



The Journal



Season's Greetings & Best Wishes for 2022



Best Regional Supermarket Chains of All Time Metropolitan Market in Washington

Seattle WA, Dec 3rd, 2021 ; Founded in 1971, Metropolitan Market was founded on a culture of curiosity and respect for quality that has led to many 'firsts,' like introducing Copper River salmon to Seattle over 30 years ago. We value our heritage as the area's progressive independent grocer. Knowledge and passion abound in each department, where thousands of recipes have been created over the years.

Met Market has been filling their stores wall to wall with the tastes the neighbors love, Because they love them, too. It's a food-forward approach that has defined Metro philosophy From the beginning.

For nearly five decades, specialists have been traveling the world to find unique treasures of the highest quality and put them on shelves, right next to the products you'd expect to find in a grocery store. That's one of the things that makes Metropolitan Market a truly special shopping experience.

As every food lover knows, the best ingredients are often hard to find. Some of the favorite items in every category are those that you can get in only one place or for a few weeks each year. Met Market has always worked hard to be the place where people come to taste



Metropolitan Market 1 of 9 locations in WA area.



share one of life's greatest gifts: Delicious food!

the ripest fruits, the rarest cheeses and the freshest seafood and dairy products in a comfortable, convenient, inspiring environment.

At Metropolitan Market, there's no such thing as a guilty pleasure. If you love it, it's good. They believe in the Freedom of Taste. 'We encourage people to try anything, buy anything and return anything that's not up to their standards. Why not?' It's what they do, making sure they get the best for their guests.

Met Market is all about hunting and gathering: hunting for incredible food and gathering with friends and family. They love to celebrate and share fine foods that have no equal, because there is simply no substitute for great taste.

Every day is a cause for celebration at Metropolitan Market. Discover, create and

Why the surging Food Cost - Extreme weather and pandemic help drive global food prices to 46-year high

Current high food prices, combined with the ongoing pandemic, will make the global food supply highly vulnerable to extreme weather shocks in 2022.



by JEFF MASTERS - DECEMBER 6, 2021

Global food prices in November rose 1.2% compared to October, and were at their highest level since June 2011 (unadjusted for inflation), the United Nations Food and Agriculture Organization (FAO) said in its monthly report on December 2. After adjusting for inflation, 2021 food prices averaged for the 11 months of 2021 are the highest in 46 years.

The high prices come despite expectations that total global production of grains in 2021 will set an all-time record: 0.7% higher than the previous record set in 2020. But because of higher demand (in part, from an increased amount of wheat and corn used to feed animals), the 2021 harvest is not expected to meet consumption requirements in 2021/2022, resulting in a modest drawdown in global grain stocks by the end of 2022, to their lowest levels since 2015/2016.

Food prices

The November increase in global food prices was largely the result of a surge in prices of grains and dairy products, with wheat prices a dominant driver. In an interview at fortune.com, Carlos Mera, head of agri commodities market research at Rabobank, blamed much of the increase in wheat prices on drought and high temperatures hitting major wheat producers including the U.S., Canada, and Russia.

Drought and heat in the U.S. caused a 40% decline in the spring wheat crop in 2021, and a 10% decline in the total wheat crop (spring wheat makes up about 25% of total U.S. wheat production). Economic damages to agriculture in the U.S. are expected to exceed \$5 billion in 2021, according to Aon (see Tweet below). The highest losses are expected in the Northern Plains, where the spring wheat crop was hit hard by drought and heat. Fortunately, the 2021 U.S. corn crop was estimated to be the second largest on record, 7% larger than in 2020. The 2021 soybean crop was also estimated to be second largest on record, up 5% from 2020.

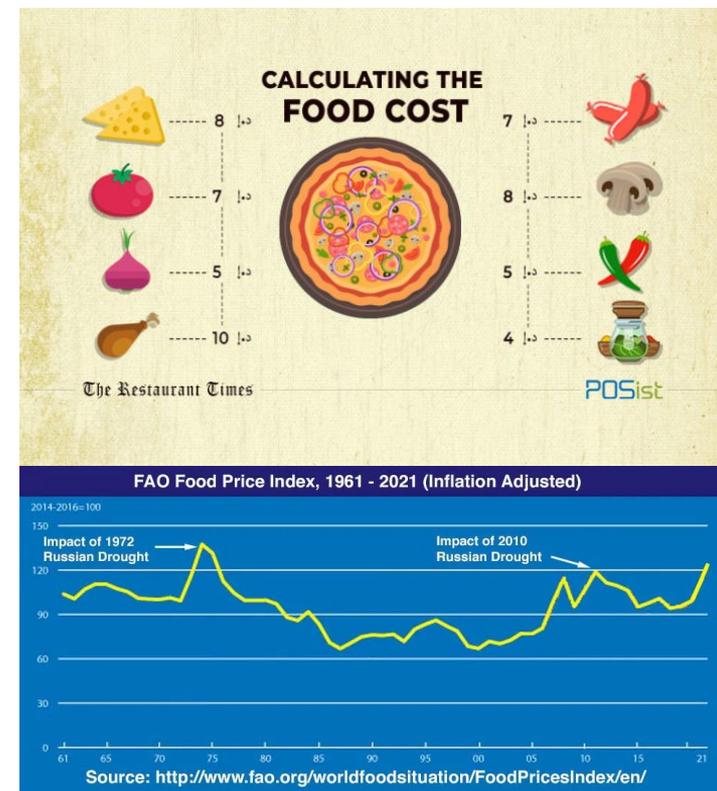
Extreme weather a key factor in high food prices

Food prices are complex, with weather, biofuel policies, trade policies, grain stocking policies, and fluctuating international financial conditions all important factors. High fuel prices, supply chain disruptions resulting from the pandemic, and high fertilizer prices are all contributing to the current high global food prices.

According to Reuters, global fertilizer prices have increased 80% this year, reaching their highest levels since the 2008-2009 global financial crisis. Primary causes of the current high prices include extreme weather events (particularly the February cold wave in Texas and Hurricane Ida in August), which disrupted U.S. fertilizer production, and the high cost in Europe of natural gas, a key component in producing fertilizer). Fertilizer shortages threaten to reduce grain harvests in 2022, according to CF Industries, a major fertilizer producer.

Carlos Mera of Rabobank pointed out that Russia, a major wheat producer, hiked its export tax on wheat this year to incentivize keeping supplies at home. “That is quite scary,” said Mera. “Events like the French Revolution and the Arab Spring have been blamed on high food prices.” High wheat prices in 2011 (in the wake of export restrictions triggered by the 2010 drought in Russia) helped lead to massive civil unrest and the toppling of multiple governments (the “Arab Spring”).

The current high food prices, combined with the ongoing pandemic, will make the global food supply highly vulnerable to extreme weather shocks in 2022. An upcoming post here will analyze what may be climate change’s greatest threat to society: a food-system shock driven by extreme weather, primarily drought, and causing simultaneous crop failures in multiple key grain-exporting areas.



Bob Henson contributed to this post. Twitter: @DrJeffMasters and @bhensonweather

JEFF MASTERS
Jeff Masters, Ph.D.



512 South Airport Blvd., South San Francisco, CA 94080

Tel: 855.885.2400 | 650.342.2400 | Fax: 650.342.7400 | www.oscartek.com