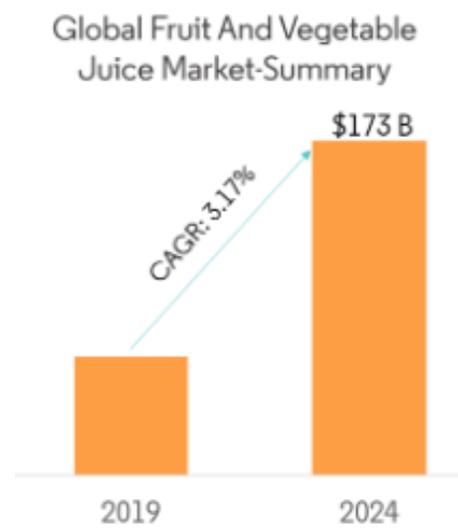




MARKET INTELLIGENCE REPORT FOR FRUIT JUICES

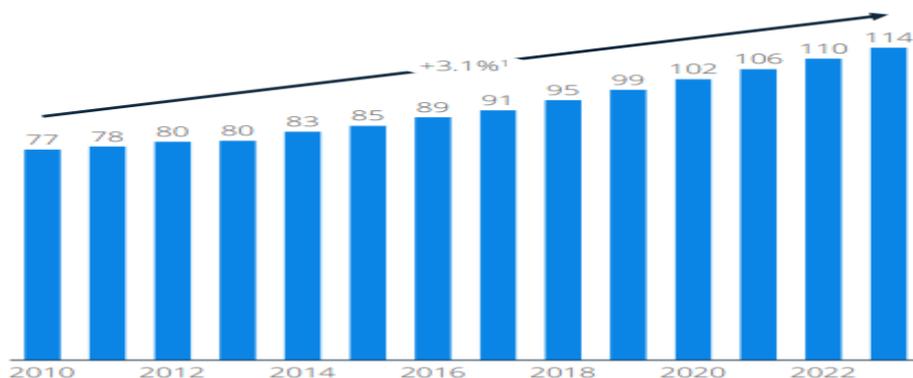
Global Concentrated Fruit Juice Market is estimated to reach \$90 Billion by 2025

The global fruit juice market reached a volume of 45.4 Billion Litres in 2018, registering a CAGR of around 2% during 2011-2018. The market is further projected to reach a volume of 50.6 billion liters by 2024. Global market is expected to reach \$90 billion by 2025; growing at a CAGR of 6.2% from 2017 to 2025. Fruit juice refers to a non-fermented beverage which is obtained by mechanically squeezing or macerating fruits. Revenue in the Juices segment amounts to US\$98,611m in 2019. The market is expected to grow annually by 3.7% (CAGR 2019-2023).



Source: Morter Intelligence, 2019

World Wide Revenue in Fruit Juice segment expected to reach 114 US\$ bn



www.statistica.com

Driving factors for Fruit juice Trade in 2020

<p>Increasing demand for healthy food from an increasingly health-conscious consumer base.</p>	<p>The consumption of soft drinks, such as colas and flavored sodas, is reducing globally as they have high sugar content, artificial coloring, phosphoric acid, artificial sweeteners, and caffeine which can cause negative effects on the human body. Owing to this, a large number of consumers are shifting from carbonated drinks towards natural fruit juices.</p>	<p>Preservative-free and sugar-free fruit juices.</p>
<p>Rising demand for high scale of volume in the beverage industry across the globe to drive the growth of the market</p>		<p>Growing popularity of cold-pressed juices. Cold-pressed juices preserve the vitamins, minerals, and enzymes that are lost during the heating and oxidizing phases of the traditional processes for making juices.</p>
	<p>Moreover, from the bakery sector and altering food preferences, as a substitute for sugar also boosts the growth of the market.</p>	

Growing incidence of diseases across global markets responsible towards shift in fruit juice consumption



“Various kinds of fruit juice offer differed medical advantages, for example, avocado juice supports characteristic vitality in the body; watermelon juice keeps the body hydrated and improves digestion; papaya juice caters sound assimilation; lemon juice battles viral contaminations; and pineapple juice diminishes cholesterol levels”.

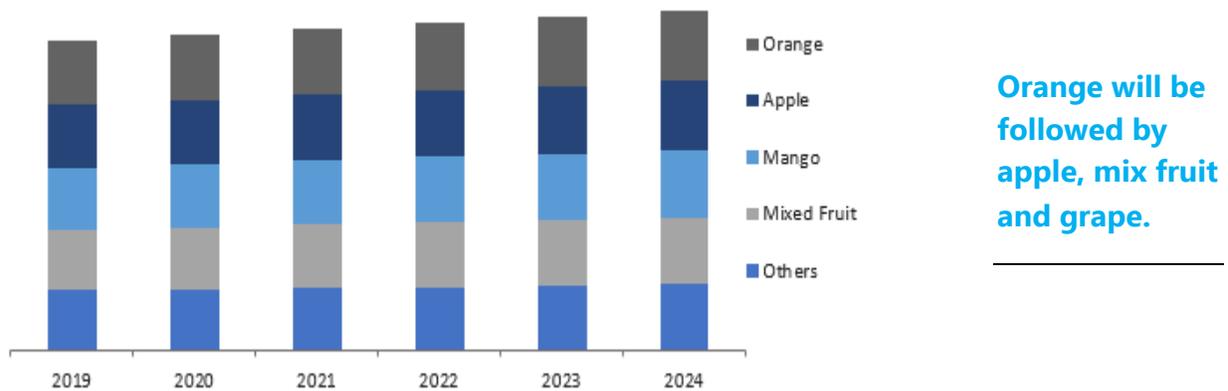
Amongst all the various product types, Juice drinks will account for majority of market share

The global concentrated fruit juice market has been bifurcated on the basis of product type, application, and geography. By product type, it is segmented into carbonate stable, clarified, and alcohol stable. Application can be segmented into bakery, beverage, dairy, confectionery, and other applications.

