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Commodity Insights

The New Food Chain:

How Global Dynamics are Redrawing the Map

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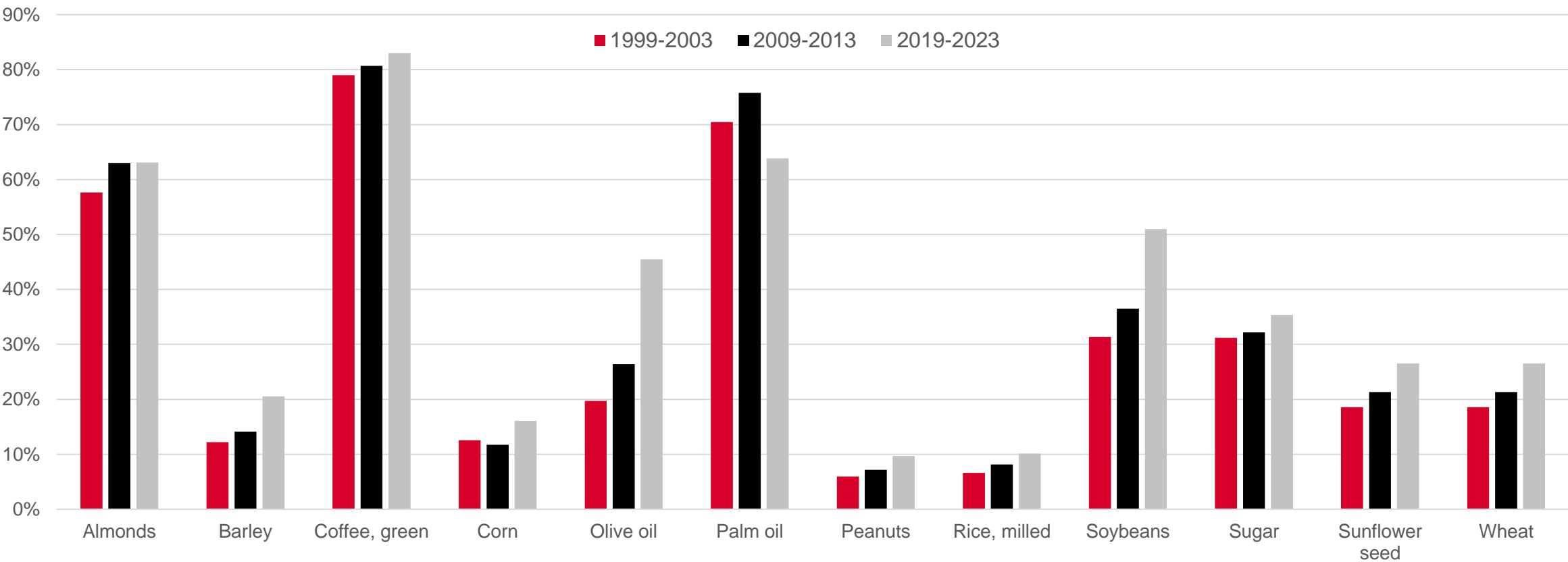
Changing global food trade and what it means for the cold chain

- Refrigerated food trade – fruits, vegetable, meats, etc. – has special considerations
 - Higher-value products
 - Products are highly perishable
 - Supply and demand tends to be more variable (weather impacts on supply, seasonal fluctuations, economic impacts on demand, etc.)
- The production and trade landscape for these products has changed significantly in the last ~25 years
 - Growing demand in both upper and middle-income countries
 - Year-round supplies for consumers
 - Emergence of new global suppliers
- The cold chain has become more global and complex as a result

For the last ~30 years, trade has been the dominant story in food and agriculture

Liberalized trade facilitated a rise in both production and exports

Export share of world production (%)

