

2009  
GUIDELINES  
FOR HOP BUYING

	World Hop Acreage	World Hop Crop	World Beer Production	World Alpha Acids Production	World Alpha Acids Demand
	(ha)	(mt)	(Mio hl)	(mt)	(mt)
<b>2007</b>	51,550 + 3.7 %	91,418 + 7.2 %	1,779.4 + 5.9 %	6,983 + 4.5 %	7,650 - 0.2 %
<b>2008</b>	58,479 + 13.4 %	113,125 + 23.7 %	1,815.0 + 2.0 %	9,748 + 39.6 %	7,260 - 5.1 %
<b>2009</b>	58,192 - 0.5 %	111,483* - 1.5*	1,802.7* - 0.7 %*	9,942* + 2.0*	7,212* - 0.7 %*
<b>2010</b>	– –	– –	1,805.0* + 0.1 %*	– –	7,220* + 0.1 %*

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2008	58,479	113,125	1,815.0	9,748	7,212
2009	58,192	111,483*	1,802.7*	9,942*	7,220*
2010	–	–	1,805.0*	–	7,220*

\*Estimate

**International Conversion Table**

1 metr. ton (mt) → 1,000 kg → 2,204.6 lbs.  
 100 lbs. → 45.359 kg

1 hectare (ha) → 2.471 acres  
 1 acre → 0.405 hectare (ha)

1 hectoliter (hl) → 100 litre (Ltr.) → 0.8523 bbl. [USA] → 0.6114 bbl. [Brit.]  
 1 bbl. [USA] → 117.34 litre (Ltr.) → 1.1734 hectoliter (hl)  
 1 bbl. [Brit.] → 163.65 litre (Ltr.) → 1.6365 hectoliter (hl)

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## Foreword

” The developments in the hop market during the past eighteen months have been nothing short of historic. As quickly as world demand lifted prices to record levels and increased acreage 15%, world economic events swiftly precipitated a decline in demand that now has the hop industry scrambling to reduce acres and find a home for seemingly excess inventory.

The effect on the hop market of the downturn in the world economic climate was exacerbated by more efficient use of hops by brewers as well as further consolidation in the brewing industry.

All of these events have brought new challenges to the hop industry. We look forward to working together to turn these into opportunities for mutual success. We trust that the 2009 edition of Guidelines for Hop Buying is a valuable tool for your decision-making process. “

October 2009  
S. S. Steiner, Inc.  
Simon H. Steiner, Hopfen, GmbH  
Steiner Hops Limited



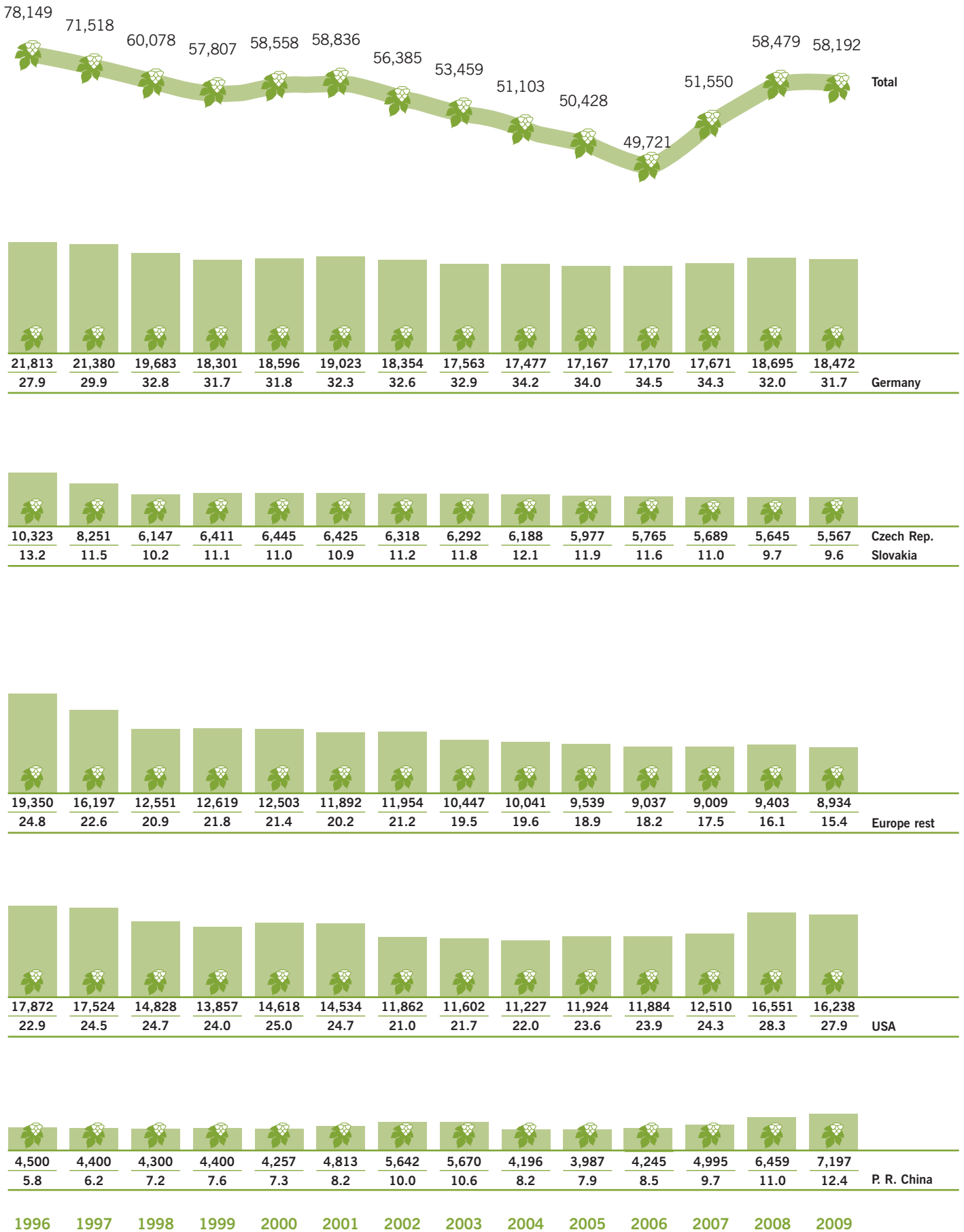
- *Hallertauer Hopfenveredelungs-gesellschaft mbH Au, Hallertau, Germany, Pellet Plant*
- *Hallertauer Hopfenveredelungs-gesellschaft mbH Mainburg, Hallertau, Germany, Ethanol-Extraction*
- *Hops Extract Corporation of America Yakima, Washington, CO2-Extraction*
- *Golden Gate Hop Ranches Inc. Yakima, Washington, USA, Hop Farming*