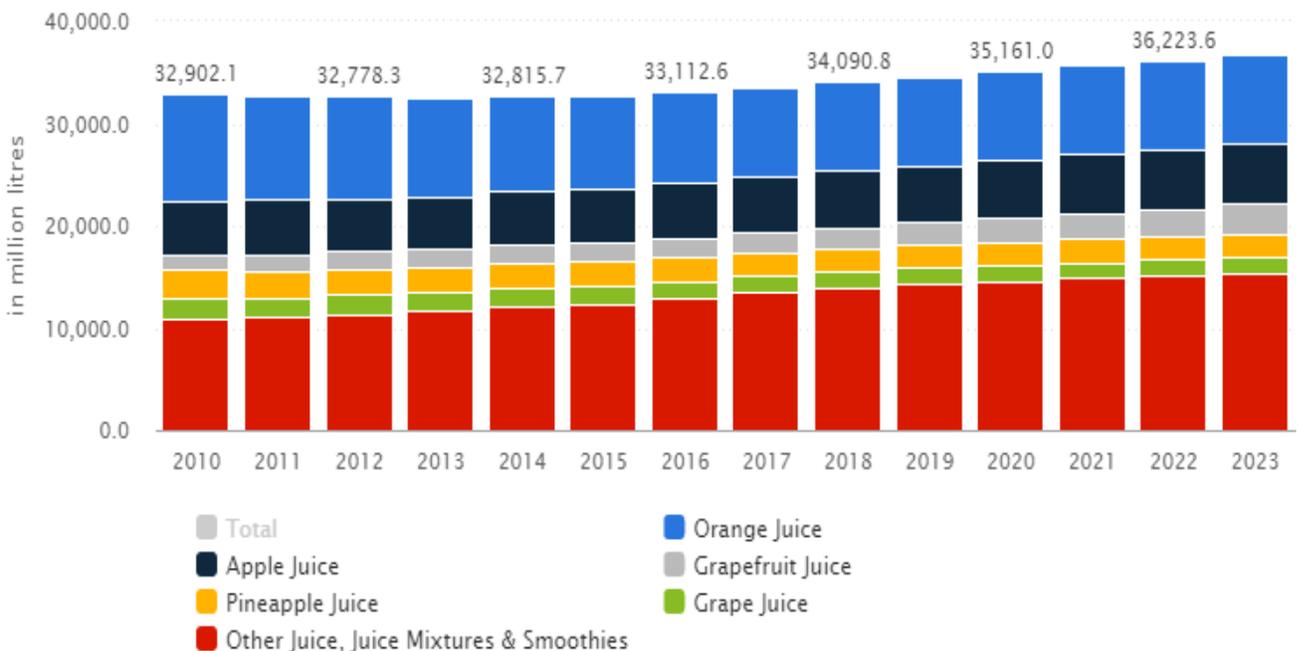
On the basis of type, the global fruit juice market is segregated as 100% fruit juice, nectars, juice drinks, concentrates, powdered juice and others. Currently, juice drinks account for the majority of the market share, representing the most popular product type. Juice drinks contain several vitamins, flavors and anti-oxidants owing to which they are preferred by the consumers.

Orange fruit juice holds the majority of the market share

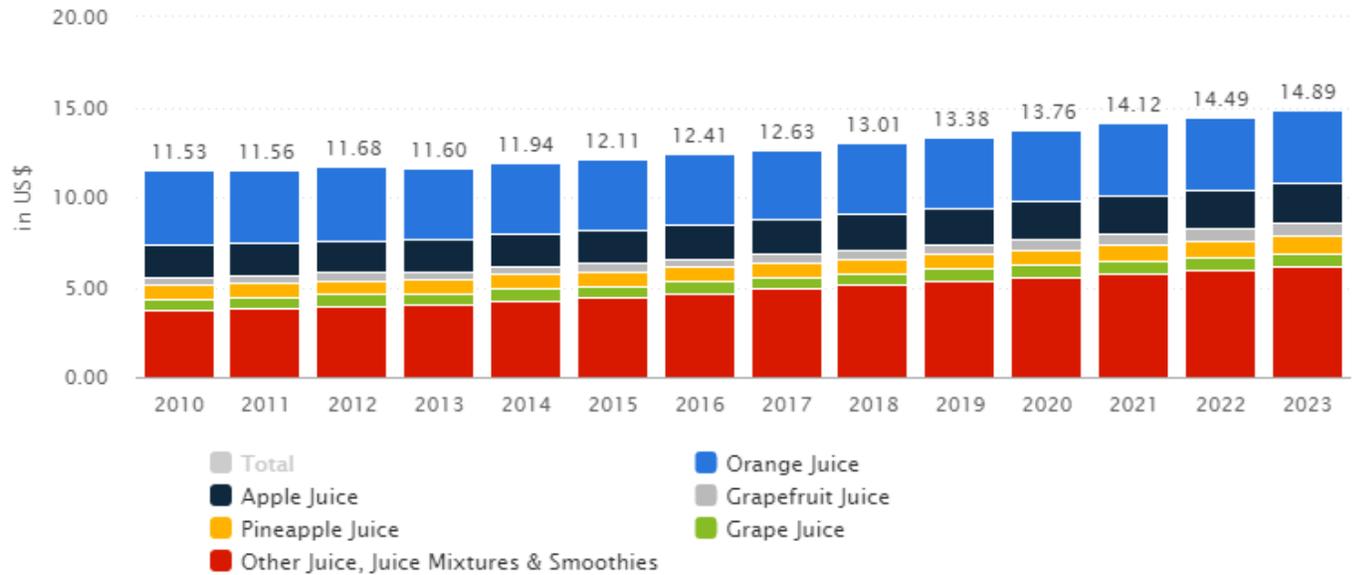
Based on flavors, the market is classified as orange, apple, mango, mixed fruit and others. Various flavours of fruit juices available in the market are orange, apple, mix fruit, grape and others. Amongst these, orange fruit juice holds the majority of the market share as it is rich in vitamin A, vitamin C, calcium and iron.



