



New perspectives

Global developments on eggs

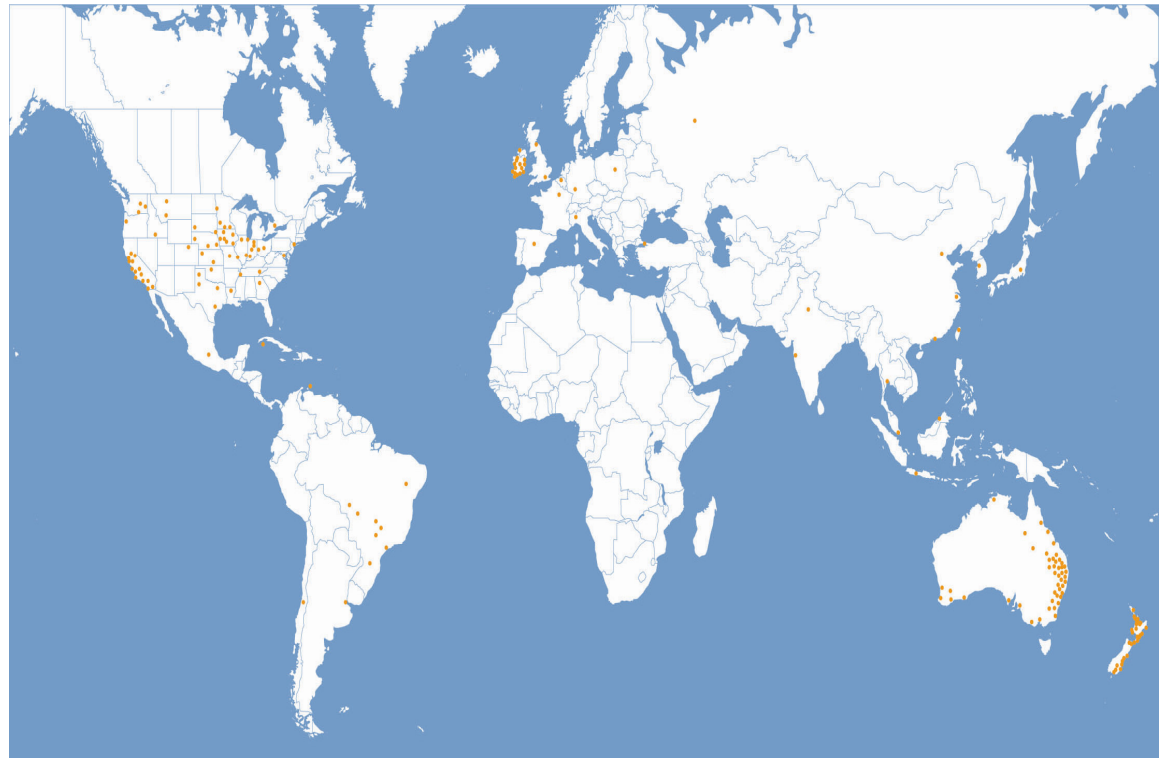
22 April 2010
Utrecht

Albert Vernooij
Rabobank International

What is Rabobank International?



- **Rabobank** is the largest financial services provider in the Netherlands
- **Rabobank** is an AAA rated financial institution
- **Rabobank** has a food & agribusiness focus outside the Netherlands
- **Rabobank** has a global network of dedicated research professionals



FAR: Global network of research professionals



Rabobank

Over 75 people
in 12 countries

Focus areas:

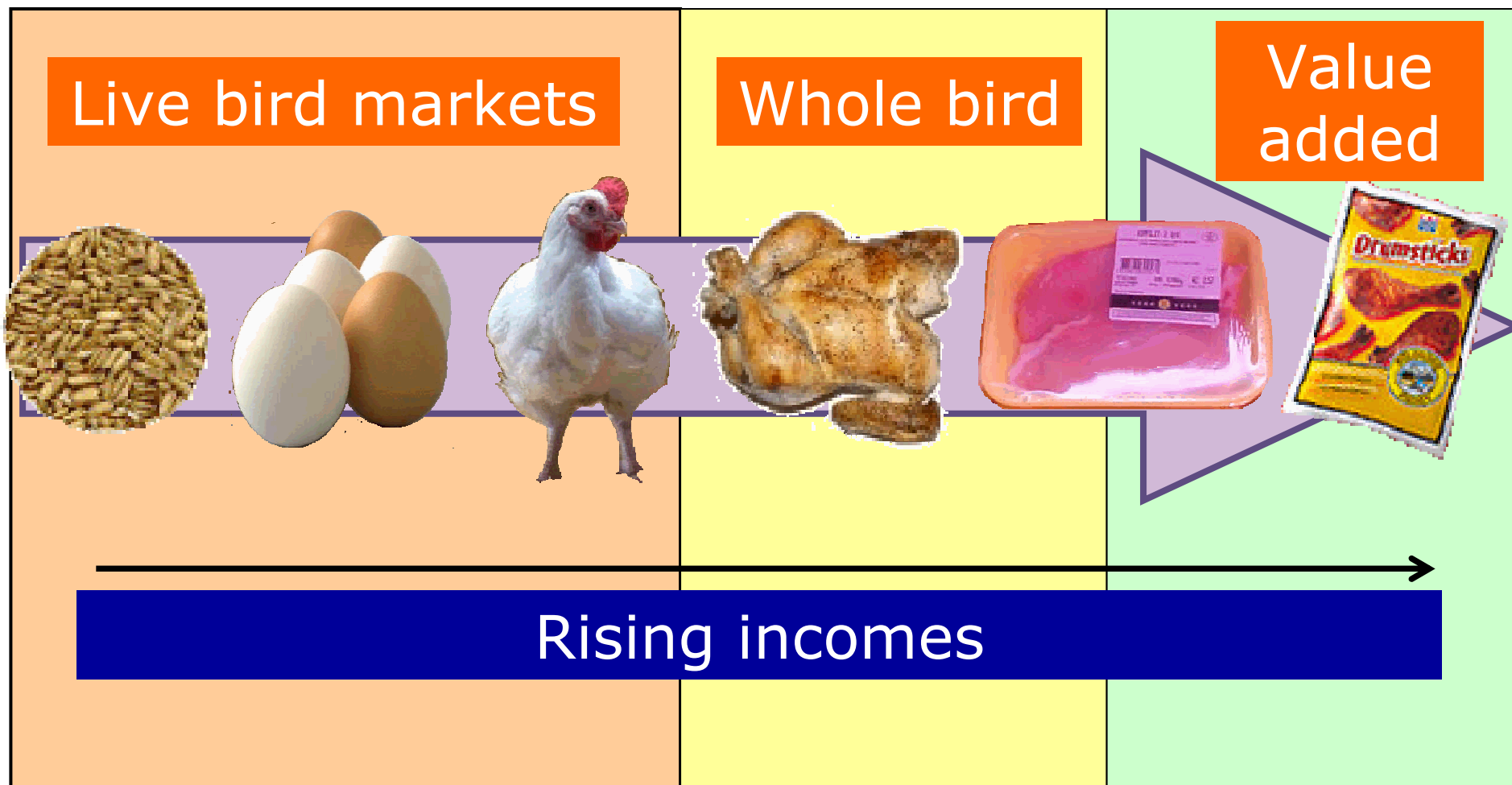
- Animal Protein
- Beverages
- Clean Tech
- Dairy
- Farm Inputs
- Food Retail
- Fruits & Vegetables
- Grains & Oilseeds
- Sugar & Sweeteners