## Hop Acreage 2006 – 2009

	Acreage in ha				+/- %		
	2006	2007	2008	2009	06/07	07/08	08/09
Hallertauer	1,516	1,594	1,557	761	+ 5.1	- 2.3	- 51.1
Hersbrucker	865	741	735	766	- 14.3	- 0.8	+ 4.2
Perle	2,931	3,034	3,061	3,128	+ 3.5	+ 0.9	+ 2.2
Spalter Select	740	733	735	731	- 0.9	+ 0.3	- 0.5
Tradition	2,235	2,358	2,401	2,493	+ 5.5	+ 1.8	+ 3.8
Northern Brewer	395	334	306	268	- 15.4	- 8.4	- 12.4
Magnum	3,549	3,431	3,428	3,415	- 3.3	- 0.1	- 0.4
Nugget	288	251	251	249	- 12.8	+ 0.0	- 0.8
Taurus	1,146	1,117	1,109	1,077	- 2.5	- 0.7	- 2.9
Herkules	0	775	1,699	2,208	+ 0.0	+ 119.2	+ 30.0
Rest	615	385	396	388	- 33.8	+ 2.9	- 2.0
<b>Hallertau</b>	<b>14,280</b>	<b>14,754</b>	<b>15,678</b>	<b>15,484</b>	<b>+ 3.3</b>	<b>+ 6.3</b>	<b>- 1.2</b>
Elbe-Saale	1,284	1,321	1,383	1,387	+ 2.9	+ 4.7	+ 0.3
Tettngang	1,200	1,193	1,233	1,221	- 0.6	+ 3.4	- 1.0
Spalt	388	384	382	361	- 1.0	- 0.5	- 5.5
Rest	19	19	19	19	+ 0.0	+ 0.0	+ 0.0
<b>Germany total</b>	<b>17,170</b>	<b>17,671</b>	<b>18,695</b>	<b>18,472</b>	<b>+ 2.9</b>	<b>+ 5.8</b>	<b>- 1.2</b>
Austria	219	209	215	224	- 4.6	+ 2.9	+ 4.2
Belgium	181	176	186	186	- 2.8	+ 5.7	+ 0.0
Bulgaria	221	221	221	160	+ 0.0	+ 0.0	- 27.6
Czech Rep.	5,460	5,389	5,345	5,307	- 1.3	- 0.8	- 0.7
England	1,056	1,060	1,100	1,075	+ 0.4	+ 3.8	- 2.3
France	800	796	801	524	- 0.5	+ 0.6	- 34.6
Poland	2,291	2,179	2,179	2,233	- 4.9	+ 0.0	+ 2.5
Romania	90	429	429	240	+ 376.7	+ 0.0	- 44.1
Russia	420	228	220	420	- 45.7	- 3.5	+ 90.9
Slovakia	305	300	300	260	- 1.6	+ 0.0	- 13.3
Slovenia	1,522	1,568	1,706	1,579	+ 3.0	+ 8.8	- 7.4
Spain	685	497	466	477	- 27.4	- 6.2	+ 2.4
Turkey	300	331	331	308	+ 10.3	+ 0.0	- 6.9
Ukraine	1,100	1,145	1,359	1,320	+ 4.1	+ 18.7	- 2.9
Rest	152	170	190	188	+ 11.8	+ 11.8	- 1.1
<b>Europe total</b>	<b>31,972</b>	<b>32,369</b>	<b>33,743</b>	<b>32,973</b>	<b>+ 1.2</b>	<b>+ 4.2</b>	<b>- 2.3</b>
Apollo	0,0	0,0	282	299	+ 0.0	+ 0.0	+ 6.0
Cascade	452	527	870	1,000	+ 16.6	+ 65.1	+ 14.9
Col./Tom./Zeus	2,733	3,270	4,723	4,461	+ 19.6	+ 44.4	- 5.5
Galena	1,542	1,226	1,046	1,034	- 20.5	- 14.7	- 1.1
Nugget	1,052	1,120	1,304	1,195	+ 6.5	+ 16.4	- 8.4
Summit	27	256	972	1,214	+ 848.1	+ 279.7	+ 24.9
Super Galena	0,0	0,0	321	403	+ 0.0	+ 0.0	+ 25.5
Willamette	2,774	2,775	2,937	2,225	+ 0.0	+ 5.8	- 24.2
Rest	3,304	3,336	4,096	4,407	+ 1.0	+ 22.8	+ 7.6
<b>USA total</b>	<b>11,884</b>	<b>12,510</b>	<b>16,551</b>	<b>16,238</b>	<b>+ 5.3</b>	<b>+ 32.3</b>	<b>- 1.9</b>
Argentina	160	167	167	129	+ 4.4	+ 0.0	- 22.8
Australia	364	441	484	514	+ 21.2	+ 9.8	+ 6.2
Japan	235	214	210	200	- 8.9	- 1.9	- 4.8
New Zealand	353	354	360	400	+ 0.3	+ 1.7	+ 11.1
P. R. China	4,245	4,995	6,459	7,197	+ 17.7	+ 29.3	+ 11.4
South Africa	438	438	444	481	+ 0.0	+ 1.4	+ 8.3
Rest	70	62	61	60	- 11.4	- 1.6	- 1.6
<b>World total</b>	<b>49,721</b>	<b>51,550</b>	<b>58,479</b>	<b>58,192</b>	<b>+ 3.7</b>	<b>+ 13.4</b>	<b>- 0.5</b>

# Hop Acreage 1996 – 2009

(ha and % share)



