

ECONOMIC BULLETIN Q1 2016

Annex

Production and turnover of the EU food and drink industry

Production index

	2015 Q2	2015 Q3	2015 Q4	2016 Q1	2016 Q2	y-o-y
Total manufacturing	106.50	106.60	107.00	108.00	108.00	
% change	0.6	0.1	0.4	0.9	0.0	1.4
Food and drink industry	103.50	104.90	104.30	104.70	104.90	
% change	-0.2	1.4	-0.6	0.4	0.2	1.4

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.

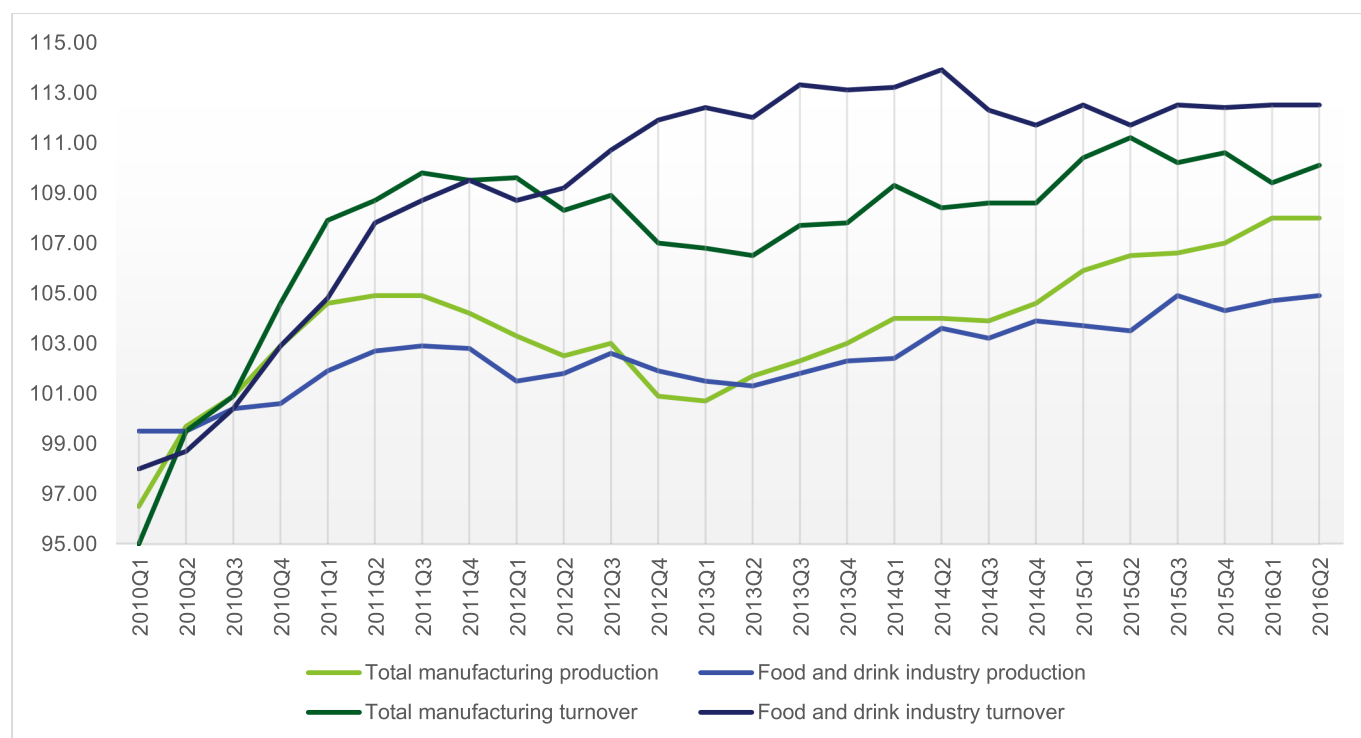
Turnover index

	2015 Q2	2015 Q3	2015 Q4	2016 Q1	2016 Q2	y-o-y
Total manufacturing	111.20	110.20	110.60	109.40	110.10	
% change	0.7	-0.9	0.4	-1.1	0.6	-1.0
Food and drink industry	111.70	112.50	112.40	112.50	112.50	
% change	-0.7	0.7	-0.1	0.1	0.0	0.7

