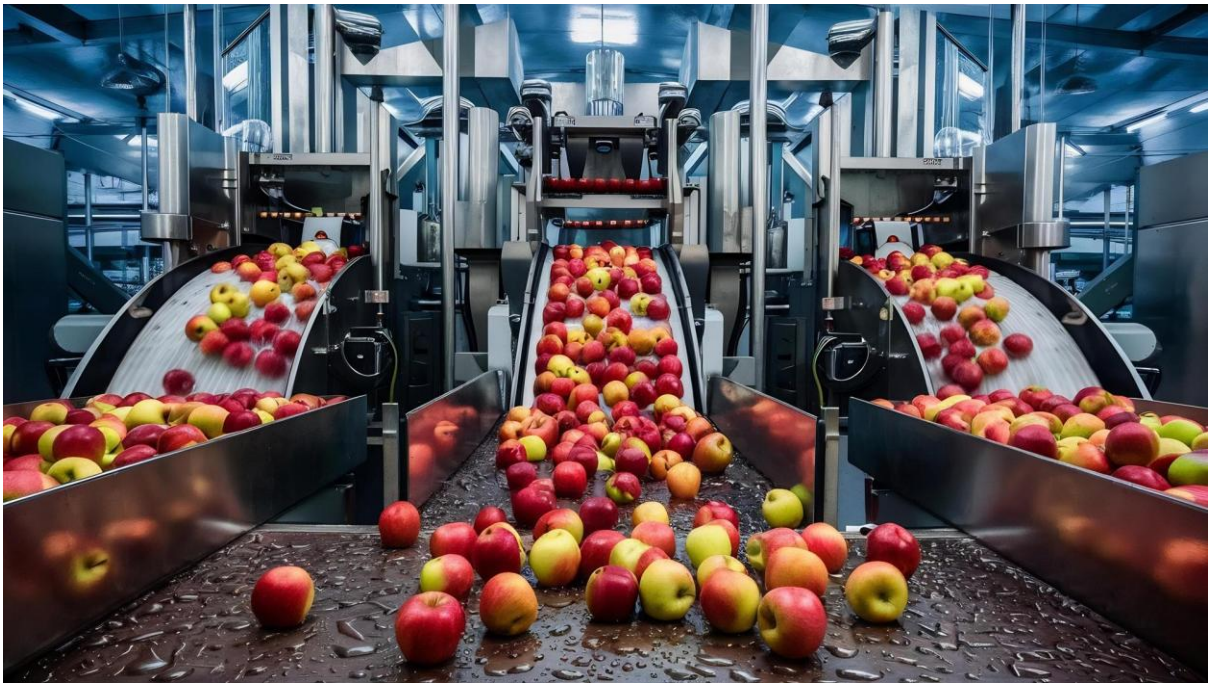
FutureBridge



NEWSLETTER APRIL EDITION 2026

Kottmeyer's Almanac *on* MIDSTREAM

The Boardroom Brief: What Global Midstream Food & Agribusiness C-Suite Needs to Know

EXECUTIVE SUMMARY: THE 11 STRUCTURAL THEMES OF MARCH 2026

Theme 1: Global Trade Architecture Is Rewriting Midstream Margin Structures
April 2, 2026 marks one year since Liberation Day, and the agriculture sector's trade balance is worse, not better. The U.S. agricultural trade deficit widened from $37B to $41B in 2025, a 10.8% deterioration. China's effective tariff on U.S. pork peaked at 172%, closing the market entirely. The USMCA July 2026 review is now a renegotiation, not a review. And all four ABCD traders, ADM, Bunge, Cargill, and LDC, guided 2026 profit below Wall Street consensus, all citing the same two variables: tariff-driven trade uncertainty and biofuel policy deferral. The midstream margin architecture built over the last 20 years has been repriced.

Theme 2: Processing Capacity Overbuild and the Biofuel Policy Inflection Point
The EPA finalized the 2026–2027 RFS Rule on March 26, setting biomass-based diesel at 5.4B gallons for 2026, the largest single-year jump in the program's history. But 5.2B gallons of installed renewable diesel capacity running at sub-60% utilization tells the structural story. UCO and tallow displaced an estimated 375M bushels of soybean demand. 45Z proposed regulations are in legal limbo. Pro Farmer's parallel to the 2000s ethanol overbuild is the most important framework for crush capital allocation in 2026.

Theme 3: Animal Disease Remains a Structural, Not Cyclical, Risk to the Protein Complex
HPAI losses exceeded 200M birds since 2022. Egg prices plunged 57% but spring migration resets the risk clock. Cal-Maine's record margins are a disease-driven windfall, not a structural competitive advantage. Tyson projects $500M in beef segment losses for the full year. JBS Pork posted record net sales. 605 HPAI outbreaks across Europe with Germany and France leading. The protein complex is being simultaneously squeezed by HPAI supply volatility and structural cattle supply tightness.

Theme 4: Soft Commodity Input Cost Shock, Coffee, Cocoa, and the Reformulation Imperative
Nestlé FY2025 reported a 130bps UTOP margin decline driven by coffee and cocoa input cost inflation. Arabica futures held above $4.30/lb with Brazilian supply failing to recover as expected. ICCO pivoted to a 75,000-tonne cocoa surplus in February 2026, but the damage to downstream processor economics had already been done. Unilever combined its food division with McCormick in a $44.8B deal, the largest food ingredient restructuring in a decade. DSM-Firmenich exited Animal Nutrition. Kerry doubled down on GLP-1 nutrition.

Theme 5: Grain Milling And Starch Processing, The Quiet Structural Reset Inside The Commodity Complex
While the agricultural world has been fixated on soybean crush capacity, biofuel policy, and protein processing margins, a quieter structural reset has been occurring in two of the oldest and most capital-intensive processing sectors in American food manufacturing: wheat flour milling and corn wet milling. In 2025, U.S. flour production fell to 419.2 million hundredweight, the lowest level since 2011. Mill utilization dropped to 85.2%, the lowest annual figure since 2019. Whole wheat flour production fell to a new record low. At the same moment, corn wet milling, a $90.8 billion global sector dominated by ADM, Cargill, Ingredion, and Tate & Lyle, is experiencing its own structural bifurcation: commodity HFCS and glucose volumes under secular demand pressure from GLP-1

adoption and clean-label reformulation, while specialty starches, functional fibers, and precision fermentation co-products represent the margin-accretive growth tier of the same processing assets.

Theme 6: Dairy Complex Transformation, Whey Boom, Cheese Overbuild, and the GLP-1 Catalyst

WPC80+ prices hit a record $11/lb and export values reached $14,097/MT in January, the co-product now earns more per unit than the primary milk output in some configurations. $11B in investment is flowing into 53 new U.S. dairy processing plants by 2028. GLP-1 drug users and fitness consumers represent a dual demand engine for structural whey shortage. Rabobank's Lucas Fuess is already warning that whey-led expansion is building toward a cheese oversupply.

Theme 7: Major Commodity Trader Repositioning, The ABCD+ Architecture Under Stress

All four major traders guided below consensus simultaneously, the first synchronized ABCD guidance miss since the 2015–2016 commodity trough. ADM's $40M SEC settlement closed the book on the accounting investigation but has rendered the nutrition segment uninvestable until restructured. Bunge-Viterra integration is advancing; port access and tolling renegotiations are where the hidden value lies.

Theme 8: Specialty Ingredients, Enzymes, and Functional Food M&A Dynamics

Unilever + McCormick's $44.8B combination resets the global flavor, condiment, and seasoning competitive map. DSM-Firmenich exited feed enzymes for €1.5B to focus capital on human nutrition. Kerry divested commodity operations and doubled on GLP-1. The food enzyme market is on track to grow from $2.98B to $4.20B by 2030 at 7.2% CAGR. Precision fermented dairy investment is surging, reframed from sustainability to supply chain resilience. The specialty ingredient sector is in the most compressed M&A cycle since 2014–2016.

Theme 9: U.S./EU Policy Stack and Regulatory Architecture Reshaping Processing Economics

The EPA RFS Rule, the 45Z tax credit battle, the Farm Bill extension through September 2026, and the FDA GLP-1 compounding crackdown are the four U.S. policy variables that simultaneously affect midstream margins in 2026. On the EU side, EUDR December 30, 2026 compliance, CBAM expansion, CSRD, and PFAS cost alarms are compounding a regulatory cost stack that now materially differentiates EU and U.S. processing economics. Farmer sentiment (Purdue/CME Barometer) dropped 23 points in January 2026 to its lowest level since September 2024.

Theme 10: Geopolitical Risk, Conflict Economics, and Supply Chain Resilience Architecture

The Iran conflict is not just a fertilizer story, it is a supply chain architecture stress test. Oliver Wyman's March 2026 analysis found that most food supply chains are single-source, inventory-thin, and contractually exposed. Russian wheat at 44+ MMT in exports continues to dominate global flour miller procurement. Brazil's corn export architecture is now permanent, not a substitution play. BCG and Kearney both published major supply chain resilience frameworks in Q1 2026, and both concluded that AI adoption in food supply chains is at only 15% of full industrialization potential.

Theme 11: Packaging & Packaging Equipment Shaping Midstream Processing

The packaging disruption cycle is not just a sustainability shift, it is a midstream value chain reset. Across March–April 2026 developments, fiber-based formats, bio-based materials, and advanced recycling are scaling beyond pilots into commercial reality, while innovations in inks, coatings, and barrier technologies are redefining performance standards. At the same time, geopolitical shocks such as the Strait of Hormuz disruption exposed packaging supply chains as petrochemical-dependent and logistically fragile. Industry moves, from ALPLA's regional expansion to Tetra Pak's

integrated capability buildout, show that localization and system integration are becoming structural, not tactical. Meanwhile, PMMI data indicates smart packaging equipment adoption is accelerating, but still below full potential. Collectively, margins are shifting from material production to **processing, technology, and supply chain control layers**.

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THEME 1:

GLOBAL TRADE ARCHITECTURE IS REWRITING MIDSTREAM MARGIN STRUCTURES

1. Liberation Day +1 Year: How the Tariff Architecture Is Structurally Repricing Agri-Food Midstream Margins

National Taxpayers Union / USDA Foreign Agriculture Service | *Read Article*

The U.S. agricultural trade deficit grew from $37 billion in 2024 to $41 billion in 2025, a 10.8% deterioration. From February to October 2025 alone, tariffs on imported farm machinery and agricultural chemicals increased input costs for U.S. producers by $958 million. A coalition letter from the country's leading farm organizations warns that "America's farmers, ranchers, and growers are facing extreme economic pressures that threaten the long-term viability of the U.S. agriculture sector. An alarming number of farmers are financially underwater, farm bankruptcies continue to climb."

> **SO WHAT:** For midstream companies, the first anniversary of Liberation Day is not a political story, it is a margin architecture story. Origination corridors built around bilateral trade assumptions with China, Mexico, and the EU have been permanently disrupted. Companies that structured processing capacity, logistics infrastructure, and working capital assumptions around pre-2025 trade flow models have been operating with the wrong inputs for twelve months. The midstream companies that are performing best in 2026 are those that started scenario-planning for trade bifurcation in late 2024 and built switching optionality into their origination and processing footprints.

> **NOW WHAT → FutureBridge:** OSINT can map current tariff exposure by processing input category, origination geography, and export destination, producing a tariff sensitivity model for every major midstream operator's asset footprint. TerraCaptus can track patent and regulatory filing activity from major ABCD competitors and regional processors to identify where capital is being redeployed in response to trade flow disruption, revealing strategic repositioning decisions before they appear in earnings calls or press releases.

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2. Impacts of US Tariffs on Global Agricultural Trade Flows

Choices Magazine (Agricultural & Applied Economics Association) | *Read Article*

Peer-reviewed analysis in Choices Magazine by the Agricultural and Applied Economics Association quantified the Liberation Day trade impact with academic precision. Under the Liberation Day scenario, U.S. agricultural exports fell by 39.1%, the most severe shock of any tariff scenario modeled. China's retaliatory 13% soybean tariff on U.S. beans, against Brazil's 3% MFN rate, created a 10-percentage-point structural cost disadvantage for U.S. soy. This is not a cyclical disruption. It is an origin-switching event with durable commercial consequences. Chinese crushers are building procurement contracts, logistics infrastructure, and forward delivery agreements around Brazilian origin that will not revert simply because tariffs normalize. During the period, intra-North American trade expanded due to Mexico and Canada's USMCA exemption, making the U.S.-Mexico-Canada grain and oilseed corridor simultaneously more important and more politically fragile.

> **SO WHAT:** The 10-point tariff differential between U.S. and Brazilian soybeans in the Chinese market is the most consequential structural repricing in the global oilseed origination business in 20 years. It is permanently accelerating Brazilian export infrastructure investment, accelerating Chinese crusher relationships with CARGILL, COFCO, and LDC's Brazilian operations, and

reducing the structural utilization rate of U.S. Gulf export infrastructure. For U.S.-based crush operators and grain merchandisers, this is not an export headwind to manage, it is a structural demand base reduction that requires a fundamental rethink of asset utilization models for Gulf terminals and interior origination corridors.

NOW WHAT → FutureBridge can build a real-time China soybean origin market share monitor, tracking U.S. vs. Brazil vs. Argentina weekly import data, correlating it with COFCO and Sinograin tender activity, and modeling the cumulative market share damage to U.S. origination infrastructure under continued tariff scenarios. This is a direct input into the capital allocation decisions of every ABCD and major cooperative grain handler operating U.S. export infrastructure.

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3. USMCA Under Pressure: July 2026 Review Has Become a Renegotiation, and Agriculture Is at the Center

CSIS Americas | *Read Article*

July 1, 2026 is the date the USMCA Free Trade Commission convenes for its first mandatory joint review, and what was designed as a 16-year renewal mechanism has evolved into a full renegotiation. The Baker Institute's analysis of strategic priorities confirms the stakes: intra-North American trade in goods and services totals $1.93 trillion annually, and 56.2 million jobs across the three countries depend on the agreement's continuity. For agriculture specifically, CSIS identifies three live disputes: U.S.-Canada dairy access friction (Canada's supply management protections), U.S.-Mexico biotech disagreements (corn for non-human consumption), and escalating scrutiny of Mexican avocado and seasonal fruit competition. The National Cattlemen's Beef Association's Kent Bacus confirmed to Brownfield that "the review is turning more into a renegotiation", and that the U.S. beef industry's full, unrestricted access to Canada and Mexico is now a negotiating variable rather than a settled baseline.

SO WHAT: For midstream companies operating North American integrated supply chains, particularly pork, beef, grain, and oilseed processors, the USMCA review is the most important policy event of Q3 2026. U.S. beef and pork exports to Canada and Mexico represent the best-performing export channels in the current tariff environment. Canada and Mexico together account for more than 40% of U.S. red meat export volume. If the review produces a weakened agreement, annual USMCA renewals starting in 2026, or new sector carve-outs, the North American protein trade architecture that midstream companies have built over 30 years is at structural risk, at precisely the moment when the Asian market has been closed by tariff retaliation.

NOW WHAT → FutureBridge Regulatory Prediction Intelligence can map the three active dispute vectors in the USMCA review, dairy, biotech corn, and seasonal produce, and model the probability-weighted outcome scenarios for each, with specific margin impact projections for U.S. beef, pork, and grain processing operations that are most exposed to disrupted North American access. This is a board-level risk quantification tool, not a policy-watching service.

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4. The IEEPA tariffs are dead, Now what?

Thomson Reuters | *Read Article*

In Learning Resources v. Trump, the U.S. Supreme Court ruled that the International Emergency Economic Powers Act (IEEPA) does not give the President authority to impose tariffs. The Court found that IEEPA's power to "regulate importation" does not clearly extend to taxation, especially for actions with major economic significance. As a result, tariffs imposed under IEEPA have been struck down. However, the decision leaves major practical questions unresolved. Businesses now face uncertainty over whether previously paid IEEPA tariffs will be refunded, with more than $175 billion potentially at stake. At the same time, the administration has already signaled plans to shift to other trade tools such as Sections 232 and 301, which still allow tariffs but involve slower and more structured legal processes

> **SO WHAT:** This ruling limits executive flexibility but does not reduce trade risk. Instead, it shifts businesses from one form of tariff uncertainty to another: possible refunds, new legal challenges, and replacement tariffs under alternative authorities. Companies should not assume relief is coming. Instead, they need to reassess tariff exposure, preserve refund options, and plan for a more fragmented, procedural, and still highly volatile U.S. trade environment.

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5. U.S. Pork Exports Open 2026 on High Note, But the Market Access Window Could Close Again

Oklahoma Farm Report / USMEF | *Read Article*

Despite the China market disruption, U.S. pork exports opened 2026 on a strong note. Japan, Mexico, Canada, South Korea, Australia, and the Philippines absorbed redirected U.S. pork volume at elevated values, and beef variety meat export value reached a record high in the early months of the year. January 2026 pork export value was running well above the prior year, driven by strong USMCA market performance and opportunistic penetration into secondary Asian markets. USMEF's Erin Borror noted that non-China markets have been absorbing the volume displacement, but with important caveats: at 57%+ Chinese tariffs, the volume going to secondary markets carries lower value per unit than the premium cuts China historically absorbed, and the USMCA market access that is offsetting the China gap is now itself under review.

> **SO WHAT:** The strong 2026 pork export opening is real, and it should not be dismissed. But it is a performance built on a fragile foundation of USMCA access that is under active renegotiation and secondary market absorption that carries lower per-unit value than the China premium channels it is replacing. The pork industry's 2026 export performance is structurally dependent on two policy outcomes simultaneously going right: USMCA stability and partial China re-engagement. If either deteriorates, the 2026 performance gap will materialize quickly and sharply.

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6. Louis Dreyfus Company Reports Resilient 2025 Results

Louis Dreyfus Company | *Read Article*

Louis Dreyfus Company (LDC) reported resilient 2025 results despite ongoing geopolitical and market challenges, with net sales reaching $53.2 billion and EBITDA at $1.83 billion. While profitability slightly declined year-over-year, volumes grew 10.6%, reflecting strong operational

performance. A key highlight was a near doubling of capital expenditure to ~$2 billion, focused on expanding processing, logistics, and downstream capabilities globally. Investments spanned North America (oilseeds, pea protein), South America (grains, citrus, logistics), Europe (acquisitions), and Asia (ingredient innovation and R&D). Sustainability also advanced, with ~9% emissions reduction and 98% deforestation-free sourcing. Overall, LDC is accelerating its transition toward a more diversified, integrated food and ingredients player.

> **SO WHAT:** LDC is shifting from a traditional commodity trader to a value-added, integrated agribusiness model. Heavy investments in processing, ingredients, and supply chain infrastructure signal a long-term bet on margin expansion and downstream growth. For the industry, this reflects a broader move toward vertical integration, sustainability-led sourcing, and protein/ingredient innovation, raising competitive pressure on peers to scale capabilities beyond trading into higher-value segments.

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7. Bunge forecasts 2026 profit below estimates on macroeconomic uncertainty

The Western Producer | *Read Article*

Bunge reported weaker earnings and a subdued 2026 outlook, reflecting ongoing challenges in global agribusiness markets. The company posted its lowest annual adjusted profit since 2019, with 2025 earnings falling to $7.57 per share, and forecast 2026 EPS of $7.50–$8.00, below analyst expectations. A global grain oversupply has depressed crop prices and squeezed processing margins, while trade tensions and uncertainty around U.S. biofuel policies have further disrupted demand and deal-making. Although Bunge's merger with Viterra boosted volumes and expanded capacity, profitability has been impacted by delays, policy ambiguity, and cautious customer behavior.

> **SO WHAT:** This highlights a margin squeeze phase in agribusiness where scale alone is not enough to drive profitability. Volatility in trade and biofuel policy is becoming a critical earnings driver, forcing companies to balance volume growth with margin discipline. Strategic focus will need to shift toward higher-value segments, policy navigation, and operational efficiency, as commodity cycles and regulatory uncertainty continue to pressure returns.

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8. Grain trader ADM's 2026 profit forecast lags expectations amid US biofuel policy uncertainty

Reuters | *Read Article*

Archer-Daniels-Midland's Q4 2025 and full-year 2026 guidance tell a story of two simultaneous structural problems converging on one company. The Ag Services and Oilseeds segment, ADM's largest business unit, posted a 31% YoY operating profit decline in Q4 to $444 million, driven by lower soybean export activity and weaker crush margins. The Nutrition segment posted an 11% decline to $78 million. Revenue for the quarter came in at $18.56 billion, missing estimates of $21.24 billion by 12.6%. For 2026, ADM guided adjusted EPS of $3.60 to $4.25, at the midpoint essentially in line with the $4.24 consensus, but with the lower end representing meaningful downside. The company's CEO explicitly flagged biofuel policy timing as the key variable: "The earlier we get policy clarity, the larger the opportunity to take advantage of what we have." ADM's

full-year 2025 adjusted EPS was $3.43, down 28% from the prior year. Total segment operating profit declined 23% to $3.2 billion.

> **SO WHAT:** ADM's situation is the most instructive case study in the April 2026 midstream landscape because it illustrates what happens when a company's growth strategy, the nutrition segment buildout, encounters a governance failure simultaneously with its core processing business encountering structural margin compression. ADM spent the last decade building a premium-multiple justification through specialty nutrition, fermentation, and flavor ingredients. The SEC settlement and the subsequent strategic review of that segment have stripped the premium off at precisely the moment when the core oilseed and grain processing business faces its own structural headwinds from biofuel policy delay and tariff-driven export volume loss. There is no cushion. The margin compression is hitting both the premium segment and the commodity segment at the same time.

> **NOW WHAT** → FutureBridge's Company Genomics can map the full strategic architecture of ADM's post-settlement portfolio repositioning, tracking the nutrition segment assets that are being reviewed for divestiture, the processing assets where cost savings are being targeted, and the biofuel policy scenarios that would most rapidly restore Ag Services margin. This is a competitive intelligence product for every company that competes with ADM for ingredient customers, processing capacity, or acquisition targets in the $3.60–$4.25 EPS recovery scenario.

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9. Sugar and Sweetener Trade Volatility

International Sugar Organization | *Read Article*

The global sugar market in early 2026 was marked by significant volatility driven by policy shifts in major producers like Brazil and India, including export restrictions and increased diversion of sugarcane toward ethanol production. This disrupted global supply availability and pushed buyers to diversify into alternative sweeteners such as high-fructose corn syrup (HFCS) and stevia.

> **SO WHAT:** In this environment, midstream actors, including traders, refiners, and storage operators, captured disproportionate value by leveraging inventory timing and geographic arbitrage. The ability to store, hedge, and redirect flows became more important than production itself, reinforcing the role of midstream infrastructure in determining margin outcomes

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THEME 2:

PROCESSING CAPACITY OVERBUILD AND THE BIOFUEL POLICY INFLECTION POINT

10. Clean Fuels Applauds EPA's Final 2026-2027 RFS Rules

Clean Fuels Alliance America | *Read Article*

For 2026, the EPA finalized a biomass-based diesel volume of 5.4 billion gallons, equivalent to 8.86 billion total RINs when including the advanced fuel category overage. For 2027, the mandate steps to 5.7 billion gallons and 8.95 billion RINs. To achieve this, the EPA also reallocated 70% of volumes previously exempted via small refinery exemptions from 2023–2025 back into the 2026 and 2027 percentage standards, increasing actual blending obligations on refiners above what the headline gallon number implied. This is the largest single-year step-change in biomass-based diesel mandate in the RFS program's history, exceeding the 2.0+ billion-gallon jump from 2025's 3.35 billion gallon mandate.

> **SO WHAT:** The EPA mandate is the policy signal the biofuel processing sector has been waiting for since the 45Z tax credit confusion paralyzed investment decisions in 2025. But a mandate is demand-creating only if the infrastructure, the tax credit architecture, and the feedstock supply signals all align simultaneously. The RFS mandate is now confirmed. The 45Z credit proposed regulations arrived February 2. The missing piece is the USDA carbon intensity calculator, the specific number that will determine the per-gallon credit value for soybean oil-derived renewable diesel. Until that calculator is finalized, soybean oil's credit value relative to tallow and UCO remains uncertain, and crush operators cannot make fully-informed capital decisions about feedstock procurement strategy for the 2026–2027 plant operating window. The EPA mandate created the demand floor. USDA needs to build the floor's structure.

> **NOW WHAT** → FutureBridge Regulatory Prediction Impact can model three USDA carbon intensity calculator outcome scenarios, soybean oil CI score at 40g, 50g, and 60g CO_2e/MJ, and translate each into specific per-gallon 45Z credit values, feedstock competitive positioning against tallow and UCO, and crush plant EBITDA impact at current board crush margins. This is the single most financially consequential regulatory variable for U.S. oilseed processors in 2026.

