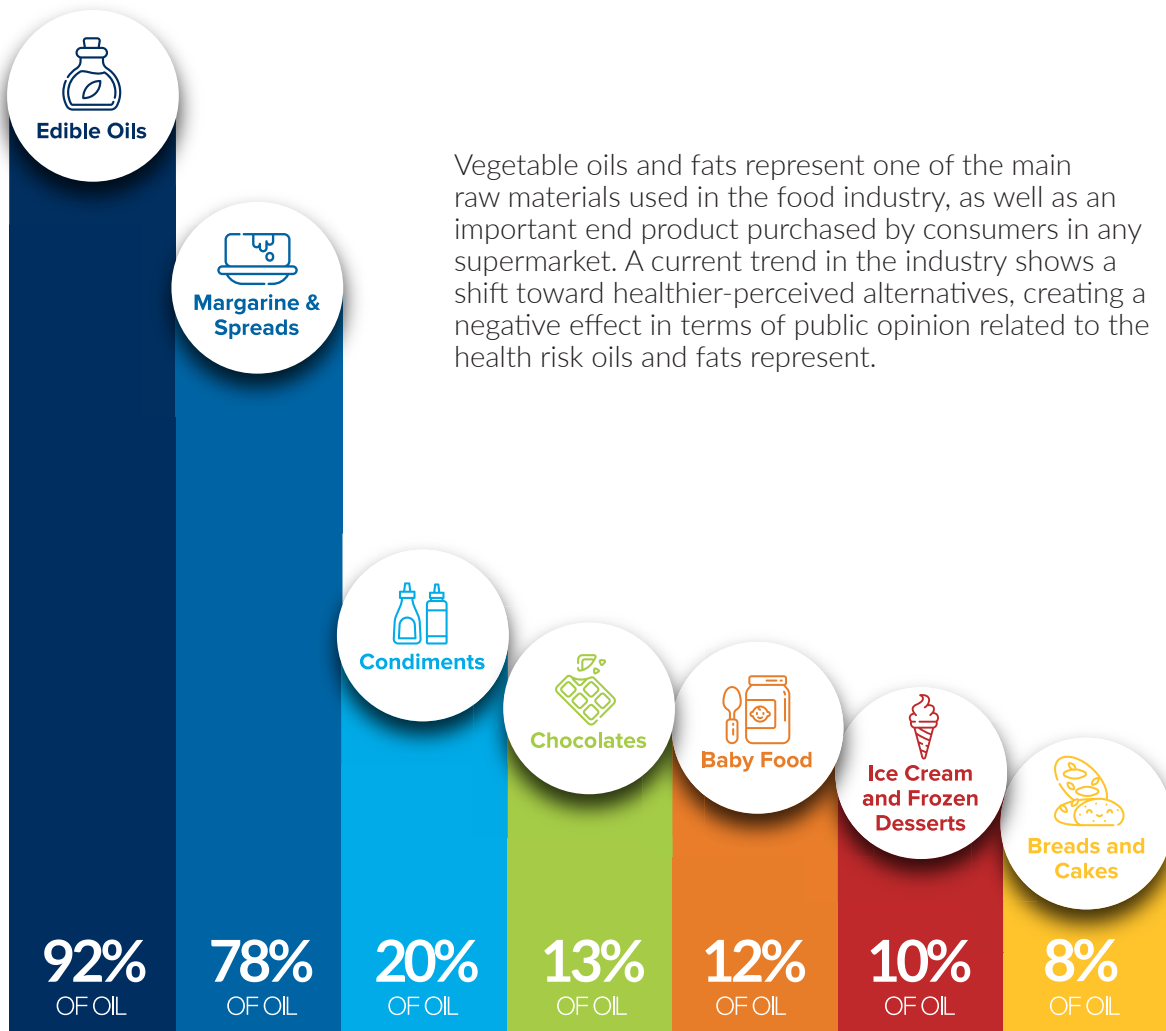


# FROM FIELD TO SHELF

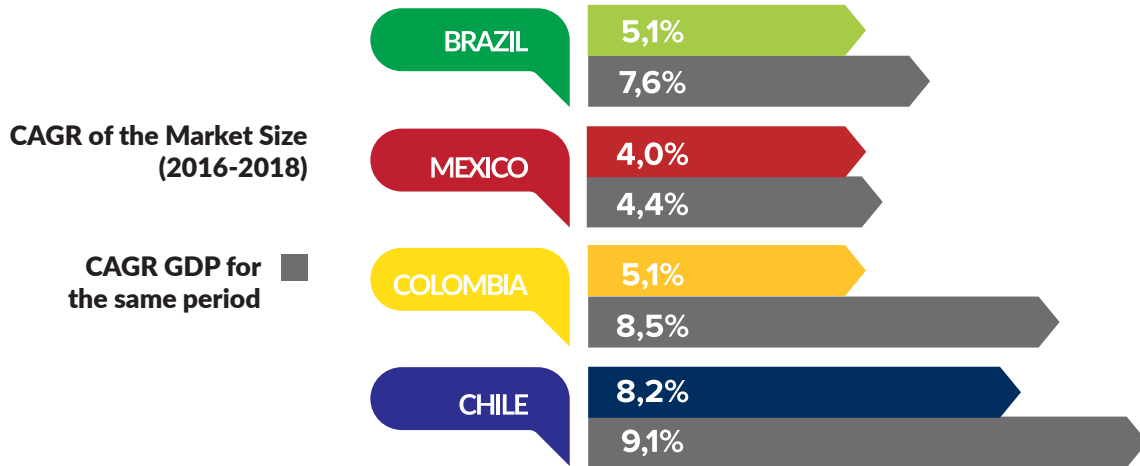
Mario Toledo, Lucas Franco and Natalia Moblicci

## A study on the vegetable oils and fats market and value chain in Brazil, Mexico, Colombia and Chile



Vegetable oils and fats represent one of the main raw materials used in the food industry, as well as an important end product purchased by consumers in any supermarket. A