

May 2024

Mintec Market Pulse

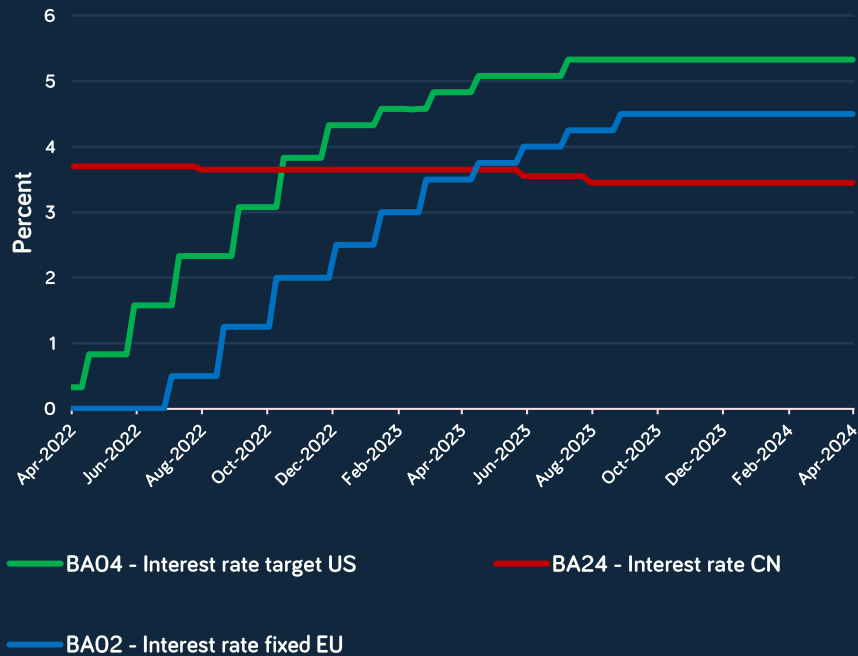
Examine the freshest market outlooks, latest trends and price fluctuations in pivotal commodity sectors including:

Barley | Grapes & Fruit Juices | Energy & Freight |

Plastics | Base Metals | Cocoa

Price Data | Market Analysis | Commodity Forecasts | Risk Management

Interest Rates (US, EU, China)



Source: Mintec Analytics

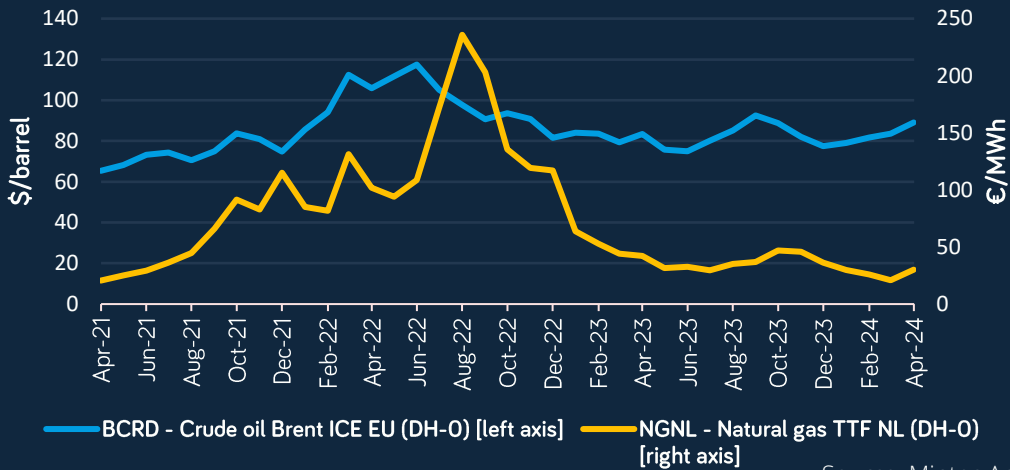
What?

