



Global animal protein in the 2020s

Finding opportunities in a changing world

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Rabobank

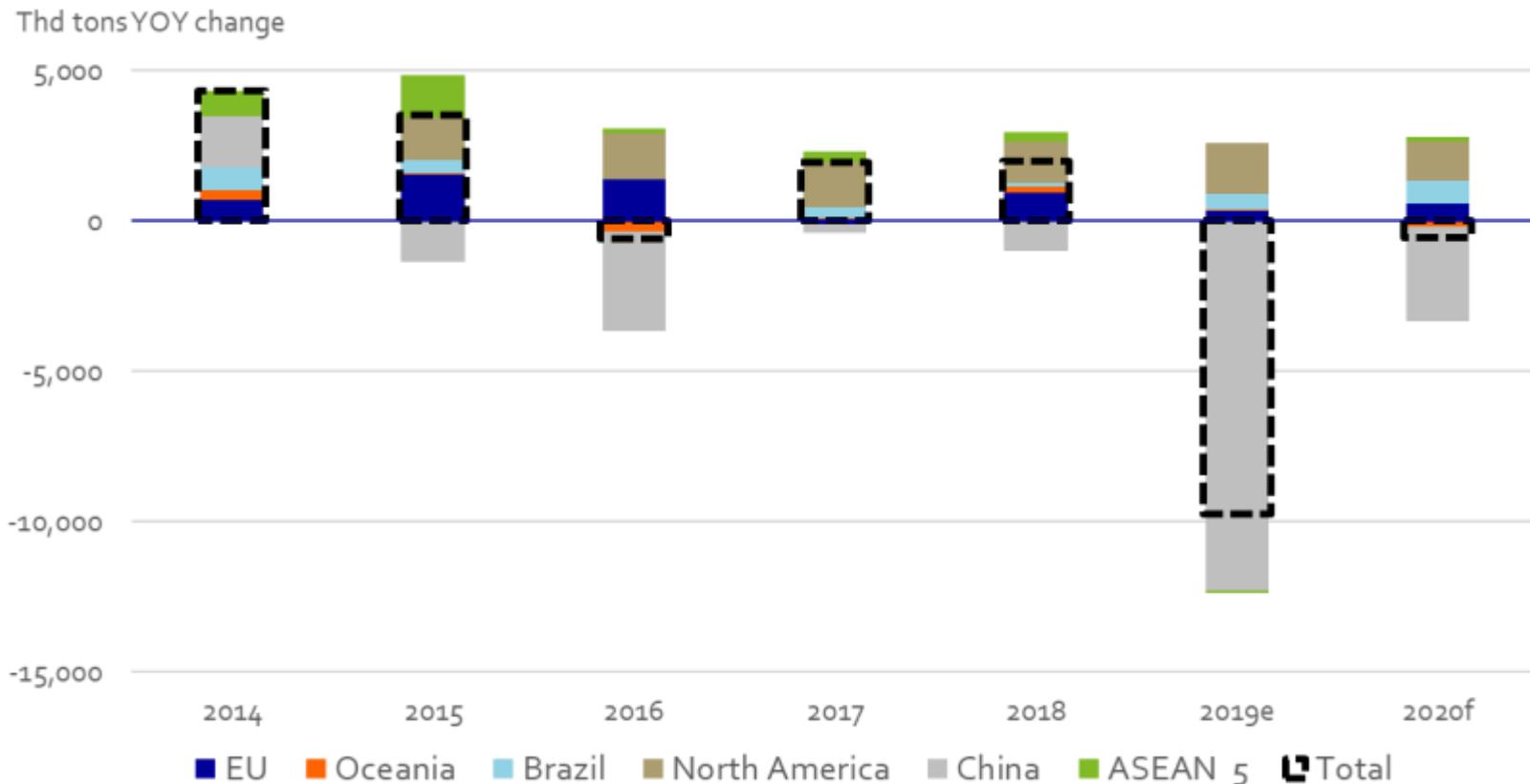


Global animal protein production outlook

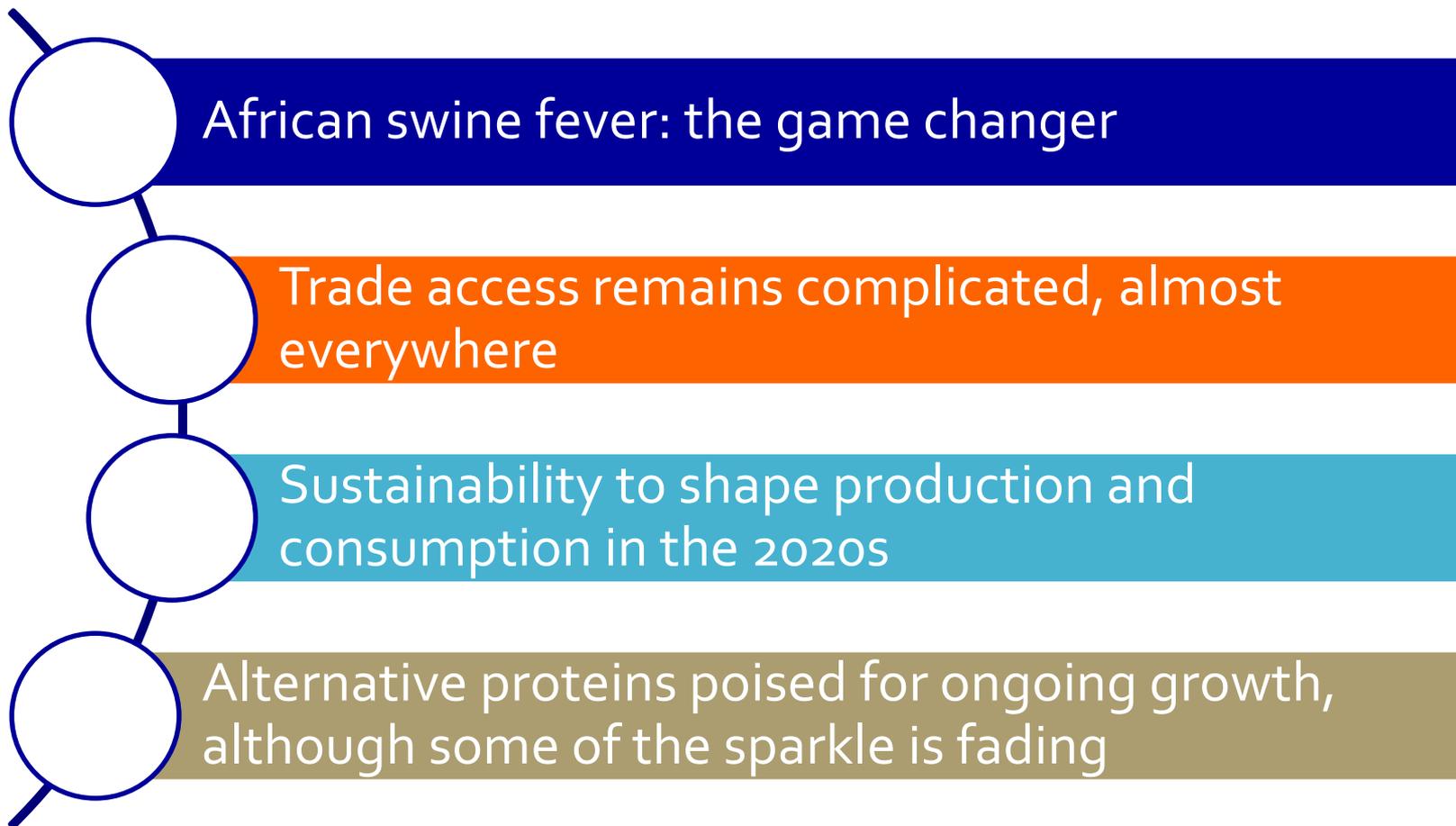
Global production outlook quite positive – except for China



