but some pet owners are looking for grain-free options, which has caused pea protein to become a popular ingredient choice.
- In Europe, sources tell Expana that, while there has not been an increase in food grade pea protein prices, there has been a rise in pea protein concentrates for the pet food segment. According to industry players, the price spread between food grade and pet food grade is narrowing. The price spread was around 400€/mt a few months ago, while now it is 50% lower at 200€/mt.

Pea Supply Dwindling in Europe ⬆

- According to market participants, the pea supply is likely dropping 50% y-o-y for France and nearly 80% y-o-y elsewhere in Europe. Players are looking to source more product from Germany and Denmark, although unfavorable weather conditions impacting the crop have been reported in these countries.
- As a result, buyers are hearing between 2-5% increases in offers from suppliers. Despite the poor crop conditions, buyers are pushing back on prices for pea protein isolate. Suppliers also mention that labor costs are also leading to an uptick in prices.

Chinese Product in Storage ➤

- Market players state there not has been much change in the US on pea protein pricing yet. Some sources note that most Chinese manufacturers moved product to the US and placed it in storage before the tariffs took effect.
- These stocks should be depleted by early 2025, with participants suspecting future price increases. However, demand may decrease and balance out the dwindling supply.

“Reformulation is already happening with some products. Suppliers are hearing that this shift will happen more often as their prices go up.” - **Buyer**

MARKET SENTIMENT



Wait-And-See Approach

Most participants expect an upswing in the market towards the end of the year but are waiting for more information on supply availability.

Supply and Demand

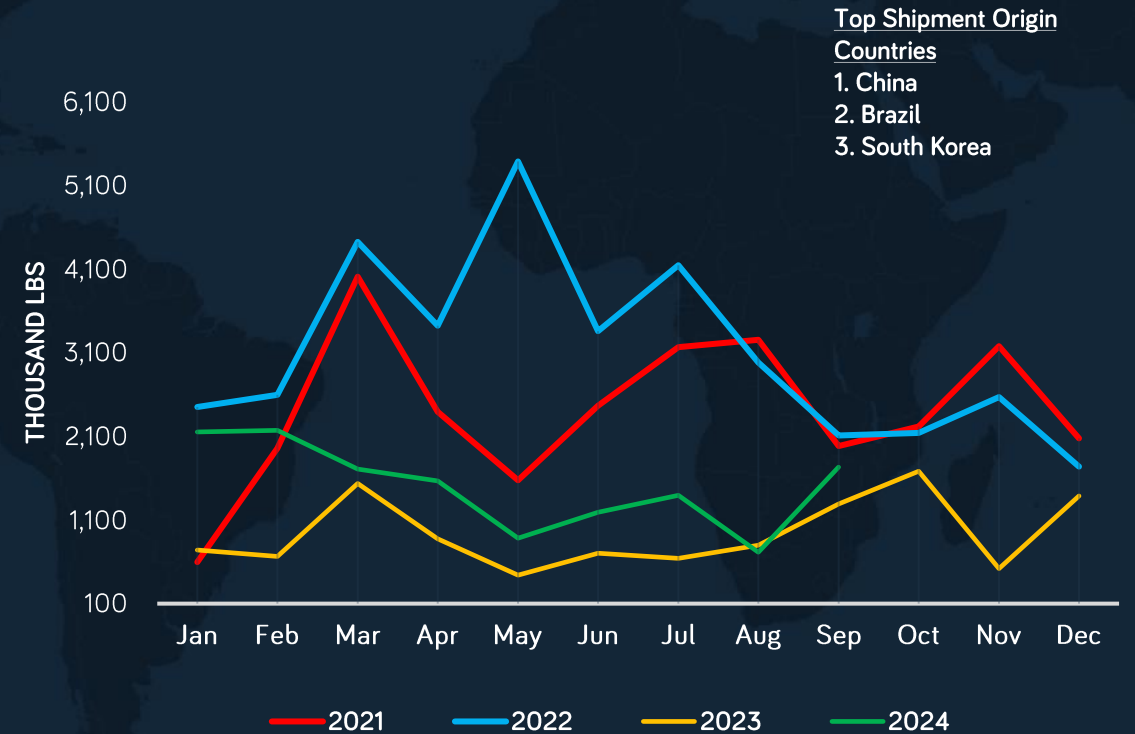
2024 Top Soy Protein Isolate Importers/Exporters YTD

- 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	3,464,060
2. Order	2,792,980
3. Phil Patterson Inc	2,002,290
4. Flexport International	1,562,630
5. FedEx Trade Networks	885,931
6. T Full North America LLC	812,288
7. Archer Daniels Midland Co	423,402
8. TQL Global LLC	265,654
9. Bollore Logistics	164,738
10. FedEx Logistics Inc	133,017