- Eurozone headline inflation falls to 2.4% y-o-y
- European Central Bank (ECB) has a 2% y-o-y target
- ECB is likely to start cutting rates in June, diverging from the US Federal Reserve, which sources believe will continue to hold rates

Who?

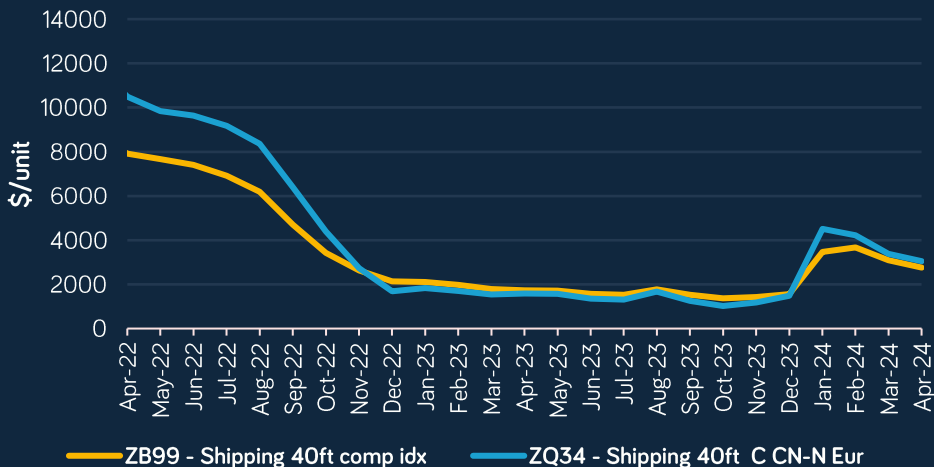
- A potentially looser policy environment could give **buyers** greater purchasing power, as they may be less restricted by high borrowing costs
- **Manufacturers** and **producers** may brace for increased demand as buyers take advantage of lower borrowing costs

Crude Oil and Natural Gas



Source: Mintec Analytics

Freight Rates (East-West)



Source: Mintec Analytics

What?

- Crude oil prices have generally eased in recent weeks as the confrontation between Israel and Iran calms down
- Geopolitics remains the single most important driver in energy markets at the current time
- Natural gas prices in Europe and the US are at multi-year-lows, but there was a slight bullish price correction
- Freight rates continue to fall from recent highs, but Houthi attacks are now extended into the Indian Ocean

Who?

- Any **buyers** or **manufacturers** sourcing finished products or raw materials from the East should be prepared for price increases due to added journey time or risk premiums
- Energy costs carry relevance for all participants in the supply chain

Making Sense of the Problem



The sourcing, financing and procuring the supply of raw materials from production and distribution to service and retail – the world in which you operate - is volatile, uncertain, complex, and ambiguous. The nature and speed of change means that your environment is unpredictable putting constant strain on your margins and overall profitability.

The increasing complexity of supply chains, the choice of suppliers and the range of new food products means that the issues your organization faces can easily lead to confusion and operational errors that threaten your success.

Mintec data, analysis, forecasts and tools maximise your efficiency and deliver critical inputs to your stakeholders, adding measurable value to your organisation.

Mintec also cover +5000 non-food industrial and manufacturing related commodities including: Plastics & Chemicals | Metals & Ores | Timber, Paper & Pulp | Textiles, Glass & Rubber | Oil & Energy | Transport & Freight