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11. March WASDE Recap: Corn Ending Stocks Unchanged at 2.227 Billion Bushels, Abundance Is the Structural Baseline

Southern Ag Today | *Read Article*

The March 2026 WASDE confirmed what the January USDA report first established: corn ending stocks for 2025/26 remain at 2.227 billion bushels, the highest level since the 2018/19 marketing year. The report made no changes to U.S. corn supply or use, though it raised Brazilian corn production by 1 million metric tons and global corn ending stocks by 3.77 million metric tons. For soybeans, the March WASDE was similarly static, no changes to U.S. supply or use, while Brazil's soybean crop was reduced by 1 million metric tons. The report confirmed a supply-abundant, demand-uncertain environment that continues to depress origination margins and keep basis levels compressed for interior grain handlers and crush operators. At $4.20/bushel for March corn futures and $10.52/bushel for March soybeans at the time of the January NOPA crush release, the commodity price environment is one of the most challenging for origination economics since the pre-COVID era.

> **SO WHAT:** The March WASDE's lack of change is itself newsworthy. In a market where traders and processors are searching for a catalyst to tighten the balance sheet, a weather event in Brazil,

an unexpected Chinese purchase, a USDA revision, the absence of change confirms that supply abundance is the structural baseline, not a temporary condition. For crush operators, the combination of ample soybean supply, compressed crush margins from soyoil stock builds, and meal oversupply from record-pace crushing creates a margin environment where only the lowest-cost, most efficiently-positioned plants are generating acceptable returns. Scale and logistics access, not just capacity, are the margin determinants in this environment.

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12. USDA Forecasts 17% Boost in Soybean Oil Use for Biofuel in 2026/27, But the First-Half Policy Gap Is the Real Variable

Biomass Magazine | *Read Article*

The USDA's Grains and Oilseeds Outlook, presented at the February 2026 Outlook Forum, forecasts soybean oil used for biofuel to increase 17%, reaching 17.3 billion pounds in the 2026/27 marketing year. U.S. soybean production is forecast to grow, supported by nearly 4 million additional planted acres and higher yields, with crush rising to 2.655 billion bushels. For context, NOPA's January 2026 record crush of 221.564 million bushels, up 10.6% YoY, already suggests the crush pace is running well ahead of even the USDA's optimistic full-year forecast, with crush analysts at Stag Securities raising their 2025/26 crush forecast to 2.605 billion bushels based on January's pace alone. But Terrain Ag economist Bree Baatz adds the critical qualification: "Because of the lack of clarity on federal tax incentives and qualifying feedstocks, soyoil demand will be limited in the first half of 2026." The USDA's 17% biofuel demand increase is a full-year number that is backloaded, with H2 2026 needing to dramatically outperform H1 to hit the annual target.

SO WHAT: The USDA forecast is correct in direction and may prove correct in magnitude, but the timing profile within the year matters enormously for crush operators managing working capital, forward contracts, and soyoil merchandising. A backloaded 2026 means that soyoil stocks, already at 1.9 billion pounds and 49.1% above year-ago levels as of January 31, will continue to build through H1 before biofuel demand catches up. That soyoil stock build is a margin suppressant for crush operators in Q1 and Q2, regardless of what the full-year outlook says. Plants with the balance sheet strength to carry elevated soyoil inventory through H1 will benefit most when biofuel demand accelerates in H2, which is, once again, a structural advantage for the ABCD operators over smaller regional crushers.

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13. Soy Crush Expansion Draws Ominous Parallels to the Ethanol Boom, and Here Are the Critical Differences

Pro Farmer | *Read Article*

Pro Farmer published a structured comparison between the current U.S. soybean crush capacity expansion and the 2000s ethanol overbuild. University of Illinois agricultural economist Scott Irwin draws the structural parallel with precision: both expansions were driven by mandated demand signals (RFS for ethanol; RFS + 45Z for soy crush); both attracted capital from non-traditional entrants who underestimated feedstock competition; both created capacity that was economically viable only at mandate-supportive policy levels. The critical differences Irwin identifies: renewable diesel has multiple feedstocks (UCO, tallow, canola, palm), not just one; the RD blending rate cap at

5% is lower than ethanol's 10%; and the 45Z credit architecture is more politically fragile than the ethanol mandate ever was. The ethanol overbuild produced a decade of sub-cost-of-capital plant economics and over 60 plant bankruptcies between 2008 and 2012.

> **SO WHAT:** The ethanol parallel is the most important risk framework for soybean crush capital allocation in 2026, and it deserves to be taken more seriously than the industry is currently taking it. The RFS mandate finalization has produced legitimate optimism, but optimism about a policy mandate is not the same as optimism about a competitive market. When ethanol capacity was overbuilt, it was built by operators who were correct that the mandate would require ethanol, but wrong about what the blending economics would do to per-unit margins when multiple plants competed for the same corn. The soy crush analog: multiple new entrants are building crush capacity to supply soybean oil into a mandate that is real, but competing with UCO, tallow, canola, and palm oil for the same RD production slots. The ABCD operators who already have scale, logistics, and feedstock flexibility will compress the margins of the new entrants first.

> **NOW WHAT → FutureBridge:** TerraCaptus can map every patent and capital expenditure filing associated with new U.S. soybean crush capacity construction, identifying which new entrants are building single-feedstock crush plants versus multi-feedstock facilities, and modelling which specific plants are most exposed to the overbuild margin scenario if soybean oil's 45Z credit value comes in below expectations. This is a direct competitive intelligence product for existing crush operators and their lenders.

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14. Renewable Diesel Policy Uncertainty Clouds Soybean Crush Outlook

AllAgNews | *Read Article*

Terrain Ag economist Bree Baatz provided one of the most commercially precise data points of the quarter: an estimated 375 million bushels of annual soybean demand has been displaced by used cooking oil (UCO) and beef tallow in renewable diesel production. The mechanism is straightforward: because UCO and tallow carry lower carbon intensity scores than soybean oil under the prior blender's tax credit and California LCFS frameworks, RD producers preferred them as feedstocks, and imported UCO from China and Southeast Asia at volumes that systematically undercut soybean oil's feedstock position. The EPA's final RFS rule includes an import RIN reduction mechanism, a penalty on imported feedstocks, but the specifics of implementation remain in the 45Z proposed rulemaking. California's July 2025 20% vegetable oil cap on LCFS-eligible biofuels compounded the displacement, removing approximately 45 million bushels of soybean demand from the California RD market alone.

> **SO WHAT:** The 375 million bushel demand displacement number should be read alongside the record January crush pace and the 49.1% soyoil stock build to understand the full structural picture. Crushers are crushing more soybeans than ever before, but the processing sector's oil output is accumulating in tanks because the biofuel sector that was supposed to absorb it has been preferring imported UCO. The 45Z credit reform, which removes the ILUC penalty on soy and tightens feedstock eligibility to North American origin, is designed specifically to correct this displacement. If it works as designed, the 375 million bushels of displaced demand returns to soybean oil, which is a very large demand catalyst. If it is delayed, challenged legally, or structured in a way that still allows UCO to dominate on carbon scores, the stock build continues.

NOW WHAT → FutureBridge OSINT can build a real-time UCO import monitor, tracking Chinese UCO export volumes by destination, EPA import verification request data, and LCFS credit trading patterns, to give crush operators a weekly signal of how fast the imported feedstock displacement is actually reversing in response to the new policy architecture.

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15. 45Z Proposed Regulations: ILUC Removal Effectively Doubles the Soy Credit, If Treasury Finalizes It as Proposed

AgBull Trading | *Read Article*

On February 2, 2026, the Treasury Department and IRS released a 170-page proposed rulemaking for the Section 45Z Clean Fuel Production Credit, the most consequential biofuel tax policy document since the IRA's original passage. The critical change: the proposed rule removes the indirect land use change (ILUC) penalty that had been applied to soy-based biofuel feedstocks in the prior guidance. NOPA President Devin Mogler stated directly: "Removing the ILUC penalty will effectively double the value of the 45Z tax credit for soy-based biofuels."

SO WHAT: The 45Z proposed rule is the most bullish single policy document for U.S. soybean crush economics in years, but it is still proposed, not final. The comment period, the GREET model update, and the risk of legal challenge from UCO and tallow producers who lose their feedstock competitive advantage under the new rules all create execution risk between the proposal and the commercial reality. Companies that are positioning crush capacity expansion decisions based on the full 45Z credit value are making a bet that the proposal finalizes as written, a bet with real upside but meaningful regulatory risk. The critical timeline: USDA GREET model update expected Q2 2026; Treasury final rule expected H2 2026; full commercial certainty unlikely before late 2026 at the earliest.

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16. December U.S. Ethanol Exports Surge Near Record as DDGS Demand Softens

Renewable Fuels Association December Trade Monitor | *Read Article*

U.S. ethanol exports rose 4% in December 2025 to 220.3 million gallons, the second-highest monthly volume on record, trailing only the 234 million gallon record set in 2024. Canada remains the largest destination at 66.4 million gallons. The EU absorbed 42.7 million gallons. For the full year 2025, U.S. ethanol exports reached the highest annual volume on record. But DDGS, the co-product that completes the ethanol plant economics, is showing demand softening, and the reason points directly back to China tariffs. DDGS exports to China were essentially closed under the current retaliatory tariff architecture. India has emerged as a new DDGS export corridor, India's DDGS imports surged from 16,556 tonnes in 2022 to 354,110 tonnes in 2025, but this is a partial offset for a much larger structural demand loss from China, which historically absorbed over 50% of total U.S. DDGS exports in peak years.

SO WHAT: The ethanol export record is genuine and commercially significant. But it masks a widening bifurcation in ethanol plant economics: plants with access to export infrastructure (barge, rail, Gulf terminal) are capturing the strong international demand at favorable netbacks; landlocked interior plants are selling into a domestic market that faces both competition from imported ethanol

in coastal markets and compressed DDGS co-product pricing from the China tariff closure. The two-tier ethanol plant economics story, export-accessible plants vs. landlocked plants, is the structural margin story for the ethanol sector that doesn't appear in the headline export record number.

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17. EU European Oilseed Processing Under Energy Compression: $10–14/MMBtu vs. U.S. $3–4/MMBtu Creates a Structural Investment Diversion

NAM "Manufacturers Feed America" / Reuters | *Read Article*

The NAM's February 2026 "Manufacturers Feed America" report crystallized the energy cost differential that is reshaping global midstream processing investment flows. U.S. natural gas prices are averaging $3–4/MMBtu. European prices remain at $10–14/MMBtu. For energy-intensive midstream processing operations, oilseed crushing, protein concentration and drying, specialty fat refining, fermentation-based ingredient production, and enzyme manufacturing, this 3x to 4x energy cost differential is not a temporary advantage. It is a structural investment decision variable.

SO WHAT: For European oilseed processors, including the large integrated operations of ADM, Bunge, Cargill, and LDC in Germany, the Netherlands, and Eastern Europe, the energy cost differential is compounding the structural margin pressure from grain oversupply and biofuel policy uncertainty. European crush margins are being compressed from both sides: input energy costs above $10/MMBtu and output soyoil and meal prices set by global commodity markets that price off U.S. production costs.

NOW WHAT → FutureBridge can build a U.S. vs. EU midstream processing investment framework, quantifying the energy cost differential impact on EBITDA margin for each processing category (crush, protein drying, fermentation, enzyme production) and identifying which specific midstream operations are most likely to see capacity investment shift toward U.S. sites in the 2026–2030 window. This is a directly actionable advisory product for PE and strategic investors evaluating midstream capital deployment geography.

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18. Louis Dreyfus Timbúes Multi-Feedstock Line: How to Run a Crush Plant Year-Round When Soy Season Ends

Oil World | *Read Article*

Louis Dreyfus Company's announcement of a new seed processing line at its Timbúes complex in Santa Fe, Argentina offers one of the most instructive operating-model innovations in the global oilseed processing sector. The new line enables the 7,000 tonne/day soybean complex to process 3,000 additional tonnes per day of high-oil seeds, camelina, carinata, rapeseed, and sunflower, during off-season months when soybean throughput slows. The operational logic is compelling: instead of running a $500M+ processing asset at reduced capacity during non-soy season, LDC can fully utilize fixed costs by switching feedstocks. The oil output from camelina and carinata is specifically positioned for sustainable aviation fuel and hydrotreated vegetable oil production, both

SAF and HVO are the highest-value renewable fuel categories under emerging European and CORSIA carbon frameworks.

> **SO WHAT:** The Timbúes multi-feedstock line is a capital efficiency story, an energy transition story, and a competitive intelligence story simultaneously. LDC is building the operating flexibility to participate in the SAF and HVO markets, the next wave of biofuel demand growth after renewable diesel, without building a new dedicated facility. For U.S. crush operators investing in dedicated single-feedstock soybean crush facilities, the Timbúes model is a direct challenge: LDC is demonstrating that the most capital-efficient processing model of the next decade is multi-feedstock versatility, not soy-only scale. The implications for future crush capacity investment criteria are significant.

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19. Clean Fuels Alliance America: 8.86 Billion RINs for 2026, The New Baseline for Every Crush Plant Capital Model

Clean Fuels Alliance America | *Read Article*

The Clean Fuels Alliance (the trade organization representing biodiesel and renewable diesel producers) issued the sector's definitive response to the EPA's March 27 finalization: "The most robust biomass-based diesel volumes in RFS program history will drive rural economic recovery and energy security." The 8.86 billion RIN requirement for 2026, up from 5.36 billion RINs in 2025, a 65% increase, creates a demand mandate that, if met through domestic production, requires approximately 5.4 billion gallons of biomass-based diesel. NOPA's own study confirms that the current domestic feedstock supply, soybean oil, tallow, UCO, and other fats and oils, can support 4.3 billion gallons annually, rising to 5.7 billion gallons with full crush capacity expansion by 2030. The math suggests the mandate is achievable, but it requires the 45Z credit finalization to close the remaining feedstock competitiveness gap with imported UCO.

> **SO WHAT:** The 8.86 billion RIN mandate is the number that every crush plant capital model needs to anchor to. It establishes a demand floor for biomass-based diesel that is 65% above 2025 levels, which is a very large demand signal. But the distribution of that demand between domestic soybean oil, imported UCO, tallow, and other feedstocks will be determined by the 45Z credit final rule and the USDA carbon intensity calculator, not by the RFS mandate alone. Crush operators who assume that the 8.86 billion RIN demand automatically flows to soybean oil are assuming that depends entirely on a tax credit architecture that is not yet final. The RFS mandate is the ceiling. The 45Z architecture determines the floor for soybean oil's share of that ceiling.

> **NOW WHAT** → FutureBridge Regulatory Prediction Impact can build a feedstock share model under the 8.86 billion RIN mandate, projecting soybean oil's capture rate at three 45Z credit value scenarios and mapping the resulting demand signal for U.S. soybean crush capacity against NOPA's 2025/26 crush pace. This gives every crush operator, ABCD grain merchandiser, and biofuel producer a defensible planning baseline rather than a policy hope.

THEME 3:

ANIMAL DISEASE REMAINS A STRUCTURAL, NOT CYCLICAL, RISK TO THE PROTEIN COMPLEX

20. HPAI: 200 Million Birds Lost, The Disease That Became a Structural Supply Chain Variable

American Farm Bureau Federation | *Read Article*

Since HPAI H5N1 first swept through U.S. commercial poultry in 2022, the cumulative toll has exceeded 200 million birds, the largest animal disease loss in U.S. agricultural history. The 2025 wave was the most severe, driving retail egg prices to a near-record $5.89 per dozen and triggering a national food security conversation. By early 2026, the outbreak is measurably improving: detections in January and February 2026 totaled 15.5 million birds, down 56% from the same period in 2025.

> **SO WHAT:** HPAI has permanently changed the operating cost structure of the U.S. egg and poultry processing sector. The biosecurity infrastructure, surveillance systems, depopulation protocols, and insurance architecture that the industry has built since 2022 represent a structural fixed cost that did not exist before the outbreak cycle began. These costs do not go away when the disease recedes, they become the new operating baseline for every commercial layer, broiler, and turkey operation in the country. The industry that emerges from the 2022–2026 HPAI cycle will have permanently higher operating costs per bird, permanently higher insurance premiums, and permanently higher regulatory compliance requirements than the industry that entered it. The margin compression from HPAI is not just a revenue story, it is a permanent cost structure story.

> **NOW WHAT → FutureBridge:** Consumomics can model the consumer demand behavioral response to egg price normalization, tracking which egg-containing product categories are recovering fastest in foodservice and retail, and identifying which manufacturers accelerated reformulation away from egg ingredients during the price spike and are now facing a reversion decision as egg costs fall back to normal levels. The reformulation reversal window is a specific commercial opportunity for egg processors and ingredient manufacturers.

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21. Egg Prices Plunge 57%, But Experts Warn a New Bird Flu Surge Could Strike Anytime

Michigan Ag Today | *Read Article*

The 57% decline in retail egg prices from $5.89 to $2.50 per dozen between early 2025 and February 2026 is the most dramatic price reversal in the egg market in modern history. Texas A&M AgriLife Extension economist David Anderson confirmed the recovery is real: "We have more birds compared to last year because producers around the country haven't been hit as hard by HPAI. There are a lot of eggs out there." Egg production in February reached 8.36 billion eggs, up from the prior year. Chick placements, incubated eggs, and pullet placements are all running ahead of last year, rebuilding the laying flock pipeline.

> **SO WHAT:** The egg market in April 2026 is in a classic "eye of the storm" position, prices are normalized, flock is rebuilding, and every indicator points to recovery. The commercial risk is that the recovery creates complacency just as the highest-risk HPAI transmission season begins. For food manufacturers that buy eggs as a B2B ingredient, bakeries, mayonnaise producers, pasta manufacturers, prepared food companies, the strategic question is not whether to lock in egg supply at current lower prices, but how much forward coverage to carry against the probability of a spring HPAI spike that would reverse the price decline within weeks.

22. EU Europe’s 2025–2026 HPAI season: Declining poultry outbreaks amid persistent wild bird circulation and emerging mammalian spillover

BEACON **|** *Read Article*

While the U.S. HPAI situation is improving, Europe's outbreak architecture remains structurally different, and structurally more damaging to individual processing operations. Between August 2025 and January 2026, Beacon Biosurveillance recorded 605 HPAI outbreaks in commercial poultry, 132 outbreaks in captive birds, and 4,584 wild bird cases across 31 European countries. Germany led with 177 outbreaks, followed by France (112), the UK (92), Poland (62), and Italy (51).

SO WHAT: The EU HPAI situation matters for U.S. midstream operators for two reasons. First, EU poultry supply tightness creates export opportunities for U.S. chicken and turkey processors, where tariff architecture permits, and the window is real but time-limited. Second, the divergence in biosecurity regulatory architecture between the EU and U.S. is creating a structural competitive advantage for U.S. poultry processors in third-country markets where EU processors face certification and market access complications that U.S. processors do not. Understanding exactly which EU processors are operationally restricted, and for how long, is a direct commercial intelligence need for Tyson, Pilgrim's Pride, and the major U.S. poultry exporters.

NOW WHAT → FutureBridge regulatory intelligence can monitor EU HPAI regionalization decisions, market status certifications, and third-country trade partner responses, cross-referenced with USDA APHIS outbreak data, producing a comparative map of where EU and U.S. poultry products are winning or losing export market access in real time. This is a specific, monetizable competitive intelligence product for the largest U.S. poultry processors.

23. Tyson Foods Q1 FY2026: Beef Division Posts $319 Million Loss as U.S. Cattle Herd Hits 74-Year Low

FoodIngredients First **|** *Read Article*

Tyson Foods' Q1 FY2026 results, for the quarter ending December 27, 2025, delivered the starkest single data point in the U.S. meat processing sector: a $319 million operating loss in the beef division, more than 12 times the $26 million loss recorded in the same quarter a year earlier. Total Q1 net sales were $14.3 billion, up 5.1%, driven by chicken's fifth consecutive quarter of volume gains and prepared foods brands (Jimmy Dean, Hillshire Farm) posting their strongest quarterly performance in over a year. Beef sales rose 8% to $5.77 billion, more revenue, less margin, as cattle procurement costs surged by approximately $850 million versus the year-ago quarter. The root cause: the U.S. cattle herd fell to 86.2 million head in January 2026, the lowest level since 1951, after years of drought forced ranchers to liquidate breeding stock rather than rebuild. Tyson's response: closed its Lexington, Nebraska plant, targeting cost reduction. The Trump administration responded by opening tariff-free Argentine beef imports. For the full year FY2026, Tyson guided beef segment operating income of –$250 million to –$500 million, a full-year loss range that represents the most severe structural beef margin compression in a publicly traded U.S. packer in modern history.

SO WHAT: Tyson's beef loss is not an execution failure, it is a structural cattle cycle problem that no amount of operational efficiency can solve. When the U.S. cattle herd is at its lowest level since 1951, beef packers are bidding against each other for fewer cattle, paying record prices per head, and unable to pass through the full input cost increase to retail prices without triggering further demand substitution to chicken and pork. The Lexington plant closure and the Argentine beef import authorization are both responses to a structural supply problem that will not resolve before the cattle breeding herd has had 2–3 full reproductive cycles to rebuild, a process that takes 4–6 years from the trough. For competing packers, JBS USA Beef, Cargill Beef, and NBPCO, the dynamics are identical. The entire U.S. beef packing sector is running at structurally negative or near-zero margins in 2026, and it is a condition, not a quarter.

NOW WHAT → FutureBridge: Consumomics can model the consumer demand substitution response to sustained beef price premiums over chicken and pork, mapping the category switching curves by retail format, occasion type, and demographic cohort to give beef packers a forward view of exactly how much volume demand destruction is structural versus recoverable when cattle prices eventually normalize.

24. JBS FY2025: Record $86.2 Billion Revenue, and the Pork Division Is the Brightest Spot in the Portfolio

Stock Titan | *Read Article*

JBS NV reported full-year 2025 net sales of $86.2 billion, a new record, with adjusted EPS of $2.10 and a return on equity of 25.3%. Q4 2025 revenue was a record $23.06 billion, up 15.5% YoY. But the profitability story diverges sharply from the revenue story: Q4 adjusted EBITDA fell 7% to $1.72 billion, and EBITDA margin compressed from 9.2% to 7.4%, a direct reflection of the U.S. cattle supply tightness squeezing JBS USA Beef margins simultaneously with Tyson. The division that stands apart: JBS USA Pork. The company reported record annual net sales for the pork division and its highest Q4 net sales on record, supported by strong domestic demand, expanded value-added and branded product portfolio performance, and solid execution on the Iowa bacon/breakfast sausage plant acquisition. JBS USA Pork's margins remained "in line with historical levels", the clearest endorsement of the pork processing economics environment in the entire protein complex.

SO WHAT: JBS's full-year results tell the bifurcated protein processing story in a single earnings release. Beef is a structural loss center. Pork is a structural profit center. Chicken (Pilgrim's Pride) and processed protein (Seara) are growth engines. The JBS portfolio has effectively built a natural hedge against the beef cycle trough, its diversification across beef, pork, chicken, and processed proteins means that no single protein market dislocation can destroy the consolidated P&L. For single-protein processors, independent beef packers, regional pork processors, dedicated poultry integrators, the JBS model raises the strategic question of whether diversification is now the price of entry for large-scale protein processing survival through multi-year cycle troughs.

25. Smithfield Foods: $1.3 Billion Sioux Falls Investment Is the Most Consequential Pork Processing Capital Commitment in Years

GlobeNewswire **|** *Read Article*

On February 16, 2026, Smithfield Foods announced it had initiated the approval process to build a new state-of-the-art packaged meats and fresh pork processing facility in Sioux Falls, South Dakota, at a preliminary investment of up to $1.3 billion over three years. The new facility will replace the existing Sioux Falls plant, which has operated for more than 100 years, employing 3,200 people and generating $200 million in annual wages. The proposed facility will be located in Foundation Park, a 1,000+ acre heavy industrial park in northwest Sioux Falls.

SO WHAT: The $1.3 billion Smithfield Sioux Falls decision is simultaneously a capital efficiency story, an automation story, and a competitive signal. At a time when U.S. beef processing margins are deeply negative and the entire pork sector is navigating China market access disruption, Smithfield's decision to commit $1.3 billion to a new, highly automated pork processing facility signals management's conviction that the long-run North American pork processing economics are structurally sound, even if the export architecture is turbulent. The automation and efficiency thesis is also a labor economics thesis: the new facility is designed to reduce dependency on the large, geographically concentrated labor force that makes legacy plants structurally vulnerable to labor market disruptions, public health events, and regulatory pressure. Smithfield is building the processing plant architecture of the 2030s, not the 2000s.