Exporters	Pounds
1. Order	4,981,340
2. Dezhou Ruikang Bio Technology Co	2,732,569
3. FedEx International Freight Forward	1,018,950
4. Qingdao Topway International	812,288
5. Flexport International	790,347
6. Flexport International (Shanghai)	772,284
7. Shandong Yuwang Ecological Food	611,119
8. ADM Japan Ltd	423,402
9. Shanghai Milkyway Chemical	265,654
10. Ningbo Get-Win International	126,918

Soy Protein Isolate Imports
US Customs Waterborne Shipment Volume



Supply and Demand

2024 Top Soy Protein Concentrate Importers/Exporters YTD

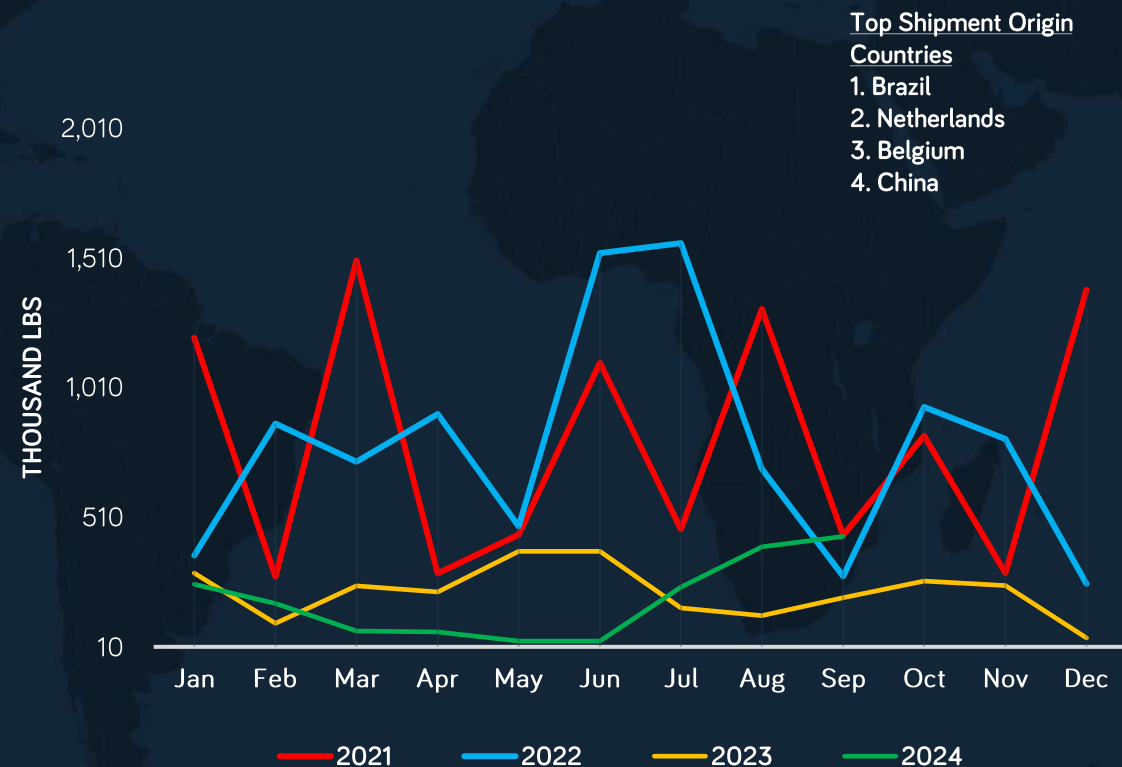
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Importers	Pounds
1. Gestion Cargo Zona Franca S A S	320,888
2. FedEx Trade Networks	258,970
3. Kerry Apex (SFO)	257,916
4. FedEx Trade Networks	221,973
5. ADM Company	210,356
6. ADM Bio Products S A DE C V	179,014
7. Premex S A S	134,282
8. Les Ingredients Alimentaires BSA IN	110,053
9. Solex Logistics Inc	86,949
10. Centrans Marine Shipping Inc	86,949

Exporters	Pounds
1. FedEx International Freight Forward	480,943
2. ADM DO Brasil LTDA	320,888
3. K-Apex Logistics (Qingdao) Co Ltd	257,916
4. Sojaprotein DOO	210,356
5. CJ Selecta S A	201,542
6. Sojaprotein A D BECEJ	179,014
7. Solbar Ningbo Protein Technology Co	110,053
8. Pudong Prime International	86,949
9. Maxwide Logistics Inc	86,949
10. Americana Express (Shandgong) Co	54,806

