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For more information on Alltech, or if you have comments on the 2016 Alltech Global Feed Survey, please contact us via e-mail at info@alltech.com with the subject line "2016 Alltech Global Feed Survey" or via mail at the address below.



Alltech[®]
GLOBAL
FEED SURVEY
2016

2016 ALLTECH GLOBAL FEED SURVEY RESULTS



EXECUTIVE SUMMARY

This year marks the fifth anniversary of Alltech's Global Feed Survey. Each year, data are collected, analyzed and researched. This is a mighty task in an industry that has varying regulations across countries and regions. The survey assesses the compound feed production from more than 130 countries through information obtained in partnership with local feed associations and Alltech's sales team, who visit more than 32,000 feed mills annually. Much of the trends we have seen in the last five years have continued: Total tonnage is increasing, poultry is on the rise and China is maintaining its number one spot (though it has seen a decline for the third year in a row).

Since the survey's inception, we have seen an overall growth in the feed industry of 14 percent. The five-year trends show growth predominantly coming from the pig, poultry and aqua feed sectors and intensification of production in the African, Middle Eastern, Latin American and European regions. The 2016 survey confirmed poultry feed once again has the market share and is growing faster than any other species, with 46 percent of total global feed manufactured specifically for broilers, egg layers, turkeys, duck and other fowl.

To add a little more insight to the survey, we asked our respondents to identify the primary feed type for cereal and protein used in each country. Overwhelmingly, but perhaps not surprisingly, corn and soybean meal dominated the responses, with corn representing 76 percent as the primary cereal and soybean meal representing 96 percent as the primary protein.

As global disposable income increases, consumers have developed a palate for protein, and over the past five years the feed industry has delivered. What will the next five years look like for the feed industry? Based on the trends we have illustrated so far, we can certainly make some predictions. Poultry and pig production will presumably continue to rise, for example. As it is anticipated that the global population will reach 9 billion people by 2050, it will be interesting to see what players, both countries and regions alike, continue to dominate the feed industry scene, which ones will rise as new players, and which ones will fall behind or leave the playing field altogether.



COUNTRY TOTALS (IN MILLION METRIC TONS)

1	China	179.93	35	Venezuela	4.88	69	Bulgaria	0.95	103	Ghana	0.30
2	USA	172.73	36	Peru	4.68	70	Costa Rica	0.94	104	Puerto Rico	0.29
3	Brazil	68.70	37	Malaysia	4.35	71	Honduras	0.92	105	Azerbaijan	0.28
4	Mexico	31.11	38	Greece & Cyprus	4.13	72	Mauritius	0.85	106	Kuwait	0.27
5	India	31.54	39	Hungary	3.95	73	Sri Lanka	0.84	107	Cote D'Ivoire	0.27
6	Spain	29.38	40	Nigeria	3.80	74	UAE	0.83	108	Georgia	0.26
7	Russia	29.09	41	Denmark	3.75	75	Panama	0.83	109	Armenia	0.25
8	Germany	23.86	42	Ireland	3.70	76	Cuba	0.81	110	Namibia	0.25
9	Japan	23.38	43	Algeria	3.50	77	Kazakhstan	0.76	111	Estonia	0.23
10	France	21.20	44	Bangladesh	3.42	78	Iraq	0.75	112	Kyrgyzstan	0.20
11	Canada	20.35	45	Norway	3.36	79	Nepal	0.75	113	Mozambique	0.18
12	Korea	18.95	46	Portugal	2.98	80	Turkish Cyp	0.75	114	Macedonia	0.17
13	Turkey	18.22	47	Serbia	2.89	81	Kenya	0.70	115	Tajikistan	0.15
14	Thailand	17.92	48	Morocco	2.80	82	Slovakia	0.70	116	Botswana	0.14
15	Indonesia	17.33	49	Czech Rep	2.63	83	El Salvador	0.69	117	Bahrain	0.14
16	Argentina	15.50	50	Romania	2.53	84	Croatia	0.65	118	Trinidad & Tobago	0.10
17	Vietnam	14.75	51	Ecuador	2.50	85	Oman	0.62	119	Kosovo	0.10
18	Italy	14.15	52	Sweden	2.10	86	Yemen	0.60	120	Haiti	0.09
19	Netherlands	14.01	53	Tunisia	1.90	87	Lebanon	0.60	121	Iceland	0.09
20	UK	15.59	54	Israel	2.50	88	Bosnia	0.60	122	Luxembourg	0.09
21	Philippines	12.78	55	Bolivia	1.48	89	Sudan	0.50	123	Singapore	0.09
22	South Africa	11.66	56	Austria	1.58	90	Cameroon	0.50	124	Malta	0.08
23	Poland	9.68	57	Switzerland	1.54	91	Albania	0.50	125	Caribbean	0.04
24	Iran	9.15	58	Uruguay	1.42	92	Uganda	0.47	126	Barbados	0.04
25	Australia	8.59	59	Finland	1.39	93	Slovenia	0.46	127	Mongolia	0.04
26	Taiwan	7.30	60	Paraguay	1.38	94	Nicaragua	0.45	128	Guyana	0.03
27	Colombia	6.78	61	Dominican Republic	1.29	95	Lithuania	0.43	129	Suriname	0.01
28	Pakistan	6.50	62	Uzbekistan	1.21	96	Zimbabwe	0.42	130	Bahamas	0.01
29	Belarus	6.45	63	Guatemala	1.10	97	Tanzania	0.35	131	Seychelles	0.004
30	Belgium	6.70	64	Jordan	1.10	98	Turkmenistan	0.35			
31	Egypt	6.00	65	Libya	1.00	99	Zambia	0.34			
32	Chile	5.89	66	Myanmar	1.00	100	Latvia	0.33			
33	Saudi Arabia	5.20	67	Moldova	1.00	101	Jamaica	0.32			
34	Ukraine	5.18	68	New Zealand	0.90	102	Senegal	0.30			