NOW WHAT → TerraCaptus can map Smithfield's patent filing activity in processing automation, food safety technology, and packaged meat manufacturing systems, providing a forward view of the specific technology platforms being embedded in the new Sioux Falls facility and identifying which of Smithfield's competitors are filing in similar technology spaces, signaling parallel automation investment strategies across the pork processing sector.

26. Power of Meat 2026: $112 Billion in Retail Sales, Consumers Are Recalibrating, Not Retreating

Food Industry Association **|** *Read Article*

The 21st Annual Power of Meat report, released at the Annual Meat Conference on March 2, 2026, delivered the headline that defines the retail protein category: $112 billion in total 2025 meat sales, up 6.8% in dollars and 2% in pounds. Fresh meat alone reached $79.5 billion, up 9.1%. Beef remained the largest category at $45 billion, followed by chicken at $20.7 billion and pork at $8.7 billion. Processed meats totaled $32.4 billion, up 1.4%, with bacon leading at $7.1 billion. Across all formats, nearly every U.S. household purchased meat during the year, averaging more than 56 shopping trips annually. 210 Analytics' Anne-Marie Roerink identified the critical consumer behavioral shift: "More than anything, we are not seeing people walk away from the meat department, but we are seeing recalibration of spending through money-saving efforts." The generational data is the forward-looking story: Millennials and Gen Z accounted for 67% of unit growth in 2025, and Millennials are poised to overtake Boomers as the majority spending cohort within two years.

SO WHAT: The Power of Meat 2026 data is the most important single counterpoint to the "consumers are trading down from meat" narrative. They are not leaving the category, they are changing how they shop within it: more ground formats, more value cuts, more private label, more

occasion-based purchasing. For protein processors, the $112 billion retail ceiling and the Millennial generational transition create a dual planning variable. The volume floor is structurally intact. But the product mix, the pack size, and the value architecture that captures Millennial and Gen Z spending is fundamentally different from the Boomer purchase pattern that built the category to $112 billion. Processors and retailers that solve the Millennial protein value equation first will compound their market share advantage as the generational spending transfer accelerates over the next five years.

27. USDA ERS Livestock, Dairy and Poultry Outlook March 2026: Beef Supply Tightness Persists Through 2027 at Minimum

USDA Economic Research Service | *Read Article*

The USDA ERS Livestock, Dairy and Poultry Outlook for March 2026 confirmed the structural protein market picture across all three major categories. For beef: slaughter pace is declining as the cow herd contraction reduces available animals, commercial beef production forecasts for 2026 are below 2025, and fed cattle prices remain historically elevated, sustaining packer margin compression. For pork: production is expanding, largely driven by record hog weights and steady farrowing operations.

SO WHAT: The USDA ERS March outlook is the planning baseline that every protein processor's executive team should be using for 2026–2027 capacity utilization modeling. Beef processors need to model continued negative or near-zero margins through 2027. Pork processors have a volume growth window. Poultry processors need to model a spring HPAI risk premium into their H1 2026 earnings forecasts while building for the H2 recovery that improved biosecurity and flock rebuilding supports. The asymmetry between beef structural tightness and pork/poultry cyclical recovery is the single most important planning variable for any diversified protein processor's 2026 capital allocation decisions.

28. Hog Market Eases After Seven-Session Rally, Packer Margin Compression Reflects a Different Dynamic Than Beef

The Pig Site | *Read Article*

Lean hog futures eased in late February 2026 following a seven-session rally that had pushed prices to their highest levels since mid-2024. Chicago Mercantile Exchange (CME)'s packer margin estimates in the pork sector told a nuanced story compared to beef: while beef packer margins were deeply negative, driven by a structural cattle supply deficit, pork packer margins were compressed but not catastrophic. The compression in pork came from a different mechanism: seasonal slaughter pace running ahead of cold storage capacity, retail feature activity softening after the holiday season, and China export market access uncertainty creating forward booking hesitancy among export-oriented packers. The pork market's margin pressure is demand-side and cyclical, not supply-side and structural. Q1 2026 packer margins across beef were running at losses approximating $100–$200 per head; pork margins were compressed but positive for most operators.

SO WHAT: The contrast between beef and pork packer economics in Q1 2026 is the clearest evidence of the structural bifurcation within the U.S. protein processing complex. Beef is a structural problem that demands strategic responses: plant closures, automation investment, capacity rationalization, and demand substitution management. Pork is a cyclical problem that

rewards operational patience: managing slaughter pace, maintaining export channel relationships through the China tariff disruption, and building the value-added and branded portfolio that generates margin premium above commodity pork prices. The processors that are misreading pork's cyclical challenge as a structural crisis, and underinvesting in capacity and branding accordingly, will be at a competitive disadvantage when the China market partially reopens and the North American pork supply expansion generates volume that needs profitable processing outlets.

THEME 4:

SOFT COMMODITY INPUT COST SHOCK, COFFEE, COCOA, AND THE REFORMULATION IMPERATIVE

29. Nestlé FY2025: Coffee and Cocoa Inflation Drives 130bps UTOP Margin Decline, and Accelerates the Four-Category Portfolio Refocus

GCR Magazine **|** *Read Article*

Nestlé's full-year 2025 results delivered the clearest single earnings statement of what sustained soft commodity inflation does to the world's largest food company. Total sales fell 2% to CHF 89.49 billion ($115.45 billion). UTOP margin compressed 110 basis points to 16.1%. Gross profit margin fell 110 basis points to 45.6%. Net profit declined 17.0% to CHF 9.03 billion, and EPS fell 16.3% to CHF 3.51. The primary driver of margin compression, stated explicitly in the earnings materials: "significant commodity inflation in coffee and cocoa." The company did achieve CHF 1.1 billion in cost savings against a CHF 750 million target, a 47% overperformance, yet still could not offset the raw material headwind.

SO WHAT: Nestlé's FY2025 results are the most instructive single data point in the global food ingredient sector because Nestlé is simultaneously the world's largest buyer of coffee and cocoa and the company most exposed to consumer pricing elasticity when it passes those input cost increases through. The 110bps UTOP margin decline, despite CHF 1.1B in cost savings, tells the whole story: even a flawlessly executed cost program cannot fully offset sustained commodity input inflation when the price increases are large and persistent enough. The strategic consequence, narrowing to Coffee, Petcare, and Nutrition as the three investable platforms, is a direct demand signal for ingredient suppliers in those categories. Everything outside these three categories is being managed for cash, not innovation. Ingredient companies that serve Nestlé's non-core categories should be modeling an accelerated procurement austerity scenario.

NOW WHAT → FutureBridge: Company Genomics can map Nestlé's procurement architecture across its four prioritized categories, identifying the specific ingredient and co-manufacturing supplier relationships that will receive increased investment as Nestlé accelerates its focused strategy, and the supplier relationships that are at structural risk of volume reduction, specification tightening, or divestiture as non-core category management intensifies. This is a supplier strategy planning tool for every company in Nestlé's ingredient supply chain.

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30. Coffee prices caught between record harvests and Hormuz disruption

FoodIngredients First **|** *Read Article*

Global coffee prices are declining from 2025 record highs due to a strong supply outlook, led by Brazil’s projected record harvest of 66.2 million bags and an expected global surplus of 7–10 million bags. Prices have dropped to six-month lows, offering potential cost relief for major buyers like Nestlé and JDE Peet’s after significant inflation in 2025. However, geopolitical tensions, particularly the closure of the Strait of Hormuz, are disrupting shipping routes, increasing freight and insurance costs, and complicating the downward price trend. In response, coffee buyers are shifting to short-term procurement strategies to benefit from falling prices while managing uncertainty.

SO WHAT: The coffee market reflects a broader shift toward supply-driven price correction offset by geopolitical risk. While input cost relief is emerging, supply chain disruptions and logistics inflation could delay margin recovery. Companies must adopt more dynamic procurement

strategies, balancing short-term buying with risk hedging, as volatility shifts from commodities to logistics and geopolitics.

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31. Arabica Coffee Prices Drop as Brazil Output Surges Despite Ongoing Volatility

GCR Magazine | *Read Article*

Arabica coffee futures declined sharply, falling up to 3.2%, as forecasts for Brazil's 2026–27 crop were significantly revised upward. Production is now expected to reach a record 75.3 million bags, with Arabica output alone rising 37.5% year-over-year. Favorable weather conditions in key regions like Minas Gerais have improved supply expectations, signaling a potential easing of the global coffee shortage. However, while near-term supply remains tight, forward-looking indicators point to increasing downside risks for prices. At the same time, broader commodity markets remain volatile, with geopolitical tensions, particularly involving Iran, impacting energy and logistics costs, which could still influence production and trade dynamics.

SO WHAT: The coffee market is shifting from scarcity-driven pricing to supply-led correction, but volatility remains elevated. Companies should prepare for declining input costs while managing risks from logistics and geopolitical disruptions. Agile procurement and pricing strategies will be critical as the market transitions into a more balanced but uncertain phase.

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32. EU Danone's €1 Billion Huel Acquisition: What "Complete Nutrition" Mainstreaming Means for Ingredient Procurement

Danone | *Read Article*

On March 22, 2026, Danone announced a definitive agreement to acquire Huel, the British meal replacement and functional nutrition company, for approximately €1 billion ($1.15 billion), implying an enterprise value-to-revenue multiple of approximately 4x. Huel's revenue was approximately €250 million at time of acquisition. The deal was explicitly framed by Danone CEO Antoine de Saint-Affrique around three converging forces: health-conscious eating, personalized nutrition, and "the rapid uptake of GLP-1 weight-loss drugs." Huel's product architecture includes nutritionally complete meal replacements with controlled macronutrient profiles, plant-based protein stacks, and low-calorie options. It is specifically positioned for GLP-1 users who need to maintain nutrient adequacy while consuming significantly fewer calories.

SO WHAT: Danone's Huel acquisition is not primarily a meal replacement deal, it is a GLP-1 demand capture deal executed via M&A. It signals that Danone has concluded that the organic path to GLP-1 user portfolio positioning is too slow, and that the only way to build a credible complete nutrition brand quickly enough to capture the structural demand shift is to acquire one that already has the product architecture, the DTC digital capability, and the brand trust among the target demographic. For ingredient suppliers to the complete nutrition and functional food sector, plant protein concentrates, fortification ingredients, omega-3s, fiber systems, mineral premixes, Danone's Huel acquisition is a demand acceleration signal. The volume flowing through Huel's ingredient procurement system is about to scale significantly as Danone's global distribution network deploys the brand into markets it could not access as an independent company.

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33. Unilever + McCormick: The $44.8 Billion Combination That Resets the Global Flavor, Sauce, and Condiment Competitive Map

Unilever | *Read Article*

On March 31, 2026, the last day of Q1, Unilever and McCormick & Company announced a definitive agreement to combine Unilever's Foods business with McCormick in a transaction valuing the Unilever Foods division at $44.8 billion. McCormick will pay $15.7 billion in cash (financed via committed bridge loans from Citigroup, Goldman Sachs, and Morgan Stanley) and $29.1 billion in stock. Unilever shareholders will receive 55.1% of the new combined entity; Unilever itself will retain a 9.9% stake. The combined company is projected to generate $20 billion in revenue and expected to be headquartered in Maryland. It will own Knorr, Hellmann's, Frank's Hot Sauce, Old Bay, Zatarain's, Maille, Cholula, and the full Unilever condiment and culinary portfolio. Expected annual cost savings of approximately $300 million. The deal will be structured as a Reverse Morris Trust for tax efficiency and is expected to close by mid-2027 pending regulatory approvals and McCormick shareholder vote. Investor reaction was sharply negative: Unilever shares fell 7% on announcement day (–$7B market cap), McCormick fell ~5%.

SO WHAT: The Unilever/McCormick combination is the most consequential restructuring event in the global food ingredient and seasoning sector in a decade. For spice, flavor, and condiment ingredient suppliers, the implications are immediate: the combined entity will rationalize duplicate supplier relationships across two massive procurement systems covering herbs, spices, mustard seed, chili peppers, vinegar, edible oils, and dozens of other ingredient categories. First-wave rationalizations will hit non-strategic ingredient suppliers with overlapping contracts, and the companies with the deepest technical relationships and broadest application support will survive the consolidation while commodity-positioned suppliers face volume concentration and pricing pressure. The $300M cost synergy target will be substantially driven by procurement consolidation, not just overhead reduction.

NOW WHAT → FutureBridge Company Genomics can map the current supplier overlap between Unilever Foods and McCormick's respective procurement networks, identifying the specific ingredient categories where dual supplier relationships exist, the likely consolidation targets, and the timing of procurement rationalization decisions. This is a directly actionable competitive intelligence product for every spice, flavor, condiment, and culinary ingredient supplier with exposure to either company.

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34. EU GLP-1 and the Next Chapter of Functional Nutrition

Kerry | *Read Article*

Kerry Group's strategic evolution in 2025–2026 has tracked the same logic as DSM-Firmenich's restructuring and Danone's Huel acquisition: exit the commodity-adjacent operations that carry low margins and regulatory burden, concentrate capital in specialty and functional ingredient platforms that command premium pricing. Kerry's divestiture of commodity dairy and food ingredient operations, executed in stages, freed capital for its accelerating investment in GLP-1-adjacent nutrition ingredients, precision fermentation platforms, and bioactive ingredient systems. The company has explicitly positioned its R&D pipeline around the nutritional requirements of GLP-1 drug users: high-protein, high-fiber, low-calorie formulation systems that maintain satiety and

nutrient density at reduced consumption volumes. For ingredient buyers at Nestlé, Danone, Unilever/McCormick, and the major U.S. and European food manufacturers navigating the GLP-1 reformulation imperative, Kerry's portfolio pivot signals where the premium specialty ingredient investment is flowing.

> **SO WHAT**: Kerry's strategic repositioning is the mid-tier ingredient company model for the next decade. The structural shift from commodity to specialty is not new, Kerry has been executing it for 20 years. What is new is the specific destination: GLP-1 nutrition is the first genuinely new high-volume specialty ingredient demand vector since the clean-label movement of 2012–2016. The difference is scale and urgency: GLP-1 drug adoption is measurable in hundreds of millions of users globally within 5 years, and the nutritional formulation requirements for GLP-1 users are specific, technically demanding, and not easily addressed with commodity ingredients. This creates a multi-year margin premium window for the ingredient companies, Kerry, DSM-Firmenich's remaining human nutrition portfolio, IFF, and Ingredion, that build the technical capabilities first.

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35. EU DSM-Firmenich Exits Animal Nutrition & Health for €2.2 Billion: The €3.7 Billion Total Exit and the Consumer Pivot It Funds

FoodIngredients First | *Read Article*

On February 9, 2026, DSM-Firmenich announced the sale of its Animal Nutrition & Health division to CVC Capital Partners for an enterprise value of approximately €2.2 billion, completing a total exit from animal nutrition valued at €3.7 billion when combined with the 2025 sale of its Feed Enzymes business to Novonesis for €1.5 billion. DSM-Firmenich will retain a 20% equity interest in the ANH business post-close and has entered a long-term vitamins supply agreement with the resulting entity to ensure continuity of micronutrient supply for its remaining human nutrition and pet food businesses. The combined exit value of €3.7 billion funds DSM-Firmenich's accelerated transformation into a pure consumer-focused company in nutrition, health, taste, texture, and beauty ingredients. The share buyback program of €0.5 billion begins in Q1 2026.

> **SO WHAT**: DSM-Firmenich's ANH exit is the clearest signal in the European specialty ingredient sector that animal nutrition, long considered a premium, science-driven, high-margin ingredient business, is being reclassified as a capital-intensive, commodity-adjacent, regulatory-burdened business by the sector's most sophisticated operators. At 10x EV/EBITDA, the sale values the business fairly, but it is a clean exit for a reason.

> **NOW WHAT** → TerraCaptus can map the patent and R&D filing activity in DSM-Firmenich's retained human nutrition portfolio, specifically in taste, texture, bioactives, and precision fermentation, identifying the specific platform areas where the company is concentrating post-restructuring innovation investment. This is a competitive intelligence product for Ingredion, IFF, Kerry, and every specialty ingredient company that competes with DSM-Firmenich for innovation-led ingredient contracts with major FMCG customers.

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36. Pernod Ricard + Brown-Forman Merger Talks: Spirits Consolidation Signals Broader Ingredients and Natural Flavors M&A Wave

Pernod Ricard | *Read Article*

Reports of merger discussions between Pernod Ricard and Brown-Forman, which would combine the makers of Jameson, Absolut, and Chivas Regal with the makers of Jack Daniel's and Woodford Reserve into a global spirits giant, have added another dimension to the Q1 2026 food and beverage M&A wave. The strategic logic parallels the Unilever/McCormick deal: scale in procurement, distribution, and brand investment against a backdrop of sustained input cost pressure from agave, grain, and botanicals. For the midstream food and ingredient sector, the significance is in the supply chain implications: a combined Pernod-Brown-Forman entity would represent one of the world's largest single buyers of rye, barley, corn, agave, and botanical flavoring ingredients, concentrating procurement power in a way that systematically pressures specialty agricultural ingredient suppliers. The broader M&A wave, Unilever/McCormick, Danone/Huel, DSM-Firmenich/CVC, Kerry's portfolio moves, and now Pernod/Brown-Forman, represents the most concentrated consolidation event in the global food, beverage, and ingredient sector since 2015–2016.

> **SO WHAT**: The Q1 2026 M&A wave is not a series of independent transactions, it is the structured response of the global FMCG and ingredient industry to three simultaneous structural pressures: sustained soft commodity input cost inflation, GLP-1-driven demand architecture shifts, and the end of the low-interest-rate era that made organic investment in new categories viable without portfolio rationalization. Each of these transactions is simultaneously a buyer's signal (where the acquirer is placing the growth bet) and a seller's signal (which categories and assets the seller has concluded carry insufficient long-term margin or strategic optionality to justify continued investment). For ingredient suppliers, the critical analysis is to map both signals simultaneously, and position their portfolios and commercial relationships on the buy side of these transactions, not the sell side.

THEME 5:

GRAIN MILLING AND STARCH PROCESSING, THE QUIET STRUCTURAL RESET INSIDE THE COMMODITY COMPLEX

37. U.S. Flour Production Hits a 14-Year Low in 2025, and the Utilization Trend Is the Story Behind the Story

Baking Business | *Read Article*

On February 2, 2026, USDA NASS released full-year 2025 flour milling statistics confirming a structural deterioration that had been building across four consecutive quarters. Total U.S. flour production in 2025 was 419.231 million hundredweight, down 0.9% from 2024 and the lowest level since 2011. Every single quarter of 2025 posted a year-over-year decline: Q1 –0.1%, Q2 –1.9%, Q3 –1.1%, Q4 –0.6%. The capacity utilization rate fell to 85.2% for the full year, the lowest annual figure since 2019, and Q4 alone came in at 84.9%, the weakest fourth quarter since 2009. Despite maintaining daily milling capacity near 1.6 million cwt per day, the industry's output per unit of capacity has been declining consistently. Whole wheat flour production fell to 17.451 million cwt, a 4.3% decline and a new record low. Durum semolina production, the primary input for pasta manufacturing, declined 0.4%. The pattern across every flour category is the same: capacity is stable or slightly growing while throughput is declining, producing a structural utilization rate compression that signals excess capacity relative to current demand.

SO WHAT: The 85.2% utilization rate is the midstream processing signal that most commodity-focused analysts are ignoring because flour milling is not a biofuel story and does not generate RFS headlines. But it is a $20+ billion sector, and utilization compression at the plant level is a direct margin signal: fixed costs are spread across fewer hundredweight of output, and the per-unit economics of milling deteriorate with every point of utilization decline. The structural demand headwinds are not cyclical, reduced per-capita wheat flour consumption, accelerating gluten-free category growth, GLP-1 drug adoption reducing caloric consumption among a growing user base, and zero Chinese wheat purchases from the U.S. for ten consecutive months in 2025, are not reversing in 2026. The flour milling sector is carrying capacity that was sized for a demand profile that no longer exists, and the rationalization process that the sector has been deferring is becoming unavoidable.

NOW WHAT → TerraCaptus can map patent and capital expenditure filing activity across the U.S. flour milling sector, identifying which mill operators are investing in automation and specialty flour capabilities versus which are deferring capital investment in a way that signals potential capacity rationalization or sale. This is a competitive intelligence and M&A opportunity mapping product for the large integrated millers, private equity operators in the sector, and ingredient companies evaluating strategic partnerships with milling assets.

38. Ingredion and Shiru Announce Partnership to Accelerate AI-Powered Functional Protein Discovery

GlobeNewswire | *Read Article*

Ingredion and biotech startup Shiru announced a global R&D collaboration to accelerate the discovery and commercialization of novel functional proteins using AI. Shiru’s platform, which analyzes over 77 million natural protein sequences, enables faster identification of high-performance ingredients, reducing discovery timelines from years to months. The partnership will focus on next-generation prebiotics and functional proteins aimed at improving gut health, an area of growing importance as links between microbiome health and overall wellness strengthen. Ingredion will leverage its global scale and customer network (18,000+ customers across 120 countries) to

commercialize these innovations. This builds on Shiru's recent ingredient launches and Ingredion's strategy to expand its health-focused ingredient portfolio.

> **SO WHAT**: This signals a shift toward AI-led ingredient innovation, compressing R&D timelines and accelerating commercialization. For the industry, it reinforces the growing importance of functional, health-driven ingredients, particularly in gut health. Companies that combine advanced discovery technologies with scale and market access will gain a competitive edge, while traditional R&D models risk falling behind in speed, efficiency, and innovation output.

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39. Liquid Glucose Supply Chain 2026: Feedstock Risks & Key Producers

ChemTrade Asia | *Read Article*

The global liquid glucose market is undergoing a structural transformation as it moves toward 2026, driven by sustainability pressures, feedstock diversification, and evolving demand. While corn remains the dominant feedstock, especially in North America, alternatives like cassava and wheat are gaining traction due to non-GMO and sustainability requirements. The market, valued at ~$3.6 billion for liquid glucose in 2025, is growing steadily (CAGR ~6.5%), supported by demand across food, pharmaceuticals, and fast-growing bio-industrial applications. However, supply risks remain high due to feedstock concentration, climate volatility, and geopolitical disruptions affecting grain flows. At the same time, the industry is shifting toward certified, traceable, and premium-grade ingredients, creating a two-tier market.

> **SO WHAT**: Liquid glucose is evolving from a commodity ingredient to a differentiated, sustainability-driven product. Buyers must rethink sourcing strategies, diversifying feedstocks, securing multi-region suppliers, and investing in traceability, to manage rising supply risks. Companies that align with clean-label, non-GMO, and certified sourcing trends will gain access to premium markets, while those reliant on traditional, cost-driven procurement may face increasing volatility and competitive disadvantage.

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40. Starch And Starch Derivatives Market Size & Share Analysis - Growth Trends And Forecast (2026 - 2031)

Mordor Intelligence | *Read Article*

The global starch and starch derivatives market is projected to grow from ~$80.7 billion in 2025 to over $105 billion by 2031 (CAGR ~4.5%), driven by rising demand for processed foods, plant-based products, and functional ingredients. The market is shifting from commodity starches to precision-engineered, clean-label, and non-GMO variants, with modified starches emerging as the fastest-growing segment. While maize remains the dominant feedstock (~67% share), alternatives like potato and cassava are gaining traction due to sustainability and labeling trends. Food and beverage remains the largest application, but pharmaceutical demand is growing fastest, supporting diversification. However, raw material price volatility and regulatory complexity continue to challenge margins and global expansion.

SO WHAT: Starch is evolving from a low-cost filler to a functional, high-value ingredient platform. Companies must invest in advanced modification technologies, clean-label capabilities, and diversified sourcing to stay competitive. As demand shifts toward performance and transparency, players that can balance cost efficiency with functionality and regulatory compliance will capture premium opportunities, while others risk being stuck in low-margin commodity segments.

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41. Romania's new feed mill in Mizil begins operations, boosting local agricultural production

Milling MEA | *Read Article*

A new, technologically advanced feed mill in Mizil, Romania, has become fully operational after completing installation. The facility, developed through collaboration between Dutch International Trading, DutchTrading, MGN, and Silos Córdoba, features automated production from raw grain intake to final feed packaging. It includes 23 specialized hopper silos for wheat, raw materials, and finished feed, along with modern safety, monitoring, and material-handling systems. This infrastructure significantly enhances storage, processing efficiency, and overall feed manufacturing capacity.

SO WHAT: This development strengthens Romania's agricultural infrastructure by boosting feed production efficiency and scalability. The advanced automation and storage systems reduce operational bottlenecks, improve supply consistency, and support higher-quality output. Strategically, it positions Romania as a more competitive and reliable player in the European agri-food supply chain, potentially attracting further investment and supporting growth in livestock and grain-related industries.

