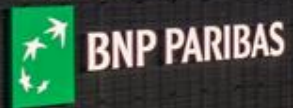


FOOD MARKET SITUATION IN POLAND - HIGHLIGHTS

AGRI CIRCLE MEETING



International Food & Agri Hub Department

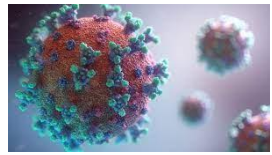
May 17th 2022



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Food market has been already for some time driven by a few major factors



**COVID-19
pandemic**



China



Consumer



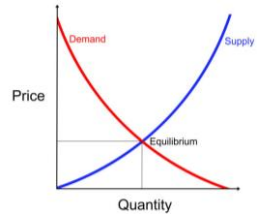
**Natural gas
prices**



Sustainability

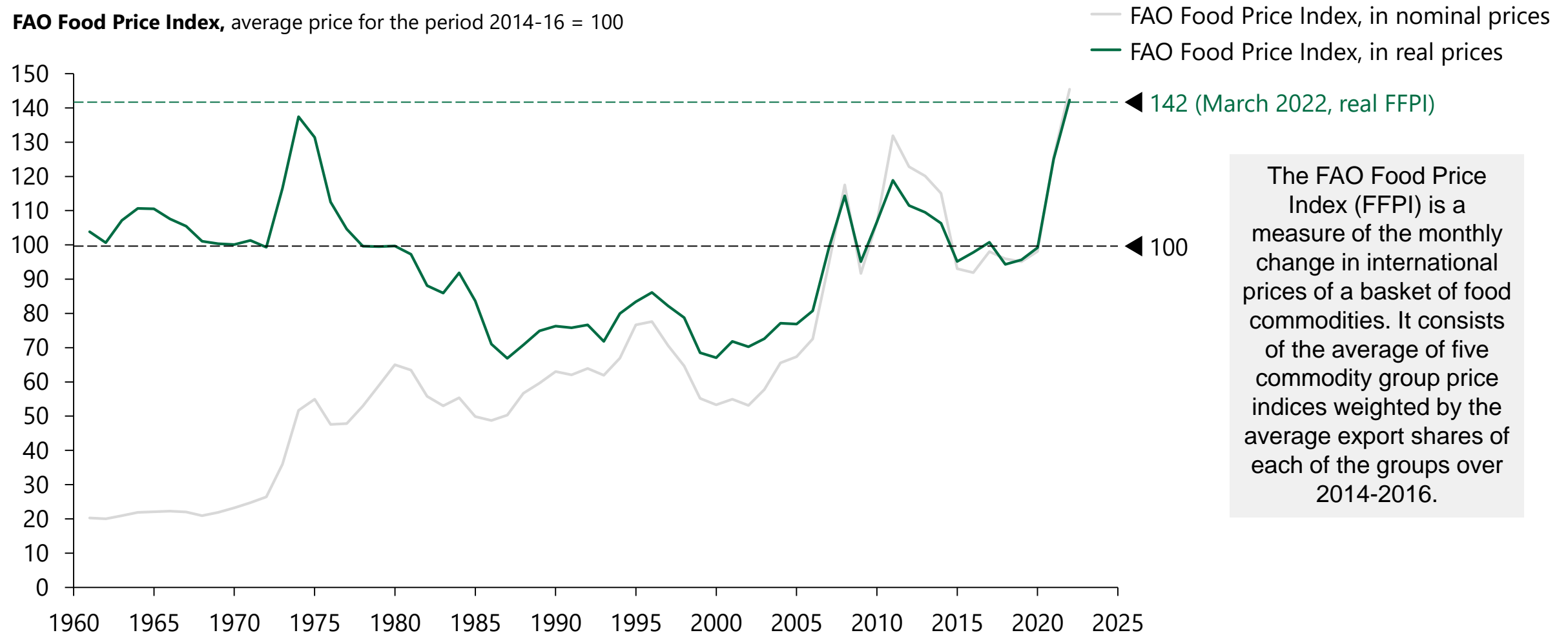


**Supply &
Demand**



Already highest food prices in decades were supported by the Russian invasion – as a result, agri commodities are now the most expensive in recent history

