

# ECONOMIC BULLETIN Q3 2020

**Partial recovery in production, turnover and retail trade –  
and lower imports**

## Food and drink industry

### **Partial recovery in production, turnover and a second consecutive quarterly dip in manufacturing prices**

- In Q3 2020, EU food and drink industry production increased by 8.2% compared to the previous quarter.
- EU food and drink industry turnover increased by 5.9% compared to the previous quarter.
- The year-on-year comparison shows a moderate decrease in food and drink industry production compared to total manufacturing production (-0.4% vs. -5.9% compared to Q3 2019). A similar trend was observed for the year-on-year development in food and drink industry turnover compared to total manufacturing (-1.1% vs. -7.7% compared to Q3 2019).
- Food manufacturing prices decreased by 0.6% for the second consecutive quarter after Q2 2020 and were up by 0.5% compared to Q3 2019.

[Click here for more information](#)

### **Moderate increase in food industry employment**

- In Q3 2020, employment in food manufacturing increased compared to the previous quarter and in contrast to the decrease observed in total manufacturing (0.2% vs. -0.7%).
- Year-on-year, employment levels in the food and drink industry decreased, but to a lesser extent than for total manufacturing (Q3 2020/Q3 2019: -1.2%, -2.2%, -2.8% respectively).

[Click here for more information](#)

### **Food and drink confidence continues to deteriorate**

- In Q4 2020, confidence dropped in both the food (-3.4 points) and drink industry (-8.5 points) compared to the previous quarter. By contrast, confidence of total manufacturing continued to pick up (+4.3 points).

[Click here for more information](#)

### **EU exports totalled €36.5 billion**

- EU exports of food and drinks totalled €36.5 billion in Q3 2020 (Q3 2020/Q3 2019: -0.4%).
- The trade balance reached a surplus of €17.4 billion (Q3 2020/Q3 2019: +6%).

- The top 5 products with the largest share in export value generated €18.2 billion in Q3 2020 (meat products, dairy products, wine, processed fruits and vegetables, cocoa, chocolate and confectionery).
- EU imports of food and drinks reached €19 billion (Q3 2020/Q3 2019: -5.6%).

[Click here for more information](#)

## Agricultural commodities

### **FAO food price index increased by 4.1%**

- The FAO food price index increased by 4.1% in Q3 2020 compared to the previous quarter and by 1.9% compared to Q3 2019.
- In Q3 2020, the commodity prices of all major agricultural commodities increased compared to the previous quarter (SMP, WMP, various oils and oil crops, coffee, cocoa), except for soft wheat, maize and white sugar prices.
- The year-on-year comparison equally shows an increase in world market prices for most agricultural commodities, except for maize, WMP, and cocoa.

[Click here for more information](#)

## Retail

### **Increase in retail trade in foodstuffs**

- Retail trade in foodstuffs in Q3 2020 increased by 0.2% compared to the previous quarter whereas total retail trade was up 9.8%.
- Year-on-year, both retail trade in foodstuffs and total retail trade increased by 2.4%.
- Consumer prices decreased by 1.7% in Q3 2020 and increased by 2% year-on-year.

[Click here for more information](#)

## Focus on ...

### **FoodDrinkEurope Data & Trends 2020 report now available**

- The EU food and drink industry employs 4.82 million people, generates a turnover of €1.2 trillion and €266 billion in value added, making it the largest manufacturing industry in the EU.

[Click here for more information](#)

## Methodology

---

- Except for imports and exports data which represent the evolution of the current quarter compared to the same quarter of the previous year, all other evolutions are primarily represented with respect to the previous quarter of the same year.
- **EU refers to EU27 (excluding the UK)** in the text, unless otherwise specified.
- The EU food and drink industry is identified by NACE Rev.2 codes C10 (manufacture of food products) and C11 (manufacture of beverages).

### Sources

European Commission, Eurostat data and indices (production, turnover, retail trade, employment, prices)

<http://ec.europa.eu/eurostat/home>

European Commission, Eurostat statistics explained

[http://ec.europa.eu/eurostat/statistics-explained/index.php/Main\\_Page](http://ec.europa.eu/eurostat/statistics-explained/index.php/Main_Page)

European Commission, Eurostat Easy Comext Trade Data (based on division 10 & 11 of the NACE Rev.2 classification), CPA 2008

<http://epp.eurostat.ec.europa.eu/newxtweb/mainxtnet.do>

European Commission, DG ECFIN business survey data

[https://ec.europa.eu/info/business-economy-euro/indicators-statistics/economic-databases/business-and-consumer-surveys\\_en](https://ec.europa.eu/info/business-economy-euro/indicators-statistics/economic-databases/business-and-consumer-surveys_en)

FAO Food Price Index

<http://www.fao.org/worldfoodsituation/foodpricesindex/en/>

European Commission, DG Agriculture and Rural Development (DG AGRI)

<https://ec.europa.eu/agriculture/>

European Commission, DG Agriculture and Rural Development (DG AGRI), Commodity price dashboard

[http://ec.europa.eu/agriculture/markets-and-prices/price-monitoring/index\\_en.htm](http://ec.europa.eu/agriculture/markets-and-prices/price-monitoring/index_en.htm)

European Commission, Eurostat News Release 165/2020, 'Volume of retail trade down by 2.0% in euro area - Down by 1.7% in EU', 5 November 2020

[https://ec.europa.eu/eurostat/documents/portlet\\_file\\_entry/2995521/4-05112020-AP-EN.pdf/d52662ba-b163-2c48-90ab-67e6e6ba2d19](https://ec.europa.eu/eurostat/documents/portlet_file_entry/2995521/4-05112020-AP-EN.pdf/d52662ba-b163-2c48-90ab-67e6e6ba2d19)

### About the quarterly economic bulletin

FoodDrinkEurope's Economic Bulletin is published on a quarterly basis. It covers a set of key indicators which highlight the major economic trends in the European food and drink industry: production, turnover, employment, external trade, key raw material prices, and retail trade.

**For more information on FoodDrinkEurope and its activities, please visit: [www.fooddrinkeurope.eu](http://www.fooddrinkeurope.eu)**

## ECONOMIC BULLETIN Q3 2020

### Annex

#### Production and turnover of the EU food and drink industry

##### Production index (2015=100)

|                                | 2019 Q3 | 2019 Q4 | 2020 Q1 | 2020 Q2 | 2020 Q3 | y-o-y |
|--------------------------------|---------|---------|---------|---------|---------|-------|
| <b>Total manufacturing</b>     | 106.4   | 105.1   | 102.0   | 84.9    | 100.1   |       |
| <b>% change</b>                | -0.5    | -1.2    | -2.9    | -16.8   | 17.9    | -5.9  |
| <b>Food and drink industry</b> | 105.0   | 105.1   | 106.1   | 96.7    | 104.6   |       |
| <b>% change</b>                | -0.7    | 0.1     | 1.0     | -8.9    | 8.2     | -0.4  |

Source: Eurostat

The industrial production index (also called industrial output index or industrial volume index) measures the changes in the price-adjusted output of industry.