WHO

Global Analysis Leaders

Serving the biggest global brands for over 4035 years

WHAT

A Complete Solution

Data, analysis & Insight

WHY

A Total View of the Market

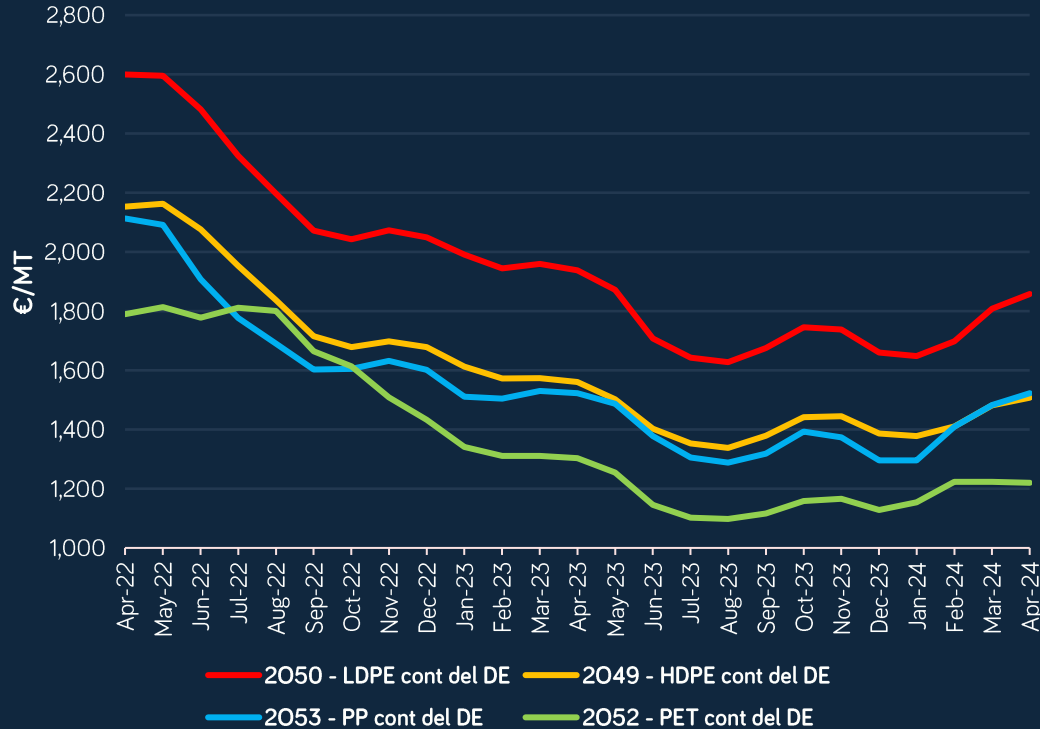
Independent, expert & integrated

HOW

Independent & Proprietary

Price data, analysis, commodity forecasts & hedging advice

European Plastics



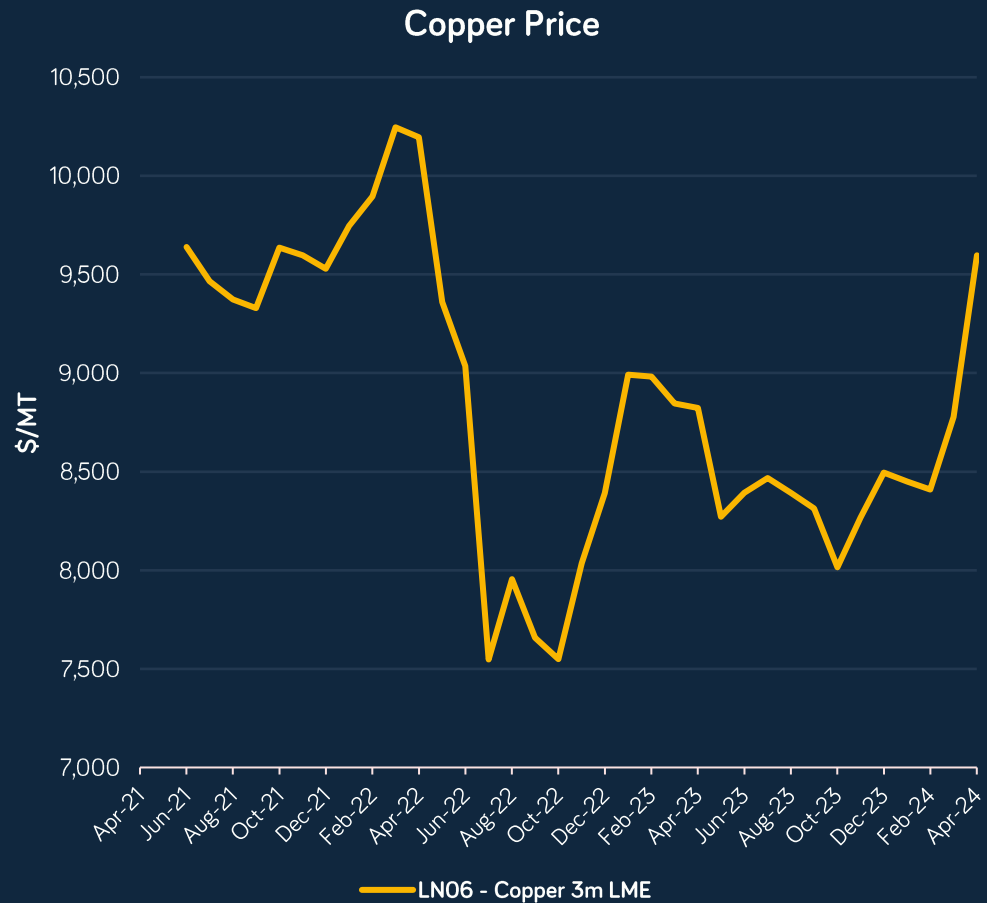
Source: Mintec Analytics

What?

- In April, there were price rises of between 1% and 3% for LDPE, HDPE, and polypropylene
- PET (mainly used in plastic bottles) fell very slightly
- Demand remains generally sluggish, with producers lowering output to force the market into a balance
- Raw materials do not yet reflect recent crude oil price increases, with European prices ethylene, propylene and paraxylene all falling m-o-m in April
- The plastics market remains heavily tied to crude oil

Who?

- **Buyers** of plastic packaging should be updated on the raw material and crude oil prices, and supply/demand balances
- Plastic **manufacturers** could also be interested in production costs



Source: Mintec Analytics

What?

- There was a 9% m-o-m price increase in April
- Inventories have fallen by c.50,000 MT (around 30%) since the start of 2024
- Purchasing managers' indices have returned to growth in the past month – copper is used in a large amount of manufacturing equipment

Who?