Rabobank

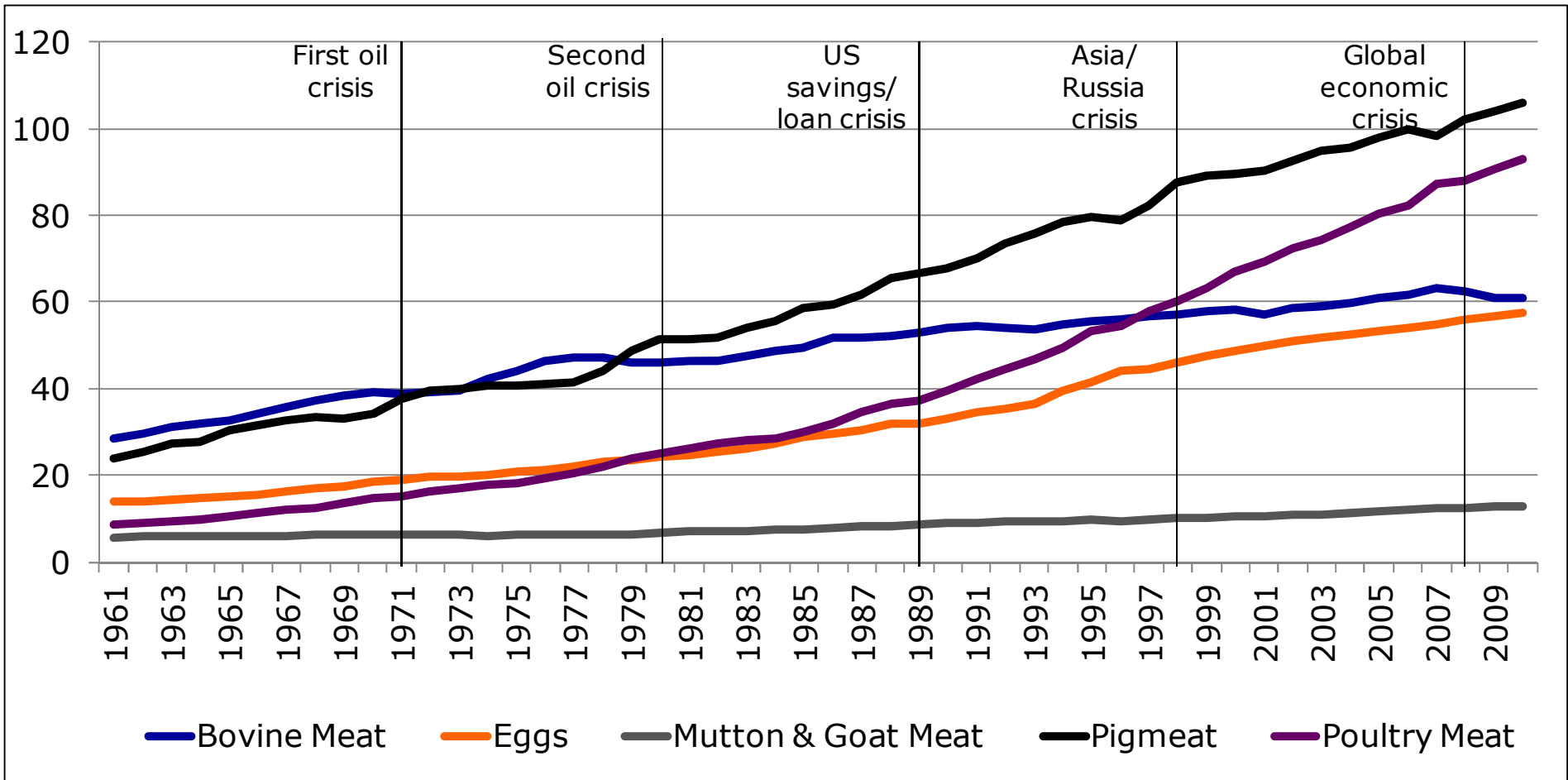
Eggs are the cheapest source of animal protein



Egg consumption growing steadily



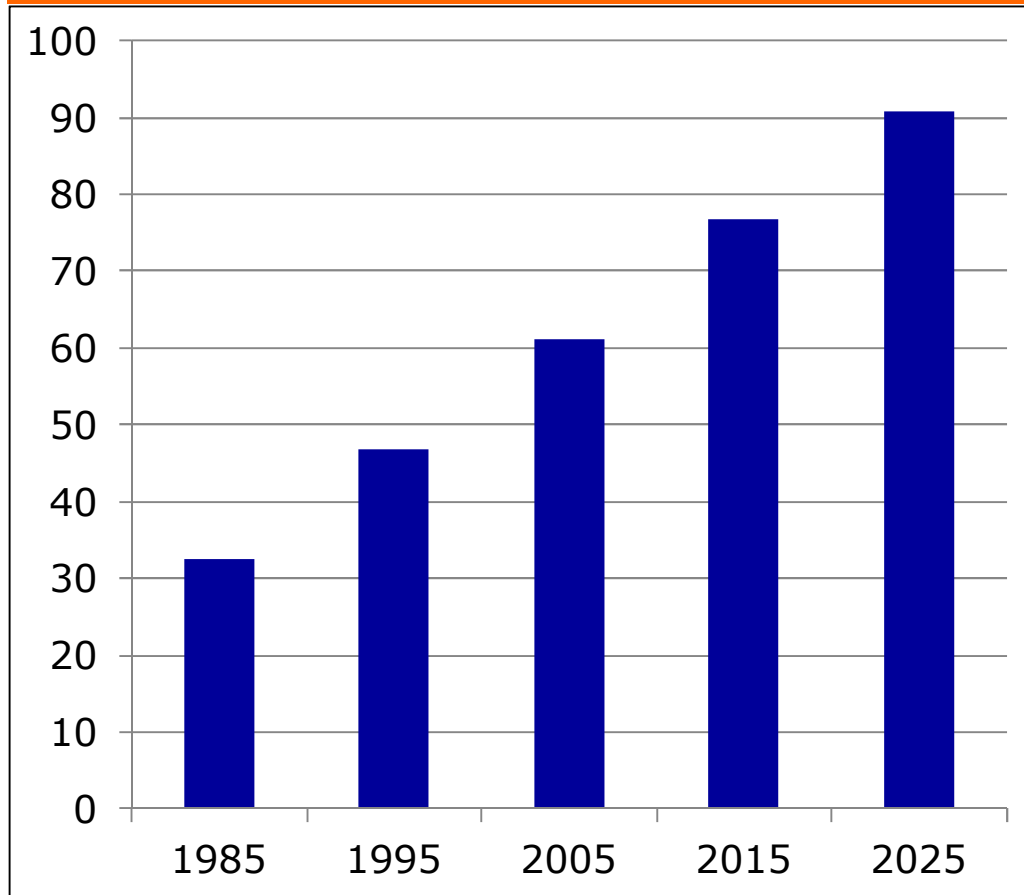
Global animal protein consumption (in million tonnes)



45% more egg demand in next two decades



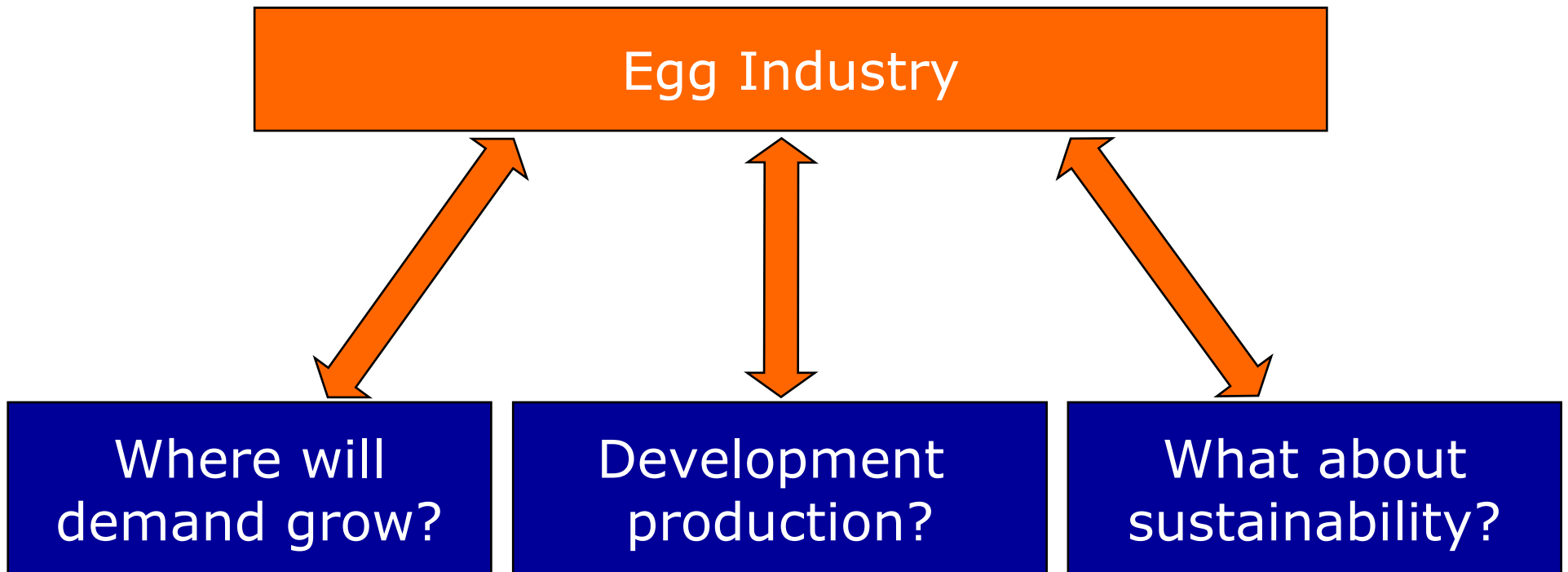
Global egg demand 1985-2025
(in million tonnes)