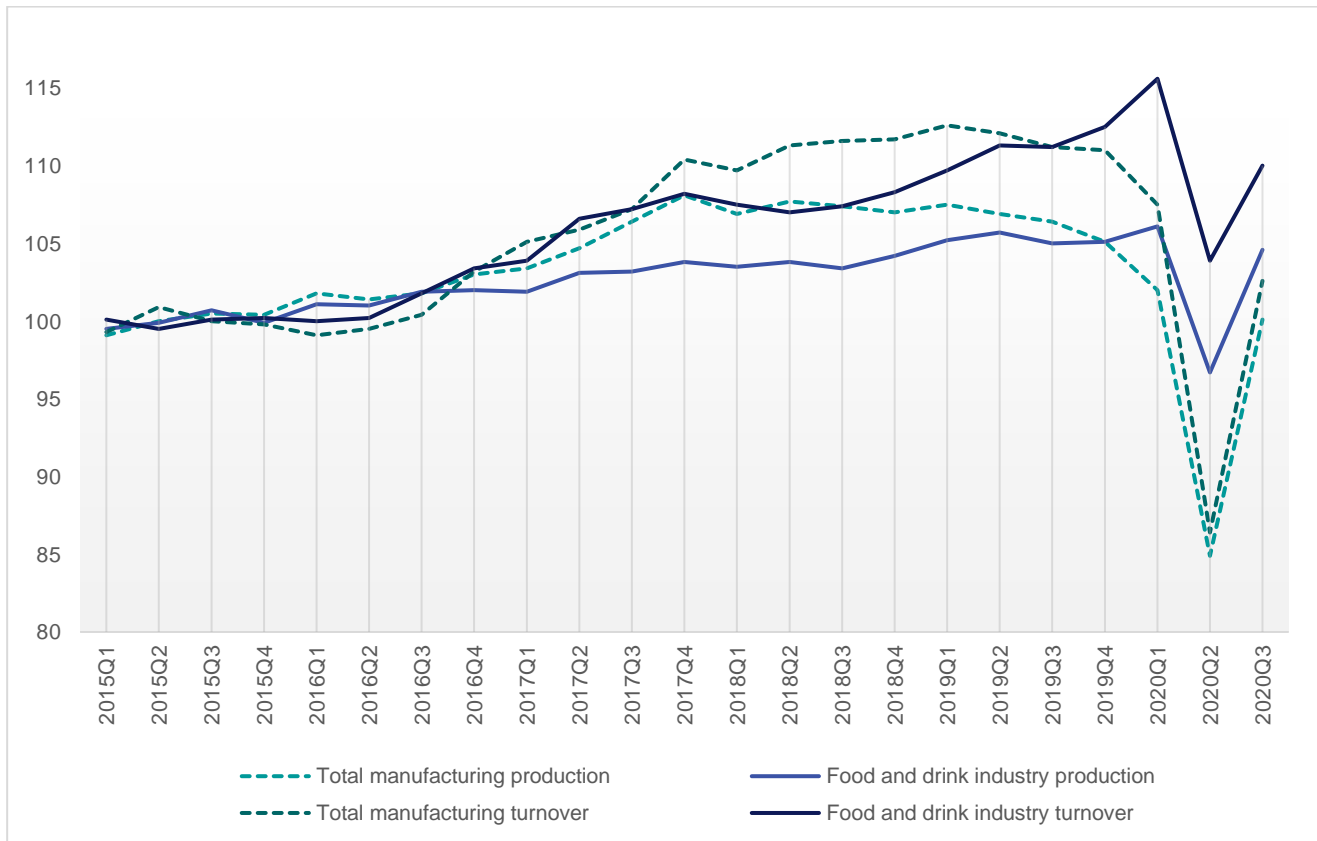
##### Turnover index (2015=100)

|                                | 2019 Q3 | 2019 Q4 | 2020 Q1 | 2020 Q2 | 2020 Q3 | y-o-y |
|--------------------------------|---------|---------|---------|---------|---------|-------|
| <b>Total manufacturing</b>     | 111.2   | 111.0   | 107.5   | 86.4    | 102.6   |       |
| <b>% change</b>                | -0.8    | -0.2    | -3.2    | -19.6   | 18.8    | -7.7  |
| <b>Food and drink industry</b> | 111.2   | 112.5   | 115.6   | 103.9   | 110.0   |       |
| <b>% change</b>                | -0.1    | 1.2     | 2.8     | -10.1   | 5.9     | -1.1  |

Source: Eurostat

The index of industrial turnover measures the development of turnover (sales) in the European industry (it is influenced by changes in prices of the traded industrial goods and by changes of the traded volumes of goods).

## EU quarterly manufacturing production and turnover, 2015-2020 (2015=100)



Source: Eurostat

## Food and drink production by Member State

| Member State          | 2020 Q2 / 2020 Q1<br>(% change) | 2020 Q3 / 2020 Q2<br>(% change) | 2020 Q3 / 2019 Q3<br>(% change) |
|-----------------------|---------------------------------|---------------------------------|---------------------------------|
| <b>EU</b>             | -8.9                            | 8.2                             | -0.4                            |
| <b>Austria</b>        | -11.5                           | 10.7                            | -1.2                            |
| <b>Belgium</b>        | -14.2                           | 10.5                            | -2.7                            |
| <b>Bulgaria</b>       | -10.0                           | 0.8                             | -5.1                            |
| <b>Czech Republic</b> | -8.8                            | 9.9                             | 2.9                             |
| <b>Denmark</b>        | -2.8                            | 3.0                             | 0.3                             |
| <b>Estonia</b>        | -8.3                            | 5.3                             | -3.3                            |
| <b>Finland</b>        | -4.6                            | 3.6                             | -1.6                            |
| <b>France</b>         | -6.9                            | 6.2                             | -0.9                            |
| <b>Germany</b>        | -7.4                            | 10.4                            | 3.5                             |
| <b>Greece</b>         | -9.4                            | 4.4                             | -4.4                            |
| <b>Hungary</b>        | -12.5                           | 7.0                             | 0.2                             |
| <b>Italy</b>          | -5.7                            | 6.5                             | -0.8                            |
| <b>Latvia</b>         | -4.0                            | 2.6                             | -0.5                            |
| <b>Lithuania</b>      | -7.0                            | 3.3                             | 0.6                             |
| <b>Netherlands</b>    | -4.7                            | 4.6                             | -0.2                            |
| <b>Poland</b>         | -9.5                            | 7.5                             | 2.3                             |
| <b>Portugal</b>       | -17.3                           | 10.3                            | -2.9                            |
| <b>Romania</b>        | -12.1                           | 9.8                             | -0.1                            |
| <b>Spain</b>          | -7.5                            | 5.3                             | -4.3                            |

Source: Eurostat. No data available for Croatia, Cyprus, Ireland, Luxembourg, Malta, Slovakia, Slovenia, Sweden

