

March 2024

Plant-Based Protein

Monthly Market Insight



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Key Takeaways

The US Department of Commerce (DOC) issues affirmative preliminary decision in anti-dumping case.

Sources state there is excess supply of pea protein in storage in preparation for tariffs.

Participants note thinner demand for pea protein compared to other plant-based options like soy protein.

Some buyers are faced with higher offers as sourcing options are limited.

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

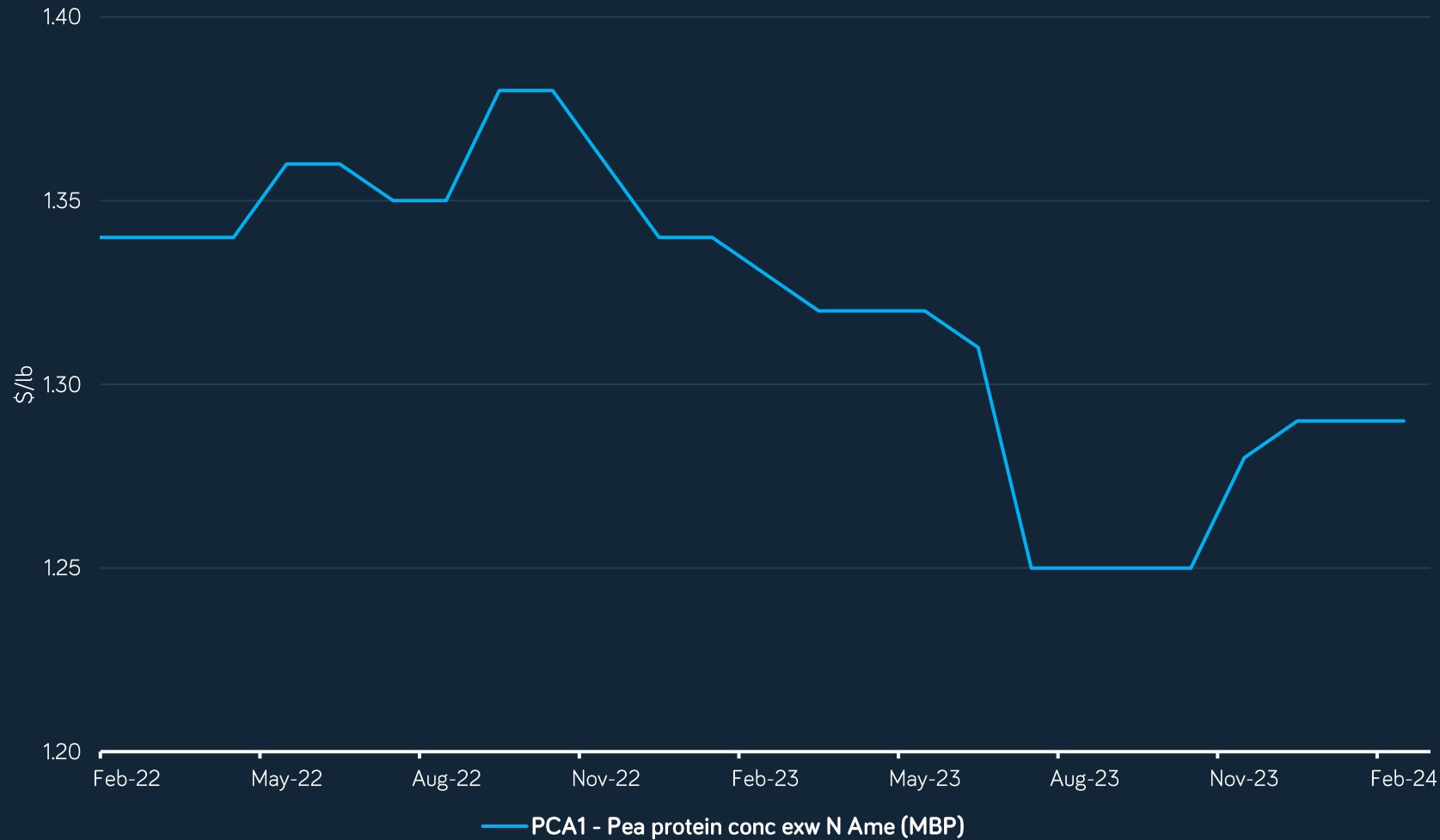


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UrnerBarry
MARKET PRICES, NEWS, AND ANALYSIS