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42. Cairnspring Mills achieves climate label certification

World Grain | *Read Article*

Cairnspring Mills, a US-based flour company, became the first in its industry to earn The Climate Label certification. This recognition requires companies to measure their full greenhouse gas emissions, set a climate transition budget, and invest in climate initiatives. Cairnspring achieved this through practices such as sourcing grain from regenerative farmers, maintaining full traceability, and using traditional stone-milling methods without chemical processing. The certification comes as the company is expanding, with a new mill in Oregon set to significantly increase capacity.

SO WHAT: This positions Cairnspring Mills as a leader in sustainable flour production and signals a broader shift toward climate accountability in the food and agriculture sector. It shows that environmentally responsible practices, like regenerative agriculture and transparent sourcing, can be integrated into a scalable business model. The expansion further amplifies impact by supporting farmer incomes, creating jobs, and strengthening a regional, climate-conscious supply chain, potentially setting a benchmark for other milling and food companies.

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43. Fourth Milling Co. improves net profit in 2025

World Grain **|** *Read Article*

Fourth Milling Co. in Saudi Arabia reported strong financial results for 2025, with net profit rising 18% year-on-year to SAR 200.8 million and revenue increasing 7% to SAR 660 million. Growth was mainly driven by a 13% increase in flour sales volumes across all categories, while bran performance remained stable with better pricing. However, the animal feed segment declined, with a 17% drop in sales volume. The company maintained cost discipline, limiting cost of goods growth to 6% and keeping administrative expenses flat, despite higher logistics and marketing costs.

> **SO WHAT**: The results highlight a shift in demand dynamics, with flour emerging as the key growth driver while animal feed weakens. Fourth Milling's ability to improve profitability despite mixed segment performance shows strong operational efficiency and cost control, reinforcing its resilience. Strategically, this positions the company to capitalize further on flour demand while potentially needing to reassess or optimize its feed business. It also reflects broader trends in the region's grain processing sector, where efficiency and product mix are becoming critical to sustaining margins.

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44. Cargill's corn mill closure will provoke ripple effect in Ohio

S&P Global **|** *Read Article*

Cargill announced it will close its corn milling plant in Dayton, Ohio, after more than 50 years of operation. The facility, which handles an estimated 30–70 million bushels of corn annually (about 5–10% of Ohio's production), will gradually wind down over the next 20 months. The closure removes a major local buyer of corn, reducing processing capacity and competition in the region.

> **SO WHAT**: The shutdown is expected to negatively impact local farmers and the broader agricultural economy. With fewer buyers, farmers may face lower corn prices, higher transportation costs, and reduced bargaining power. It also signals broader demand-side challenges in the corn and biofuels market, raising concerns about long-term market stability. For rural communities, the closure could mean economic strain, highlighting the importance of policy support and demand growth to sustain the agricultural sector.

THEME 6:

DAIRY COMPLEX TRANSFORMATION, WHEY BOOM, CHEESE OVERBUILD, AND THE GLP-1 CATALYST

45. Whey's Boom Is Flipping Dairy Economics on Their Head

Dairy Reporter* | *Read Article

Whey protein concentrate (WPC80+) has surged to around $11/lb in 2026, a price level that fundamentally inverts the traditional dairy processing margin model. For decades, whey was a disposal problem, the liquid byproduct of cheesemaking that processors paid to haul away. Today it is the single most valuable output per unit weight of any major dairy processing operation. The inversion is structural, not cyclical. GLP-1 drug users are consuming 30–50g of protein daily above pre-medication baseline, fitness culture has mainstreamed whey as a staple ingredient, and clean-label reformulation across CPG is substituting whey isolate for synthetic protein blends. Domestic demand is consuming the entire production increment, U.S. whey exports are flat because there is no surplus to export

> **SO WHAT:** Every dairy processor's capital allocation model must now be re-run with whey as the margin driver and cheese as the co-product. This is not a temporary pricing anomaly, the demand drivers (GLP-1 adoption curve, high-protein dietary guidelines, clean-label reformulation) are all structural and accelerating simultaneously.

> **NOW WHAT → FutureBridge:** Consumomics can model the GLP-1 protein demand curve against whey production capacity constraints to identify when supply catches demand, and whether cheese oversupply arrives first.

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46. EU Dairy Exports Start Strong in 2026, WPC80+ Hits Record $14,097/MT

U.S. Dairy Export Council* | *Read Article

USDEC data for January 2026 showed WPC80+ export values reaching a record-breaking $14,097/MT, up $440/MT from December 2025 and $2,777/MT from January 2025. Yet export volumes were flat year-over-year. The apparent contradiction resolves simply: domestic demand is so strong that U.S. processors have no incentive to export at any price below the domestic spot market, with current prices for both WPCs and WPIs substantially above export levels.

> **SO WHAT:** For global dairy ingredient buyers, Nestlé, Danone, Unilever's nutrition divisions, and every sports nutrition brand sourcing WPC80+, the U.S. supply pool is functionally closed. Procurement teams must either lock long-term contracts at record prices or develop alternative protein ingredient supply chains (precision-fermented whey, pea protein isolate, sunflower protein).

47. How Protein Is Shaping Active Nutrition in 2026, GLP-1 and Fitness as Dual Demand Engine

Dairy Reporter* | *Read Article

Whey protein powder holds a 43.3% share of the protein powder category and is driving the most sales and growth (up 13.5% YoY) according to SPINS data. WPC80 price per ounce rose around 8% from 2025 into 2026 as cost pressures slowly lifted shelf prices. The upward pressure on whey protein prices reflects a perfect storm: structural supply constraints, processor costs, global WPC and dry whey commodity price increases, and China tariffs on U.S. whey exports that temporarily

softened pressure but are now normalizing domestic inventories and contributing to long-term shelf price rises

> **SO WHAT**: The dual demand engine, GLP-1 medical users consuming elevated protein and fitness consumers mainstreaming whey, means the shortage is structural for at least 3–5 years. New dairy plant capacity won't come online until 2028, and even then the incremental whey supply arrives with incremental cheese supply.

> **NOW WHAT → FutureBridge:** Consumomics is the exact capability to model this dual-demand curve, GLP-1 adoption rates by geography × fitness consumer penetration × CPG reformulation timelines, against dairy processing capacity buildout schedules.

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48. Global dairy quarterly Q1 2026 | A delicate dairy balance: Cautious price recovery amid heavy supply

Rabobank **|** ***Read Article***

Global dairy markets remain oversupplied, driven by strong milk production across major exporting regions, supported by low feed costs. This has significantly pressured prices, fat products dropped over 40%, whole milk powder fell ~30%, while protein products like cheese and skimmed milk powder declined more moderately (~15%). Whey prices have remained strong due to sustained demand for high-protein products. Recent Global Dairy Trade auction gains signal early recovery, but supply levels remain elevated, limiting sustained price increases. Looking ahead, supply growth is expected to slow, with declines in Europe and softer expansion in South America and China, while the U.S. continues to grow output, particularly in cheese and whey.

> **SO WHAT**: The dairy market is moving from oversupply toward gradual tightening, but remains highly sensitive to supply shifts and geopolitics. Companies should prepare for continued price volatility, balancing short-term cost advantages with longer-term uncertainty. Strategic focus will shift toward value-added segments like protein, while supply discipline and demand from key import markets (e.g., Asia, Middle East) will be critical in stabilizing the market.

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49. Beef-on-Dairy Profits and Component Demand Are Changing Dairy Strategy

Ohio Country Journal / CoBank **|** ***Read Article***

Beef-on-dairy crossbreeding usage has nearly doubled in the past two years, and calf values for crossbreds are historically high. CoBank Lead Dairy Economist Corey Geiger notes that strong beef prices are influencing breeding decisions on farms across the country, with long-term implications: beef-on-dairy is now a major revenue stream for producers, adding an estimated $5/cwt or more to dairy farm revenue. However, with U.S. dairy cow numbers now at their highest level in 30 years but replacement heifer inventories at a 20-year low, the U.S. will have 438,000 fewer dairy replacements entering the herd in 2026.

> **SO WHAT:** Beef-on-dairy is simultaneously supporting dairy farmer revenue (offsetting low milk prices), supplementing tight beef supply (partially compensating for the 74-year cow herd low), and creating a new processing category. Tyson, JBS, and Cargill are all adjusting packing plant

configurations for crossbred carcasses. This is a structural shift with a 5–10 year build, not a cyclical phenomenon.

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50. China's Dairy Trends: Lactalis Ingredients Highlights Clean Label, High-Protein Solutions in Shanghai

FoodIngredients First* | *Read Article

At Food Ingredients China in Shanghai (March 17–19, 2026), Lactalis Ingredients showcased advanced whey and casein proteins for functional, high-protein applications in beverages, snacks, and cheese analogs. The company highlighted Laktein WPC80 for protein enrichment, Pronativ Native Whey Protein for sports nutrition, rennet casein for analog cheeses and protein bars, and Flowhey high-fluidity sweet whey powders. Lactalis positioned China as a key touchpoint for dairy, sports nutrition, and infant and functional nutrition, with GLP-1 weight management consumers cited as a rising demand driver in the APAC region.

SO WHAT: Lactalis is positioning for the same GLP-1/high-protein demand architecture in Asia that is already reshaping U.S. dairy economics. The implication for U.S. processors: the Asian export market will increasingly compete for the same whey protein fractions that domestic demand is already consuming entirely. Supply competition intensifies on both ends.

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51. USDA to Buy $263 Million in Dairy and Specialty Crops, Section 32 Authority as Policy Margin Support

National Milk Producers Federation* | *Read Article

USDA announced on February 19, 2026 that it will purchase up to $263 million in dairy products and specialty crops under Section 32 authority, with $148 million directed toward dairy, the exact figure NMPF requested last November. Specifically: $75M of butter (the first major Section 32 butter purchase in five years), $32.5M in cheddar cheese, $20.5M in fresh fluid milk, $10M of Swiss cheese, and $10M in UHT milk. The $75M butter purchase at current prices pulls roughly 40 million pounds, about 20% of a typical month of U.S. butter output, out of the commercial market.

SO WHAT: Section 32 procurement is not a market signal, it is a policy mechanism that removes surplus without addressing the structural oversupply building in the system. For processors, it provides short-term revenue and a bid contract opportunity. For strategic planners, it masks the underlying cheese-overbuild risk that Rabobank's Fuess is warning about. The real margin story in dairy is whey protein, not government cheese purchases.

THEME 7:

MAJOR COMMODITY TRADER REPOSITIONING, THE ABCD+ ARCHITECTURE UNDER STRESS

52. Grain Trader ADM's 2026 Profit Forecast Lags Expectations Amid U.S. Biofuel Policy Uncertainty

The Western Producer | ***Read Article***

ADM reported its weakest fourth-quarter adjusted profit since 2019 as slumping soybean processing margins in North and South America and poor U.S. soybean exports dented its Agricultural Services and Oilseeds segment. A global grains glut has dragged down prices of staple crops like corn and soybeans to near multi-year lows, eroding profits for ADM and agribusiness peers like Bunge and Cargill. CEO Juan Luciano said operating profit for 2025 was affected by a turbulent global trade landscape and ongoing uncertainty around U.S. biofuel policy, resolutions "should support a more constructive operating environment for us in 2026," he added. ADM's 2026 adjusted EPS outlook of $3.60 to $4.25, with midpoint below analyst estimates of $4.24.

> **SO WHAT:** Synchronized ABCD margin compression is the clearest signal that the post-2020 "volatility premium" era for grain traders has ended. The next margin cycle will not come from trading spreads, it will come from infrastructure ownership, processing integration, and value-added positioning.

> **NOW WHAT → FutureBridge:** Company Genomics can map the patent and infrastructure positioning of each ABCD trader to identify which is best positioned for the post-volatility margin environment. OSINT can track subsidiary-level deal activity across all four simultaneously.

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53. Algeria Buys 600,000 MT of Milling Wheat – Argentina Emerges as Key Origin

Marine Link | ***Read Article***

Algeria's state grain agency OAIC purchased approximately 600,000 MT of milling wheat in a single international tender, with Argentine wheat expected to be a major supply source. Jordan simultaneously bought 60,000 MT of hard milling wheat from optional origins and issued a follow-on tender for 120,000 MT. Saudi Arabia's GFSA launched a 595,000 MT tender with Black Sea, EU, Australian, and North American suppliers all competing.

> **SO WHAT**: State grain tender activity from Algeria, Jordan, and Saudi Arabia represents the most price-transparent demand signal in global wheat trade. When Argentina wins North African business against Black Sea competition on price and freight, it directly signals the relative competitiveness of South American wheat origination and threatens U.S. HRW and EU soft wheat market share in MENA, historically their most loyal buying region.

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54. How the Best Ag Companies Differentiate, The Five Bold Moves That Separate ROIC Leaders

Van Trump Report / McKinsey | ***Read Article***

McKinsey's analysis of publicly traded global agricultural companies identifies five bold moves that differentiate leaders from laggards: programmatic M&A, dynamic resource reallocation, big investments, productivity leadership, and product differentiation. The agriculture industry has

underperformed the broader S&P 500 since 2010, with 45% of agricultural companies underperforming global or regional GDP growth, yet a small cohort has outperformed consistently through capital efficiency rather than commodity exposure.

> **SO WHAT:** The McKinsey framework validates the Age of Scale thesis but underweights execution capability as the differentiator. Companies like Cargill, JBS, and Nestlé that consistently apply all five bold moves simultaneously have separated structurally from the pack. Sub-scale operators applying one or two moves episodically cannot close the ROIC gap.

THEME 8:

SPECIALTY INGREDIENTS, ENZYMES, AND FUNCTIONAL FOOD M&A DYNAMICS

55. How Kerry's B2B Strategy Is Evolving in Its Post-Dairy Era

Dairy Reporter* | *Read Article

Kerry Group completed one of the biggest operational changes in its history in early 2025, relinquishing control over Kerry Dairy Ireland to focus on its profitable B2B taste and nutrition portfolio. In 2026, Kerry is sharpening its focus on biotechnology and biofermentation as the "unlock" for scalable, resource-efficient solutions, with a new biotech hub opened in Germany. The company aims to deliver €100M in recurring annual benefits by 2028 through supply chain and manufacturing optimizations, having already reduced its factory footprint from 124 to 119 plants.

> **SO WHAT:** Kerry's divestiture-and-refocus playbook, exit commodity adjacency, invest in functional ingredients with regulatory moats, position for the structural demand shift toward protein, fiber, and clean-label, is emerging as the strategic template for every mid-tier ingredient company. Companies like Ingredion, Roquette, and Tate & Lyle face the same strategic choice, and the window to execute is narrowing as Unilever-McCormick and DSM-Firmenich redefine the competitive landscape.

56. Investment Surges Back Into Precision-Fermented Dairy, Supply Security Reframing Drives Commercial Momentum

Dairy Reporter* | *Read Article

Investment in precision-fermented dairy is picking up again after a brief lull in 2025, according to industry insiders. Precision fermentation dairy players including All G (lactoferrin), Those Vegan Cowboys (casein), Vivici (whey/lactoferrin, $38.4M raised), and Standing Ovation (€30M Series B) are all accelerating toward industrial-scale production. A key commercial reframing is driving the investment resurgence: the pitch is no longer "sustainability", it is "supply chain stability," with whey protein shortage at $11/lb creating a commercial imperative for CPG companies to develop alternative protein supply.

> **SO WHAT:** The supply security reframing is commercially transformative. CPG procurement teams that rejected precision-fermented ingredients on sustainability grounds are now evaluating them on supply reliability grounds, a fundamentally different conversation. FutureBridge's Technology Scouting capability can identify which precision fermentation companies have signed B2B supply contracts (the threshold for commercial relevance) versus those still in pre-commercial development.

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57. WPC80 Prices Exceed EUR 20,000/MT as Global Supply Falls Short of Demand

Vesper* | *Read Article

Transactions above EUR 20,000/MT are being reported for WPC80 for Q2, Q3, and Q4 2026, with buyers locking in volumes well into the year. Most manufacturers in Europe are reported as sold out, with the majority not having sold new volumes since the EUR 17,000/MT level. In the U.S., volumes have been sold forward for almost the entire year, Q2 coverage remains incomplete for a significant number of buyers across all regions, keeping the spot market tight and sellers in a strong position.

SO WHAT: WPC80 above EUR 20,000/MT is the ingredient market structural break that confirms whey protein is now scarce capital rather than a commodity byproduct. Every functional food, sports nutrition, and CPG reformulation project built around WPC80 must be repriced and re-evaluated for supply security. Integrated dairy processors with captive whey fractionation capability have an unprecedented margin advantage over formulators who buy on the spot market.

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58. EU EU PFAS €440B Cost Alarm, Food Sector Accelerates Clean-Ingredient Alternatives

FoodIngredients First* | *Read Article

A study commissioned by the European Commission, published January 29, 2026, warns that current PFAS "forever chemicals" pollution could cost the EU approximately €440 billion by 2050 without regulatory action, with food processing and packaging among the most exposed sectors. The EU has already taken significant steps, with PFAS use in specific food packaging applications set to stop by August 2026 and maximum permitted levels established for specific PFAS in foods. The European Chemicals Agency is assessing a universal PFAS restriction proposal due by year-end.

SO WHAT: PFAS regulation is a structural catalyst for clean-label ingredient reformulation in the EU, and it will cascade to U.S. and Asian markets as multinational CPG companies adopt single global formulations. Ingredient companies with PFAS-free processing capability and clean-label positioning (Novonesis, Kerry, Roquette) gain structural advantage. This is another regulatory moat that favors scale operators with R&D budgets to reformulate, and penalizes sub-scale processors using legacy chemistry.

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59. Clean-Label + GLP-1 + High-Protein: Kerry's BC30 and the Three-Vector Reformulation Imperative

Nutrition Insight* | *Read Article

At Expo West 2026, Kerry highlighted its BC30 probiotic supporting digestion and boosting protein absorption, specifically positioned for GLP-1 users to address gastrointestinal side effects and increase protein intake. Kerry has identified five distinct GLP-1 consumer segments to help food producers with future innovation and product development. The company's ability to combine probiotic, enzyme, and clean-label formulation capability in a single ingredient platform reflects the three-vector reformulation imperative: clean-label (no artificial ingredients), GLP-1 (high protein, high fiber, low sugar), and high-protein (driven by both medical and fitness consumers).

SO WHAT: The three-vector convergence means ingredient reformulation is not optional, it is a competitive requirement for every CPG company targeting growth consumers. The specialty ingredient companies that can deliver solutions across all three vectors simultaneously command premium pricing and long-term supply contracts. This is FutureBridge's Consumomics sweet spot.

NOW WHAT → FutureBridge: Consumomics is the exact tool to score behavioral demand shifts across the five GLP-1 consumer segments Kerry identified, and to model which CPG product lines carry the highest reformulation risk if clean-label ingredient supply constraints materialize.

60. Novonesis Q4 2026 Earnings: 9% Growth in Emerging Markets, Feed Enzyme Integration Ahead of Schedule

Investing.com | ***Read Article***

Novonesis reported robust performance in its Q4 2026 earnings call, with 9% growth in emerging markets compared to 6% in developed markets. The integration of the Feed Enzyme Alliance and Chr. Hansen is progressing ahead of schedule, with capital expenditures increased to 11.3% of sales in 2025 with guidance of 12–14% for 2026 to support enzyme capacity growth. The company added 400 new commercial roles, with two-thirds in emerging markets. Revenue forecasts project $4.92B for FY2025 and $5.25B for FY2026.

> **SO WHAT:** Novonesis's 12–14% capex investment rate against revenue is a clear signal that the enzyme market is in a capacity-building phase, not a maintenance phase. Every ethanol plant, dairy processor, and baking company benchmarking against the current efficiency frontier will find the bar rising, enzyme performance improvements are now a continuous competitive race, not a periodic upgrade cycle.

61. Kerry Publishes 2025 Annual Report: Biotechnology and Fermentation as the Strategic "Unlock"

Kerry Group IR | Read Article

Kerry's 2025 Annual Report describes a year in which the company further established itself as a pure-play taste and nutrition leader. Notable technology milestones included the launch of next-generation fermentation-derived Tastesense™ solutions for sugar and salt reduction, new enzyme and postbiotic innovations, and the enhancement of coffee extraction and cocoa taste capabilities. CEO Edmond Scanlon described biotechnology and biofermentation as the "unlock" to creating new, scalable, resource-efficient solutions that aren't limited by traditional agriculture, and Kerry aims to deliver ~€100M in recurring annual benefits by 2028 through supply chain and manufacturing optimizations.

> **SO WHAT:** Kerry's annual report is the template for the direction of travel in the specialty ingredients sector: away from volume-driven commodity processing, toward IP-rich fermentation-derived ingredients with clean-label, functional nutrition, and GLP-1-response positioning. The company's shift from 124 to 119 plants, with further consolidation planned, is the physical manifestation of the Age of Scale: fewer, larger, more specialized facilities replace distributed commodity operations.

THEME 9:

U.S./EU POLICY STACK AND REGULATORY ARCHITECTURE RESHAPING PROCESSING ECONOMICS

62. Sweet proteins: The future of clean-label sugar reduction

Food Navigator USA | ***Read Article***

Rising consumer demand for sugar reduction is driving innovation in alternative sweeteners, with sweet proteins emerging as a promising new solution. While nearly 75% of consumers want to limit added sugar, taste remains the top purchase driver, creating a long-standing challenge for food and beverage brands. Recent advances in fermentation technology have enabled the scalable production of sweet proteins (naturally derived molecules that can be hundreds to thousands of times sweeter than sugar without added calories). A key example is honey truffle sweet protein, now commercialized as Zukora™, which offers a clean taste profile without bitterness or aftertaste.

With regulatory progress and expanding applications across beverages, snacks, and supplements, sweet proteins are moving from niche innovation to viable mainstream ingredients.

> **SO WHAT:** Sweet proteins represent a step-change in sugar reduction, eliminating the traditional trade-off between taste and health. This opens new formulation pathways for clean-label, low-calorie products. Companies that adopt early can differentiate through superior taste and natural positioning, while also aligning with long-term wellness and sustainability trends.

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63. USDA Awards $212 Million in Export Market Support to Farm Groups

Successful Farming | ***Read Article***

The USDA announced increased funding for its key export support programs, the Foreign Market Development (FMD) Program and the Market Access Program (MAP) to boost global competitiveness of U.S. agriculture. For 2026, over $31 million has been allocated to 18 trade organizations under FMD, while MAP will distribute more than $181 million to 68 organizations and cooperatives. Funding levels have increased year-over-year, reflecting a stronger push toward export growth. Major beneficiaries include the American Soybean Association, U.S. Meat Export Federation, and U.S. Grains & BioProducts Council. These programs operate as cost-share partnerships, helping producers build long-term demand, expand into new markets, and maintain global market share for U.S. agricultural products.

> **SO WHAT:** This signals a proactive U.S. strategy to defend and expand agricultural exports amid rising global competition and trade uncertainty. Increased funding will support market development, especially in high-growth regions, and strengthen demand for key commodities like soy, meat, and grains. For agribusiness players, this creates opportunities to scale exports, build international partnerships, and align with government-backed demand creation initiatives.

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64. Ottawa earmarks $75-million to help agriculture and food manufacturing diversify trade

The Globe and Mail | ***Read Article***

The Canadian government announced a $75 million investment over five years to strengthen agricultural exports and diversify trade. The funding will support industry associations and small to mid-sized food manufacturers, with priority given to sectors impacted by trade barriers such as canola, pulses, pork, and seafood. Delivered through new streams under the AgriMarketing Program, the initiative expands support beyond producers to include value-added food processing, a sector contributing $35.8 billion to GDP and employing over 320,000 people. The move builds on

previous funding commitments but comes alongside cuts to some agricultural research facilities, as the government aims to reallocate resources toward trade expansion and targeted innovation.

> **SO WHAT**: Canada is shifting toward a more export-driven and value-added agriculture strategy. Increased focus on trade diversification reduces reliance on key markets (e.g., China) while strengthening resilience. For industry players, this creates opportunities to scale globally, invest in processing, and align with government-backed export priorities, though balancing reduced research infrastructure with innovation needs will be critical long term.

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65. FDA Delays FSMA 204 Traceability Rule Compliance Date 30 Months, New Deadline July 20, 2028

FDA / FoodReady AI* | *Read Article

The FDA proposed extending the FSMA 204 Food Traceability Rule compliance date by 30 months to July 20, 2028. Congress formalized the delay in the Continuing Appropriations Act of 2026, directing FDA not to enforce the rule prior to July 20, 2028. The original deadline was January 20, 2026. The rule requires geolocation-level traceability recordkeeping for high-risk foods including leafy greens, tomatoes, shell eggs, fresh herbs, ready-to-eat deli meats, and nut butters.