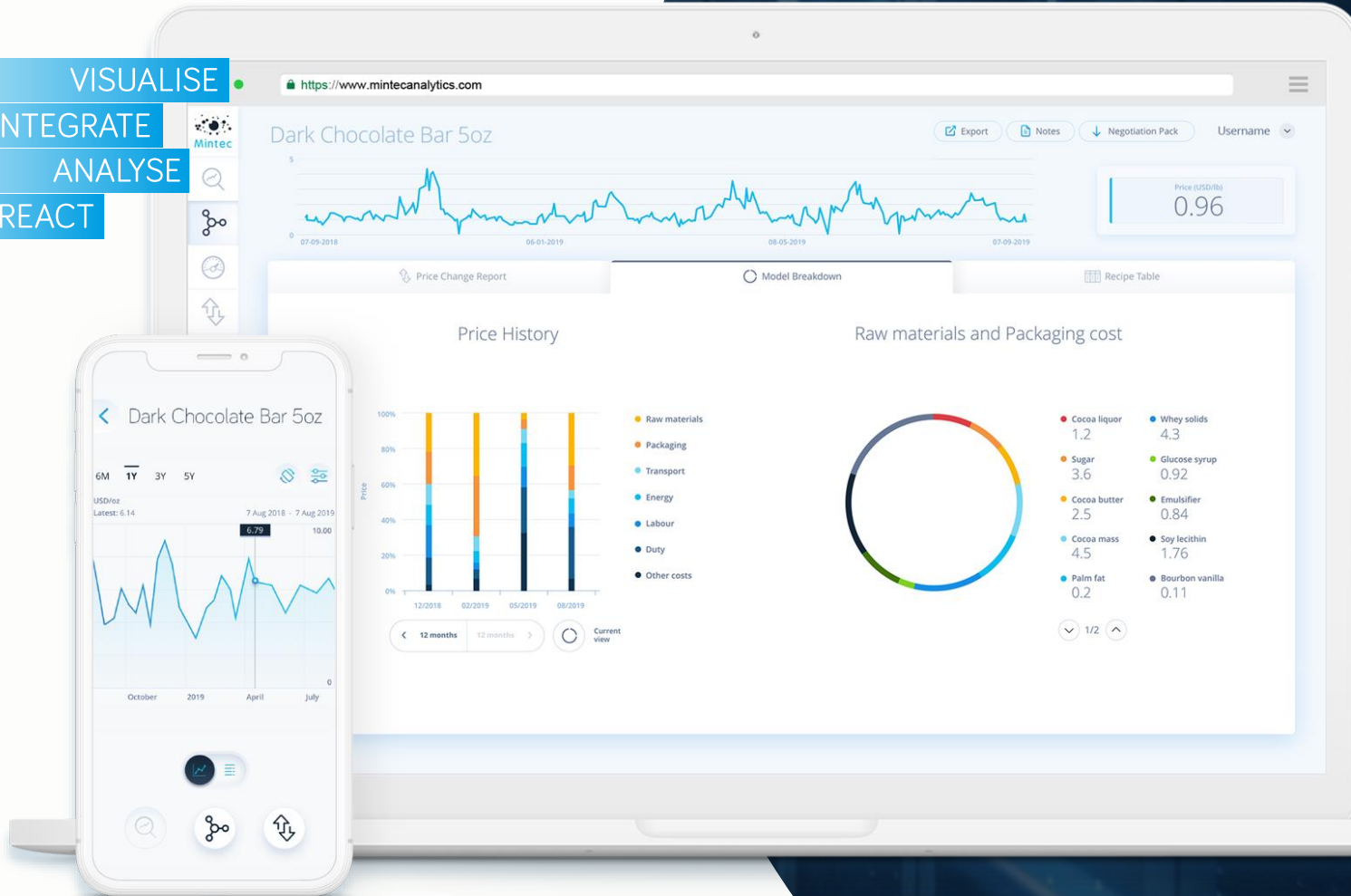
- Market players in the **renewables, infrastructure, and aircraft industries** could benefit from our copper coverage, price movement and S/D analysis

Mintec Tools & Analysis



VISUALISE

INTEGRATE
ANALYSE
REACT



PROCUREMENT & RISK SOLUTION

Mintec's comprehensive price database and unique proprietary data underpin market analysis delivering forecasts and hedging recommendations, enabling buying teams to plan raw material purchases, optimize spend, and reduce price risk.

COMMODITIES

View current and historical pricing data, plus indirect costs for 650+ commodity types globally.

DASHBOARDS

Create tailored dashboards to track the categories, commodities and indicators most relevant to you.

PRICE ALERTS

Set up bespoke alerts and receive notifications based on price changes or movements.

IMPORT DATA

Automate the bulk integration of 3rd party data and cost models, to get a complete picture of your product costs.

COST MODELLING

Easily generate cost breakdowns including labour and packaging for current or planned future products.

PRICE CHANGE REPORTS

Track top level price movements for selected commodities, raw materials or finished goods.

WEATHER IMPACT ANALYSIS

Assess the impact of key weather trends on the growing season and crop yields to identify practical alternative sources.

