

ECONOMIC BULLETIN Q3 2021

Moderate increase in production and turnover, solid growth in trade – and new record level agricultural commodity prices

Food and drink industry

Continued increase in production, turnover and manufacturing prices

- In Q3 2021, EU food and drink industry production increased by 0.8% compared to the previous quarter.
- EU food and drink industry turnover increased by 2% compared to the previous quarter.
- The year-on-year comparison shows a continuation of the upward trend in food and drink industry production and total manufacturing production (3.6% and 6.5% respectively, compared to Q3 2020). A similar trend is observed for food and drink industry turnover and total manufacturing turnover (6.5% and 13% respectively, compared to Q3 2020).
- Food manufacturing prices increased by 0.9% compared to the previous quarter and were up by 4.8% compared to Q3 2020.

[Click here for more information](#)

Stagnation in food and drink industry employment

- In Q3 2021, employment in food manufacturing (0%) and drink industry employment (0.1%) remained almost unchanged compared to the previous quarter, mirroring the development in total manufacturing employment growth (0%).
- Year-on-year, employment levels increased in the food industry (1.4%), the drink industry (0.1%), and in total manufacturing (0.3%).

[Click here for more information](#)

Food and drink industry confidence improves

- Food and drink industry confidence is positive towards Q4 2021 (+1.5 and +1.9 points respectively). Total manufacturing confidence rose for the sixth consecutive quarter (+12.7 points).

[Click here for more information](#)

EU exports totalled €39.6 billion

- EU exports of food and drinks totalled €39.6 billion in Q3 2021 (Q3 2021/Q3 2020: +8.4%).
- The trade balance reached a surplus of €18.3 billion (Q3 2021/Q3 2020: +5.1%).
- The top 5 products with the largest share in export value generated €19.7 billion in Q3 2021 (meat

products, wine, dairy products, processed fruits and vegetables, cocoa, chocolate and confectionery).

- EU imports of food and drinks reached €21.3 billion (Q3 2021/Q3 2020: +11.3%).

[Click here for more information](#)

Agricultural commodities

FAO food price index reaches next record level

- The FAO food price index increased by 1.7% in Q3 2021 compared to the previous quarter and by 32.6% compared to Q3 2020.
- In Q3 2021, the majority of agricultural commodities on the world market show decreasing prices, whereas an increase can be observed for sugar, rapeseed, palm oil, cocoa and coffee.
- The year-on-year comparison shows double-digit growth in EU and world market prices for all agricultural commodities but cocoa.

[Click here for more information](#)

Retail

Decrease in retail trade in foodstuffs

- Retail trade in foodstuffs in Q3 2021 decreased by 1.3% compared to the previous quarter whereas total retail trade was up by 1.1%.
- Year-on-year, retail trade in foodstuffs and total retail trade increased by 0.5% and 3.2% respectively.
- Consumer prices increased by 0.1% compared to the previous quarter and 1.9% year-on-year.

[Click here for more information](#)

Focus on ...

FoodDrinkEurope Data & Trends 2021 report

- The EU food and drink industry employs 4.5 million people, generates a turnover of €1.1 trillion and €222 billion in value added, making it one of the largest manufacturing industries 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.
- **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

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

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

European Commission, Eurostat News Release 3/2022, 'Volume of retail trade up by 1.0% in euro area and by 0.9% in the EU', 7 January 2022

<https://ec.europa.eu/eurostat/documents/2995521/14083886/4-07012022-BP-EN.pdf/895efcf9-03fc-2438-4fd6-d867f5e4eff1>

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.fooddrinkurope.eu

ECONOMIC BULLETIN Q3 2021

Annex

Production and turnover of the EU food and drink industry

Production index (2015=100)

	2020 Q3	2020 Q4	2021 Q1	2021 Q2	2021 Q3	y-o-y
Total manufacturing	100.4	106.3	107.6	107.6	106.9	
% change	17.0	5.9	1.2	0.0	-0.7	6.5
Food and drink industry	103.4	102.4	104.3	106.2	107.1	
% change	6.2	-1.0	1.9	1.8	0.8	3.6

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.