**Food and drink turnover by Member State**

| Member State          | 2020 Q2 / 2020 Q1<br>(% change) | 2020 Q3 / 2020 Q2<br>(% change) | 2020 Q3 / 2019 Q3<br>(% change) |
|-----------------------|---------------------------------|---------------------------------|---------------------------------|
| <b>EU</b>             | -10.1                           | 5.9                             | -1.1                            |
| <b>Austria</b>        | -11.2                           | 9.7                             | 1.8                             |
| <b>Belgium</b>        | -10.4                           | 5.2                             | -5.2                            |
| <b>Bulgaria</b>       | -10.7                           | 0.3                             | -0.5                            |
| <b>Czech Republic</b> | -8.6                            | 7.7                             | 2.9                             |
| <b>Denmark</b>        | -8.6                            | 3.1                             | 0.0                             |
| <b>Estonia</b>        | -10.5                           | 6.0                             | -2.4                            |
| <b>Finland</b>        | -6.3                            | 5.6                             | 0.0                             |
| <b>France</b>         | -8.1                            | 8.3                             | -0.2                            |
| <b>Germany</b>        | -9.5                            | 2.1                             | -1.8                            |
| <b>Greece</b>         | -14.6                           | 9.6                             | -4.7                            |
| <b>Hungary</b>        | -13.1                           | 8.1                             | 1.1                             |
| <b>Italy</b>          | -8.3                            | 6.0                             | -0.4                            |
| <b>Latvia</b>         | -8.6                            | 2.5                             | -1.9                            |
| <b>Lithuania</b>      | -9.4                            | 8.8                             | 7.6                             |
| <b>Netherlands</b>    | -8.7                            | 7.0                             | 1.3                             |
| <b>Poland</b>         | -8.9                            | 6.8                             | 4.5                             |
| <b>Portugal</b>       | -14.0                           | 8.1                             | -4.2                            |
| <b>Romania</b>        | -17.3                           | 14.2                            | 2.6                             |
| <b>Spain</b>          | -14.1                           | 4.5                             | -5.6                            |

Source: Eurostat. No data available for Croatia, Cyprus, Ireland, Luxembourg, Malta, Slovakia, Slovenia, Sweden

## Employment in the EU food and drink industry

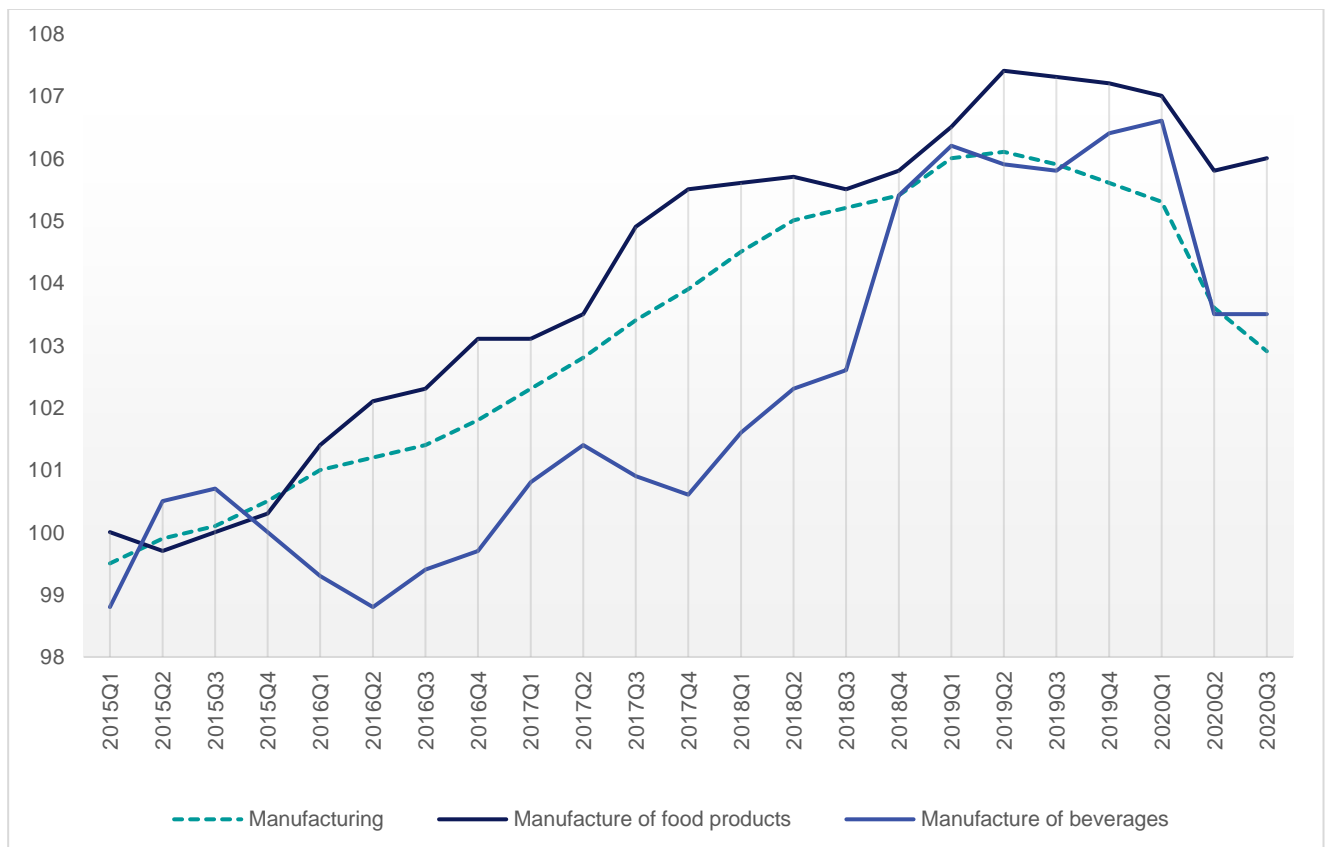
### Employment index (2015=100)

| Employment                 | 2019 Q3 | 2019 Q4 | 2020 Q1 | 2020 Q2 | 2020 Q3 | y-o-y |
|----------------------------|---------|---------|---------|---------|---------|-------|
| <b>Total manufacturing</b> | 105.9   | 105.6   | 105.3   | 103.6   | 102.9   |       |
| <b>% change</b>            | -0.2    | -0.3    | -0.3    | -1.6    | -0.7    | -2.8  |
| <b>Food industry</b>       | 107.3   | 107.2   | 107.0   | 105.8   | 106.0   |       |
| <b>% change</b>            | -0.1    | -0.1    | -0.2    | -1.1    | 0.2     | -1.2  |
| <b>Drink industry</b>      | 105.8   | 106.4   | 106.6   | 103.5   | 103.5   |       |
| <b>% change</b>            | -0.1    | 0.6     | 0.2     | -2.9    | 0.0     | -2.2  |

Source: Eurostat

The employment index measures the number of persons employed in the total manufacturing industry vs. the food and drink industry in the EU, seasonally adjusted.

### Employment in the EU food and drink industry compared to manufacturing, 2015-2020 (2015=100)



Source: Eurostat

## Food industry employment by Member State

| Member State   | 2020 Q2 / 2020 Q1<br>(% change) | 2020 Q3 / 2020 Q2<br>(% change) | 2020 Q3 / 2019 Q3<br>(% change) |
|----------------|---------------------------------|---------------------------------|---------------------------------|
| EU             | -1.1                            | 0.2                             | -1.2                            |
| Austria        | -3.3                            | 1.9                             | -1.4                            |
| Belgium        | 0.4                             | na                              | na                              |
| Bulgaria       | -2.9                            | -0.3                            | -3.2                            |
| Croatia        | -1.1                            | -1.3                            | -4.4                            |
| Czech Republic | -0.9                            | 0.3                             | -1.6                            |
| Denmark        | -1.1                            | 0.1                             | -0.8                            |
| Estonia        | -3.2                            | 1.0                             | -3.5                            |
| Finland        | -12.5                           | -1.6                            | -14.5                           |
| France         | -0.6                            | -0.1                            | -0.7                            |
| Germany        | -0.8                            | -0.2                            | -0.9                            |
| Greece         | -0.3                            | 0.7                             | 0.8                             |
| Hungary        | -2.3                            | 1.8                             | -1.7                            |
| Ireland        | 5.8                             | -6.1                            | -1.3                            |
| Italy          | 0.0                             | 2.0                             | 2.3                             |
| Latvia         | -0.5                            | 2.0                             | 1.6                             |
| Lithuania      | -2.6                            | -0.6                            | -1.6                            |
| Netherlands    | -1.5                            | na                              | na                              |
| Poland         | -0.8                            | 0.0                             | -0.4                            |
| Portugal       | -3.5                            | -1.1                            | -4.4                            |
| Romania        | -3.2                            | 1.1                             | -4.4                            |
| Spain          | -2.4                            | 0.5                             | -3.1                            |
| Sweden         | 2.0                             | -2.9                            | -0.9                            |