> **SO WHAT:** The FSMA 204 delay is both a reprieve and a strategic window. Sub-scale processors who were not ready for January 2026 compliance get 30 additional months, but the competitive window has also closed for first-movers who built traceability infrastructure and can now market it as a differentiator. For midstream operators targeting EU retail business, the EU EUDR deadline (December 30, 2026) is stricter and non-deferrable, and EUDR-compliant traceability systems also satisfy FSMA 204, creating a dual-compliance efficiency for globally positioned processors.

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66. EU restrictions on Russian fertilizer threaten to drive up global edible oil prices

Food Inngredients First* | *Read Article

EU policies, including carbon levies (CBAM), rising tariffs, and new sanctions, have led to a sharp decline in Russian fertilizer imports, down over 80% year-on-year. This has tightened fertilizer availability across Europe, with current stocks covering only about half of 2026 demand. The disruption echoes the 2022 fertilizer crisis, raising concerns about rising input costs and downstream food price impacts. Beyond Europe, the effects are rippling globally, particularly in palm oil markets, where countries like Indonesia rely on imported potash. Reduced fertilizer use could lower yields over multiple seasons, tightening edible oil supply. Meanwhile, alternative solutions like fermentation-based palm oil remain years away from scale.

> **SO WHAT:** This highlights how upstream policy shifts can cascade into global food price volatility. Fertilizer constraints could trigger a new cycle of agricultural inflation, particularly in edible oils. Companies must prepare for cost shocks by diversifying sourcing, improving input efficiency, and exploring formulation alternatives, as supply chain risks increasingly originate from geopolitics and sustainability regulations rather than just commodity cycles.

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67. Brazil Heads for a Record Soybean Harvest of 6.5B Bushels, Margins Near Breakeven as Prices Compress

farmdoc daily* | *Read Article

Brazil's 2025–26 soybean crop is projected at a record 6.5 billion bushels (approximately 177–178 MMT), up 4% from last year. Brazilian soybean exports are forecast at 112 MMT, up 5.1% year-over-year, as Brazil benefits from high production and reduced U.S. competition in the Chinese market. However, farm margins in Brazil are approaching breakeven: lower soybean prices, elevated production costs, and weaker export premiums have compressed profitability to the lowest level in nearly two decades.

> **SO WHAT:** A Brazilian record harvest with breakeven farmer margins is the structural definition of commodity oversupply, and a warning signal for global soy crush utilization rates in 2026–27. For U.S. soy processors, the combination of China's 25 MMT commitment (if it holds) and Brazil's 112 MMT export capacity means the global crush margin environment will remain compressed. The processors who survive margin compression are the Age of Scale leaders: those with the lowest cost per unit, highest utilization, and diversified co-product value chains (biodiesel, protein meal, lecithin).

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68. China Ends Longest Boycott of U.S. Soybeans, But U.S. Market Share Still at 24.4% vs. 47% in 2018

Forbes / USDA* | *Read Article

China ended an unprecedented five-month hiatus from U.S. soybean purchases, but the $21.83 million in November sales represented a 99%+ decline compared to the same month in 2024. A coalition of former leaders from trade associations representing soybeans, corn, barley, wheat, and other commodities wrote to congressional leaders warning of "a widespread collapse of American agriculture", noting that U.S. soybean market share in China fell from 47% in 2018 to just 24.4% by 2026, a 50% decrease in market share.

> **SO WHAT:** Market share loss in a commodity export relationship is the slowest and most permanent form of trade damage. Brazil's infrastructure buildout (Ferrogrão railway, new Santos port capacity) is specifically designed to capture the China market share that U.S. soy lost during the 2018–2026 trade conflict period. Recapturing that share requires not just competitive pricing but rebuilding buyer relationships, futures contracting infrastructure, and reliability perception, a 3–5 year effort at minimum.

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69. India Reclaims Global Breadbasket Status, Lifts Four-Year Wheat Export Ban with 2.5 MMT Quota

Reuters / The Hindu Business Line* | *Read Article

India lifted its wheat export ban (imposed May 2022) on February 13, 2026, permitting 2.5 million metric tonnes of wheat plus 500,000 MT of wheat products, calibrated to stabilize domestic markets while reclaiming export relationships. India's wheat buffer stocks projected at 18.2 MMT by April 1, 2026, more than double the mandatory buffer requirement, gave New Delhi the confidence to export

without compromising domestic food security. The DGFT manages monthly application windows for exporters to prevent domestic price shock.

> **SO WHAT:** India's wheat export re-entry provides a price-capping function in global wheat markets: every time global wheat prices rally (as they did on Ukraine Black Sea disruption risk), India has buffer capacity to release calibrated export quotas that absorb the rally. For global grain traders and buyers, this makes India a structural floor price setter, and for U.S. HRW wheat exporters, it means a new competitor in Middle Eastern and East African markets that had become dependent on Ukrainian supply.

THEME 10:

GEOPOLITICAL RISK, CONFLICT ECONOMICS, AND SUPPLY CHAIN RESILIENCE ARCHITECTURE

70. Iran War Threatens Global Agriculture Supply Chain: Fertilizer Shortages, Hormuz Chokepoint

Sensient Technologies* | *Read Article

AgtechNavigator | Read Article

The Strait of Hormuz, effectively closed to foreign ships since the U.S.-Israel bombing of Iran on February 28, 2026, carries nearly half of global urea exports and 30% of global ammonia exports. Qatar and Saudi Arabia are the third and fourth largest U.S. fertilizer suppliers, and QatarEnergy halted production after Iranian strikes on Ras Laffan, the world's biggest LNG and fertilizer hub. Fertilizer prices rose 10–30% in the first three weeks of the conflict.

> **SO WHAT:** The Hormuz fertilizer chokepoint is the most dangerous near-term threat to 2026 U.S. corn yields. American Farm Bureau estimated up to 1.5 million acres could shift from corn to soybeans, a less nitrogen-dependent crop, if urea availability does not normalize before spring planting. Each acre of corn-to-soybean switching reduces ethanol feedstock, increases soy crush availability, and reshapes co-product balance across the entire midstream system. The Iran war is not just an energy story, it is a fertilizer and crop mix story with direct midstream throughput implications.

> **NOW WHAT → FutureBridge:** Supply chain intelligence can map alternative urea sourcing routes, Russia (Cherepovets), North Africa (OCP, FERTIAL), and domestic U.S. ammonia production (CF Industries, Koch), and model the timeline for normalization given current port and logistics constraints.

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71. Iran War Disrupts Oil, Gas, and Food: How the Strait of Hormuz Shutdown Threatens Food Security

Reuters* | *Read Article

The U.S.-Israeli war with Iran has brought shipping through the Strait of Hormuz to near-halt, damaging major energy facilities and cutting daily oil exports from the area by at least 60% from pre-conflict levels. Saudi Arabia reduced oil output by approximately 2 million bpd; drone attacks targeted the SAMREF refinery (Aramco/ExxonMobil), Yanbu port, and the Yanbu crude terminal. For agriculture, the compound effect is devastating: natural gas prices surged (fertilizer feedstock cost up), Hormuz fertilizer trade disrupted, shipping costs elevated, and global food import bills for Middle Eastern nations, which cannot feed themselves, spiked simultaneously.

> **SO WHAT:** The Iran war has created the third major global food security shock in six years, after COVID-19 (2020–21) and Russia-Ukraine (2022–present). Each successive shock has permanently elevated the strategic value of supply chain resilience investment. For midstream processors, the lesson is structural: single-source fertilizer dependency, just-in-time input procurement, and maximum-leverage balance sheets all become existential risks in a multi-conflict geopolitical environment.

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72. Iran War's Economic Fallout: Fertilizer Shortages Threaten Spring Corn Planting, Up to 1.5M Acres Could Shift

Atlantic Council* | *Read Article

Atlantic Council analysts warn that the de facto blockade of the Strait of Hormuz means fertilizer shipments scheduled for April 2026 are unlikely to arrive on time, threatening this season's corn planting and yields. Iowa, Nebraska, and Illinois, the largest corn-producing states, are most vulnerable. Analysts predict American farmers may shift up to 1.5 million acres from corn to soybeans, rippling through food prices in the U.S. and globally through 2026 and potentially into 2027.

> **SO WHAT:** A 1.5-million-acre corn-to-soybean shift is structurally significant: U.S. ethanol production capacity utilization falls ~3%, corn prices rally (fewer bushels produced), soybean prices retreat (more bushels available), and crush plant economics shift. Midstream processors running corn-based ethanol need to model a higher corn cost scenario for 2026–27, while soy crush operators should anticipate improved feedstock availability relative to 2025. The Iran war is a cross-commodity midstream repositioning event.

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73. Red Sea and Strait of Hormuz Escalation Rekindles Shipping Risk for Food and Feed Trade

Commodity Board / BBC* | *Read Article

On March 28, 2026, Houthi forces launched ballistic missiles at Israel, signaling readiness to re-escalate Red Sea maritime attacks after a period of reduced activity. Iran's control over Hormuz traffic kept the second critical trade passage effectively closed, heightening maritime security risk across the region. Most major carriers had already normalized Cape of Good Hope routing as standard for Asia-Europe capacity by March 2026, citing continued geopolitical risk in the Bab al-Mandeb strait.

> **SO WHAT:** Cape of Good Hope routing adds approximately 10–14 days to Asia-Europe voyages, the equivalent of a permanent 10–15% reduction in effective vessel capacity on the most important trade lane for grain, oilseed, and food ingredient flows. For EU food manufacturers sourcing agricultural commodities from Asia (palm oil from Malaysia/Indonesia, tapioca from Thailand), this is a permanent increase in lead time, inventory holding cost, and supply chain complexity. The "just-in-time" Asian commodity sourcing model for EU food processors is structurally broken.

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74. Ongoing War Stifles Ukraine's Grain Exports, Monthly Shipments Down 28.5% Year-to-Date

Grain Central / Breakwave Advisors* | *Read Article

Ukraine's grain exports in the current marketing year (2025-26) are down 28.5% from the prior year to February. In a 40-day window leading up to mid-January 2026, Russian strikes successfully degraded approximately 10% of Ukraine's port infrastructure. Monthly shipping volumes fell from an average of 3.6 million tonnes/month in the first half of 2024–25 to 2.5 MMT/month in the first half of 2025–26, with December wheat exports almost 25% lower year-on-year.

SO WHAT: Ukraine's grain export disruption directly supports Black Sea corridor commodity price risk premiums, but in the 2026 context of global grain oversupply, the price impact is muted compared to 2022. The more important midstream consequence is the logistics infrastructure destruction: Ukraine's port handling capacity, grain elevator connectivity, and rail-to-port integration are being systematically degraded in ways that will take 5–10 years to rebuild post-conflict. The structural consequence is a permanent redistribution of Eastern European grain export market share toward Romania, Poland, and the Baltic states.

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75. EU calls for Black Sea grain model to unblock Strait of Hormuz

Euronews | ***Read Article***

The European Union is advocating for a diplomatic solution to unblock the Strait of Hormuz, proposing a model similar to the Black Sea grain corridor established during the Ukraine war. The blockade, triggered by escalating conflict involving Iran, is disrupting the flow of critical commodities including fertilizers, energy, and agricultural inputs. EU officials warn that the situation is evolving into a broader humanitarian and economic crisis, as restricted shipping routes increase costs and delay global trade flows. While Europe has built some resilience in energy supply, the disruption is having wider global implications, particularly for regions more dependent on these trade routes.

SO WHAT: The Hormuz disruption underscores the growing vulnerability of global supply chains to geopolitical chokepoints. Any prolonged blockade could drive up input costs, especially fertilizers and energy, triggering ripple effects across agriculture and food markets. Companies must factor geopolitical risk into sourcing and logistics strategies, as securing alternative routes and building supply resilience becomes critical to managing volatility.

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76. 2026's Historic Snow Drought: Record Low Snowpack Threatens Western U.S. Water Supply and Ag

The Conversation / Climate Impact Company | ***Read Article***

The 2025–26 water year delivered a snow drought with few parallels in recent history: two of the three critical months for snow accumulation were excessively warm, and the third was notably dry. Lake Mead is at 33% of capacity; Lake Powell is at 26%, having decreased approximately 32 feet in a single year. Water managers in Wyoming, Washington, California, and Arizona are already warning that holders of junior water rights should prepare for reduced water allotments. Record low snowpack means much below-normal snowmelt and river inflows through spring and summer 2026.

SO WHAT: The Western U.S. snow drought is a slow-moving but irreversible 2026 production disruption. California's Central Valley, which produces more than half of U.S. fruits, vegetables, nuts, and dairy, faces irrigation allocation cuts that will manifest as higher commodity prices for fresh produce, almonds, pistachios, and processed tomatoes in Q3–Q4 2026. For food ingredient processors dependent on Central Valley commodities (tomato processors, almond processors, dairy in Tulare County), this is an existential input supply challenge.

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77. Fertilizer Price Shock: How the Iran War Threatens Food Security Through Hormuz

Deutsche Welle | ***Read Article***

Nearly half the world's traded urea comes from Gulf region exporters, with Qatar alone accounting for one-tenth of global supply. When QatarEnergy halted production after Iranian strikes on Ras Laffan, hundreds of thousands of tonnes of key fertilizer nutrients were sidelined at peak Northern Hemisphere application season. Approximately 1.33 million tonnes of fertilizer are exported through Hormuz every month, a 30-day closure is sufficient to trigger shortages and yield risks for nitrogen-dependent crops like corn, wheat, and rice.

> **SO WHAT:** The Iran war fertilizer shock is the most severe near-term threat to 2026 global food production. Unlike energy price shocks (which take 12–18 months to manifest in food prices), fertilizer shortages directly reduce 2026 crop yields in the current planting window, meaning there is no reprieve available through demand response or storage drawdown. The Age of Scale processors who locked in nitrogen supply contracts in H2 2025 are insulated; those relying on spot procurement in Q1–Q2 2026 are exposed to both price and availability risk.

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78. Ukraine Broke Russia's Blockade, But 10 Million Tonnes of Grain Still Stuck

EuroMaidan Press | ***Read Article***

Russian strikes on Ukrainian seaports periodically slash monthly agricultural exports by 20–30%, Deputy Economy Minister Taras Vysotskyi told RBC-Ukraine, leaving up to 10 million tonnes of grain sitting in storage without buyers. While Ukraine's naval drones forced Russia's Black Sea Fleet to relocate from Sevastopol to Novorossiysk, enabling the maritime corridor, the strikes continue to create logistical paralysis across the supply chain.

> **SO WHAT:** Ten million tonnes of stranded grain in Ukrainian storage is the equivalent of approximately 6–7% of global wheat trade in a single year, a supply overhang that will depress world wheat prices for the full marketing year once it can be moved. For wheat traders positioned long on Black Sea disruption risk, the corridor re-openings are short-covering events. For flour millers in Egypt, Turkey, and Southeast Asia, the stranded grain creates opportunity windows when corridor shipments normalize, but also supply uncertainty when they don't.

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79. Middle East Conflict Supply Chain Disruption: Cape of Good Hope Routing Now Standard

BISG | ***Read Article***

As of mid-March 2026, the regional conflict involving Iran, Israel, and the United States is creating significant disruption risk across multiple dimensions. Africa route deviations are now expected to continue as the norm for most major carriers, paired with elevated fuel surcharges. The resumption of Houthi attacks on the Red Sea, concurrent with the Hormuz near-blockade, has indefinitely postponed the logistics sector's expectations of a normalized market in mid-2026.

SO WHAT: The compound effect of Hormuz (near-closed) + Red Sea (elevated risk) + Black Sea (degraded infrastructure) means three of the world's five most important agricultural commodity trade corridors are simultaneously impaired. This is a supply chain resilience architecture reset event: any midstream processor that has not yet diversified sourcing corridors, built strategic ingredient inventories, or secured long-term supply contracts is operating with unacceptable supply chain risk.

NOW WHAT → FutureBridge: Supply chain risk mapping across all three corridors simultaneously, Hormuz fertilizer, Red Sea grain, Black Sea oilseeds, is exactly the intersection of OSINT and Supply Chain Intelligence where FutureBridge can deliver differentiated decision support to food company clients.

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80. Africa's Agribusiness Potential: $1 Trillion by 2030, But Capital and Infrastructure Remain Bottlenecks

Africa24TV / Further Africa | ***Read Article***

The African Development Bank projects Africa's food and agribusiness sector will reach $1 trillion by 2030. Africa holds over 60% of the world's uncultivated arable land, while agriculture accounts for approximately 23% of Africa's GDP and supports over half its population. Investment in agro-processing infrastructure, cold chains, packaging facilities, milling, is growing at 30%, with dairy expanding at 22% annually. Nigeria's investment in agro-industrial processing zones is projected to yield an IRR of 18.7% and NPV of $75.6 million.

SO WHAT: Africa's agribusiness infrastructure deficit is simultaneously the continent's biggest limitation and its biggest opportunity. The capital bottleneck is the primary constraint: risk perception, land tenure uncertainty, and infrastructure gaps have kept institutional investment disproportionately low relative to Africa's economic importance. For midstream processors with scale, financing access, and operational experience in complex supply chain environments, Africa represents the highest-return greenfield opportunity available in global food, but only for those with the institutional infrastructure to manage political, logistical, and counterparty risk.

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81. Western U.S. Water Supply Crisis: Data Centers and Agriculture Competing for a Shrinking Colorado River

Food Manufacturing / Yahoo News | ***Read Article***

The 2026 snow drought has created a competition for diminishing water resources that extends beyond agriculture: data centers requiring increasing amounts of water for AI cooling are adding new demand to a Colorado River system already stressed by agricultural irrigation requirements. Water rights holders with junior claims in Wyoming, Washington, California, and Arizona face the prospect of zero water allocations from the Central Valley Project as early-year dryness continues. Record low snowpack provides much below-normal snowmelt and river inflows, with significant dryness projected in the Central Great Plains to Texas through Q3/2026.

SO WHAT: The water-food-technology competition in the Western U.S. is the longest-duration structural risk in the midstream system, one that policy, investment, and pricing mechanisms are not moving fast enough to resolve. For food processors in the Western U.S., 2026 is the year that

> water scarcity transitions from "future risk" to "current operating constraint." The processors who survive and thrive will be those who invested in water recycling, precision irrigation partnerships, and geographic sourcing diversification before the crisis arrived.

THEME 11:

PACKAGING & PACKAGING EQUIPMENT SHAPING MIDSTREAM PROCESSING

82. Frugalpac unveils high-speed paper bottle machine

Packaging Scotland **|** ***Read Article***

Frugalpac introduced a high-speed paper bottle manufacturing machine designed to significantly scale up production of fiber-based bottles for beverages. Historically, paper bottle adoption has been constrained by low production speeds and high costs compared to glass and plastic. This new machine addresses those bottlenecks by enabling industrial-scale output, making paper bottles more commercially viable for mainstream beverage brands.

> **SO WHAT:** The innovation aligns with increasing regulatory pressure and brand commitments to reduce plastic usage and carbon footprints. By improving throughput and lowering unit costs, Frugalpac is attempting to bridge the gap between sustainability intent and operational feasibility in packaging.

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83. Sun Chemical unveils AquaHeat ink range for food packaging

Packaging Gateway **|** ***Read Article***

Sun Chemical introduced its AquaHeat ink range, designed specifically for high-heat food packaging applications such as retort and microwaveable formats. These inks are water-based and engineered to maintain performance under extreme thermal conditions, addressing a key limitation of traditional inks in food-safe packaging. As food packaging increasingly requires compatibility with heating processes, there has been a growing need for inks that can withstand high temperatures without compromising safety or print quality. This launch reflects a broader trend toward functional packaging components that go beyond aesthetics and play a role in product performance and compliance.

> **SO WHAT:** The development shifts value toward specialty chemical and functional material providers, as packaging performance becomes critical in F&N applications. Midstream margins move away from commoditized substrates toward high-value additives like inks and coatings, where compliance, safety, and performance drive pricing power. Companies investing in functional packaging technologies will gain an edge, while those focused only on basic materials risk commoditization.

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84. Strait of Hormuz crisis chokes packaging supply

Packaging Gateway **|** ***Read Article***

Disruptions in the Strait of Hormuz, a critical global shipping route, significantly impacted the flow of petrochemicals used in packaging materials such as plastics and resins. The crisis led to supply shortages, increased freight costs, and longer lead times for packaging inputs globally. Since many packaging materials are derived from petrochemical feedstocks sourced from or transported through this region, the disruption had a cascading effect across packaging supply chains, particularly for food and beverage companies reliant on consistent packaging availability.

> **SO WHAT:** This situation highlights how geopolitical risks can rapidly shift margins toward midstream players managing logistics, inventory, and sourcing diversification. Companies with strong supply chain capabilities, such as distributors, traders, and storage operators, benefit from

volatility, capturing higher margins through arbitrage and availability. For F&N companies, packaging is no longer a stable input, making supply chain resilience and supplier diversification critical strategic priorities.

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85. Saica Flex Deeside boosts capability with automation investment

Packaging Gateway **|** ***Read Article***

Saica Flex invested in automation at its Deeside facility to improve efficiency, production capacity, and operational consistency in flexible packaging manufacturing. Automation technologies enable faster production cycles, reduced labor dependency, and improved quality control, which are increasingly important in meeting the demands of large-scale food and beverage customers. This move reflects a broader industry trend toward digitization and automation in packaging operations to remain competitive in a cost-sensitive and high-volume market.

SO WHAT: Automation shifts margins toward highly efficient converters, as cost leadership and speed become key differentiators. Midstream value increasingly concentrates among players that can scale efficiently while maintaining quality, putting pressure on smaller or less automated competitors. For F&N companies, partnering with technologically advanced packaging suppliers becomes critical to ensure cost competitiveness and supply reliability.

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86. WePack expands operations with new 20,000 sq ft warehouse to boost inventory accuracy

Packaging News **|** ***Read Article***

WePack expanded its operations by adding a 20,000 sq ft warehouse aimed at improving inventory accuracy, storage capacity, and fulfillment efficiency. This expansion is designed to enhance the company's ability to manage complex packaging and contract packing requirements for clients, particularly in food and beverage sectors where demand variability and SKU complexity are high. Improved warehousing capabilities allow better tracking, faster turnaround times, and reduced errors in order fulfillment.

SO WHAT: Margins shift toward logistics-enabled contract packers, as inventory management and responsiveness become critical capabilities. In fragmented and volatile supply chains, companies that can store, manage, and quickly deploy packaging materials gain a competitive advantage. This reinforces the growing importance of midstream logistics infrastructure in capturing value within the F&N ecosystem.

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87. WBC acquires Transpack to strengthen packaging offering

Packaging Portal **|** ***Read Article***

WBC (Wine Box Company) acquired Transpack to expand its packaging portfolio and strengthen its market position, particularly in protective and transit packaging. This acquisition enables WBC to broaden its product range and enhance its ability to serve diverse customer needs across industries,

including food and beverage. The move reflects ongoing consolidation in the packaging sector, where companies are increasingly acquiring complementary capabilities to offer more integrated solutions. By combining expertise, WBC aims to improve operational efficiencies, expand its customer base, and enhance service delivery across packaging formats and geographies.

> **SO WHAT:** Consolidation shifts margins toward integrated packaging solution providers that can offer end-to-end services, from design to delivery. Midstream value pools increasingly favor players with scale, portfolio breadth, and distribution reach, allowing them to capture higher margins compared to specialized or single-product companies. For F&N companies, this means fewer but more capable suppliers controlling larger portions of the value chain.

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88. LBB Specialties and DMC to bring fermented inositols to the U.S.

World Bio Market Insights | ***Read Article***

LBB Specialties partnered with DMC Biotechnologies to introduce fermented inositols into the U.S. market, targeting applications in dietary supplements and functional foods. Fermentation-based production offers a more sustainable and potentially cost-effective alternative to traditional chemical synthesis. This move reflects growing demand for bio-based and functional ingredients in the nutrition sector, driven by health trends and consumer preference for clean-label products.

> **SO WHAT:** Margins shift toward fermentation technology providers and specialty ingredient distributors, as value moves from commodity ingredients to functional, high-value nutrition components. Midstream players controlling processing and distribution of specialty ingredients gain pricing power, particularly in premium health and wellness segments.

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89. Primient launches new business unit for bio-based products

World Bio Market Insights | ***Read Article***

Primient launched a dedicated business unit focused on bio-based products derived from plant-based feedstocks. This initiative aims to expand its portfolio into sustainable ingredients, including those used in food, nutrition, and industrial applications. The move reflects a strategic shift toward renewable and low-carbon solutions in response to regulatory and consumer pressures.

