

Cashews in the EU market

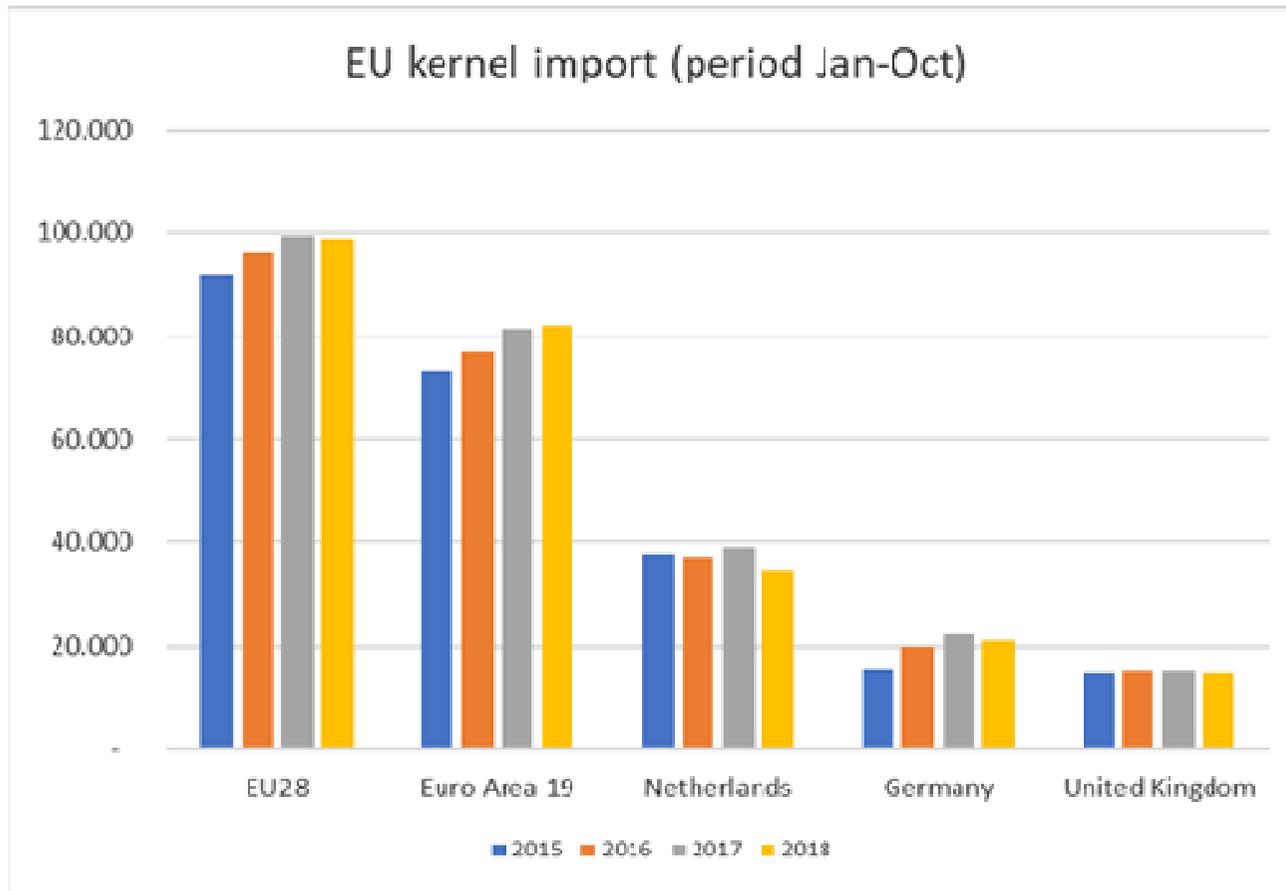
Kees Blokland - Director
Global Trading & Agency BV
January 2019