CAGR global protein market

	1985-1995	1995-2005	2005-2015	2015-2025
Beef	1,1%	1,5%	1,7%	1,7%
Pork	2,9%	2,6%	2,1%	2,0%
Poultry	5,7%	3,8%	2,9%	2,5%
Sheepmeat	2,4%	2,0%	2,0%	1,8%
Meat	3,0%	2,6%	2,3%	2,1%
Seafood	3,5%	2,3%	1,6%	0,8%
Eggs	3,7%	3,1%	2,3%	1,7%

Issues for the egg industry

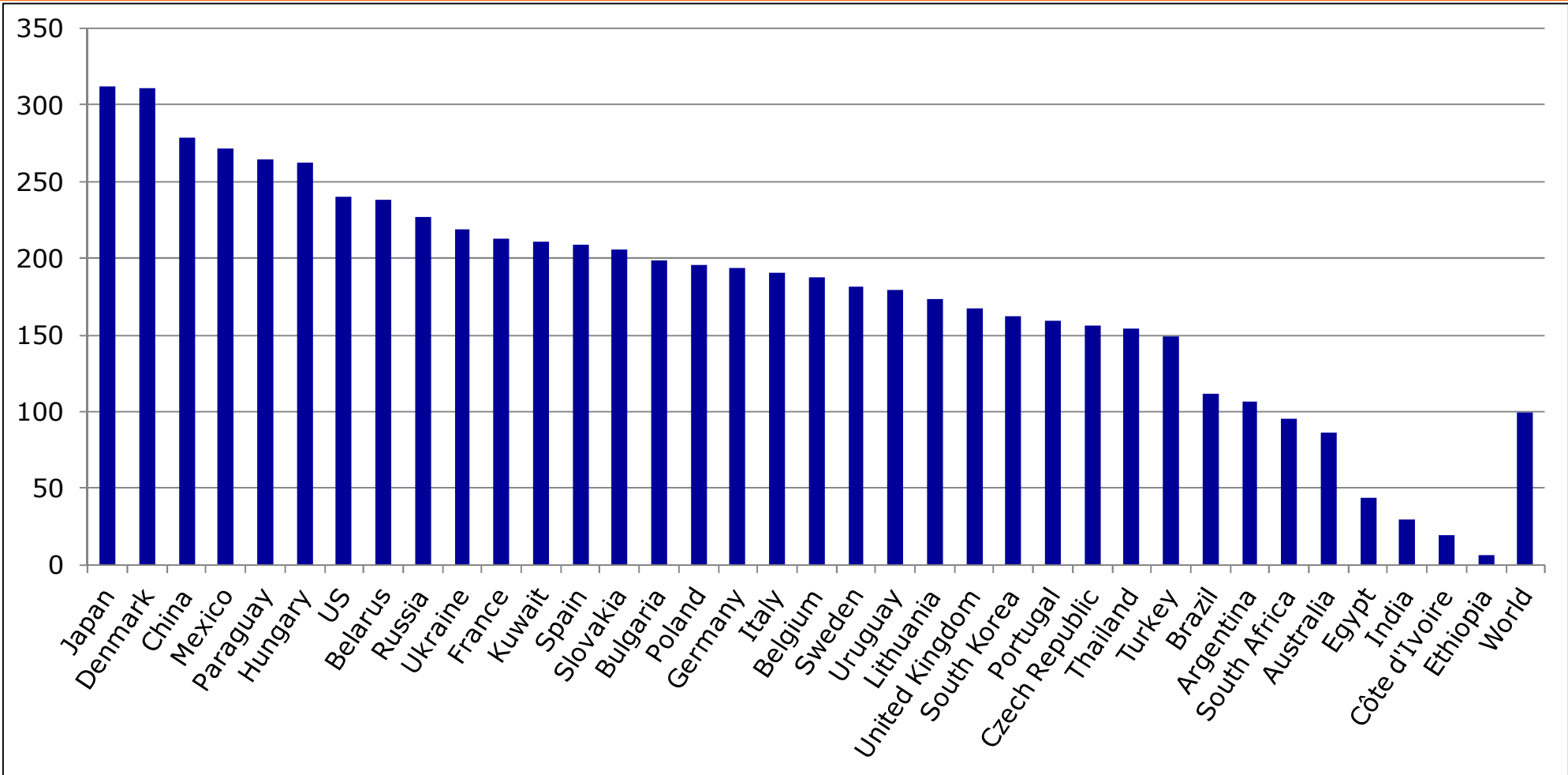


Where will demand grow?