> **SO WHAT:** This development drives margin migration toward bio-based processing platforms, where companies can command premiums for sustainable inputs. Midstream value shifts from traditional commodity processing to specialized bio-refining capabilities, making sustainability a core driver of profitability.

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90. Tetra Pak expands F&B packaging capabilities at Texas headquarters

Packaging Insights | *Read Article*

Tetra Pak expanded its Texas-based facility to enhance R&D and technical capabilities for food and beverage packaging and processing. The expansion allows customers to test, develop, and optimize integrated solutions that combine food processing with packaging technologies.

> **SO WHAT:** Margins shift toward integrated solution providers, as value increasingly lies in combining processing + packaging expertise. Companies that can deliver holistic solutions capture higher value than those offering standalone products, reinforcing the importance of system-level innovation in F&N.

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91. Industry warns EC guidance on PPWR compliance does not address PFAS and recycling gaps

Packaging Insights | *Read Article*

Industry stakeholders raised concerns that EU PPWR guidance lacks clarity on PFAS restrictions and recycling requirements, creating uncertainty for packaging manufacturers. This ambiguity complicates compliance planning and investment decisions.

> **SO WHAT:** Regulatory uncertainty shifts margins toward players with advanced compliance and material innovation capabilities. Midstream value increasingly depends on regulatory navigation, making compliance expertise a key competitive differentiator.

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92. Interpack 2026: PulPac to unveil fiber-based caps to replace plastic solutions

Packaging Insights | *Read Article*

PulPac introduced fiber-based caps using its proprietary dry-molded fiber technology, aiming to replace conventional plastic closures in food and beverage packaging. Unlike traditional pulp molding, this technology enables higher precision, lower energy consumption, and scalability, making it suitable for mass-market applications. The innovation comes at a time when brands and regulators are pushing aggressively to eliminate single-use plastics, especially in small-format components like caps and closures that are difficult to recycle. By targeting this niche but high-volume segment, PulPac is addressing a critical gap in sustainable packaging solutions where alternatives have been limited.

> **SO WHAT:** This development signals a structural shift toward fiber-based ecosystems, where value moves from petrochemical-based plastics to molding technology, fiber processing, and barrier enhancement players. Midstream margins will increasingly favor companies that can deliver functional equivalence with sustainability, especially in components like closures that require durability and precision. Over time, this could disrupt a large portion of the plastic closures market, redistributing value across new material and technology platforms.

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93. UPM Specialty Materials and Paramelt unveil grease-resistant paper packaging

Packaging Insights* | *Read Article

PM Specialty Materials and Paramelt developed a new grease-resistant paper packaging solution designed for food applications such as fast food, bakery, and takeaway items. Traditionally, these applications have relied heavily on plastic laminates or coatings to prevent oil and grease leakage. The new solution uses advanced coating technologies to deliver similar barrier performance while maintaining recyclability and reducing plastic content. This innovation directly addresses one of the key technical challenges limiting the broader adoption of paper-based packaging in food applications.

> **SO WHAT:** The breakthrough shifts margins toward coating and barrier technology providers, as functionality becomes the key enabler for replacing plastics. Midstream value is no longer just about base materials but about performance enhancement layers, where companies can command premiums for enabling sustainability without compromising usability. This also accelerates the transition toward mono-material and recyclable packaging, reshaping demand for both raw materials and processing technologies.

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94. Sonoco supplies paper-based GreenCan to French sea salt company

Packaging Insights* | *Read Article

Sonoco supplied its paper-based GreenCan packaging solution to a French sea salt company, replacing traditional metal or plastic packaging formats. The GreenCan uses a high percentage of recycled fiber and is designed to meet both functional and sustainability requirements. This adoption highlights growing demand from premium food brands for packaging that aligns with environmental positioning while maintaining product protection and shelf appeal. The shift is particularly notable in categories like specialty salts, where brand differentiation and sustainability messaging are key.

> **SO WHAT:** This move reflects a broader transition toward sustainable rigid packaging, shifting margins to fiber-based packaging innovators and converters. Midstream value is increasingly driven by material substitution and brand alignment, where packaging becomes a key differentiator rather than a cost center. Companies that can offer scalable, sustainable alternatives to traditional formats will capture higher margins, especially in premium F&N segments.

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95. Actega and Living Ink launch algae-based ink for carbon-negative printing

Packaging Insights* | *Read Article

Actega and Living Ink introduced algae-based inks designed to provide carbon-negative printing solutions for packaging applications. These inks replace traditional petroleum-based carbon black with pigments derived from algae, offering a significantly lower environmental footprint. The innovation targets brands seeking to reduce Scope 3 emissions and enhance sustainability

credentials across their packaging value chains. It also reflects a broader shift toward rethinking even small components of packaging for environmental impact.

> **SO WHAT:** This development shifts value toward novel material innovators and specialty ink providers, where sustainability becomes a key pricing lever. Midstream margins increasingly favor companies that can deliver low-carbon or carbon-negative solutions, even in niche components like inks. Over time, such innovations can scale across packaging formats, creating new value pools in sustainable materials and additives.

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96. TotalEnergies launches France's first advanced plastics recycling plant

Packaging Insights* | *Read Article

TotalEnergies launched France's first advanced plastics recycling plant, capable of converting hard-to-recycle plastic waste into high-quality feedstock suitable for reuse in packaging applications. Unlike mechanical recycling, this technology can process mixed or contaminated plastics, significantly expanding the range of recyclable materials. The initiative aligns with increasing regulatory mandates in Europe to incorporate recycled content in packaging and reduce landfill waste.

> **SO WHAT:** This marks a major shift toward circular supply chains, where value moves from virgin material production to recycling infrastructure and feedstock processing. Midstream margins increasingly depend on access to recycled inputs, which are becoming both scarce and regulated. Companies that control recycling capabilities or secure long-term feedstock supply will gain significant competitive advantage.

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97. ExxonMobil and Reifenhäuser unveil PCR-based stretch hood film

Packaging Insights* | *Read Article

ExxonMobil and Reifenhäuser launched a stretch hood film incorporating post-consumer recycled (PCR) content, targeting industrial and packaging applications that require durability and flexibility. This development responds to growing demand from customers and regulators for increased recycled content in packaging materials without compromising performance..

> **SO WHAT:** This innovation shifts margins toward material engineering and recycling integration capabilities, where companies can deliver high-performance products with sustainable inputs. Midstream value moves toward players that can blend virgin and recycled materials effectively, creating differentiation in an otherwise commoditized market. Over time, this capability will become a baseline requirement, reshaping competitive dynamics.

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98. ALPLA opens first Philippines plant to boost APAC packaging expansion

Packaging Insights **|** ***Read Article***

ALPLA opened its first manufacturing facility in the Philippines as part of its broader strategy to expand in the Asia-Pacific region. The plant is designed to serve local and regional demand for packaging, particularly in food and beverage applications, reducing reliance on imports and long-distance supply chains..

> **SO WHAT:** Localization shifts margins toward regional manufacturing hubs, reducing logistics costs and improving responsiveness to local demand. Midstream value increasingly favors companies with geographically diversified production footprints, enabling them to navigate trade disruptions and demand variability more effectively.

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99. SIG supplies sweet protein drink company with aseptic carton tech

Packaging Insights **|** ***Read Article***

SIG partnered with a sweet protein beverage company to provide aseptic carton packaging technology, enabling shelf-stable distribution without refrigeration. This is particularly relevant for emerging functional beverages that require extended shelf life and global distribution capabilities.

> **SO WHAT:** Margins shift toward advanced packaging technology providers, where integration of processing and packaging enables new product formats and market expansion. Midstream value increasingly lies in technology platforms that enhance product viability, especially in high-growth functional F&N categories.

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100. AI, automation, and smart equipment redefine packaging machinery at PACK EXPO East 2026

PR Newswire **|** ***Read Article***

At PACK EXPO East 2026, packaging machinery manufacturers showcased a new generation of equipment integrating artificial intelligence (AI), automation, and smart sensors into packaging lines. These machines are designed to improve operational efficiency, reduce downtime, and address labor shortages by enabling predictive maintenance and real-time decision-making. Instead of standalone machines, the focus has shifted toward **connected, intelligent systems** that can optimize performance across the entire packaging line. The event highlighted how AI-driven equipment is transitioning from experimental adoption to mainstream deployment, particularly in food and beverage applications where efficiency and consistency are critical.

> **SO WHAT:** This marks a fundamental shift in packaging machinery economics, where value moves from hardware to intelligence and software-enabled performance. Midstream margins increasingly favor equipment providers offering integrated, data-driven solutions rather than just machines. For F&N companies, this means packaging equipment is no longer a cost center but a strategic asset for productivity, quality, and resilience, driving competitive advantage through smarter operations.

Thought Leadership Pieces, February-March 2026 Edition:

CLUSTER I

Bank & Lender Annual Outlooks

TL-1. Supply Chain Planning 2026, Why AI Alone Isn't Enough

Boston Consulting Group* | *Read Article

BCG's supply chain planning update finds that only 15% of companies have reached full AI industrialization defined as AI embedded in core planning, sourcing, and operations decisions rather than running in parallel pilot mode. The report argues that three capabilities determine whether AI generates supply chain value: data quality foundations, decision-rights clarity (who can act on AI-generated recommendations without approval latency), and change management investment to close the last mile between model output and human action.

> **SO WHAT:** For midstream food and ag processors, this finding cuts directly against the dominant narrative being sold by SAP, Oracle, and every supply chain software vendor: that AI is a plug-and-play upgrade. The 85% of companies stuck in pilot mode are there not because the technology doesn't work, but because their data governance, organizational structure, and decision-making velocity haven't been restructured to absorb AI recommendations. Buying better AI without fixing these foundations is like upgrading an engine in a car without an accelerator.

> **NOW WHAT** → FutureBridge's OSINT intelligence layer and Regulatory Prediction Impact tool are built for organizations that *already have* data quality issues but need competitive intelligence and policy risk assessment they can act on today, without waiting for enterprise-wide AI transformation. Rapid-cycle intelligence is the bridge between current operating capability and the AI-embedded future BCG describes.

FutureBridge Contrarian POV: BCG's "15% full industrialization" finding is methodologically sound but strategically misleading. Full AI industrialization is not the right benchmark for most midstream food companies. A mid-scale soy processor or flour miller does not need end-to-end autonomous supply chain AI, they need accurate 30-day demand signals, procurement price alerts, and logistics capacity flags. The companies winning on supply chain AI in 2026 are not the 15% with full industrialization; they are the companies using narrow, high-accuracy AI tools for specific high-value decisions (crush margin optimization, routing, hedge timing) while leaving the enterprise transformation for later. Perfection is the enemy of progress here.

TL-2. Supply Chain Navigator 2026 H1, Cost Pressures Are Structural

Kearney Foresight* | *Supply Chain Institute* | *Read Article

Kearney's Supply Chain Navigator, a tool with 95%+ accuracy over 10 consecutive quarters of prediction forecasts supply chain costs rising 2.3–4.0% above baseline inflation in the first half of 2026, despite surface-level stabilization in commodity prices, container rates, and road freight. Four structural forces are driving the persistence: applied tariff rates (up 30% on average), critical minerals exposure (global exports down one-third YoY), geopolitical risk (up 34% in the past year), and inventory dynamics (global inventory levels rising 14% YoY). The report's key operational insight is that cost pressure shows up *before the P&L*. Companies that recognize it in planning, sourcing, and operations signals will outperform those waiting for margin compression to appear in quarterly results.

SO WHAT: For midstream food and ag processors, 2.3–4.0% above inflation is not a rounding error, it is the difference between a profitable Q3 and a covenant breach for leveraged operators. More critically, the Kearney finding that cost pressure leads reported financial results by 1–3 quarters means that companies relying on standard financial reporting cadence s to trigger cost response are structurally late. The three patterns in high-performing companies, early timing, cross-functional alignment, technology + talent deployment, describe an intelligence capability, not just a cost management program.

NOW WHAT → FutureBridge's OSINT and Regulatory Prediction Impact capabilities provide exactly the "early signal" infrastructure that Kearney's framework requires, translating tariff filings, trade policy announcements, and regulatory shifts into actionable cost exposure estimates before they compress margins. The Kearney Navigator tells you the direction; FutureBridge tells you which specific inputs, corridors, and categories are at highest risk.

FutureBridge Contrarian POV: The Navigator's 95% accuracy is a marketing claim that requires context: the tool has been calibrated and retroactively validated against a period (2022–2025) with unusually persistent supply chain disruption. In a normalization regime, falling tariffs, easing geopolitical friction, inventory destocking, the Navigator's structural-inflation bias could produce systematic over-estimation. For procurement teams making long-term supply contracts, locking in supplier terms based on Navigator forecasts of structural cost elevation could prove expensive if the tariff architecture that drives the 30% average increase gets unwound by negotiated trade deals (as appears to be happening in some corridors). Use the Navigator as a directional signal, not a precision instrument.

TL-3. How Middle East Tensions Impact Supply Chains

Oliver Wyman **|** ***Read Article***

Oliver Wyman's March 2026 briefing provides a structured operational framework for assessing Middle East conflict exposure across three transmission channels: energy costs (Strait of Hormuz carries 20% of global petroleum consumption and 20% of global LNG trade), commodity inputs of Gulf origin (fertilizers, aluminum), and Asia-Europe logistics (Maersk rerouted via Cape of Good Hope, adding 8–15 days transit; CMA CGM added $2,000 emergency surcharges per 20-foot container). The report's decision framework identifies three immediate priorities: single-source exposure mapping, inventory thin-spot assessment, and contractual exposure review.

SO WHAT: The Oliver Wyman piece is distinguished by its operational specificity. It does not stop at "geopolitical risk is elevated", it maps the precise channels through which Middle East conflict transmits into food company P&Ls. For midstream operators, the fertilizer link is the most consequential: GCC countries are a primary export source for nitrogen and phosphate inputs. Disrupted fertilizer logistics compound an already stressed global urea market (up 28–52% YTD) and create procurement urgency windows that most companies are not organized to capture.

NOW WHAT → FutureBridge's OSINT capability maps supplier network exposure at the subsidiary and production-site level, identifying which midstream clients have contractual dependencies on GCC-origin inputs that are now subject to force majeure risk or rerouting cost elevation. This is not theoretical risk modeling; it is active contract-level exposure intelligence.

FutureBridge Contrarian POV: Oliver Wyman's framework, while sound, reflects the consulting firm's institutional bias toward comprehensive risk mapping over triage. In practice, most food processing companies do not have the internal bandwidth to simultaneously audit single-source exposure, renegotiate contracts, review insurance, AND restructure supplier contingency plans, which is what the framework implies. The more actionable version of this advice is: identify the one input category with both high Middle East origin concentration AND lead-time vulnerability longer than 60 days. Fix that. Leave the comprehensive framework for when the immediate fire is out.

TL-4. EU Supply Chain Tech Report 2026, AI and Startup Impact

Oliver Wyman + Prequel Ventures | ***Read Article***

Oliver Wyman and Prequel Ventures surveyed EU supply chain executives on AI industrialization and startup collaboration, finding that AI deployment remains fragmented across European food and ingredient supply chains. The report documents how leading EU supply chain organizations are restructuring technology investment toward startups for speed-to-deployment advantages that incumbent ERP vendors cannot match, particularly in demand sensing, supplier risk monitoring, and sustainability data compliance. AI is described as now "non-optional" rather than experimental for companies managing cross-border EU regulatory complexity.

> **SO WHAT:** For EU-based midstream food processors, the EUDR (effective December 30, 2026 for large operators), CSRD ingredient disclosure obligations, and PFAS food contact regulations are creating a simultaneous compliance data burden that overwhelms manual systems. The Oliver Wyman / Prequel finding that startup collaboration is the fastest path to AI capability, rather than waiting for SAP or Oracle to build native compliance modules, is commercially significant. EU midstream operators who delay startup ecosystem engagement until 2027 will be making compliance investments under crisis conditions.

> **NOW WHAT** → FutureBridge's Regulatory Prediction Impact capability provides EU midstream clients with early-stage regulatory risk scoring, modeling the probability and commercial impact of regulatory changes (EUDR, PFAS, HFSS, CSRD) before formal implementation deadlines, enabling proactive technology and supplier investment rather than reactive compliance spend.

FutureBridge Contrarian POV: The Oliver Wyman / Prequel Ventures collaboration carries an inherent commercial bias: Prequel is a venture fund investing in supply chain startups, and this report effectively functions as market development material for their portfolio. The finding that "startups outperform incumbents on deployment speed" is true in absolute terms but ignores integration risk. A food company that deploys three separate startup point solutions for demand sensing, supplier risk, and sustainability reporting has three integrations to maintain, three vendor relationships to manage, and three potential failure points. The incumbent ERP vendors' slower deployment pace reflects integration discipline that startups are not built to provide. Total cost of ownership is the missing variable.

TL-5. How To Navigate Key Challenges In The Future Of Food Retail

Oliver Wyman **|** ***Read Article***

FMI's latest industry blueprint highlights a shift in priorities across the food and grocery sector, driven by rapid technological change, evolving consumer behavior, and increasing regulatory complexity. Technology, especially AI, automation, and digital transformation, is now a core driver of change across the value chain, from supply chain operations to customer engagement. At the same time, labor challenges are evolving into a broader "future of work" issue, while fragmented regulations are creating operational strain for companies. Changing consumer preferences, focused on health, transparency, and e-commerce, are reshaping demand. Economic pressures, inflation, and competition are further intensifying challenges for retailers..

> **SO WHAT:** The food industry is entering a phase of structural transformation where success depends on integrating technology, navigating regulatory complexity, and adapting to evolving consumer expectations. Companies must invest in AI-driven operations, workforce transformation, and data-led consumer insights while strengthening collaboration across the value chain. Those that can balance innovation with compliance and agility will be better positioned to build resilience and long-term competitive advantage.

TL-6. Consumer Packaged Goods Outlook 2026

PwC Strategy& **|** ***Read Article***

PwC's inaugural CPG Executive Survey, based on 200+ global senior executives, documents an industry in structural self-disruption: growth slowed to single digits YoY, brand loyalty eroding, DTC expected to grow 10–15% over five years, AI adoption fragmented, and operating models described as "outdated." PwC's 2026 M&A outlook supplements the survey with the finding that CPG deals are no longer about scale alone, they are about buying speed, data signals, and technology-enabled competitive advantage.

> **SO WHAT:** For midstream ingredient and food processing companies that supply CPG brands, PwC's survey is a leading indicator of reformulation and portfolio rationalization pressure downstream. CPG companies that are restructuring away from "legacy operating models" will be auditing their ingredient supply chains for cost, flexibility, and innovation capability simultaneously. The midstream supplier that is perceived as slow-moving, commodity-focused, and innovative is at structural risk of de-listing as CPG customers restructure their own portfolios. The PwC "caution is a risk" framing applies equally to the ingredient supply base.

> **NOW WHAT** → FutureBridge's Company Genomics platform tracks CPG portfolio restructuring signals, patent filings, R&D investment patterns, leadership changes, and regulatory submissions, that precede formal supplier rationalization announcements. Ingredient companies that receive early warning of a CPG customer's portfolio shift have 12–18 months to reposition their offer; those who receive it in the customer's RFP have six weeks.

FutureBridge Contrarian POV: PwC's "caution is a risk" conclusion is a business development statement, not a strategic prescription. The 200+ executives surveyed are skewed toward large global CPG companies, the universe where PwC has its consulting relationships. For mid-market and regional food manufacturers, caution has historically been a *survival strategy*. The CPG companies

that have been most aggressive in adopting DTC, brand innovation, and tech-enabled operating models, Tattooed Chef, Halo Top, numerous alt-protein brands, have also produced the sector's most visible capital destruction stories of the past five years. The selection bias in PwC's survey toward action-oriented executives at large companies systematically understates the downside risks of premature disruption at organizations with thinner capital buffers.

TL-7. Truist: Food & Agribusiness Quarterly, Bank's View of 2026

Truist Securities **|** ***Read Article***

Truist's Q1 2026 note frames the sector around three themes: tight credit for leveraged protein processors, continued support for scaled grain and ingredient platforms, and strong appetite for logistics and cold-chain assets. It also points to a building pipeline of carve-outs and portfolio realignments among large strategics.

> **SO WHAT:** Bank views like this shape which projects and companies can actually access capital. Processing and ingredient platforms that match the "favored" profile, scaled, diversified, asset-backed, will find financing and M&A opportunities far easier than single-site, commodity-exposed processors.

> **NOW WHAT** → Bank views like this shape which projects and companies can actually access capital. Processing and ingredient platforms that match the "favored" profile, scaled, diversified, asset-backed, will find financing and M&A opportunities far easier than single-site, commodity-exposed processors.

FutureBridge Contrarian POV: The report is implicitly pro-scale, but underestimates the risk of crowding into the same favored asset classes (cold chain, specialty ingredients). Overbuilding in those "bankable" areas can recreate the margin compression cycle seen in past ethanol and crush booms if capital discipline fails.

TL-8. World Bank: Water, Agriculture, and Food Security

World Bank | Read Article

World Bank notes that improved water management could feed up to 1.4 billion more people, but current irrigation efficiency and governance gaps leave major producing regions exposed to climate and drought shocks. It links water stress to long-term changes in crop mix, yields, and trade flows.

> **SO WHAT:** For midstream processors, water is a hidden origin-risk driver. Crops and regions with worsening water stress will see more volatile output and policy interventions, affecting feedstock reliability for grains, oilseeds, and specialty crops.

FutureBridge Contrarian POV: The analysis underplays the capital markets angle. As water risk is increasingly priced into land, lending, and insurance, midstream processors tied to water-stressed origins may face higher financing costs or pressure from investors to diversify supply faster than agronomic timelines alone would suggest

Thought Leadership Pieces, February-March 2026 Edition:

CLUSTER II

Trade Association Annual Reports

TL-9. *Power of Meat 2026*, 21st Annual Report

Meat Institute + FMI | *Read Article*

The 2026 Power of Meat report, released at the Annual Meat Conference, documents the most commercially significant performance data in the retail meat category's recent history: $112 billion in sales in 2025, representing 6.8% dollar growth and 2.0% pound growth. More than 98% of American households purchased meat, averaging more than 56 shopping trips per year. The generational shift is the structural story: Millennials and Gen Z drove 67% of unit growth, and Gen Z users show 50% actively increasing meal preparation with meat, the highest engagement of any demographic cohort. GLP-1 medication users over-index on meat consumption at 161 (versus 100 baseline) and are 71% more likely to include meat in snacking occasions.

SO WHAT: The $112B record, achieved during a year of consumer financial stress and private label growth across virtually every other category, is the strongest possible signal that animal protein is not a cyclical category. It is the *floor* of the food basket, and it is growing in volume, not just dollar terms. The GLP-1 data point is commercially explosive: the fastest-growing consumer medication segment in U.S. history is *positively correlated* with meat consumption. Every midstream protein processor who has been modeling GLP-1 as demand risk has the causality backwards.

NOW WHAT → FutureBridge: FutureBridge's Consumomics demand modeling platform incorporates GLP-1 adoption trajectory data and behavioral purchasing pattern analysis to give midstream protein processors a forward demand curve that accounts for the GLP-1 cohort's distinct protein/fiber prioritization profile, enabling more accurate capacity planning and ingredient reformulation investment decisions.

TL-10. Feeding the Economy: *10th Annual Report*

35 Food and Agriculture Organizations | *Read Article*

The 10th annual Feeding the Economy report, a coalition product from 35 food and agriculture organizations including CRA, NCBA, NMPF, and FMI, finds that U.S. food and agriculture generated more than $10.4 trillion in economic activity in 2026, representing nearly 20% of total national economic output and an increase of $894 billion year-over-year. The report supports nearly 49 million U.S. jobs and generates more in tax revenue than the defense sector. The annual release is timed to coincide with the spring legislative session to maximize Congressional visibility.

SO WHAT: $10.4 trillion is a number that makes food and agriculture the most consequential sector in the U.S. economy by any measure that includes supply chain multipliers. The timing, released during the One Big Beautiful Bill Act debate, the SNAP reform discussion, and the EPA RFS finalization, is deliberate. For midstream companies, this report is the most powerful single-document argument for sector investment, favorable regulatory treatment, and market access support that exists. Executives who can cite this data in policy meetings, customer negotiations, and investor presentations are operating from a position of documented economic authority.

NOW WHAT: FutureBridge: FutureBridge's policy intelligence capabilities track how the $10.4T economic footprint argument is being deployed (or ignored) in specific regulatory proceedings, enabling midstream clients to time their own policy engagement for maximum legislative impact.