2016 ALLTECH GLOBAL FEED SURVEY RESULTS



NUMBER OF FEED MILLS GLOBALLY
(ESTIMATE)

32,341

TOTAL GLOBAL TONNAGE

995.57

REGIONAL HIGHLIGHTS

As a region, Europe saw the most growth, up 13 million tons over last year, with the largest contributions coming from Russia, Turkey, Belarus and Poland.

Down two percent from last year, China still holds the title of leading feed producer in Alltech's annual Feed Survey with 179.930 million tons manufactured throughout the country's 8,550 feed mills. However, this is the third year the world's leader has reported a consolidation of its feed tonnage production into a smaller number of feed mills.

The number of feed mills in the United States and Brazil, the second and third largest markets, also declined.

The U.S. produced 172.730 million metric tons from 6,012 feed mills (6,718 mills in 2014) and Brazil manufactured 68.7 million metric tons from 1,556 feed mills (1,698 mills in 2014).

Europe and Russia's 5,545 feed mills augmented their production by 22 percent in 2015 compared to the previous year. The Middle East demonstrated a 17 percent increase with 21.438 tons from the region's 719 mills. Africa, Asia Pacific and Latin America were up 5, 4 and 3 percent respectively while North America remained flat.

TOTAL FEED BY SPECIES (MILLION METRIC TONS)