Monthly Price Movements

Pea Protein Concentrate Prices in North America



Pea Protein Concentrate North America

MINTEC BENCHMARK PRICES

\$1.29/lb

MONTH-ON-MONTH CHANGE

> 0%

YEAR-ON-YEAR CHANGE

∨ 3%

- In North America, market participants state that there is excess pea protein supply in storage throughout the US in preparation for tariffs on Chinese imports. Some sources state that there is enough pea protein stored to supply the market for 6-12 months
- However, producers tell Mintec that market sentiment has already started to shift because of the US Department of Commerce's tariff ruling, with pea protein prices starting to rise

Monthly Price Movements

PLANT-BASED MINTEC BENCHMARK PRICES	MINTEC CODE	FEB 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	\$0.00/lb	0%
Soy Texturized Concentrate EXW North America	SCA2	\$1.75/lb	\$0.00/lb	0%
Soy Isolate EXW North America	SIA1	\$2.45/lb	\$0.00/lb	0%
Soy Concentrate EXW China	SCC1	\$1.05/lb	\$0.00/lb	0%
Soy Isolate EXW China	SIC1	\$2.09/lb	\$0.00/lb	0%
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	\$2.47/lb	-\$0.47/lb	-16%
Pea Concentrate EXW Europe	PCE1	€1.50/kg	-€1.15/kg	-43%
Pea Texturized Concentrate EXW Europe	PCE2	€3.00/kg	-€0.48/kg	-14%
Pea Isolate EXW Europe	PIE1	€4.50/kg	-€0.82/kg	-15%
Pea Isolate EXW China	5G91	\$1.47/lb	-\$0.03/lb	-2%
DAIRY MINTEC BENCHMARK PRICES	MINTEC CODE	FEB ASSESSMENT	CHANGE	% CHANGE
Whey Protein Concentrate (instant) EXW Europe	WCIEU	€9.40/kg	-€0.27/kg	-3%
Whey Protein Isolate EXW Europe	WIEU	€13.70/kg	+€0.18/kg	+1%
Whey Protein Concentrate (instant) FCA USA	WCIUS	\$10.21/kg	-\$0.02/kg	-1%
Whey Protein Isolate FCA USA	WIUS	\$14.66/kg	-\$0.04/kg	-3%

Market Sentiment for the Month Ahead

The DOC Reaches Affirmative Preliminary Decision ⬆️

- The DOC announced its affirmative preliminary decision in the anti-dumping investigation of pea protein concentrate imports from China. The ruling implements preliminary tariffs on dumped imports ranging from 112% to 270%. The DOC will be conducting a concurrent countervailing duty investigation
- According to market participants, Chinese producers have been selling pea protein in the US at significantly lower values than domestic prices, leading to unbalanced competition. A final determination from the DOC is expected to be announced in June

European Market in a Lull ⬇️

- In Europe, sources tell Mintec that there has been minimal recovery for volumes of plant-based proteins in Q1 2024. However, there appears to be significant optimism for market growth in 2024 amongst participants.
- Supply is increasing, and producers are decreasing offers, but it has been a challenge to find buyers even at lower values.

Limited Sourcing Options ⬆️

- Buyers tell Mintec that suppliers have increased offers on pea protein since the DOC determination, and sourcing options are limited as some facilities throughout North America have ceased operations within the past year due to lackluster demand
- Meantime, some participants state that there should not be an immediate impact on the market based on the tariffs because there is surplus supply of pea protein in storage in the US
- While the duties have caused concern for market players, some state that China could eventually develop alternative routes for the product to avoid the tariffs.

Soy Protein Demand Improving ⬆️

- Sources state that there have been small signs of recovery for soy protein demand, but not as much for pea protein. This is likely because pea protein is typically sold at a premium to soy, and some participants are considering reformulation as tariffs go into effect

“The North American duty on pea protein has certainly caused significant concern in the US. However, it was accepted months ago that these duties were inevitable so much of the impact is likely already priced in” - **Buyer**

MARKET SENTIMENT



Tariffs Implemented

The DOC's determination to place tariffs on imported pea protein from China will likely lead to price increases as this will limit sourcing options.