## Crop Quantities and Average Yields 2006 – 2009

	Crop Quantities in mt				+/- %			Ø Yields in mt / ha			
	2006	2007	2008	2009*	06/07	07/08	08/09*	2006	2007	2008	2009*
Hallertauer	2,085.7	1,708.7	2,707.0	802.0	- 18.1	+ 58.4	- 70.4	1.38	1.07	1.74	1.05
Hersbrucker	1,502.1	1,471.6	1,471.8	1,345.0	- 2.0	+ 0.0	- 8.6	1.74	1.99	2.00	1.76
Perle	4,548.4	6,010.8	6,880.3	4,760.0	+ 32.2	+ 14.5	- 30.8	1.55	1.98	2.25	1.52
Spalter Select	1,351.9	1,654.5	1,669.0	1,405.0	+ 22.4	+ 0.9	- 15.8	1.83	2.26	2.27	1.92
Tradition	3,765.8	4,749.2	5,398.8	4,280.0	+ 26.1	+ 13.7	- 20.7	1.68	2.01	2.25	1.72
Northern Brewer	528.2	569.1	550.7	330.0	+ 7.7	- 3.2	- 40.1	1.34	1.70	1.80	1.23
Magnum	6,969.3	6,308.2	8,465.0	5,450.0	- 9.5	+ 34.2	- 35.6	1.96	1.84	2.47	1.60
Nugget	548.3	598.8	653.4	485.0	+ 9.2	+ 9.1	- 25.8	1.90	2.39	2.60	1.95
Taurus	2,160.7	2,307.9	2,394.2	1,920.0	+ 6.8	+ 3.7	- 19.8	1.89	2.07	2.16	1.78
Herkules	0.0	981.0	3,237.0	5,180.0	+ 0.0	+230.0	+ 60.0	0.00	1.27	1.91	2.35
Rest	764.7	841.0	904.4	611.0	+ 10.0	+ 7.5	- 32.4	1.31	2.18	2.28	1.57
<b>Hallertau</b>	<b>24,294.2</b>	<b>27,200.8</b>	<b>34,331.6</b>	<b>26,568.0</b>	<b>+ 12.0</b>	<b>+ 26.2</b>	<b>- 22.6</b>	<b>1.70</b>	<b>1.84</b>	<b>2.19</b>	<b>1.72</b>
Elbe-Saale	2,251.9	2,698.3	2,830.1	2,650.0	+ 19.8	+ 4.9	- 6.4	1.75	2.04	2.05	1.91
Tettnang	1,423.8	1,613.7	1,835.9	1,600.0	+ 13.3	+ 13.8	- 12.8	1.19	1.35	1.49	1.31
Spalt	504.2	588.2	641.6	610.0	+ 16.7	+ 9.1	- 4.9	1.30	1.53	1.68	1.69
Rest	34.2	38.0	37.2	36.2	+ 11.1	- 2.1	- 2.6	1.80	2.00	1.96	1.91
<b>Germany total</b>	<b>28,508.3</b>	<b>32,138.9</b>	<b>39,676.4</b>	<b>31,464.2</b>	<b>+ 12.7</b>	<b>+ 23.5</b>	<b>- 20.7</b>	<b>1.66</b>	<b>1.82</b>	<b>2.12</b>	<b>1.70</b>
Austria	342.0	353.0	386.0	332.0	+ 3.2	+ 9.3	- 14.0	1.56	1.69	1.80	1.48
Belgium	288.0	320.0	301.0	355.0	+ 11.1	- 5.9	+ 17.9	1.59	1.82	1.62	1.91
Bulgaria	342.0	227.3	342.0	183.0	- 33.5	+ 50.5	- 46.5	1.55	1.03	1.55	1.14
Czech Rep.	5,453.4	5,630.7	6,752.8	6,708.0	+ 3.3	+ 19.9	- 0.7	1.00	1.04	1.26	1.26
England	1,410.0	1,410.0	1,409.1	1,350.0	+ 0.0	- 0.1	- 4.2	1.34	1.33	1.28	1.26
France	1,188.0	1,479.5	1,469.0	752.8	+ 24.5	- 0.7	- 48.8	1.49	1.86	1.83	1.44
Poland	2,700.0	3,245.7	3,446.0	3,446.0	+ 20.2	+ 6.2	+ 0.0	1.18	1.49	1.58	1.54
Romania	400.0	196.0	246.0	220.0	- 51.0	+ 25.5	- 10.6	4.44	0.46	0.57	0.92
Russia	340.0	158.0	296.0	300.0	- 53.5	+ 87.3	+ 1.4	0.81	0.69	1.35	0.71
Slovakia	314.0	245.0	328.0	300.0	- 22.0	+ 33.9	- 8.5	1.03	0.82	1.09	1.15
Slovenia	1,819.0	1,987.4	2,359.0	2,329.7	+ 9.3	+ 18.7	- 1.2	1.20	1.27	1.38	1.48
Spain	1,133.0	936.7	812.0	890.0	- 17.3	- 13.3	+ 9.6	1.65	1.88	1.74	1.87
Turkey	356.0	280.0	368.7	350.0	- 21.3	+ 31.7	- 5.1	1.19	0.85	1.11	1.14
Ukraine	920.0	700.0	900.0	1,250.0	- 23.9	+ 28.6	+ 38.9	0.84	0.61	0.66	0.95
Rest	269.0	135.8	245.7	272.0	- 49.5	+ 80.9	+ 10.7	1.77	0.80	1.29	1.45
<b>Europe total</b>	<b>45,782.7</b>	<b>49,554.9</b>	<b>59,337.7</b>	<b>50,502.7</b>	<b>+ 8.2</b>	<b>+ 19.7</b>	<b>- 14.9</b>	<b>1.43</b>	<b>1.53</b>	<b>1.76</b>	<b>1.53</b>
Apollo	0.0	0.0	705.7	952.6	+ 0.0	+ 0.0	+ 35.0	0.00	0.00	2.50	3.19
Cascade	989.2	1,200.4	1,711.5	2,268.0	+ 21.4	+ 42.6	+ 32.5	2.19	2.28	1.97	2.27
Col./Tom./Zeus	8,694.6	9,939.9	13,785.0	15,422.2	+ 14.3	+ 38.7	+ 11.9	3.18	3.04	2.92	3.46
Galena	3,144.5	2,440.9	2,140.2	2,268.0	- 22.4	- 12.3	+ 6.0	2.04	1.99	2.05	2.19
Nugget	2,479.3	2,641.7	2,721.1	3,220.5	+ 6.6	+ 3.0	+ 18.4	2.36	2.36	2.09	2.69
Summit	55.8	522.3	1,879.2	3,719.5	+ 0.0	+259.8	+ 97.9	2.07	2.04	1.93	3.06
Super Galena	0.0	0.0	756.8	1,179.3	+ 0.0	+ 0.0	+ 55.8	0.00	0.00	2.36	2.93
Willamette	4,047.1	4,381.6	4,667.8	3,855.5	+ 8.3	+ 6.5	- 17.4	1.46	1.58	1.59	1.73
Rest	6,756.0	6,203.5	8,205.9	9,071.7	- 8.2	+ 32.3	+ 10.6	2.04	1.86	2.00	2.06
<b>USA total</b>	<b>26,166.5</b>	<b>27,330.3</b>	<b>36,573.2</b>	<b>41,957.3</b>	<b>+ 4.4</b>	<b>+ 33.8</b>	<b>+ 14.7</b>	<b>2.20</b>	<b>2.18</b>	<b>2.21</b>	<b>2.58</b>
Argentina	190.0	240.0	212.6	185.0	+ 26.3	- 11.4	- 13.0	1.19	1.44	1.27	1.43
Australia	1,044.0	890.0	1,188.9	1,342.9	- 14.8	+ 33.6	+ 13.0	2.87	2.02	2.46	2.61
Japan	415.1	410.0	464.4	420.0	- 1.2	+ 13.3	- 9.6	1.77	1.92	2.21	2.10
New Zealand	667.0	700.0	730.0	832.0	+ 4.9	+ 4.3	+ 14.0	1.89	1.98	2.03	2.08
P. R. China	10,434.0	11,350.0	13,950.0	15,396.0	+ 8.8	+ 22.9	+ 10.4	2.46	2.27	2.16	2.14
South Africa	661.0	900.2	628.0	807.0	+ 36.2	- 30.2	+ 28.5	1.51	2.06	1.41	1.68
Rest	40.0	42.5	40.0	40.0	+ 6.3	- 5.9	+ 0.0	0.57	0.69	0.66	0.67
<b>World total</b>	<b>85,266.3</b>	<b>91,417.9</b>	<b>113,124.9</b>	<b>111,482.9</b>	<b>+ 7.2</b>	<b>+ 23.7</b>	<b>- 1.5</b>	<b>1.71</b>	<b>1.77</b>	<b>1.93</b>	<b>1.92</b>

# World Hop Crop 1996 – 2009

(1,000 mt and % share)



\*Estimate

## Hopsteiner Laboratory Values 2006 – 2009

Alpha Content in %					Alpha Content in %				
Aroma Varieties	2006	2007	2008	2009	Bitter Varieties	2006	2007	2008	2009
Hersbrucker	2.2	2.5	2.9	3.4	Northern Brewer	6.4	9.0	10.5	10.4
Perle	6.2	7.7	8.5	9.2	Herkules	14.1	15.8	17.3	17.3
Tradition	4.8	6.0	7.5	6.8	Magnum	12.8	12.5	15.7	14.6
Select	4.3	4.6	5.4	5.7	Taurus	15.1	16.0	17.9	17.1
Tettnang	2.2	3.8	4.2	4.2	Super Galena	–	13.1	14.0	14.3
Spalt	2.8	4.0	4.0	4.4	US Galena	12.3	12.3	12.2	12.3
Saaz	2.1	2.5	3.7	3.9	US Nugget	13.9	13.0	13.5	13.1
Styrian Aurora	6.4	7.0	9.0	7.8	Summit	–	–	–	16.5
Styrian Golding	2.9	3.0	4.5	4.2	CTZ	15.5	14.5	15.0	15.2
Willamette	4.5	4.4	4.7	4.5	Pride of Ringwood	8.8	9.4	8.5	9.5