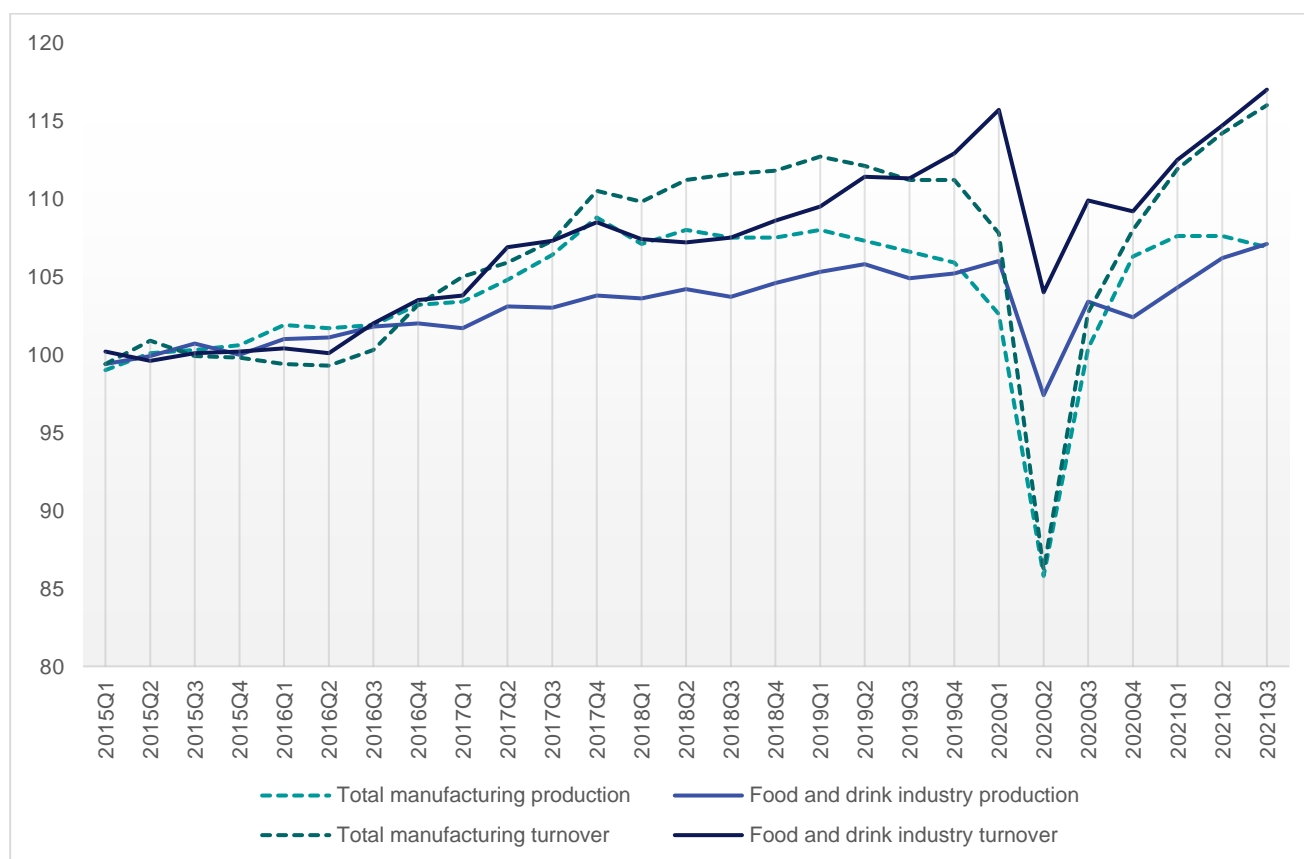
Turnover index (2015=100)

	2020 Q3	2020 Q4	2021 Q1	2021 Q2	2021 Q3	y-o-y
Total manufacturing	102.7	108.0	111.9	114.2	116.0	
% change	19.1	5.2	3.6	2.1	1.6	13.0
Food and drink industry	109.9	109.2	112.5	114.7	117.0	
% change	5.7	-0.6	3.0	2.0	2.0	6.5

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, 2015-2021 (2015=100)



Source: Eurostat

Food and drink production by Member State

Member State	2021 Q2 / 2021 Q1 (% change)	2021 Q3 / 2021 Q2 (% change)	2021 Q3 / 2020 Q3 (% change)
EU	1.8	0.8	3.6
Austria	2.3	2.1	1.2
Belgium	2.2	-1.1	3.0
Bulgaria	0.3	-1.7	-1.2
Czech Republic	3.3	2.9	1.8
Denmark	-3.1	0.9	0.9
Finland	1.3	0.2	2.4
France	0.1	0.7	1.9
Germany	0.0	5.3	4.1
Greece	-0.3	0.5	4.9
Hungary	0.8	2.3	7.8
Italy	1.7	1.3	3.8
Latvia	4.4	1.1	2.6
Lithuania	-3.1	0.1	3.1
Netherlands	1.5	-1.0	-1.2
Poland	0.2	1.5	6.3
Portugal	6.5	-4.0	0.5
Romania	0.3	1.5	3.5
Spain	4.2	0.4	6.0

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

Food and drink turnover by Member State

Member State	2021 Q2 / 2021 Q1 (% change)	2021 Q3 / 2021 Q2 (% change)	2021 Q3 / 2020 Q3 (% change)
EU	2.0	2.0	6.5
Austria	4.0	3.7	4.8
Belgium	6.7	0.1	4.9
Czech Republic	4.2	3.0	3.1
Denmark	-2.3	0.3	2.2
Finland	1.9	0.7	3.0
France	1.5	2.0	6.3
Germany	0.5	2.0	1.6
Greece	2.3	4.0	13.6
Hungary	0.8	3.6	9.0
Italy	1.3	2.7	8.3
Latvia	3.3	1.8	5.9
Lithuania	-1.5	3.4	1.6
Netherlands	3.7	3.4	6.5
Poland	2.3	3.1	11.3
Portugal	5.0	0.3	8.1
Romania	2.0	5.0	16.8
Spain	2.5	0.5	10.7