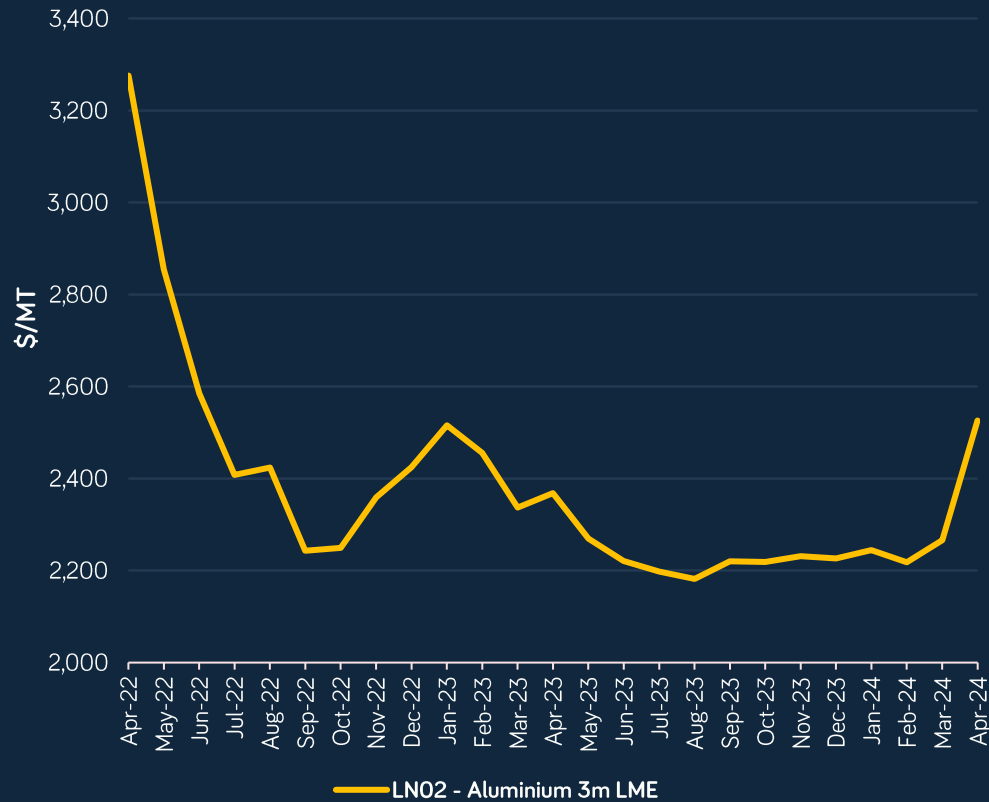
MARKET OUTLOOKS

Understand the short-term price outlook with detailed market reports covering 60 commodity types.

NEGOTIATION PACKS

Reports combining overview of price movements and key drivers for 4,000+ raw material series.

