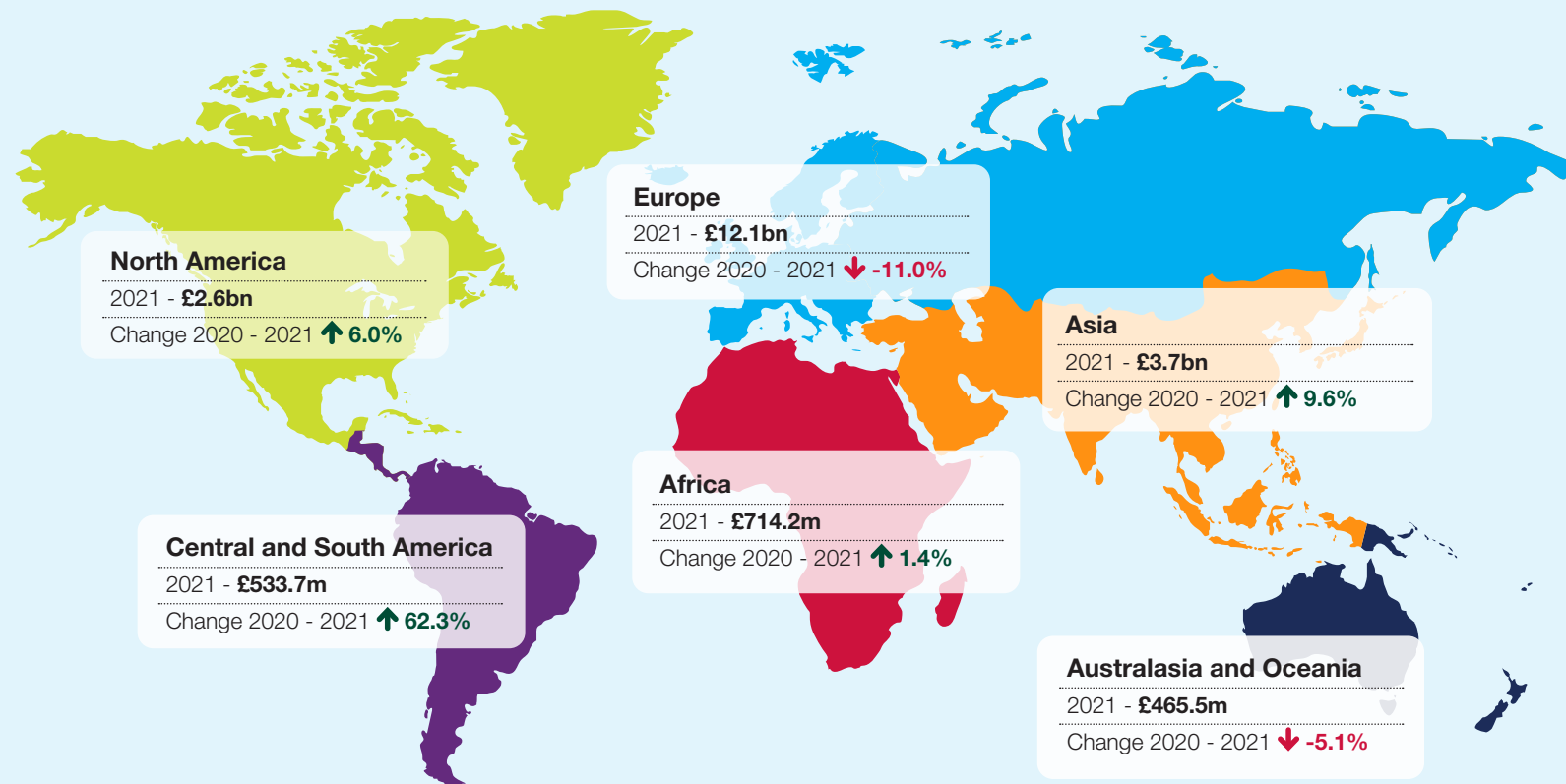


WORLD EXPORTS

- Following significant COVID-related impacts, markets in Asia, North America and Africa are now showing very encouraging signs of recovery.
- Meanwhile, in Central and South America, our sector is starting to take advantage of export opportunities with sales up 62% since 2020 and above pre-pandemic levels.
- We also anticipate an improvement in exports to Europe in 2022 as global hospitality industries recover and businesses are better able to trade with EU markets.
- As the UK's new trade strategy takes effect, improved market access globally will further increase UK exports, allowing us to take advantage of the strong demand for UK products.

2021 TRADE SNAPSHOT



TRADE SNAPSHOT

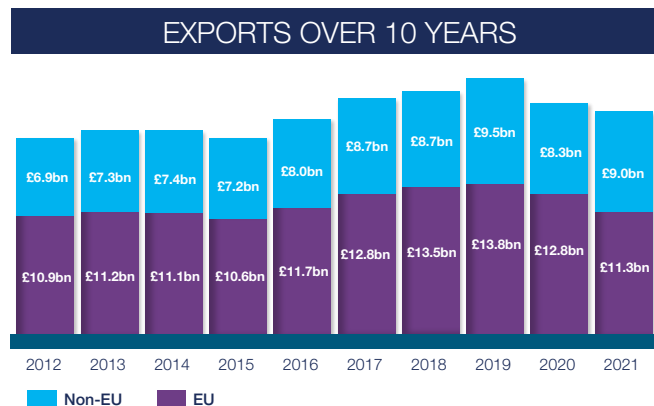
2021

EXPORTS

- Exports are a strong contributor to our industry's growth and sales to non-EU markets where the UK has significant untapped export potential grew 8% in 2021 compared to 2020. This was driven by a strong recovery in China, the USA, Taiwan, the UAE and Japan.