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, 2010 - 2016 (2010=100)



Source: Eurostat

Food and drink production by Member State

Member State	2016 Q1 / 2015 Q4 (% change)	2016 Q2 / 2016 Q1 (% change)	2016 Q2 / 2015 Q2 (% change)
EU	0.5	0.1	1.4
Austria	-8.2	4.5	0.0
Belgium	1.8	0.3	3.9
Bulgaria	2.6	-0.0	1.3
Czech Republic	-4.8	-0.4	-1.6
Denmark	0.9	1.2	5.2
Estonia	-0.7	-3.3	-2.1
Finland	1.9	0.2	2.9
France	-0.3	-2.1	-3.0
Germany	1.0	0.0	1.4
Greece	2.2	-0.8	3.4
Hungary	2.1	-3.5	-0.8
Ireland	6.1	-2.6	-1.8
Italy	0.8	0.5	0.8
Latvia	3.0	-0.7	-0.6
Lithuania	-1.9	0.5	3.3
Netherlands	1.4	0.4	4.0
Poland	0.6	2.0	7.1
Portugal	-4.1	7.2	-2.6
Romania	0.8	3.9	9.3
Spain	1.2	-0.2	1.7
Sweden	0.9	-1.0	-2.3

Food and drink turnover by Member State

Member State	2016 Q1 / 2015 Q4 (% change)	2016 Q2 / 2016 Q1 (% change)	2016 Q2 / 2015 Q2 (% change)
EU	0.3	-0.1	0.8
Austria	1.4	-0.7	-0.7
Belgium	-1.7	3.9	2.7
Bulgaria	6.3	3.8	6.7
Czech Republic	-6.8	1.3	-3.2
Denmark	1.5	1.3	4.4
Estonia	-1.5	-2.8	-2.2
Finland	-0.7	-1.3	-0.9
France	0.5	-1.5	-1.3
Germany	1.1	-1.9	-0.3
Greece	-2.0	0.2	-1.6
Hungary	-0.3	-1.9	-0.8
Ireland	3.6	-0.5	-3.0
Italy	-1.4	0.2	-0.1
Latvia	2.3	-2.3	-2.2
Lithuania	-3.7	1.2	-1.5
Netherlands	-0.3	1.4	1.8
Poland	0.1	1.7	6.8
Portugal	-1.8	2.4	3.9
Romania	-1.3	5.3	11.3
Spain	2.1	-0.2	2.5
Sweden	-1.1	2.1	0.4

Source: Eurostat. No data available for Croatia, Cyprus, Luxembourg, Malta, Slovakia, Slovenia, United Kingdom

