

February 2024

Plant-Based Protein

Monthly Market Insight



MONTHLY
PRICE MOVEMENTS

2



MARKET SENTIMENT
FOR THE MONTH AHEAD

4



SUPPLY
AND DEMAND

5



OTHER
PRICE DRIVERS

8

Key Takeaways

Market players focus on product refinement in the new year.

Sources state production capacity is expanding in Europe.

Participants note increases in soy protein and pea protein prices amid logistical challenges.

Some players are exploring reformulating from pea to soy protein.

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

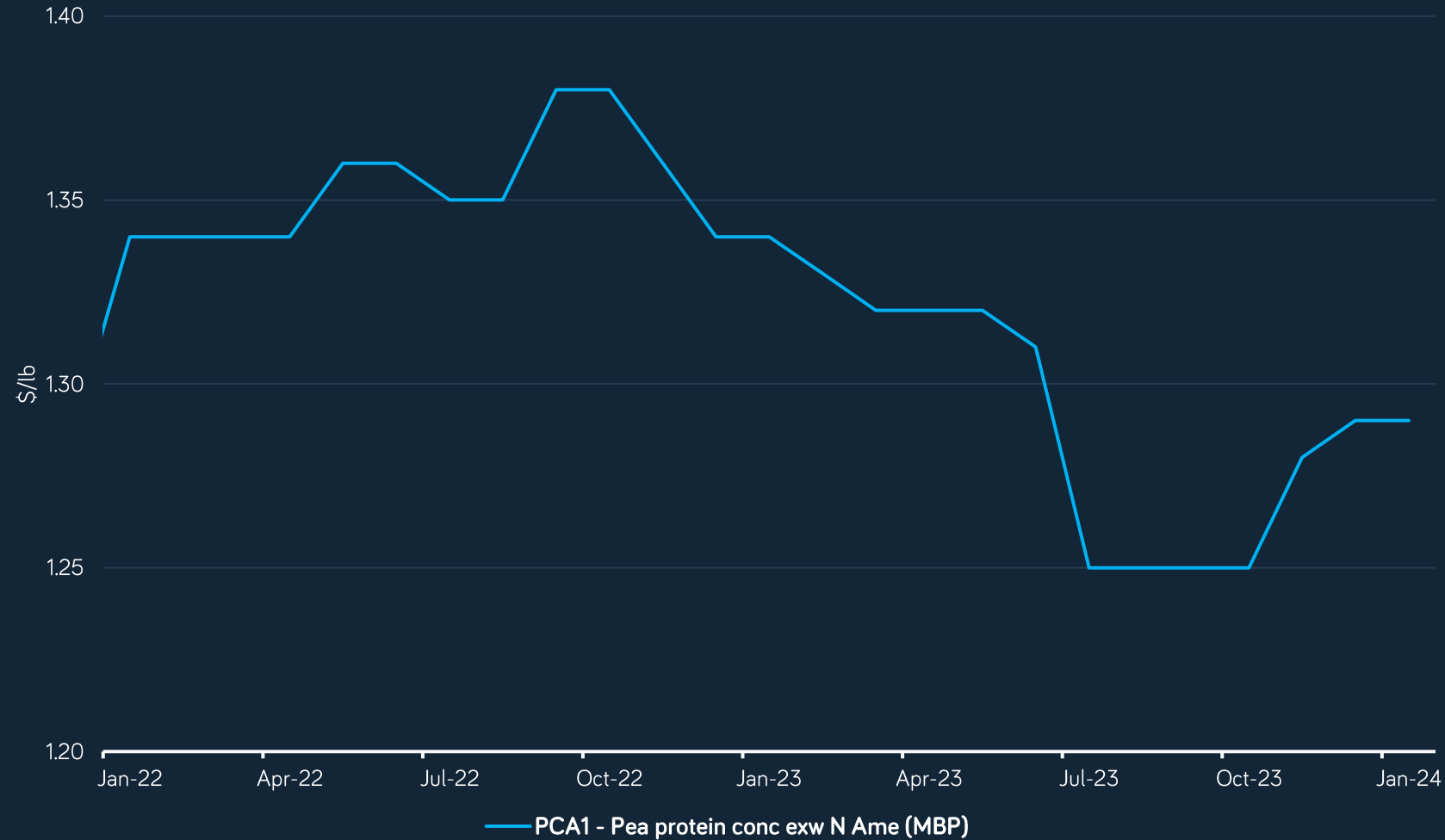


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UrnerBarry
MARKET PRICES, NEWS, AND ANALYSIS