Agenda

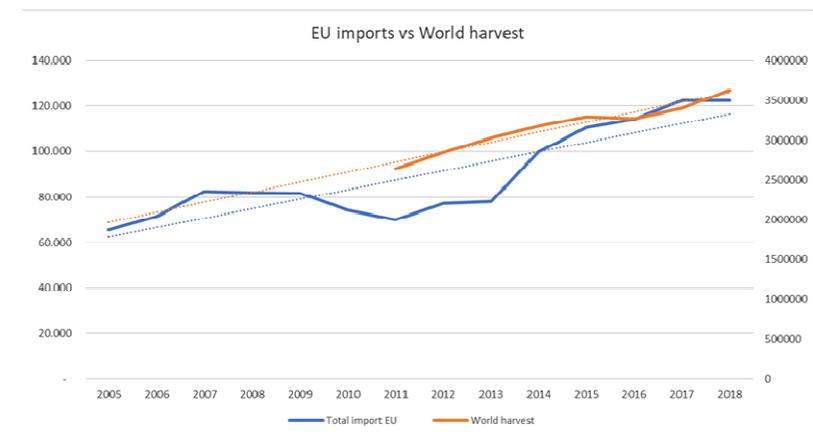
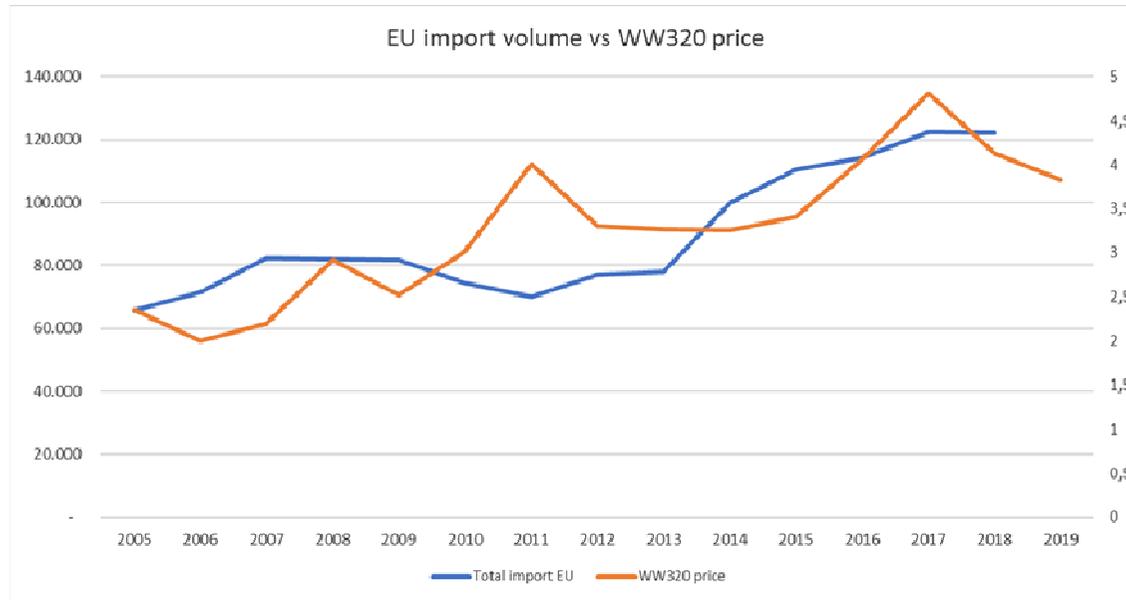
- Demand for cashew kernels in EU;
- Attractiveness of cashew over other nuts in 2018;
- The drivers of demand for 2019 for cashew kernels;
- The factors to be considered by processors and exporters while supplying into the market;
- The opportunity and risks for the cashew kernel going forward into 2019.