TL-11. FMI / IFIC: 2025 Food & Health Survey

International Food Information Council | ***Read Article***

The 2025 IFIC Food & Health Survey, the 20th consecutive annual edition, covering 3,000 U.S. consumers, documents two decades of consumer food attitude evolution with particular focus on GLP-1 medication users as a newly distinct dietary segment. GLP-1 users are reshaping the nutritional priority hierarchy: higher protein, higher fiber, lower caloric density, smaller portions, and greater mindfulness around ingredient quality. The survey also documents the ongoing erosion of trust in nutrition science, with a significant share of consumers reporting that food recommendations "always seem to be changing", creating commercial demand for ingredient transparency and science-backed claims.

The January 2026 WASDE is the definitive monthly U.S. and global supply/demand balance sheet for all major agricultural commodities. January's release confirmed: record U.S. corn crop at 17.021 billion bushels, soybean ending stocks building, global oilseed crush expansion, cattle and hog supply tightness confirmed in the livestock section, and U.S. dairy production projections revised. For midstream operators, the WASDE is the official calibration document for procurement, hedging, and capacity utilization planning.

> **SO WHAT:** The WASDE is not thought leadership in the traditional sense – it is the market's official operating manual. But for CEOs who don't have time to read every supporting data release, the January 2026 WASDE summary contains more commercially actionable midstream intelligence per page than any other document published in January. Record corn, building soybean stocks, tight cattle supply, and strong dairy protein markets – all confirmed in 12 pages.

FutureBridge Contrarian POV: The WASDE captures supply side with extraordinary precision. It has no behavioral demand modeling – it uses static consumption coefficients that do not reflect GLP-1 behavioral shifts, clean label reformulation trends, or biofuel policy discontinuity risk. The WASDE tells you what is. FutureBridge Consumomics tells you what is about to change. Together they are the complete analytical framework.

TL-12. IFIC: 2026 Spotlight Survey, Americans' Trust in Food & Nutrition Science

International Food Information Council | ***Read Article***

US beef production estimates were revised slightly upward. Based on updated slaughter data, 2025 production is expected to reach 26 billion pounds, while 2026 output is forecast at 25.735 billion pounds, supported by heavier carcass weights despite fewer fed cattle marketings. 2026 cattle price projections increased, while beef imports are expected to rise due to stronger global supply and domestic demand. Exports are forecast lower amid stronger competition in Asian markets.

> **SO WHAT:** The 70% "recommendations always change" finding is commercially actionable. It explains why consumers are increasingly responsive to ingredient simplicity claims over nutritional science claims, "five ingredients or fewer" performs better than "clinically validated protein bioavailability." For midstream ingredient suppliers, this bifurcates the market: legacy synthetic ingredients and complex additive systems face growing consumer (and now regulatory) headwinds, while simple, recognizable, traceable ingredients gain pricing power. The MAHA-driven FDA

synthetic dye phase-out is not an isolated regulatory event, it is the regulatory manifestation of a consumer trend IFIC has been documenting for three years.

NOW WHAT: FutureBridge: FutureBridge's Consumomics platform tracks real-time consumer sentiment signals around ingredient trust and clean label at the SKU and category level, providing midstream ingredient companies with early warning of which specific ingredient categories are approaching consumer acceptability thresholds before FDA or USDA regulatory pressure formalizes.

TL-13. Clean Fuels Alliance America: 2025 Year-End Positioning Report

Clean Fuels Alliance America | *Read Article*

The Clean Fuels Alliance America 2025 Year-End Report positions biodiesel and renewable diesel for structural growth in 2026, anchored by the EPA's finalized RVO target of 5.61 billion gallons for biomass-based diesel. The John Deere B30 biodiesel approval, the first OEM to support 30% biodiesel blends in heavy equipment, is highlighted as a market expansion signal. The 45Z Production Tax Credit, operational from January 1, 2025, is reshaping the carbon intensity scoring competition among feedstocks: soybean oil, canola oil, tallow, and used cooking oil (UCO) are now in active competition for the lowest-CI position and highest 45Z credit value.

SO WHAT: The 5.61B gallon biomass-based diesel RVO is not just a biofuel industry milestone, it is a structural demand signal for every midstream soybean crusher in the U.S. The oilseed processing sector is now more directly exposed to EPA policy than to traditional food demand in some capacity utilization scenarios. When the RVO is above 5B gallons, soybean oil demand is structurally supported regardless of food market conditions. The 45Z carbon intensity competition is shifting which feedstocks get crushed and how, tallow processors and UCO aggregators are suddenly in the same competitive market as the ABCD soy crushers.

NOW WHAT: → **FutureBridge:** FutureBridge's TerraCaptus platform tracks patent filings and technology investments in feedstock carbon intensity optimization, identifying which competitors are investing in lower-CI feedstock processing to capture higher 45Z credit values before those advantages appear in public market share data.

TL-14. Renewable Fuels Association: December 2025 Trade Monitor

Renewable Fuels Association | *Read Article*

The RFA's December 2025 trade data shows 220.3 million gallons of U.S. ethanol exports, near record, with the European Union holding position as the second-largest buyer after historical leader China. DDGS (dried distillers grain with solubles) export softening is the countervailing signal: China's retaliatory tariff response to U.S. agricultural policy is compressing DDGS demand in ways that ethanol volume strength obscures.

SO WHAT: The divergence between ethanol volume strength and DDGS softening is the most important data point in this report for midstream feed and ingredient processors. DDGS is the co-product that makes ethanol plant economics viable at the margin, when DDGS prices compress, ethanol plants push harder on the ethanol side to maintain margins, which means more bushels crushed and more DDGS supply entering an already soft market. For feed ingredient processors

competing with DDGS as an energy/protein source, this dynamic is deflationary for corn and competing feed ingredients. For ethanol plants themselves, the DDGS softening is a quiet margin squeeze that does not appear in the near-record export headlines.

NOW WHAT: FutureBridge: FutureBridge's OSINT platform tracks Chinese DDGS import flows and destination market shifts in near-real time, alerting midstream ethanol and feed ingredient clients to demand displacement events before they appear in USDA export inspection data, enabling pricing and logistics adjustments with a 2–4 week lead.

TL-15. NOPA: Monthly Crush & Stock Report, March 2026

National Oilseed Processors Association | Read Article

NOPA's March 2026 crush report, the operational bible for the soy processing complex, documented a record monthly crush of 221.564 million bushels (up 10.6% YoY), with soybean oil inventories surging to 1.9 billion pounds (up 49.1% YoY and 15.7% from December). The 49% soy oil stock build is the data point that defines the current margin environment: crushing capacity additions are outpacing biofuel demand growth, creating an inventory overhang that is capping soy oil price recovery despite strong RVO policy tailwinds.

SO WHAT: The 49% soy oil stock build is the single most important number in the March midstream crush economics story. It explains why soybean oil futures have underperformed despite near-record EPA biofuel mandates: the market is being fed more soy oil than even the structurally elevated biofuel demand can absorb in the near term. For crush operators, the operative question is not "will biofuel demand grow?" It is "how long does the inventory overhang persist before feedstock demand tightens the balance sheet?" The NOPA data says Q2 and Q3 2026 are the clearing periods to watch.

NOW WHAT: FutureBridge: FutureBridge's TerraCaptus platform tracks announced and permitted crush capacity additions, giving midstream operators the forward supply curve for soybean processing that the NOPA monthly data alone cannot provide. The combination of current inventory data (NOPA) with forward capacity signal (TerraCaptus) is the intelligence stack that enables confident crush margin hedging.

TL-16. NAM: Manufacturers Feed America

National Association of Manufacturers | Read Article

The NAM released "Manufacturers Feed America" during the 2026 NAM State of Manufacturing Tour, positioning the U.S. food and beverage manufacturing supply chain as a global leader on safety, affordability, and nutritional innovation, and warning that "fragmented or ideology-driven proposals" risk disrupting the structural advantage that U.S. manufacturers hold. The report's most commercially significant data point is the U.S. energy cost advantage: natural gas at $3–4/MMBtu in the United States versus $10–14/MMBtu across European markets, a 3–4x structural cost differential that makes U.S.-based food manufacturing fundamentally more competitive for energy-intensive processing.

SO WHAT: The $3–4 vs. $10–14/MMBtu energy cost gap is the most underappreciated competitive advantage in midstream food manufacturing and the most likely driver of where the next generation of processing capacity is built. EU food processors operating ingredient drying, fermentation,

enzyme production, and spray drying systems at triple the energy cost of their U.S. counterparts cannot compete on cost without equivalent compensating advantages (proximity to EU consumer premiums, regulatory knowledge, EUDR compliance infrastructure). For U.S.-based midstream processors evaluating capital expansion decisions, this energy differential is a durable moat, as long as U.S. natural gas policy remains stable.

NOW WHAT: FutureBridge: FutureBridge's TerraCaptus platform tracks announced and permitted crush capacity additions, giving midstream operators the forward supply curve for soybean processing that the NOPA monthly data alone cannot provide. The combination of current inventory data (NOPA) with forward capacity signal (TerraCaptus) is the intelligence stack that enables confident crush margin hedging

Thought Leadership Pieces, February-March 2026 Edition:

CLUSTER III

EU Government and Regulatory Reports

TL-17. CoBank: Food and beverage companies reckon with sinking sales

CoBank Knowledge Exchange | Read Article

Major global food and beverage companies are experiencing stagnating or declining sales volumes as consumers increasingly resist higher prices. Companies like Coca-Cola, Mondelez, and Molson Coors reported flat or negative growth in 2025, with similarly weak projections for 2026. Even higher-income consumers are cutting back, reducing restaurant visits and shifting toward private label grocery products, while lower-income groups are trading down more aggressively and limiting dining out altogether. Rising prices remain the primary driver of reduced demand across categories such as snacks, alcohol, and soft drinks. Industry discussions at the 2026 CAGNY conference highlighted widespread concern over muted growth expectations and changing consumer behavior. At the same time, structural factors like GLP-1 drug usage and slower population growth are expected to further dampen consumption. In response, companies are shifting focus from expansion to protecting market share through cost efficiency, targeted investments, and product innovation

SO WHAT: This signals a structural shift in consumer spending power and priorities, forcing brands to rethink pricing, value propositions, and innovation strategies. Growth will depend less on expansion and more on adapting to a more price-sensitive, health-focused, and selective consumer base.

TL-18. Rabobank: North American Agribusiness Quarterly Q1 2026

The European Commission’s DG Energy quarterly report shows that industrial energy prices in the EU remain structurally higher than in the United States as of early 2026. Natural gas prices in Europe are reported in the range of $10–14/MMBtu, compared with about $3–4/MMBtu in the U.S. The report examines how these elevated energy costs affect energy-intensive industries such as food processing, chemical manufacturing, and fertilizer production, all of which rely heavily on energy as a key input. It also reviews the various support mechanisms that European governments are using to help industrial users manage these costs.

SO WHAT: This report serves as the official EU reference point for the persistent energy cost disadvantage facing European industries. Higher energy prices translate into greater operating costs across several midstream sectors, including grain milling, dairy processing, ingredient manufacturing, and meat processing. As a result, European producers operate with a heavier fixed cost structure compared with their U.S. counterparts.

NOW WHAT: FutureBridge FutureBridge's Regulatory Prediction Impact and OSINT tools are built for exactly the "policy-driven market" environment Rabobank describes, providing midstream clients with forward probability assessments of policy developments (RFS finalization, USMCA July review, China retaliation escalation) that can be incorporated into operational hedging and margin planning frameworks.

TL-19., Rabobank (Lucas Fuess): Whey-Led Dairy Expansion Could Create Cheese Oversupply and Compress Class III

RaboResearch | Read Article

Global dairy markets are currently oversupplied due to strong milk production growth across major exporting regions, supported by low feed costs. This excess supply has significantly pressured prices, especially in fat-based products, which dropped over 40%, while whole milk powder declined around 30%. Protein-based products like skimmed milk powder, cheese, and whey proved more resilient, with smaller declines, and whey prices even increased due to strong demand for protein-rich foods. Recently, dairy prices have shown early signs of recovery, with gains in Global Dairy Trade auctions boosting market sentiment. However, supply levels remain high, and production continues to exceed last year's levels in most regions. Looking ahead, supply growth is expected to slow, with some regions like Europe seeing declines, while the US continues expanding production, particularly in cheese and whey.

> **SO WHAT:** : This is one of the most important analytical pieces in the March 2026 dairy landscape because it is the cautionary note inside a bullish macro story. The dairy market is transitioning from oversupply toward gradual tightening, but volatility remains. Companies must navigate price pressure, shifting demand toward protein products, and geopolitical risks that could disrupt trade flows.

> **NOW WHAT: FutureBridge** FutureBridge's Regulatory Prediction Impact and OSINT tools are built for exactly the "policy-driven market" environment Rabobank describes, providing midstream clients with forward probability assessments of policy developments (RFS finalization, USMCA July review, China retaliation escalation) that can be incorporated into operational hedging and margin planning frameworks.

TL-20. Rabobank: Conflict in the Middle East: Impact on global food and agribusiness

RaboResearch | Read Article

The ongoing Middle East conflict, particularly disruptions in the Strait of Hormuz, is creating widespread shocks across global food and agribusiness systems. As a critical hub for energy, fertilizers, petrochemicals, and trade logistics, disruptions in the region have driven sharp increases in oil, gas, and transportation costs, cascading across the entire value chain. Fertilizer markets are especially affected, with rising prices putting pressure on farmer margins globally. Logistics disruptions, including higher freight and insurance costs, are impacting trade flows in grains, animal protein, and dairy, while some export routes are being rerouted or delayed. Packaging sectors, especially plastics and paper, are also facing cost pressures due to reliance on Middle Eastern feedstocks. Meanwhile, higher energy prices are fueling inflation, weakening consumer demand, and limiting companies' ability to pass on costs.

SO WHAT: This conflict is not just a short-term disruption but a catalyst for structural shifts across global food and agribusiness. Companies will need to rethink supply chain resilience by diversifying sourcing away from concentrated geopolitical chokepoints like the Strait of Hormuz. Input cost volatility, especially in energy, fertilizers, and packaging will accelerate the push toward efficiency,

localization, and alternative inputs. At the same time, persistent inflationary pressure and reduced consumer purchasing power will force brands to sharpen value propositions, balance pricing with demand elasticity, and expand private label or value-tier offerings.

TL-21. Farm Credit East: From Farm to Forest to Dock: The Northeast's $225B Economic Engine

Farm Credit East | Read Article

The Northeast agricultural sector is being recognized for its resilience, economic strength, and diversity despite broader industry challenges. Data shows that 97% of farm loans remain in good standing, reflecting strong financial health across the sector. The region is also seeing increased investment, particularly in New York's dairy industry, alongside supportive policies such as investment tax credits introduced in states like New York, Connecticut, and Maine. These measures are enabling farmers to reinvest, innovate, and strengthen long-term productivity. According to recent estimates, agriculture, fishing, forestry, and related processing activities generate $225 billion in economic output and support over 818,000 jobs, reinforcing the sector's importance to the regional economy.

> **SO WHAT:** This highlights a relatively strong and stable regional ag ecosystem, positioning the Northeast as a model for resilience through diversification and policy support. Continued investment and favorable credit conditions create a foundation for modernization, sustainability initiatives, and value-added growth. Strategically, this environment supports innovation in high-value segments (e.g., dairy, specialty crops, controlled-environment agriculture) and strengthens local supply chains

> **NOW WHAT: FutureBridge** FutureBridge's Consumomics platform helps model future demand across diverse Northeast agricultural segments such as dairy, produce, and value-added products, enabling stakeholders to make investment decisions based on evolving consumer behavior and regional demand trends rather than relying solely on historical data.

TL-22. FCS America: Is Cattle Market Volatility Just Getting Started? Q1 2026 Beef Processing Outlook

***FCS America* |** *Read Article*

FCS America documents the structural inversion in beef packer economics: with fed cattle supplies running 6–7% below year-ago levels, choice boxed beef is up 15% YTD through March and cattle prices are up 18–40% depending on class. Packer margins improved from deeply negative to breakeven or slight profit only *after* Tyson closed its Lexington, Nebraska plant and reduced Amarillo to one shift, meaning that profitability required structural capacity reduction, not demand improvement. The Q2 and Q3 outlook sees slaughter running 4–6% below year-earlier levels with beef production in Q3 2026 down 2.5–5% versus 2025. Fed cattle prices are projected to average $250–$255/cwt in Q2 and near $260/cwt in Q3, with tight supplies sustaining packer leverage against cattle feeders.

> **SO WHAT:** The Weaber analysis makes the structural case that beef processing economics have been permanently reset for at least 24–36 months. The cattle cycle trough, herd at 27.6 million head, the smallest since 1951, cannot be unwound quickly. Every dollar of record boxed beef

prices that consumers experience in retail in 2026 is a processing industry structural signal, not a temporary aberration. For mid-scale beef packers, the operational imperative is yield optimization and grading mix management, extracting maximum value per head when head counts are structurally constrained.

NOW WHAT: FutureBridge FutureBridge's OSINT capability tracks announced and actual packer capacity reductions, utilization rates by plant, and competitive repositioning at the major integrators (Tyson, JBS, Cargill, NBPCO), enabling smaller and mid-tier packers to identify which geographic markets are being under-served as majors restructure capacity, creating regional origination opportunities.

Thought Leadership Pieces, February-March 2026 Edition:

CLUSTER IV

Trade Magazines & Industry Frameworks

TL-23. USDA ERS: *Feed Grains Outlook: March 2026*

USDA Economic Research Service | Read Article

The ERS March 2026 Feed Grains Outlook documents U.S. corn exports on pace to hit 3.3 billion bushels, a record, with commitments through February 26 already at 2.558 billion bushels, running 51% ahead of last year. Global coarse grains supply is elevated at a record 480.4 million metric tons, contributing to lower grain prices relative to the prior year. The DDGS co-product story is more nuanced: Gulf DDGS-to-corn spread rose to $46.56, up from $37.73 the prior week, reflecting the underlying ethanol production strength (1.116 million barrels per day, up 5% YoY) even as China-bound DDGS flow faces tariff headwinds.

SO WHAT: Record corn export pace is the demand-side data point that prevents corn from collapsing to true cost-of-production levels despite the oversupplied global balance sheet. The 51% YoY export pace reflects post-tariff demand rerouting, Southeast Asian buyers accelerating U.S. corn purchases ahead of feared policy escalation, which creates a pull-forward demand dynamic that is not durable beyond 2026. For midstream feed ingredient processors whose input economics are levered to corn prices, the current price environment may be the cyclical bottom, not a structural price floor.

NOW WHAT: FutureBridge FutureBridge's OSINT capability tracks export commitment pace at the vessel-level across U.S. Gulf and PNW export terminals, providing midstream feed processors and ethanol operators with a real-time demand absorption signal that the monthly WASDE cannot supply at the frequency and granularity required for procurement and hedging decisions.

TL-24. USDA ERS: *Livestock, Dairy and Poultry Outlook: March 2026*

USDA Economic Research Service | Read Article

The ERS March 2026 LDP Outlook reflects strong demand and tight supply across the protein complex. Beef production is expected to decline again in 2026, the third consecutive year, but growth in pork, turkey, and broilers is forecast to offset the decline, taking total red meat and poultry to 108.4 billion pounds (+1% from 2025). Dairy: milk production rises to 234.3 billion pounds on higher productivity per cow despite a slight reduction in the national herd to 9.555 million head. The 2026 dairy export forecast hits a record high on a milk-fat basis on competitive cheese and butter prices, while skim-solids exports are reduced on weaker international demand. Egg prices remain on a 27.4% decline trajectory as flock recovery from HPAI accelerates.

SO WHAT: The ERS LDP Outlook's most commercially significant signal is the divergence between dairy's milk-fat export strength and skim-solids export weakness, which maps directly onto the butterfat oversupply / protein scarcity dynamic that Farm Credit East's Geiger documented (TL-27). This is not just a pricing story; it is a processing facility investment prioritization signal. Processors building skim-milk-powder or nonfat-dry-milk capacity into a structurally weak international demand environment are misaligning capex with the actual demand vector.

NOW WHAT: FutureBridge FutureBridge's Regulatory Prediction Impact capability models forward USDA price support and intervention scenarios, including how DMC trigger levels and the

FMMO component pricing reset interact with the protein/fat balance in milk processor economics.

TL-25. USDA ERS: Food Price Outlook 2026

USDA Economic Research Service | Read Article

USDA ERS forecasts overall food prices increasing 3.1% in 2026, food at home up 2.5%, food away from home up 3.7%. Beef and veal prices, up 15% in January 2026 versus a year earlier, are forecast to increase 5.5% for the full year despite recent monthly deceleration. Egg prices are projected to fall 72.1% as flock recovery accelerates. Sugar and sweets prices are projected to increase 9.8% driven by global supply tightness. Non-alcoholic beverages (+5.6%) and processed fruits and vegetables (+above average) round out the headline risers.

SO WHAT: The 3.1% food price forecast is the baseline assumption that every CPG company, food retailer, and ingredient processor should be stress-testing against the tariff wildcards that were not in the USDA model at publication. The forecast was built pre-Liberation Day tariff implementation. Post-April 2 tariff architecture and its pass-through to food categories, particularly imported ingredients, packaging, and seafood, could push the realized inflation number materially above the USDA forecast, creating a retail price environment that accelerates private label switching and further compresses branded CPG margins.

NOW WHAT: FutureBridge FutureBridge's Regulatory Prediction Impact tool tracks tariff announcement-to-implementation timelines and models their pass-through coefficients by food category, enabling midstream ingredient and CPG clients to update their retail price scenario models faster than the 60-day USDA reporting lag.

TL-26. USDA APHIS: *Confirmed HPAI Detections in Commercial and Backyard Flocks*

USDA Animal and Plant Health Inspection Service | Read Article

APHIS's running tally of HPAI H5N1 detections in commercial and backyard flocks documents continuing 2026 outbreak activity: March 2026 is tracking as the second-highest monthly outbreak count on record, exceeded only by March 2025's peak of 15 outbreaks. The single largest 2026 flock loss, 3.263 million laying hens in Hyde County, North Carolina, underscores the scale and concentration risks that persist in industrial poultry production even after three years of enhanced biosecurity investment. Since February 2022, HPAI has been confirmed in over 1006 commercial and 1188 backyard flocks across nearly all 50 states.

SO WHAT: The continued detection pace in March 2026 confirms what FutureBridge's thesis has argued since 2024: HPAI is not a discrete outbreak event but a permanent operating condition for U.S. poultry and egg processors. The companies treating HPAI as a recoverable crisis are systematically underinvesting in biosecurity infrastructure, indoor air handling, mortality disposal, and rapid-depopulation protocols. The companies treating it as a structural operating condition, building biosecurity costs into their unit economics and capital planning, are the ones that will maintain insurance coverage, regulatory good standing, and customer supply continuity when the next large-scale detection occurs.

NOW WHAT: FutureBridge : FutureBridge's Consumomics demand platform models egg and poultry price normalization trajectories under different HPAI outbreak severity scenarios, enabling retailers, food manufacturers, and foodservice operators to build egg and poultry ingredient cost scenarios into their reformulation and sourcing diversification decisions.

TL-27. EPA: Final Renewable Fuel Standards for 2026 and 2027

U.S. Environmental Protection Agency | Read Article

On March 27, 2026, the EPA finalized Renewable Fuel Standard (RFS) volume requirements for 2026 and 2027, increasing overall renewable fuel blending targets. The rule includes a 70% reallocation of small refinery exemptions (SREs) from 2023–2025, effectively raising compliance obligations for refiners. Total renewable fuel volumes are set at 26.81 billion RINs for 2026 and 27.02 billion RINs for 2027. Advanced and biomass-based diesel targets also rise, while cellulosic biofuel requirements are slightly adjusted to account for production shortfalls.

SO WHAT: The rule reinforces long-term visibility into demand for biofuels, particularly biodiesel and advanced fuels, supporting investment and capacity expansion. However, tighter compliance and policy shifts (e.g., removal of eRINs) may reshape investment priorities and increase cost pressures for refiners.

NOW WHAT: FutureBridge's Regulatory Prediction Impact and TerraCaptus capabilities jointly model the RFS regulatory timeline and competitor capital pre-positioning, giving midstream oilseed and rendering clients the decision intelligence to time their own capacity investments relative to both the rule's finalization and competitors' construction schedules.

TL-28. USDA AMS: U.S. and Brazilian Soybean Transportation and Landed Costs in Fourth Quarter 2025

USDA Agricultural Marketing Service | Read Article

The latest USDA Grain Transportation Report highlights growing volatility in U.S. grain logistics, driven largely by rising fuel costs and shifting transportation dynamics. Diesel prices have surged to $5.375 per gallon, significantly increasing trucking and rail fuel surcharges, with further cost increases expected in the coming months. Rail volumes remain strong, up 18% year-over-year, while barge movements have rebounded week-over-week but remain below last year’s levels. Ocean freight rates are also rising, reflecting higher global shipping costs. At the same time, export demand remains solid, with grain inspections up 22% year-over-year.