Employment in the EU food and drink industry

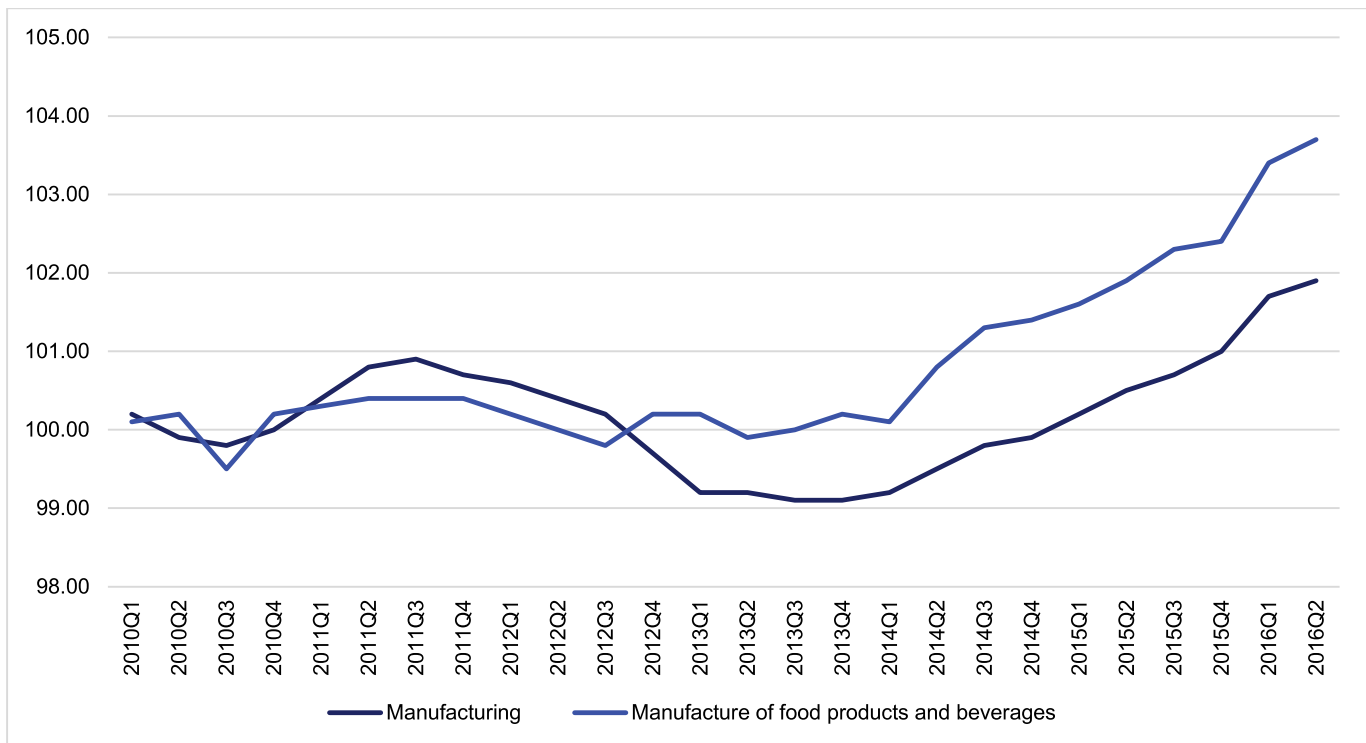
Employment index

Employment	2015 Q2	2015 Q3	2015 Q4	2016 Q1	2016 Q2	y-o-y
Total manufacturing	100.50	100.70	101.00	101.70	101.90	
% change	0.3	0.2	0.3	0.7	0.2	1.4
Food and drink industry	101.90	102.30	102.40	103.40	103.70	
% change	0.3	0.4	0.1	1.0	0.3	1.8

Source: Eurostat

The labour input 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 total manufacturing, 2010-2016 (2010=100)



Source: Eurostat

Food and drink industry employment by Member State

Member State	2016 Q1 / 2015 Q4 (% change)	2016 Q2 / 2016 Q1 (% change)	2016 Q2 / 2015 Q2 (% change)
EU	1.0	0.5	2.0
Austria	-2.1	0.6	-1.5
Belgium	-0.1	0.6	0.5
Bulgaria	4.3	-1.6	1.6
Croatia	4.6	-0.7	8.0
Czech Republic	1.5	1.3	4.4
Denmark	-0.3	1.6	1.6
Estonia	-1.3	-1.4	-4.1
Finland	10.0	-5.0	-5.6
France	0.3	0.5	1.3
Germany	1.4	0.4	2.6
Ireland	1.5	7.9	3.6
Latvia	0.1	-0.1	-4.7
Lithuania	2.0	-0.6	0.6
Netherlands	na	na	na
Poland	0.4	0.5	1.5
Portugal	0.5	0.5	1.5
Romania	2.1	0.0	4.1
Spain	1.7	3.8	0.1
Sweden	-0.1	0.2	-2.3
United Kingdom	-1.0	-2.3	2.3

Source: Eurostat. No data available for Cyprus, Greece (discontinued), Hungary, Italy, Luxembourg, Malta, Slovakia, Slovenia