In the Juices segment, volume is expected to amount to 36,809.8 ML by 2023.



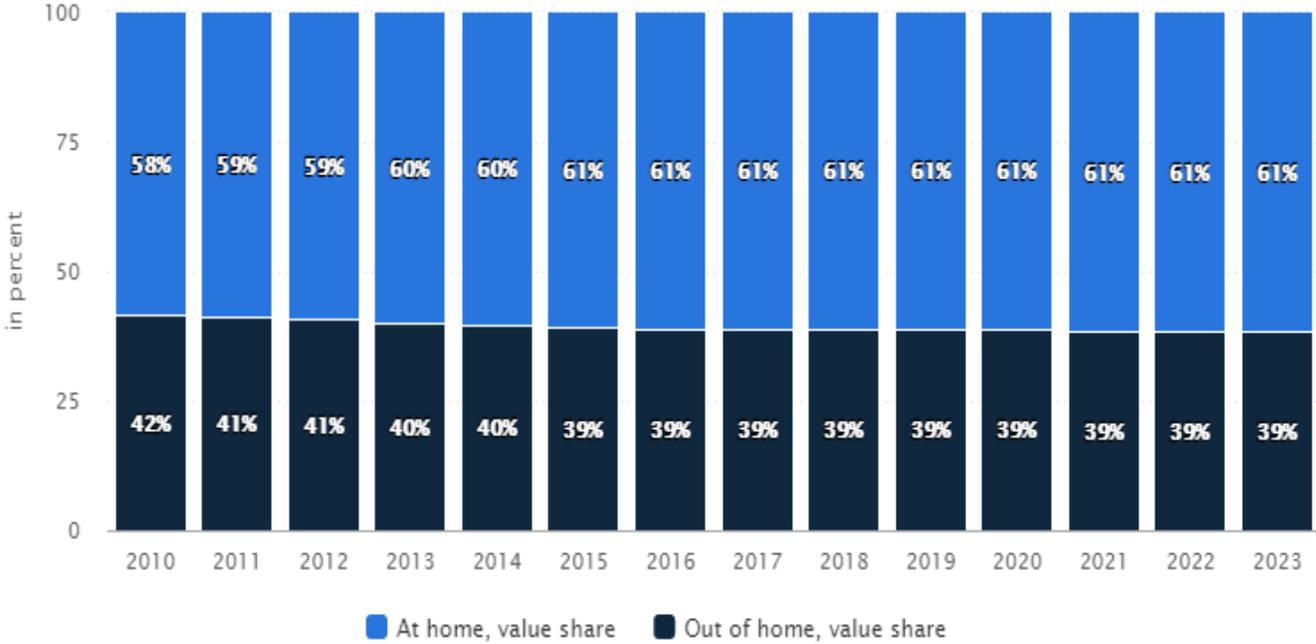
Increase in Percapita Consumption of Fruit Juices



Increasing Demand for Fortified Juices

Fruit juices fortified with functional ingredients offer new product opportunities to companies that can develop and market functional fruit juice products by understanding consumer preferences, so as to meet consumer expectations. Omega-3, fiber, bioactive compounds, vitamins, and probiotic bacteria are some of the functional ingredients that offer immense product opportunities for the juice industry. Vitamins are added to fruit juices to increase the nutritional profile of fruit juice products. Vitamin D, vitamin E, vitamin A, and vitamin C are some of the popular vitamin types added to fruit juices. Various government initiatives are being undertaken across the world to increase the consumption of fortified food and beverages, especially in the developing countries, like China and India.

By 2023 39% of spending in the Juices segment will be attributable to out of home consumption (e.g. in bars and restaurants).