Demand for cashewnutkernels EU

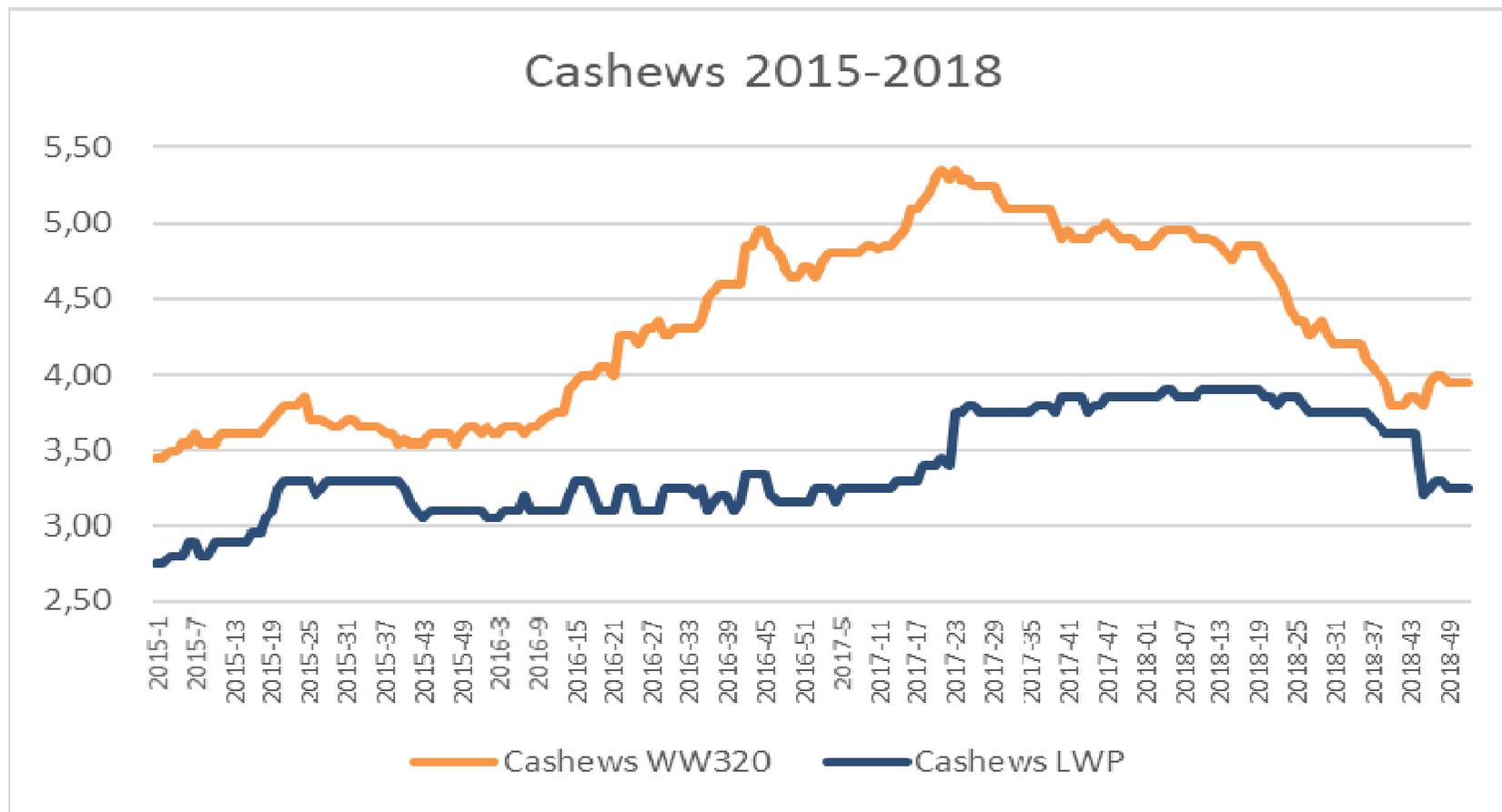


Import volume	2018 vs 2015	2018 vs 2017
Netherlands	-8%	-11%
Germany	38%	-6%
Euro Area 19	12%	1%
EU28	8%	-1%
United Kingdom	1%	-1%

