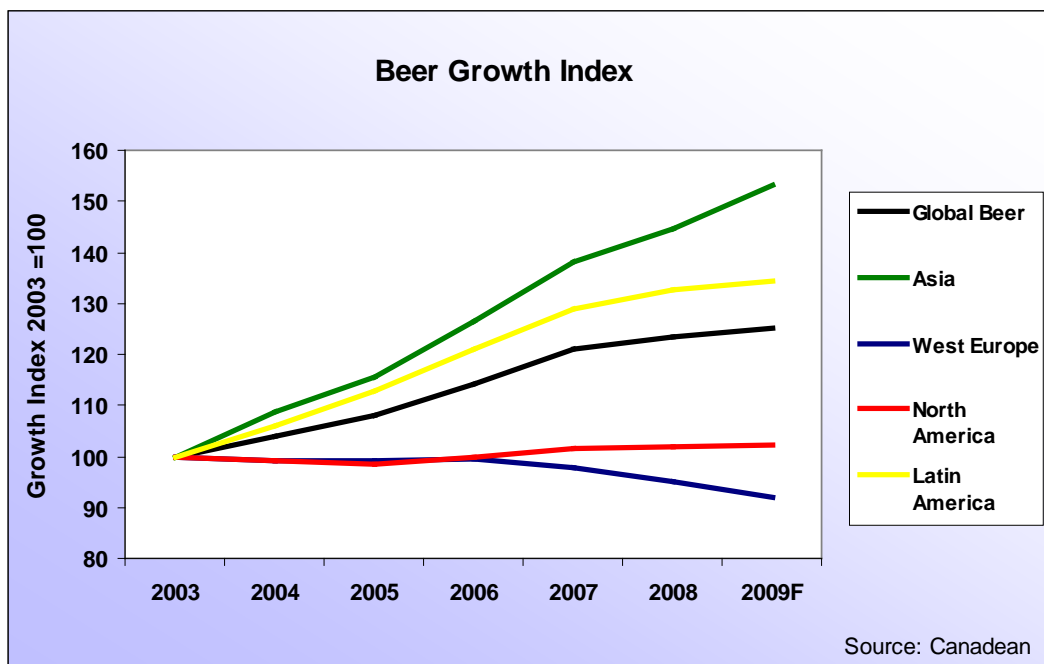


**NEWS from Canadean**

**Beer Keeps Its Head Above The Water**

The global beer market continues to grow despite the dramatic upheaval in the world's financial markets in 2008. The economic woes have however impacted beer volumes and according to Canadean, the leading beverage research agency, growth in the global beer market dropped from a respectable 6% in 2007 to less than 2% in 2008. Canadean's recently published Global Beer Trends Report anticipates a further slowdown in 2009 before demand begins to accelerate again in 2010.



The contribution of Asia to the progress of the beer market cannot be understated and the region now accounts for around a third of all beer sales. In 2008, the region managed to record a 5% increase in volumes. China, which accounts for 7 in every 10 litres of beer sold in Asia is the key driver and is helping to sustain the overall worldwide beer market. China was not unscathed and did also see a slowdown last year; as well as the financial downturn, the Chinese market was handicapped by snowstorms in January and

February, earthquakes in May, and comparatively cooler summer weather, but the market still expanded by 6% helped in part by the success of the Beijing Olympics.

Latin America can take some of the credit for facilitating the progress of the world wide beer market with 2008 sales increasing by a healthy 3%. As with Asia, there is one market that is acting as a major stimulant; in Latin America's case it is Brazil. The fourth biggest producer of beer in the world, Brazil enjoyed a 4% volume growth last year helped by competitive pricing and a vibrant off-premise market.

The beer market in Asia and Latin America recorded good growth last year but it was the Middle East & North Africa that could claim to be the fastest growing region in the world, registering double digit growth last year. On the global stage though, for religious and cultural reasons, sales are insignificant and account for less than 1% of overall sales. In per capita terms, as a region, consumers drink just 2 litres each, under 10% of the world wide average. The world market cannot rely on this part of the world to drive up sales.

In Europe, the situation is less optimistic and West Europe, which has not seen growth since 2006 has witnessed the economic downturn quicken the rate of decline, while in neighbouring East Europe the crisis is set to trigger a negative performance this year. The strong Russian market saw its first decline in a decade last year with sales set to get worse this year. Despite their problems it should be noted that Europe remains home to eight of the top ten per capita drinking markets in the world with the Czechs continuing to dominate, with each drinker consuming more than 160 litres annually.

In the influential North American market, sales growth has fizzled out to almost nothing. Between them North America and Europe make up 45% of global beer volumes and with sales flattening in North America and European volumes falling, the focus is very much on Asia and Latin America to deliver volume growth during these turbulent times.

For further details on Canadean's **2009 Global Beer Trends Report** or any of Canadean's other Beer Service reports, please contact Kevin Baker on tel: +44 (0)1256 394 220 or email [beer@canadean.com](mailto:beer@canadean.com).

**Words: 555**

**Editor's Note:**

Canadean is the beverage industry information specialist, providing market research, reports, databases and consulting on the global beverage and beverage packaging industries.

With headquarters in the UK and regional offices around the world, Canadean has built a reputation as the benchmark for global beverage market intelligence. Local operations are now based in Madrid, Buenos Aires, Mexico City, Hong Kong, Beijing, Shanghai and Sydney.

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**Issued by the Corporate Marketing Department of Canadean Ltd, the leading global beverage research company.**

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