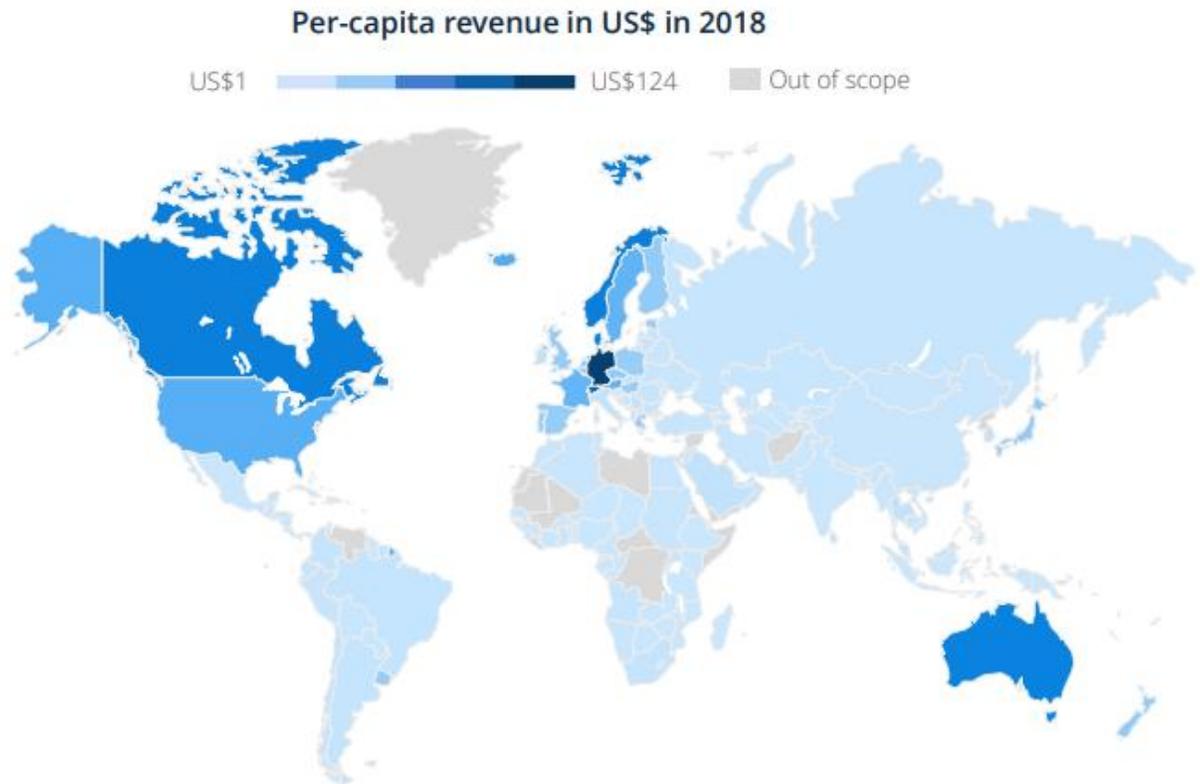


Europe enjoys the leading position in the global fruit juice market. North America represented the world's largest fruit juice market with a share of nearly one-fourth of the total global consumption. Asia Pacific expected to grow at a CAGR of 7.2%

The fast-paced modern lifestyle and high-income levels of the consumers in the region have led to a rise in the demand for on-the-go fruit juices. Europe is followed by North America, Asia Pacific, Latin America, and Middle East and Africa.

- Region-wise, North America represented the world's largest fruit juice market with a share of nearly one-fourth of the total global consumption. North America was followed by Western Europe, Asia-Pacific, Eastern Europe, Latin America and Africa and the Middle East.

- In 2018, Germany and Switzerland spent the most on Juices on a per-capita basis



Juices sales in Europe will increase at a CAGR of 2.4% from 2010 to 2023

Europe

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	CAGR ¹
Non-Alcoholic Drinks total	183.0	187.8	192.0	196.6	201.5	208.0	214.4	221.0	229.1	236.0	242.5	249.1	255.7	262.3	2.8%
Juices	24.4	25.2	25.5	25.9	26.4	27.0	27.7	28.5	29.5	30.5	31.2	32.0	32.7	33.4	2.4%
Share of total market (in %)	13.3	13.4	13.3	13.2	13.1	13.0	12.9	12.9	12.9	12.9	12.9	12.8	12.8	12.7	-0.4%

United States

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	CAGR ¹
Non-Alcoholic Drinks total	258.6	264.8	267.8	274.6	284.3	295.8	305.5	317.7	328.4	335.5	342.9	350.2	357.5	364.6	2.7%
Juices	22.7	21.9	22.0	20.8	21.8	21.4	22.0	22.0	22.3	22.5	22.7	22.9	23.2	23.4	0.2%
Share of total market (in %)	8.8	8.3	8.2	7.6	7.7	7.2	7.2	6.9	6.8	6.7	6.6	6.5	6.5	6.4	-2.4%

Europe is the largest market for fruit juices in the world, representing 55% of the total world imports. The import continues to grow, in spite of the decreasing consumption of retail-packed juices. This is because imported juices are increasingly used as ingredients in different types of beverages. Large importing and consuming markets such as Belgium, the Netherlands, France, Germany and the United Kingdom continue to offer opportunities for exporters from developing countries. The best opportunities can be found in the high-value segments of not-from-concentrate (NFC) juices, superfruit juices and the use of fruit juices as ingredients in soft-drink "detox" beverages. Exports to Europe are generally done as semi-finished product (bulk tanks, drums, containers), packing of consumer products is done by European bottling companies.

Belgium, the Netherlands, France, Germany and the United Kingdom offer opportunities for exports of fruit juices. In addition to the largest markets, opportunities can be found on the emerging markets of Central and Eastern Europe as well as on growing markets such as Poland.