China easily overwhelms the global picture



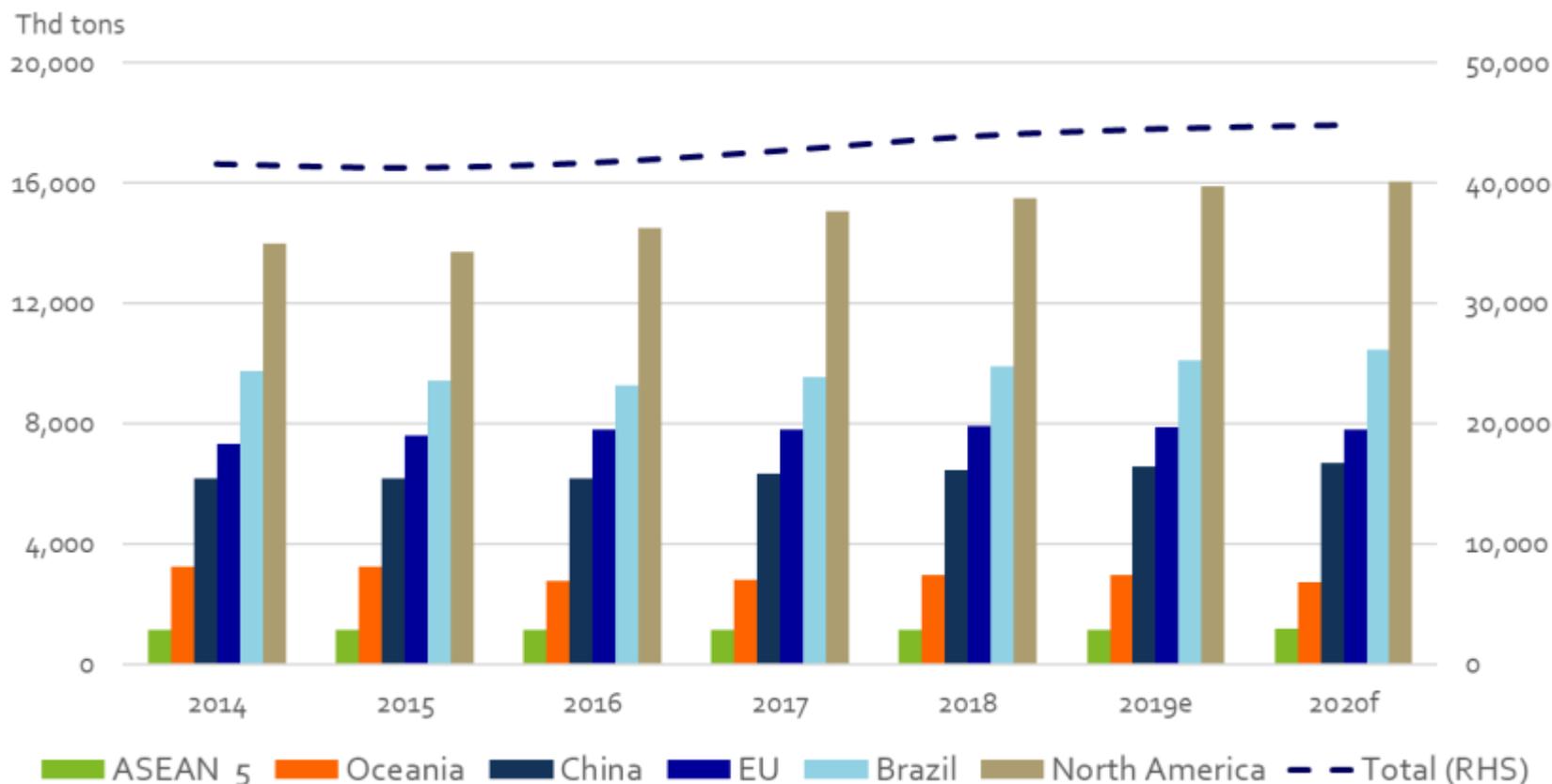
Four main issues shape the global outlook



Beef set to grow in 2020, but slowly



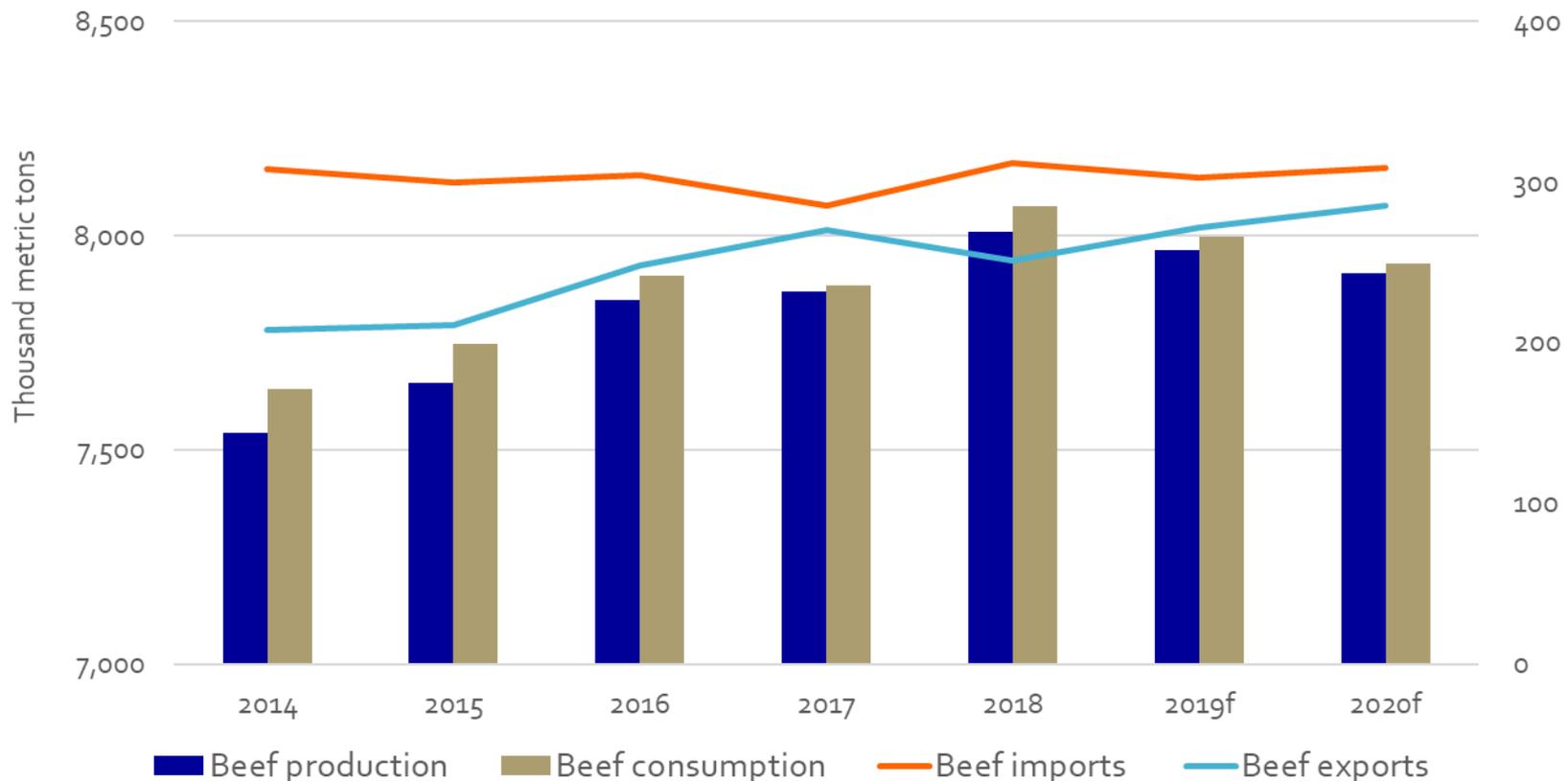
Strongest growth in Brazil, but elsewhere supply is tightening