current trend in the industry shows a shift toward healthier-perceived alternatives, creating a negative effect in terms of public opinion related to the health risk oils and fats represent.

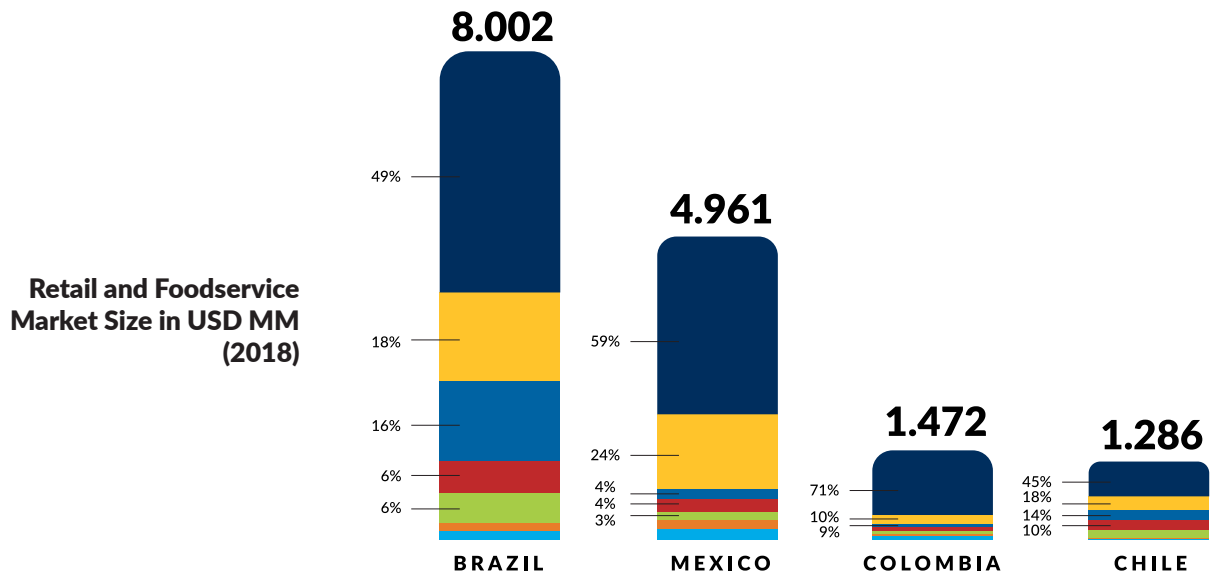
Despite the aforementioned effect, demand for vegetable oils and fats has shown sustained growth in our markets. End product brands continue to face challenges in the development of new products.