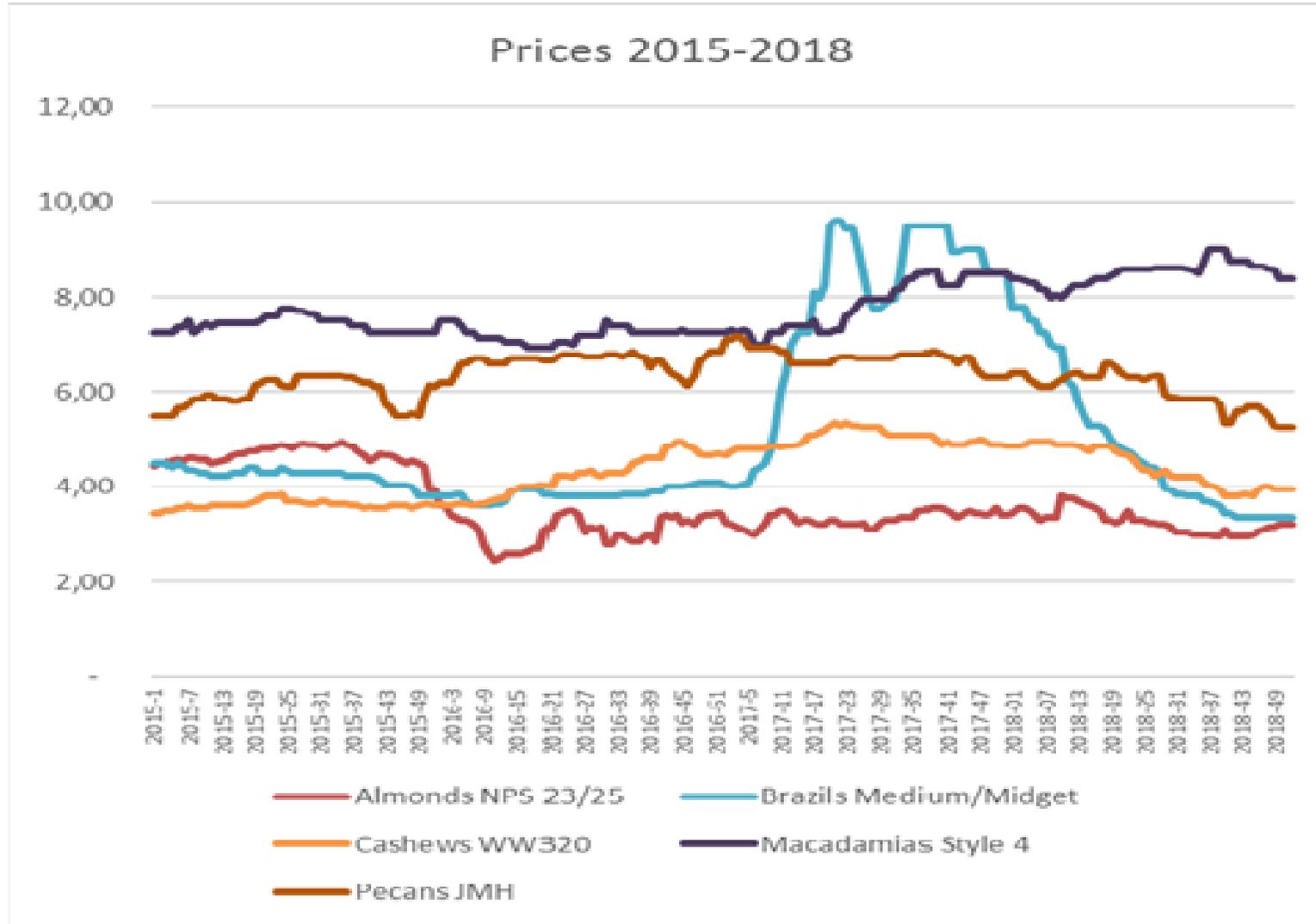
Import & price development for cashewnutkernels EU