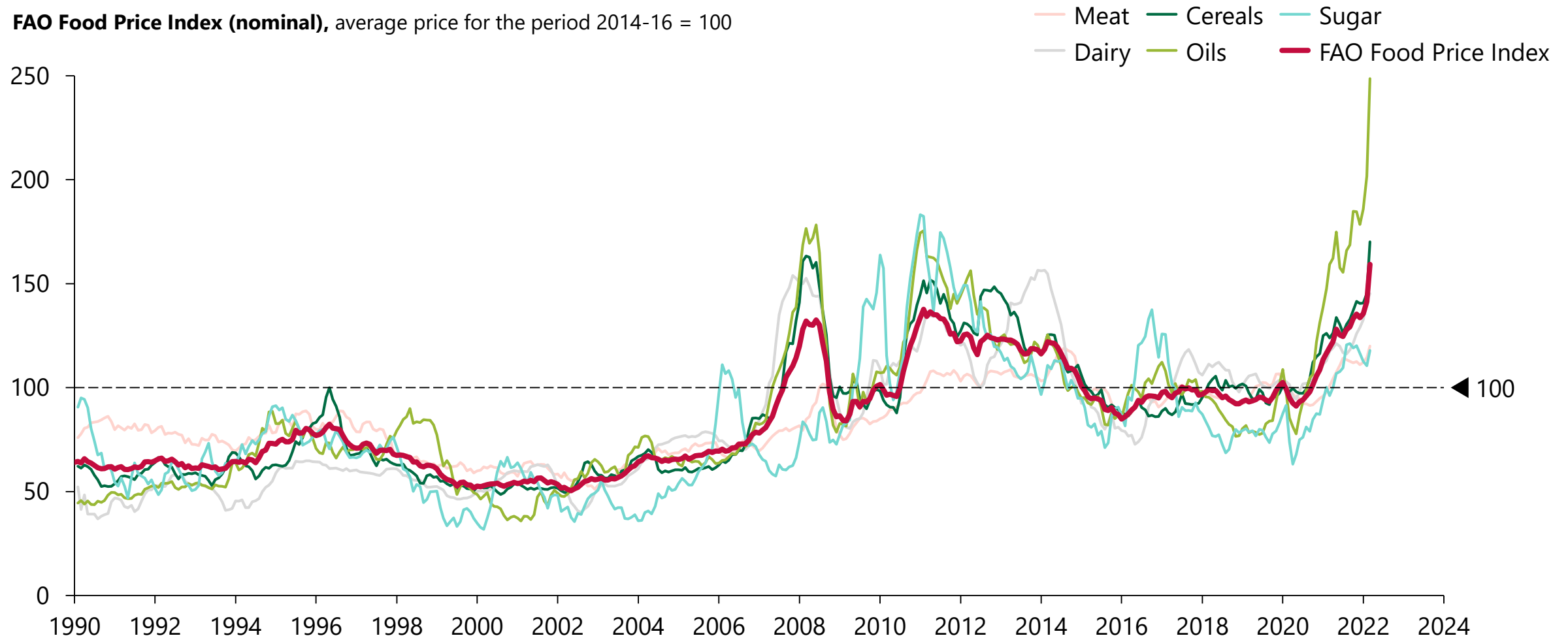
FAO Food Price Index, average price for the period 2014-16 = 100



Source: FAO

The growths in vegetable oils and grains are unprecedented, but prices of all commodities are now very high, supporting the inflation around the world

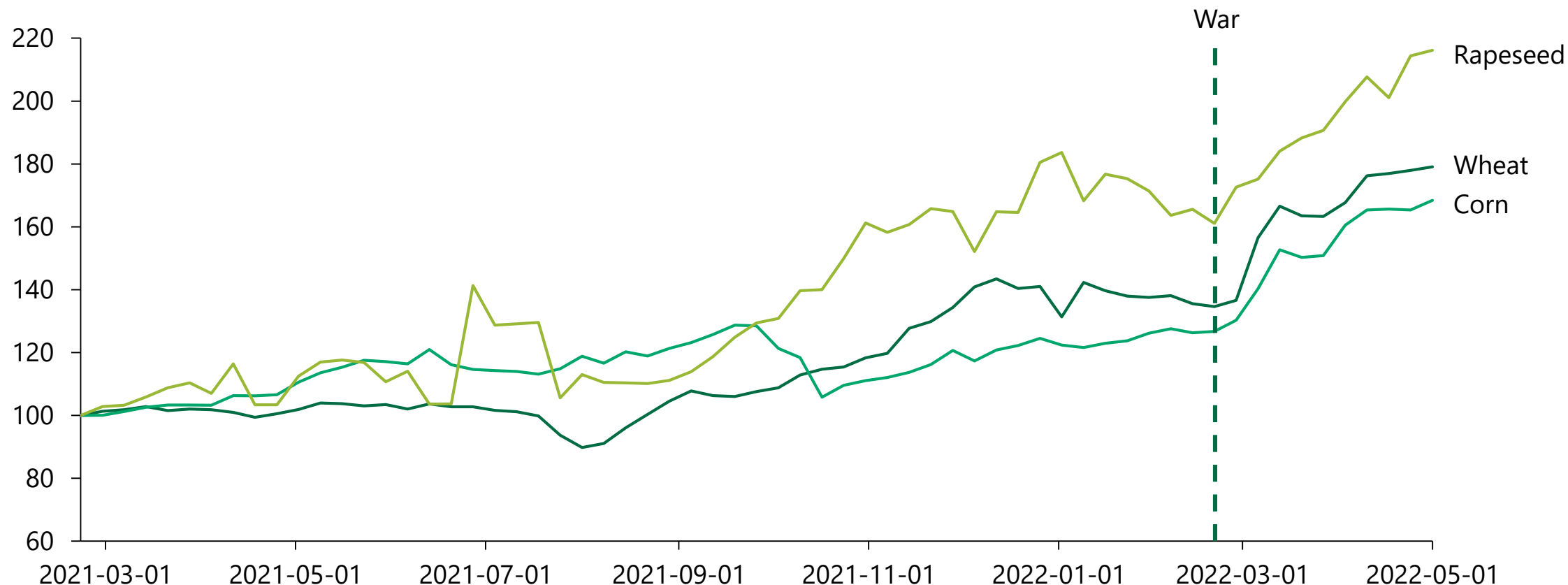
FAO Food Price Index (nominal), average price for the period 2014-16 = 100