## Worldwide use of Hops and Hop Products 1996 – 2009

	Hops total		Pellets total		Extract total	
	(mt)		(mt)	(% total)	(mt)	(% total)
1996	125,099		51,000	40.8	33,250	26.6
1997	111,698		46,000	41.2	29,500	26.4
1998	94,340		45,500	48.2	29,750	31.5
1999	95,519		52,000	54.4	28,000	29.3
2000	95,925		56,000	58.4	24,650	25.7
2001	96,959		52,900	54.6	28,800	29.7
2002	97,130		53,400	55.0	28,500	29.3
2003	85,520		49,600	58.0	28,000	32.7
2004	91,132		56,800	62.3	28,600	31.4
2005	93,448		61,582	65.9	28,595	30.6
2006	85,266		56,361	66.1	26,177	30.7
2007	91,418		59,513	65.1	29,345	32.1
2008	113,125		69,119	61.1	40,951	36.2
2009*	111,483		68,005	61.0	41,249	37.0



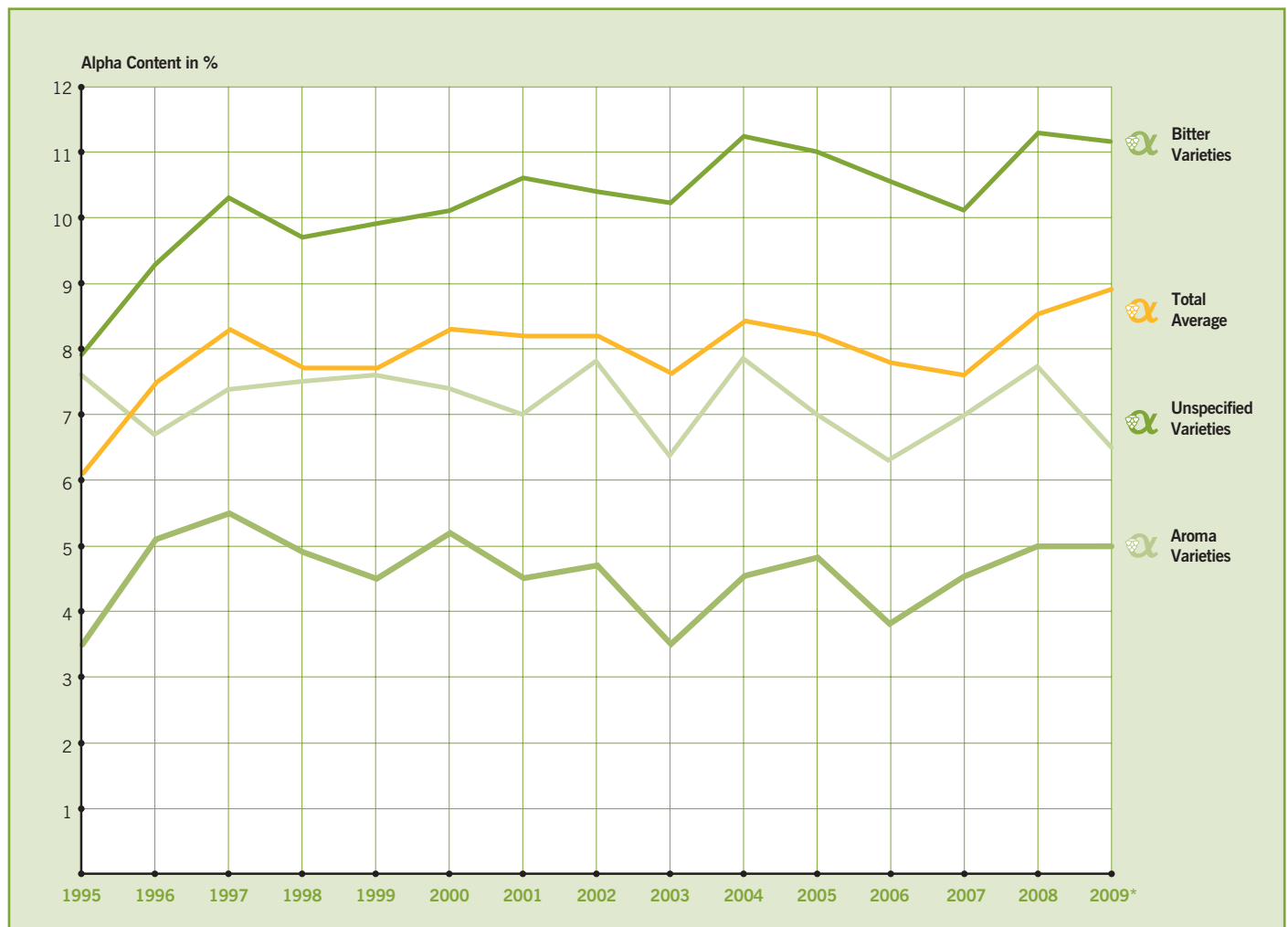
## World Alpha Acids Production 2006 – 2009

Total Crop Quantities in mt					% share				
	2006	2007	2008	2009*	2006	2007	2008	2009*	
Aroma Varieties	35,561	40,187	47,993	40,920	41.7	44.0	42.4	36.7	
Bitter Varieties	49,312	51,143	65,072	70,518	57.8	55.9	57.5	63.2	
Rest	393	89	60	45	0.5	0.1	0.1	< 0.1	
<b>Total</b>	<b>85,266</b>	<b>91,418</b>	<b>113,125</b>	<b>111,483</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	

Alpha Amount in kg					Alpha Content in %				
	2006	2007	2008	2009*	2006	2007	2008	2009*	
Aroma Varieties	1,366,462	1,829,689	2,411,412	2,062,298	3.8	4.6	5.0	5.0	
Bitter Varieties	5,288,465	5,147,407	7,332,155	7,876,709	10.7	10.1	11.3	11.2	
Rest	24,680	6,201	4,657	2,928	6.3	7.0	7.7	6.5	
<b>Total</b>	<b>6,679,607</b>	<b>6,983,297</b>	<b>9,748,225</b>	<b>9,941,935</b>	<b>7.8</b>	<b>7.6</b>	<b>8.6</b>	<b>8.9</b>	