Supply and Demand

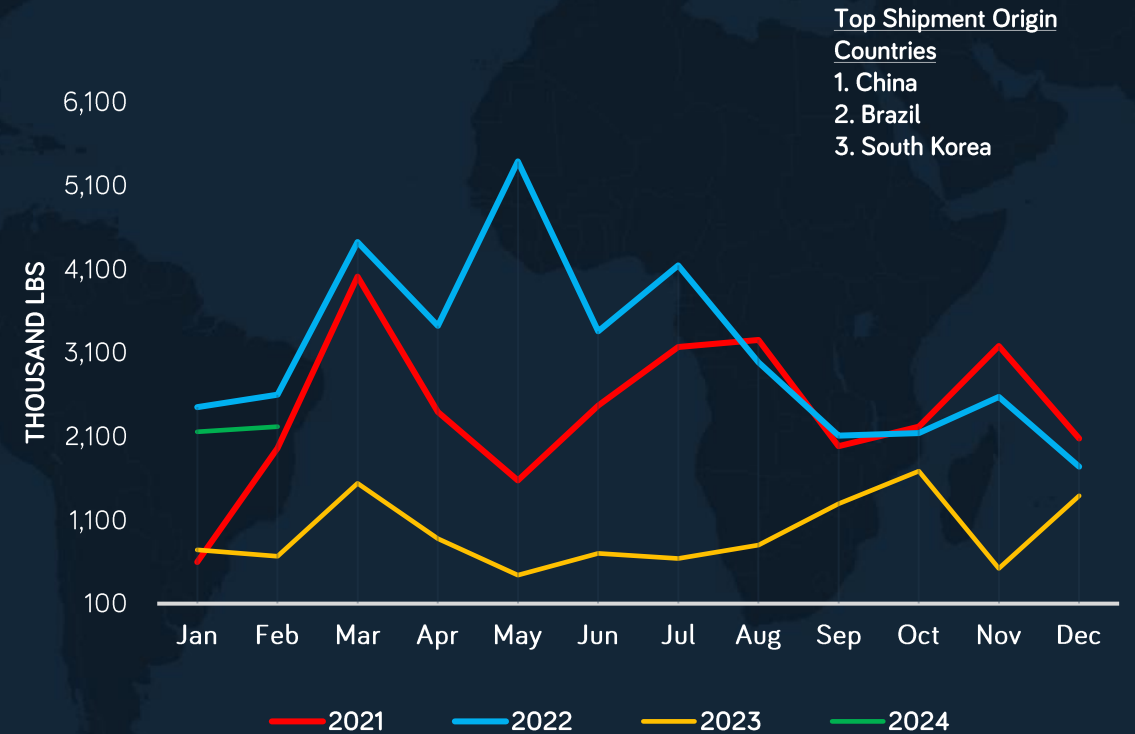
2023 Top Soy Protein Isolate Importers/Exporters YTD

- 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	1,421,810
2. PGP International	771,458
3. Phil Patterson Inc	757,596
4. Order	533,280
5. FedEx Trade Networks	442,780
6. Barentz Canada ULC	93,476
7. UPS Supply Chain Solutions	92,704
8. Wolf Trading Inc	86,654
9. Prime Agency	84,612
10. Bollore Logistiques Canada Inc	45,635

Exporters	Pounds
1. Order	1,383,580
2. Flexport International (Shanghai) C	1,100,740
3. Dezhou Ruikang Bio Technology Co	657,259
4. FedEx International Freight Forward	442,780
5. Flexport International	321,071
6. Shandong Yuwang Ecological Food	114,199
7. Qingdao Crown Imp & Exp Corp Ltd	93,476
8. Qingdao Planter Import & Export Co	86,654
9. Ningbo Get-Win International	84,612
10. Bollore Logistics China Company LIM	45,635