Aluminium Price



Source: Mintec Analytics

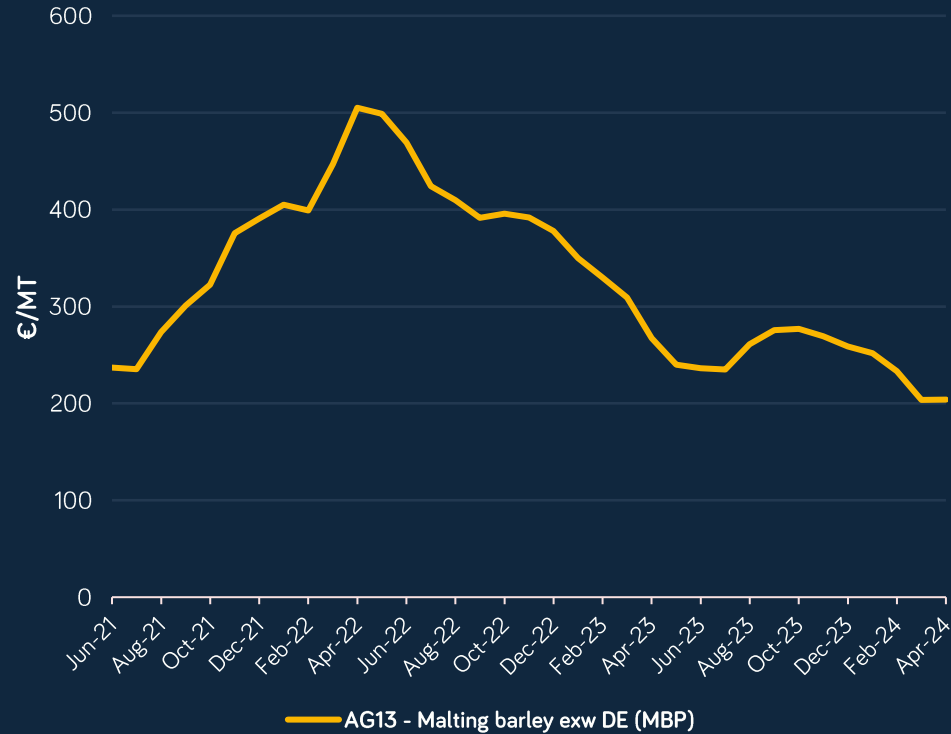
What?

- Recent news of a ban on Russian aluminium trading resulted in an 11% m-o-m price rise in April
- Russian aluminium carries a low share on the European market, but the news was a catalyst for speculative trading
- Market players do not see any real consumption growth that could support price growth over the longer-term
- **For an in-depth conversation on recent price movement, contact Artem Segen, artem.segen@mintecglobal.com**

Who?

- Players in the **packaging** and **construction** sectors may appreciate updates on the speculative overpricing

Malting Barley Price



Source: Mintec Analytics

What?

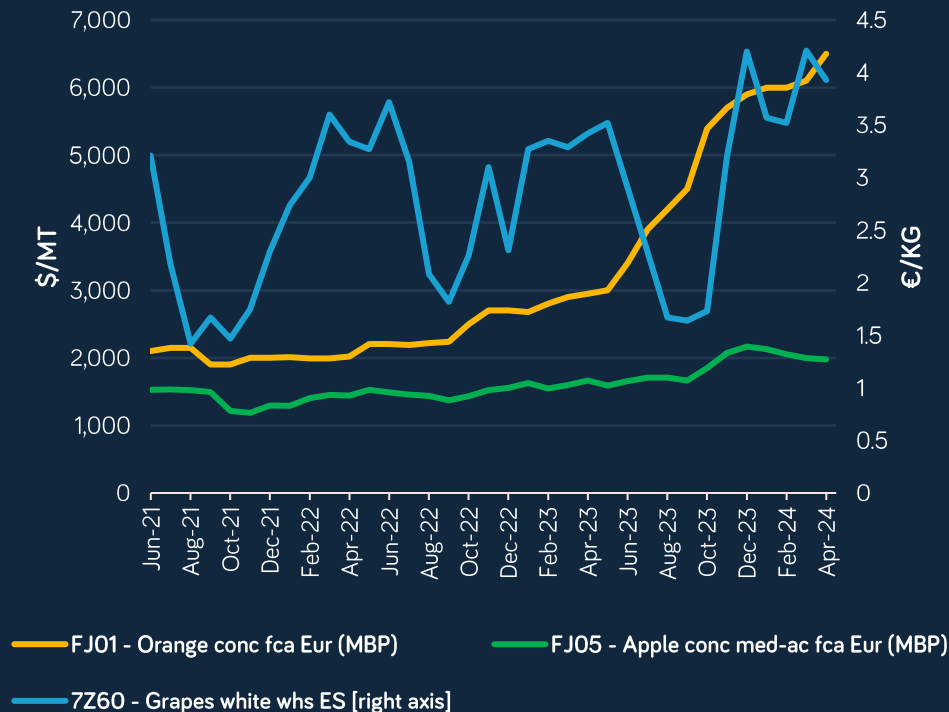
- According to the MARS report, barley yields across Europe declined markedly from 3.90 mt in May to 3.73 mt per hectare in June
- While yields decreased, the fall was less than market players' expectations, who anticipated significant reductions following adverse weather conditions
- **The European malting barley price rose 0.12% m-o-m, down 23.7% y-o-y**

Who?