## Alpha Values over time 1995 – 2009



\*Estimate

## World Beer Production 2006 – 2009

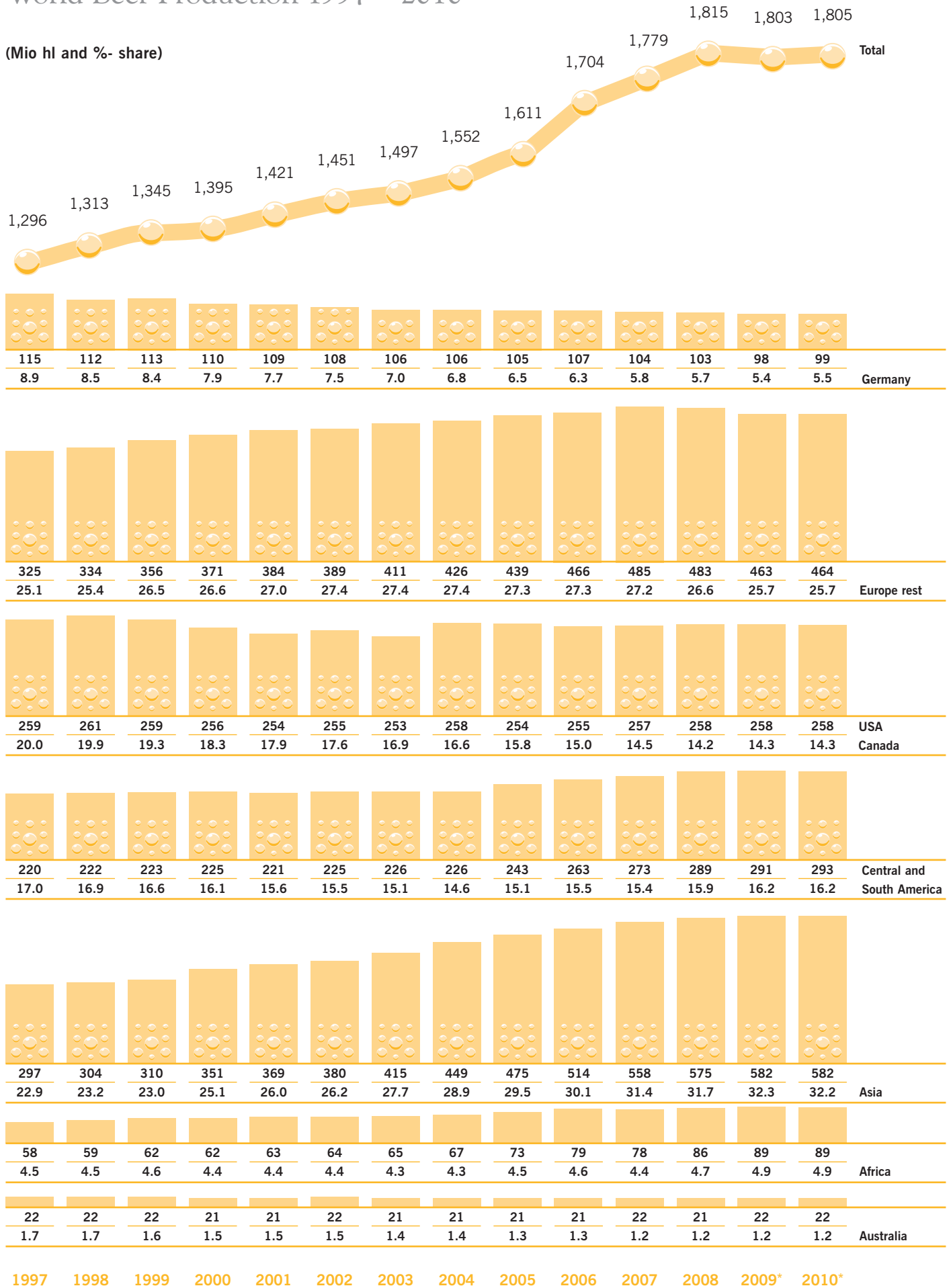
	Beer Production in Mio hl				+/- %		
	2006	2007	2008	2009*	06/07	07/08	08/09* →
Russia	99.8	116.0	115.3	110.0	+ 16.2	- 0.6	- 4.6
Germany	106.8	103.9	102.8	98.2	- 2.7	- 1.1	- 4.5
England	54.1	50.5	49.5	46.8	- 6.7	- 2.0	- 5.5
Poland	33.0	32.5	35.6	33.5	- 1.5	+ 9.5	- 5.9
Spain	33.6	33.2	33.4	32.8	- 1.2	+ 0.6	- 1.8
Ukraine	27.2	31.5	32.0	29.5	+ 15.8	+ 1.6	- 7.8
Netherlands	26.5	28.0	26.8	25.8	+ 5.7	- 4.3	- 3.7
Romania	17.0	19.5	20.8	20.5	+ 14.7	+ 6.7	- 1.4
Czech Rep.	19.8	19.8	19.8	19.8	+ 0.0	+ 0.0	+ 0.0
Belgium	18.3	18.6	17.8	17.1	+ 1.6	- 4.3	- 3.9
France	17.0	15.1	14.4	13.8	- 11.2	- 4.6	- 4.2
Italy	12.8	13.5	12.8	12.8	+ 5.5	- 5.2	+ 0.0
Turkey	9.1	9.2	9.9	9.6	+ 1.1	+ 7.6	- 3.0
Austria	8.9	9.0	8.5	8.5	+ 1.1	- 5.6	+ 0.0
Ireland	9.2	9.3	8.9	8.4	+ 1.1	- 4.3	- 5.6
Portugal	8.2	8.2	8.2	7.8	+ 0.0	+ 0.0	- 4.9
Denmark	8.9	9.2	7.9	7.5	+ 3.4	- 14.1	- 5.1
Hungary	7.0	6.8	7.1	7.0	- 2.9	+ 4.4	- 1.4
Bulgaria	5.2	5.5	5.8	5.3	+ 5.8	+ 5.5	- 8.6
Finland	4.6	4.6	4.5	4.4	+ 0.0	- 2.2	- 2.2
Greece	4.5	3.9	4.0	4.0	- 13.3	+ 2.6	+ 0.0
Sweden	3.7	4.0	3.8	3.8	+ 8.1	- 5.0	+ 0.0
Croatia	3.5	3.4	3.9	3.7	- 2.9	+ 14.7	- 5.1
Slovakia	4.1	4.0	3.6	3.6	- 2.4	- 10.0	+ 0.0
Switzerland	3.5	3.5	3.4	3.4	+ 0.0	- 2.9	+ 0.0
Lithuania	3.0	3.0	3.0	2.8	+ 0.0	+ 0.0	- 6.7
Norway	2.5	2.6	2.6	2.6	+ 4.0	+ 0.0	+ 0.0
Slovenia	1.9	1.9	1.9	1.9	+ 0.0	+ 0.0	+ 0.0
Latvia	1.5	1.6	1.2	1.2	+ 6.7	- 25.0	+ 0.0
Estonia	1.3	1.3	1.2	1.1	+ 0.0	- 7.7	- 8.3
Albania	0.7	0.8	0.7	0.7	+ 14.3	- 12.5	+ 0.0
Cyprus	0.4	0.4	0.4	0.4	+ 0.0	+ 0.0	+ 0.0
Luxembourg	1.3	0.3	0.3	0.3	- 76.9	+ 0.0	+ 0.0
Malta	0.1	0.1	0.1	0.1	+ 0.0	- 0.0	+ 0.0
Europe rest	13.3	13.9	14.1	12.8	+ 4.5	+ 1.4	- 9.2
<b>Europe total</b>	<b>572.3</b>	<b>588.6</b>	<b>586.0</b>	<b>561.5</b>	<b>+ 2.8</b>	<b>- 0.4</b>	<b>- 4.2</b>
USA	231.6	233.4	234.1	234.1	+ 0.8	+ 0.3	+ 0.0
Brazil	94.0	96.0	106.3	107.3	+ 2.1	+ 10.7	+ 0.9
Mexico	78.1	81.0	82.3	82.5	+ 3.7	+ 1.6	+ 0.2
Canada	23.6	23.9	23.7	23.7	+ 1.3	- 0.8	+ 0.0
Venezuela	23.0	26.3	24.0	23.4	+ 14.3	- 8.7	- 2.5
Colombia	15.0	19.0	19.0	19.2	+ 26.7	+ 0.0	+ 1.1
Argentina	13.9	14.5	15.5	15.8	+ 4.3	+ 6.9	+ 1.9
Peru	8.5	9.2	10.8	10.9	+ 8.2	+ 17.4	+ 0.9
Chile	5.0	5.7	5.9	6.0	+ 14.0	+ 3.5	+ 1.7
Ecuador	3.5	3.6	3.5	3.6	+ 2.9	- 2.8	+ 2.9
Dominican Rep.	3.0	3.0	3.0	3.1	+ 0.0	+ 0.0	+ 3.3
Cuba	2.8	2.5	2.4	2.5	- 10.7	- 4.0	+ 4.2
Bolivia	2.1	1.5	2.0	2.1	- 28.6	+ 33.3	+ 5.0
Panama	1.8	1.8	2.0	2.0	+ 0.0	+ 11.1	+ 0.0
Costa Rica	1.5	1.6	1.8	1.9	+ 6.7	+ 12.5	+ 5.6
Guatemala	1.6	1.6	1.6	1.7	+ 0.0	+ 0.0	+ 6.3
Paraguay	2.0	1.5	1.5	1.6	- 25.0	+ 0.0	+ 6.7
Honduras	1.0	1.0	1.0	1.1	+ 0.0	+ 0.0	+ 10.0
Jamaica	1.0	1.0	1.0	1.0	+ 0.0	+ 0.0	+ 0.0