Soy Protein Isolate Imports US Customs Waterborne Shipment Volume



Supply and Demand

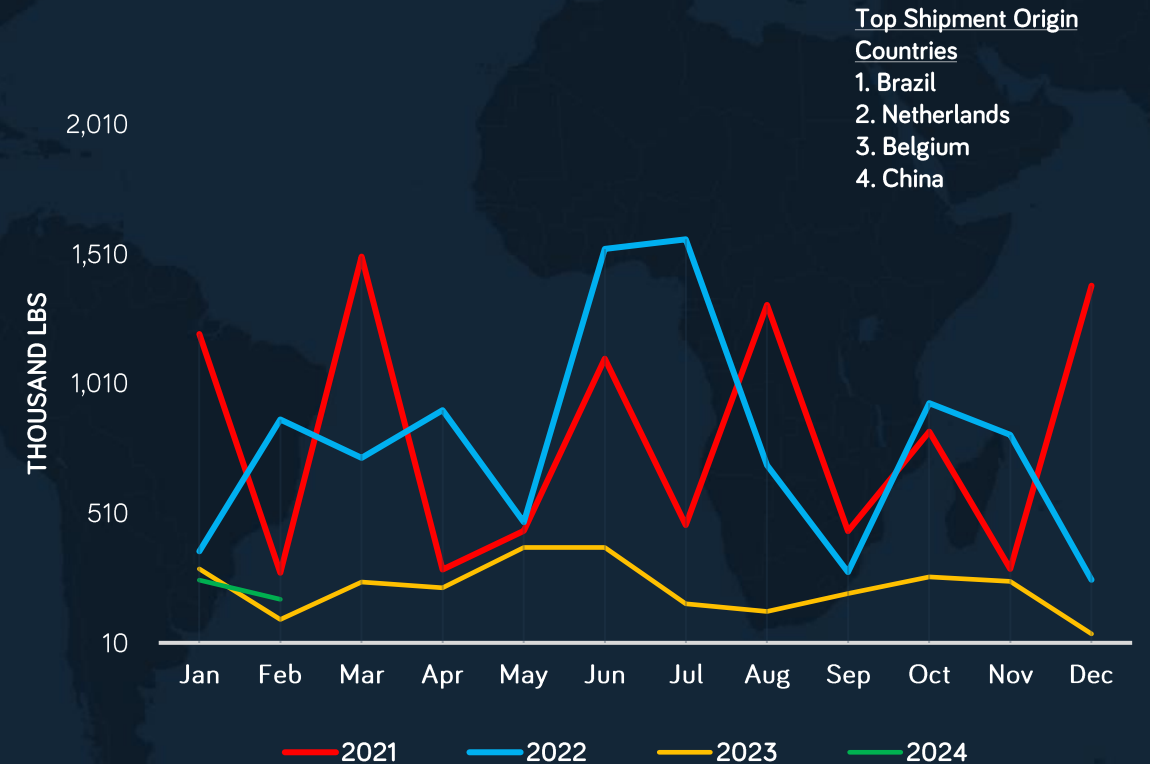
2023 Top Soy Protein Concentrate Importers/Exporters YTD

- 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. Kerry Apex (SFO)	103,638
2. Solex Logistics Inc	86,949
3. Centrans Marine Shipping Inc	86,949
4. FedEx Trade Networks	73,991
5. Archer Daniels Midland Co	50,580
6. Abbra Corporation Ltd Phaholyotin	34,428
7. DHY Shipping Line Inc	27,403
8. -	-
9. -	-
10. -	-

Exporters	Pounds
1. K-Apex Logistics (Qingdao) Co Ltd	103,638
2. Maxwide Logistics Inc	86,949
3. Pudong Prime International	86,949
4. FedEx International Freight Forward	73,991
5. Archer Daniels Midland Co	50,580
6. Solae LLC 4300 Duncan Avenue	34,428
7. Great Hill Supply Chain Technology	27,403
8. -	-
9. -	-
10. -	-