Opportunities are in Asia, South America and Africa

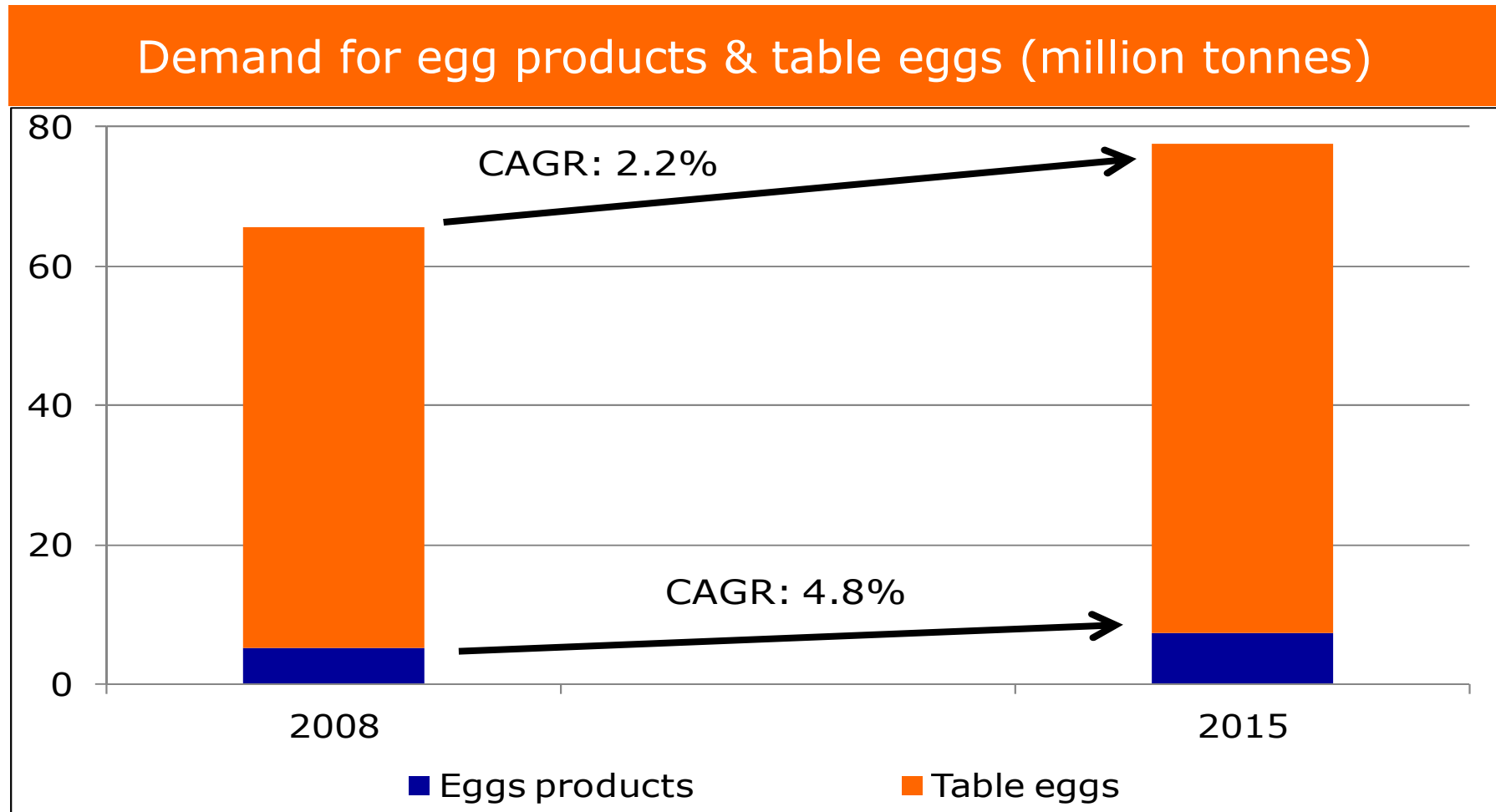


Per capita consumption of eggs (2006)

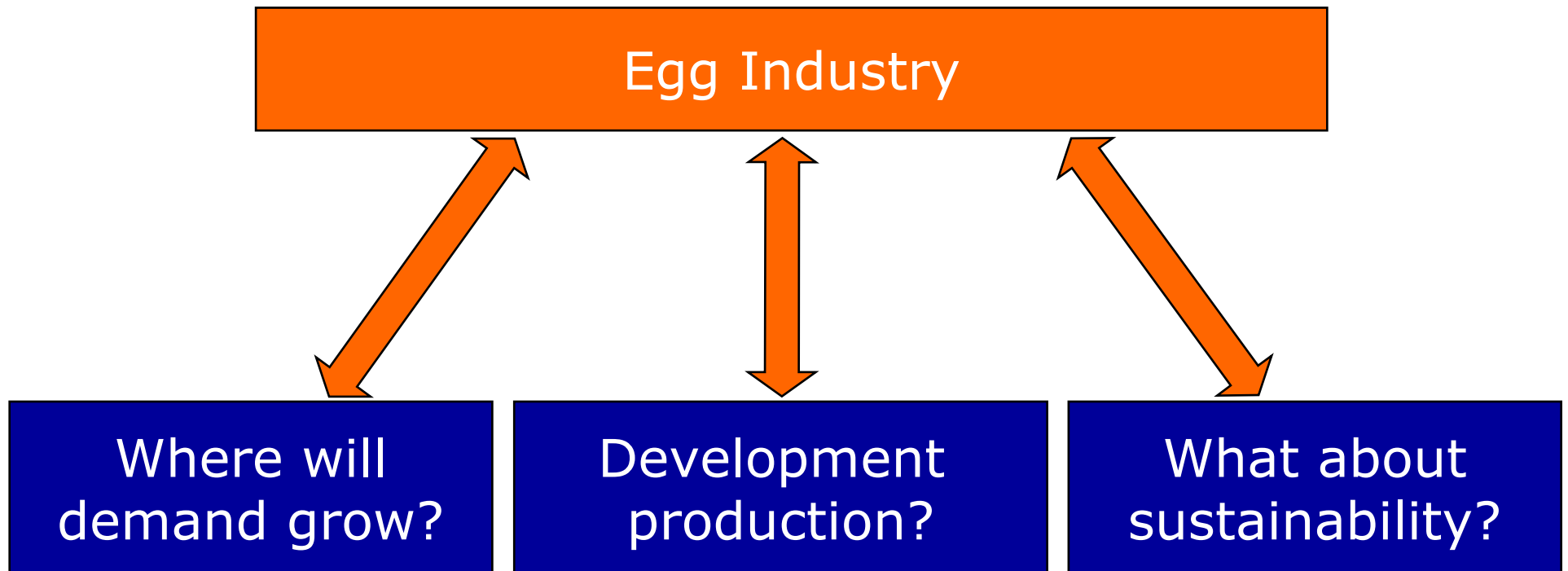


Where will demand grow?

Growing importance of egg products in global egg demand



Issues for the egg industry

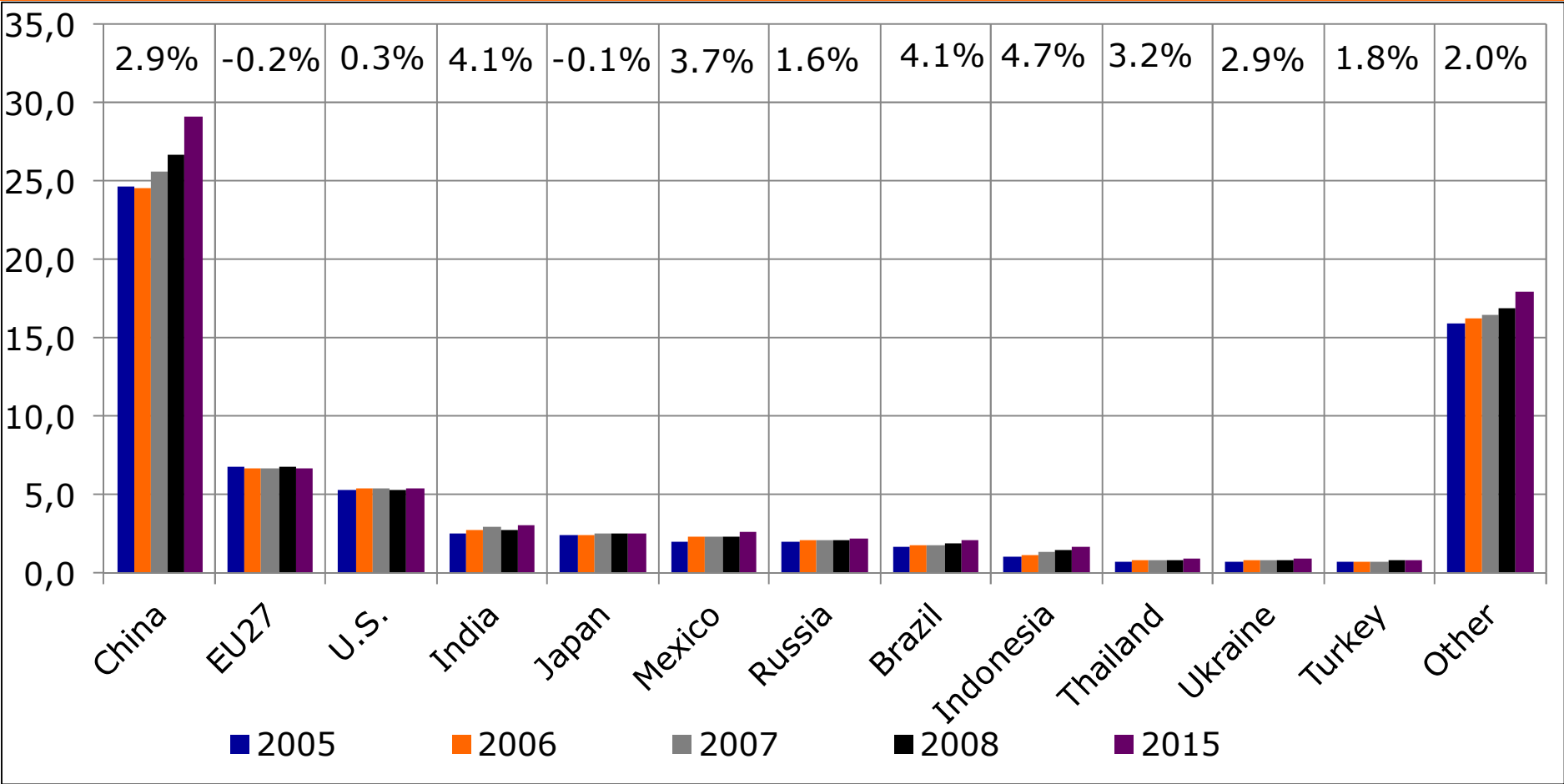


Development production?