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

Employment in the EU food and drink industry

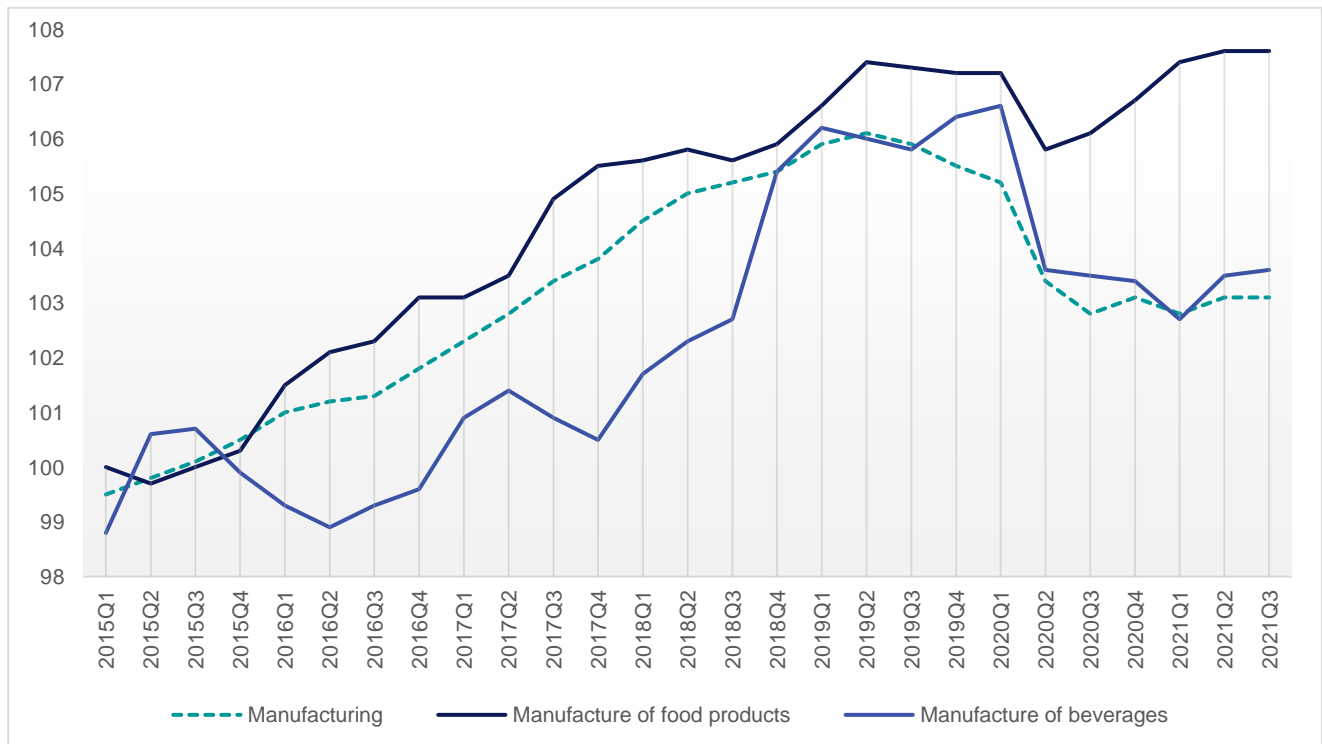
Employment index (2015=100)

Employment	2020 Q3	2020 Q4	2021 Q1	2021 Q2	2021 Q3	y-o-y
Total manufacturing	102.8	103.1	102.8	103.1	103.1	
% change	-0.6	0.3	-0.3	0.3	0.0	0.3
Food industry	106.1	106.7	107.4	107.6	107.6	
% change	0.3	0.6	0.7	0.2	0.0	1.4
Drink industry	103.5	103.4	102.7	103.5	103.6	
% change	-0.1	-0.1	-0.7	0.8	0.1	0.1

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, 2015-2021 (2015=100)



Source: Eurostat

Food industry employment by Member State

Member State	2021 Q2 / 2021 Q1 (% change)	2021 Q3 / 2021 Q2 (% change)	2021 Q3 / 2020 Q3 (% change)
EU	0.2	0.0	1.4
Austria	0.5	0.3	-0.4
Belgium	0.7	na	na
Croatia	0.5	0.4	0.1
Czech Republic	-1.4	0.0	-2.1
Denmark	0.2	0.1	2.8
Finland	-0.1	-7.1	2.0
France	0.6	0.7	3.0
Germany	1.5	0.3	5.3
Greece	3.1	0.9	4.4
Ireland	1.6	-3.8	1.8
Italy	-1.6	-0.6	-1.6
Latvia	3.8	-0.1	4.7
Lithuania	0.0	0.1	1.9
Netherlands	0.2	na	na
Poland	0.1	-0.4	-0.6
Portugal	0.2	0.2	-0.8
Spain	-3.3	1.0	-2.9
Sweden	3.1	0.0	-3.2

Source: Eurostat. No data available for Bulgaria, Cyprus, Estonia, Hungary, Luxembourg, Malta, Romania, Slovakia, Slovenia

