FOOD PRICES FLUCTUATE





Continued tariffs and trade wars have negatively impacted the U.S. food industry, particularly in the cheese and pork segments.

WORLDWIDE FOOD PRICES: (Jan. 2019)





CHINA AND MEXICO HAVE IMPOSED 15-25% TARIFFS ON VARIOUS U.S. PRODUCTS, INCLUDING CHEESE, PORK, COFFEE, AND SOYBEANS.



PRICES BEEFING UP

Driven by strong overall demand, beef prices are on the rise. Production is also set to expand, which could stabilize prices.



WHOLESALE BEEF PRICES Jan. 2019, YOY



RETAIL BEEF PRICES



1.8% PROJECTED BEEF PRODUCTION 27.7B POUNDS 2019, from 2018

PORK CHOPPED

Wholesale pork prices for January 2019 dropped due to tariff-induced export decreases, along with a higher hog slaughter rate.



WHOLESALE PORK PRICES Jan. 2019, YOY



HOG SLAUGHTER 16.5M HEAD

WINGS TAKING FLIGHT

Wholesale chicken wing prices see largest increase in 8 years, while broiler prices continue to teeter-totter.

WHOLESALE CHICKEN BROILER PRICES: (Jan. 2019)



8.7% From Dec. 2018

2.4% YOY

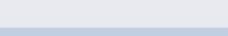


24% WHOLESALE CHICKEN **WING PRICES**

THE DAIRY ROLLERCOASTER

The cheese market sees its share of ups-and-downs due to uncertainty related to tariffs, despite maintaining a 1.4 billion-pound surplus. Milk prices dropped due to a large market supply and tariffs imposed by China and Mexico. Prices may rebound, however, as dairy demand continues to increase despite these factors.





PLENTY OF FISH IN THE SEA

U.S. per capita seafood consumption is at an 11-year high, despite stagnant shrimp prices and Chinese tariffs affecting the lobster market.

Source: Seafood News



OVERALL AMERICAN CONSUMPTION 16.0 POUNDS PER PERSON 2017, from 2016



27.5% LIVE LOBSTER EXPORTS TO CHINA Oct. 2018, from 2016



▲ 10.6% SALMON CONSUMPTION



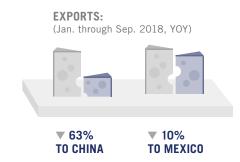
7.3% SHRIMP CONSUMPTION





Since 2016





THERE'S NO SUGAR-COATING IT

Prices increase as supplies decrease, with an expected deficit totaling close to 2 million tons.



FAO SUGAR PRICE INDEX Since Dec. 2018



25% SUGAR SUPPLY FROM 2018-2019 **GROWING SEASON** 1.9M TONS DEFICIT 2019 to 2020, projected

ITS STALK IS RISING

Overall, corn prices see an upward bump while 2018 planted acres and yield take a hit from the previous year.

#2 YELLOW CORN PRICES: (Jan. 2019, per metric ton)

Source: USDA



0.4% From Dec. 2018



THERE'S A NEW PROTEIN IN TOWN

Protein-alternatives—including plant-based and soy—are poised to give meats and other proteins a run for their money.

Source: USA Today



ANNUAL INCREASE PROJECTION FOR PLANT-BASED PROTEINS \$10.5B TO \$16.3B

From 2017 to 2025, projected Source: Persistence Market Research



▲ 53% SOY PROTEIN VALUE \$6.8B TO \$10.4B From 2017 to 2025, projected

HAS MEAT MET ITS MATCH?

While consumers are seeking meatless protein options more so than in past years, meat demand remains high. Amongst other industry trends, the hottest comes by way of a rise in foods and beverages infused with the industrial hemp compound CBD (cannabidiol).