Source: FAO

Grains and oilseeds prices in Poland grew by app. a third since the war started

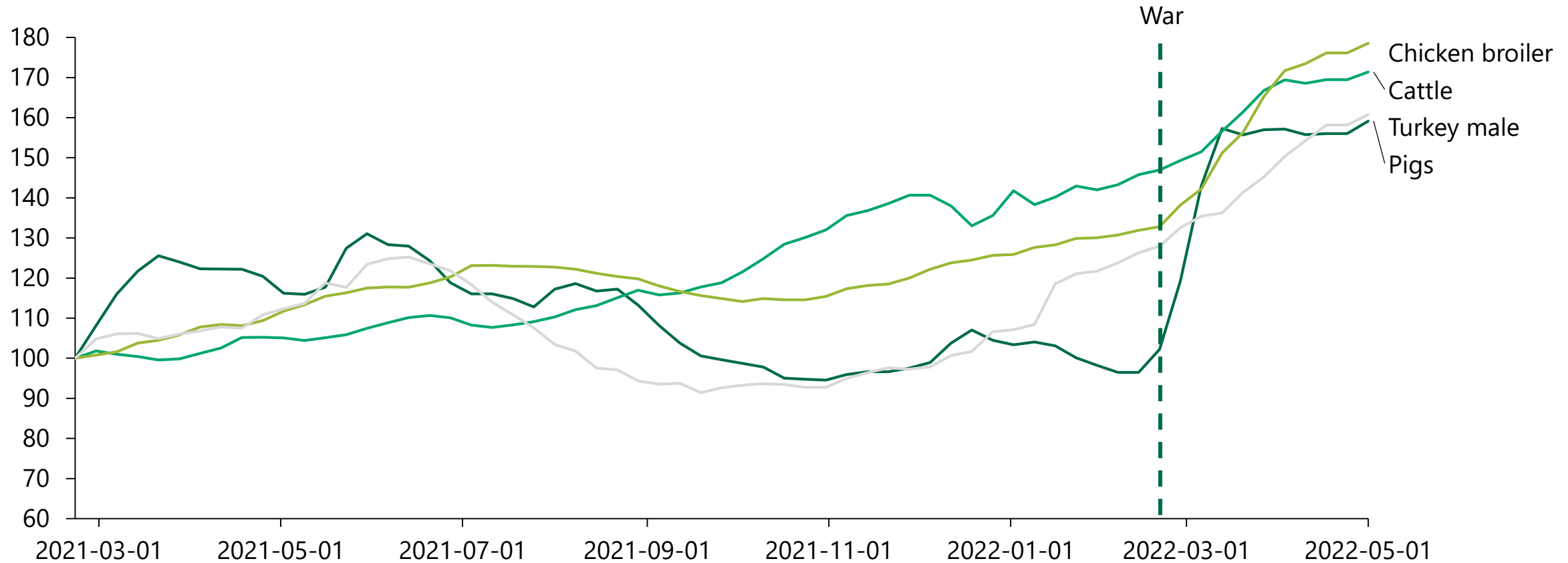
Grains&Oilseed price evolution in Poland, 2021-2022, last price available at a time War outbreak – 1 year = 100%



Source: MRiRW

Meat prices growth amounted to 20%-60%

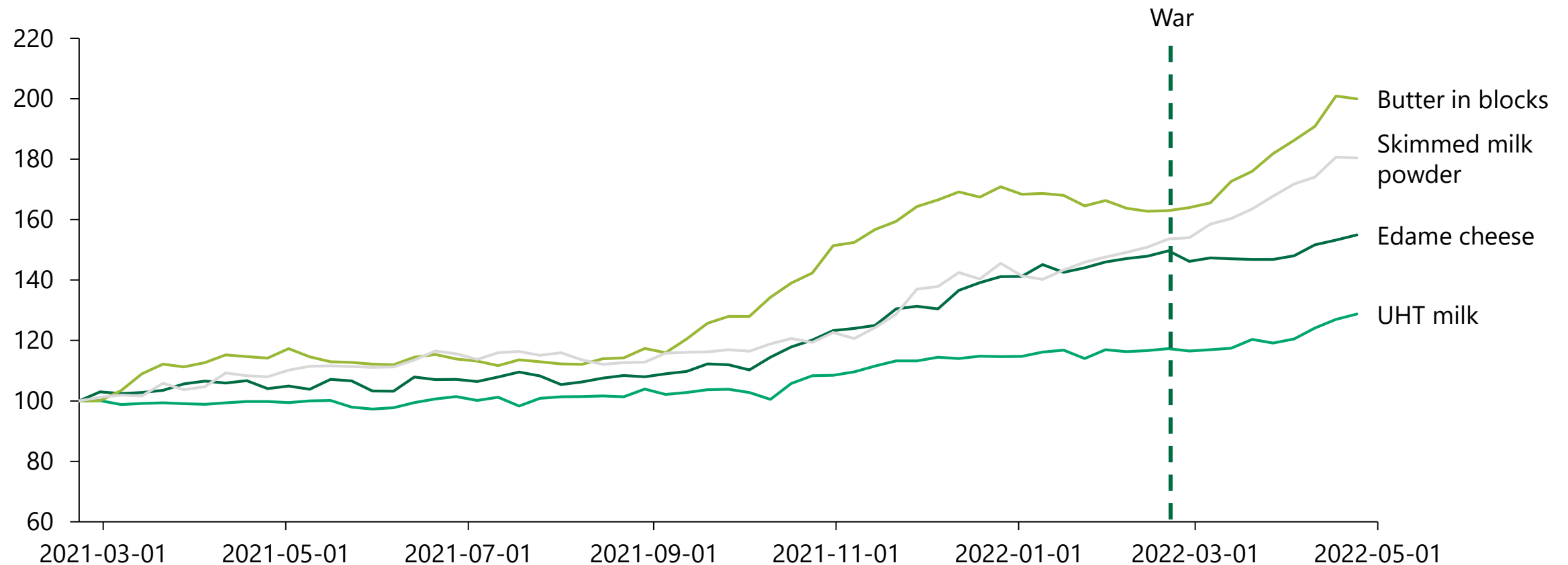
Livestock prices evolution in Poland, 2021-2022, last price available at a time *War outbreak* – 1 year = 100%