Based on the composition of end products found in retail and foodservice channels, the product categories most dependent on oil and fat supply are:



The size of the oils and fats market in the studied countries amounts to \$15.7 billion dollars. .

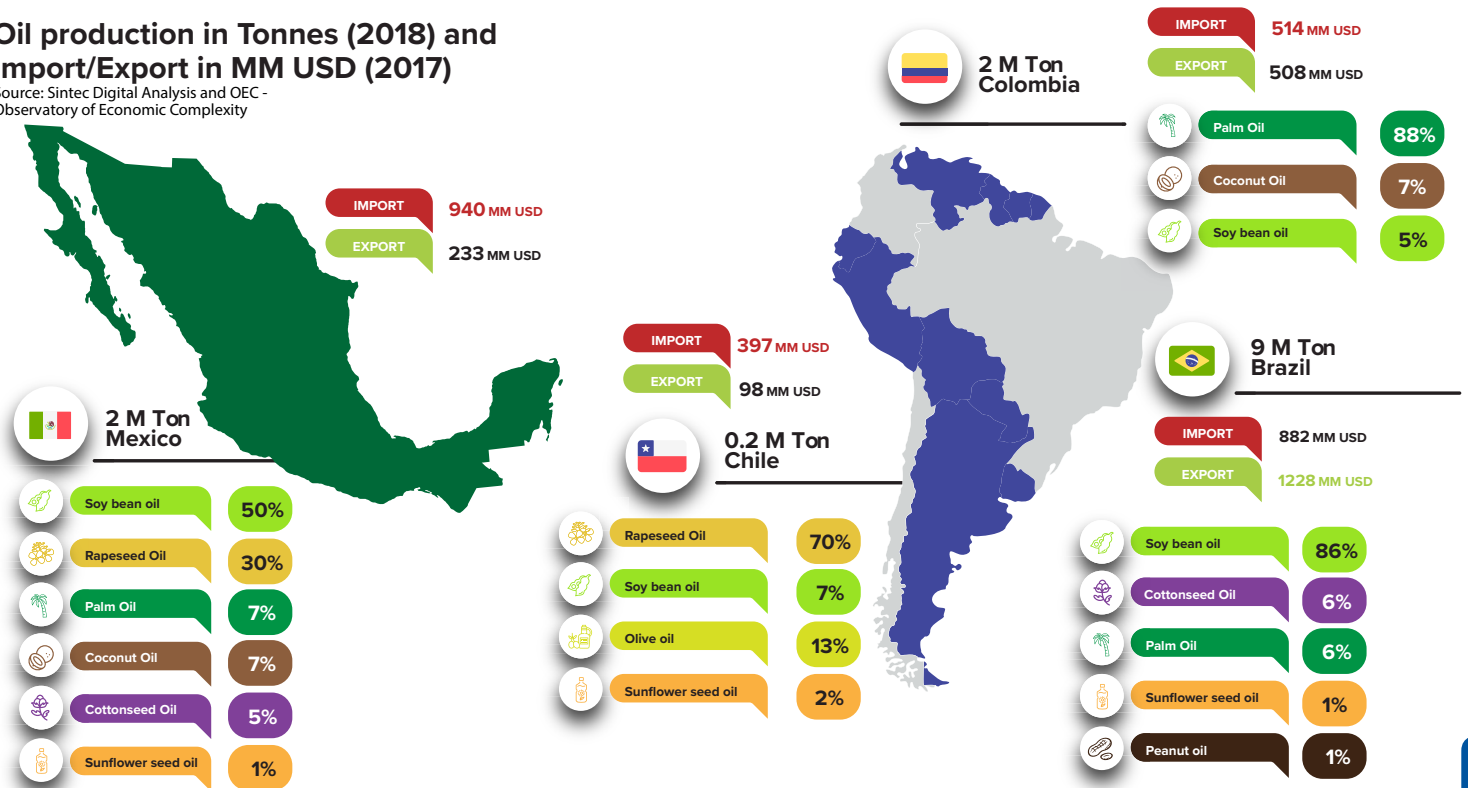


Across the four countries analyzed, the leading oils in terms of production are Soybean and Palm Oil.