Producers in China, India, Mexico, Brazil and Indonesia will take most of global market growth



Main global egg production areas, 2005-2015 (in million tonnes, CAGR 2008-2015)



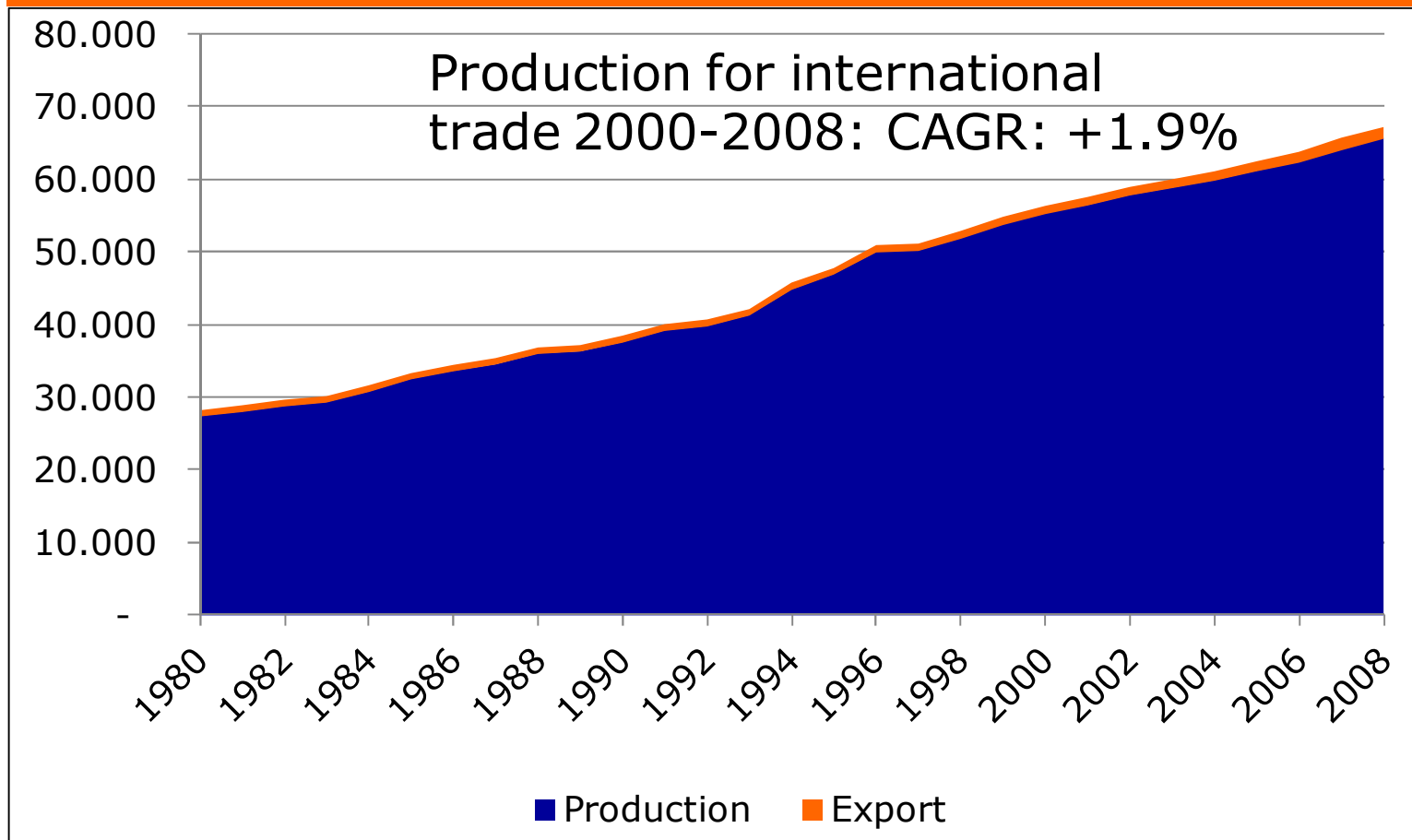
Development production?

Egg trade is very limited



Rabobank

Domestic egg production and trade, 1980-2008 (x 1,000 tonnes)



Only 2.5% of eggs are traded globally

Comparison:

Chicken: 12.5%

Beef: 11.4%

Pigmeat: 5.5%

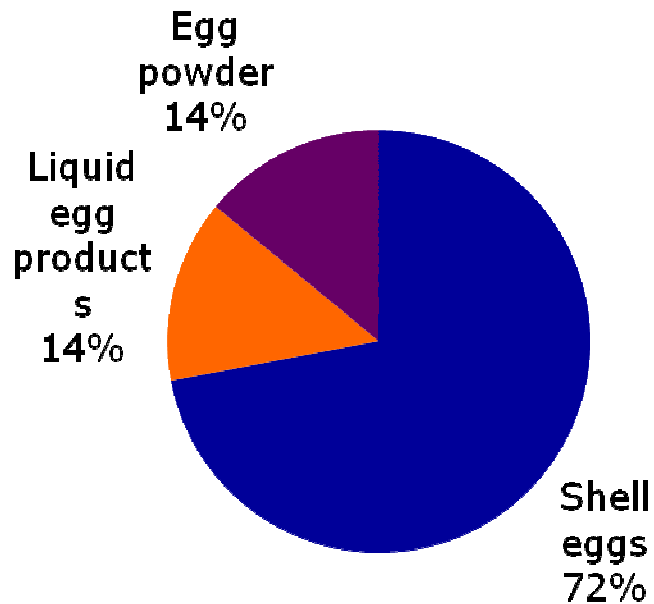
Development production

Eggs: mainly a domestically produced product

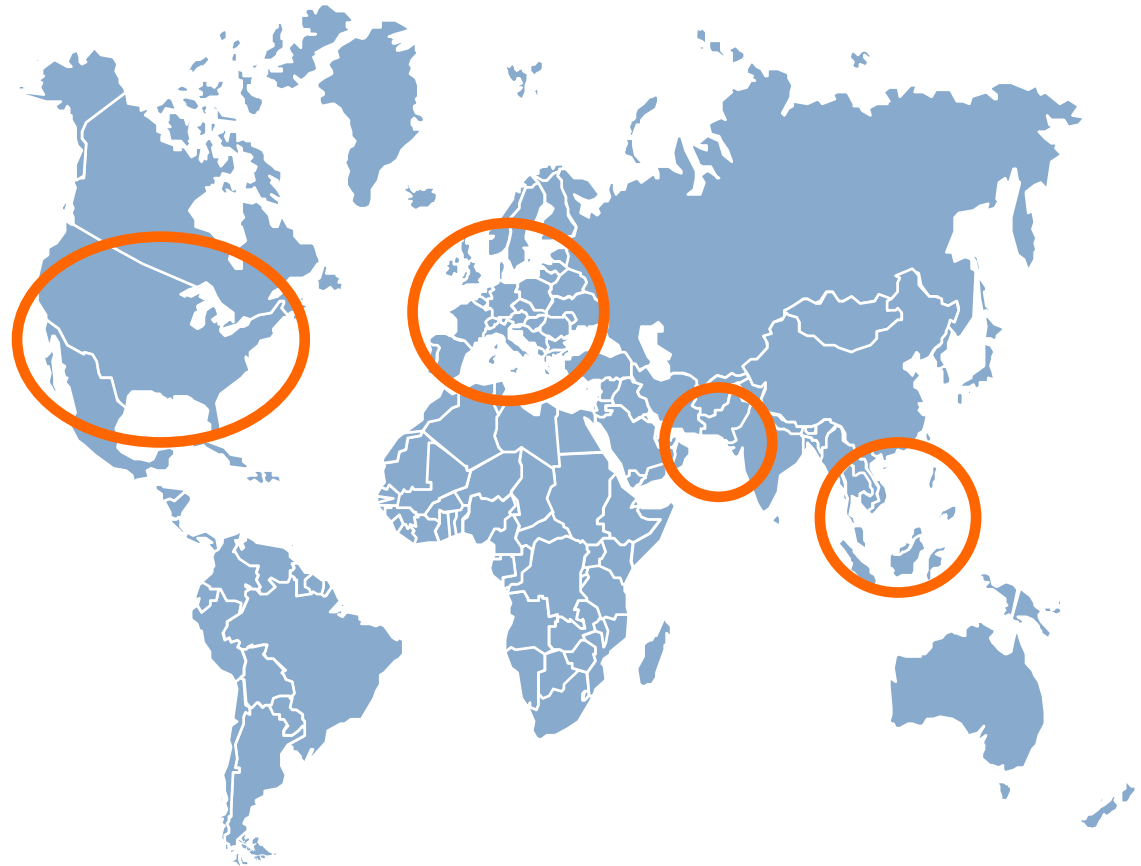


Rabobank

Global egg trade by product

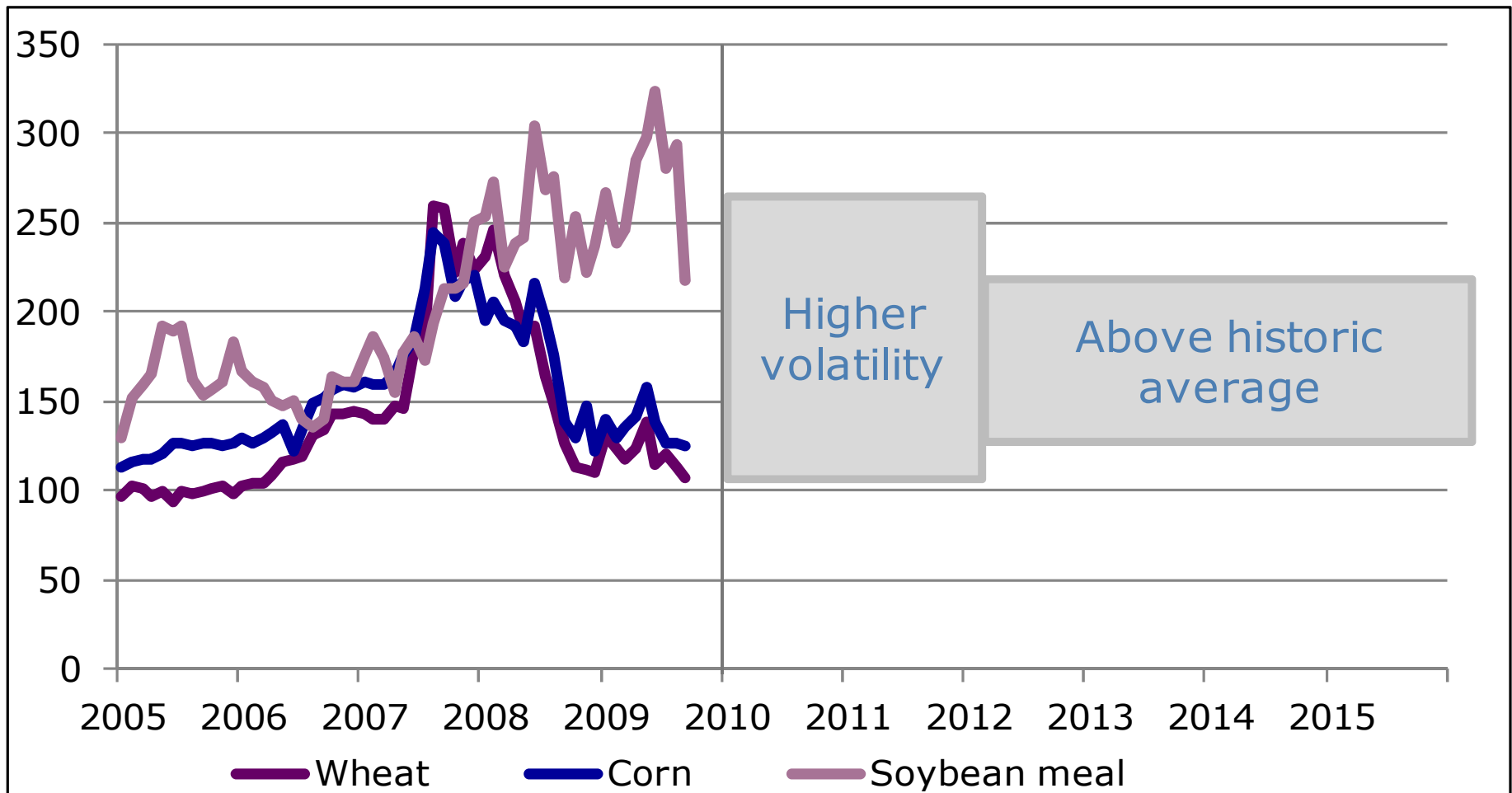


Where does egg trade occur



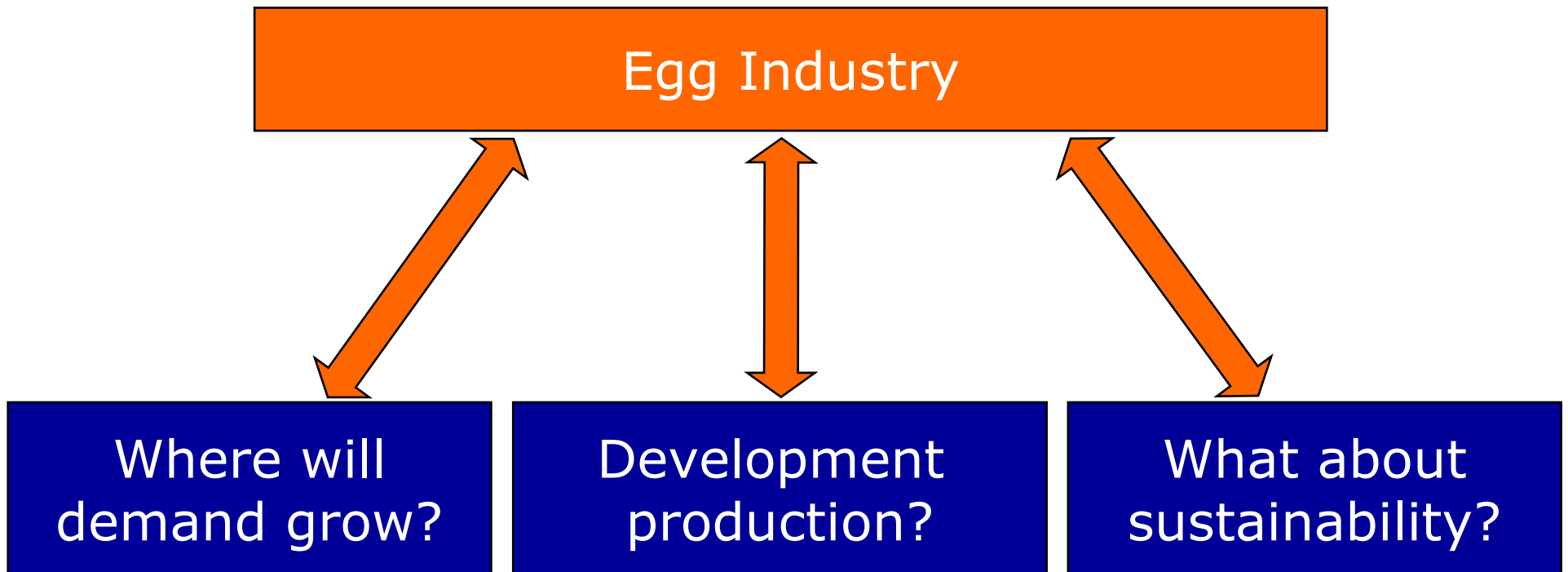
Development production?