Soy Protein Concentrate Imports US Customs Waterborne Shipment Volume



Supply and Demand

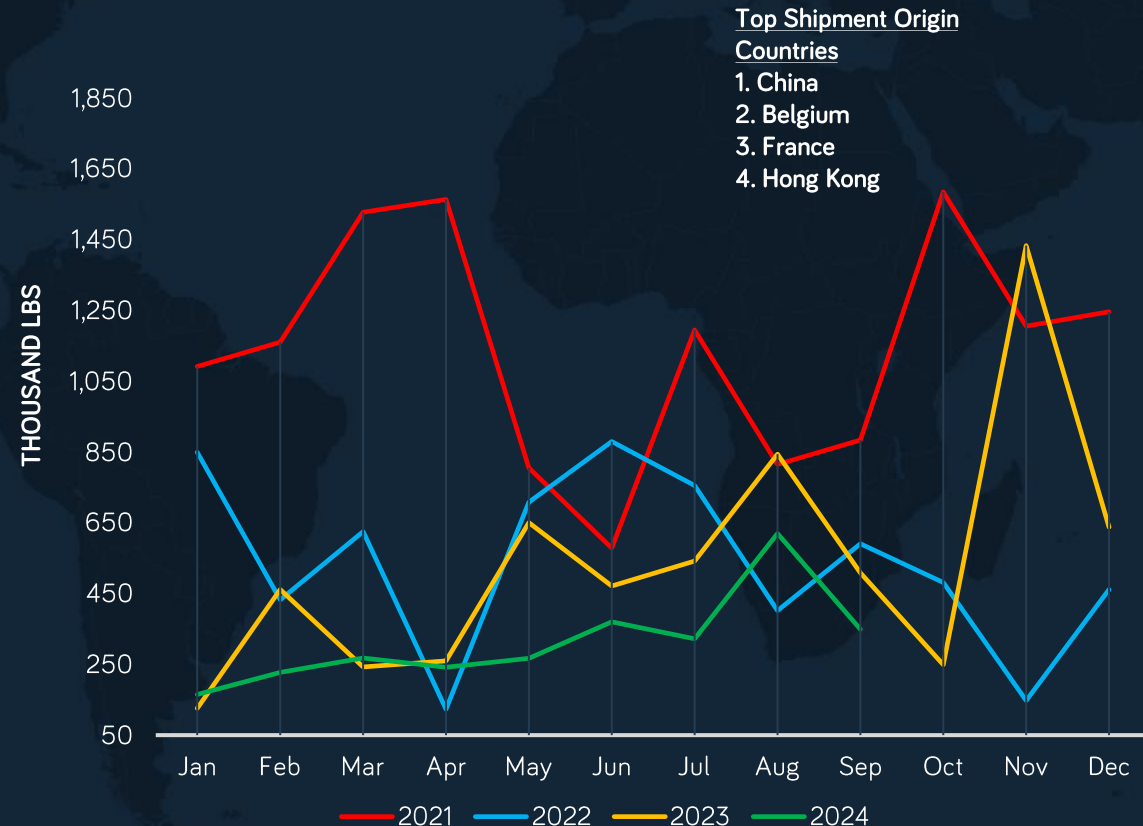
2024 Top Pea Protein Isolate Importers/Exporters YTD

- 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.
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Importers	Pounds
1. A & B Ingredients Inc	1,449,110
2. Cosucra Inc	520,296
3. 7 Seas Logistics	186,633
4. Natures Value Inc	128,890
5. DSV Air & Sea Inc – I902	124,202
6. Delmar International Incorporated	99,163
7. Cosucra Inc 2080 Hassell Road	80,534
8. Stauber Warehouse	80,534
9. SPI Group	80,139
10. TopAsia International Logistics	44,092

Exporters	Pounds
1. Cosucra Groupe Warcoing S A	2,009,670
2. Order	200,905
3. Mac Supply Chain Solutions	186,633
4. DSV Air & Sea NV – I441	164,469
5. Krishna Enzytech Private Limited	128,890
6. Delmar International	99,163
7. Shanghai Milkyway Chemical	44,092
8. Cosucra Group Warcoing SA	40,267
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