- Market players in the **beer industry** and those further downstream in the hospitality sector who may be procuring beer

Grapes and Fruit Juices

Juices and Grape Prices



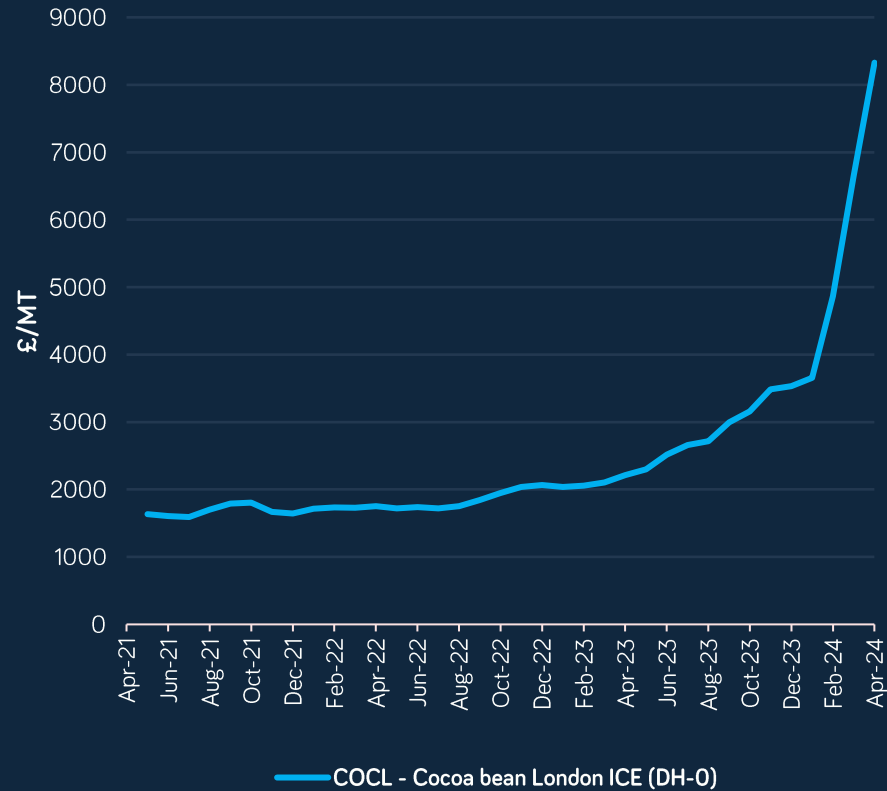
Source: Mintec Analytics

What?

- Supplies of orange juice remain tight, with large juice quantities unavailable
- Apple juice supplies in Europe remain limited – some Western players have been sourcing from China, but this has been disrupted by unrest in the Red Sea
- Spanish grapes fell 5.8% m-o-m in April, representing a 5.2% y-o-y increase

Who?

- **Producers** and **buyers** in the **beverage industry** should be especially aware of the recent volatility in orange juice prices



Source: Mintec Analytics

What?

- Q1 grindings were several percentage points ahead of expectations, reflecting continued high demand from both manufacturers as well as bean demand from processors as they look to rebuild product inventories
- Even with the drop in price in the final week of April, large intraday swings continue to be seen, with prices falling in early trading before rallying as much as £1,000/mt in a single session
- Worries remain about crop quality as we near the start of the midcrop harvest

Who?

- Buyers in the confectionary sector should be updated on major recent price volatility
- Chocolate manufacturers would also benefit from pricing and analysis on cocoa