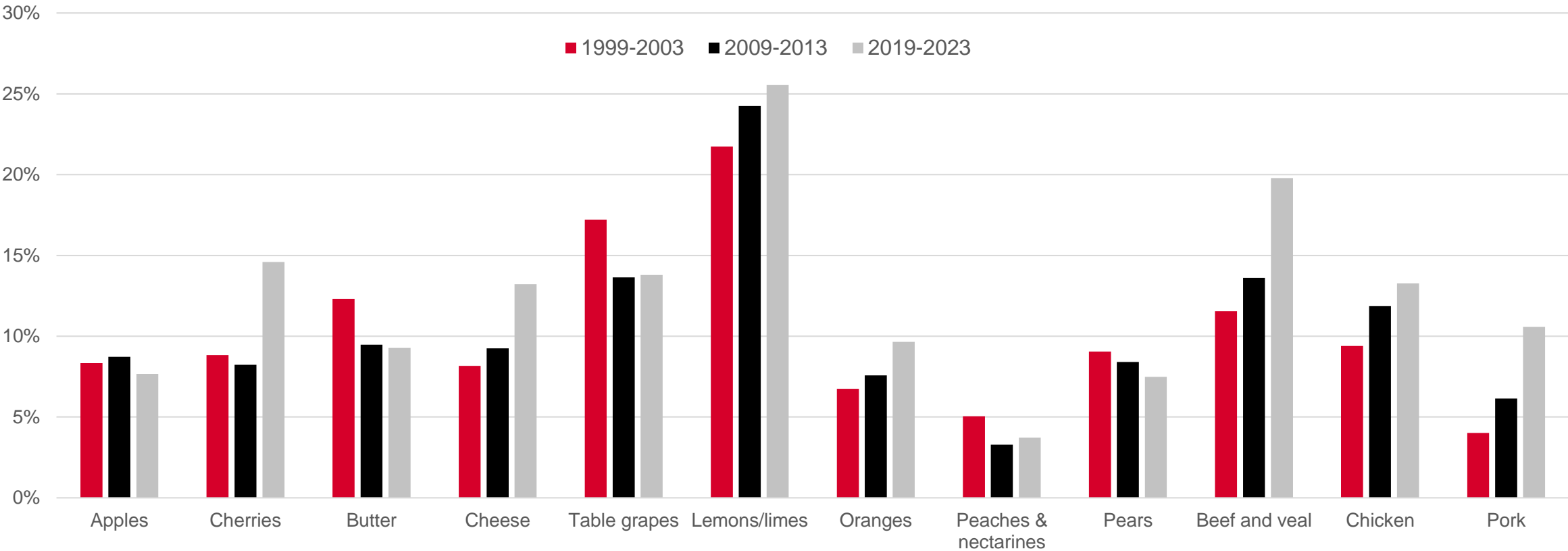


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For refrigerated products, the story has added complexities

Both the production and trade landscapes have changed

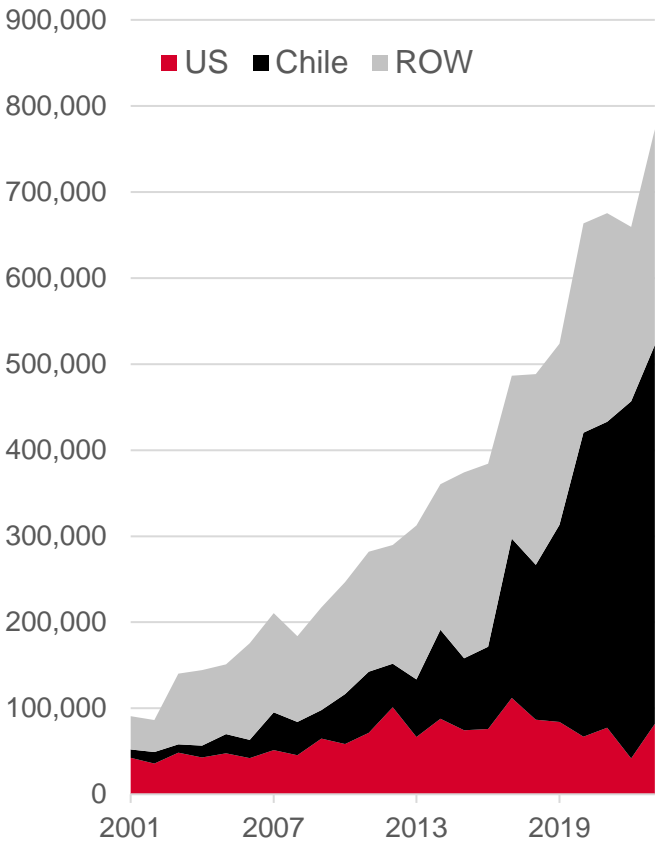
Fresh products, export share of world production (%)