- Exports of whisky and salmon have recovered since 2020, while exports of breakfast cereals and soft drinks are the only major products that are above 2019 levels.
- However, UK exports have been heavily impacted in the past two years – largely driven by COVID-19 – with 2021 sales down 13% on 2019 and 4% on 2020.
- There was also a drop in sales to the EU of 12% compared to 2020. Much of the drop was in Q1 2021 when many businesses paused movements and supplied customers with stockpiled goods. The data shows significant improvements towards the middle and end of the year.

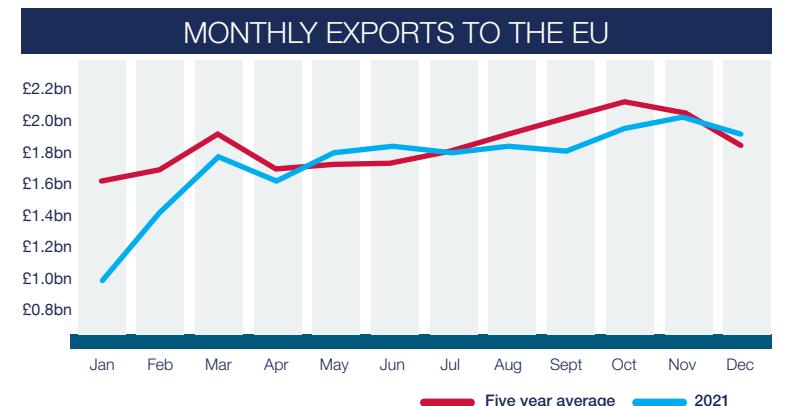
KEY INDICATORS			
	2021	Change 2019 - 2021	Change 2020 - 2021
All food and drink	£20.2bn	-13.1%	-4.0%
EU	£11.3bn	-18.5%	-12.0%
Non-EU	£9.0bn	-5.2%	8.2%
EU share	55.7%	-3.7pp	-5.0pp
Non-EU share	44.3%	3.7pp	5.0pp
Trade balance	-£24.1bn	-5.8%	4.4%

