

PANDEMIC PANDEMONIUM

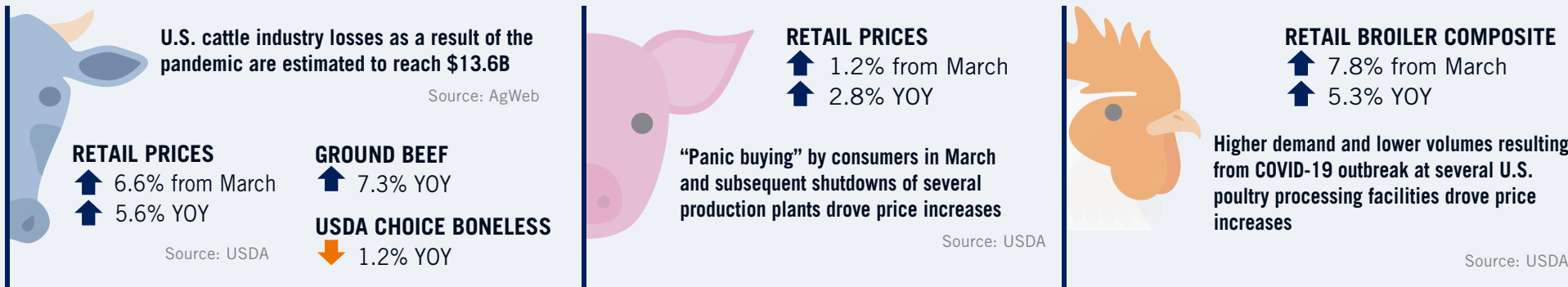
The food industry has experienced nothing but utter chaos as a result of the COVID-19 pandemic. Grocery sales soared due to the stay-at-home orders, but foodservice sales plummeted with the closure of dine-in restaurants, bars, corporate cafeterias and schools. This, in turn, led to a decline in world food prices for three consecutive months due to weakened demand. The pandemic has also resulted in meat shortages, particularly for pork and beef, due to supply chain issues and COVID-19 outbreaks at processing facilities.

MEAT MADNESS

Many U.S. meat plants have been impacted by COVID-19, leading several to shut down, including Tyson Foods and Smithfield Foods. At least 20 meatpacking plants around the U.S. were or are closed temporarily, reducing pork production by 25% and beef output by 10%. As of the end of April, there had been nearly 10,000 COVID-19 cases and at least 20 deaths among U.S. meat plant workers.

Sources: Center for Disease Control (“CDC”) and Supermarket News.

APRIL 2020 PRICES



RATIONING

Numerous supermarkets are limiting the amount of meat purchased by customers

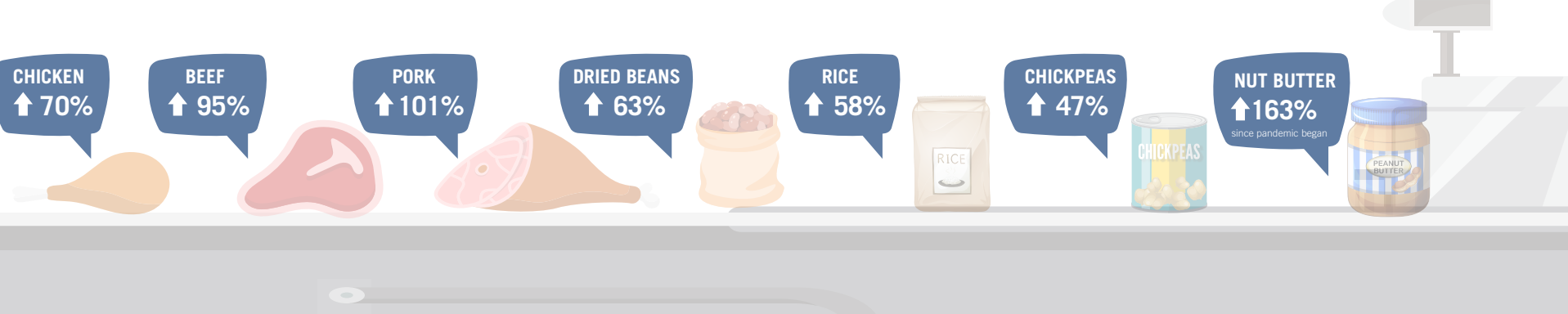


AISLE FEEDING FRENZY

Grocery stores have recently seen increased spending as a result of the pandemic.