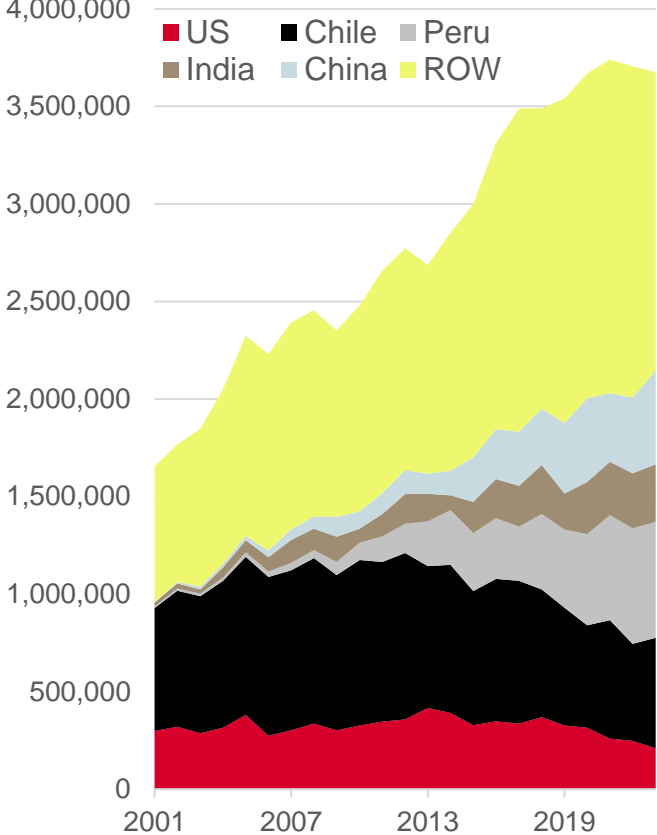
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Countries such as Chile, Peru, and Egypt have become major world fruit suppliers

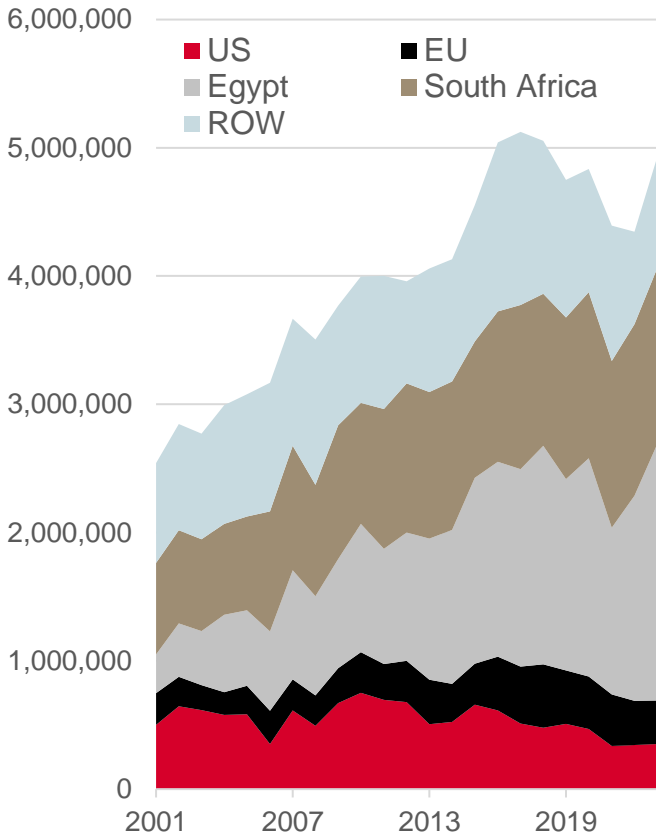
World fresh cherry exports (mt)



World fresh grape exports (mt)



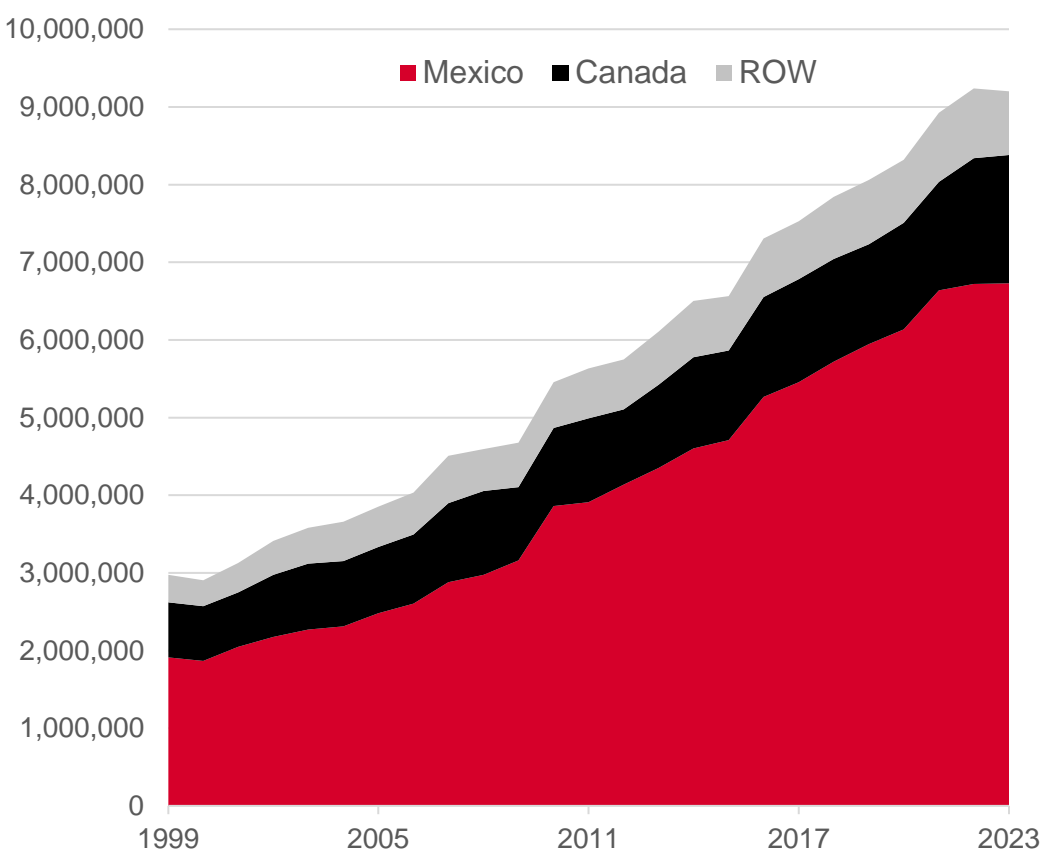
World fresh orange exports (mt)