SO WHAT: Rising transportation costs are becoming a critical margin pressure point across the grain value chain, shifting competitiveness between origins and export routes. Players will need to optimize logistics strategies, timing shipments, diversifying transport modes, and managing fuel exposure, to maintain cost efficiency. In this environment, supply chain agility and proximity to export infrastructure will be key differentiators, while sustained cost inflation could reshape global trade competitiveness, particularly versus lower-cost exporters like Brazil.

NOW WHAT: FutureBridge's OSINT capability tracks announced and actual capital investment in grain logistics infrastructure, barge fleet additions, rail car orders, elevator expansion permits, giving midstream originators advance visibility into when the logistics bottleneck will ease and whether competitors are building permanent origination advantages.

TL-29. FAO: Food Price Index, First Rise After Five Months

FAO | Read Article

FAO reports the first increase in its Food Price Index after five consecutive monthly declines, driven by wheat, vegetable oil, and ovine meat gains. Dairy and sugar show mixed dynamics, with regional variation in price pressures.

SO WHAT: Even a modest uptick after a downtrend can trigger policy responses in import-dependent countries, including export controls, tariff tweaks, and subsidies, all of which alter midstream trade flows and price realization.

TL-30. Wheat Prices Rise on Weather Risks and Geopolitical Tensions

Grain Central | Read Article

Global grain markets moved higher, led by wheat, as ongoing drought and cold weather risks in the US Plains raised concerns over crop yields. Around 55% of US winter wheat remains under drought conditions, with limited rainfall expected and potential cold damage threatening early-emerged crops. At the same time, geopolitical tensions, particularly involving Iran, are driving energy prices higher, with crude oil up ~40% since the conflict began. This is increasing inflation concerns and influencing broader commodity markets. Corn prices followed wheat upward, while soybeans remained mixed amid trade uncertainties. Export demand also showed signs of activity, though longer-term trade flows remain uncertain due to regional instability.

SO WHAT: Weather and geopolitics are reinforcing volatility in grain markets, shifting the focus back to supply risks. Rising energy prices will further inflate input and logistics costs, compounding pressure across the agri value chain. Companies should prepare for price swings and supply uncertainty, leveraging hedging strategies and flexible sourcing as both climate and geopolitical risks increasingly drive market dynamics.

Thought Leadership Pieces, February-March 2026 Edition:

CLUSTER V

EU Government & Regulatory Reports

TL-31. EU EU Deforestation Regulation (EUDR) 2026 Update: New Deadlines for Companies

PSQR | *Read Article*

The EU Deforestation Regulation (EUDR) requires companies trading commodities like soy, cocoa, and palm oil to prove their products are deforestation-free using precise geolocation data. Following amendments in 2025, compliance deadlines have been extended to December 30, 2026 for large companies and June 30, 2027 for SMEs. While due diligence requirements have been simplified, such as reducing reporting duplication and easing obligations for smaller operators, the core mandate remains unchanged. Companies placing products on the EU market must ensure traceability, conduct risk assessments, and submit due diligence statements. This shift requires moving from manual tracking to digital, system-driven traceability across complex global supply chains.

SO WHAT: EUDR is redefining market access by making traceability a non-negotiable capability. Companies that invest early in digital traceability systems will gain compliance efficiency, supply chain transparency, and competitive advantage, while laggards risk disruption, higher costs, and restricted access to EU markets.

NOW WHAT: FutureBridge's Regulatory Prediction Impact capability maps the EUDR compliance timeline against specific commodity supply chains, identifying which midstream processor clients have sufficient traceability infrastructure, which have gaps, and where the M&A consolidation pressure created by EUDR compliance asymmetries will generate deal flow over the next 18 months.

TL-32. EU FoodIngredients First: EU PFAS €440B Cost Alarm, Food Sector Accelerates Clean-Ingredient Alternatives

FoodIngredients First | ***Read Article***

EU regulatory bodies have issued a comprehensive PFAS (per- and polyfluoroalkyl substances) cost assessment placing the societal and economic burden at €440 billion annually from health and environmental impacts, triggering accelerated food-sector engagement with clean-ingredient alternatives. The food sector's PFAS exposure runs through two channels: food contact materials (packaging, non-stick processing equipment) and food ingredients themselves (some emulsifiers and processing aids with PFAS contamination). Both channels are now under active EU regulatory review, with formal restrictions expected to follow the ECHA assessment timeline.

SO WHAT: The €440B societal cost figure functions as the regulator's opening price tag for industry compliance burden, the number that justifies stringent restriction standards. For EU midstream food processors, the PFAS exposure through processing equipment (non-stick coatings, fluoropolymer gaskets, specialized packaging lines) is the near-term capital replacement obligation, while ingredient-level PFAS exposure is the longer-term reformulation challenge. The companies that pre-screen their ingredient portfolios and processing equipment now will convert a regulatory compliance cost into a competitive clean-ingredient marketing advantage.

NOW WHAT: FutureBridge's Regulatory Prediction Impact capability models the EU PFAS restriction timeline across specific food ingredient and food contact material categories, enabling

EU midstream clients to prioritize their compliance capital allocation by probability-weighted regulatory impact rather than responding reactively to each successive restriction announcement.

TL-33. Global agricultural markets in 2026: stabilizing prices, persisting risks

World Bank Blogs | ***Read Article***

The World Bank projects global agricultural prices to remain broadly stable in 2026, with the overall price index declining by about 2%. While food and raw material prices are expected to hold steady due to balanced supply and demand, beverage prices, particularly coffee and cocoa, are forecast to drop by around 7% as supply expands. This outlook is supported by modest global economic growth of 2.6% and easing inflationary pressures. However, multiple factors continue to influence price dynamics. These include currency movements (especially the U.S. dollar), monetary policy easing, trade tensions (notably U.S.-China), weather risks like La Niña, fluctuating fertilizer costs, and evolving biofuel demand, all contributing to a complex and uncertain pricing environment.

SO WHAT: The shift to stable but sensitive pricing signals a transition from inflation-driven volatility to structurally balanced markets. Companies will need to actively manage risk across weather, policy, and input costs rather than rely on price tailwinds. Strategic focus should shift toward margin optimization, supply chain flexibility, and demand forecasting, as small external shocks could quickly disrupt this equilibrium.

TL-34. EU EU auditors confirm 'alarm' over CAP proposals

Agriland | ***Read Article***

The European Court of Auditors has raised concerns over the European Commission’s proposed reforms to the Common Agricultural Policy (CAP) for 2028–2034, warning that the new framework could create uncertainty and delay funding. The proposal includes integrating CAP into a broader “Single Fund” and shifting toward national-level implementation plans. Copa-Cogeca, representing European farmers and agri-cooperatives, said the auditors’ opinion validates long-standing industry concerns.

SO WHAT: This signals potential fragmentation of EU agricultural policy, increasing uncertainty in farm income and investment planning. Greater national control may lead to uneven support across countries, impacting competitiveness and market stability. For agribusiness players, this raises the importance of scenario planning and localized strategies, as policy divergence could reshape subsidy flows, production economics, and long-term investment decisions across the EU.

NOW WHAT: FutureBridge's Company Genomics capability maps the financial health, strategic positioning, and M&A readiness of Copa-Cogeca member cooperatives, identifying which EU processing cooperatives are most likely to become acquisition targets for scale processors in the 2026–2028 consolidation window.

Thought Leadership Pieces, February-March 2026 Edition:

CLUSTER VI

Investment Bank & Market Research Reports

TL-35. Global Agriculture and Food, Predictions for 2026

S&P Global Commodity Insights | ***Read Article***

S&P Global's annual agriculture predictions forecast relatively contained global food price inflation in 2026 after years of pandemic- and conflict-driven volatility. While overall prices are expected to stabilize, S&P Global identifies livestock as the primary exception, with animal disease risks and policy shifts keeping livestock category volatility structurally elevated. Biofuel demand signals are highlighted as the most significant new variable in oilseed market balance, with the 45Z credit and RVO architecture creating structural soy oil and canola demand that is largely independent of food market conditions.

SO WHAT: The S&P Global "stabilization with exceptions" framing is the right backdrop for midstream capital planning: the era of commodity price super-cycles driven by synchronized global demand growth is over, replaced by a regime of structural volatility in specific categories (protein, biofuel feedstocks, specialty ingredients) against a backdrop of general supply adequacy. For midstream operators, this argues for *portfolio concentration* in structurally volatile categories, where margin opportunity is highest, rather than commodity-scale expansion in stabilized categories where margin compression is the default.

NOW WHAT: FutureBridge's integrated intelligence platform, Consumomics, TerraCaptus, OSINT, and Regulatory Prediction Impact, provides the category-level volatility intelligence that the S&P Global macro framework cannot supply at the operational granularity required for individual processing investment decisions.

TL-36. Jefferies Announces First Quarter 2026 Financial Results

Jefferies Financial Group | ***Read Article***

Jefferies reported strong Q1 2026 financial performance, with net revenues rising to $2.02 billion, up from $1.59 billion in Q1 2025, and net earnings reaching $156 million. Diluted EPS increased to $0.70, while return on tangible equity improved to 10.9%. Growth was primarily driven by a 45% surge in investment banking revenues, supported by higher advisory activity and equity underwriting, alongside a 12% rise in capital markets revenues. Equities trading was particularly strong, up 37% year-over-year. The firm also continued to streamline its portfolio, progressing on divestments and reducing legacy exposures, while returning capital through dividends and share buybacks.

SO WHAT: The results highlight a strong rebound in capital markets and deal activity, signaling improving market conditions and risk appetite. For the broader financial ecosystem, this suggests a reopening of financing channels for corporates and increased M&A momentum. Jefferies' focus on core businesses and capital allocation positions it to benefit from sustained recovery, while continued volatility underscores the need for diversified revenue streams and disciplined risk management.

NOW WHAT: FutureBridge's Company Genomics and TerraCaptus capabilities identify which midstream companies are building the strategic differentiation, like patent portfolios, proprietary ingredient IP, sustainability certifications that drives premium M&A valuations versus those

accumulating commodity-scale assets that attract only distressed multiples.

TL-37. Buckle up, say investors as AI reshapes agrifoodtech: ROI may be “unusually tangible’

AgFunder News | ***Read Article***

Agrifoodtech investment outlook for 2026 is marked by heightened volatility, driven by geopolitical risks, climate pressures, and rapid advancements in AI. Investors highlight a widening funding gap, particularly at the Series B–C stage, limiting scale-up opportunities despite early-stage innovation. AI is emerging as both a disruptive force and a major opportunity, shifting from experimental models to practical, workflow-integrated applications across agriculture and food systems. Capital is becoming more concentrated, with corporates and sovereign funds expected to play a larger role, while exits remain constrained due to valuation gaps and limited IPO activity. However, sectors like robotics, ag biotech, and midstream technologies are attracting renewed interest.

SO WHAT: The sector is transitioning from hype-driven investment to disciplined, execution-focused growth. Success will depend on proving clear ROI, securing strategic partnerships, and navigating funding gaps. AI-enabled solutions with strong data foundations and real-world applications will lead, while companies unable to scale efficiently or demonstrate commercial viability risk being left behind in an increasingly selective investment environment.

NOW WHAT: FutureBridge's TerraCaptus and Company Genomics platforms map the specific technology investment signals, patent filings, startup funding rounds, R&D partnerships, that indicate which midstream processing capabilities are becoming premium acquisition targets in the current PE environment, enabling clients to make proactive portfolio positioning decisions.

TL-38. Euromonitor’s Monthly Roundup

Euromonitor International | ***Read Article***

Key trends shaping FMCG and retail highlight a rapidly evolving consumer and technology landscape. GenAI is transforming the digital shopper journey, with consumers increasingly relying on AI tools for product discovery expected to influence over $500 billion in e-commerce by 2028. At the same time, brand loyalty is declining, particularly in beverages, as social media accelerates trends and scrutiny, driving higher churn but also experimentation. Sustainability is becoming a core growth driver, with brands focusing on waste, energy, sourcing, and community impact. Meanwhile, changing family structures are reshaping consumption patterns, with couples projected to dominate household spending by 2040. External pressures, including U.S. immigration and trade policies, are also adding strain to foodservice operators.

SO WHAT: Brands must rethink growth through a multi-pronged lens, AI-driven discoverability, rapid innovation cycles, and purpose-led positioning. Winning will depend on mastering digital visibility in AI ecosystems, building flexible portfolios to match shifting consumer preferences, and embedding sustainability into core strategy. At the same time, navigating macro disruptions and evolving demographics will require more agile, localized, and data-driven decision-making.

NOW WHAT: FutureBridge's Consumomics platform tracks the behavioral adoption rate of AI-enabled preference across 40+ markets, enabling ingredient suppliers to build market-specific investment cases for natural colorant, clean-label fiber, and functional protein capacity rather than

applying a single global demand curve to heterogeneous regional markets.

TL-39. Circana Research Reveals U.S. Private Label CPG Sales Reach $330 Billion

Circana LLC | ***Read Article***

Private label brands are rapidly gaining share across FMCG markets, with U.S. sales reaching $330 billion and capturing ~23–24% market share. Growth is particularly strong in food and beverages, where private labels now hold a 24% value share. Expansion is being driven by club channels, which account for nearly half of private label growth, as consumers increasingly seek value. Retailers are also accelerating innovation, focusing on premium, wellness, and sustainable offerings, while consumer trust in private labels now rivals national brands. Younger shoppers, especially Gen Z, are fueling adoption, viewing store brands as high-quality alternatives. Globally, private labels are even more entrenched, with a 50% unit share in the EU.

SO WHAT: Private labels are no longer just value plays, they are becoming full-fledged competitors to branded products. Retailers are building differentiated brand equity through innovation and positioning, while brands face rising pressure on pricing and loyalty. Success will depend on clear value propositions, either through premiumization, innovation, or emotional brand connection, as the line between private and national brands continues to blur.

TL-40. Mordor Intelligence: Specialty Food Ingredients Market Size & Share Analysis- Growth Trends and Forecast (2026-2031)

Mordor Intelligence | ***Read Article***

Mordor Intelligence projects that the global specialty food ingredients market is growing steadily, projected to increase from $166 billion in 2025 to over $220 billion by 2031 (CAGR ~4.8%). Growth is driven by a shift toward value-added foods focused on health, functionality, and clean-label attributes. Consumers are increasingly scrutinizing ingredient lists, boosting demand for functional fibers, natural preservatives, plant-based colorants, and alternative sweeteners. Key growth areas include functional ingredients and plant-based applications, while bakery remains the largest segment. Regionally, North America leads in market share, while Asia-Pacific is the fastest-growing due to urbanization and rising demand for processed foods. However, high production costs and regulatory complexities remain key challenges for manufacturers.

SO WHAT: The $166B to $220B specialty ingredient forecast is the market-size backdrop against which every ingredient company's strategic positioning should be evaluated. At 4.82% CAGR, specialty ingredients are growing roughly twice as fast as the overall packaged food category, which means the midstream suppliers growing in line with specialty ingredients are taking share from those growing at food category average rates.

NOW WHAT: FutureBridge's TerraCaptus platform tracks patent filing activity and R&D investment signals in specialty ingredient technologies, precision fermentation, enzyme engineering, bioactive extraction, enabling midstream ingredient clients to identify which specific sub-categories are approaching commercial inflection and deserve near-term capital commitment.

TL-41. KPMG: Biannual Supply Chain Report, Five Trends Shaping 2026

KPMG | ***Read Article***

KPMG highlights five forces reshaping global supply chains in 2026: persistent geopolitical shocks, labor scarcity, sustainability mandates, AI-enabled planning, and nearshoring. Food and agribusiness are cited as sectors where single-sourcing and low inventory have become unacceptable given tariff, conflict, and disease risks.

> **SO WHAT:** This validates the Almanac's thesis that resilience and optionality, not extreme lean-ness, are now board-level priorities for midstream players. Capital is expected to fund dual sourcing, regional footprints, and digital visibility, not just cost cuts.

FutureBridge Contrarian POV: KPMG still underplays the *scale bias* of resilience. In practice, only the largest midstream processors can afford to build redundant plants, multi-origin supply, and real-time visibility platforms. For sub-scale operators, the "resilience agenda" is less a toolkit and more a consolidation catalyst that ultimately favors big midstream over smaller peers.

TL-42. DLA Piper: Food & Beverage News and Trends, March 9, 2026

DLA Piper | ***Read Article***

DLA Piper's March bulletin synthesizes regulatory and litigation risk across the U.S. food sector: heightened FDA scrutiny of "healthy," "natural," and GLP-1-adjacent claims; intensified state AG focus on ESG marketing; and escalating PFAS and contaminant litigation. The note frames compliance as a rising cost center but also as a differentiator for companies that get ahead of the curve.

> **SO WHAT:** The memo makes clear that legal and regulatory risk is becoming a structural driver of P&L and capital allocation in midstream, not a side-issue. Processors and ingredient suppliers must treat label language, ESG claims, and contaminant controls as strategy, not merely legal housekeeping.

FutureBridge Contrarian POV: The bulletin treats compliance mainly as a cost to be managed; the Almanac view is sharper: PFAS, GLP-1 claims, and ESG enforcement are *weapons of scale*. Large processors with in-house legal and regulatory teams will turn this into a barrier to entry, while mid-tier and small firms will find the compliance load an existential burden that nudges them toward sale or exit.

TL-43. Lanvira: FLOCK WATCH Bird Flu Bi-Weekly Intelligence

Lanvira | ***Read Article***

Lanvira's report tracks HPAI detections, emphasizing the role of live bird markets and small flocks in sustaining virus circulation despite industrial biosecurity upgrades. It highlights geographic hotspots and patterns of spread relevant to commercial producers.

> **SO WHAT:** This is a reminder that disease risk in proteins is network-driven. Even if integrated complexes run tight biosecurity, weak control in traditional markets keeps systemic risk elevated, with implications for supply, prices, and insurance.

FutureBridge Contrarian POV: The analysis is descriptive. A strategic midstream view sees an inevitable regulatory tightening on live markets, shifting volume toward integrated, audited supply chains. Large integrators should view this as an opportunity to push for higher standards that they are uniquely equipped to meet.

TL-44. US Soft Wheat Production Set to Decline in 2026 Amid Market Uncertainty

World Grain | ***Read Article***

US soft red winter wheat production is projected to decline by 7% in 2026, reaching approximately 325.9 million bushels, according to industry forecasts presented at the North American Millers' Association (NAMA) Spring Conference. In contrast, soft white winter wheat production is expected to remain flat at around 228.8 million bushels.

> **SO WHAT:** A decline in soft wheat production could tighten supply in key milling segments, potentially supporting prices and impacting input costs for food manufacturers. At the same time, broader uncertainty in policy and demand signals reinforces the need for proactive sourcing strategies and value chain coordination. Players that leverage data, technology, and policy engagement will be better positioned to navigate volatility and secure supply stability.

Thought Leadership Pieces, February- March 2026 Edition:

CLUSTER VII

University & Research Institution Reports

TL-46. Farmer Sentiment Rebounds, but Future Expectations Continue to Slide

Purdue University Center for Commercial Agriculture / CME Group | ***Read Article***

Farmer sentiment in the U.S. showed a modest rebound in February 2026, with the Ag Economy Barometer rising to 116, driven by improved current conditions. However, confidence in the future continues to decline, with the Future Expectations Index falling significantly compared to last year and reaching its lowest level since late 2024. Financial pressures remain evident, 44% of farmers report worse conditions than a year ago, and more producers expect worsening financial performance than improvement. While about half of farmers plan to expand operations over the next five years, near-term investment appetite remains weak, with limited plans for machinery purchases. Concerns around input costs, commodity prices, and exports continue to weigh on long-term sentiment.

> **SO WHAT:** The divergence between short-term recovery and long-term pessimism signals cautious growth in agriculture. While expansion intentions remain, capital deployment will likely stay constrained. This environment favors solutions that improve cost efficiency, risk management, and income stability, as farmers prioritize resilience over aggressive growth amid ongoing uncertainty.

> **NOW WHAT:** FutureBridge's OSINT intelligence monitors farm-level capital investment decisions such as equipment orders, input purchases, land transactions, providing midstream grain and ingredient processors with a forward origination volume signal that leads the physical marketing calendar by 60–90 days.

TL-47. Choices Magazine (AAEA): Impacts of U.S. Tariffs on Global Agricultural Trade Flows

American Agricultural Economics Association | ***Read Article***

This peer-reviewed AAEA analysis by Glauber, Piñeiro, and Gianatiempo uses the MIRAGRODEP computable general equilibrium model to quantify the agricultural trade flow impacts of Trump's tariff architecture, with particular focus on Latin America and the Caribbean (LAC), which accounted for nearly 17% of total U.S. agricultural imports in 2024. The paper models three scenarios: North America tariffs (25% Canada/Mexico), broader bilateral tariffs, and regional grouping tariffs. Key finding: Brazil and Argentina capture diverted soybean, corn, and cotton demand from other markets when U.S. tariffs disrupt traditional bilateral flows. Over $30 billion of U.S. ag exports were subject to retaliatory tariffs in 2018–2019, the current architecture is significantly more comprehensive.

> **SO WHAT:** The AAEA peer-reviewed model is the academic backbone for the trade flow rerouting story that dominates midstream commercial strategy in 2026. The CGE modeling approach is more rigorous than narrative analysis because it accounts for second- and third-order effects: when U.S. soy faces Chinese tariffs, Brazil gains, but Brazilian infrastructure constraints, logistics costs, and crush capacity limitations determine how much Brazil actually captures versus how much demand is simply destroyed.

NOW WHAT: FutureBridge's OSINT capability tracks Brazilian and Argentine export infrastructure investment, port expansions, rail logistics, crush capacity additions, that determine the speed and magnitude of the origin-switching the AAEA model forecasts, giving midstream clients a real-time implementation signal for a theoretically modeled trade flow shift.

TL-48. Persistence Market Research: Global Food Ingredients Market, 2033 Outlook

Persistence Market Research | ***Read Article***

Persistence projects the global food ingredients market to expand strongly through 2033, led by functional ingredients, clean-label solutions, and convenience formats. Its analysis emphasizes sustained growth in specialty segments (probiotics, fibers, plant proteins) versus slower expansion in commoditized inputs.

SO WHAT: This is further evidence that midstream value creation is shifting to specialty ingredients with functional and health claims. Capital deployed into undifferentiated sweeteners, basic starches, or bulk commodities will underperform the market.

FutureBridge Contrarian POV: The report largely treats “specialty” as a single growth bucket. The Almanac view is more discriminating: not all specialty is equal. Segments with strong IP, regulatory moats, or true health outcomes (enzymes, clinically supported fibers, GLP-1-aligned proteins) will vastly outperform “me-too” specialty ingredients that are just rebranded commodities.

TL-49. 360iResearch: Food Ingredients Market, Vendor Positioning & Strategy

360iResearch | ***Read Article***

360iResearch provides a vendor positioning matrix ranking ingredient suppliers by business strategy and product satisfaction. A small set of global players land in the “forefront” quadrant for functional and clean-label ingredients, while many regional or narrow-portfolio firms cluster in “niche” or “vital” positions.

SO WHAT: The matrix is effectively a map of where the Age of Scale is most advanced in ingredients. Large, diversified players are capturing the high growth, high margin spaces; smaller vendors must either specialize in unique technologies or risk being squeezed into low margin supply.

FutureBridge Contrarian POV: The report reads as if vendors can simply “move quadrants” with better strategy. In reality, moving from niche to forefront often requires M&A, IP acquisition, and global infrastructure that most mid-tier players cannot fund organically. The practical strategic choice is typically binary: become a technology specialist feeding the giants, or position to be acquired by them.

TL-50. Flavorist: Global Food Industry Weekly Digest (March 9–13, 2026)

Flavorist* | *Read Article

Flavorist's digest chronicles new flavor and functional launches, with a notable concentration in beverages and better-for-you snacks, often tied to sugar reduction and protein or fiber enrichment. Major houses showcase new natural flavor platforms and masking systems tailored to high-protein and plant-based matrices.

> **SO WHAT:** Innovation bandwidth at the leading flavor houses is clearly pointed at enabling health-forward, GLP-1-aligned products. Midstream brands and ingredient suppliers without strong flavor partnerships will struggle to make reformulated products palatable.

FutureBridge Contrarian POV: The report reads as if vendors can simply "move quadrants" with better strategy. In reality, moving from niche to forefront often requires M&A, IP acquisition, and global infrastructure that most mid-tier players cannot fund organically. The practical strategic choice is typically binary: become a technology specialist feeding the giants, or position to be acquired by them.

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