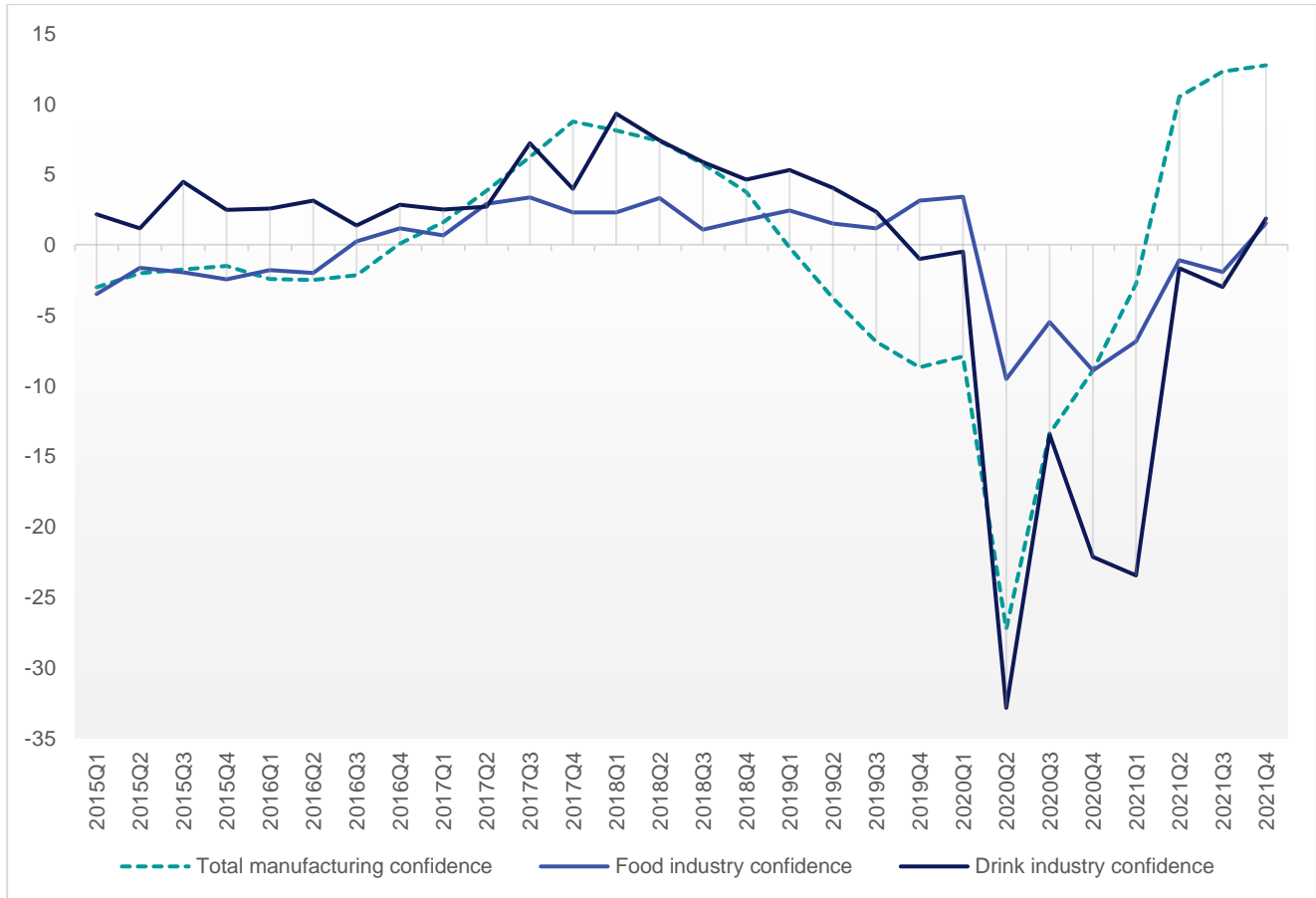
Drink industry employment by Member State

Member State	2021 Q2 / 2021 Q1 (% change)	2021 Q3 / 2021 Q2 (% change)	2021 Q3 / 2020 Q3 (% change)
EU	0.8	0.1	0.1
Austria	-0.4	0.0	-2.8
Belgium	0.4	na	na
Croatia	-0.8	-0.7	-0.3
Czech Republic	-1.3	0.7	-0.5
Denmark	3.6	2.3	6.7
France	1.1	0.5	3.1
Germany	-0.5	-0.5	-1.1
Greece	7.3	5.4	19.9
Ireland	-3.3	-9.3	13.1
Italy	-6.5	5.3	9.0
Latvia	15.7	-6.1	12.5
Lithuania	0.7	1.4	4.0
Netherlands	1.6	na	na
Poland	-1.3	-0.6	-2.6
Portugal	0.1	0.2	-0.3
Spain	7.3	-3.3	-8.1
Sweden	0.3	0.7	-5.2

Source: Eurostat. No data available for Bulgaria, Cyprus, Estonia, Finland, Hungary, Luxembourg, Malta, Romania, Slovakia, Slovenia

Confidence in the EU food and drink industry

EU quarterly manufacturing confidence indicators, 2015-2021



* 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.