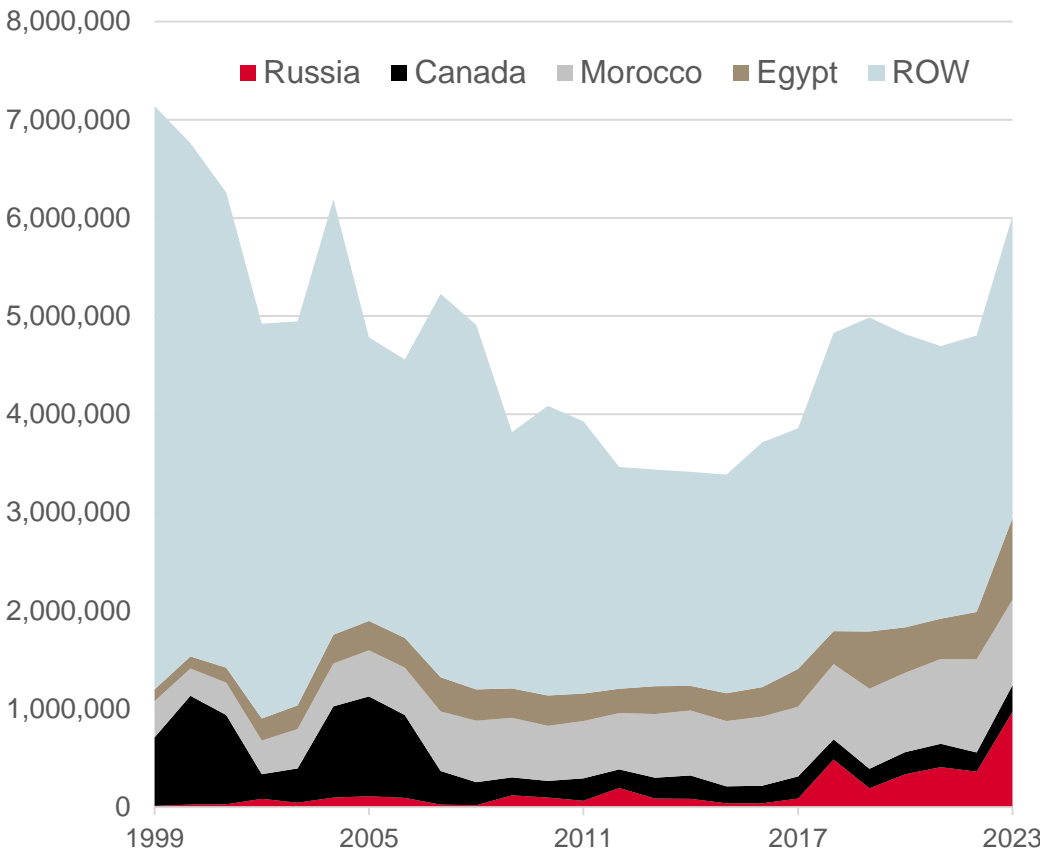
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US vegetable imports from Mexico have steadily risen; EU has seen imports rising in recent years

US fresh vegetable imports (mt)



EU fresh or chilled vegetable imports, including tubers (mt)