Feed availability key for long term growth



Source: Rabobank, based on Bloomberg 2009

Issues for the egg industry

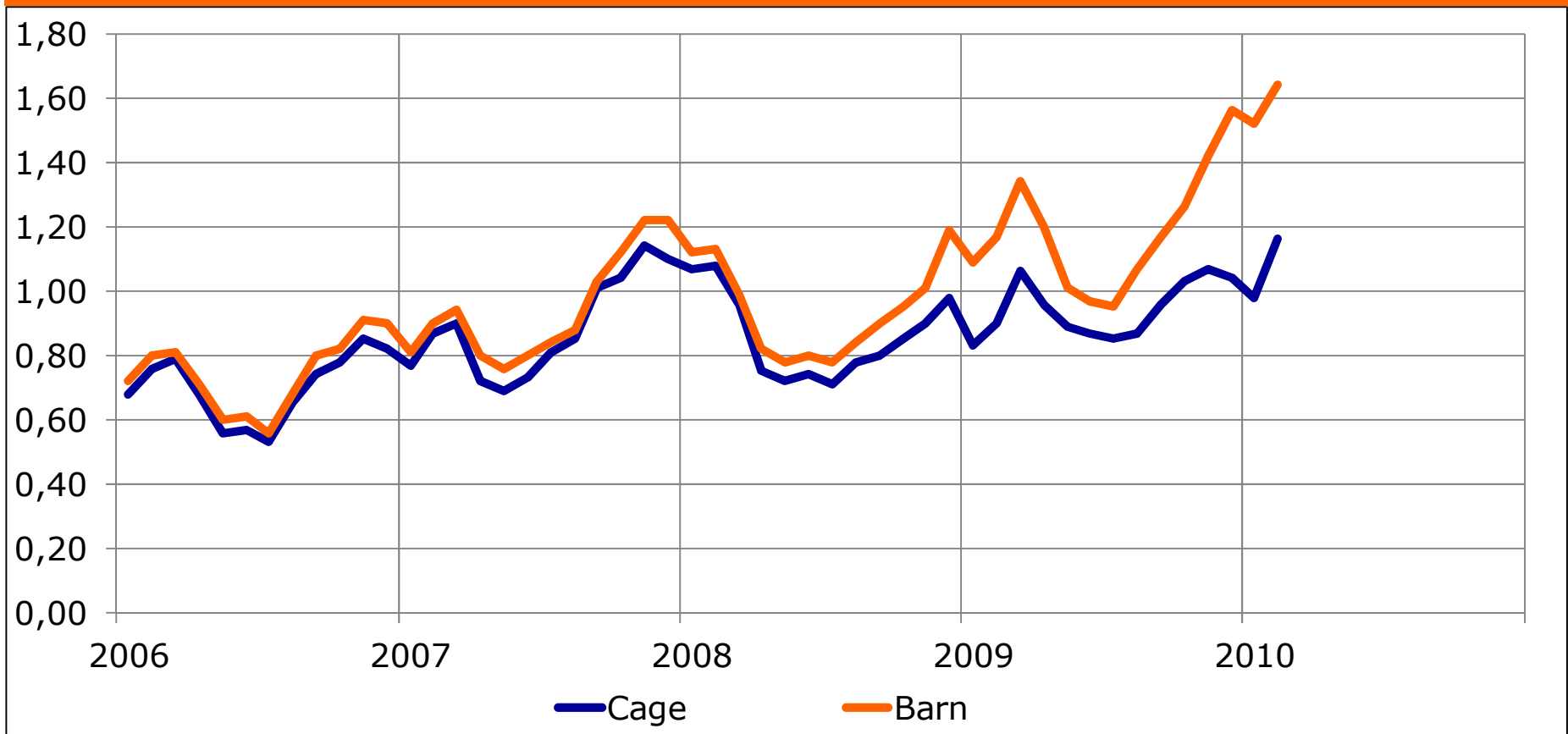


Sustainability?

Retail demand for barn eggs affecting price difference



Development of egg prices NL cage and barn 2006-2010 (EUR/kg)

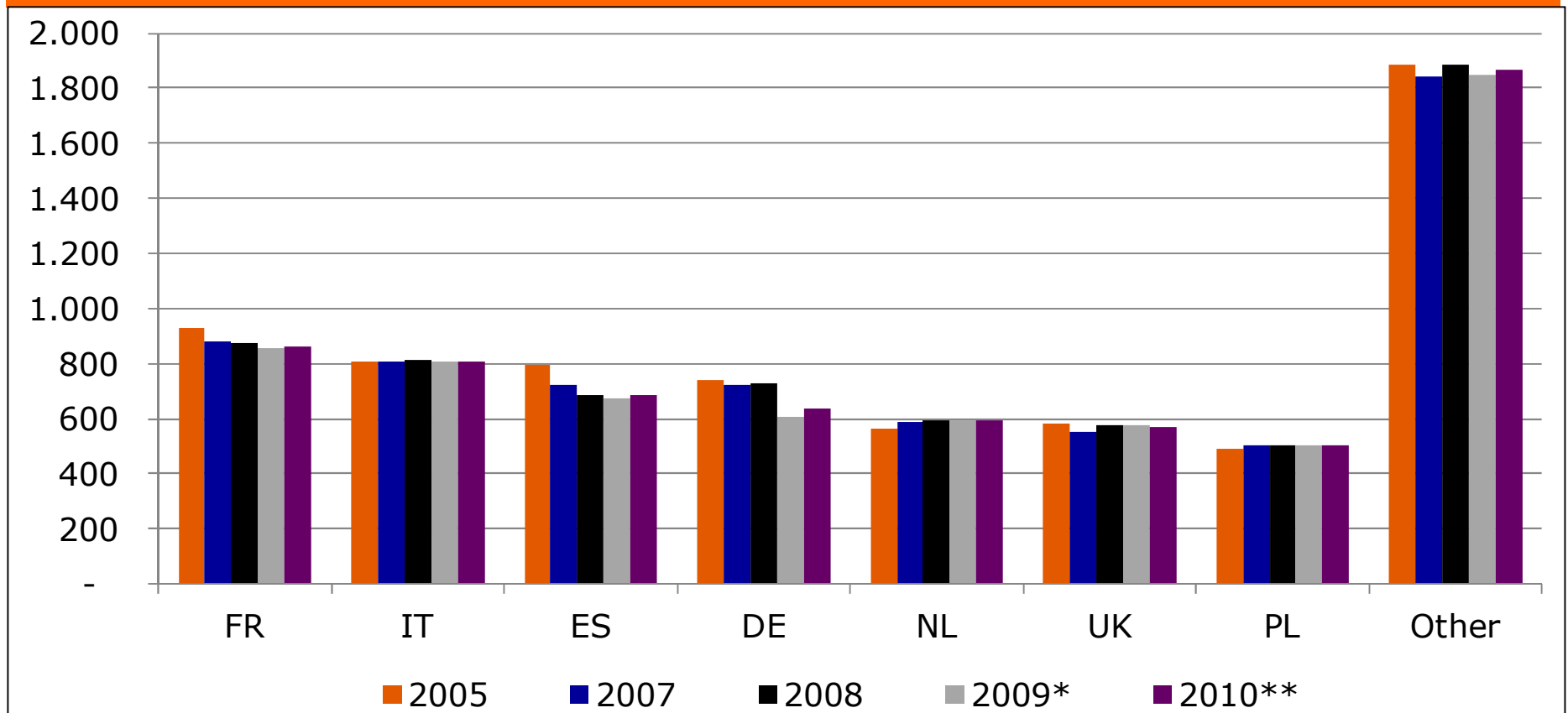


Sustainability?