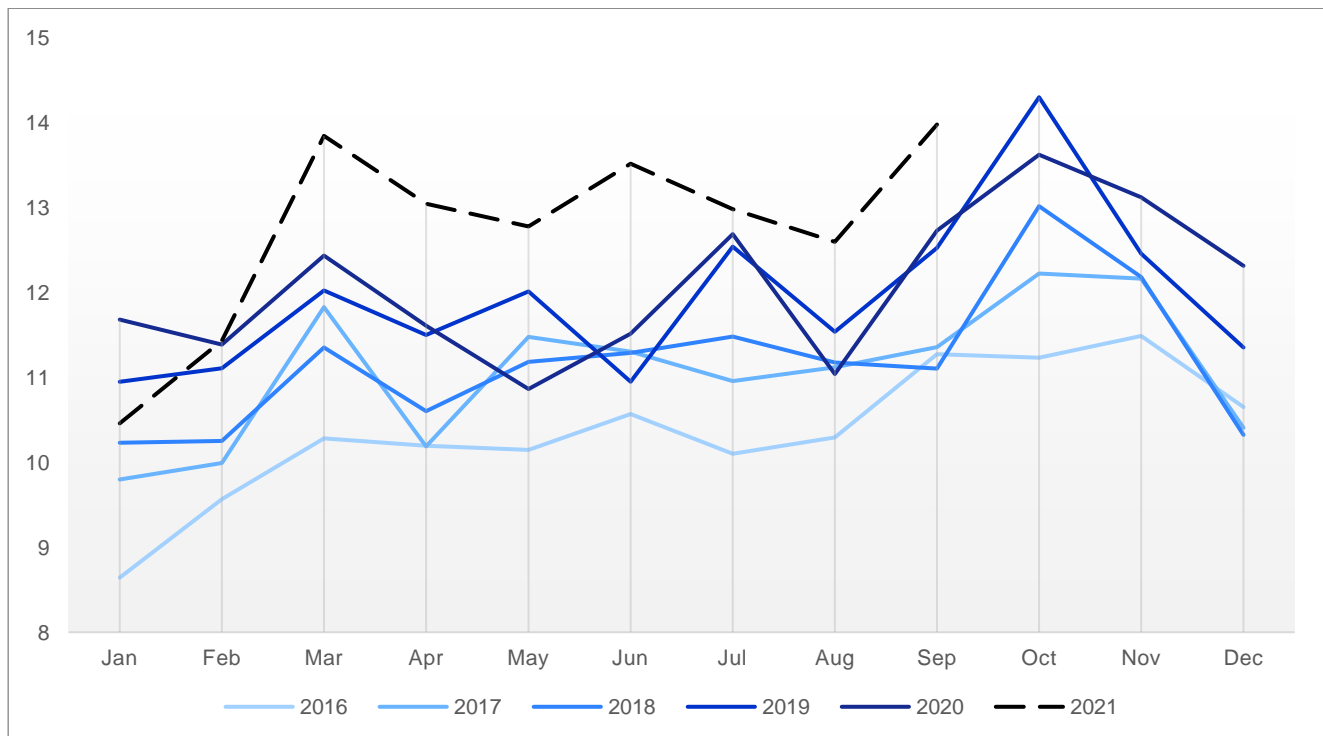
External trade

EU food and drink trade (€ billion)

	2020 Q3	2020 Q4	2021 Q1	2021 Q2	2021 Q3	y-o-y
Exports	36.5	39.1	35.7	39.3	39.6	8.4%
Imports	19.1	19.9	17.9	20.1	21.3	11.3%
Balance	17.4	19.1	17.9	19.2	18.3	5.1%

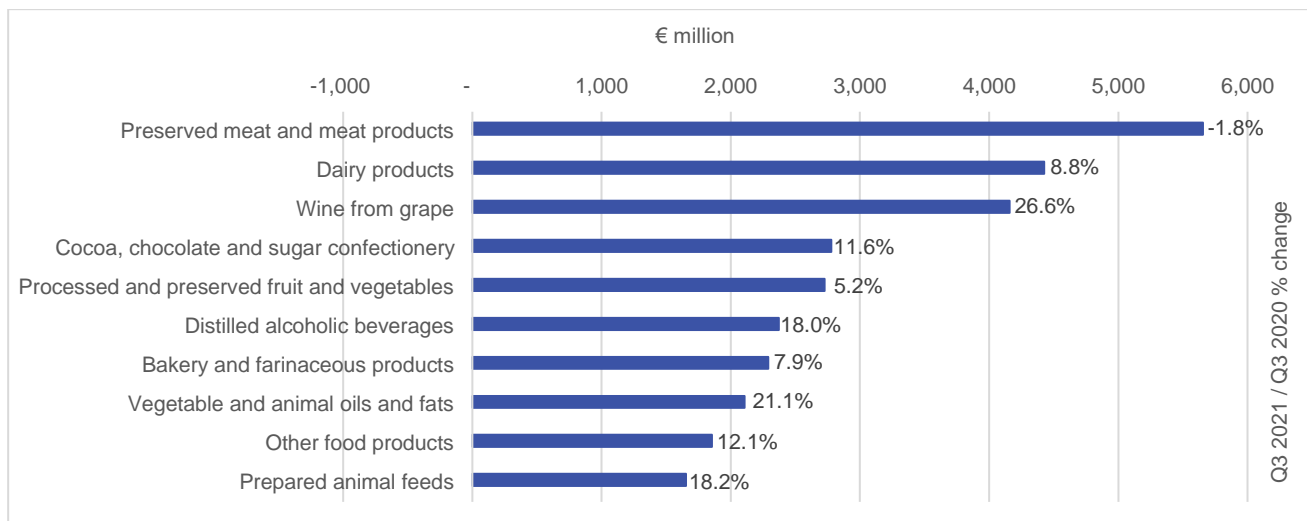
Source: Eurostat

EU food and drink exports, 2016-2021 (€ billion)



Source: Eurostat

Export performance by sector



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

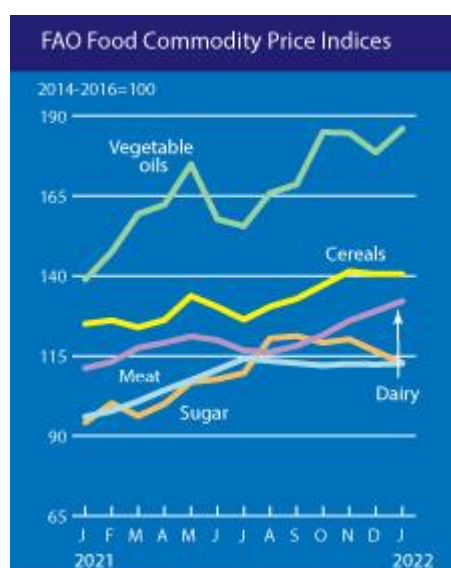
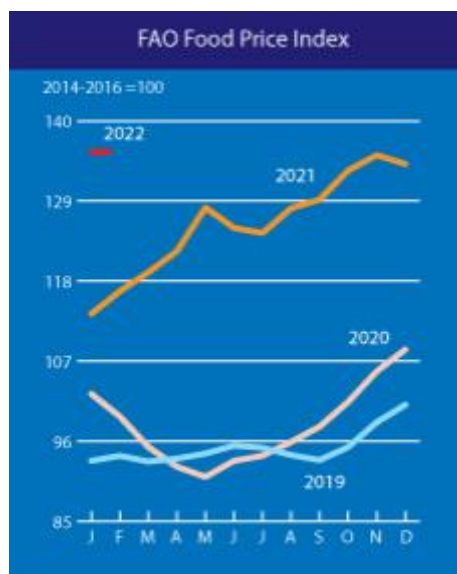
EU food and drink trade by sector