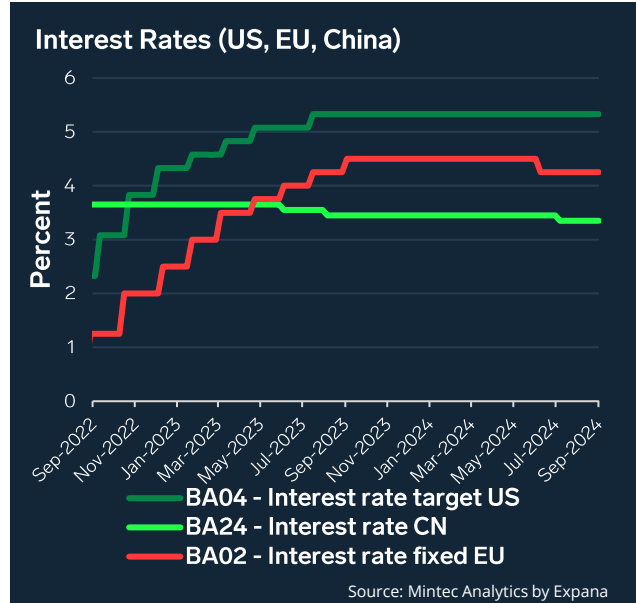


Other Price Drivers

Interest Rates



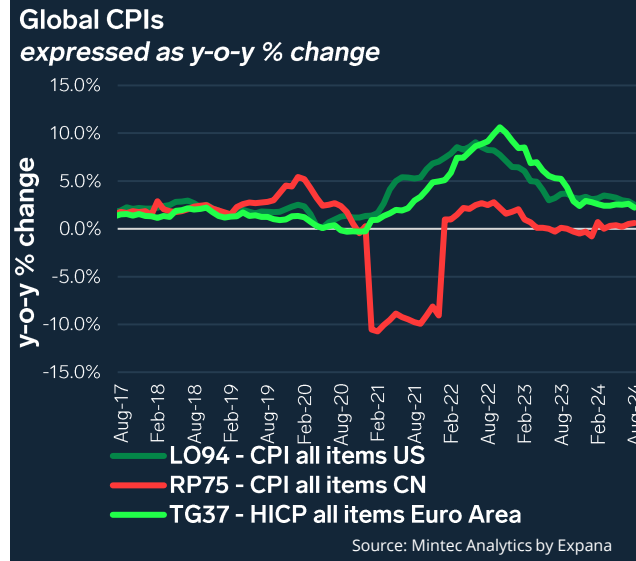
- On September 18, the **Federal Reserve opted to cut interest rates in the US by 50 bps instead of 25 bps, in line with slowing inflation.** Market sources believe there is a chance that there will be a further 50 bp cut in Q4 2024



CPI



- Inflation in the Eurozone was **2.2% y-o-y in August, down from 2.6% in July.** The deceleration was fueled by a **1.1% m-o-m fall in energy inflation,** resulting in an annualized reading of -3.0%. Services inflation, an important metric for the region, rose to 4.1% y-o-y in August, up from 4.0% in July. According to market sources, the continued fall in headline inflation towards the 2.0% level will provide further impetus for the Federal Reserve to make more interest rate cuts in the coming months



Crude Oil



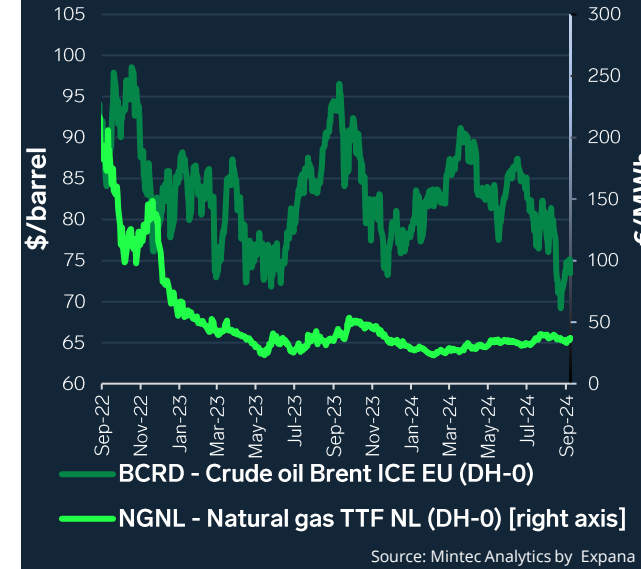
- Over the week up to September 25, **crude oil prices were largely unchanged as varying drivers balanced out one another.** Market sources reported increased supply concerns emanating from heightened tensions between Israel and Hezbollah. Following device bombs, allegedly planted by Israel, Israel has embarked on a bombing campaign on Hezbollah targets in Lebanese territory. However, demand concerns remain surrounding China, and market players also noted the ample supply from the US, where crude oil production is a record-high levels
- In the US, natural gas prices **rose markedly as market players raised concerns over the potential impact of a hurricane on the US Gulf Coast,** where much gas production is focused

Currency



- The dollar fell **0.1% for the week to September 25,** as market players digested the lower interest rate environment and the potential move away from yielding assets, such as cash. For reference, the Expana dollar index was 100.80 for the week to September 25, down 0.1% w-o-w

Crude Oil and Europe Natural Gas



Expana USDX



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

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