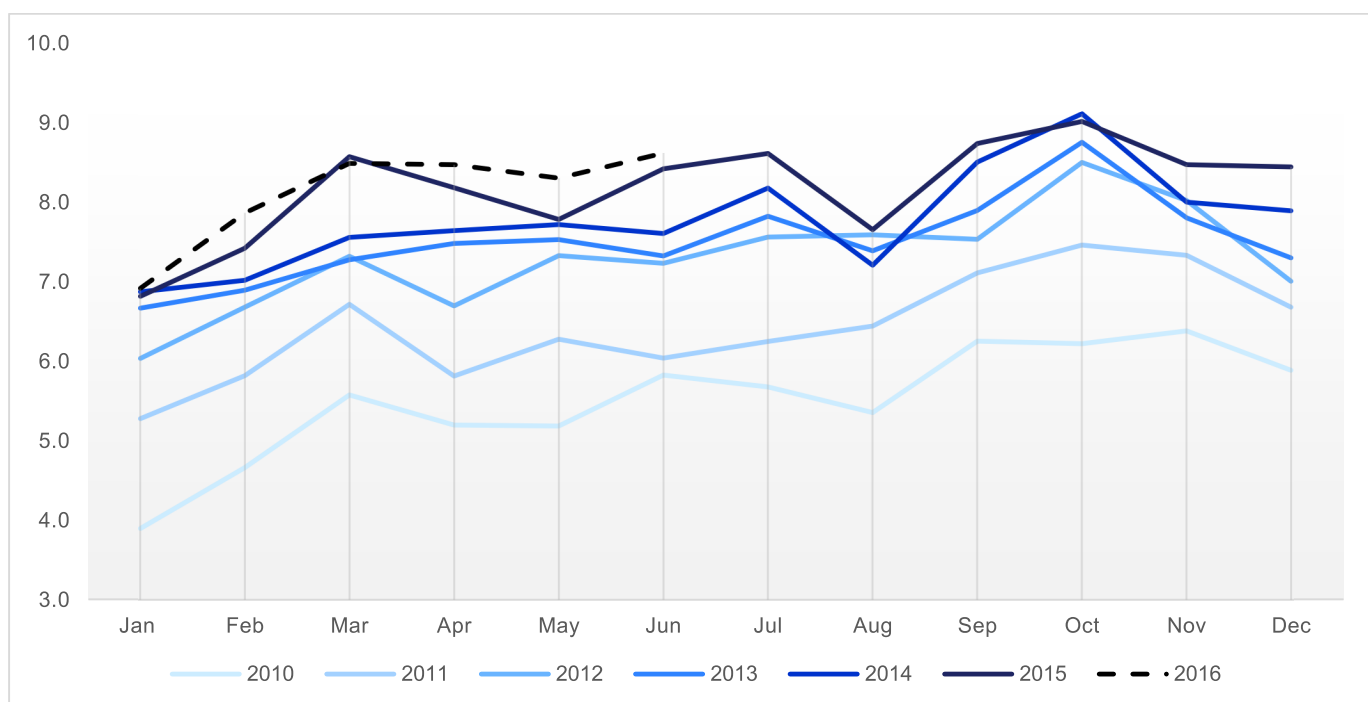
External trade

EU food and drink trade (€ billion)

	2015 Q2	2015 Q3	2015 Q4	2016 Q1	2016 Q2	2016 Q2 / 2015 Q2 % change
Exports	24.4	25.0	25.9	23.3	25.4	4.1
Imports	18.5	18.4	18.7	17.5	17.8	-0.9
Balance	5.9	6.6	7.3	5.8	7.5	6.2

