

Press release

BarthHaas Report Hops 2020/2021

Beer market in 2020: losses significantly lower than expected

Nuremberg, July 22, 2021. The coronavirus pandemic and the resulting restrictions on public life are hurting the brewing industry worldwide. This is clearly shown by the development of beer output in 2020: in the year of the pandemic it declined by 4.9 per cent to 1.82 billion hectolitres, a level last seen in 2008. This is one of the facts contained in the BarthHaas Report Hops 2020/2021 that the world's leading hop specialist presented at an online press conference on 22 July.

Nevertheless, Alexander Barth, the family company's managing partner responsible for the US market, is convinced that the prospects for the beer industry, and consequently also for the hop industry, are good. "Fortunately, beer consumption globally did not collapse to anything like the extent that was forecast." This is echoed by the author of the Hop Report, Heinrich Meier: In October last year output was still expected to fall by between 8 and 14 per cent due to the spread of COVID-19.

According to the figures gathered, the majority of the 172 beer-producing countries were affected by the negative development: 97 of them saw output decline, while only 37 registered growth.

Germany follows global negative trend

According to the latest BarthHaas Report, the German beer market followed the global trend with a fall of 5 per cent. With an output of 87.0 million hectolitres, it remains in fifth position in the international ranking of leading beer nations. Positions 1 to 4 also remain unchanged, with China leading the USA, Brazil and Mexico. More than half of the beer produced worldwide in 2020 was brewed in these countries.

While output in the member states of the European Union declined significantly (United Kingdom -6.9m hl, Spain -4.8m hl, Germany -4.6m hl), the countries in the rest of Europe even managed to achieve a slight increase thanks mainly to the positive development in Russia (+2.5m hl).

Altogether, output in Europe as a whole fell by 29 million hectolitres, or 5.5 per cent.

Small increase in Americas contrasts with high losses in Asia

The beer market in the Americas, on the other hand, was robust and even grew slightly by 6 million hectolitres (+1.0 %). The growth came from Brazil (+7.1m hl) and Mexico (+2.7m hl). The

figures for Asia, which saw a decline of 61 million hectolitres (-10.0 %), were strongly influenced by falling output in China (-35.4m hl) and India (-9.8m hl).

The higher levels of beer production in most of the countries of West Africa failed to compensate for the lower output in South Africa (-6.5m hl) and most of the East African countries. For the continent as a whole, this meant a decline of 9 million hectolitres, or 6.5 per cent.

Management expectations are cautiously optimistic

In the meantime, the measures taken to curb the pandemic are being relaxed in some countries. However, as Heinrich Meier states in his outlook, the different pace of development in different parts of the world makes it difficult to arrive at reliable forecasts for the total market and the global effects. He predicts, however, that world beer output will probably fall below that of 2019 again in 2021.

Nevertheless, the BarthHaas management's outlook for the near future is optimistic on the whole. Alexander Barth is pleased to report that in the USA many people have already been vaccinated and that life is finally returning to normal. He is confident that this will soon be the case in many other countries, too. "The easing of restrictions and the financial injections received by the economically strong nations in particular will stimulate consumption again. There is a lot of pent-up demand."

About BarthHaas

BarthHaas is one of the world's leading suppliers of hop products and hop-related services. Now led by the eighth generation, this family-owned company specialises in the creative and efficient use of hops and hop products. As visionaries, instigators and implementers of ideas, BarthHaas has been shaping the market surrounding a unique raw material for over 225 years.

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