Source: Eurostat. No data available for Cyprus, Greece, Luxembourg, Malta, Slovakia, Slovenia

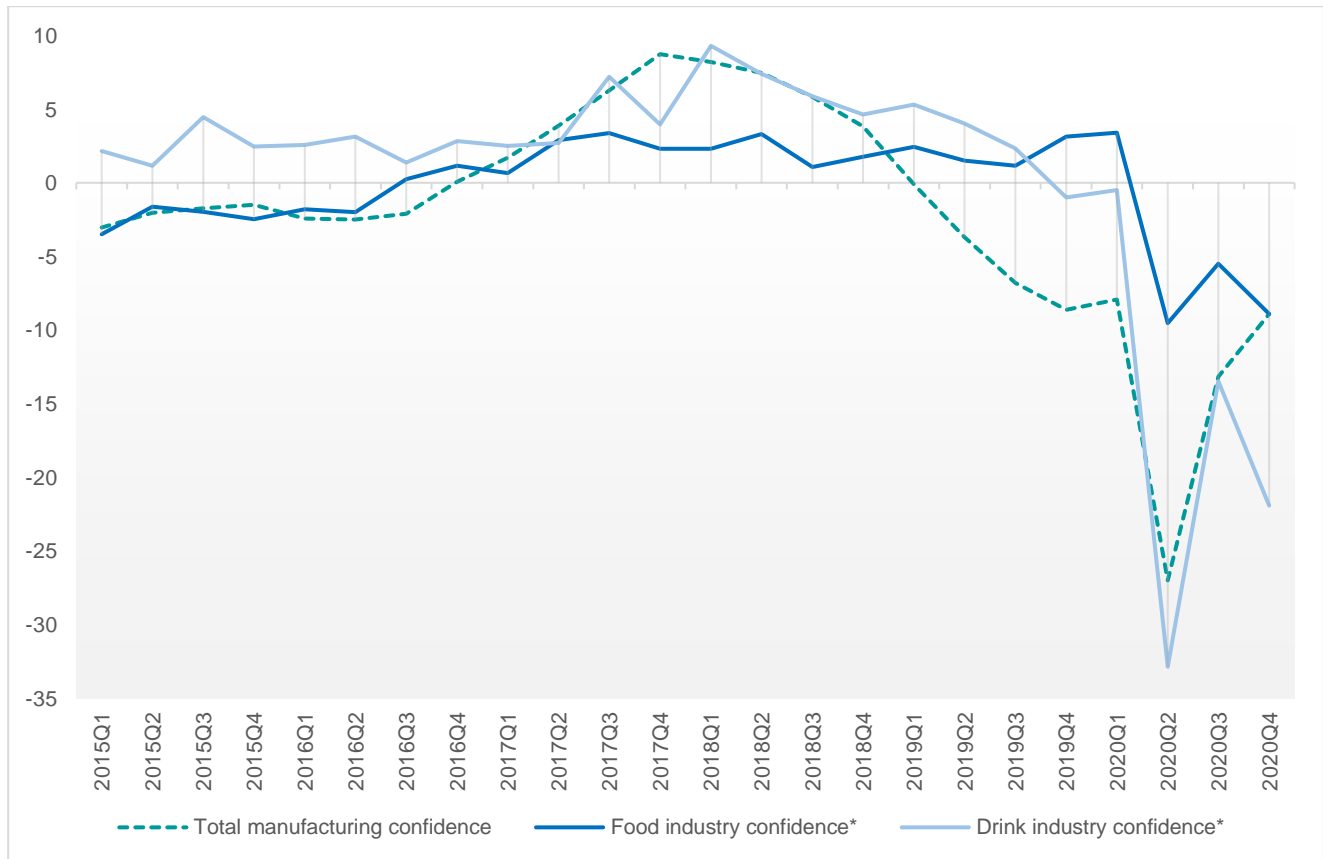
## Drink industry employment by Member State

| Member State   | 2020 Q2 / 2020 Q1<br>(% change) | 2020 Q3 / 2020 Q2<br>(% change) | 2020 Q3 / 2019 Q3<br>(% change) |
|----------------|---------------------------------|---------------------------------|---------------------------------|
| EU             | -2.9                            | 0.0                             | -2.2                            |
| Austria        | -1.2                            | -0.3                            | -0.1                            |
| Belgium        | -0.2                            | na                              | na                              |
| Bulgaria       | -4.1                            | -0.6                            | -7.7                            |
| Croatia        | -3.1                            | -2.2                            | -6.7                            |
| Czech Republic | -3.3                            | 0.0                             | -1.3                            |
| Denmark        | -2.8                            | 4.4                             | -1.0                            |
| Estonia        | -5.1                            | 2.9                             | 1.2                             |
| France         | -0.6                            | 0.0                             | -0.6                            |
| Germany        | -1.3                            | -0.9                            | -1.1                            |
| Greece         | -1.5                            | -1.7                            | 1.1                             |
| Hungary        | -8.3                            | 2.8                             | -7.1                            |
| Ireland        | -22.9                           | -5.5                            | -30.9                           |
| Italy          | -1.3                            | 1.2                             | -5.3                            |
| Latvia         | -3.9                            | 6.5                             | -2.8                            |
| Lithuania      | -3.6                            | 0.1                             | -5.2                            |
| Netherlands    | -2.4                            | na                              | na                              |
| Poland         | -1.8                            | -1.2                            | -2.3                            |
| Portugal       | -2.2                            | -1.3                            | -3.1                            |
| Romania        | -2.1                            | 1.4                             | 0.0                             |
| Spain          | -7.9                            | 0.0                             | -3.5                            |
| Sweden         | 4.9                             | -1.4                            | 3.3                             |

Source: Eurostat. No data available for Cyprus, Finland, Greece, Luxembourg, Malta, Netherlands, Slovakia, Slovenia

## Confidence in the EU food and drink industry

EU quarterly manufacturing confidence indicators, 2015-2020



\* Subsector level data (i.e. the divisions of NACE rev.2 at the 2-digit level) for the industry have not undergone a full validation process, hence their use and interpretation deserve more caution.

Source: European Commission, DG ECFIN business survey data, own calculations

The confidence indicator is a statistical indicator based on the results from business surveys interrogating enterprises on their current economic situation and their expectations about future developments. The indicator is calculated as the simple arithmetic average of the seasonally adjusted balances of positive and negative answers to specific questions, e.g. regarding economic expectations.