Source: MRiRW

In dairy, butter blocks and milk powders lead the growth

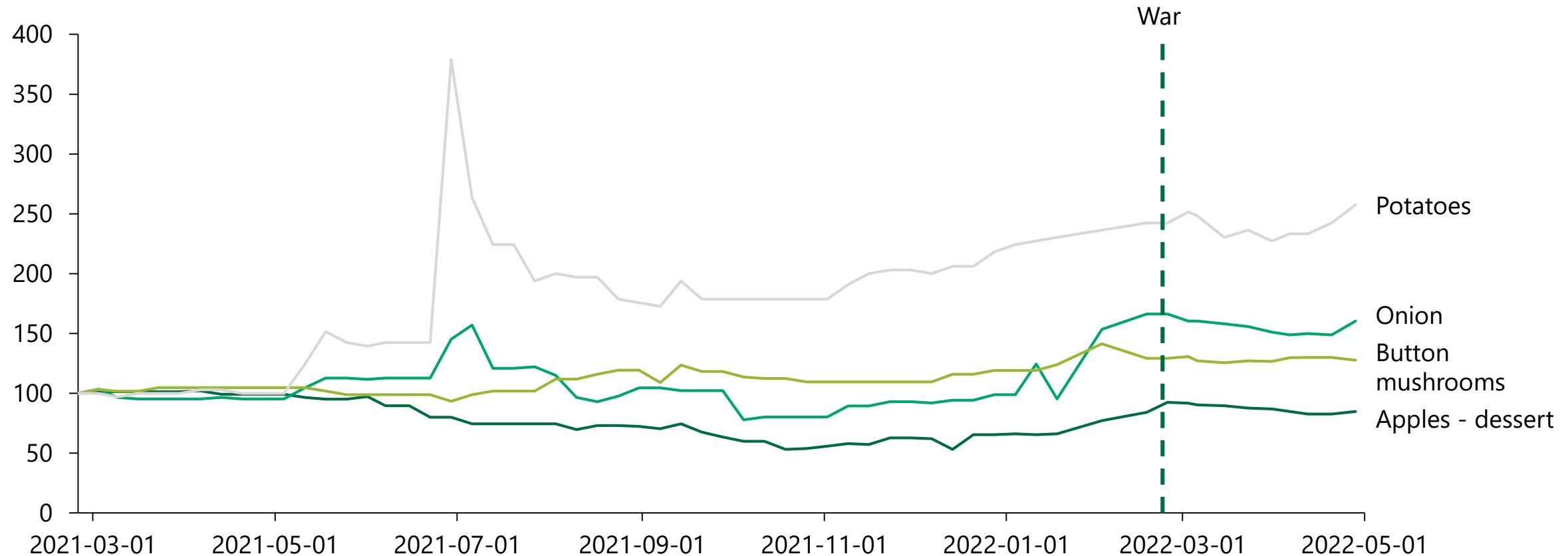
Dairy prices evolution in Poland, 2021-2022, last price available at a time War outbreak – 1 year = 100%



Source: MRiRW

In fruit&vegetables impact of on prices war was lower than in other categories

Fruit&Vegetable prices evolution in Poland, 2021-2022, last price available at a time War outbreak – 1 year = 100%

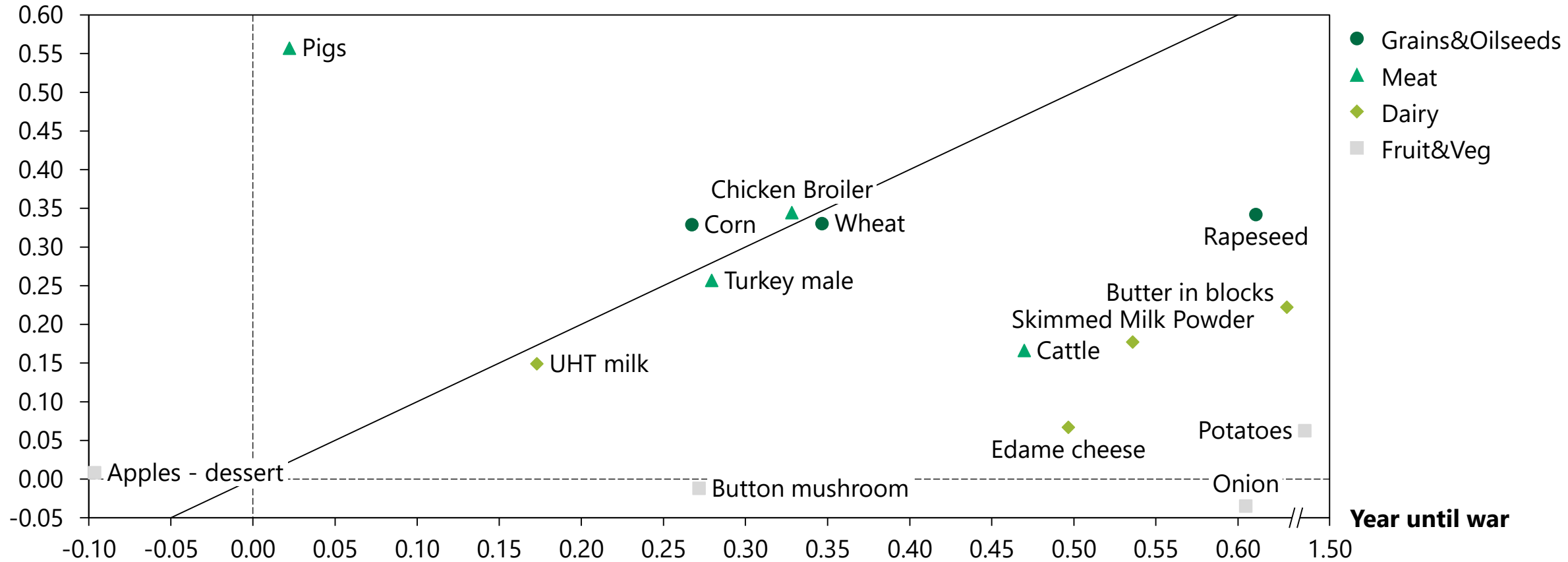


Source: MRiRW

Even in the inflationary environment present in food for some time, some of the product categories grew since war more than over a year before its outbreak