SALES (MARCH 2020 VS. MARCH 2019)



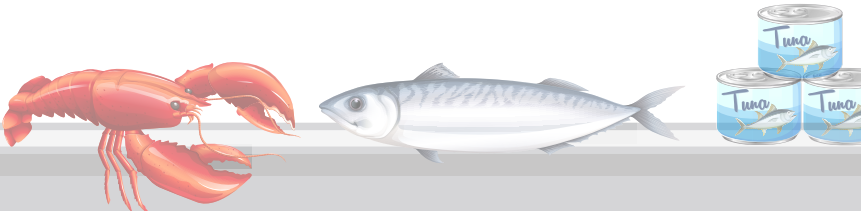
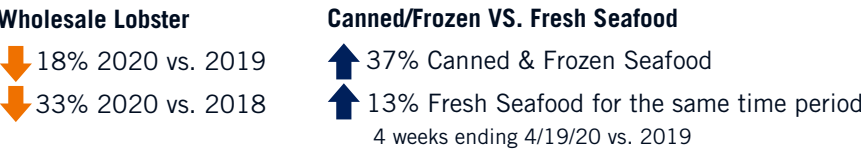
Source: Livestock Marketing Institute, IRI Worldwide, BusinessWire, PRNewswire

TROUBLE AT SEA

The majority of seafood is utilized by the foodservice industry. Prior to the pandemic, Americans spent ~\$1B on seafood annually, of which \$70MM was consumed outside of homes. Fishermen and processors report they have lost up to 85% of their revenue during the pandemic. The seafood industry received a \$300MM assist from the \$2T COVID-19 relief package passed by Congress in March.

Sources: National Oceanic and Atmospheric Administration, TheCounter, Anchorage Daily News

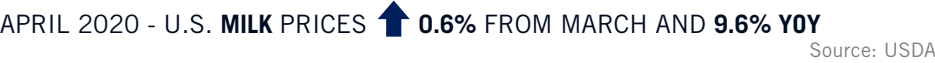
SEAFOOD PRICES



MILKING IT?

At the retail level, milk and cheese sales have fared well. However, despite demand from consumers, the short shelf life and perishable nature of dairy products, in addition to the closure of the foodservice channel, have resulted in tough times for the dairy industry. The nation's largest dairy cooperative, Dairy Farmers of America, estimates that farmers are dumping as many as 3.7 million gallons of milk each day.

Source: New York Times



MARCH PURCHASES 2020 VS. 2019

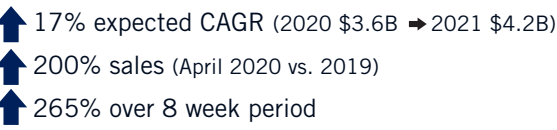


CHEESE PRICES



A VEGETARIAN'S DELIGHT

As consumers fear a meat shortage and others turn to healthier alternatives as the pandemic wages on, sales in the plant-based meat market have climbed significantly and are expected to continue to grow.



SUGAR CRASH

Demand for sugar decreased due to confinement orders put in place in numerous countries and the closure of foodservice establishments to help control the spread of COVID-19.

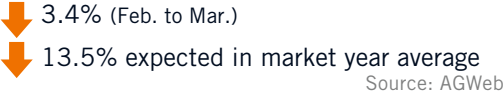


FARMERS' FOE

U.S. corn futures prices and #2 yellow corn prices overall have fallen sharply in the midst of the pandemic.

Source: FAO

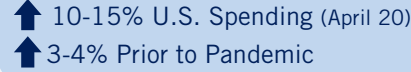
#2 YELLOW CORN PRICES (PER METRIC TON)



AT YOUR SERVICE

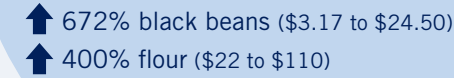
Online sales and at-home meal delivery services have recently surged. HelloFresh and Blue Apron reported nearly double-digit increases in revenue and number of customers during March-April 2020.

ONLINE SALES:



Source: Winsight Grocery Business

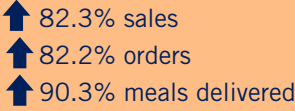
AMAZON.COM PRICES



Source: Bloomberg Law



HELLOFRESH Q1:



Source: CNBC – Bain & Company



TO LEARN MORE, DOWNLOAD **GA'S FOOD MONITOR** AT
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