EU beef resumes long-term trend of decline, after some growth



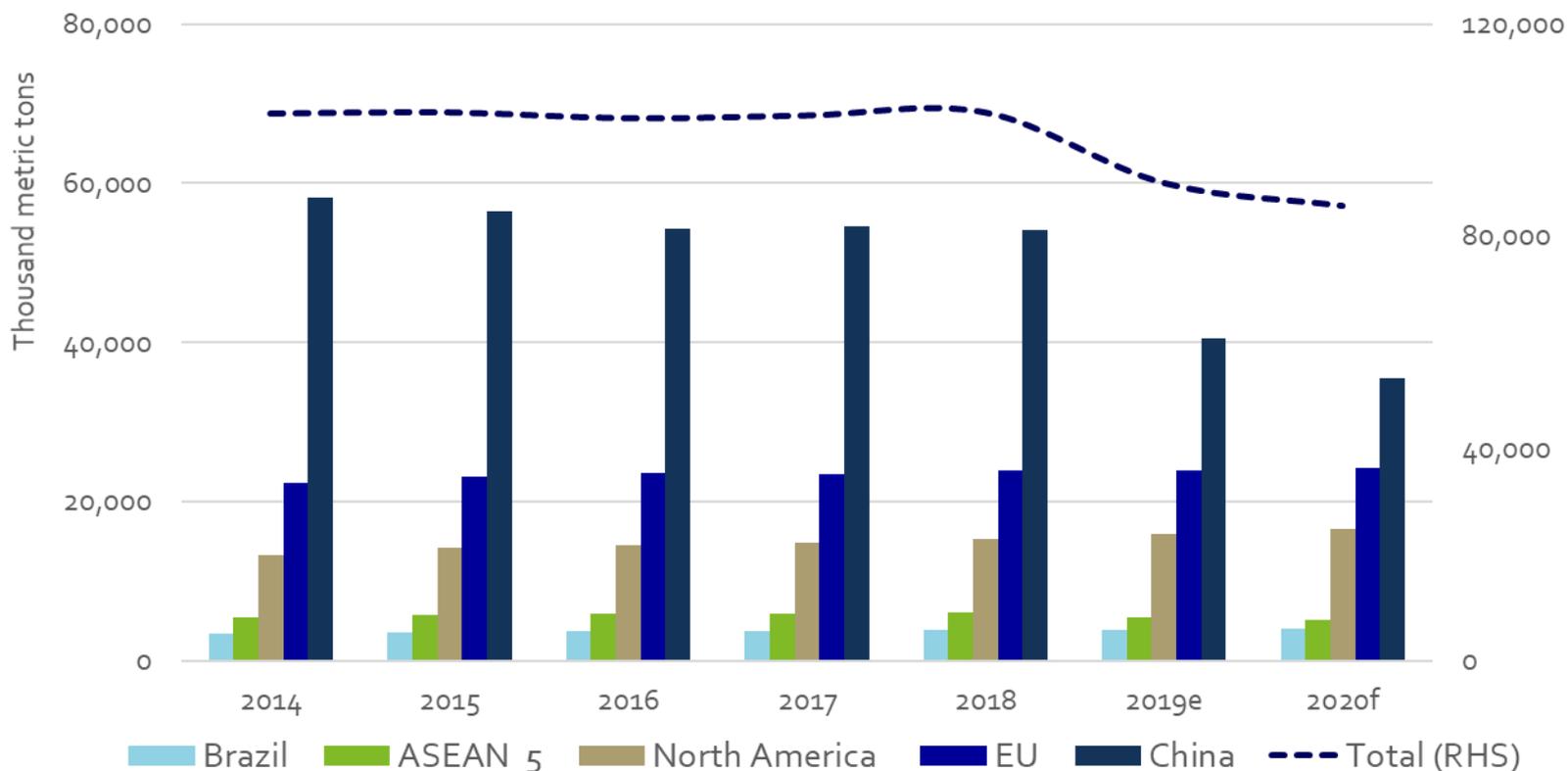
Tightening supply and perceived disadvantages shape change