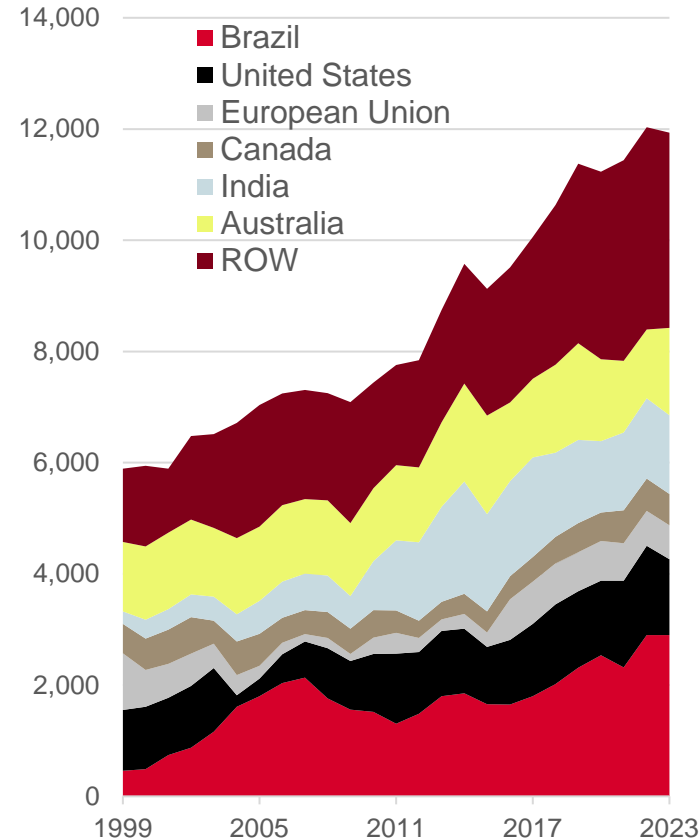


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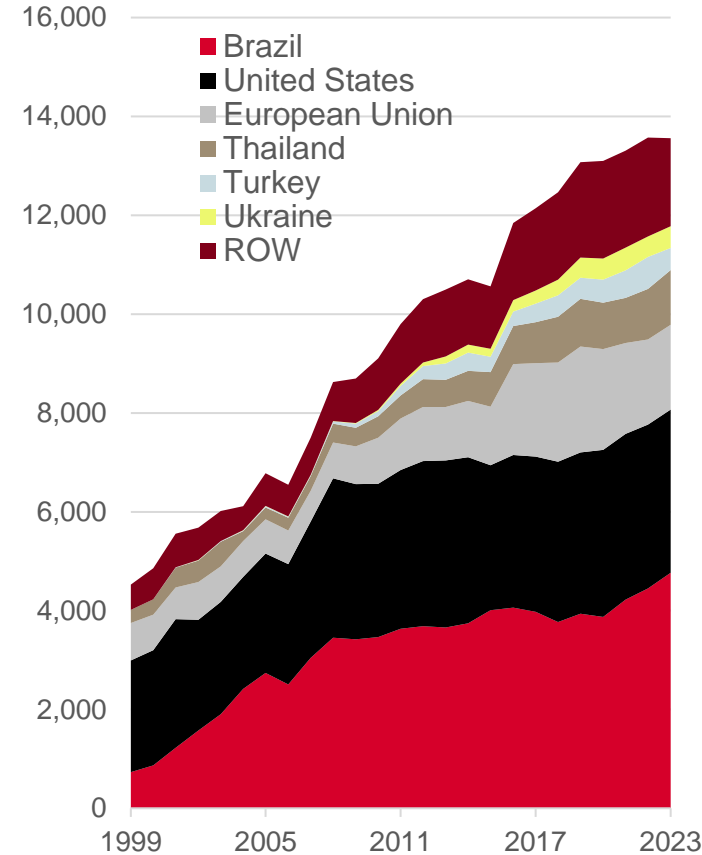
Meat trade has also grown, supported by Brazil and other emerging suppliers