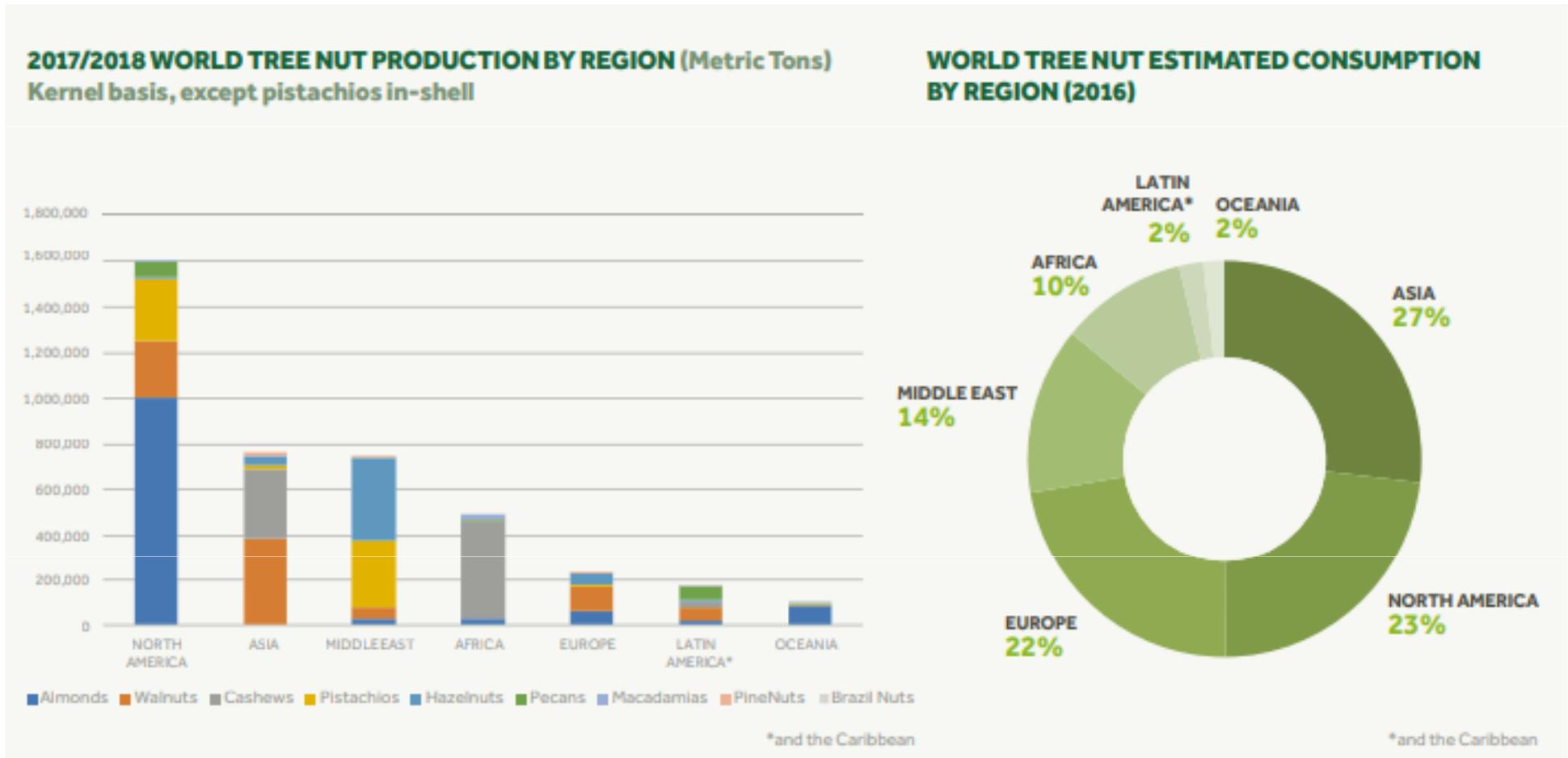
Price development cashew 2015-2018



Price development treenuts 2015-2018

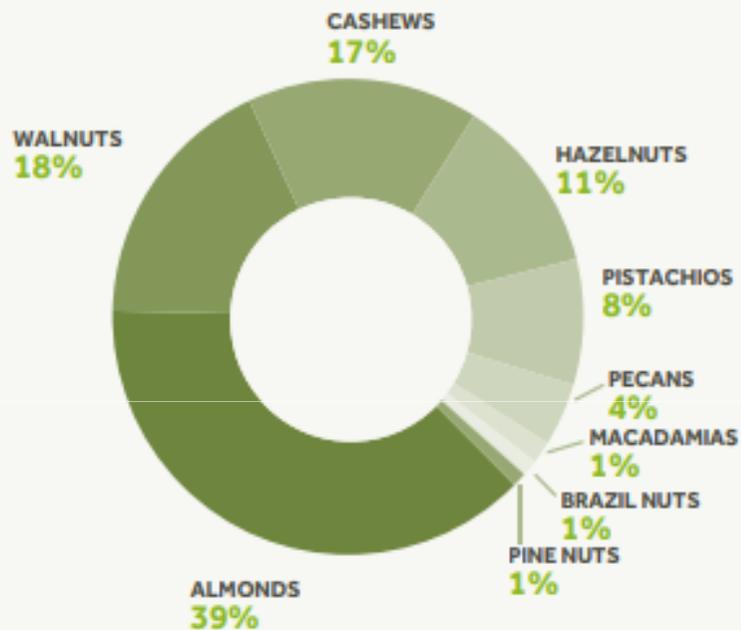


Treenut production & consumption

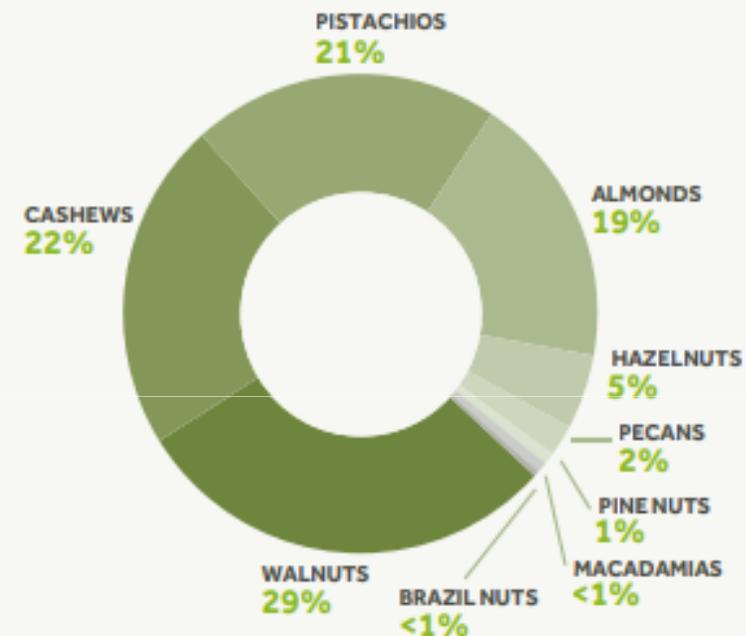


Attractiveness of cashew over other nuts in 2018

**WORLD TREE NUT ESTIMATED CONSUMPTION
IN HIGH-INCOME ECONOMIES (2016)**



**WORLD TREE NUT ESTIMATED CONSUMPTION
IN MIDDLE-INCOME ECONOMIES (2016)**



Cashew consumption per capita

ESTIMATED WORLD CASHEW CONSUMPTION (Kernel Basis)															
COUNTRY	2012			2013			2014			2015			2016		
	Consumption (MT)	Cons. per capita (kg/year) ¹	Estimated Cons. per capita (kg/year) ²	Consumption (MT)	Cons. per capita (kg/year) ¹	Estimated Cons. per capita (kg/year) ²	Consumption (MT)	Cons. per capita (kg/year) ¹	Estimated Cons. per capita (kg/year) ²	Consumption (MT)	Cons. per capita (kg/year) ¹	Estimated Cons. per capita (kg/year) ²	Consumption (MT)	Cons. per capita (kg/year) ¹	Estimated Cons. per capita (kg/year) ²
India	289,677	0.245	0.500	230,278	0.182	0.360	224,384	0.177	0.360	257,190	0.203	0.406	301,719	0.228	0.456
USA	109,448	0.354	1.073	130,477	0.422	1.279	128,342	0.402	1.219	141,119	0.439	1.329	143,256	0.445	1.347
Germany	26,177	0.320	1.281	25,591	0.313	1.252	23,016	0.283	1.133	23,810	0.295	1.180	35,930	0.439	1.097
Netherlands	12,366	0.744	0.930	23,005	1.385	1.731	20,796	1.240	1.550	23,536	1.391	1.738	17,236	1.015	1.268
UK	12,381	0.199	0.603	9,636	0.155	0.469	16,052	0.251	0.759	19,854	0.307	0.930	16,772	0.255	0.773