TOP 10 EXPORT PRODUCTS			
	2021	Change 2019 - 2021	Change 2020 - 2021
Whisky	£4.6bn	-7.7%	18.7%
Chocolate	£755.6m	-1.6%	-2.7%
Salmon	£735.6m	-10.6%	20.6%
Cheese	£565.2m	-19.2%	-12.3%
Pork	£553.3m	-3.7%	-11.6%
Gin	£541.6m	-19.5%	-5.3%
Breakfast cereals	£490.0m	0.5%	-6.3%
Soft drinks	£473.9m	4.3%	2.3%
Wine	£467.3m	-27.8%	-9.5%
Beef	£448.0m	-23.4%	-11.5%



TOP 20 EXPORT MARKETS

	2021	Change 2019-2021	Change 2020-2021
Ireland	£3.0bn	-21.4%	-20.7%
France	£2.3bn	1.7%	16.8%
United States	£2.0bn	-17.6%	3.9%
Netherlands	£1.6bn	-5.6%	-0.6%
Germany	£868.3m	-38.9%	-34.7%
China	£802.8m	2.9%	12.5%
Belgium	£595.6m	-12.5%	4.4%
Spain	£559.8m	-45.0%	-20.3%
Poland	£409.8m	-4.0%	-13.5%
Australia	£405.6m	-10.4%	-4.5%
Canada	£372.0m	8.2%	0.2%
Hong Kong	£352.5m	-6.7%	-2.5%
Singapore	£351.3m	-16.2%	-8.9%
Italy	£347.6m	-39.6%	-28.8%
UAE	£306.3m	-5.4%	19.0%
Japan	£290.3m	-6.8%	13.9%
Taiwan	£286.7m	-0.9%	17.2%
Norway	£283.5m	34.8%	-3.5%
Sweden	£264.7m	-8.5%	-2.0%
Denmark	£233.8m	-25.6%	-20.7%



TRADE SNAPSHOT

2021

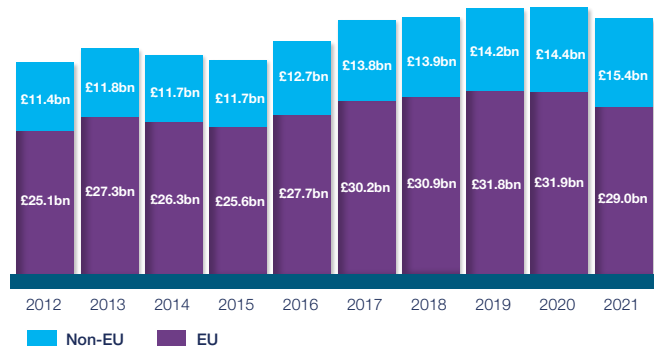
IMPORTS

- Overall imports were down 4% on 2019, largely due to impacts of the global pandemic and the changes to the UK's trading relationship with the EU.
- However imports from non-EU markets increased by 6.5% since 2020. Notably, imports from Norway have doubled, while Brazil, Argentina, India, Turkey and Canada have all seen strong growth since 2019.
- Imports from the EU were most significantly impacted in the first two months of the year but recovered in March to levels that were at or above the five-year average.
- Products of animal origin have been the most heavily impacted in the past two years, with the exception of beef which is up 9% since 2020.

KEY INDICATORS			
	2021	Change 2019 - 2021	Change 2020 - 2021
All food and drink	£44.3bn	-3.7%	-4.2%
EU	£29.0bn	-9.0%	-9.1%
Non-EU	£15.4bn	7.9%	6.5%
EU share	65.3%	-3.7pp	-3.5pp
Non-EU share	34.7%	3.7pp	3.5pp