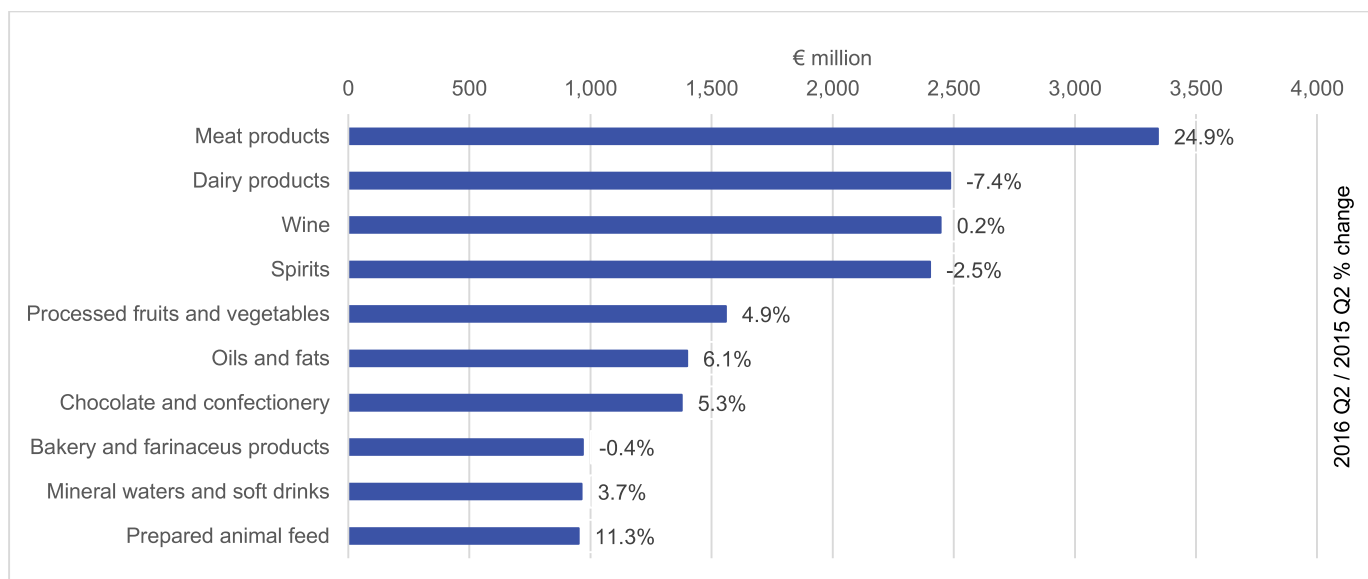
Source: Eurostat

EU food and drink export, 2010-2016 (€ billion)



Source: Eurostat

Export performance by sub-sector in Q2 2016



Source: Eurostat

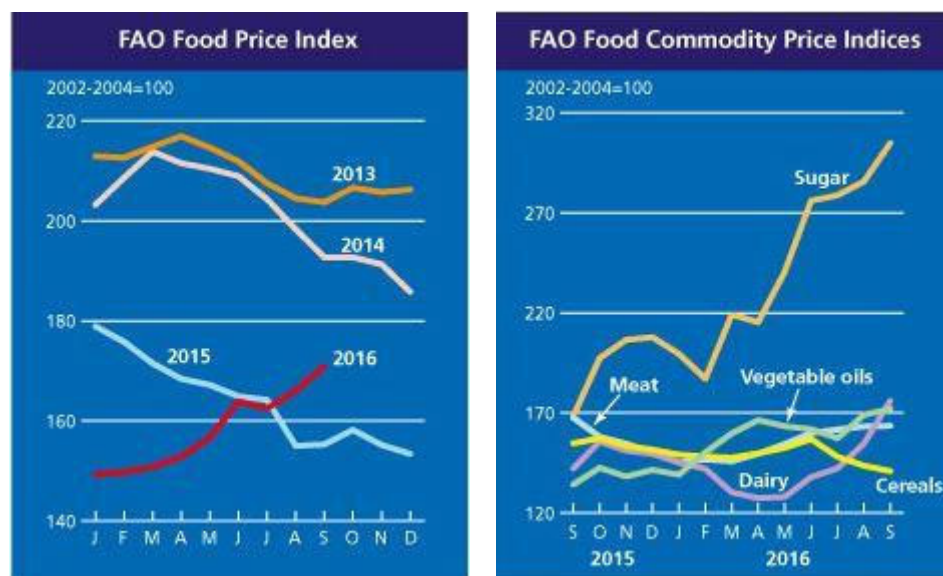
Trade by sub-sector in value and volume in Q2 2016