Global pork supply falls driven by ASF losses



Moderate growth expected across all regions, except Asia

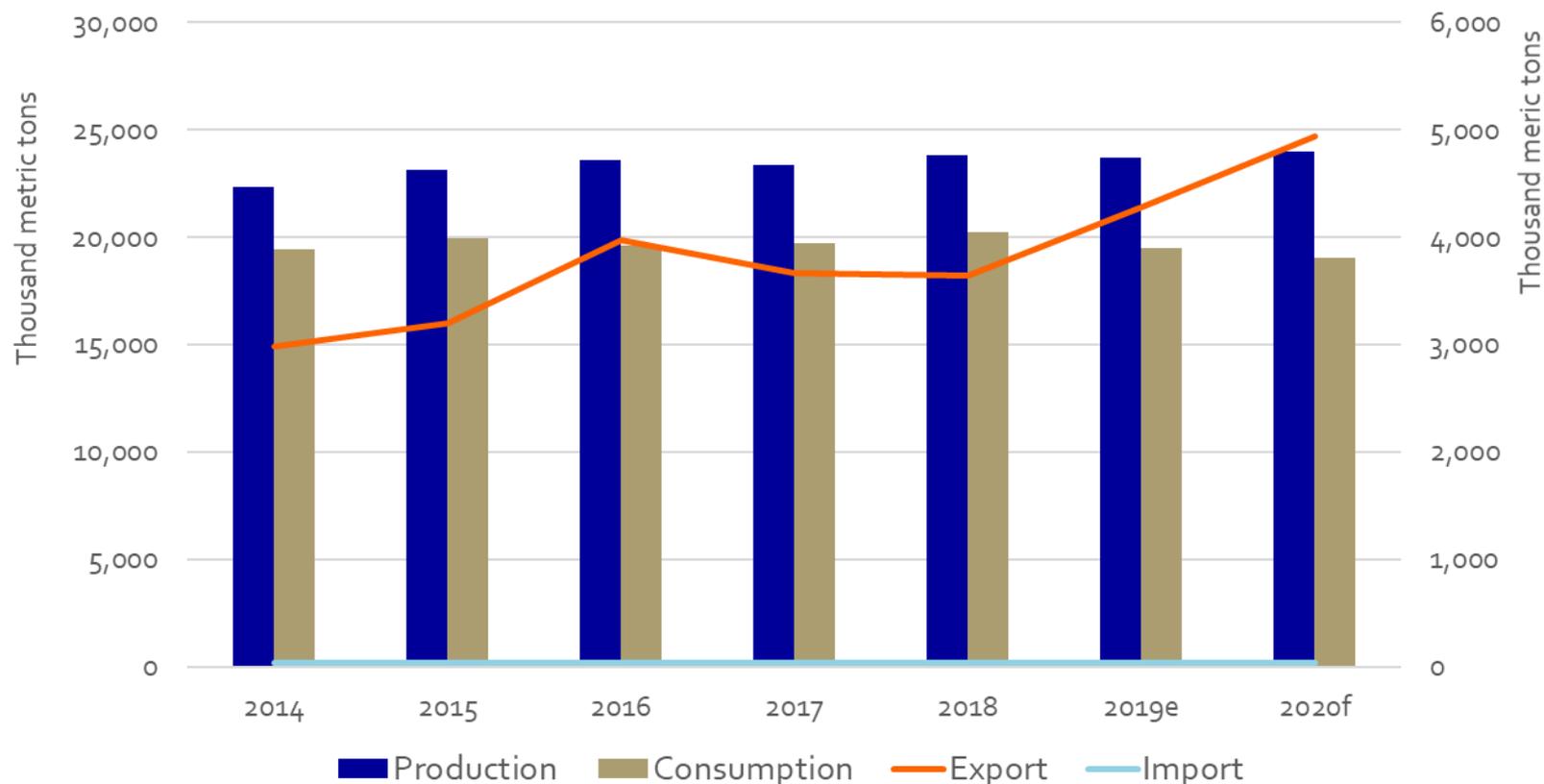


Source: FAO/OECD; USDA; EU Commission; China MARA; Rabobank, 2019

EU pork production declines despite high prices in 2019



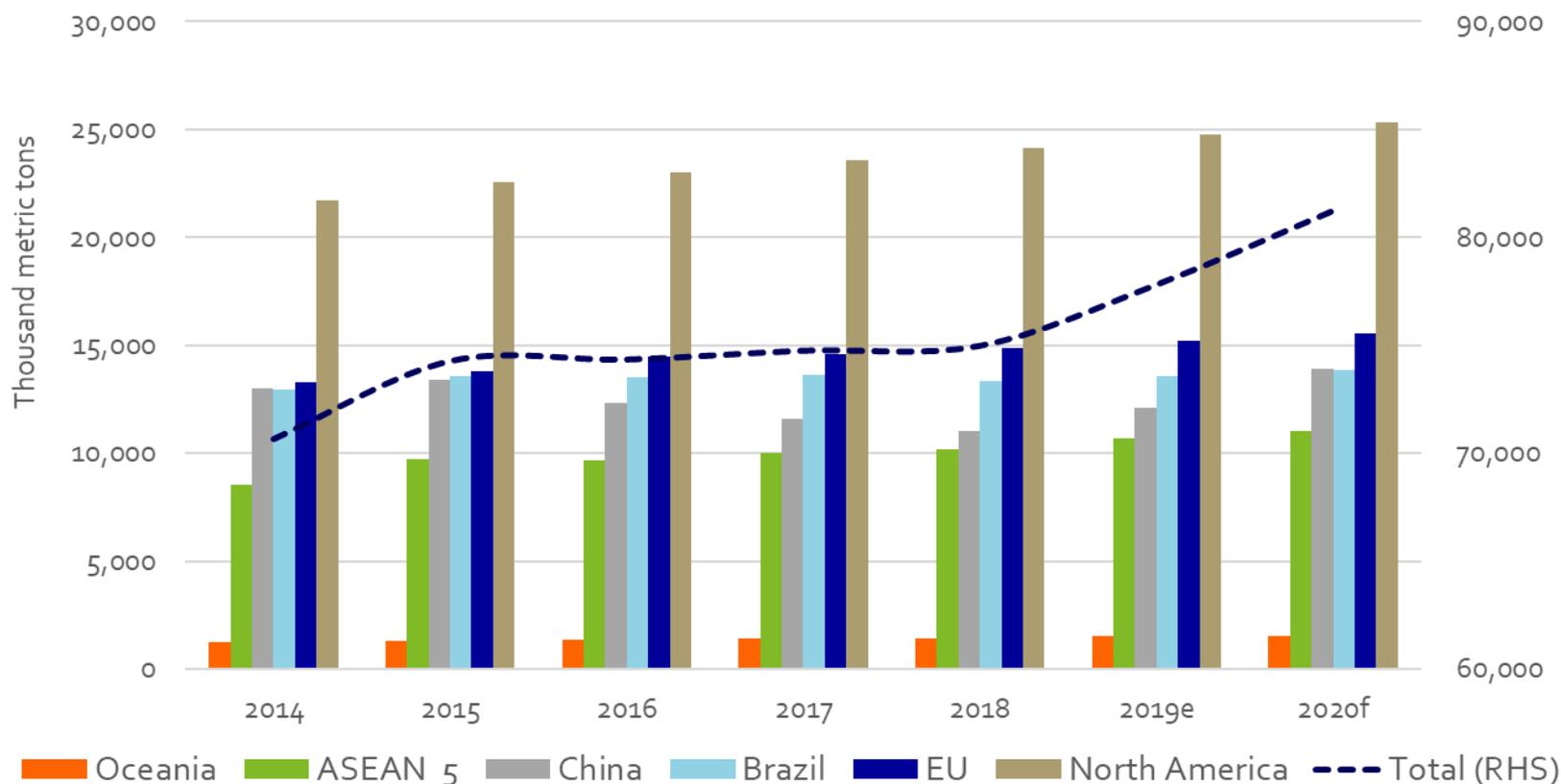
We expect pork production to increase by 1% in 2020



Poultry is growing in all regions, especially China



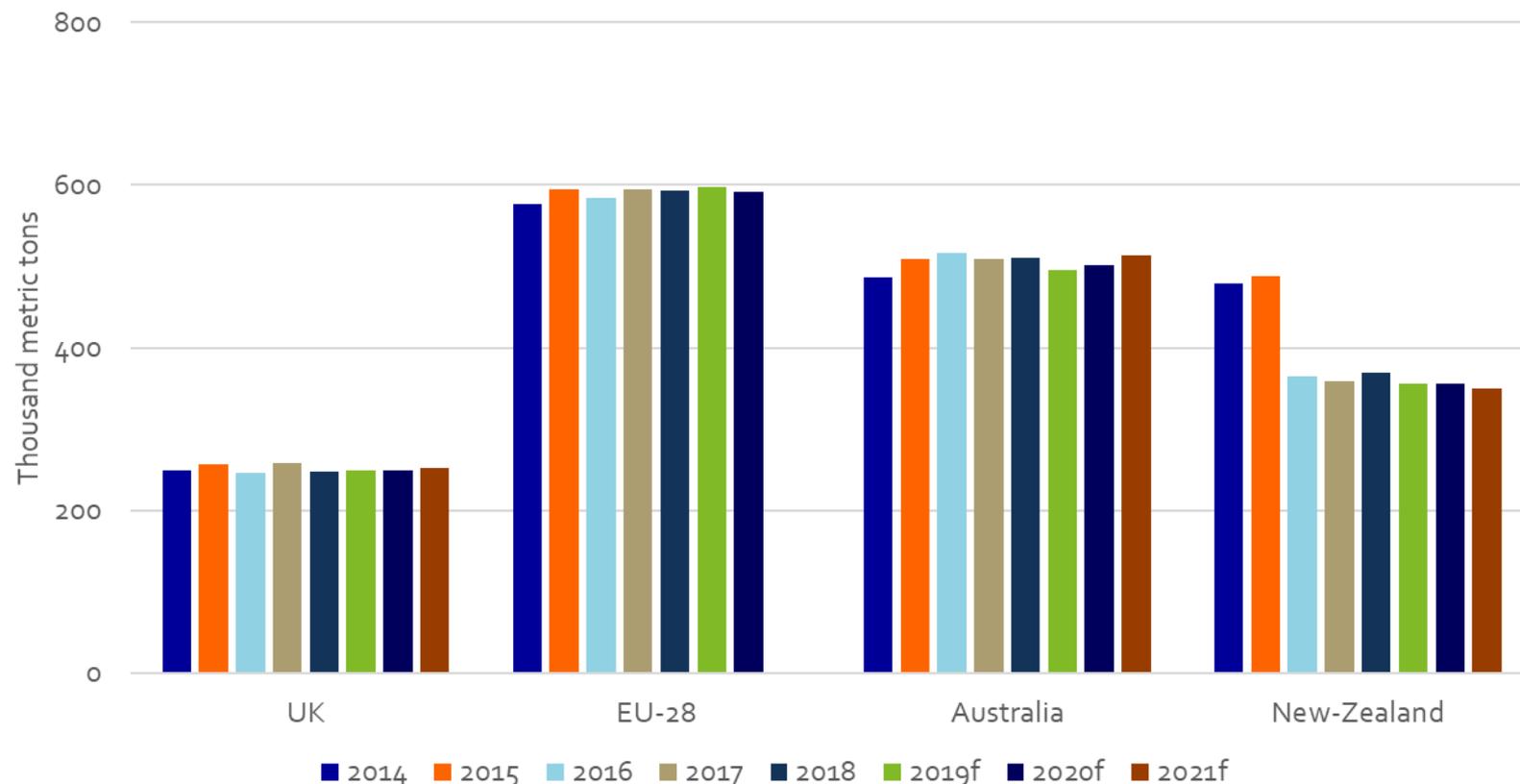
Consistent growth drivers and favourable feed prices supportive



Lamb outlook – steady on production



Only marginal changes expected, based on tight supply and firm prices



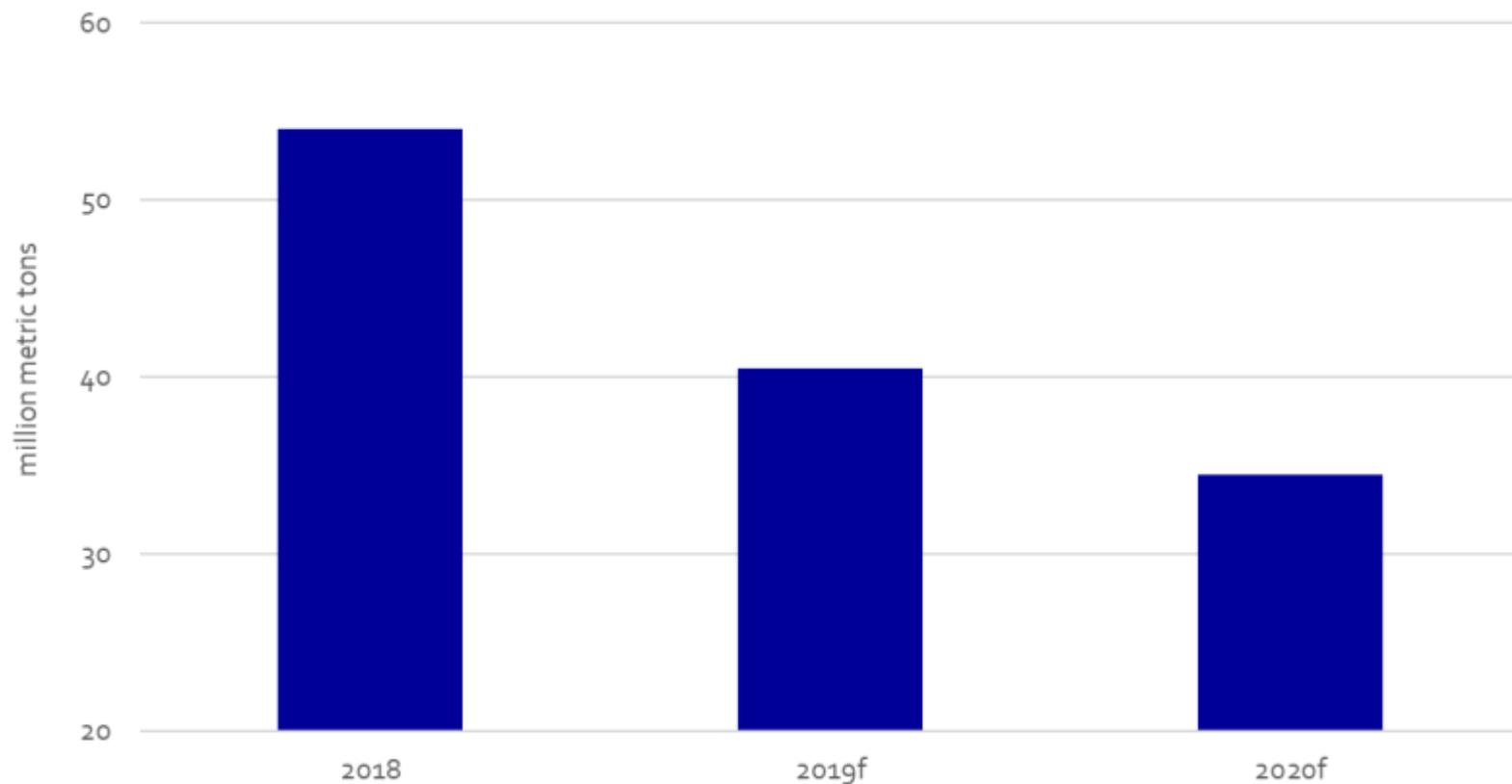
African Swine Fever has created
unprecedented change