TOP 10 IMPORT PRODUCTS			
	2021	Change 2019 - 2021	Change 2020 - 2021
Fruit	£4.0bn	-4.9%	-5.7%
Wine	£3.4bn	2.1%	1.9%
Vegetables	£2.5bn	-6.6%	-7.1%
Chocolate	£1.7bn	6.7%	0.4%
Chicken	£1.7bn	-19.9%	-11.7%
Pork	£1.5bn	-19.9%	-15.6%
Cheese	£1.4bn	-15.4%	-14.3%
Vegetable oils	£1.4bn	22.1%	10.9%
Savoury snacks	£1.3bn	-7.0%	-7.4%
Beef	£1.2bn	8.6%	9.0%

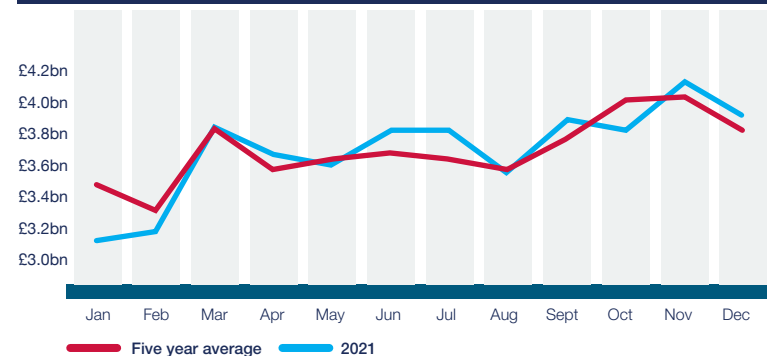
IMPORTS OVER 10 YEARS



TOP 20 IMPORT MARKETS

	2021	Change	
		2019-2021	2020-2021
Netherlands	£4.3bn	-16.3%	-13.0%
France	£4.1bn	-4.5%	-2.0%
Ireland	£3.6bn	-16.6%	-14.8%
Spain	£3.1bn	-6.2%	-8.7%
Germany	£3.0bn	-31.7%	-31.2%
Italy	£2.9bn	3.4%	0.3%
Belgium	£2.6bn	7.4%	8.1%
Poland	£2.0bn	15.7%	7.2%
United States	£1.2bn	-11.7%	-10.3%
Denmark	£1.1bn	-10.0%	-13.4%
Brazil	£875.3m	18.9%	7.6%
China	£819.6m	-4.2%	-2.4%
South Africa	£769.7m	8.9%	2.2%
Argentina	£763.5m	30.0%	4.2%
India	£666.5m	16.9%	12.8%
Thailand	£660.6m	-19.0%	-10.9%
Norway	£605.6m	111.7%	171.3%
Turkey	£591.5m	20.8%	9.8%
Canada	£590.2m	28.1%	27.0%
New Zealand	£502.9m	-13.2%	-16.4%

MONTHLY IMPORTS FROM THE EU



TRADE SNAPSHOT

2021

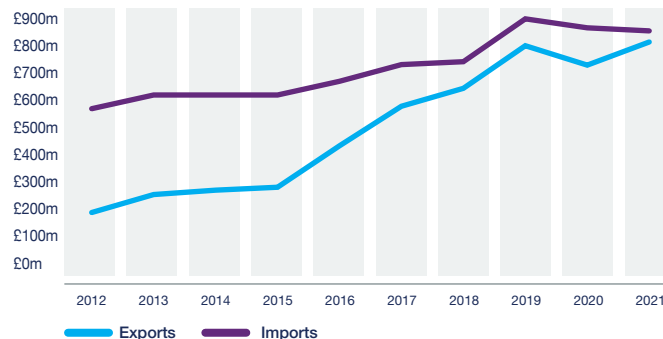
EAST ASIA

- Exports to East Asia are recovering faster than in most other regions, driven by particularly strong growth to South Korea and Taiwan.
- Whisky exports to the region have recovered significantly, with growth of 52% in South Korea and 84% in China since 2020.
- With an updated UK-Japan trade agreement entering into force in 2021, we have seen strong growth in exports to the country, with sales of wine up 36% and cereal grain rising over 3% since 2020.
- Our sector's exports to China are now worth more than £800m driven by a large increase in exports of whisky, salmon and vegetable oils. Exports are now close to overtaking UK imports of food and drink from China.
- The growth in sales to the region demonstrate that demand for quality UK products remains strong and vital opportunities exist for businesses to grow their sales in East Asia.