FLOW PRODUCT/PERIOD	VALUE_IN_MLN_EUROS				QUANTITY_IN_1000 tonnes					
	IMPORT	EXPORT	IMPORT	EXPORT	IMPORT	EXPORT	IMPORT	EXPORT		
	Q2 2015	Q2 2015	Q2 2016	Q2 2016	Q2 2015	Q2 2016	Q2 2015	Q2 2016		
		% change	% change			% change	% change		% change	
				Trade Balance						
				Q2 2015	Q2 2016	Q2 2015	Q2 2016	Q2 2015	Q2 2016	
					trend					
Food and drink	18,486	17,841	-3.49%	24,376	25,382	4.13%	7,542	13,199	14,138	7.12%
Food	17,051	16,353	-4.09%	17,264	18,258	5.75%	1,904	9,469	10,247	8.21%
Drink	1,435	1,487	3.63%	7,112	7,125	0.18%	5,637	3,729	3,892	4.36%
Dietary products	2,016	1,840	-8.75%	2,677	3,343	24.87%	1,503	1,606	2,160	34.51%
Dairy products	175	173	-1.52%	2,685	2,485	-7.43%	2,509	68	1,102	5.36%
Meat	702	656	-6.62%	2,441	2,446	0.18%	1,790	372	571	0.66%
Alcohol	349	386	10.75%	2,465	2,402	-2.53%	2,016	66	318	1.42%
Processed fruits and vegetables	2,440	2,209	-9.49%	1,487	1,559	4.87%	-649	1,980	1,322	6.58%
Sugars and fats	4,188	3,879	-7.37%	1,319	1,399	6.07%	-2,869	8,461	1,026	-6.30%
Chocolate and confectionery	548	546	-0.44%	1,307	1,377	5.31%	831	41	330	7.10%
Beverages and non-alcoholic products	194	195	0.73%	973	969	-0.39%	774	85	427	2.14%
Alcoholic beverages	253	290	14.84%	930	964	3.65%	674	547	1,217	2.87%
Prepared animal feed	269	279	3.88%	855	951	11.28%	672	232	769	1.28%
Other	117	143	21.73%	896	929	3.64%	786	209	994	9.09%
Grain mill and starch products	506	464	-8.27%	841	917	9.06%	452	672	1,128	8.63%
Fish and seafood products	4,319	4,483	3.79%	886	879	-0.76%	-3,603	1,161	399	-9.85%
Processed tea and coffee	395	497	25.83%	557	545	-2.17%	162	1,263	81	8.34%
Other	13	8	-38.94%	69	69	0.20%	61	10	54	8.85%

Sources: Eurostat Easy Comext, own calculations

Prices of agricultural commodities

FAO Food Price Index



Source: FAO Food Price Index

Main agricultural commodity prices

Agricultural commodity	Q2 2016 average	EU		Q2 2016 average	WORLD	
		Q2 2016/ Q1 2016	Q2 2016/ Q2 2015		Q2 2016/ Q1 2016	Q2 2016/ Q2 2015
	EUR/T	% change	% change	EUR/T	% change	% change
CEREALS						
Corn	164	3.8	7.9	152	3.8	-1.2
Soft Wheat	152	-3.6	-13.9	168	-3.4	-11.3
DAIRY						
SMP	1,664	0.5	-12.0	1,566	-5.0	-25.0
WMP	2,024	-2.9	-19.9	1,836	-2.2	-20.0
SUGAR						
White Sugar	433	0.7	3.8	427	12.5	29.0
				USD/T	%	%
OILS AND OIL CROPS						
Soybean oil				795	6.2	2.7
Soybean				424	14.5	7.7
Soybean meal				419	27.6	7.0
Rapeseed				415	5.0	-2.9
Palm oil				704	11.6	6.0
COFFEE & COCOA						
Cocoa				3,100	4.0	1.0
Coffee				2,681	7.2	-3.3