Australia	15,491	0.695	1.389	15,763	0.707	1.414	16,572	0.715	1.430	15,893	0.663	1.326	16,471	0.683	1.365
Canada	11,808	0.346	0.692	11,958	0.350	0.701	12,156	0.344	0.689	11,812	0.329	0.657	14,267	0.393	0.786
France	8,416	0.134	0.535	8,698	0.138	0.553	10,027	0.151	0.606	10,418	0.162	0.647	8,649	0.134	0.535
Japan	7,580	0.059	0.108	8,146	0.064	0.116	11,523	0.091	0.166	11,235	0.089	0.161	8,040	0.063	0.114
Saudi Arabia	6,203	0.225	0.682	5,310	0.193	0.584	7,977	0.272	0.823	8,541	0.271	0.821	7,854	0.243	0.737
Italy	5,410	0.089	0.596	4,744	0.078	0.523	7,000	0.117	0.783	6,745	0.113	0.752	7,060	0.119	0.792
Thailand	5,920	0.088	0.131	6,010	0.089	0.133	8,164	0.121	0.181	8,290	0.122	0.182	6,213	0.090	0.129
Russian Fed.	10,094	0.071	0.284	10,060	0.071	0.283	12,161	0.086	0.345	3,604	0.025	0.100	5,830	0.040	0.162
Israel	4,041	0.530	1.060	2,840	0.373	0.745	4,490	0.561	1.121	4,349	0.539	1.079	4,001	0.488	0.977
China	51,043	0.038	0.116	51,350	0.038	0.116	52,159	0.038	0.115	49,925	0.036	0.109	3,998	0.003	0.008
Korea Rep.	1,150	0.023	0.071	2,676	0.054	0.164	3,920	0.078	0.236	3,085	0.061	0.186	3,964	0.078	0.237
Spain	4,383	0.095	0.381	4,935	0.107	0.428	4,511	0.096	0.382	5,303	0.115	0.460	3,498	0.075	0.302
Malaysia	2,120	0.075	0.150	1,323	0.047	0.094	2,013	0.067	0.133	2,297	0.076	0.151	2,971	0.095	0.191
New Zealand	2,389	0.547	1.094	2,651	0.607	1.214	2,884	0.635	1.270	3,006	0.664	1.328	2,811	0.603	1.206
Sweden	1,301	0.139	0.555	2,213	0.236	0.944	2,090	0.217	0.869	2,080	0.213	0.851	2,739	0.278	1.114
WORLD TOTAL	599,034	0.087		601,642	0.087		716,682	0.100		724,556	0.099		792,323	0.106	

