



Products of the U.S.A.

Monthly Report

Trade Servicing

August 2022



Products of the U.S.A.

MONTHLY TRADE SERVICING REPORT
August 2022
Submitted by Lieu Marketing Associates Pte Ltd

(i) Executive Summary

This month's report focuses on developing trends in Southeast Asia, like modern agricultural farming methods, new food product innovations, food delivery methods, and healthier food alternatives.

We also report on the supply situation of key commodities like wheat and sugar that ran low in certain countries, which created upward pressure on food prices in the coming months.

(ii) Market Intelligence Update

Burma:

In Burma, food scarcity now prevails in the street. This followed the military coup last year. The ever-changing importation and business rules from the government, and the Russian-Ukraine war added to food importation issues. Prices of key commodities have skyrocketed, and citizens barely earn enough to feed themselves and provide for their families. ([The Star](#), 21 August 2022). This rise in the cost of living has resulted in some Burmese citizens, even those within the middle-income class, to skipping a meal a day as they struggle to keep up with rising food costs. Residents cannot afford to overspend on food, and households need to use ingredients like rice, cooking oil, and eggs sparingly. According to the World Food Program (WFP), this is highly concerning as over two million people in Myanmar face risks of malnourishment and starvation. ([BNI online](#), 16 August 2022)

Indonesia:

In Indonesia, an increasing number of people have adopted urban and family farming to gain some level of food security. This has been useful in helping citizens cope with inflated food prices whilst increasing the food choices available for them. Vegetables like cauliflowers, tomatoes, and chili peppers are farmed and harvested. An interesting observation was how in some local schools, students are taught ecology-based agriculture, focusing on food sovereignty in particular. Urban and family farming methods

represent a step forward for Indonesia, in tackling issues like malnourishment and climate change. ([Mongabay.com](#), 25 August 2022)

Indonesia is the world's second-largest wheat importer. The country currently imports wheat from countries like Australia, Ukraine, Canada, Argentina, and the US to produce food products like instant noodles. Indonesia continues to import large quantities of sugar, soybeans, beef, and garlic, representing a key opportunity for suppliers of these products to enter the Indonesian market. ([Business Times](#), 21 August 2022)

Climate change and the ongoing Ukraine-Russia war have reduced wheat imports into Indonesia, creating a wheat supply crunch. Should there be a wheat shortage, prices of wheat-based noodles like instant noodles may spike as a result, amidst high consumer demand for it. ([Coconuts Jakarta](#), 9 August 2022)

Malaysia:

In Malaysia, the government plans to tap into smart agricultural methods to raise agricultural outputs and ensure food security for the nation. Measures taken include initiatives for farmers to learn the latest technology-driven farming methods. ([Malay Mail](#), 6 August 2022)

Air Asia has launched intercity air-flown food delivery on selected days of the week between cities, such as from Penang to Klang Valley, Kuala Lumpur (KL). Citizens living in KL can now savor delicious Char Kway Teow and Hokkien Prawn Mee from Penang. Food is freshly prepared and delivered on the same day, at a mere cost of RM 5.99 per order. Using the Air Asia Super App, users can even order their favorite dishes a month in advance! ([Air Asia](#), 15 August 2022)

Philippines:

The Philippines is facing a sugar shortage. Being a nation that loves bread and pastries, customers are buying less of these products due to their smaller sizes yet higher prices. Large corporations like Coca-Cola and Pepsi have not been spared from the sugar supply crunch either. ([The Star](#), 29 August 2022)

The Philippines has been developing more halal foods amidst a rising Muslim population. Halal foods will be launched in both local and overseas markets. ([Halal weekly](#), 8 August 2022)

Singapore:

Did you know in Singapore, nutrition labels are now needed by the end of next year for ready-prepared drinks high in sugar and saturated fat? For instance, bubble tea, juices, and freshly made drinks from coffee shops. There will also be limited advertising allowed for beverage brands selling drinks high in sugar and saturated fat. ([Channel News Asia](#), 11 August 2022)

Fun fact: Plant-based cheese could hit local stores very soon, in Singapore. A food partnership between tertiary education institute Republic Polytechnic (RP) and startup company SoiLabs has been set to make soy-based cheese, cream cheese, and soups from okra. Soy-based cream cheese has higher protein content, dietary fiber, and antioxidants than dairy-based cream cheese thus is a healthier alternative. Soy cream soups are lower in sugars and salts, and higher in key nutrients like potassium and calcium than presently available soups. ([Food Navigator Asia](#), 15 August 2022)

Thailand:

In Thailand, an increasing number of international arrivals has been observed. This is a key opportunity for Food and Beverage (F&B) businesses to bounce back from their pandemic-stricken state. Food service operators are looking for new ingredients for their customers. Overall, the business outlook is looking promising for F&B businesses. ([Straits Times](#), 6 August 2022)

In August, the Thai government mandated that all food companies declare the use of genetically modified ingredients on food labels. Tougher laws have been placed on genetically modified foods, which could harm one's health in the case of food products that contain allergens. ([Food Navigator Asia](#), 1 August 2022)

Vietnam:

Vietnam continues to grow strongly despite the pandemic. There has been an increase in disposable incomes and more consumers are tending toward consuming healthier food alternatives. As consumers are expected to spend more on groceries, growth in the grocery retail sector is expected. South Korea-based Emart will be opening 2 more hypermarkets in Ho Chi Minh City and local retail giant WinCommerce will be opening more convenience stores, supermarkets, and hypermarkets throughout the country. ([Fitch solutions](#), 22 August 2022)

Vietnam's seafood industry has benefited from the opening up of the US economy since the pandemic hit. The US is now the largest export market for crab in Vietnam. Based on half-year figures, export has increased by 27% from 2021. ([Seafood Source](#), 22 Aug 2022)

(iii) Administrative Customs and Other Consideration Updates