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

Retail trade

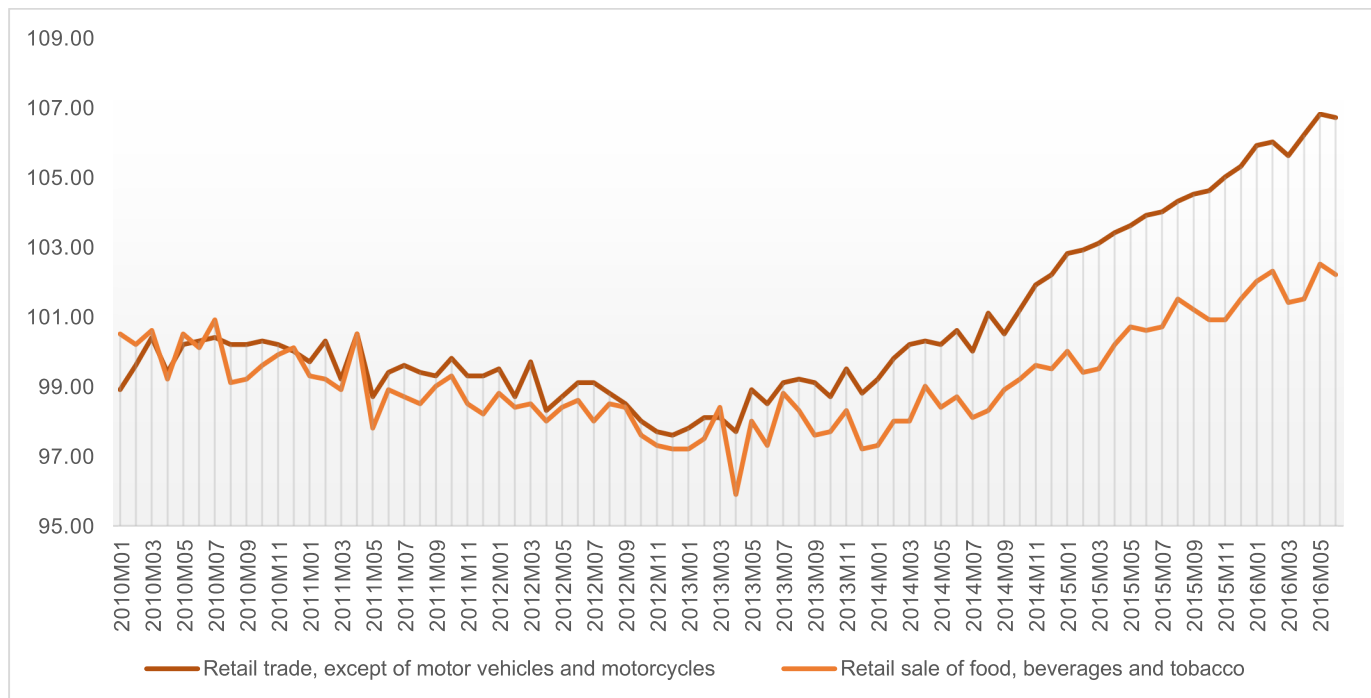
Volume of retail trade (% change)

	Feb-16	Mar-16	Apr-16	May-16	Jun-16	y-o-y
Total retail	0.1	-0.5	0.6	0.5	-0.2	2.5
Food, drinks and tobacco	0.3	-0.9	0.1	0.9	-0.4	1.5

Source: Eurostat

The index of volume of retail trade measures the monthly changes of the deflated turnover of retail trade.

EU monthly retail trade volume by product group, 2010-2016 (2010=100)