Animal disease outbreaks, however, have been a source of volatility

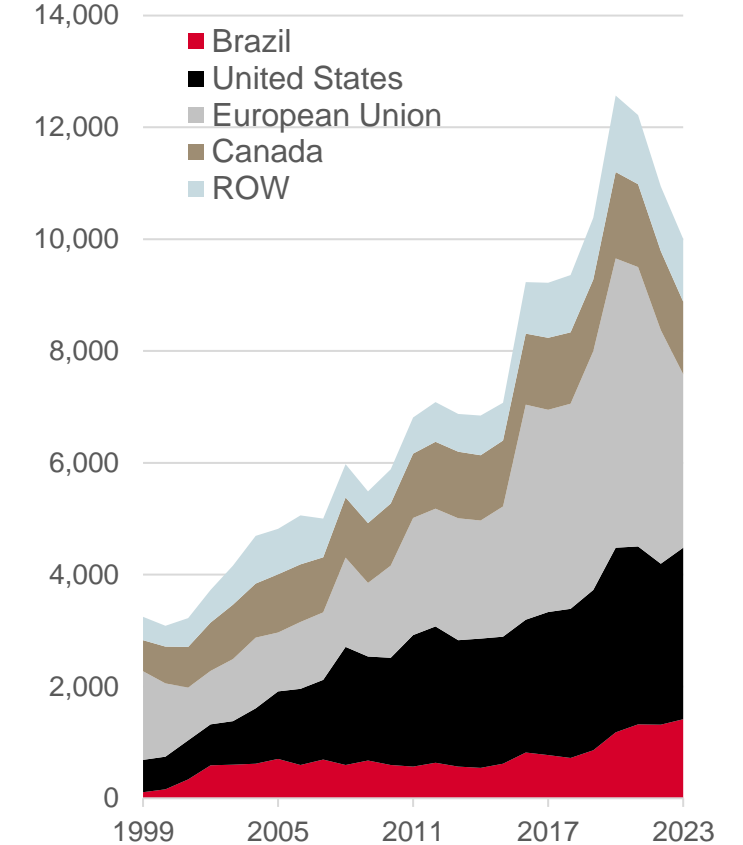
World beef exports (1,000 mt)



World chicken meat exports (1,000 mt)



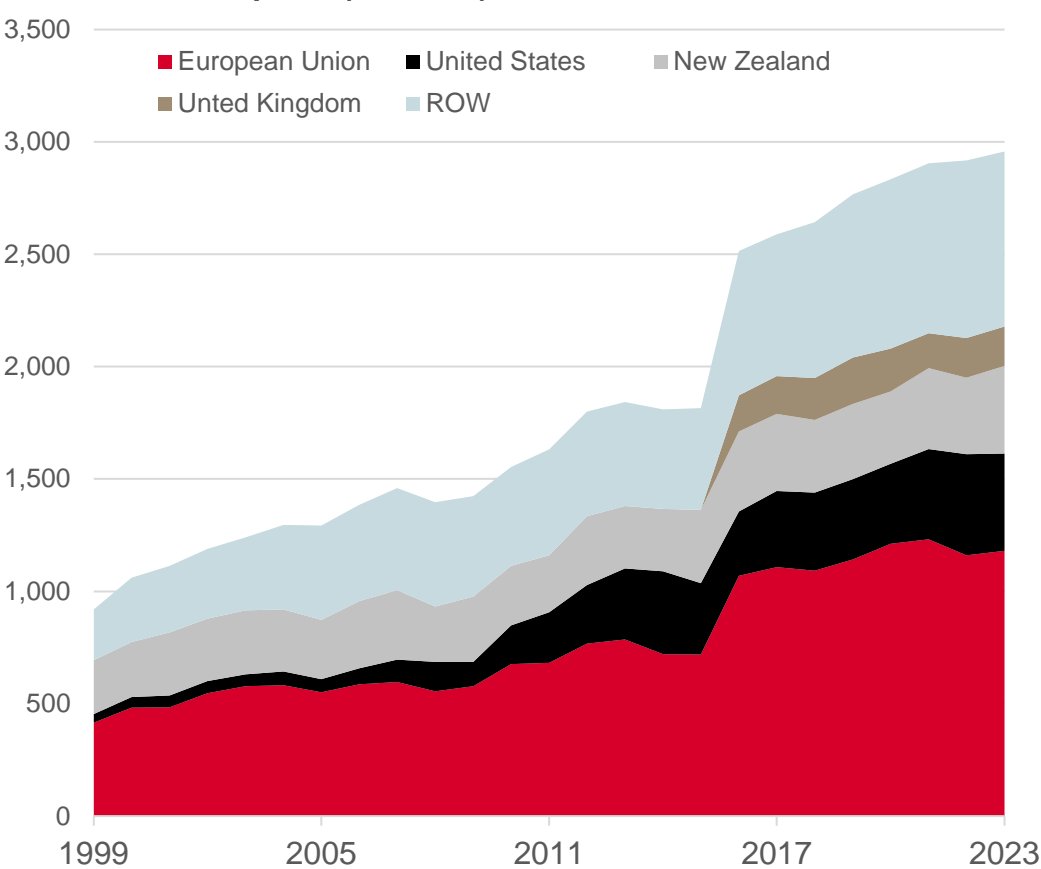
World pork exports (1,000 mt)