Imports

Import of fruit juices continues to increase slowly to Europe

The import of fruit juices in Europe over the last five years grew by 2%, both in value and in quantity, reaching € 7.7 billion or 7.6 million tonnes in 2017. Internal European imports are growing by an average annual rate of 3%, while the import from developing countries is growing by an average annual rate of 2%.

Although there is an overall trend of decreasing consumption of packed fruit juice on mature markets such as Germany, especially by volume, the supply of raw materials such as concentrated juices still provides opportunities for exporters from developing countries. This is due to the fact that imported fruit juices are used as ingredients for the production of different types of beverages or in other food industries and not only for the production of 100% fruit juices.

The industry is also actively campaigning to reverse the negative trend started by health concerns, trying to find a new appeal to consumers. Sustainability and new formulations with exotic ingredients are an important part of this response.

Five large importing countries for fruit juices in Europe

- There is no single country in Europe which dominates the import market and therefore export opportunities can be found in several countries. The largest quantities of imported fruit juices are shared between the five largest importers, which have similar import shares. The largest importers (the Netherlands, France, Germany, the United Kingdom and Belgium) together share almost 80% of the total European imports.
- In addition to the largest importing countries, a constant growth of imports is also noted in Central and Eastern European countries such as the Czech Republic, Romania and Bulgaria.

Orange juice most imported fruit juice in Europe

- The largest share of European imports of fruit juices is made up of concentrated orange juice, followed by mixtures of fruit juices and apple juice. The supply of concentrated orange juice is dominated by Brazil, which is a very strong competitor to other developing countries. However, opportunities can be found in the export of tropical and exotic juices which are not produced in Europe.
- The fruit juice types which showed an increased import to Europe over the last five years were not-from-concentrate (NFC) orange juice, followed by mixtures of juices, single-citrus juice (lime and lemon) and pineapple juice.

Opportunities on the European market for fruit juices?

- Opportunities exist in the following trends:
- Lowsugar and “superfood” products are appreciated by consumers. Due to this trend, nectars, soft drinks and flavoured waters which are naturally sweetened are more promising. More sweeteners such as stevia, lucuma or coconut water will be used in beverages.
- Food safety certification supported with frequent laboratory tests can additionally provide a great advantage for suppliers to the European market.
- Corporate social responsibility standards are also becoming more important.
- Consumer interest in vegan, glutenfree and natural food also offers opportunities for exporters from developing countries.
- The consumption of organic products is increasing in Europe and is positively influencing the consumption of juices. Therefore, the consumption of organic juices is likely to increase too.

- Opportunities for exporters from developing countries are also seen in added value segments such as not-from-concentrate (NFC) juices, organic, Fairtrade and juices with reduced fruit acid.
- Specific opportunity exist in the increasing consumption of coconut water and coconut water drinks. Coconut water has recently been categorised as a type of juice in the European Union. For more information, read our study of the coconut water market in Europe.

Some factors specific to fruit juice influencing the European market include the following:

- The juice market in Europe is expected to decline because of the high sugar content in juice drinks. Fierce competition from soft drinks is also influencing the decrease in fruit juice consumption. This means that in future, fruit juices will be used more frequently as ingredients for softdrink production than now.
- It is expected that the European import of oranges and pineapples will decrease due to the adverse weather conditions as well as the El Niño effects in Florida, Brazil, Indonesia and Thailand. These extreme weather conditions and a weak euro have pushed up the price of some fruit juice concentrates by as much as 400%. This can provide opportunities for new suppliers from developing countries willing to enter the market at a medium price. However, this is possible only after careful planning and reorganisation of the fruit production sector in specific countries, as increasing the fruit production is a long process that takes several years.
- The consumption in minor segments such as apricot, Alphonso mango, pineapple, banana and passion fruit is expected to increase.
- The consumption of superfruit is likely to increase. This will positively influence the consumption of frozen berries too, which are used as ingredients for berry types of fruit juices. The increased consumption of berry drinks does not necessarily mean an increase in imports of berry juices, as berry juices may be prepared from frozen ingredients at home using blenders and juicers.
- Sourcing lemon juices from countries outside Europe is expected to increase. In the last season, the two main European producers of lemon juices (Italy and Spain) had a very poor harvest. The European shortage of lemon juices will also lead to a rise in prices.
- The package itself is going to be hugely important, especially in presenting the content of the product, because consumers now read labels more than ever before.