Sector / Period	Exports			Imports			Balance		
	Q3 2020	Q3 2021	change	Q3 2020	Q3 2021	change	Q3 2020	Q3 2021	change
	€ million			€ million			€ million		
Food and drinks	36,503	39,556	8.4%	19,096	21,255	11.3%	17,406	18,301	5.1%
10 Food products	28,335	30,083	6.2%	17,242	19,374	12.4%	11,092	10,709	-3.5%
11 Beverages	8,168	9,473	16.0%	1,854	1,880	1.4%	6,314	7,592	20.3%
101 Preserved meat and meat products	5,761	5,656	-1.8%	1,526	1,523	-0.2%	4,235	4,133	-2.4%
1011 Processed and preserved meat	3,862	3,556	-7.9%	1,111	1,096	-1.3%	2,751	2,459	-10.6%
1012 Processed and preserved poultry meat	718	799	11.3%	158	176	11.4%	560	623	11.3%
1013 Meat and poultry meat products	1,181	1,302	10.2%	258	251	-2.6%	923	1,050	13.8%
102 Processed and preserved fish, crustaceans and molluscs	1,192	1,221	2.5%	4,173	4,692	12.5%	-2,981	-3,471	16.4%
103 Processed and preserved fruit and vegetables	2,592	2,727	5.2%	2,092	2,317	10.7%	500	410	-17.9%
1031 Processed and preserved potatoes	582	646	11.0%	46	35	-24.5%	536	612	14.0%
1032 Fruit and vegetable juices	409	403	-1.5%	471	437	-7.1%	-61	-34	-44.5%
1039 Other processed and preserved fruit and vegetables	1,600	1,678	4.8%	1,575	1,845	17.1%	25	-167	-770.5%
104 Vegetable and animal oils and fats	1,740	2,106	21.1%	3,832	5,136	34.0%	-2,092	-3,030	44.8%
1041 Oils and fats	1,589	1,927	21.3%	3,786	5,084	34.3%	-2,197	-3,157	43.7%
1042 Margarine and similar edible fats	151	179	18.7%	45	52	13.9%	105	127	20.8%
105 Dairy products	4,069	4,427	8.8%	500	480	-4.0%	3,569	3,947	10.6%
1051 Dairy and cheese products	3,856	4,214	9.3%	452	421	-6.9%	3,404	3,793	11.4%
1052 Ice cream	213	213	0.1%	48	59	24.0%	165	154	-6.8%
106 Grain mill products, starches and starch products	1,072	1,219	13.7%	671	695	3.5%	401	524	30.7%
1061 Grain mill products	581	617	6.2%	569	585	2.7%	12	33	165.7%
1062 Starches and starch products	491	602	22.5%	102	110	7.8%	389	492	26.4%
107 Bakery and farinaceous products	2,122	2,289	7.9%	358	402	12.4%	1,764	1,887	6.9%
1071 Bread; fresh pastry goods and cakes	437	582	33.2%	73	98	34.4%	364	484	33.0%
1072 Rusks; and biscuits; preserved pastry goods and cakes	1,327	1,391	4.8%	263	277	5.6%	1,065	1,114	4.6%
1073 Macaroni, noodles, couscous and similar farinaceous products	358	316	-11.8%	22	27	20.8%	336	289	-14.0%
108 Other food products	8,259	8,704	5.4%	3,534	3,563	0.8%	4,725	5,141	8.8%
1081 Sugar	146	141	-3.3%	291	299	2.7%	-145	-158	8.7%
1082 Cocoa, chocolate and sugar confectionery	2,490	2,780	11.6%	1,081	1,011	-6.5%	1,409	1,769	25.5%
1083 Processed tea and coffee	773	788	2.0%	661	638	-3.5%	112	151	34.7%
1084 Condiments and seasonings	667	722	8.2%	286	341	19.3%	381	381	-0.1%
1085 Prepared meals and dishes	1,271	1,411	11.0%	358	378	5.7%	913	1,033	13.1%
1086 Homogenised food preparations and dietetic food	1,257	1,006	-20.0%	27	14	-48.4%	1,230	992	-19.3%
1089 Other food products n.e.c.	1,655	1,855	12.1%	830	882	6.3%	825	973	18.0%
109 Prepared animal feeds	1,399	1,653	18.2%	524	565	7.7%	875	1,089	24.5%
1091 Prepared feeds for farm animals	779	917	17.7%	173	213	23.0%	606	704	16.2%
1092 Prepared pet foods	620	736	18.8%	351	351	0.1%	269	385	43.2%
110 Beverages	8,168	9,473	16.0%	1,854	1,880	1.4%	6,314	7,592	20.3%
1101 Distilled alcoholic beverages	2,010	2,372	18.0%	799	894	12.0%	1,211	1,478	22.0%
1102 Wine from grape	3,287	4,159	26.6%	476	366	-23.2%	2,810	3,793	35.0%
1103 Cider and other fruit wines	135	137	1.0%	13	17	32.5%	123	120	-2.3%
1104 Other non-distilled fermented beverages	50	57	13.5%	4	2	-59.0%	47	56	19.3%
1105 Beer	1,014	954	-5.9%	148	182	22.9%	866	772	-10.9%
1106 Malt	223	230	3.2%	5	6	18.9%	218	224	2.9%
1107 Soft drinks; mineral waters and other bottled waters	1,449	1,564	8.0%	410	414	1.0%	1,039	1,150	10.7%