Monthly Price Movements

Pea Protein Concentrate Prices in North America



Source: Mintec Analytics

Pea Protein Concentrate North America

MINTEC BENCHMARK PRICES

\$1.29/lb

MONTH-ON-MONTH CHANGE

> 0%

YEAR-ON-YEAR CHANGE

▼ 4%

- In North America, some market participants state that prices of pea protein are fairly stable as most are waiting for The US Department of Commerce's (DOC) announcement in February regarding anti-dumping tariffs before making their next move
- Sources also tell Mintec that there is a large inventory of pea protein stored in US warehouses in anticipation of the anti-dumping ruling. According to some players, there is nearly a year's worth of supply in storage

Monthly Price Movements

PLANT-BASED MINTEC BENCHMARK PRICES	MINTEC CODE	JAN ASSESSMENT	CHANGE	% CHANGE
Soy Concentrate EXW Europe	SCE1	€2.63/kg	€0.00/kg	0%
Soy Texturized Concentrate EXW Europe	SCE2	€3.48/kg	€0.00/kg	0%
Soy Isolate EXW Europe	SIE1	€5.43/kg	€0.00/kg	0%
Soy Concentrate EXW North America	SCA1	\$1.10/lb	+\$0.11/lb	+11%
Soy Texturized Concentrate EXW North America	SCA2	\$1.75/lb	+\$0.13/lb	+8%
Soy Isolate EXW North America	SIA1	\$2.45/lb	+\$0.18/lb	+8%
Soy Concentrate EXW China	SCC1	\$1.05/lb	+\$0.07/lb	+7%
Soy Isolate EXW China	SIC1	\$2.09/lb	+\$0.10/lb	+5%
Pea Concentrate EXW North America	PCA1	\$1.29/lb	\$0.00/lb	0%
Pea Texturized Concentrate EXW North America	PCA2	\$1.74/lb	\$0.00/lb	0%
Pea Isolate EXW North America	PIA1	\$2.94/lb	\$0.00/lb	0%
Pea Concentrate EXW Europe	PCE1	€2.65/kg	-€0.03/kg	-1%
Pea Texturized Concentrate EXW Europe	PCE2	€3.48/kg	-€0.03/kg	-1%
Pea Isolate EXW Europe	PIE1	€5.32/kg	-€0.03/kg	-1%
Pea Isolate EXW China	5G91	\$1.50/lb	\$0.00/lb	0%
DAIRY MINTEC BENCHMARK PRICES	MINTEC CODE	JAN ASSESSMENT	CHANGE	% CHANGE
Whey Protein Concentrate (instant) EXW Europe	WCIEU	€9.74/kg	-€0.21/kg	-2%
Whey Protein Isolate EXW Europe	WIEU	€13.70/kg	+€0.18/kg	+1%
Whey Protein Concentrate (instant) FCA USA	WCIUS	\$10.22/kg	+\$0.30/kg	+3%
Whey Protein Isolate FCA USA	WIUS	\$13.62/kg	+\$0.16/kg	+1%

Market Sentiment for the Month Ahead

Logistic Concerns

- Shipping delays and a lack of container availability is a concern amongst market players, particularly for contracted product with extending lead times
- Market participants have noted a significant increase in freight prices, mainly on supply coming from China or Canada into the US, with some stating prices have tripled in a month.
- If this upward trend for freight continues into February, players expect an increase in ingredient prices that will likely be passed down throughout the supply chain down to the consumer

Increasing Pulse Protein Production

- According to some market participants, pea and faba protein production capacity is expanding in Europe. This could lead to some downward price pressure in the months ahead
- While capacity is increasing in Europe, sources state that this new production is not operating at full speed yet