Cage ban affecting German production

Development of egg production EU - Forecast November 2009 (in 1,000 tonnes)



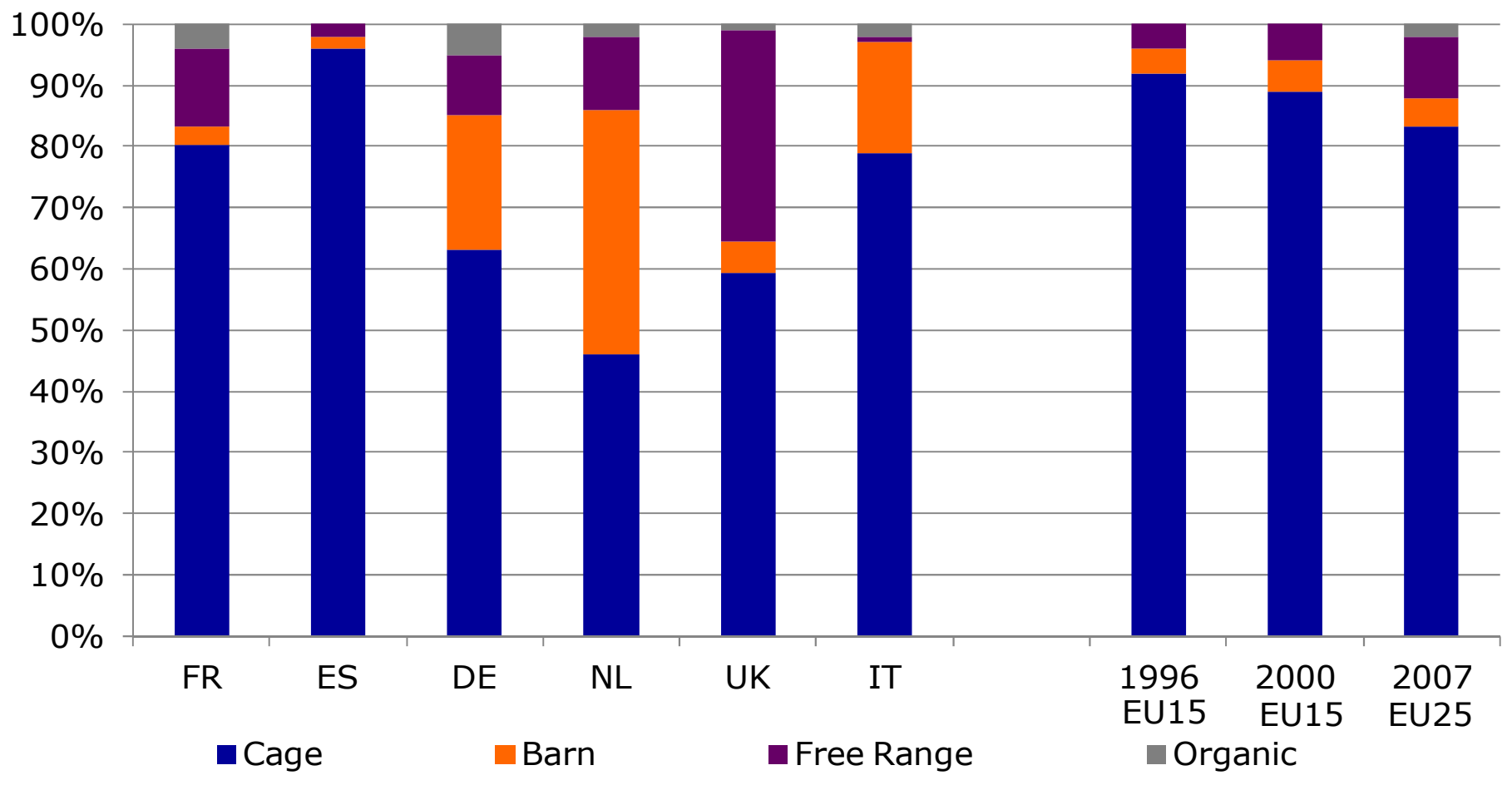
*2009 estimate, **2010 forecast)

Sustainability?

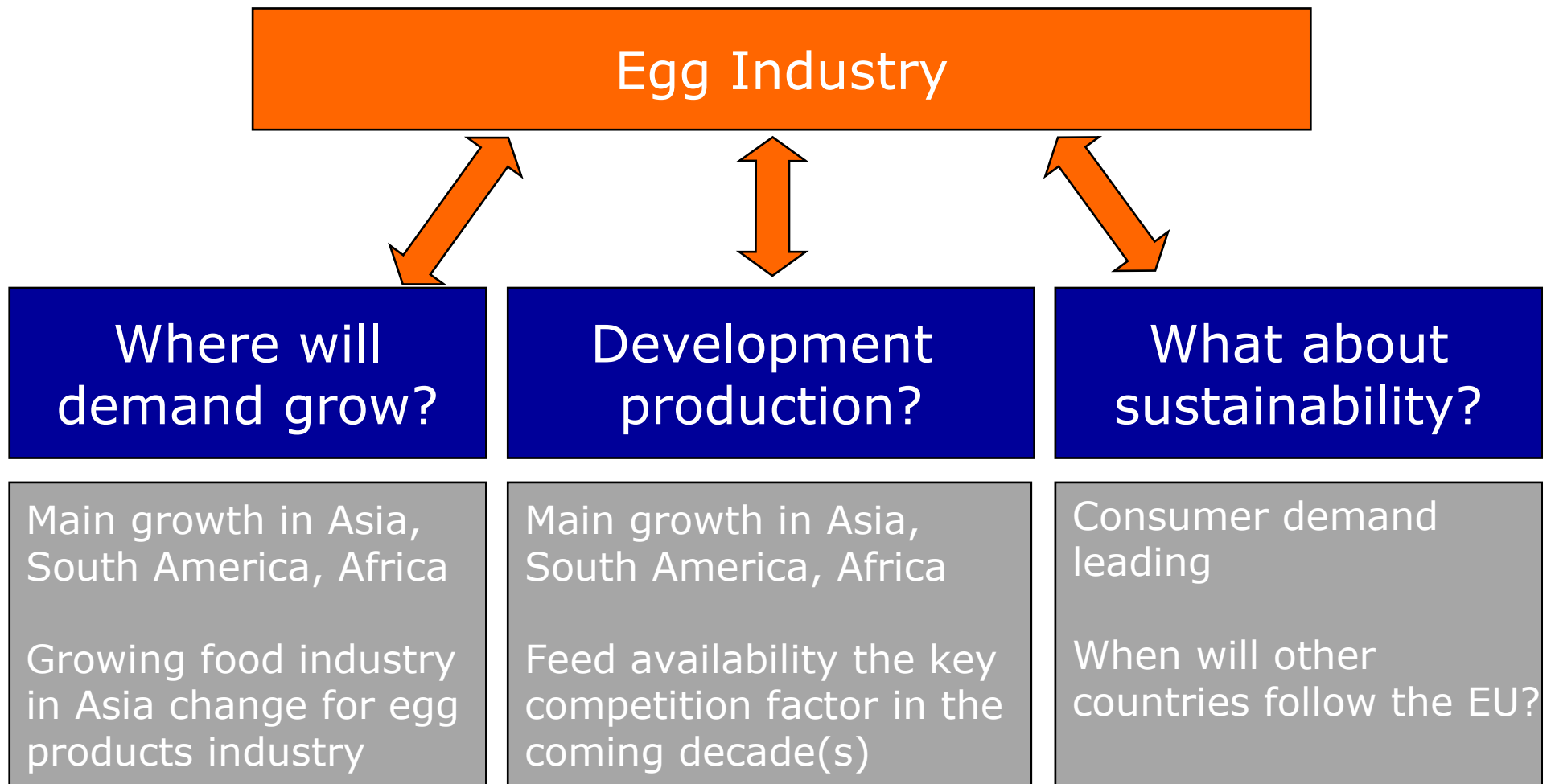
Will the EU directive in 2012 be reached?



Share of alternative production systems in the EU



Issues for the egg industry



Thank you for your attention



“The financial link in the
global food chain”™



Rabobank

Albert Vernooij
Rabobank International
Albert.Vernooij@rabobank.com