PIGS	253.53	AQUA	35.47
RUMINANT	201.30	PETS	22.59
POULTRY	463.69	HORSE	8.22

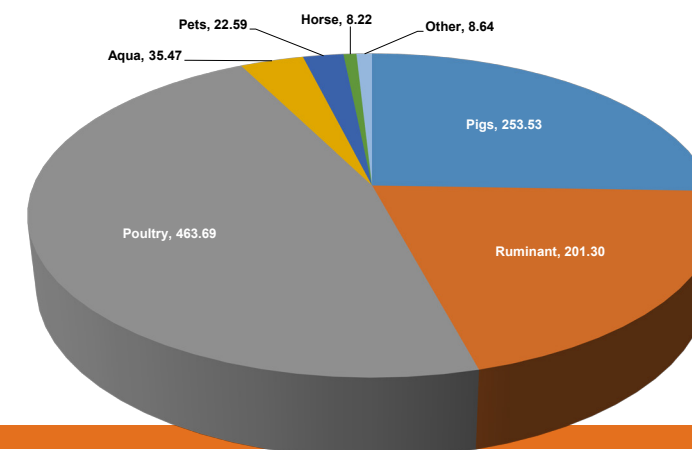
TOTAL 10 IN-DEPTH RESULTS

Country	Total Mil Tons	Pig	Dairy	Beef	Calf	Layer	Broiler	Turkey	Aqua	Pets	Equine
China	179.93	75.50	4.90	2.00	0.01	28.00	49.00	0.00	17.30	0.42	0.01
USA	172.73	25.67	20.82	22.61	0.08	24.69	59.92	7.02	1.00	8.45	3.00
Brazil	68.70	15.70	5.30	2.730	0.01	5.50	32.40		0.94	2.43	0.60
Mexico	31.11	4.96	4.80	3.51	0.24	4.05	11.49		0.23	0.90	0.30
India	31.54		8.26		0.08	9.34	11.60	0.00	1.16	0.38	0.01
Spain	29.38	15.24	2.65	3.53	0.13	1.79	3.04	0.38	0.13	0.35	0.19
Russia	29.09	9.60	2.70	0.40		4.20	10.45	0.74	0.04	0.59	
Germany	23.87	9.66	6.91	0.00	0.16	2.15	4.141		0.02	0.53	0.11
Japan	23.38	5.63	3.15	4.44	0.00	6.20	3.810	0.00	0.30	0.31	0.00
France	21.20	5.09	3.50	1.50	0.43	1.80	3.500	1.14	0.10	1.25	0.25

AVERAGE TONNAGE PER REGION

Region	Total Number Feed Mills	Total Tonnage
Africa	1,210	36.13
Asia	14,349	350.41
Europe	5,545	240.63
Latin America	4,006	152.28
Middle East	719	22.05
North America	6,512	194.08
Total	32,341	995.57

FEED PRODUCTION BY SPECIES

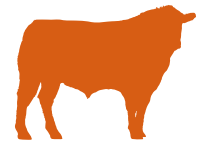


Some interesting highlights include a 5% increase in poultry feed production as it continues to surge ahead. While ruminant is also showing a 3% increase, pig feed production is down 2%

2016 ALLTECH GLOBAL FEED SURVEY RESULTS



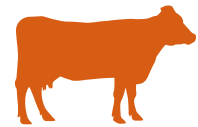
SPECIES BREAKDOWN (MILLION METRIC TONS)



69.40



142.40



116.789



297.57



4.85



13.04



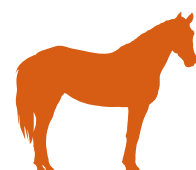
253.53



35.47



22.59



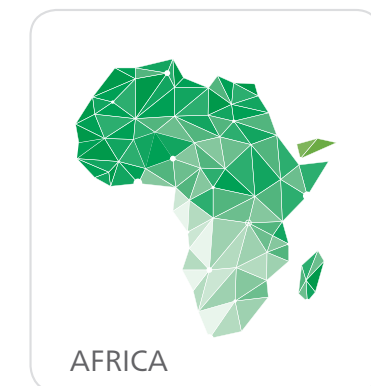
8.22

SPECIES TOTALS BY REGION

Region	Layers	Broilers	Turkey	Pigs	Beef
Africa	8.28	12.52	0.2	2.31	3.03
Asia Pacific	60.34	98.10	0.12	118.24	13.57
Europe	25.06	54.73	4.64	70.17	16.03
Latin America	17.29	62.62	0.35	28.13	10.71
Middle East	5.74	6.47	0.19	0.007	2.08
North America	25.69	63.12	7.54	34.67	23.98
Grand Total	142.40	297.57	13.04	253.53	69.40

Region	Dairy	Calf	Aqua	Pets	Horses
Africa	5.53	0.08	0.55	0.35	0.26
Asia Pacific	23.72	0.77	26.13	2.09	0.45
Europe	39.93	3.43	3.17	5.95	1.43
Latin America	16.54	0.28	3.52	5.30	2.41
Middle East	6.20	0.22	0.34	0	0.17
North America	24.87	0.08	1.76	8.91	3.5
Grand Total	116.79	4.85	35.47	22.59	8.22