Tariffs Impact Ingredient Sourcing Options

- With the DOC's final determination on Chinese import tariffs expected to be announced in mid-February, market players are considering different sourcing options for pea protein
- While price is one impact that the tariffs will have on ingredients, functionality needs to be considered as well. Sources tell Mintec that it takes months to prove functionality of an ingredient, and if a buyer needs to switch sources, the ingredients are not easily interchangeable in some cases. This could lead to a different or undesired result in the end-product. Some participants speculate if paying the tariff would be more cost effective than going through the approval process

Product Refinement

- As 2024 begins, companies are outlining objectives and creating strategies to achieve goals this year. The focus has shifted from cost cutting to product refinement, with most sources telling Mintec that innovation is at the forefront and there are several new projects in the works
- Market players also recognize that price continues to drive the consumer, so there is some experimentation to substitute pea protein for soy protein, as pea tends to be sold at a premium to soy

“Quite a bit of volume has been lost in the plant-based market in Europe. Europe is struggling, with a lot of churn in brands and products. Thresholds are not being met with retailers, and there is a lot of competition” - **Buyer**

MARKET SENTIMENT



Steady Business

Most sources tell Mintec that business is steady as Q1 progresses. While the anti-dumping investigation and logistical issues loom, there has not been a significant impact in prices yet.

Supply and Demand

2023 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. Flexport International	1,167,790
2. Order	445,685
3. Phil Patterson Inc	133,599
4. Barentz Canada ULC	93,476
5. PGP International	66,632
6. Ingredients4U PTE LTD	44,533
7. Prime Agency	42,306
8. Caldic USA	41,548
9. -	-
10. -	-

Exporters	Pounds
1. Flexport International (Shanghai)	1,007,210
2. Order	490,218
3. Flexport International	160,575
4. Qingdao Crown Imp & Exp Corp LTD	93,476
5. Air Tiger Express (China) Co LTD	89,066
6. Dezhou Ruikang Bio Technology Co	667,632
7. Ingredients4U PTE LTD	44,533
8. Ningbo Get-Win International	42,306
9. Qingdao CPI International Co LTD	41,548
10. -	-

Soy Protein Isolate Imports
US Customs Waterborne Shipment Volume



Supply and Demand

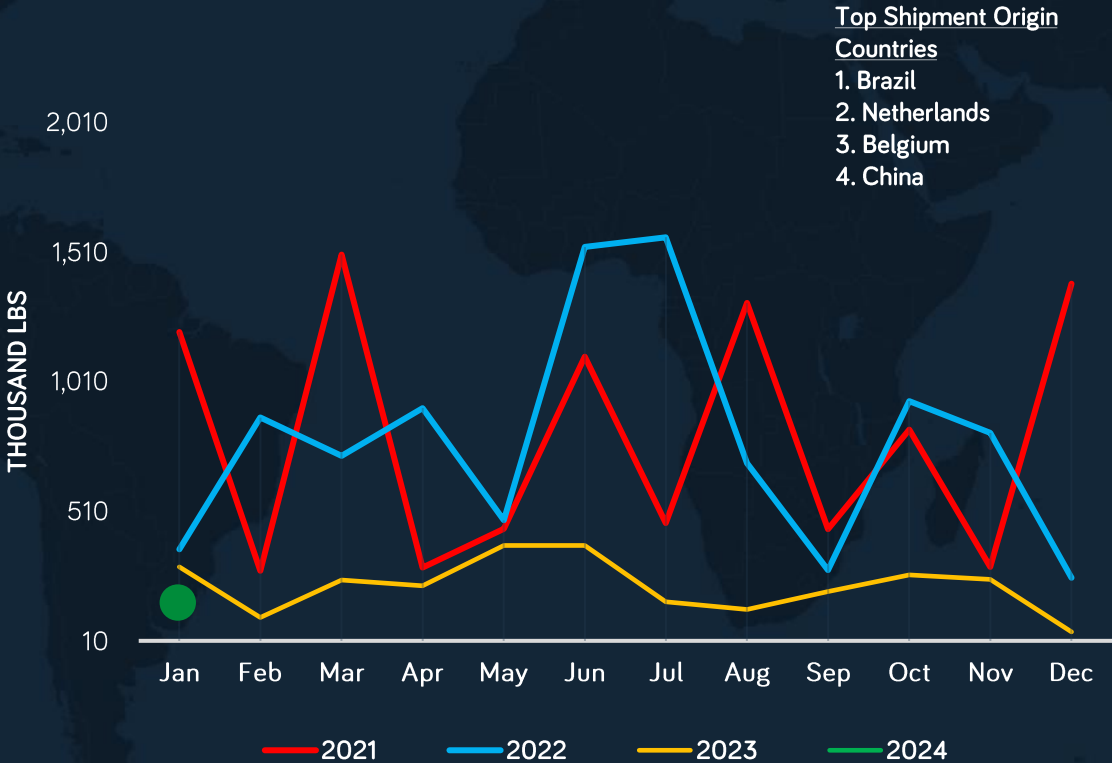
2023 Top Soy Protein Concentrate Importers/Exporters YTD