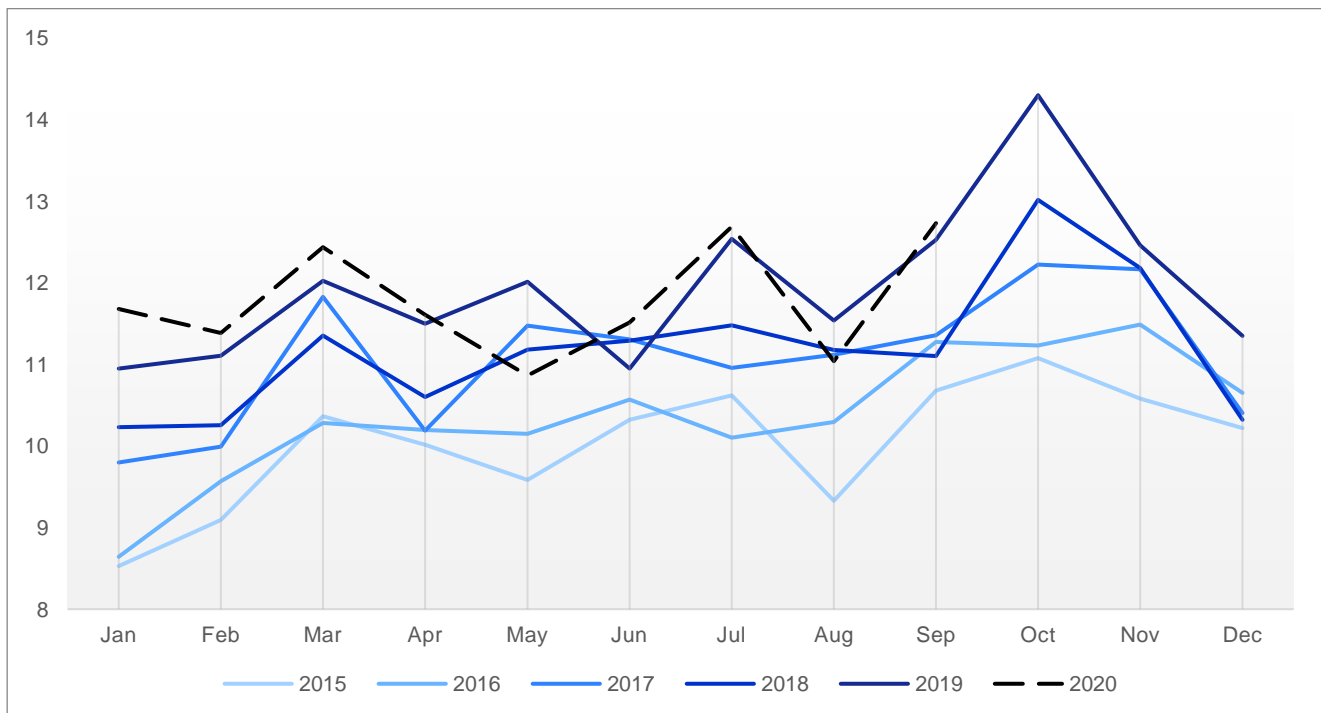
## External trade

### EU food and drink trade (€ billion)

|                | 2019 Q3 | 2019 Q4 | 2020 Q1 | 2020 Q2 | 2020 Q3 | y-o-y |
|----------------|---------|---------|---------|---------|---------|-------|
| <b>Exports</b> | 36.6    | 38.1    | 35.5    | 34.0    | 36.5    | -0.4% |
| <b>Imports</b> | 20.2    | 20.5    | 20.0    | 18.8    | 19.0    | -5.6% |
| <b>Balance</b> | 16.4    | 17.6    | 15.5    | 15.2    | 17.4    | 6.0%  |