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

Prices of agricultural commodities

FAO Food Price Index



Source: FAO Food Price Index

Main agricultural commodity prices

Agricultural commodity	Q3 2021 average	EU		Q3 2021 average	WORLD	
		Q3 2021/ Q2 2021	Q3 2021/ Q3 2020		Q3 2021/ Q2 2021	Q3 2021/ Q3 2020
	EUR/T	% change	% change	EUR/T	% change	% change
CEREALS						
Maize	242	2.7	42.2	216	-10.1	62.3
Soft wheat	217	-0.2	25.4	223	-3.9	22.2
SMP	2,547	0.1	20.2	2,645	-8.5	10.7
WMP	3,194	0.2	16.5	3,158	-7.4	21.2
White sugar*	403	1.9	na	404	7.9	29.6
				USD/T	% change	% change
OILS AND OIL CROPS						
Soybean oil				1,434	-1.7	65.8
Soybean				581	-6.0	46.6
Soybean meal				469	-0.1	23.7
Rapeseed				664	0.3	49.1
Rape oil				1,493	-0.8	62.0
Palm oil				1,129	4.4	50.5
COFFEE AND COCOA						
Cocoa				2,457	3.1	6.7
Coffee				3,545	21.3	44.1

* EU white sugar prices for EU28 are discontinued as from December 2020 and continue as EU27. They do therefore currently not allow representative calculation.

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

Retail trade

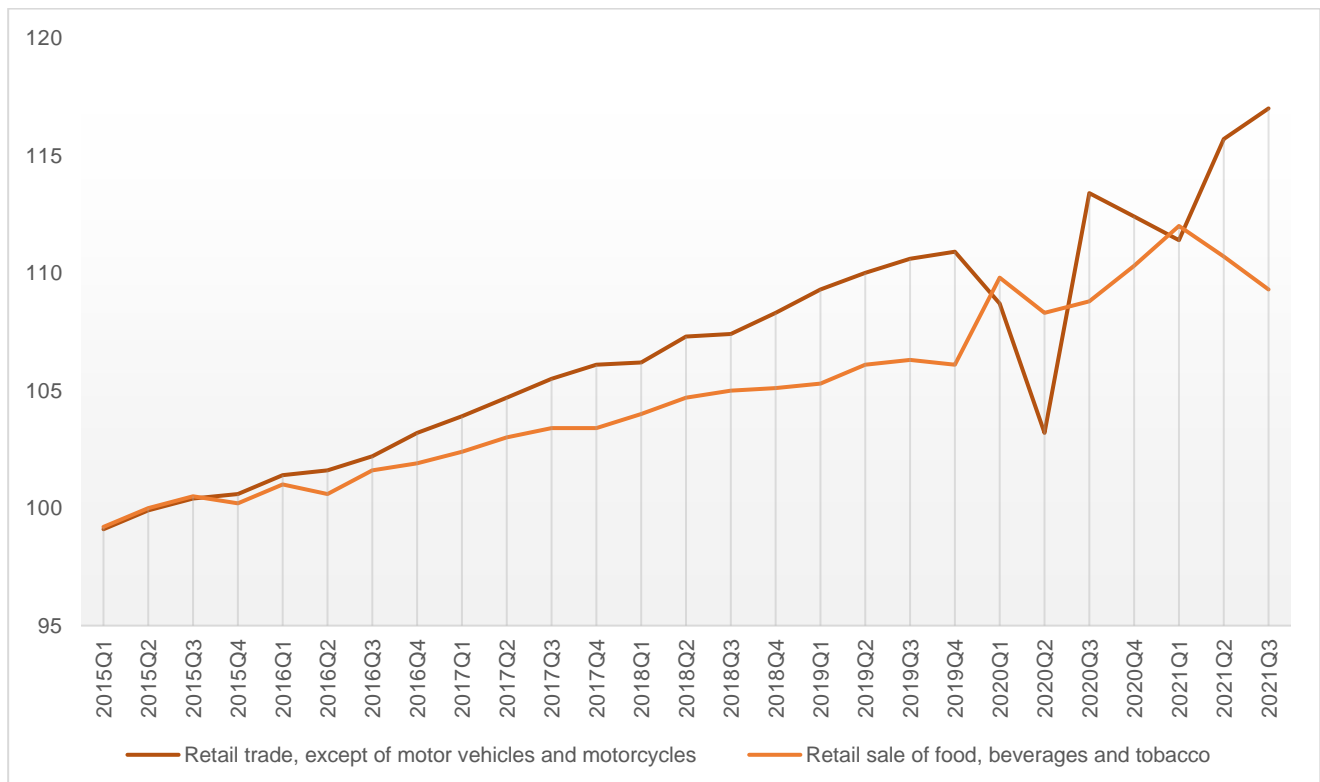
Retail sales index (2015=100)