Prices growth comparison

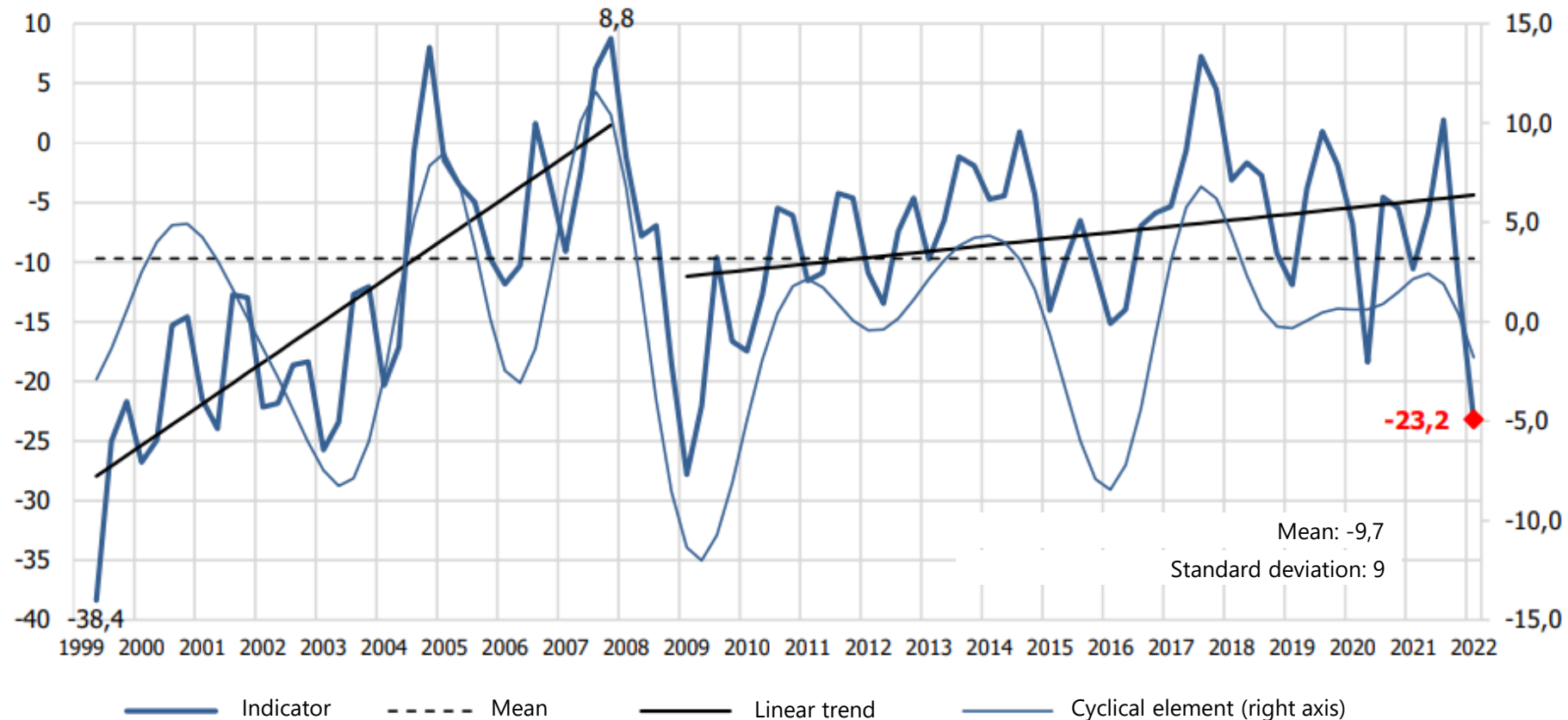
Since war started



Source: MRiRW

Agriculture sector in Poland at the time just before the beginning of war had serious concerns...

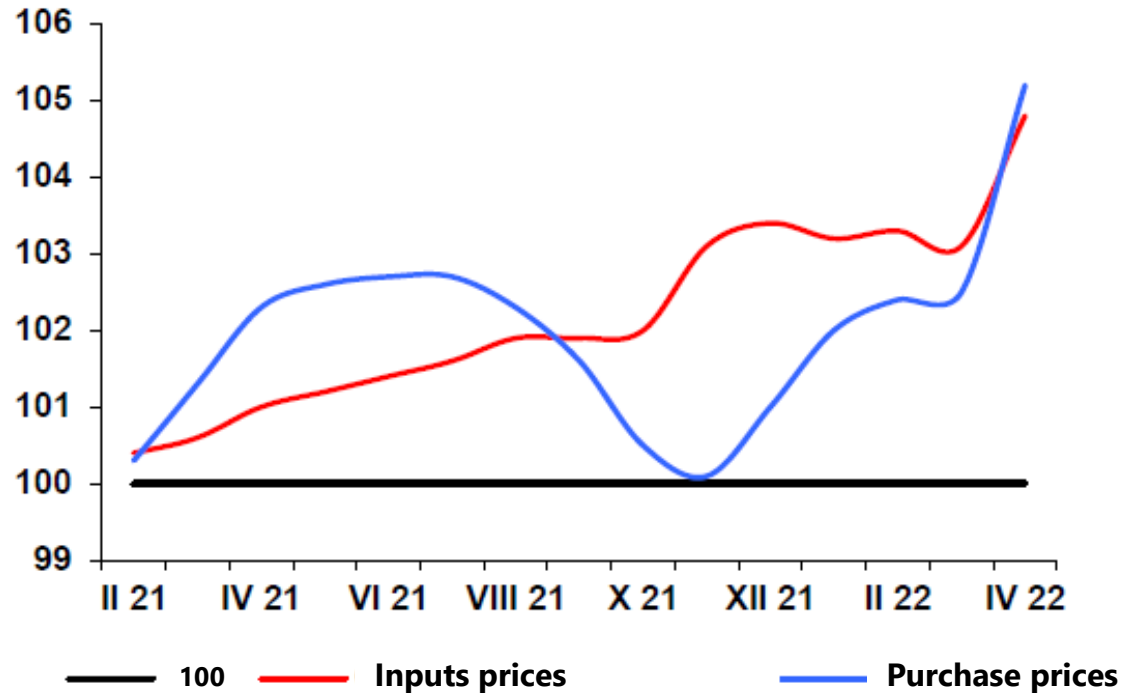
Agriculture overall situation indicator, March read based on Jan&Feb research



