



Dan Ice World

55. issue – February 2021

Dear Friends and Ice Cream lovers,

First of all, let me wish you a Happy New Year. May 2021 bring you more success, health and prosperity. May 2021 bring us back to “normality”!



I have this feeling that 2020 went quite fast. Maybe, because all this working from home and not being able to travel made the year eventless! But I am sure that a lot of our customers have gone through a painful time. Going through lockdown in the majority of the countries, a lot of our customers witnessed the negative impact on production as well as their sales. In some countries, the consumption was heavily impacted and down with more than 60% compared to 2019!

This is of course catastrophic for many of our customers, and I do hope that we can get back on track this year.

Freight rates

The Corona pandemic has influenced our lives in more than one area. As consumers have been stuck home, we have seen a shift in their consumption behavior to consumer goods such as home appliances.

Consequently, the shipping companies have been busy, leading to higher rates in freight charges, which has been negative for all of us. Not only the container freight charges have increased dramatically, but also availability of space has been scarce. So, please keep in mind that you might need to calculate 2-4 weeks of delays in your shipment schedule. A better planning is of outmost importance!

Dairy market

For the dairy market, we have also seen a dramatic increase. The last 1-2 months, we have experienced solid SMP/NFDM availability from the three supply regions (EU, Oceania, and US) combined. Looking forward, however, things may become more challenging for buyers.

Looking forward

Dairy markets appear to be heading for stronger volatility in 2021. The huge surplus overhang – in the EU in particular - that prevented upward price momentum in previous years, appears to be a thing of the past. The resilience of global dairy demand throughout periods of lockdown, in combination with strong Chinese demand, cleaned up most of the global dairy pipelines in 2020.

Since several market participants on the buy-side have adopted a short-term focus throughout the Corona impacted developments, unexpected market disruptions will likely trigger stronger price reactions than in the past couple of years.



Also, the current challenge of getting product shipped out of several markets, the EU and the US in particular, is putting upward pressure on prices, which have the potential to move strongly as we have seen during the last few weeks.

Sticks

Another development that we have seen is the upward price pressure on ice cream sticks. This is partly explained by the increase in wood log prices but also the beforementioned challenges on shipment. Our customers are advised to do a better planning.

With these words, wishing you a successful 2021. Stay safe!

Cameron Skandarioon

Making the impossible possible

We have a global strategy on expanding our knowledge and expertise within plant-based products. Until 2025, the global market for plant-based products is expected to increase by approx. 10%.

Therefore, we see it as our duty to support and win in plant-based alternatives together with you, our customers. Jointly with our technical team, we have developed a new range of products covering:

- ✓ Bloc "vegan" cheese
- ✓ Coconut milk spread
- ✓ Coconut creamy dessert
- ✓ Almond creamy dessert
- ✓ Coconut milk & pea yogurt
- ✓ Soya yogurt
- ✓ Coconut milk ice cream
- ✓ Pea ice cream
- ✓ Fruit sorbet
- ✓ Almond drink



All the way, we have had in mind not to compromise the expected quality or health aspects. Therefore, you will not find it with a ton of sugar or unnatural additives. Let us advise and support you in your journey into the plant-based universe!

New & innovative technique for baking sugar wafer cups

Our long-standing partner WALTERWERK has recently filed a patent for producing a deep sugar wafer cup, which is already very popular in Ukraine, Baltics and Central Asia and is also gaining popularity in several other countries.



With the innovative technique from WALTER, the wafer sheet is not being deep drawn but folded up instead, which allows a higher depth and a stronger bottom compared to the existing products on the market. This is a huge innovation for the wafer market, especially since

the dimensions are the same as for the traditional moulded wafer cup, filled with plombir ice cream.

The new JUPITER line produces up to 5,000 cups per hour with a maximum height of 75mm and a strong bottom, which cannot only be used for ice cream, sorbets or desserts but also for hot and cold beverages. For beverages, suitable coatings need to be applied.



More good reasons to enjoy ice cream.....!

In these tough and boring Covid-19 times, we need something to cheer us up! Now scientific studies may help us find even more good excuses to grab an ice cream:

Researchers say that the sweet treat has an immediate effect on the orbitofrontal cortex. That is the part of the brain that is activated when people are having fun and enjoying themselves.

Fatty and sugary foods are credited as being able to trigger the release of "feel good" chemicals in the brain, and they have even been known to reduce stress levels.

The protein, fats, and amino acids that are all dancing in your bowl of ice cream are a great blend of fun for your emotions, packing just the right formulation for your feelings to be elevated.

So, if you follow the advice – with moderation of course, as you are eating serious calories – you may end up having a great day...!