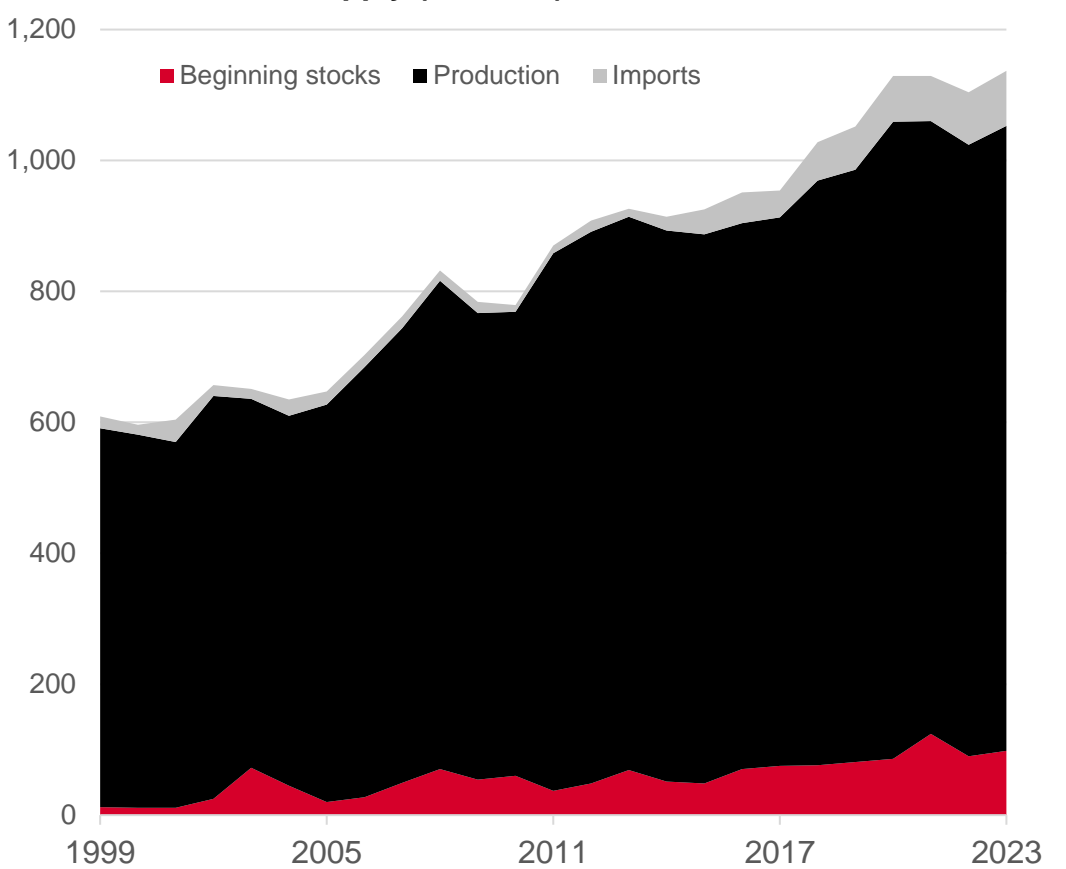
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Dairy products trade, while small, has been active

World cheese exports (1,000 mt)