Soy Protein Concentrate Imports
US Customs Waterborne Shipment Volume



Supply and Demand

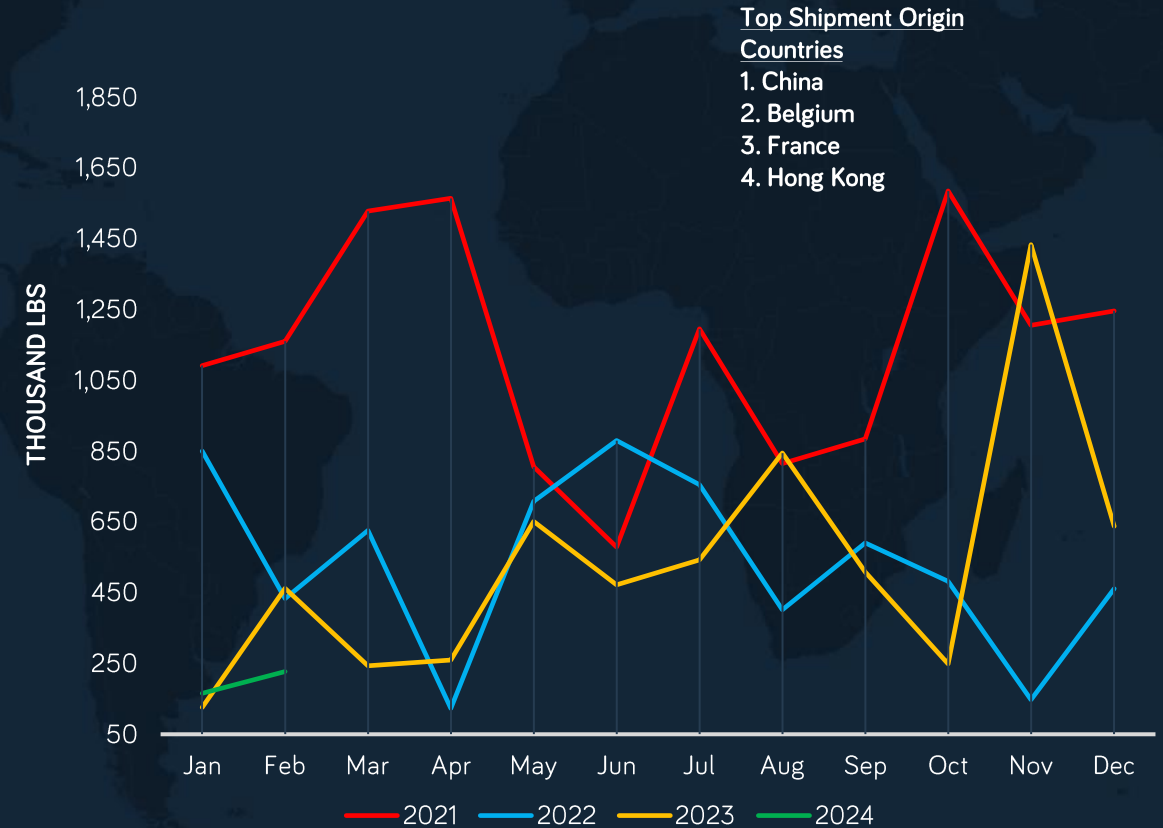
2023 Top Pea Protein Isolate Importers/Exporters YTD

- 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	308,657
2. Topasia International Logistics	44,092
3. Cosucra Inc	39,372
4. -	-
5. -	-
6. -	-
7. -	-
8. -	-
9. -	-
10. -	-

Exporters	Pounds
1. Cosucra Groupe Warcoing S A	348,029
2. Shanghai Milkyway Chemical	44,092
3. -	-
4. -	-
5. -	-
6. -	-
7. -	-
8. -	-
9. -	-
10. -	-

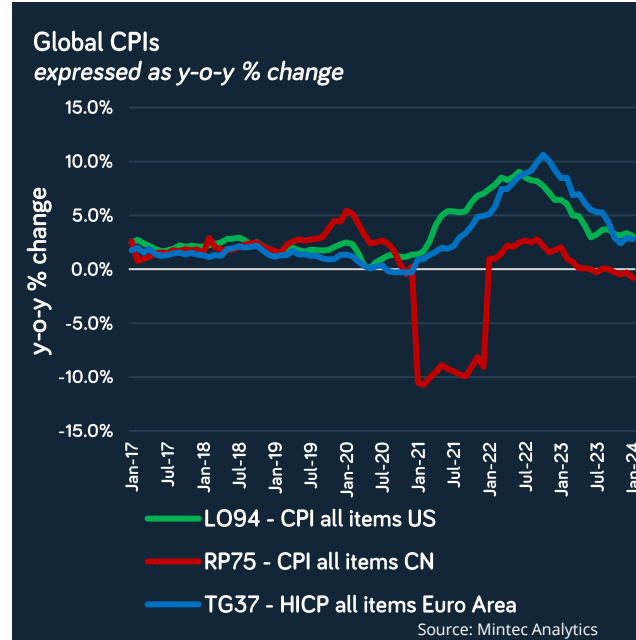
Pea Protein Isolate Import Volume
US Customs Shipment Volume