	Beer Production in Mio hl				+/- %		
	2006	2007	2008	2009*	06/07	07/08	08/09*
→ Uruguay	0.9	0.9	0.9	0.9	+ 0.0	+ 0.0	+ 0.0
El Salvador	0.8	0.8	0.8	0.8	+ 0.0	+ 0.0	+ 0.0
Nicaragua	0.7	0.7	0.7	0.7	+ 16.7	+ 0.0	+ 0.0
Puerto Rico	0.6	0.7	0.7	0.7	+ 0.0	+ 0.0	+ 0.0
Trinidad	0.4	0.4	0.4	0.7	+ 0.0	+ 0.0	+ 75.0
America rest	1.6	1.4	1.8	1.9	- 12.5	+ 28.6	+ 5.6
<b>America total</b>	<b>518.0</b>	<b>533.0</b>	<b>546.7</b>	<b>549.2</b>	<b>+ 2.9</b>	<b>+ 2.6</b>	<b>+ 0.5</b>
P. R. China	352.0	393.0	410.3	418.5	+ 11.6	+ 4.4	+ 2.0
Japan	63.0	62.7	61.0	61.0	- 0.5	- 2.7	+ 0.0
Thailand	23.0	22.0	20.7	20.0	- 4.3	- 5.9	- 3.4
South Korea	18.0	18.0	18.6	18.5	+ 0.0	+ 3.3	- 0.5
Vietnam	17.0	18.4	18.5	18.5	+ 8.2	+ 0.5	+ 0.0
Philippines	13.5	13.7	13.3	13.5	+ 1.5	- 2.9	+ 1.5
India	8.5	9.0	10.0	10.0	+ 5.9	+ 11.1	+ 0.0
Taiwan	3.3	3.8	4.3	4.0	+ 15.2	+ 13.2	- 7.0
Indonesia	1.5	1.6	2.1	2.0	+ 6.7	+ 31.3	- 4.8
Laos	1.6	1.8	1.3	2.0	+ 12.5	- 27.8	+ 53.8
Malaysia	1.3	1.6	1.7	1.7	+ 23.1	+ 6.3	+ 0.0
Singapore	1.2	1.2	1.2	1.2	+ 0.0	+ 0.0	+ 0.0
Israel	0.8	0.8	0.8	0.8	+ 0.0	+ 0.0	+ 0.0
Jordan	0.5	0.8	0.8	0.8	+ 60.0	+ 0.0	+ 0.0
Myanmar	0.4	0.4	0.8	0.7	+ 0.0	+ 100.0	- 12.5
Sri Lanka	0.5	0.6	0.6	0.6	+ 20.0	+ 0.0	+ 0.0
Nepal	0.3	0.3	0.8	0.3	+ 0.0	+ 166.7	- 62.5
Lebanon	0.2	0.2	0.2	0.3	+ 0.0	+ 0.0	+ 50.0
Mongolia	0.5	0.7	0.2	0.2	+ 40.0	- 71.4	+ 0.0
Syria	0.1	0.1	0.1	0.1	+ 0.0	+ 0.0	+ 0.0
Asia rest	6.4	7.2	7.5	7.0	+ 12.5	+ 4.2	- 6.7
<b>Asia total</b>	<b>513.6</b>	<b>557.9</b>	<b>574.8</b>	<b>581.7</b>	<b>+ 8.6</b>	<b>+ 3.0</b>	<b>+ 1.2</b>
South Africa	26.5	26.5	25.9	26.0	+ 0.0	- 2.3	+ 0.4
Nigeria	11	12.3	15.2	15.5	+ 11.8	+ 23.6	+ 2.0
Angola	3.5	3.8	5.3	5.5	+ 8.6	+ 39.5	+ 3.8
Kenya	3.5	4.0	4.2	5.4	+ 14.3	+ 5.0	+ 28.6
Cameroon	4.5	4.6	5.0	5.2	+ 2.2	+ 8.7	+ 4.0
Tanzania	2.5	3.0	3.5	3.6	+ 20.0	+ 16.7	+ 2.9
Zaire	1.7	2.5	3.4	3.5	+ 47.1	+ 36.0	+ 2.9
Ethiopia	2.4	2.6	2.7	2.9	+ 8.3	+ 3.8	+ 7.4
Ghana	1.5	1.6	1.9	2.0	+ 6.7	+ 18.8	+ 5.3
Uganda	1.5	1.6	1.8	1.9	+ 6.7	+ 12.5	+ 5.6
Namibia	1.4	1.5	1.8	1.9	+ 7.1	+ 20.0	+ 5.6
Mosambique	1.2	1.3	1.4	1.6	+ 8.3	+ 7.7	+ 14.3
Ivory Coast	1.2	1.2	1.3	1.4	+ 0.0	+ 8.3	+ 7.7
Tunesia	1.0	1.1	1.2	1.3	+ 10.0	+ 9.1	+ 8.3
Egypt	1.6	1.1	1.2	1.2	- 31.3	+ 9.1	+ 0.0
Morocco	0.9	1.0	1.0	1.1	+ 11.1	+ 0.0	+ 10.0
Madagascar	0.7	0.8	0.8	0.9	+ 14.3	+ 0.0	+ 12.5
Zambia	0.6	0.6	0.6	0.7	+ 0.0	+ 0.0	+ 16.7
Zimbabwe	1.1	1.0	0.5	0.5	- 9.1	- 50.0	+ 0.0
Mauritius	0.5	0.5	0.4	0.5	+ 0.0	- 20.0	+ 25.0
Africa rest	9.8	5.8	7.0	6.1	- 40.8	+ 20.7	- 12.9
<b>Africa total</b>	<b>78.6</b>	<b>78.4</b>	<b>86.1</b>	<b>88.7</b>	<b>- 0.3</b>	<b>+ 9.8</b>	<b>+ 3.0</b>
Australia	17.2	16.9	17.0	17.0	- 1.7	+ 0.6	+ 0.0
New Zealand	3.1	3.4	3.2	3.4	+ 9.7	- 5.9	+ 6.3
Oceania	1.0	1.2	1.2	1.2	+ 20.0	+ 0.0	+ 0.0
<b>Australia total</b>	<b>21.3</b>	<b>21.5</b>	<b>21.4</b>	<b>21.6</b>	<b>+ 0.9</b>	<b>- 0.5</b>	<b>+ 0.9</b>
<b>World total</b>	<b>1,703.8</b>	<b>1,779.4</b>	<b>1,815.0</b>	<b>1,802.7</b>	<b>+ 4.4</b>	<b>+ 2.0</b>	<b>- 0.7</b>

\*Estimate

# World Beer Production 1997 – 2010

(Mio hl and %- share)