TOP 5 MARKETS BY VALUE

		Change 2019 - 2021	Change 2020 - 2021
	CHINA £802.8m	↑ 2.9%	↑ 12.5%
	HONG KONG £352.5m	↓ -6.7%	↓ -2.5%
	JAPAN £290.3m	↓ -6.8%	↑ 13.9%
	TAIWAN £286.7m	↓ -0.9%	↑ 17.2%
	SOUTH KOREA £183.1m	↓ -7.9%	↑ 14.5%




TRADE WITH CHINA






TOP 3 EXPORTS TO CHINA

 £239.6m	 £200.1m	 £45.6m
Pork	Whisky	Salmon
Change 2020-2021 ↓ -14.3%	Change 2020-2021 ↑ 84.0%	Change 2020-2021 ↑ 194.3%




TOP 3 EXPORTS TO HONG KONG

 £163.3m	 £26.8m	 £22.3m
Wine	Beef	Whisky
Change 2020-2021 ↑ 12.6%	Change 2020-2021 ↓ -33.1%	Change 2020-2021 ↑ 66.7%

TOP 3 EXPORTS TO JAPAN

 £138.4m	 £32.2m	 £12.5m
Whisky	Cereal grain	Wine
Change 2020-2021 ↑ 18.1%	Change 2020-2021 ↑ 3.5%	Change 2020-2021 ↑ 36.4%

TOP 3 EXPORTS TO TAIWAN

 £232.2m	 £11.0m	 £7.7m
Whisky	Salmon	Wine
Change 2020-2021 ↑ 25.4%	Change 2020-2021 ↓ -27.7%	Change 2020-2021 ↓ -3.4%

TOP 3 EXPORTS TO SOUTH KOREA

 £63.9m	 £28.5m	 £13.1m
Whisky	Molluscs	Beer
Change 2020-2021 ↑ 51.8%	Change 2020-2021 ↓ -17.8%	Change 2020-2021 ↓ -2.7%

TRADE SNAPSHOT

2021

ISRAEL

- Israel is an important trade partner for UK food and drink businesses and we have seen growth in both exports of 26% and imports of 22% since 2020.
- UK exports have increased steadily over the past ten years and are now worth £105m with significant opportunities for further growth.
- Exports of whisky, chocolate and gin have seen particularly strong growth since 2020, with sales of UK gin up 106% in the last year.
- Israel is also an important supplier to the UK market, especially agri-food, such as fruit. We have seen particularly high growth in imports of fresh and tinned vegetables, up 217% and 320%, respectively since 2020.
- There remain strong opportunities to further expand UK trade with Israel through the renegotiation of the existing preferential trade agreement to deliver improved market access.



TRADE WITH ISRAEL			
	2021	Change 2019 - 2021	Change 2020 - 2021
Exports	£105.1m	9.8%	26.2%
Imports	£133.1m	26.1%	21.6%

TOP 5 IMPORTS			
	2021	Change 2019 - 2021	Change 2020 - 2021
Fruits	£64.8m	20.7%	8.1%
Vegetables	£15.6m	130.6%	217.3%
Potatoes	£10.2m	-33.8%	-33.2%
Tinned vegetables	£8.7m	450.5%	330.4%
Savoury snacks	£5.3m	9.9%	2.7%

TOP 5 EXPORTS		
	2021	Change 2020 - 2021
Whisky	£49.5m	↑ 60.7%
Chocolate	£12.7m	↑ 34.0%
Breakfast cereals	£6.5m	↓ -6.8%
Gin	£3.4m	↑ 105.6%
Oats	£3.1m	↓ -13.0%