Unprecedented decline in China's pork production



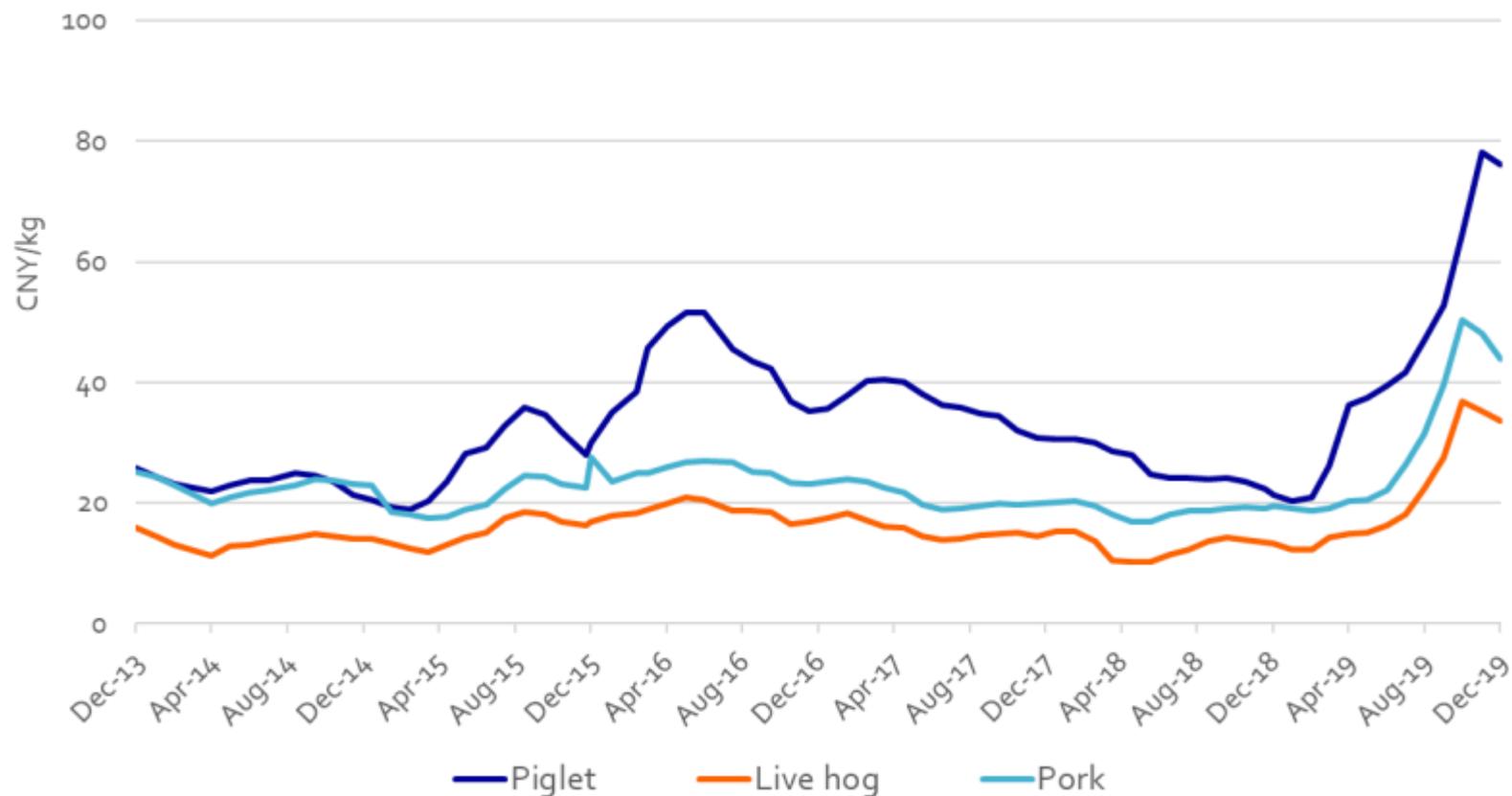
It isn't just about 2019 – further losses expected in 2020



Prices in China rise above record levels, driving up CPI



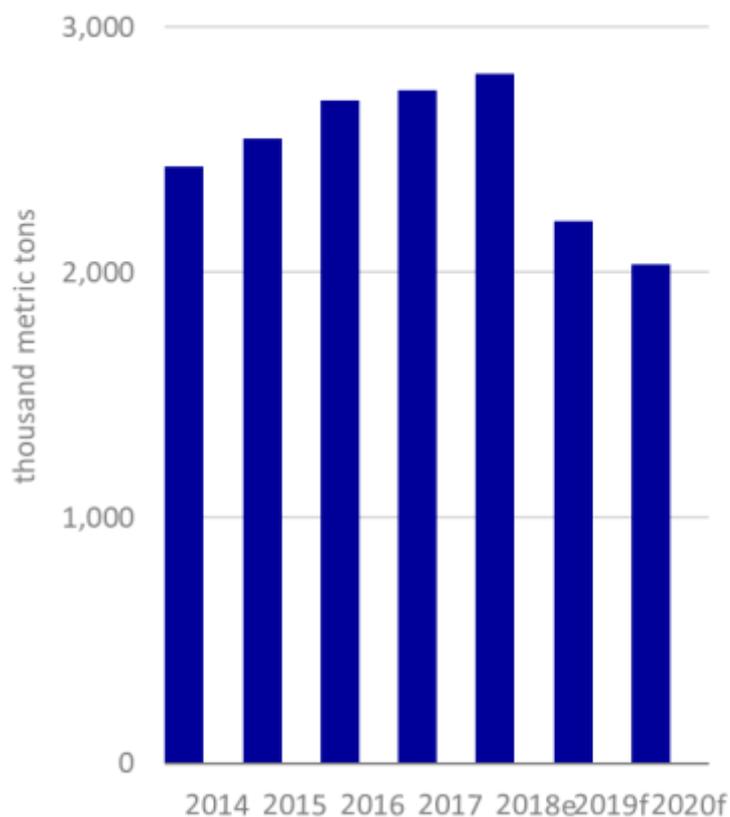
Recent corrections are welcome, but pricing pressure remains huge