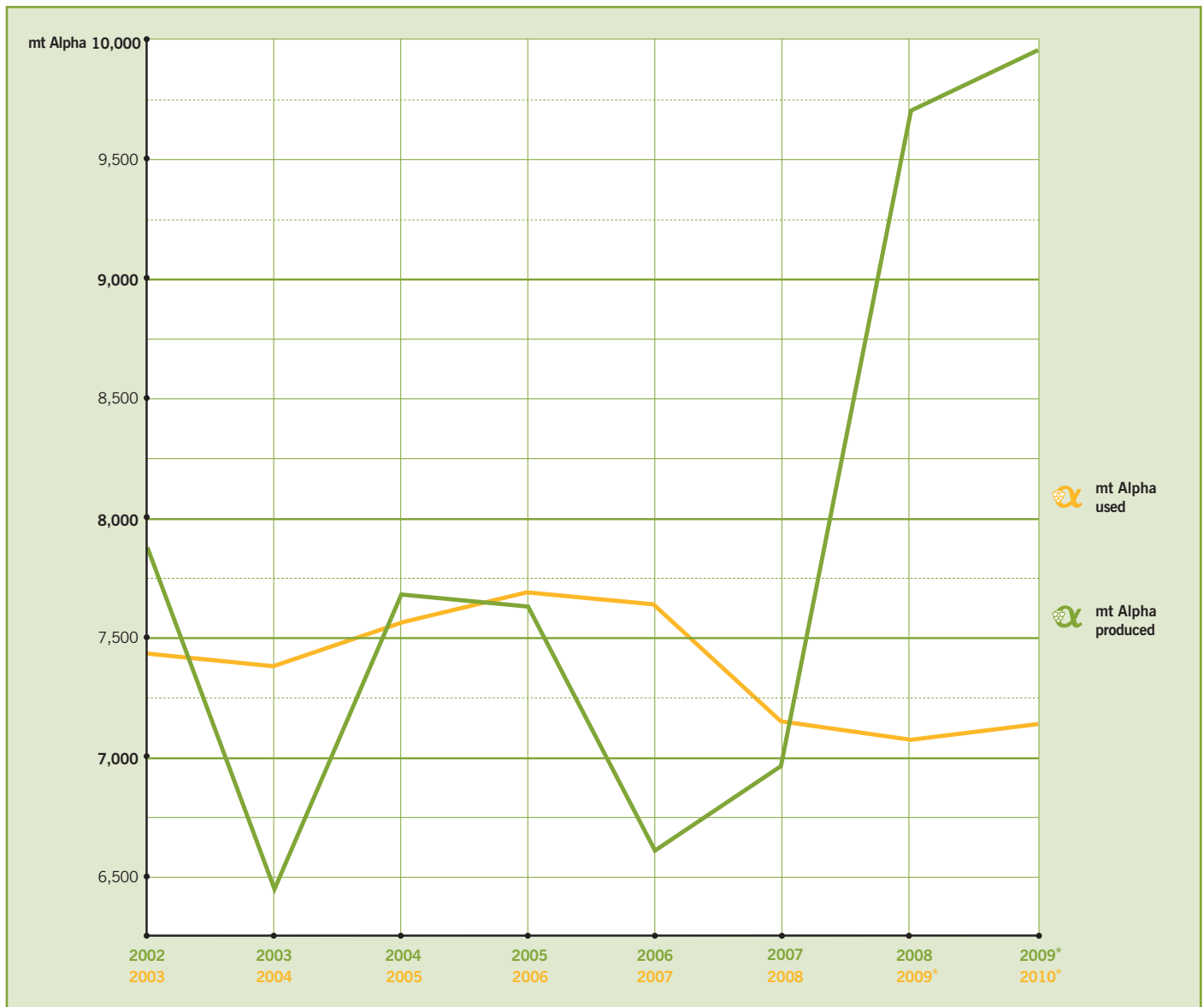


\*Estimate

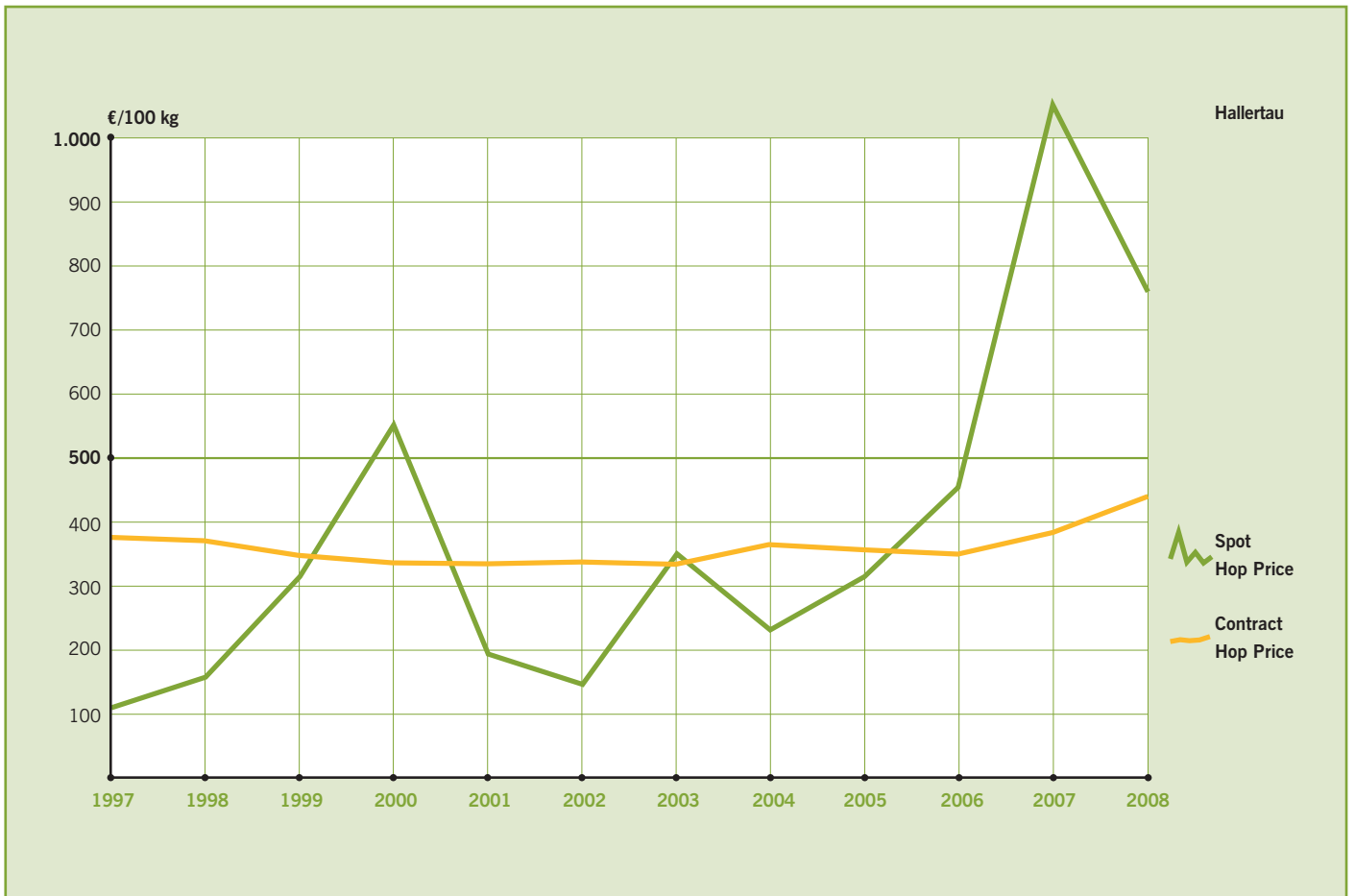
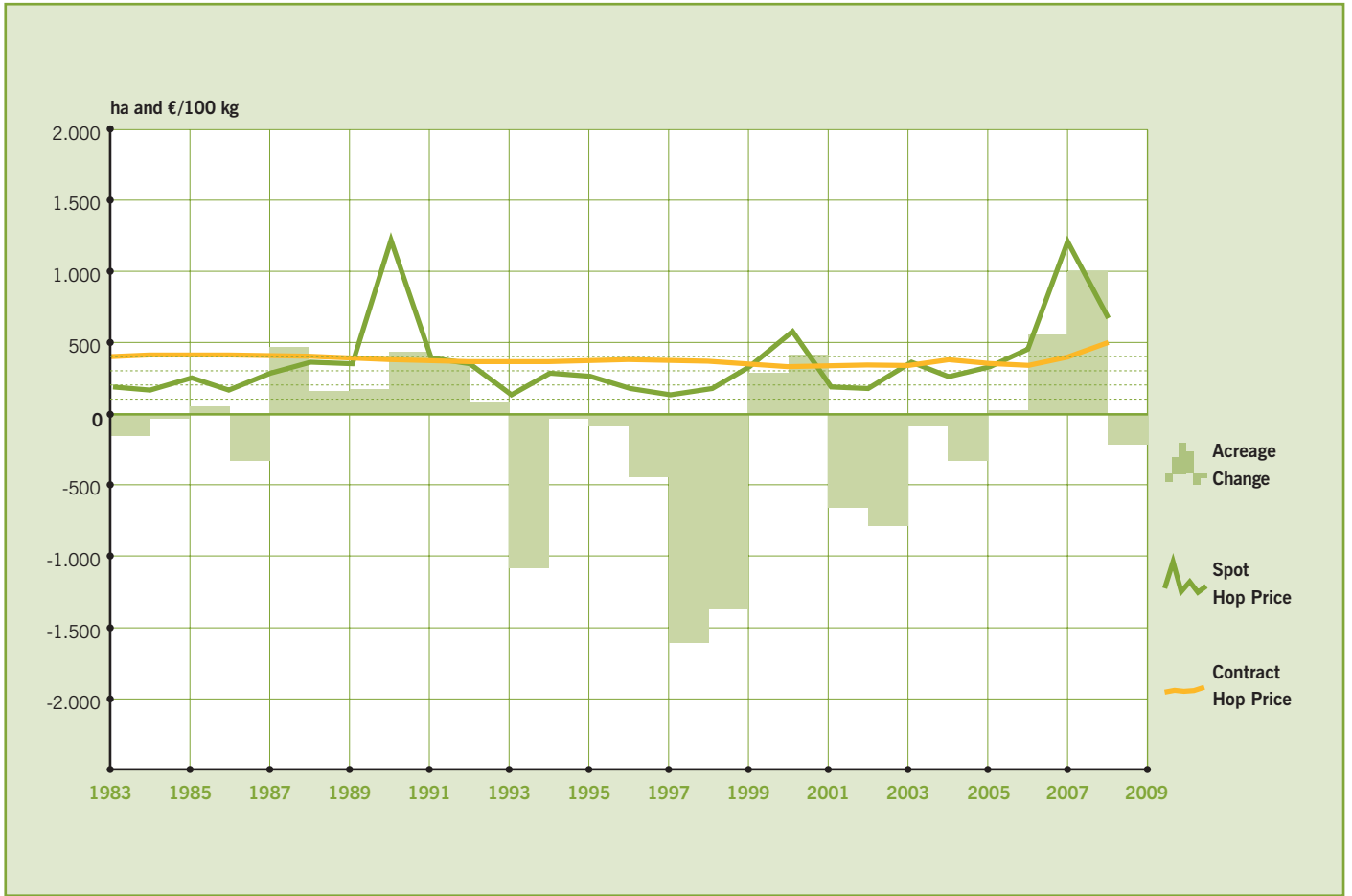
## World Alpha Acid Supply and Demand 2002 – 2009