Cashewconsumption with increase in China

	Population	Cashewconsumption per capita kg/year	Cashewconsumption total kg/year	WHEN China will increae to 0,10 kg/year	Population 2000	Population 2020	Population Expected in 2030	2000 vs 2020	2020 vs 2030
India	1.361.734.184	0,228	310.475.394	310.475.394	1.053.481.072	1.388.015.780	1.527.657.988	32%	10%
USA	327.984.781	0,445	145.953.228	145.953.228	282.895.741	333.545.530	355.764.957	18%	7%
Germany	82.369.568	0,439	36.160.240	36.160.240	81.895.925	80.392.215	79.294.142	-2%	-1%
Netherlands	17.132.908	1,015	17.389.902	17.389.902	15.894.016	17.185.112	17.737.806	8%	3%
UK	66.959.016	0,255	17.074.549	17.074.549	58.867.004	66.700.126	70.112.541	13%	5%
Australia	25.088.636	0,683	17.135.538	17.135.538	19.107.250	25.597.574	28.481.570	34%	11%
Canada	37.279.811	0,393	14.650.966	14.650.966	30.701.903	37.599.569	40.390.430	22%	7%
France	65.480.710	0,134	8.774.415	8.774.415	59.387.182	65.720.029	68.007.489	11%	3%
Japan	127.011.844	0,063	8.001.746	8.001.746	125.714.674	125.039.023	120.127.263	-1%	-4%
Saudi Arabia	34.140.662	0,243	8.296.181	8.296.181	21.392.273	34.366.240	39.132.369	61%	14%
Italy	59.216.525	0,119	7.046.766	7.046.766	58.657.355	59.741.327	58.657.355	2%	-2%
Thailand	69.247.648	0,09	6.232.288	6.232.288	62.693.321	68.581.377	68.250.238	9%	0%
Russian Fed	143.928.434	0,04	5.757.137	5.757.137	146.400.951	142.898.124	138.652.479	-2%	-3%
Israel	8.583.916	0,488	4.188.951	4.188.951	6.013.711	8.718.236	9.998.273	45%	15%
China	1.417.674.468	0,003	4.253.023	141.767.447	1.269.974.572	1.402.847.838	1.415.545.109	10%	1%
Korea Rep	51.339.238	0,078	4.004.461	4.004.461	46.206.271	51.251.486	52.518.581	11%	2%
Brazil					175.786.441	215.997.014	228.663.251	23%	6%
Spain	46.441.049	0,075	3.483.079	3.483.079	40.749.799	46.193.543	45.949.674	13%	-1%
Malaysia	32.454.455	0,095	3.083.173	3.083.173	23.420.751	32.374.474	36.106.568	38%	12%
New Zealand	4.792.409	0,603	2.889.823	2.889.823	3.858.234	4.729.667	5.103.202	23%	8%
Sweden	10.053.135	0,278	2.794.772	2.794.772	8.872.284	10.120.396	10.766.369	14%	6%
TOTAL			627.645.632	765.160.055	3.591.970.730	4.217.614.680	4.416.917.654	17%	5%
		RCN	3.138.228.160	3.825.800.277					
World					6.126.622.121	7.758.156.792	8.500.766.052	27%	10%
EUROPE					726.407.448	739.725.262	733.929.350	2%	-1%

The factors to be considered by processors and exporters while supplying into the market;

- **Generic marketing**

- Supporting the customer awareness on Cashews;
- Displaying the health benefits of eating cashews;
- The direct connection to farmers; Traceability!