- 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. Centrans Marine Shipping INC	86,949
2. Archer Daniels Midland Co	50,580
3. Abbra Corportation LTD Phaholyotin	34,428
4. DHY Shipping Line INC	27,403
5. -	-
6. -	-
7. -	-
8. -	-
9. -	-
10. -	-

Exporters	Pounds
1. Pudong Pime International	86,949
2. Archer Daniels Midland Co	50, 580
3. Solae LLC 4300 Duncan Avenue	34,428
4. Great Hill Supply Chain Technology	27,403
5. -	-
6. -	-
7. -	-
8. -	-
9. -	-
10. -	-

Soy Protein Concentrate Imports
US Customs Waterborne Shipment Volume



Supply and Demand

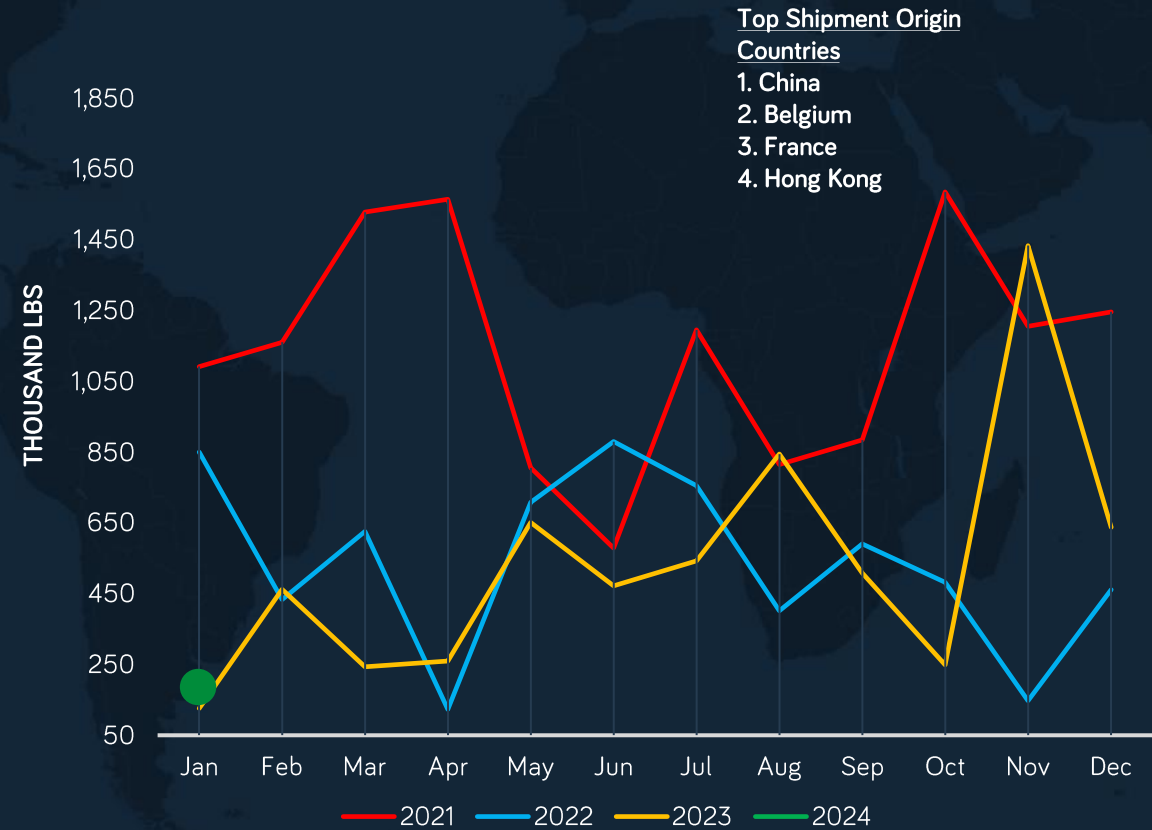
2023 Top Pea Protein Isolate Importers/Exporters YTD