FEED COSTS AVERAGES BY REGION (PER TON) AVERAGE PRICE FINISHER DIET 2015



PIG \$312.70 LAYER \$440.09 BROILER \$487.99



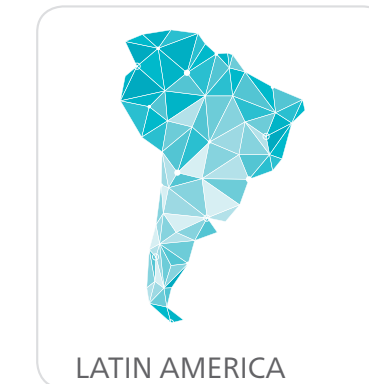
PIG \$191.38 LAYER \$223.31 BROILER \$246.82



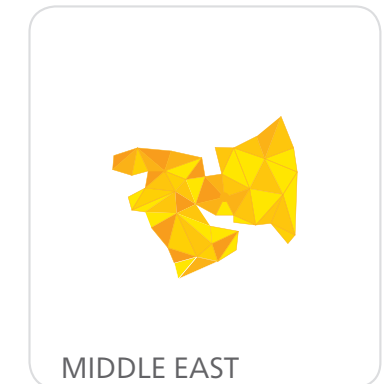
PIG \$430.15 LAYER \$417.47 BROILER \$461.60



PIG \$290.75 LAYER \$347.53 BROILER \$422.02

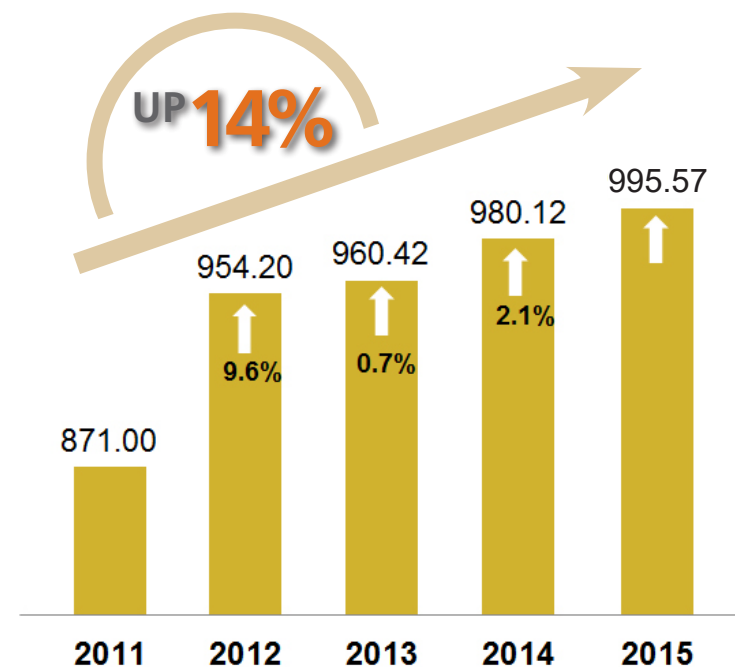


PIG \$389.70 LAYER \$433.20 BROILER \$466.60



PIG \$ — LAYER \$408.60 BROILER \$466.60

GLOBAL TONNAGE PER YEAR



ABOUT ALLTECH

Founded in 1980 by Irish entrepreneur and scientist Dr. Pearse Lyons, Alltech improves the health and performance of people, animals and plants through nutrition and scientific innovation, particularly yeast-based technology, nutrigenomics and algae. With nearly 100 manufacturing sites globally, Alltech is the leading producer and processor of yeast and organic trace minerals, and its flagship algae production facility in Kentucky is one of only two of its kind in the world.

The company's guiding ACE principle seeks to develop solutions that are safe for the Animal, Consumer and the Environment and is actively supported by more than 4,700 team members worldwide.

Alltech is the only privately-held company among the top five animal health companies in the world. This is a source of competitive advantage, which allows Alltech to adapt quickly to emerging customer needs and to stay focused on advanced innovation and long-term objectives. Headquartered just outside of Lexington, Kentucky, USA, Alltech has a strong presence in all regions of the world.