- **Adding value to by products**

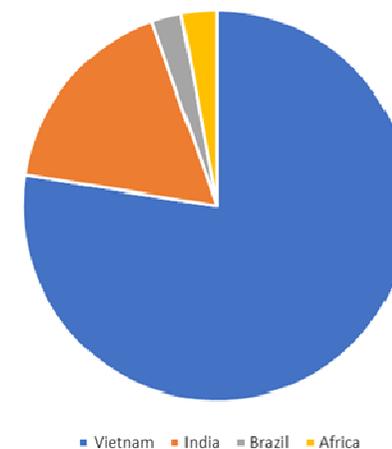
- Investment from the governments into CNSL/energy generating companies that create value for shells.
- Add value to apples in due course.
- Both will allow the farmers to benefit down the line, which is the ultimate goal for the entire supply chain to continue a sustainable supply chain and stable prices.

The drivers of demand for 2019 for cashew kernels

- **Consumer awareness**

- Traceable and sustainable supply chain. Consumer want to know what and where they buy from
- Stable prices creates growth in demand
- Good and guaranteed quality. Pasteurization

Kernel imports EU28 per processing origin - 2018



The opportunity and risks for the cashew industry going forward.

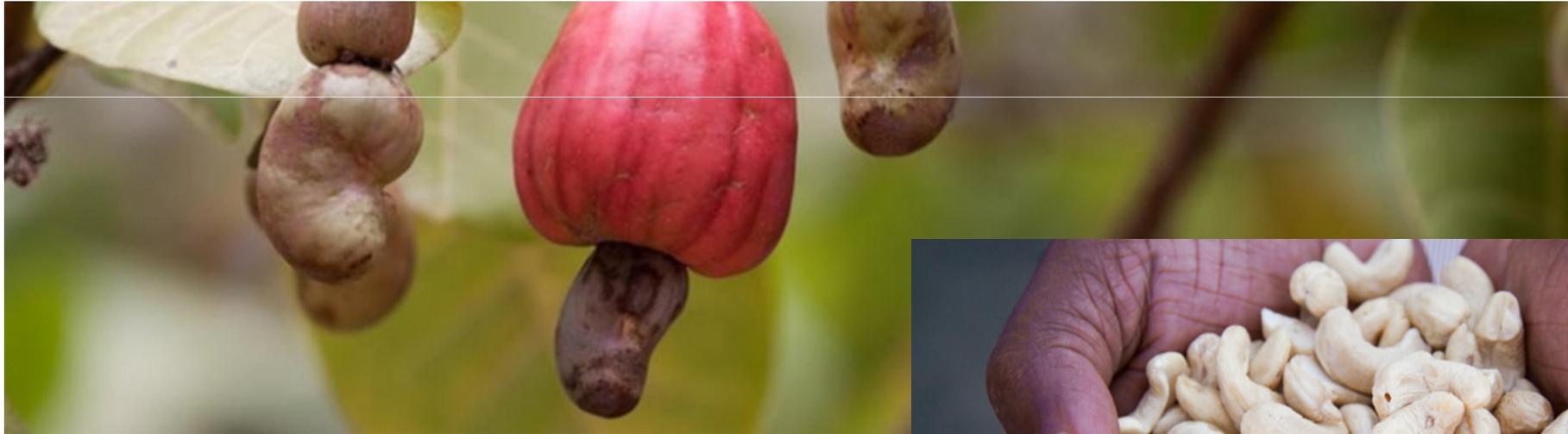
- **Opportunities**

- Health claims!
- Local processing. Positive impact on carbon food print. Positive image to consumers. Traceability.

- **Risks**

- Price volatility creating unstable markets and risk of loosing interest of consumers
- Quality issues

The cashew future looks bright!



THANK YOU