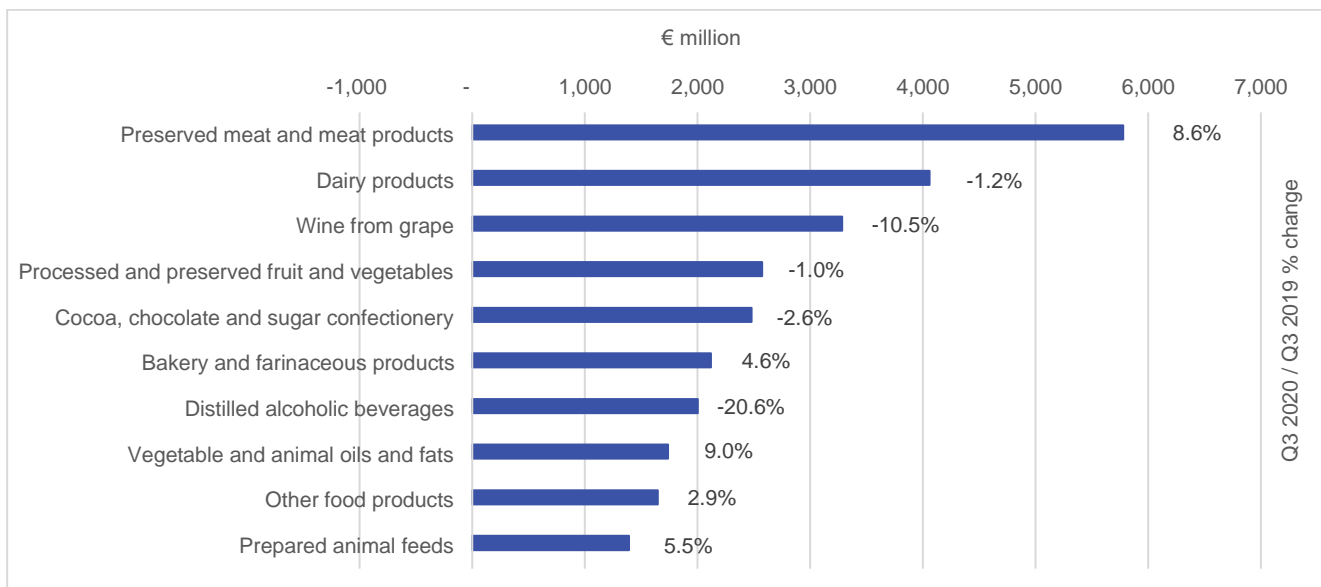
Source: Eurostat

### EU food and drink exports, 2015-2020 (€ billion)



Source: Eurostat

### Export performance by sector, Q3 2020



Source: Eurostat - COMEXT, Nace Rev.2, Divisions 10 & 11

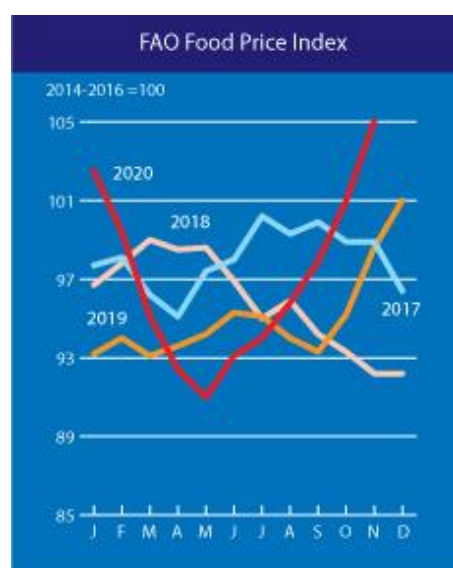
## EU food and drink trade by sector

| Sector / Period   | Exports       |               |              | Imports       |               |               | Balance       |               |               |
|---|---------------|---------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|
|   | Q3 2019       | Q3 2020       | change       | Q3 2019       | Q3 2020       | change        | Q3 2019       | Q3 2020       | change        |
|   | € million     |               |              | € million     |               |               | € million     |               |               |
| <b>Food and drinks</b>  | <b>36,610</b> | <b>36,455</b> | <b>-0.4%</b> | <b>20,156</b> | <b>19,019</b> | <b>-5.6%</b>  | <b>16,453</b> | <b>17,435</b> | <b>6.0%</b>   |
| 10 Food products  | 27,584        | 28,310        | 2.6%         | 18,168        | 17,172        | -5.5%         | 9,416         | 11,137        | 18.3%         |
| 11 Beverages  | 9,026         | 8,145         | -9.8%        | 1,989         | 1,847         | -7.1%         | 7,037         | 6,298         | -10.5%        |
| <b>101 Preserved meat and meat products</b>                       | <b>5,318</b>  | <b>5,778</b>  | <b>8.6%</b>  | <b>1,781</b>  | <b>1,507</b>  | <b>-15.4%</b> | <b>3,538</b>  | <b>4,271</b>  | <b>20.7%</b>  |
| 1011 Processed and preserved meat                                 | 3,337         | 3,889         | 16.5%        | 1,243         | 1,093         | -12.1%        | 2,094         | 2,796         | 33.5%         |
| 1012 Processed and preserved poultry meat                         | 808           | 718           | -11.2%       | 204           | 157           | -22.7%        | 605           | 560           | -7.4%         |
| 1013 Meat and poultry meat products                               | 1,173         | 1,172         | -0.1%        | 334           | 257           | -23.0%        | 839           | 915           | 9.0%          |
| <b>102 Processed and preserved fish, crustaceans and molluscs</b> | <b>1,274</b>  | <b>1,179</b>  | <b>-7.5%</b> | <b>4,755</b>  | <b>4,161</b>  | <b>-12.5%</b> | <b>-3,480</b> | <b>-2,982</b> | <b>-14.3%</b> |
| <b>103 Processed and preserved fruit and vegetables</b>           | <b>2,601</b>  | <b>2,574</b>  | <b>-1.0%</b> | <b>2,088</b>  | <b>2,090</b>  | <b>0.1%</b>   | <b>513</b>    | <b>483</b>    | <b>-5.7%</b>  |
| 1031 Processed and preserved potatoes                             | 626           | 575           | -8.2%        | 46            | 46            | -1.8%         | 580           | 530           | -8.7%         |
| 1032 Fruit and vegetable juices                                   | 420           | 410           | -2.4%        | 528           | 471           | -10.8%        | -108          | -60           | -43.9%        |
| 1039 Other processed and preserved fruit and vegetables           | 1,554         | 1,588         | 2.2%         | 1,514         | 1,574         | 4.0%          | 40            | 14            | -64.8%        |
| <b>104 Vegetable and animal oils and fats</b>                     | <b>1,595</b>  | <b>1,737</b>  | <b>9.0%</b>  | <b>3,927</b>  | <b>3,835</b>  | <b>-2.3%</b>  | <b>-2,332</b> | <b>-2,097</b> | <b>-10.1%</b> |
| 1041 Oils and fats  | 1,441         | 1,587         | 10.1%        | 3,876         | 3,790         | -2.2%         | -2,434        | -2,203        | -9.5%         |
| 1042 Margarine and similar edible fats                            | 153           | 151           | -1.7%        | 51            | 44            | -12.9%        | 102           | 106           | 3.9%          |
| <b>105 Dairy products</b>   | <b>4,110</b>  | <b>4,059</b>  | <b>-1.2%</b> | <b>563</b>    | <b>497</b>    | <b>-11.7%</b> | <b>3,547</b>  | <b>3,562</b>  | <b>0.4%</b>   |
| 1051 Dairy and cheese products                                    | 3,926         | 3,847         | -2.0%        | 511           | 451           | -11.8%        | 3,415         | 3,395         | -0.6%         |
| 1052 Ice cream  | 184           | 212           | 15.4%        | 52            | 46            | -10.5%        | 132           | 166           | 25.5%         |
| <b>106 Grain mill products, starches and starch products</b>      | <b>1,114</b>  | <b>1,067</b>  | <b>-4.2%</b> | <b>624</b>    | <b>671</b>    | <b>7.6%</b>   | <b>490</b>    | <b>396</b>    | <b>-19.2%</b> |
| 1061 Grain mill products  | 596           | 580           | -2.6%        | 506           | 569           | 12.3%         | 90            | 12            | -87.1%        |
| 1062 Starches and starch products                                 | 518           | 487           | -6.0%        | 118           | 102           | -13.0%        | 401           | 385           | -3.9%         |
| <b>107 Bakery and farinaceous products</b>                        | <b>2,027</b>  | <b>2,119</b>  | <b>4.6%</b>  | <b>378</b>    | <b>356</b>    | <b>-5.8%</b>  | <b>1,649</b>  | <b>1,763</b>  | <b>6.9%</b>   |
| 1071 Bread; fresh pastry goods and cakes                          | 417           | 436           | 4.7%         | 86            | 73            | -15.5%        | 331           | 364           | 9.9%          |
| 1072 Rusks; and biscuits; preserved pastry goods and cakes        | 1,309         | 1,324         | 1.1%         | 270           | 261           | -3.1%         | 1,040         | 1,062         | 2.2%          |
| 1073 Macaroni, noodles, couscous and similar farinaceous products | 301           | 359           | 19.4%        | 22            | 22            | -0.8%         | 279           | 337           | 21.0%         |
| <b>108 Other food products</b>                                    | <b>8,095</b>  | <b>8,231</b>  | <b>1.7%</b>  | <b>3,538</b>  | <b>3,497</b>  | <b>-1.2%</b>  | <b>4,557</b>  | <b>4,735</b>  | <b>3.9%</b>   |
| 1081 Sugar  | 142           | 145           | 2.1%         | 335           | 278           | -17.0%        | -193          | -133          | -31.1%        |
| 1082 Cocoa, chocolate and sugar confectionery                     | 2,547         | 2,480         | -2.6%        | 1,066         | 1,076         | 0.9%          | 1,481         | 1,404         | -5.2%         |
| 1083 Processed tea and coffee                                     | 749           | 772           | 3.1%         | 637           | 661           | 3.7%          | 112           | 111           | -0.5%         |
| 1084 Condiments and seasonings                                    | 585           | 664           | 13.5%        | 286           | 282           | -1.4%         | 299           | 382           | 27.8%         |
| 1085 Prepared meals and dishes                                    | 1,220         | 1,268         | 3.9%         | 327           | 355           | 8.6%          | 893           | 913           | 2.2%          |
| 1086 Homogenised food preparations and dietetic food              | 1,251         | 1,257         | 0.4%         | 33            | 27            | -17.1%        | 1,218         | 1,229         | 0.9%          |
| 1089 Other food products n.e.c.                                   | 1,600         | 1,646         | 2.9%         | 853           | 817           | -4.2%         | 747           | 829           | 11.0%         |
| <b>109 Prepared animal feeds</b>                                  | <b>1,320</b>  | <b>1,392</b>  | <b>5.5%</b>  | <b>478</b>    | <b>515</b>    | <b>7.8%</b>   | <b>842</b>    | <b>878</b>    | <b>4.2%</b>   |
| 1091 Prepared feeds for farm animals                              | 758           | 777           | 2.5%         | 210           | 173           | -17.5%        | 548           | 604           | 10.2%         |
| 1092 Prepared pet foods   | 562           | 615           | 9.5%         | 268           | 342           | 27.5%         | 294           | 274           | -6.9%         |
| <b>110 Beverages</b>  | <b>9,026</b>  | <b>8,145</b>  | <b>-9.8%</b> | <b>1,989</b>  | <b>1,847</b>  | <b>-7.1%</b>  | <b>7,037</b>  | <b>6,298</b>  | <b>-10.5%</b> |
| 1101 Distilled alcoholic beverages                                | 2,521         | 2,001         | -20.6%       | 935           | 796           | -14.9%        | 1,586         | 1,205         | -24.0%        |
| 1102 Wine from grape  | 3,671         | 3,284         | -10.5%       | 437           | 474           | 8.4%          | 3,234         | 2,810         | -13.1%        |
| 1103 Cider and other fruit wines                                  | 101           | 136           | 34.4%        | 17            | 13            | -21.6%        | 84            | 123           | 45.7%         |
| 1104 Other non-distilled fermented beverages                      | 50            | 50            | 0.5%         | 5             | 4             | -29.7%        | 45            | 47            | 4.1%          |
| 1105 Beer   | 965           | 1,010         | 4.6%         | 164           | 147           | -10.5%        | 801           | 863           | 7.7%          |
| 1106 Malt   | 229           | 223           | -2.7%        | 8             | 5             | -41.1%        | 221           | 218           | -1.4%         |
| 1107 Soft drinks; mineral waters and other bottled waters         | 1,487         | 1,440         | -3.2%        | 422           | 408           | -3.2%         | 1,066         | 1,032         | -3.2%         |