Juices sales in South America will increase at a CAGR1 of 8.5% from 2010 to 2023

China

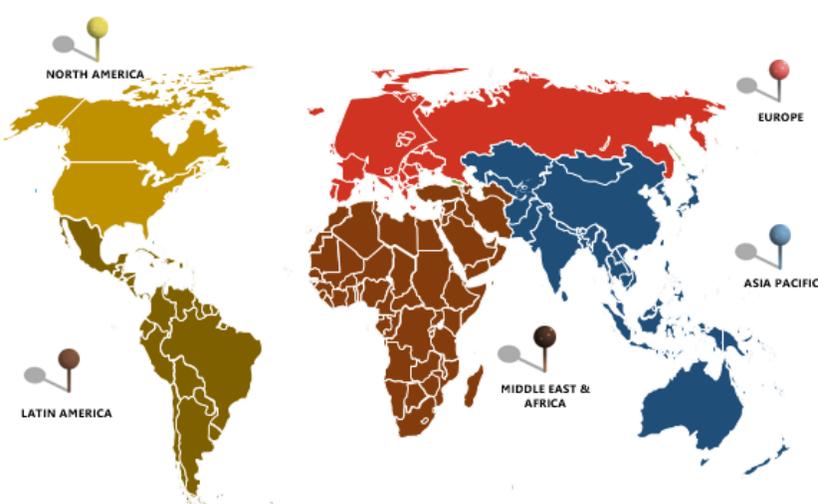
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	CAGR ¹
Non-Alcoholic Drinks total	29.1	34.6	39.7	45.5	53.2	62.1	71.0	79.1	87.0	95.0	102.3	109.7	116.8	123.2	11.7%
Juices	2.3	2.6	2.7	2.9	3.2	3.5	3.9	4.1	4.4	4.6	4.9	5.1	5.3	5.5	6.8%
Share of total market (in %)	8.1	7.5	6.8	6.4	6.1	5.6	5.5	5.2	5.1	4.9	4.8	4.6	4.5	4.5	-4.4%

South America

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	CAGR ¹
Non-Alcoholic Drinks total	34.0	37.2	40.9	45.1	51.2	58.1	65.7	70.1	76.4	83.4	91.5	99.3	106.8	114.4	9.8%
Juices	3.1	3.3	3.6	3.9	4.2	4.8	5.4	5.7	6.2	6.8	7.3	7.8	8.4	8.9	8.5%
Share of total market (in %)	9.1	8.9	8.7	8.6	8.3	8.2	8.2	8.2	8.2	8.1	8.0	7.9	7.8	7.8	-1.1%

Global Fruit Juice Market

By Region



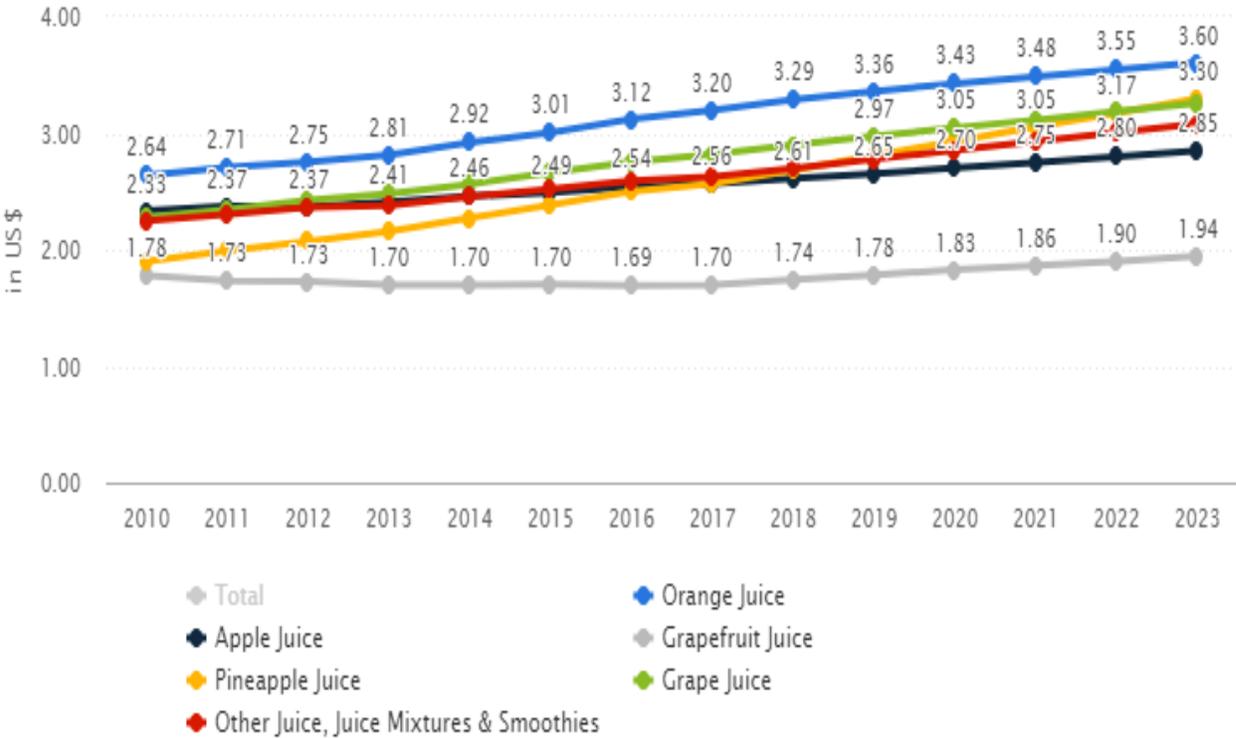
“The market demand has more or less matured in the developed markets, so it is likely to decline in the coming years. On the other hand, the demand for fruit juices are expected to rise in the emerging market such as China and India”.

Middle East & Africa is the Fastest Growing Region in the Fruit And Vegetable Juice Market in 2022

The current average per capita consumption of fruit and vegetable juices in the Middle East & Africa region is comparatively lower than that of the developed regions, but is increasing at a quick pace. Education levels play an important role in determining the health status of consumers in this region. A shift toward healthier fruit and vegetable juices instead of

carbonated energy drinks is surfacing in the region. **One of the potential reasons for the growth of this market in South Africa is the government’s awareness campaign that is focused on orienting consumers toward healthier food consumption habits. The fruit and vegetable juice market in Saudi Arabia has benefited from excise taxes imposed on carbonated and energy drinks in 2017. People above the age of 45 prefer juices with no added sugar, 100% juice content, and with vitamins and minerals.**

The average price per unit in the Juices segment amounts to US\$2.85 in 2019.