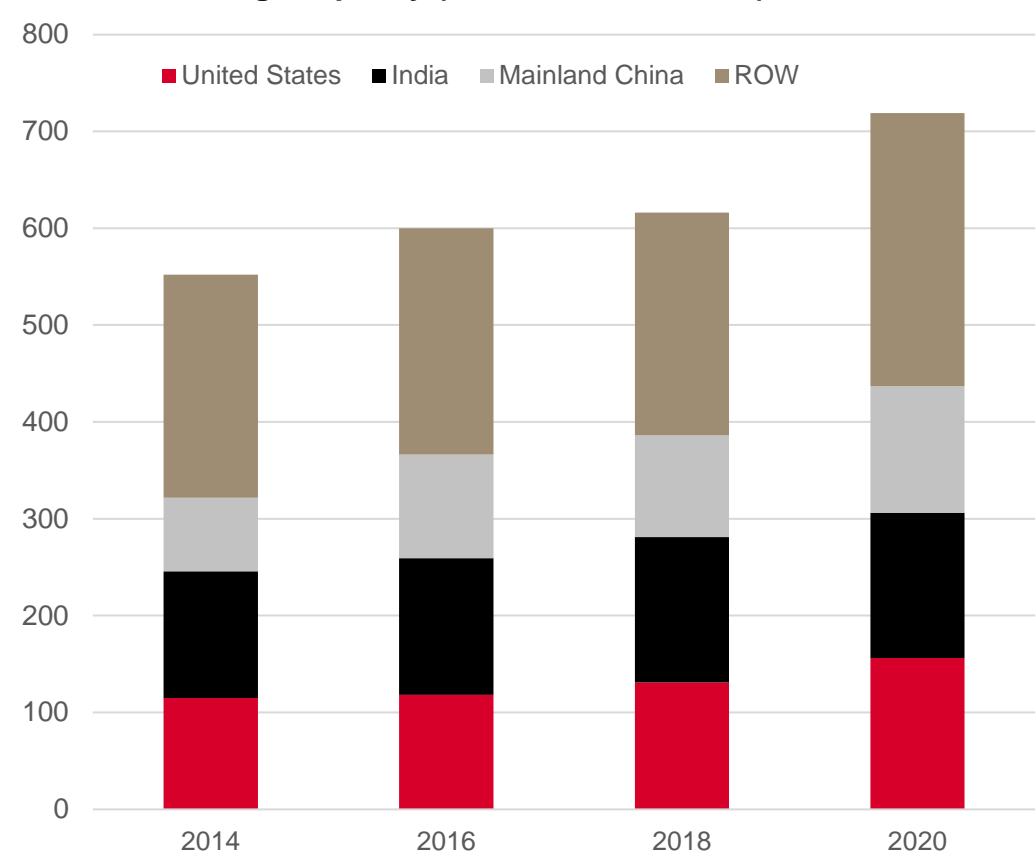
US domestic butter supply (1,000 mt)



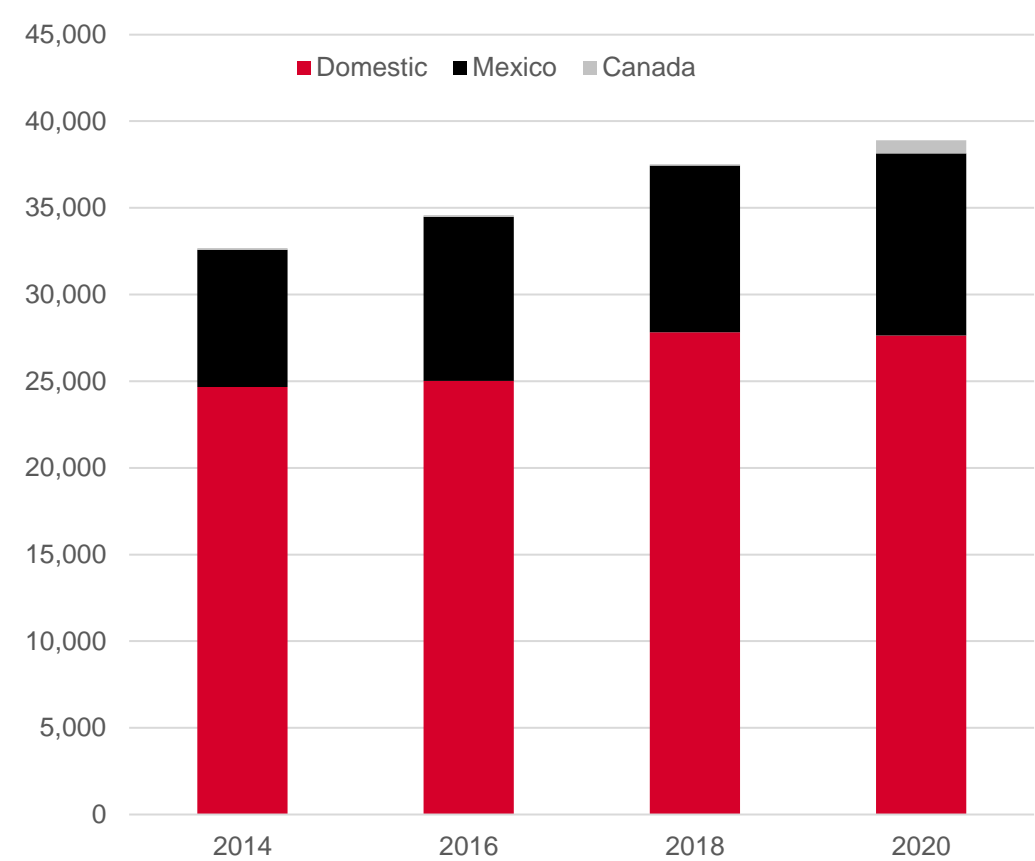
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Cold chain infrastructure has been expanding to support this new landscape

World cold storage capacity (million cubic meters)



US refrigerated truck shipment volumes by origin (1,000 tons)



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