- 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	120,801
2. Topasia International Logistics	44,092
3. -	-
4. -	-
5. -	-
6. -	-
7. -	-
8. -	-
9. -	-
10. -	-

Exporters	Pounds
1. Cosucra Groupe Warcoing S A	120,801
2. Shanghai Milkyway Chemical	44,092
3. -	-
4. -	-
5. -	-
6. -	-
7. -	-
8. -	-
9. -	-
10. -	-

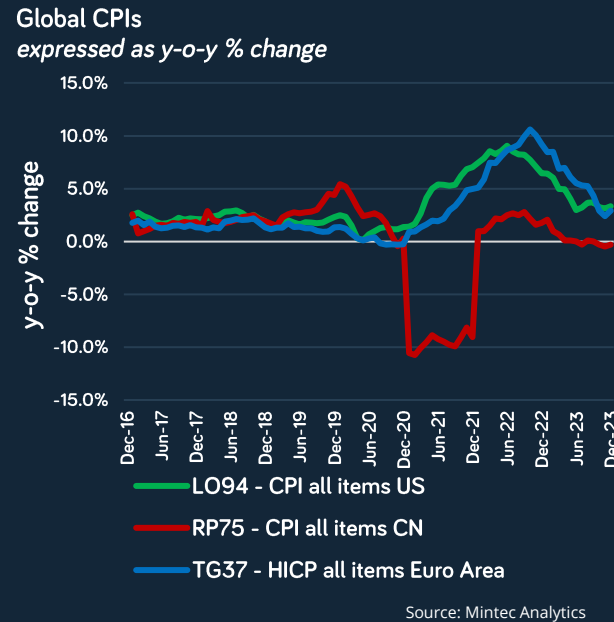
Pea Protein Isolate Import Volume
US Customs Shipment Volume



Other Price Drivers

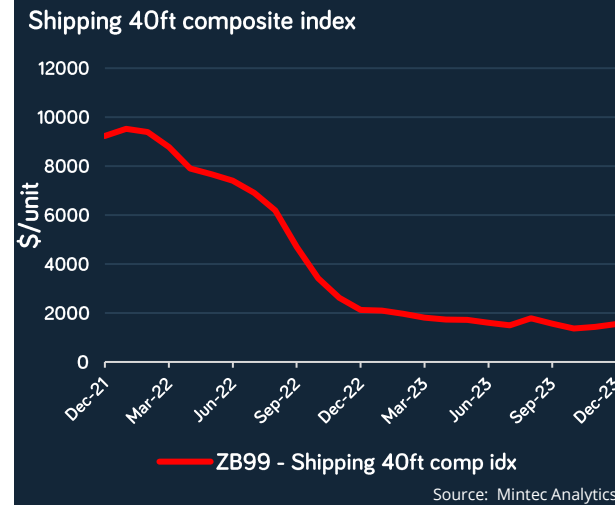
Macroeconomic Environment

- Inflation in the US was 3.4% y-o-y in December, up from 3.1% in November. While Federal Reserve officials have stated that further interest rate raises are unlikely, market sources believe that rate cuts may come later than expected
- In the Eurozone, inflation increased to 2.9% y-o-y in December, up from 2.4% in November. Despite the uptick, market sources expect inflation will dip below the European Central Bank's 2.0% y-o-y target by the end of Q1