GLOBAL NEWS ON FRUIT JUICES

Europe, Fresh trop has ventured into the creation of cold extracted fruit juices

With over 25 years of experience in supplying fresh and nutritious fruits to India and Europe, Freshtrop has ventured into the creation of cold extracted fruit juices and nut milk through Second Nature, a brand that has emerged as a forerunner in cold extracted fruit and veggie blends segment. Now Second Nature emphasises on its products being Second-To-Tree or the best alternative to plucking fruits right off their branches and consuming them as fresh as can be. The range covers solo as well as juice combinations, such as Jamun Pomegranate, Mango Almond Juice, Almond and Cocoa mixed with Dates Juice, Apple and Amla Juice and Guava Agave with Chilli Juice, with an aim to boost consumer preference on the basis of both nutrition and taste. Strong demand for all-natural juices with no additives like sugar, colour, heat or preservatives is expected.

Turkish fruit juice exporters set target at \$300 million

Turkey fruit juice exporters have set a target of total exports of \$300 million for the next year. Turkey had a total sales abroad of \$220 million of fruit juice in the January-October period of this year, with sales to 150 countries around the world. The exports numbers were flat compared with last year, except for an increase in the U.S. market. The sales of Turkish fruit juice to the United States increased by 50 percent from \$50 million to \$75 million. The Netherlands follows the U.S. with \$28 million, ahead of Italy, which imported a total of \$13 million of fruit juice from Turkey. The top export products are apple juice concentrate, grape juice and concentrate and pineapple juice and concentrate, Uçak said, adding that tomato juice exports have been on the rise in recent years. Negotiations for fruit juice exports to the Balkan countries are in progress, he said, noting that Northern Macedonia is particularly a target market for Turkish exporters.

US – Researchers grow citrus disease bacteria in the lab

Washington State University researchers have for the first time grown the bacteria in a laboratory that causes Citrus Greening Disease, considered the world's most harmful citrus disease. Being able to grow the elusive and poorly understood bacterium,

Candidatus *Liberibacter asiaticus* (CLas), will make it easier for researchers to find treatments for the disease that has destroyed

Morocco – Risk of massive 50% reduction in citrus production this season

“After several years of high production, the trees are exhausted,” said Khalid Bounajma, president of the Professional Association of Conditioners of Citrus in Morocco. “This year we expect a big drop in citrus production in Morocco estimated at around 50%

Pakistan – Nestlé opens juice manufacturing plant in Pakistan

Global food and beverage company Nestlé has expanded its juice production capacity in Pakistan with the opening of a USD22m plant at its Sheikhpura Factory. Punjab Governor Chaudhry Mohammad Sarwar inaugurated the company’s Nestlé Fruita Vitals plant. The plant is the newest edition to the company’s facilities operating in Pakistan and has 24,000 units

Brazil – Challenges ahead but prices could strengthen in the near future

The orange juice processing plants in Brazil are now in full swing, indicating an increased juice output for 2019/20. As a result, Brazilian processors have been pushing high supplies of orange juice in the European market, one of the largest export destinations for Brazilian orange juice. However, EU imports have been slowing down as EU processors are hoping for orange juice prices to go down with excessive supplies in the market. Also, some of the large retailers in the EU have already fixed their long-term contracts earlier this year. Thus, lower demand from both processors and retailers have resulted in weak imports of Brazilian orange juice. As a result, Mintec Brazilian orange juice concentrate prices in the EU are down 10% year on year and by month. Furthermore, the Brazilian orange crop is estimated to be cut as a result of droughts in the country. Temperatures are currently above the average and if the drought continues, the upcoming crop’s (2020/21) output is likely to drop by 10% year on year. Therefore, above adverse weather conditions are expected to release downward pressure from the prices. Also, anticipations of smaller orange crop volumes in Spain and Egypt are likely to strengthen the Brazilian orange juice prices in the near future

USA – Florida citrus production and crop value is up from a year ago

Production is up vs a year ago, when the industry was trying to recover after being hit hard by Hurricane Irma. But the industry continues to bleed acreage in the state, according to numbers released by the US Department of Agriculture. The federal agency's commercial citrus inventory recorded 430,601 acres spread across 25 counties, 4% fewer acres than a year ago. The net loss of 16,411 acres is more than twice what was lost last season," the federal agency noted. The overall total acreage this year was the lowest since the survey started in 1966.

Only Sarasota County posted an increase in acres being used commercially to grow oranges, grapefruit and specialty crops such as tangerines, tangelos and lemons. The USDA reports said new plantings accounted for 10,068 acres, off 17% from a year ago, and that the 61.4 million trees were 2% fewer than the prior season.

Growers during the 2017-2018 growing season posted 75-year lows because of damage caused by Hurricane Irma, which hammered much of the state in September 2017. The hurricane caused massive damage in key counties for the citrus industry, uprooting trees and leaving many groves in standing water. During the recently completed 2018-2019 season, the industry continued battling deadly citrus-greening disease and factors such as an expansion of development into rural areas and changes in national drinking habits.