Other Price Drivers

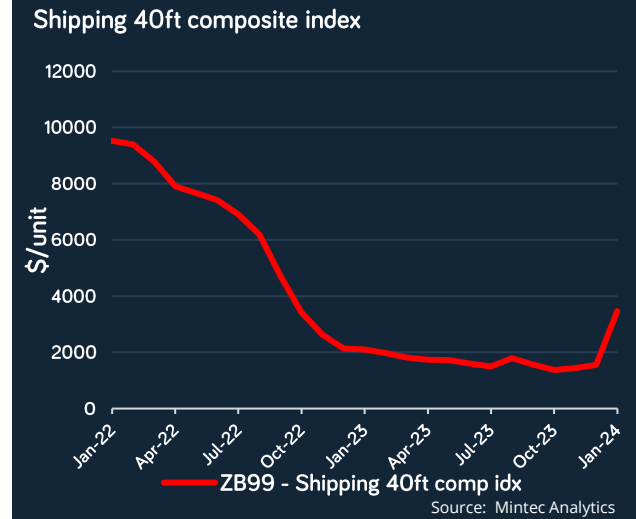
Macroeconomic Environment ⌵

- **Inflation in the US was 3.1% y-o-y in January, down from 3.4% in December.** The annualized figure was above market participants' expectations of 2.9% y-o-y
- **In the Eurozone, inflation slowed to 2.8% y-o-y in January, down from 2.9% in December.** The European Central Bank held interest rates at a level last seen 22 years ago. While some market participants expected rate cuts early in 2024 following slowing headline inflation, ECB president Christine Lagarde stated that discussion of rate cuts was "premature"



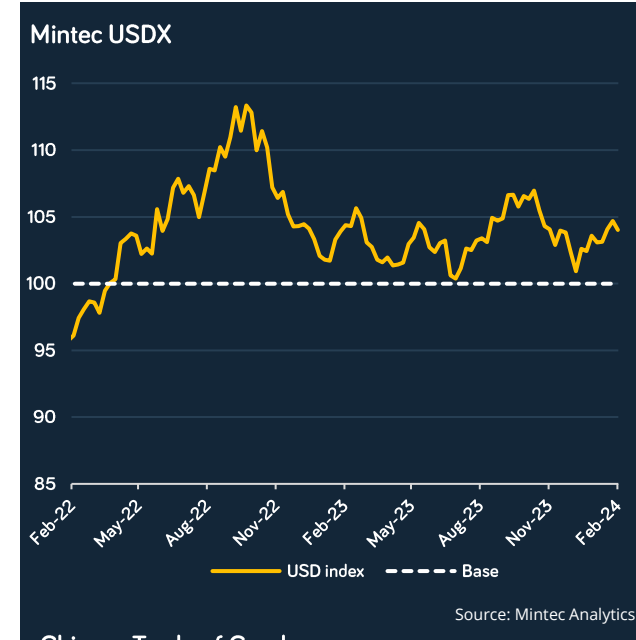
Freight Rates ⌶

- The Truckload Linehaul Index North America **declined by 0.6% m-o-m and 6% y-o-y in January**
- Nevertheless, **carriers are optimistic and expect a recovery in freight demand.** The decline in the index was caused primarily by the contract component, which declined on the back of lower freight costs



Currency ⌶

- The Mintec Dollar Index rose by 0.43% for the four weeks to 21st February, settling at 104.03
- By late 2023, many market participants had anticipated several rate cuts in 2024. However, an uptick in annualized inflation in December resulted in participants believing **rate cuts will come later than expected, likely in the middle of the year, and at a slower pace**



World Trade ⌵

- **US imports in 2023 are down 6% y-o-y, China's imports slowed to -2.8% y-o-y by the end of the year**
- **US exports for 2023 fell 2% y-o-y, but unlike imports in December, the pace of decline accelerated to 3% y-o-y**
- **Chinese exports ended the year up 0.8% y-o-y in December versus 4.8% y-o-y growth for 2023.** Domestic consumption in China is recovering at a slow pace, so exporters are keen to boost exports



Abbreviations and Acronyms

Commodity Market Insight

CPI	Consumer Price Index
DOC	US Department of Commerce
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](#).