	2020 Q3	2020 Q4	2021 Q1	2021 Q2	2021 Q3	y-o-y
Total retail trade	113.4	112.4	111.4	115.7	117.0	
% change	9.9	-0.9	-0.9	3.9	1.1	3.2
Food, drinks and tobacco	108.8	110.3	112.0	110.7	109.3	
% change	0.5	1.4	1.5	-1.2	-1.3	0.5

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, 2015-2021 (2015=100)

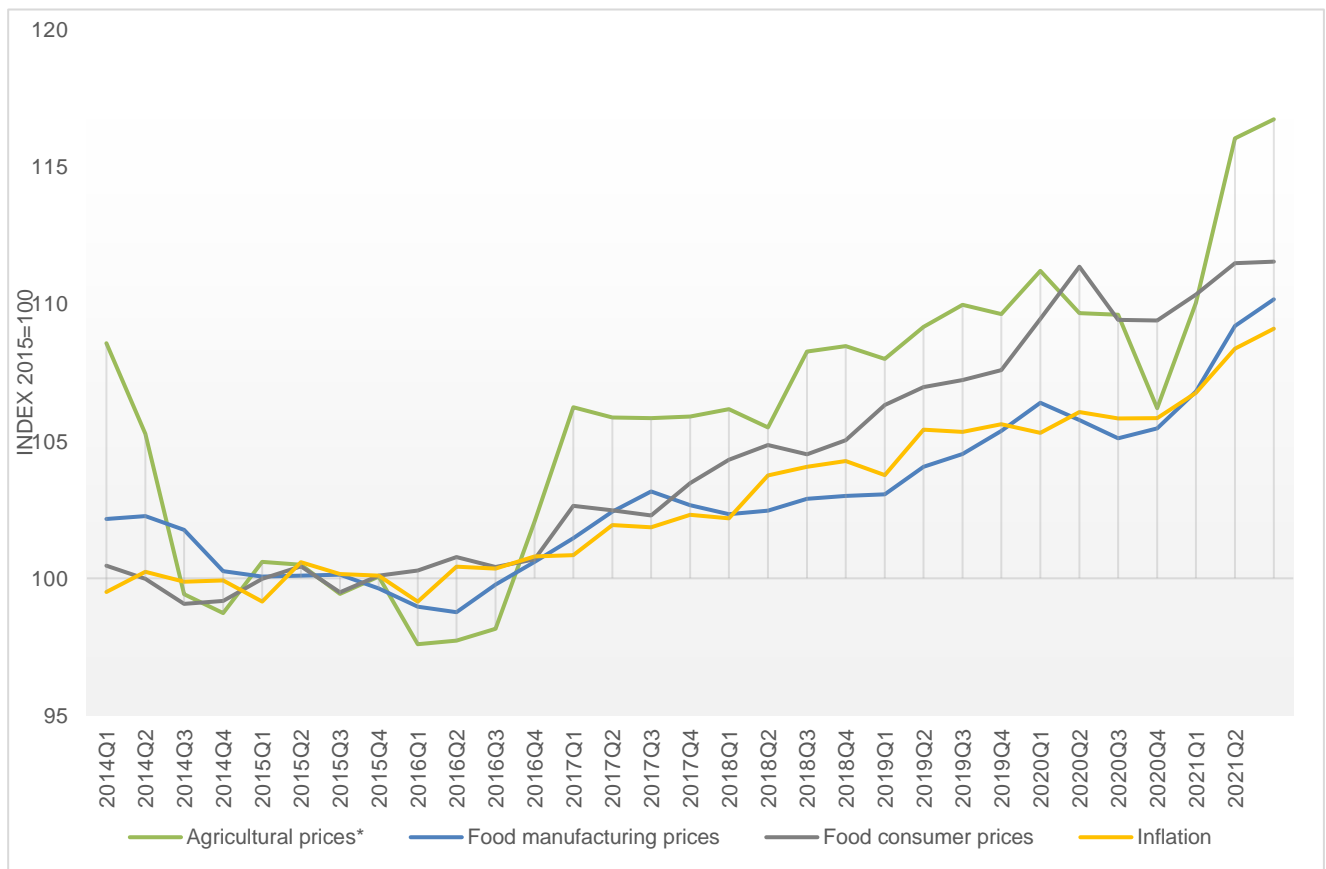


Source: Eurostat

Price developments along the EU food chain

Price developments (% change)

	2020 Q3	2020 Q4	2021 Q1	2021 Q2	2021 Q3	y-o-y
Agricultural prices*	-0.1	-3.1	3.6	5.5	0.6	6.5
Food manufacturing prices	-0.6	0.3	1.3	2.2	0.9	4.8
Food consumer prices	-1.7	0	0.9	1	0.1	1.9
Inflation	-0.2	0	0.9	1.5	0.7	3.1



* 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).

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

Focus on ...

EU FOOD AND DRINK INDUSTRY FIGURES

Turnover

€1,093 billion

A leading manufacturing sector

Value added

1.9%

of EU gross value added

Consumption

21.5%

of household expenditure
on food and drinks

Employment

4.5 million people

Leading employer in the EU

Number of companies

289,000

R&D expenditure

€1.9 billion

Sales within
the Single Market

88%

of food and drink turnover

Small and medium-sized companies

40.5%

of food and drink turnover

58.4%

of food and drink employment

External trade

€145 billion

Exports

€78 billion

Imports

€67 billion

Trade balance

#1

exporter of food and drinks

Sources: Eurostat; Joint Research Centre; UN COMTRADE

Source: FoodDrinkEurope – Data & Trends of the European Food and Drink Industry 2021. Full report available [here](#).