



The European Cashew Market

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Market Segmentation

- traditional snacking
 - roasted salted cashews
 - ethnic cuisine
- raw consumption / snacking
 - plain retail packs
 - part of nut & fruit mixtures
- food ingredients
 - confectionary industry - e.g. chocolate bars, coated nuts, etc.
 - cereal industry - e.g. cereal bars, muesli mixtures, etc.
 - bakery industry - e.g. cookies, cakes, etc.

Market Trends

- healthy food / snacking
 - less fat, salt and sugar
 - less additives (sulphur, food colourings, etc.)
 - untreated products
- rising consumer expectations
 - greater quality awareness and expectation
 - consumers willing to spend more money for quality foods
 - overall stronger European economy
- new product development
 - consumers seeking new products
 - industry willing to invest

Market Challenges

- high price of cashews
 - setback in new product developments
 - prices only slowed down growth, so far ...
 - actually today's prices (in €) for W320 are lower due to €/ \$ rate.
 - Jan 2017: 4.50 \$/lb FOB = 9.45 €/kg FOB
 - Jan 2018: 4.70 \$/lb FOB = 8.50 €/kg FOB
 - 2018 retail prices of cashews are still based on 2017 pricing
 - cashews are in competition with nuts which are currently trading at lower levels, e.g. almonds, hazelnuts, walnuts
- price is a problem but not the biggest problem

Market Challenges

- quality problems
 - industry is faced with substantial problems
 - on wholes: high moisture, high serious defects, bad texture
 - on splits/pieces: high foreign material, high FFA, bad smell and taste
 - problems have different impacts in different market segment
 - majority of raw kernels goes directly into consumption without further processing, cleaning, etc.
 - cashews as a food ingredient is in competition with highly sophisticated food ingredients such as manufactured almond or hazelnut products at very consistent quality levels



Market Summary & Outlook

- the consumer perception of cashews as a natural and healthy product is very good and the consumption can grow strongly
- the biggest growth potential for cashews is in raw cashews and as food ingredient, therefore quality is the key for growth
- consumers are very willing to pay a fair and decent price for cashews but only if the quality is also fair and decent

Contact Information



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