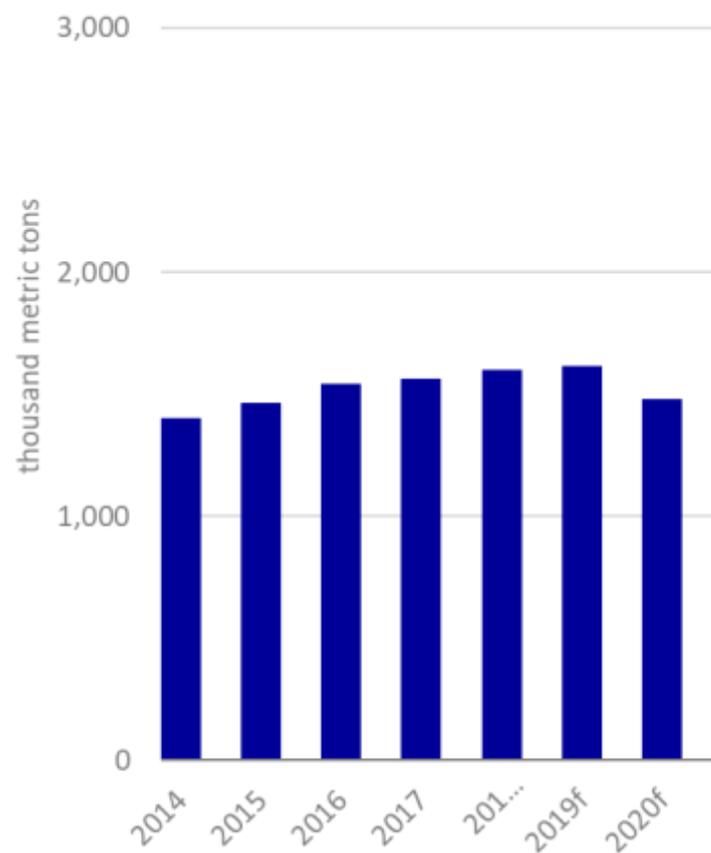
Further losses expected in Southeast Asia in 2020