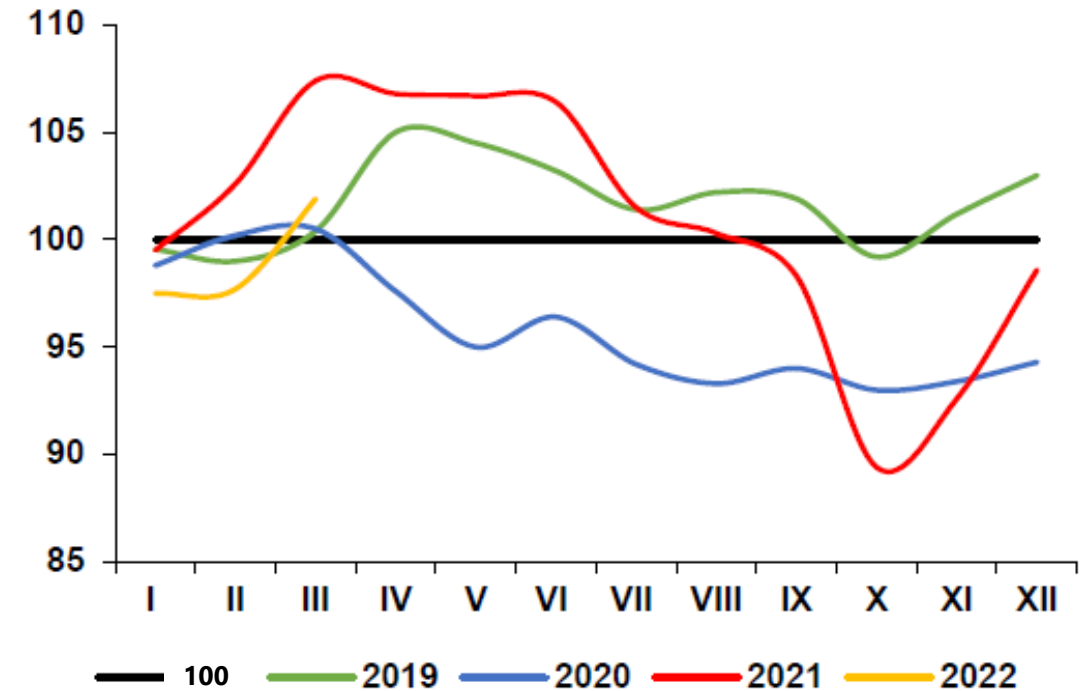
Source: SGH

...but the general, „hard” indicators of situation seem to be improving recently

Prices change rates – smoothed, Feb 2021- Apr 2022



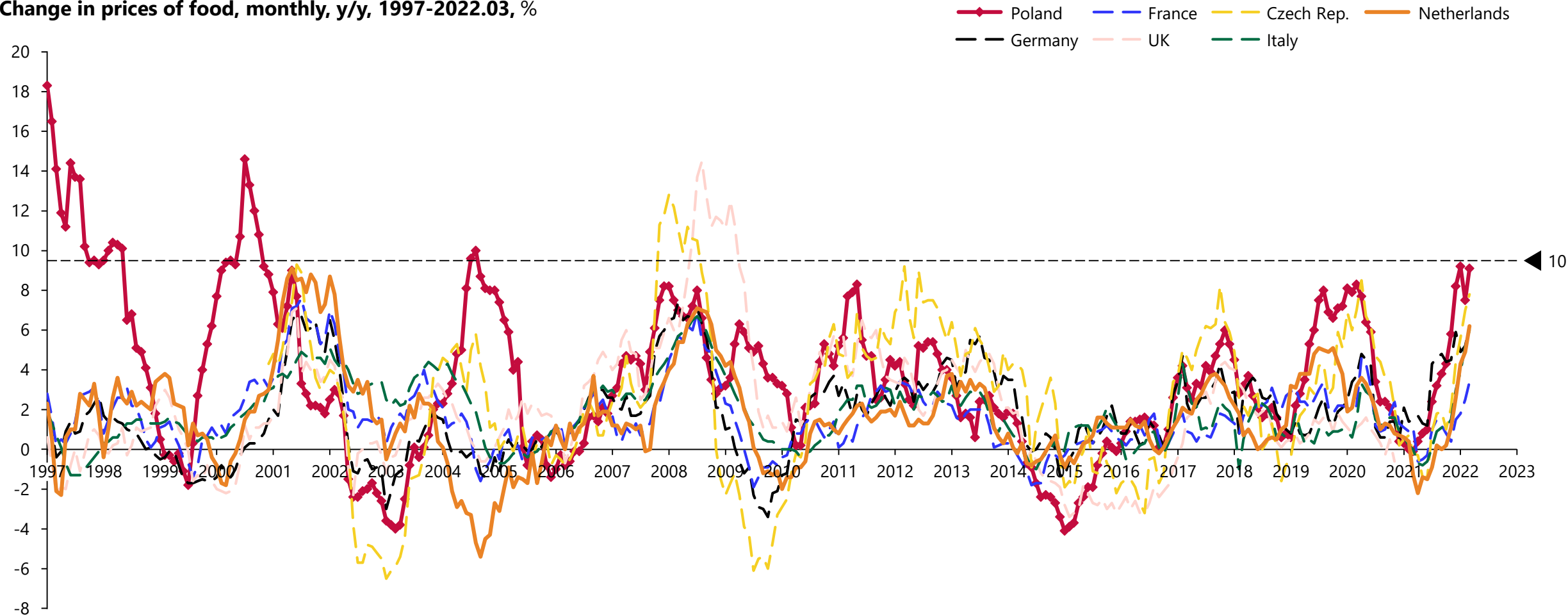
Price scissors index, 2019-2022 Apr



Source: IERiGŻ

The current levels of price increase in food prices are among the highest in the 