Source: Eurostat - COMEXT, Nace Rev.2, Divisions 10 &amp; 11

## Prices of agricultural commodities

### FAO Food Price Index



Source: FAO Food Price Index

### Main agricultural commodity prices

| Agricultural commodity    | EU              |                  |                  | WORLD           |                  |                  |
|---------------------------|-----------------|------------------|------------------|-----------------|------------------|------------------|
|                           | Q3 2020 average | Q3 2020/ Q2 2020 | Q3 2020/ Q3 2019 | Q3 2020 average | Q3 2020/ Q2 2020 | Q3 2020/ Q3 2019 |
|                           | EUR/T           | % change         | % change         | EUR/T           | % change         | % change         |
| <b>CEREALS</b>            |                 |                  |                  |                 |                  |                  |
| Maize                     | 170             | 2.2              | 3.4              | 133             | -0.2             | -11.7            |
| Soft wheat                | 173             | -6.9             | 3.4              | 182             | -5.3             | 2.4              |
| SMP                       | 2119            | 4.3              | 0.7              | 2389            | 2.0              | 3.5              |
| WMP                       | 2742            | 2.1              | -4.8             | 2605            | 3.6              | -6.6             |
| White sugar*              | na              | na               | na               | 312             | -3.0             | 9.6              |
|                           |                 |                  |                  | USD/T           | % change         | % change         |
| <b>OILS AND OIL CROPS</b> |                 |                  |                  |                 |                  |                  |
| Soybean oil               |                 |                  |                  | 865             | 22.7             | 11.8             |
| Soybean                   |                 |                  |                  | 396             | 9.3              | 8.5              |
| Soybean meal              |                 |                  |                  | 380             | 8.5              | 11.7             |
| Rapeseed                  |                 |                  |                  | 445             | 7.8              | 5.8              |
| Rape oil                  |                 |                  |                  | 921             | 14.2             | 5.9              |
| Palm oil                  |                 |                  |                  | 750             | 22.7             | 31.6             |
| <b>COFFEE AND COCOA</b>   |                 |                  |                  |                 |                  |                  |
| Cocoa                     |                 |                  |                  | 2,303           | 1.4              | -0.1             |
| Coffee                    |                 |                  |                  | 2,460           | 7.1              | 12.8             |

\* EU white sugar prices for EU28

Sources: World prices: FAO (cereals), CIAL (dairy), USDA (sugar); EU prices: DG AGRI; own calculations

## Retail trade

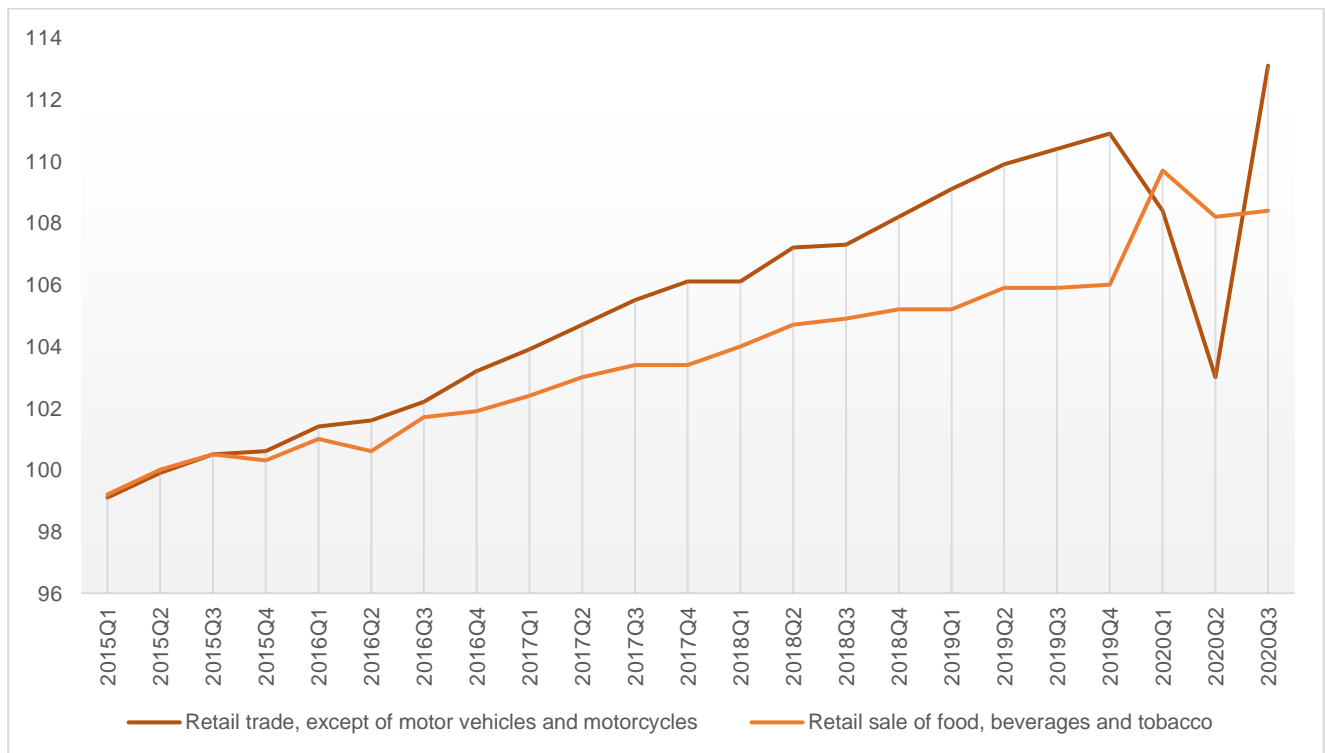
### Retail sales index (2015=100)

|                                 | 2019 Q3 | 2019 Q4 | 2020 Q1 | 2020 Q2 | 2020 Q3 | y-o-y |
|---------------------------------|---------|---------|---------|---------|---------|-------|
| <b>Total retail trade</b>       | 110.4   | 110.9   | 108.4   | 103.0   | 113.1   |       |
| <b>% change</b>                 | 0.5     | 0.5     | -2.3    | -5.0    | 9.8     | 2.4   |
| <b>Food, drinks and tobacco</b> | 105.9   | 106.0   | 109.7   | 108.2   | 108.4   |       |
| <b>% change</b>                 | 0.0     | 0.1     | 3.5     | -1.4    | 0.2     | 2.4   |