Vietnam facing another 10% decline



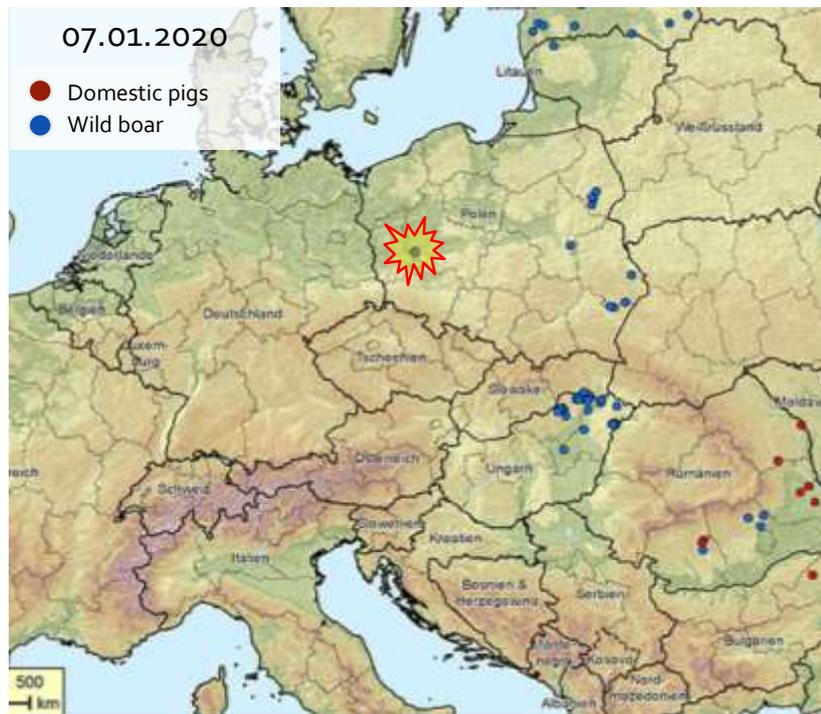
Philippines facing 10-15% losses



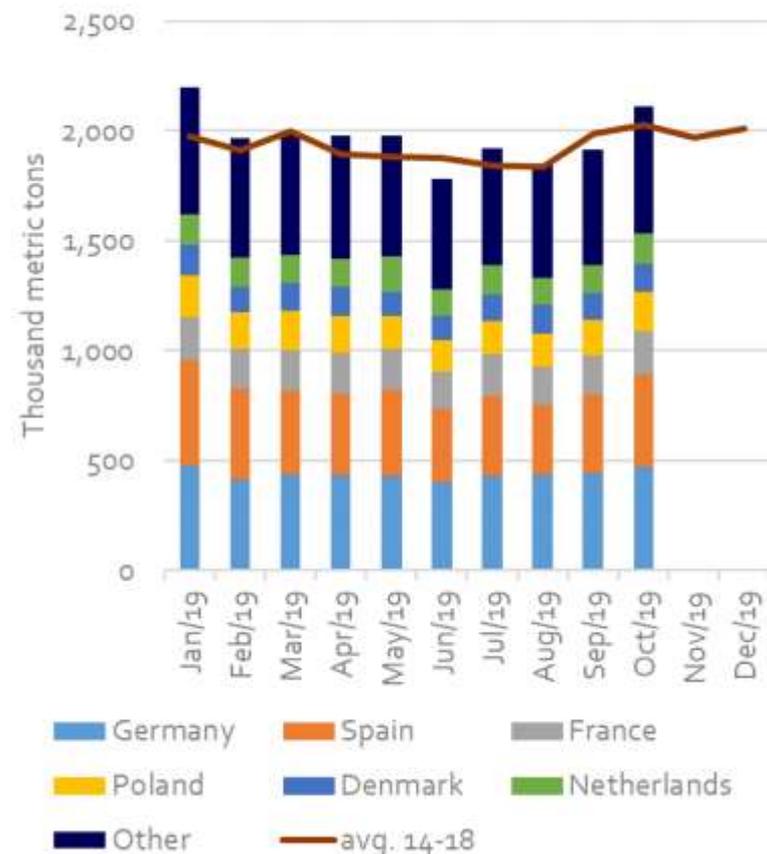
ASF an ongoing threat in Europe

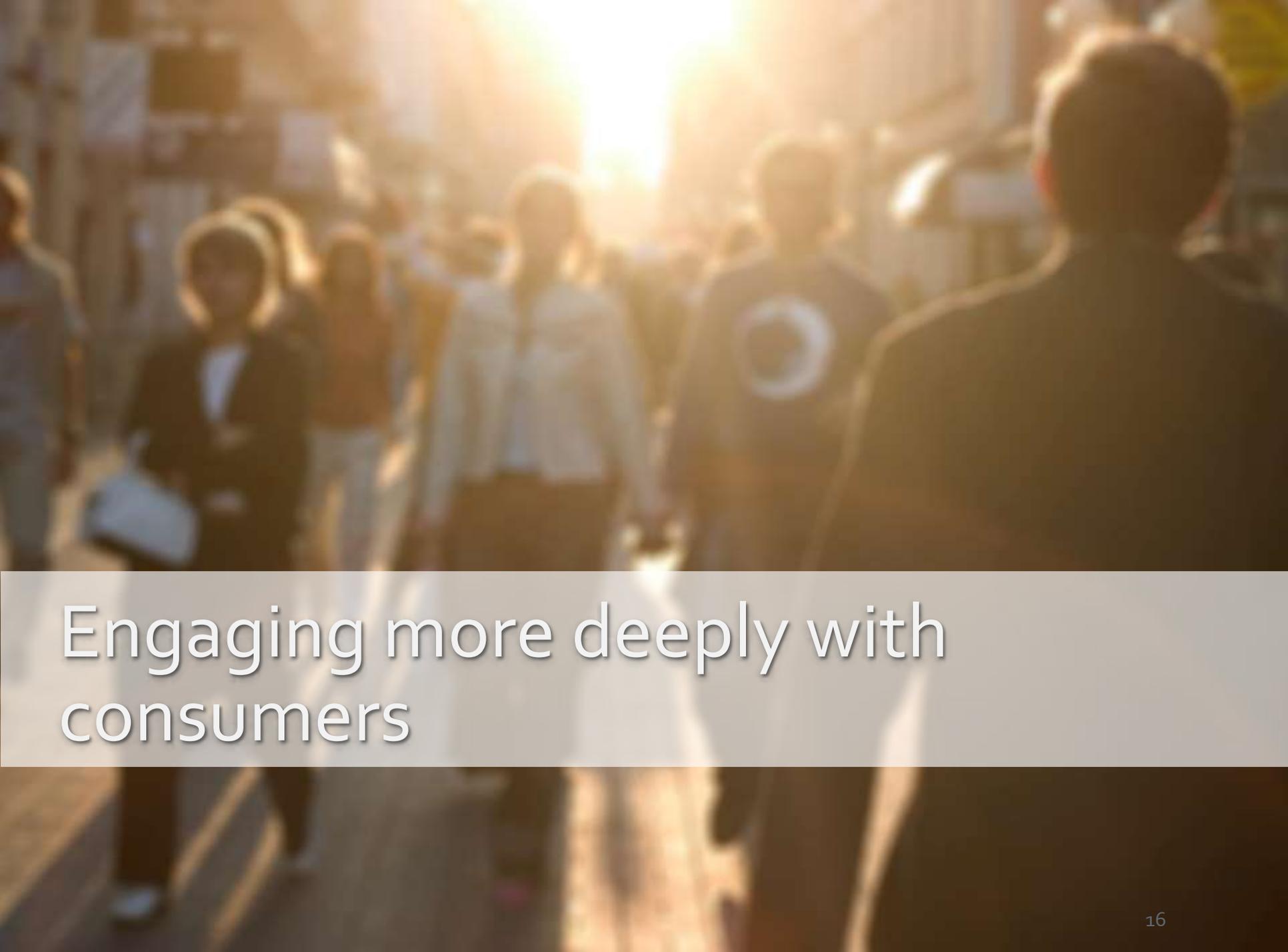


ASF has jumped large distances in Poland



Pork production was sluggish through mid-year, but has been building



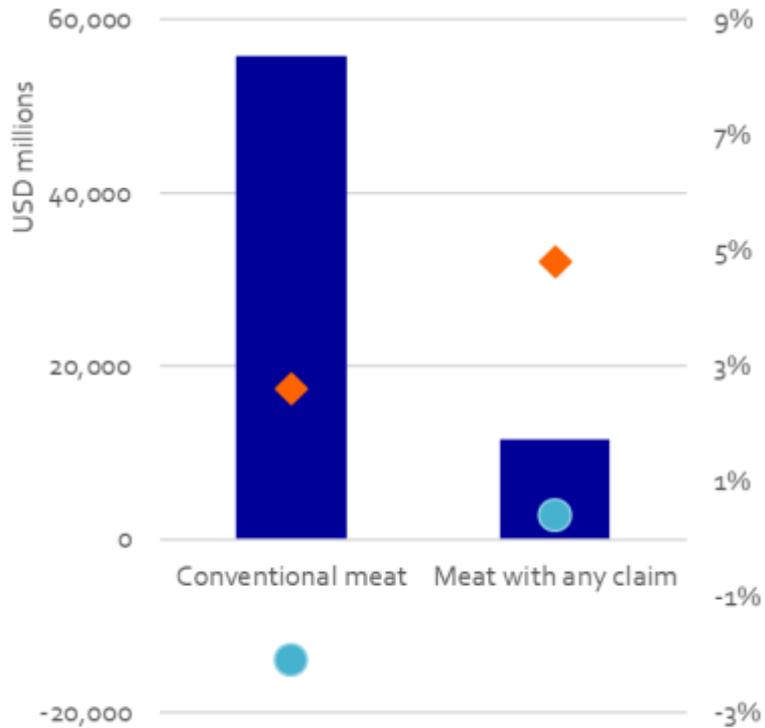


Engaging more deeply with
consumers

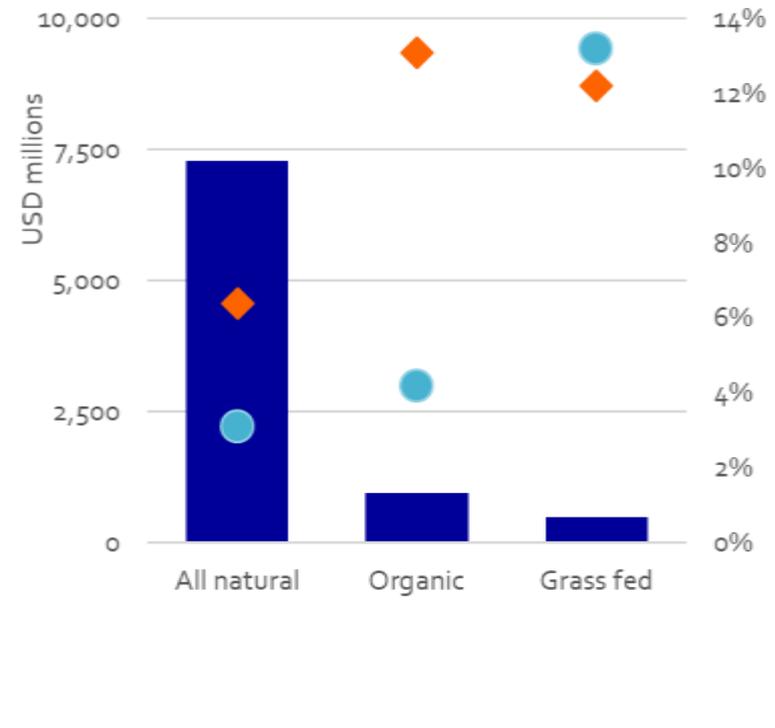
Consumers are choosing meat with sustainability claims



Meat with claims is growing fastest



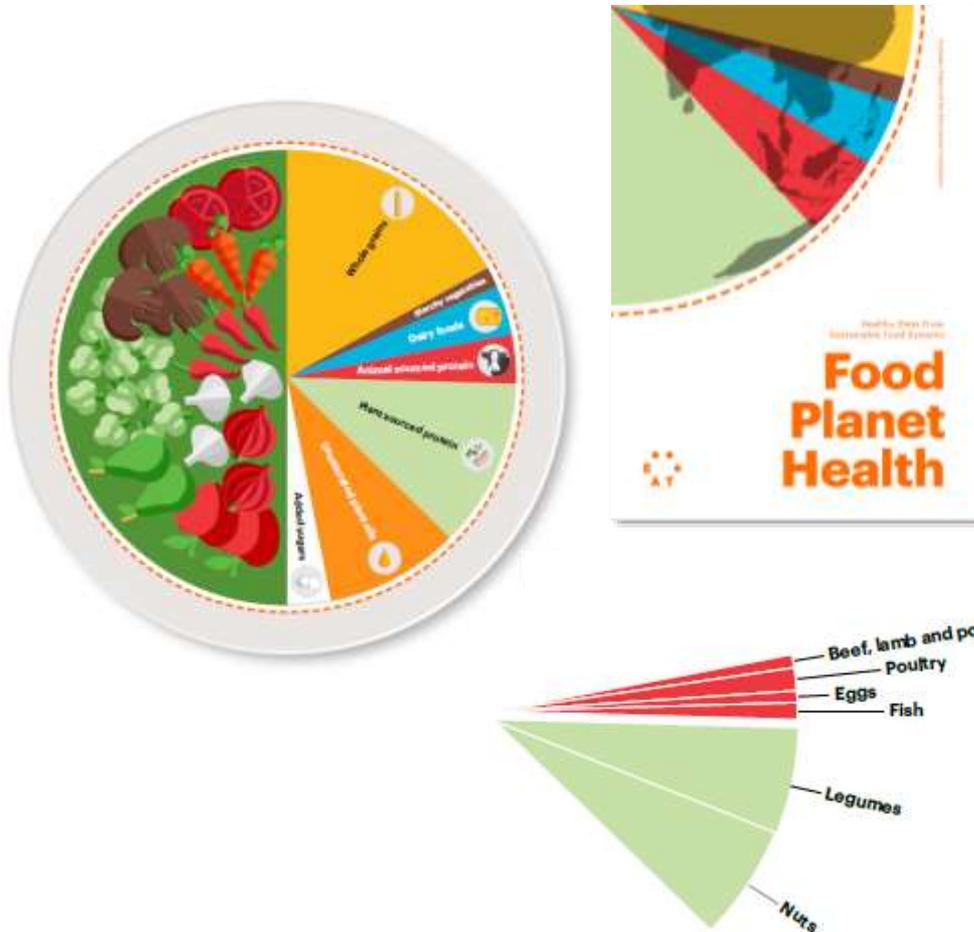
Production systems influence sales



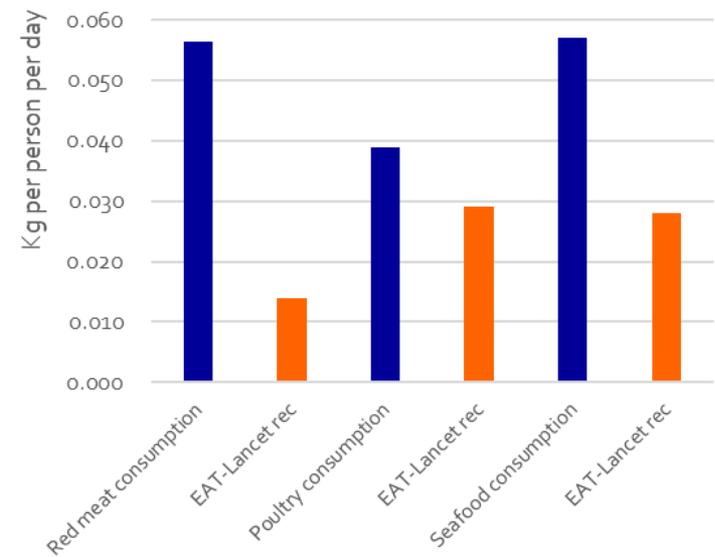
■ Market size ◆ Value growth (RHS) ● Volume growth (RHS)