21st century in Europe, nevertheless already experienced by customers

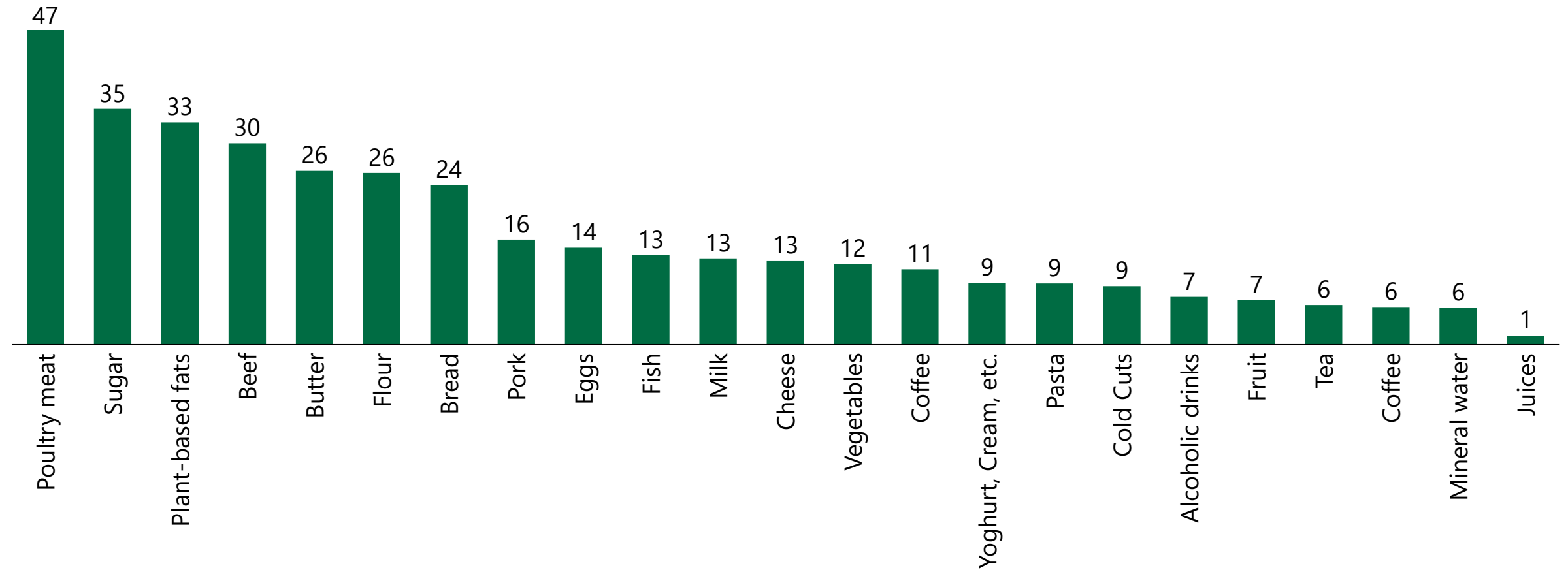
Change in prices of food, monthly, y/y, 1997-2022.03, %



Source: Eurostat

Price changes in some categories reached well over 25% year-on-year

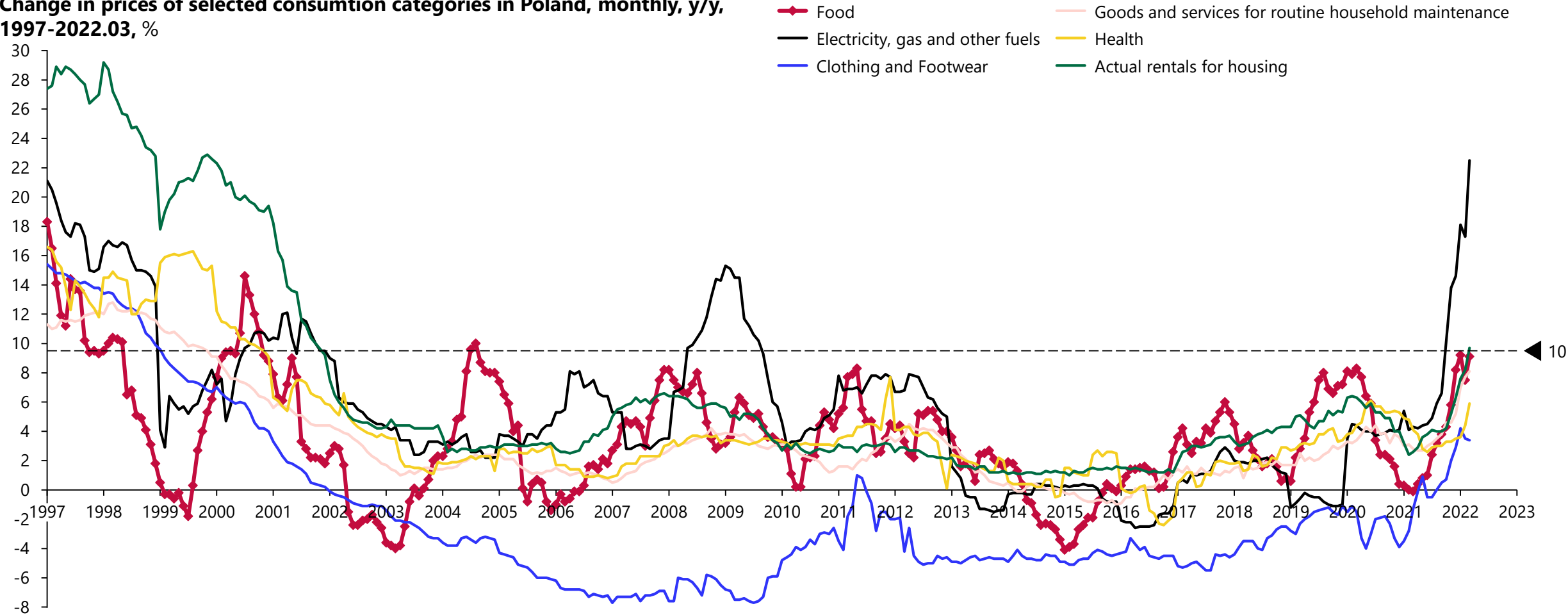
Price change by food&drinks category, April 2022 vs April 2021, %