But the 2018-2019 season saw a 59% increase in orange production from the 2017-2018 season and a 4% increase from the 2016-2017 season, which was not devastated by a hurricane. The production in the most-recent growing season, from September 2018 to July 2019, had a preliminary USD873 million on-tree value for the citrus crops, 37% more than the USD637 million revised value for 2017-2018, according to the US Department of Agriculture.

UK – Fruit juice consumption on the up

The manufacture of fruit and vegetable juice was the fastest growing sub sector in the UK food industry, growing 17% from £654 million in 2017 to £768 million in 2018. Research shows that more than half of people aged 16 to 24 consume juice drinks at least once a day. Consumption of smoothies has seen the biggest increase among all fruit juice drinks with Brits spending £112 million alone on these last year alone. Sales of UK manufactured beer have meanwhile hit their lowest level in a decade at £3.1 billion – down from £3.7 billion the year before – as young people increasingly turn to alcohol free alternatives. Beer sales reached their peak in 2009, when Brits consumed £4.8 billion in beer.

Food and drink remained the largest UK manufacturing sector in 2018, reporting sales of £71.8 billion – a 3% increase on 2017. Overall UK manufacturing sales hit a record high of £390.1 billion in 2018 – an increase of £9.4 billion (2.5%) from the previous year.

Kenya – Del Monte invests Sh580m in new fresh fruit packing facility

Fruit juice maker Del Monte Kenya has invested Sh580 million in a new fresh fruit packing facility with a processing capacity of 60 tonnes of fresh fruit per year. The new facility, which is being constructed within Del Monte Kenya's plantation aims to expand production of pineapples avocados, mangos and passion fruit juices. Del Monte Kenya plans to source fruit from local and regional growers in Murang'a and Kiambu Counties, we will prepare and package the products from the new facility for both local and international markets.

New technology reduces 87% of sugars from fruit juice

As the globe marks World Diabetes Day, the founder of a juice company claims he has found a successful way to remove 87% of sugar from fruit juice. Eran Blachinsky, founder and CEO of Better Juice, has come up with innovative technology that provides new options for people wanting to drink healthier beverages. In curbing the sugar intake and fighting diabetes and other related diseases caused by sugary drinks and juices, food-tech start-up company Better Juice has developed a way to reduce sugar in naturally occurring products like fruit juice.

EU: Bumper EU apple crop forecast

This year, the apple production in the EU is set at 12.6 million tonnes due to favourable weather conditions. This represents a recovery of 36% compared to last year's low crop but is only a 3% increase compared to the average crop of 2014 to 2016. The pear crop is predicted at 2.3 million tonnes, increasing by 4% compared to previous years. European apple harvest will be largest in a decade, with Polish production doubling to 4.48m tonnes. The crop estimate represented a 36% climb on last year's total EU crop of 9.25m tonnes, and a rise of 13% on the three-year average, WAPA noted. Much of this growth will be driven by Poland, the bloc's largest apple producer, which is expecting a huge 4.48m-tonne crop this season, up 56% on the 2.87m tonnes harvested last year and 23% on the three-year average. Likewise, Italy is anticipating growth in volumes of 29% up from 1.7m tonnes to

2.2m tonnes. France, Europe's third-largest grower, is forecasting a more modest rise of 5% to 1.5m tonnes, while Germany's apple crop is set to soar 66% year-on-year to just under 1m tonnes.

Many other countries are forecasting large yearly increases in 2018/19, including Hungary (up 37% to 728,000 tonnes), Romania (+39%, 320,000 tonnes), Belgium (+147%, 217,000 tonnes) and Austria (+175%, 184,000 tonnes). Only Spain, Portugal and Latvia of the leading 21 EU producers are expecting lower apple crops this season, WAPA revealed.

US: Tight supplies in the US citrus market

US citrus production continues to decline. At the current forecast of 6.16 million tonnes the US citrus crop is down 21% from the previous season, reflecting expected reduced national production across all major citrus commodities and overall smaller crops in the four major-producing States. The decline in citrus production is expected to be the greatest in Florida, largely driven by crop losses from Hurricane Irma. At the same time, orange and grapefruit crops are anticipated to have the largest declines in national citrus output, with reductions by as much as 25% and 22%, respectively, if realized. Tight supplies are resulting in higher citrus prices in the domestic market. The shipping season for US citrus is expected to finish early given the smaller crops, likely keeping upward pressure on prices this spring.

OMG! Launches innovative fruit juice range

Nutricane Beverages, an innovator in the beverage space from India, announced the launch of its exciting and innovative range of fruit juices with two new variants – Mango and Guava under its brand name OMG! This new-age range is a delicious blend of fruits with sugarcane juice, that not only enhances flavour but also elevates the nutritional profile of the juice and is a great source of vitamins and other essential micro nutrients. The packaging of OMG! juices in a recyclable glass bottle without any added sugar or chemical preservatives makes this juice an all-round winner. These unique fruit juices are a first of their kind globally where fruits are combined with sugarcane juice that acts as a natural sweetener thereby replacing the need for refined sugar and water as is done in other packaged fruit drinks and beverages. This breakthrough was made possible by Nutricane Beverages through its internally developed patent-pending process called "FreshFusion" which gives sugarcane juice a long shelf-life. The company launched its sugarcane juice range in 3 flavours last year and has now introduced its new fruit juices range.