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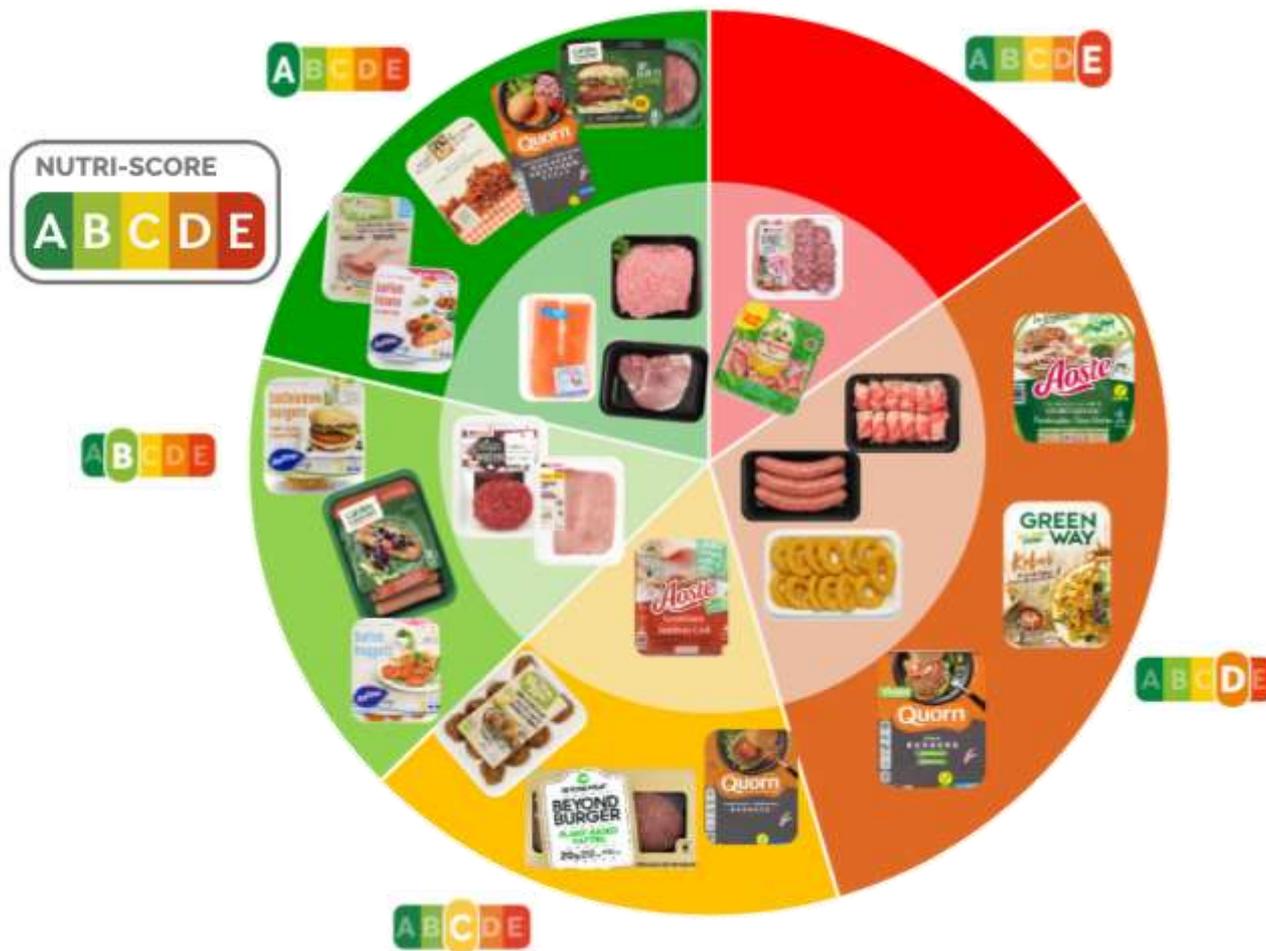
But our industry is being challenged by 'science'



The EAT-Lancet Commission's 'planetary health diet' is incredibly challenging for global animal protein



We have a good story on health as well as sustainability



Beef burger:
122 kcal
4,7 gr of fat
19,4 gr of protein

B

Beyond Burger:
226 kcal
19,4 gr of fat
17,6 gr of protein

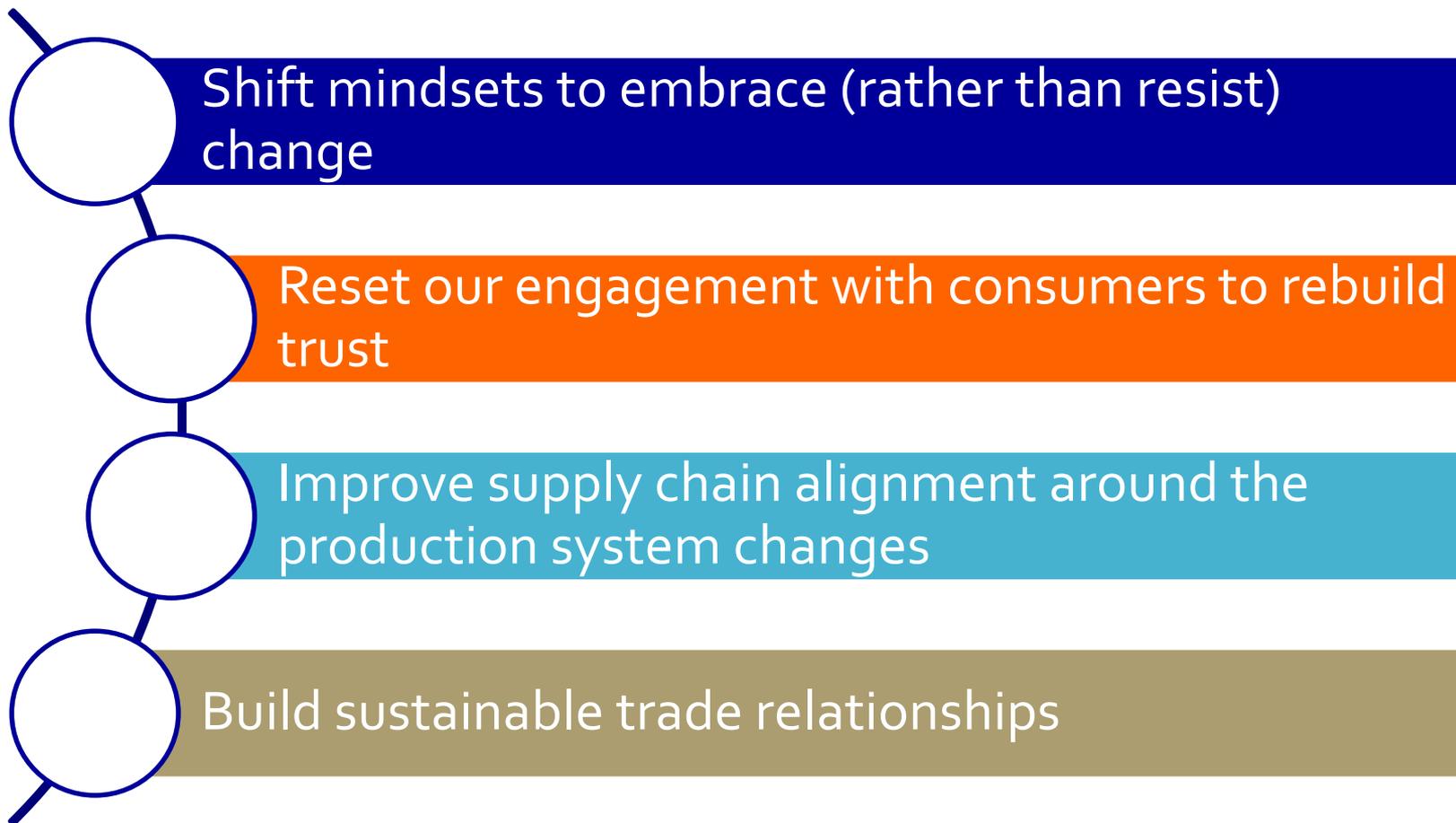
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Average of alternative protein burgers:
196 kcal
9,9 gr of fat
16,7 gr of protein

Implications for Ireland's animal protein supply chains



Four areas of action will govern success in a changing world





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