

In recent months, there has been a lot of uncertainty in world trade, e.g. in the form of various tariff threats. Political tensions have also created uncertainty in the global economy. The price of crude oil rose at the beginning of the year due to the unrest in Iran and the disputes between the EU and the US over Greenland. Extreme weather conditions continue and affect the yields of agricultural products. Sea freight prices from the Far East have started to rise slightly after the downturn. Shipping times are still several months from the Far East to Europe. Europe's ocean ports have also been congested. European road transport, costs have risen, e.g. with the European Emissions Trading System (ETS) surcharges. From the beginning of 2026, 100% of confirmed emissions will be subject to charges. The distribution obligation for renewable fuels rose to 19.5% from the beginning of the year, which increases fuel prices.

PROTEINS

Egg products prices are still at very high level. The reason for the price increases has been the increased demand for eggs in Europe, both on the consumer and industrial side. Global supply and demand are not in balance, the stock levels of yolk powders are very low. Demand has increased on free range and barn grades in terms of sustainability. Producers in Europe have not invested in additional production when the price level has been low. As a result of environmental requirements, egg production is projected to decrease by about 15% in Belgium, Germany and the Netherlands. The effects of avian influenza have contributed to the poor availability, especially in Eastern Europe. The egg shortage in the United States has increased exports from the EU to the United States. There is also more demand for European eggs in the Far East and South America.

The price level of whole milk powder has been declining. The prices of whey protein concentrates and isolates have remained at a high level due to lower availability and increased demand.

Soybean pricing in USA has been stable. European soybean prices have increased slightly due to the decrease in the yield caused by the drought.

Meat protein prices have been stable or declining as the raw material for meat proteins has been readily available.

CORN

The corn harvest was good. The delay in harvesting in Ukraine reduced corn exports, which kept the demand and prices of non-GMO corn higher compared to wheat. However there is good availability for corn globally. The harvest of waxy corn was also better than previous year.

WHEAT

In Europe, the wheat harvest was good despite the varying weather conditions. This contributed to variations in the quality of the grain. Global production has increased which has also caused downward price pressure.

Weather conditions, the USD exchange rate and geopolitical risks increase the volatility of the grain market.



2(3)

TAPIOCA

The cultivated area of tapioca root increased in 2025 and the yield was better than in the previous year. Exports of tapioca starch from Thailand fell from the previous year, which has lowered the price level slightly. Sea freight also decreased during the autumn. However, there is still price volatility in logistics costs, and sea freight has again been on the rise.

POTATOES

The cultivated area in potato has increased in Europe. The harvest was good and the price level has fallen.

ADDITIVES

The availability of Chinese food additives has been better and prices have been stable partly due to favorable sea freight development and exchange rate fluctuations. The price level of salt has risen slightly because of increased production and freight cost.

STABILIZERS

The prices of stabilizers such as carrageenans and xanthan gum are declining due to better availability and a decrease in sea freight.

SUGAR

The cultivation area of sugar in Europe has decreased by 9%. This has been balanced by a better sugar yield than in the previous year, and therefore the decline in production has been smaller. Sugar demand in Europe has also been on a downward trend. Global sugar production is forecast to be in surplus in the coming year.

COCOA

Demand for cocoa declined due to the high price level and production volumes decreased towards the end of the year. The market quickly shifted from scarcity pricing to demand and surplus-driven pricing. Forecasts indicate improved harvests in major producing countries, which are expected to support a short-term decline in price levels.

VEGETABLE OILS

The price of rapeseed oil and sunflower oil is forecast to be stable in the first half of the year. The price of palm oil has been on the rise slightly.



ONIONS, PEPPERS AND NATURAL SPICES

3(3)

In India, an early winter crop of onions has just been harvested. Sowing went well, but due to the heavy rains, the winter harvest has almost been lost and its processing has been delayed. The late winter harvest has also suffered from weather conditions, which has led to lower availability and higher prices. However, the summer harvest is forecast to be normal, as some of the destroyed areas have been replanted. However, the loss of winter harvests will have an increasing impact on the future price level.

In China, the cultivation area increased significantly and prices fell with the new harvest. The demand for Chinese onions has increased, which may increase the price level later. The planting of Chinese garlic was delayed at the beginning of the harvest season, but the increase in the cultivated area compensated for the need for price increases. The price level has been stable.

Global production of pepper has declined, especially in Vietnam and Indonesia. Farmers have switched to better-priced commodities such as coffee and durian. The future harvest is forecast to decrease by about 10%. Exports have increased especially to China and the USA. In Brazil, the cultivated area is increasing. However, poor weather conditions have reduced the yield. In India, pepper production has decreased by about 20% due to weather conditions. In China, pepper production has dropped by more than 30%. Due to the above factors, global pepper stocks are declining as demand increases. Fluctuations in customs tariffs have also affected the export of peppers from producing countries. The price level is expected to rise from the new harvest.

In general, the prices of other natural spices have been stable. In some chili varieties, prices have been on the rise. There has been an increase in herbs, especially for Oregano. Oregano's emergency stocks were very low at the beginning of the harvest season.

The yield was significantly lower due to the early flowering. There has been a concern about Pyrrolizidine alkaloids (PAs) in oregano as farmers have reduced weeding due to high labor costs. There is less EU-compliant raw material available in terms of pyrrolizidine alkaloids and nickel which has created shortage of oregano. The price of oregano has risen significantly.