The map below shows oil supply per country and its share by oil type:

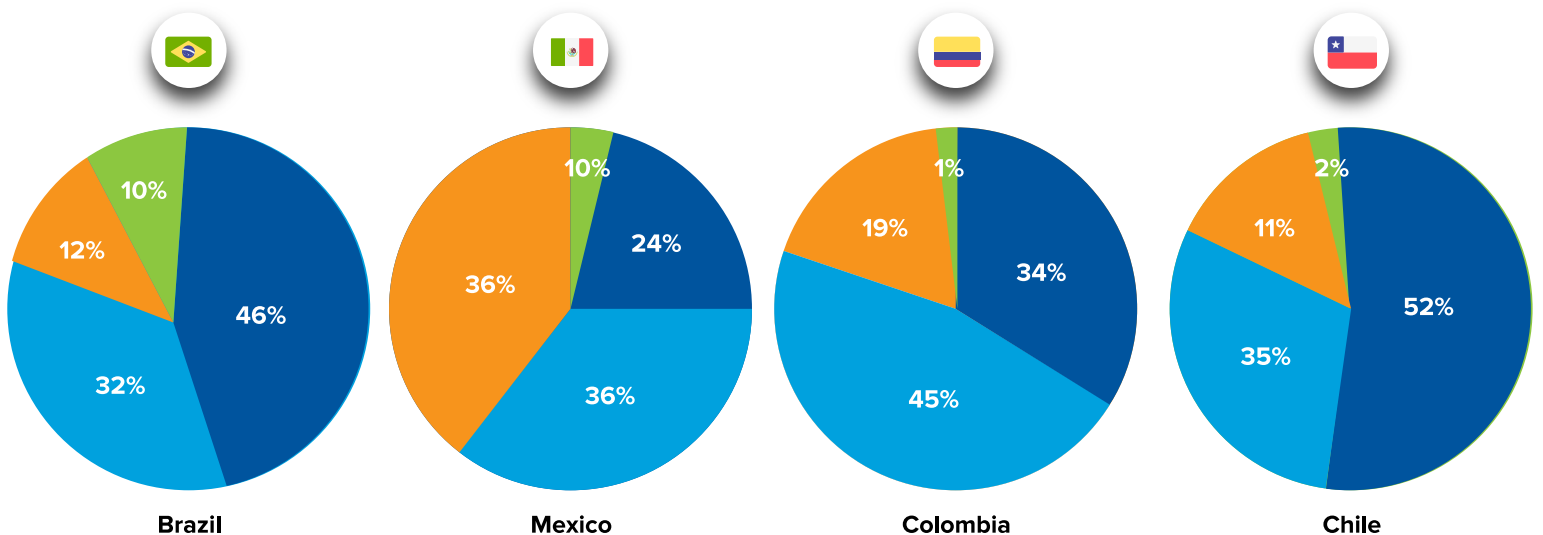
### Oil production in Tonnes (2018) and Import/Export in MM USD (2017)

Source: Sintec Digital Analysis and OEC - Observatory of Economic Complexity



For each of the packaged food categories which use oils and fats as raw materials (as well as oil as an end product), there are 3 or 4 companies dominating the Retail and On Trade supply chain, which is highly segmented. For each of the countries studied, an average between 50 and 70% of the market is located the traditional trade channel (Mom + Pops). Contrary to popular belief of a supermarket channel dominance, demand for omnichannel presence has continued to grow, turning convenience stores into a more relevant channel in a highly dynamic market.

● Modern ● Tradicional ● Foodservice ● Other



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