Mixing your ideas into reality

Did you know that Tetra Pak has a Product Development Center for mixing technology?

The center consists of a wide portfolio of Tetra Pak's High Shear Mixers. It is where your raw ingredients begin their transformation into the tasty products that consumers love. Whatever product you are mixing, we will help you find the optimal way to do it.



If you are wondering about
...equipment?
...mixing time, speed or shear force?
...how to scale up for successful commercial production?
...a new recipe and its mixing challenges?
...how to optimize the use of expensive ingredients?

Talk to us!

Placed in Aalborg, Denmark, we have the possibility for you to try your new concepts or bringing your ideas to life.



If you are looking into producing cream cheese, almond drinks or a ripple for your ice cream, we got the expertise and of course the ingredients!

The global fat market

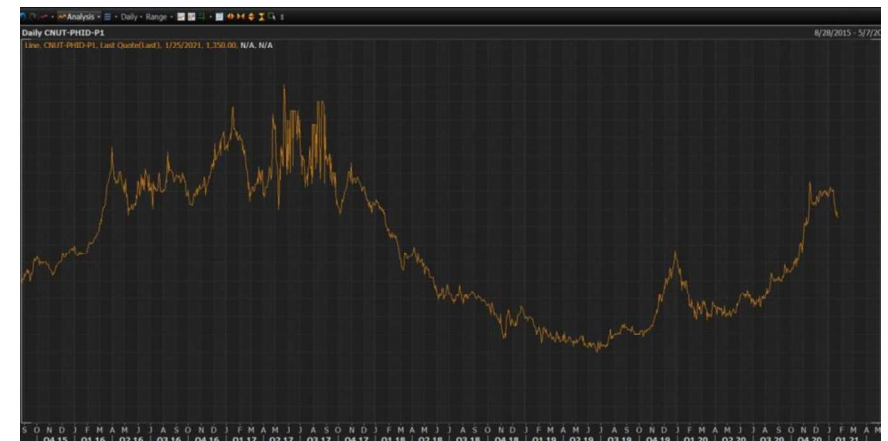
In the first half of 2020, the international vegetable oil market for coconut oil came from a high level and kind of stabilized on a low level until mid-2020. Back in June, we started to see some upwards movements in the market basically caused by the Corona situation,

observing an increased demand for vegetable oil pressing the price up.

On 11 November, the Philippines were hit by a severe typhoon that destroyed large coconut plantations. The refiners were hit by shortage in supply which immediately made the prices increase to a high level not seen since the beginning of 2017.



During December and the beginning of January 2021, the prices kept stable but from second week of January, prices have started a downward trend. We do not have a clear picture on which level the prices will stabilize. We do believe that it will be on a level slightly higher than that of first half of 2020.



Global crude coconut oil prices 2015/Q4 – 2021/Q1

As a result of the higher coconut prices, the prices on palm oil-based products and palm kernel have as well been increasing.

For further information, price quotations or orders please contact your Ingredients team.

Get the most out of your ice cream with Tetra Pak solutions

So was the name of a webinar held on 17 December 2020 for primarily GMEA customers hosted by Tetra Pak. The presentation included a thorough introduction to Tetra Pak ice cream equipment, our offered service contracts and their common benefits, as well as insight into the vast know-how that we possess within ice cream formulation, recipe optimization and access to consumables offered by Tetra Pak for our ice cream customers around the world.



As for ingredients and consumables, our Area Sales Manager Jens Thamdrup was presenting our capabilities and offerings.

Ingredients Solutions has gathered more than 40 years of experience and know-how in supporting and optimizing our ice cream customers' recipes. This expertise is freely available for our customers.

We are a strong team of experts – both in ice cream formulation, but also in finding just the right ingredients for your special ice cream production. And, under competitive pricing, since we work with the best suppliers and use the volume of our broad customer base to achieve good prices.



The webinar part that we covered was built on informing about sharing basic knowledge of ice cream production. Starting simply with a standard recipe for ice cream.

Interesting to note, by the way, that most of the ingredients in a final ice cream come for free! You start with your ice cream mix: This consists of app. 60% water. Then you age it and put it into the freezer where you add 100% of air (also called overrun).



If this is not something to please your financial management and their constant strive for good economy?! Hard to understand “what not to love about ice cream making”

If you wish to see the webinar – just log into YouTube with this link: https://www.youtube.com/watch?v=Cu_Tc9pR5Y8&feature=youtu.be

Enjoy and learn....!

We hope that you have enjoyed this newsletter.

If you have any comments, please do not hesitate to contact:

MetteSogaard.Andersen@tetrapak.com

If you are interested in previous issues of **Dan Ice World**, please contact ingredients@tetrapak.com.