Source: GUS

Food prices increase is coupled with growth in other categories, especially in Energy

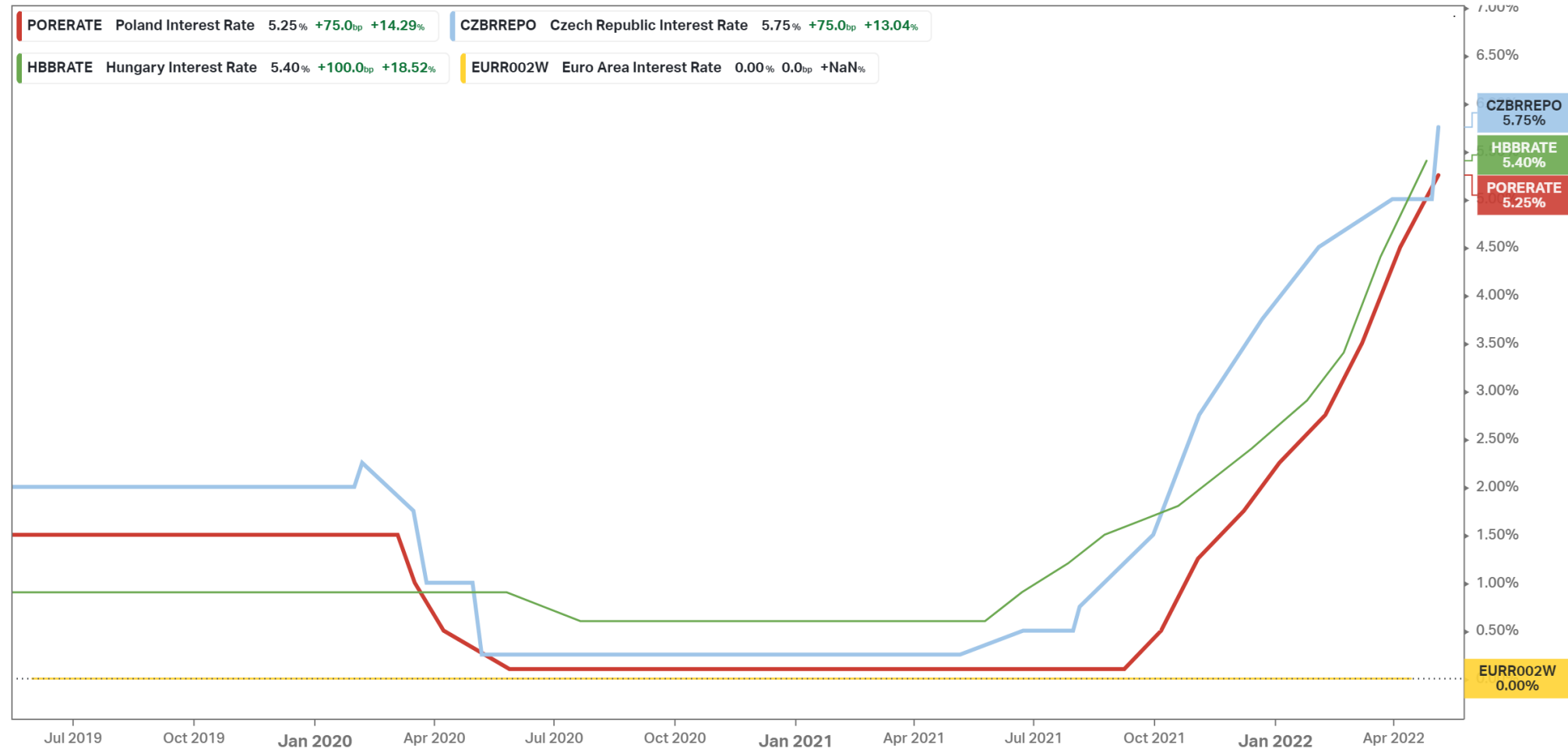
Change in prices of selected consumption categories in Poland, monthly, y/y, 1997-2022.03, %



Source: Eurostat

Interest rates in Poland had a steep increase but are still lower than in Hungary and Czechia

Interest rates in Poland, Czech Rep., Hungary and Eurozone, last 3 years, %



Source: Koyfin

Thank you!



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