	Production (mt Alpha)	Beer Production (Mio hl)	Alpha Dosage (g Alpha/hl)	Alpha Usage (mt Alpha)	Annual Balance (mt Alpha)	
2002	7,935	2003	1,497	5.0	7,485	450
2003	6,490	2004	1,552	4.8	7,450	- 960
2004	7,653	2005	1,611	4.7	7,572	81
2005	7,626	2006	1,704	4.5	7,668	- 42
2006	6,570 <sup>1)</sup>	2007	1,779	4.3	7,650	- 1,080
2007	6,983	2008	1,815	4.0	7,260	- 277
2008	9,748	2009*	1,803	4.0	7,212	2,536
2009*	9,942	2010*	1,805	4.0	7,220	2,722

<sup>1)</sup> This figure takes into account the destruction of approx. 110 mt alpha acid in a warehouse fire in USA.



\*Estimate



# Hop Market Review and Outlook

## Retrospective

In 2008 the world hop acreage increased by over 17,000 acres. Normal growing conditions in 2008 led to a worldwide crop of 113,000 MT (250 MM lbs.) with alpha levels above long-term averages. This meant an alpha production of 9,748 MT or a surplus of approximately 2,500 MT above estimated demand of 7,212 MT for the 2009 brewing year. In the meantime it is clear that demand did not reach that level.

Record quantities of crop 2008 hops were sold ahead in USA, Germany, the Czech Republic, Australia and New Zealand. The spot hops that were generated by favorable growing conditions were largely sold but their presence resulted in a swift decline in the market. As we all know, the deterioration of the world economy reached a crisis point in Fall 2008. Its effect on the hop market was swift and it was clear that there would be surpluses of aroma and bitter hops due to both overproduction and slow deliveries of contracts. In May 2009 a hailstorm swept through Southern Germany. The growing hops that were destroyed by this storm were replaced by hops remaining from crop 2008. This put the German market into relative balance entering crop 2009.

In China, where forward contracting is not the norm, growers were not able to market a large part of their 2008 production. Similar problems surfaced in Poland and Slovenia, where contracts were not honored by producers in 2007.

## Prognosis

In 2009 growing conditions and yields were normal. The world's 2009 hop crop of approximately 111,000 MT was slightly less than the 2008 crop. Crop 2009's alpha production of approximately 9,949 MT exceeded crop 2008 due to the continuing trend towards higher alpha varieties and mature production of acres that were newly planted in 2008.

As stated above, in Germany the crop 2009 hops that were destroyed by hail were essentially replaced by excess from crop 2008. The 31,500 MT actually harvested was less than in 2008 but was sufficient to meet the high forward contract levels. There are limited quantities of spot hops.

At press time the estimate for the 2009 USA hop crop is a record 42,000 MT. Weight and alpha yields range from average to above average. Similar to Germany, the high ratio of forward contracts limited the amount of spot hops. In addition, market concerns resulted in close to 1,000 acres not being harvested and the disposal of some harvested hops.

It is important to note that the increase in acreage was initiated by brewers who sought to return to a stable supply situation. This action was superseded when the hop market cooled as international beer sales dropped during the economic slowdown in 2008. Volume decreased from 1,815 MHL in 2008 to 1,803 MHL in 2009. In addition, brewers increased the efficiency of their hop usage via increased use of isomerized and downstream hop products and/or lowering the bittering units. In Russia and Ukraine the beer sales slowdown was exacerbated by additional taxes levied on beer. All



of these developments are negative for the hop industry. As a result we estimate the overproduction of alpha to be 2,700 MT. This is an increase of 200 MT from crop 2008. We have clearly returned to the bottom of the hop market cycle. We do expect acreage reductions this winter but it will take some time for conditions to return to balance.

As stated in the introduction to this issue of Guidelines, the market pendulum has swung back to oversupply, which presents us with a different set of challenges than those of recent years. We must turn these challenges into opportunities by working together to smooth the bumps in the road and maintain the long-term outlook that has always been a strength of the hop industry.



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