Source: Eurostat

The index of the volume of retail trade measures the evolution of the turnover in retail trade, adjusted for price changes (deflated), i.e. the evolution of the total amount of goods sold, based on data adjusted for calendar and seasonal effects.

### EU turnover in retail trade by economic activity, 2015-2020 (2015=100)

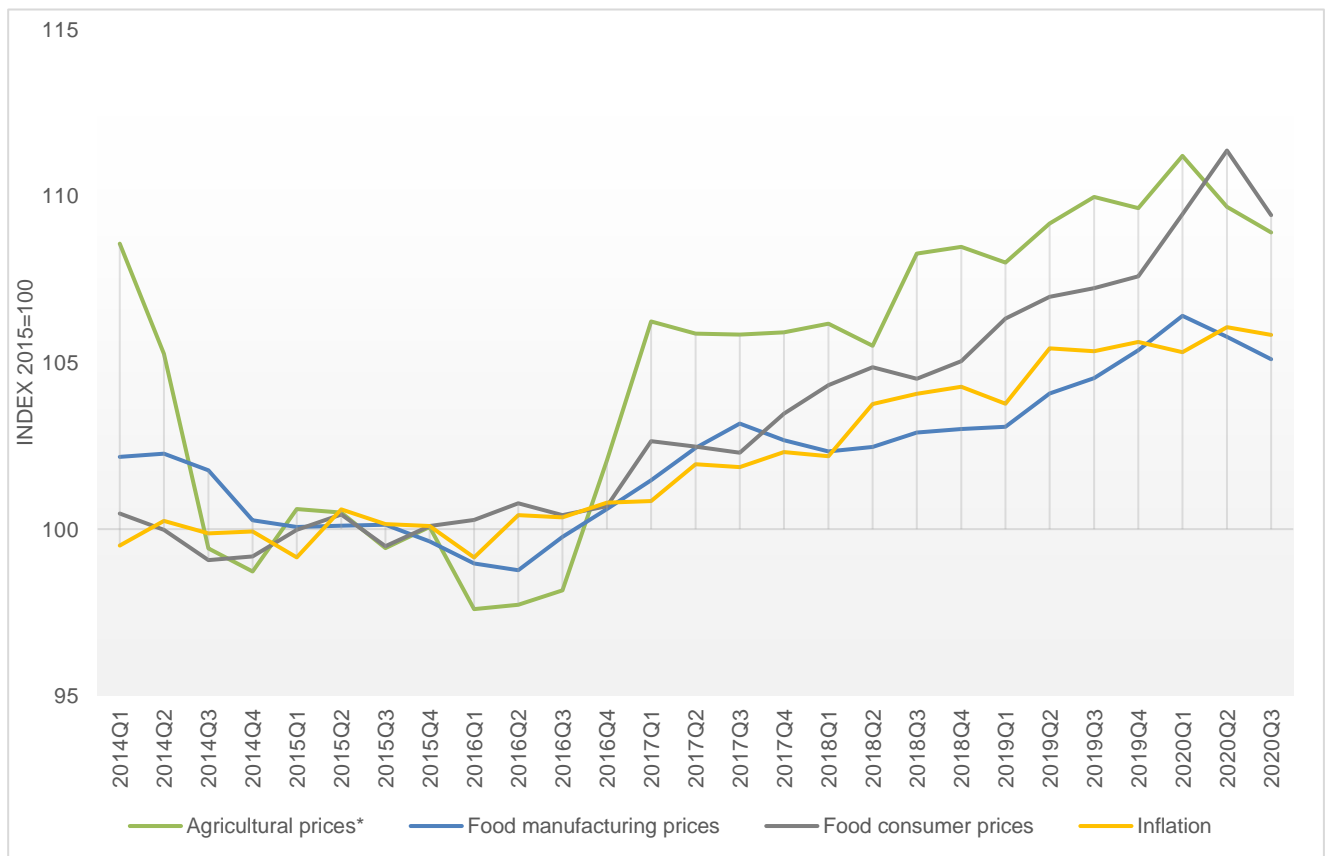


Source: Eurostat

## Price developments along the EU food chain

### Price developments (% change)

|                                  | 2019 Q3 | 2019 Q4 | 2020 Q1 | 2020 Q2 | 2020 Q3 | y-o-y |
|----------------------------------|---------|---------|---------|---------|---------|-------|
| <b>Agricultural prices*</b>      | 0.7     | -0.3    | 1.4     | -1.4    | -0.7    | -1.0  |
| <b>Food manufacturing prices</b> | 0.4     | 0.8     | 1.0     | -0.6    | -0.6    | 0.5   |
| <b>Food consumer prices</b>      | 0.2     | 0.3     | 1.7     | 1.7     | -1.7    | 2.0   |
| <b>Inflation</b>                 | -0.1    | 0.3     | -0.3    | 0.7     | -0.2    | 0.5   |



\* EU farmer price indices are not available before January 2015. Before this date, the monthly change is estimated based on Member States data weighted by their share in the agricultural output. Latest Eurostat monthly indices for EU farmer prices are available in June 2020. Since this date, the index is estimated based on cereals, sugar, milk, meat, tomatoes and apples monthly prices weighted by annual production (updated by the latest edition of short-term outlook: [https://ec.europa.eu/info/food-farming-fisheries/farming/facts-and-figures/markets/outlook/short-term\\_en](https://ec.europa.eu/info/food-farming-fisheries/farming/facts-and-figures/markets/outlook/short-term_en)).

Sources: Eurostat and DG Agriculture and Rural Development; own calculations

## Focus on ...

## EU food and drink industry figures

### Turnover

**€1,205 billion**

Largest manufacturing sector in the EU

### Value added

**1.9%**

of EU gross value added

### Consumption

**20.7%**

of household expenditure on food and drinks

### Employment

**4.82 million people**

Leading employer in the EU

### Number of companies

**291,000**

### R&D expenditure

**€2.9 billion**

### Sales within the Single Market

**91%**

of food and drink turnover

### Small and medium-sized companies

**42.7%**

of food and drink turnover

**58.1%**

of food and drink employment

### External trade

**€120 billion**

Exports

**€76 billion**

Imports

**€44 billion**

Trade balance

**18.8%**

EU share of global exports

Sources: Eurostat; Joint Research Centre; UN COMTRADE



Source: FoodDrinkEurope – Data & Trends of the European Food and Drink Industry 2020. Full report available [here](#).