Freight Rates

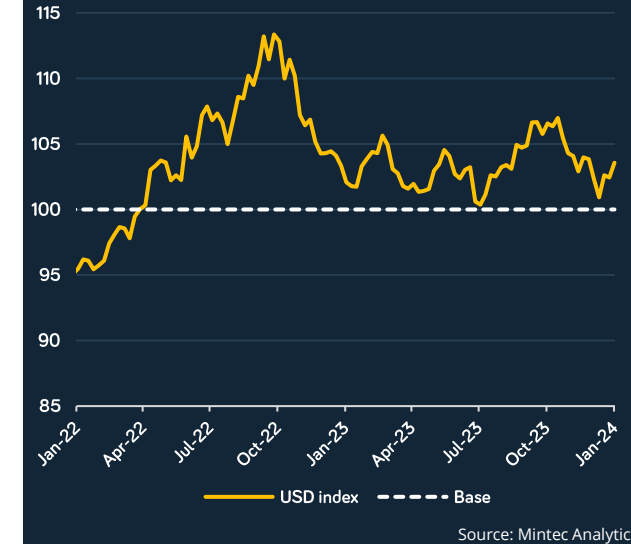
- In December, the shipping 40ft container index rose by 8% m-o-m to \$1,548 per unit amid attacks in the Red Sea by Houthi rebels
- Most carriers decided to stop shipping through the Red Sea, diverting routes from Asia via the Cape of Good Hope instead, increasing journey times by approximately 30-40 days



Currency

- The Mintec Dollar Index rose by 1.2% for the four weeks to 17th January, settling at 103.58, representing a 1.5% y-o-y increase
- The Federal Reserve paused interest rates at its recent policy meeting in mid-December. Slowing inflation in the US resulted in Chairman Jerome Powell hinting at rate cuts in 2024. However, the uptick in the annualized figure in December led market players to believe that rate cuts would be later than anticipated, bolstering the US Dollar

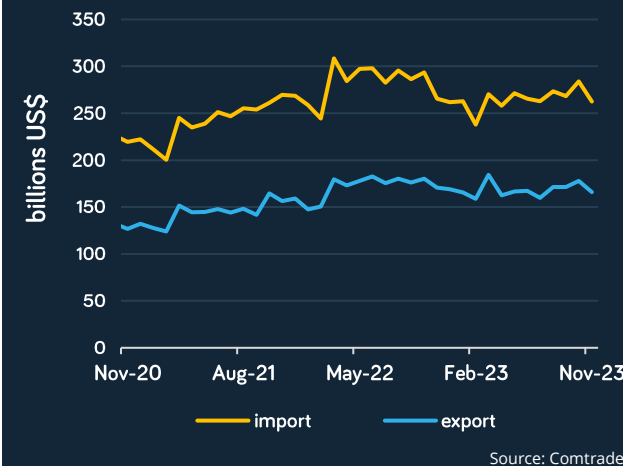
Mintec USDx



World Trade

- For the first 11 months of 2023, imports of goods into the US fell by 6% y-o-y. However, the situation started to improve by the end of the year
- Market sources say that many goods on the US market are attractively priced, so they expect the decline to stop and imports to increase in 2024.
- Exports of US goods continued to decline by 2% y-o-y for the first 11 months of 2023, and the situation worsened towards the end of the year, with November exports falling by 3% y-o-y

US Trade of Goods



Abbreviations and Acronyms

Commodity Market Insight

CPI	Consumer Price Index
KG	Kilograms
LB	Pounds
USDA	United States Department of Agriculture
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

Mintec is committed to ensuring all published Mintec Benchmark Prices are representative of market value, and in line with Mintec'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@Mintecglobal.com.

All forward-looking statements in this report are the views and expectations of the individual market participants. The Mintec 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 Mintec Benchmark Prices, visit this [link](#).