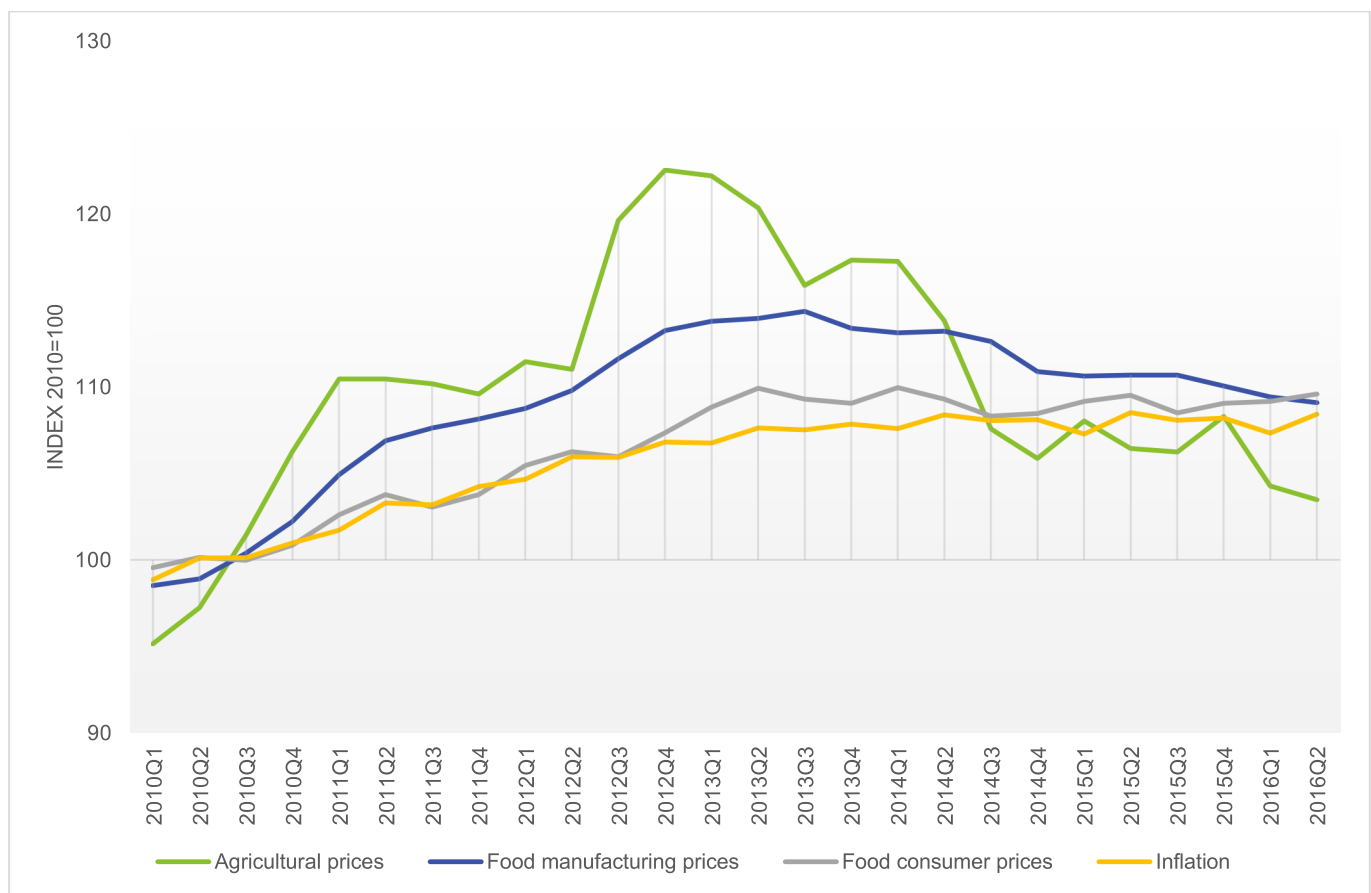
Sources: Eurostat; [Eurostat News Release 167/2016](#)

Price developments along the EU food chain

Price developments (% change)

	2015Q2	2015Q3	2015Q4	2016Q1	2016Q2	y-o-y
Agricultural prices	-1.5	-0.2	1.9	-3.7	-0.8	-2.8
Food manufacturing prices	0.1	0.0	-0.6	-0.6	-0.3	-1.4
Food consumer prices	0.3	-0.9	0.5	0.1	0.4	0.1
Inflation	1.2	-0.4	0.1	-0.8	1.0	-0.1

Sources: FoodDrinkEurope calculations on DG AGRI and Eurostat data



Note: Eurostat monthly indices for EU farmer prices are not available since 2013. Until March 2015, it is estimated based on Member States data weighted by their share in the agricultural output. Beyond, the index is estimated based on cereal, sugar, milk and meat monthly prices weighted by annual production.

Source: DG Agriculture and Rural Development, based on Eurostat