

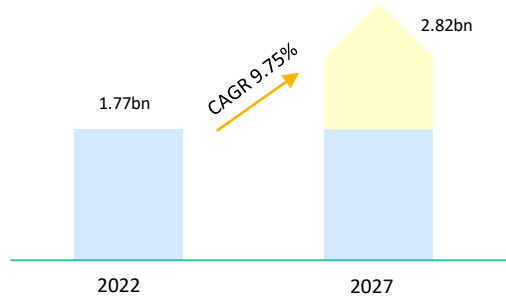


MARKET TRENDS IN PHILIPPINES:
OILS & FATS



KEY TRENDS

Philippines Oils & Fats Products Market (US\$)



+ IN-SCOPE

- Butter
- Margarine
- Edible oils
- Edible animal fats

- ▶ In Oils & Fats segment, volume is expected to amount to 398.2mkg by 2027 & is expected to show a volume growth of 21.3% in 2023.
- ▶ In relation to total population figures, per person revenues of US\$15.75 are generated in 2022, the average volume per person is expected to amount to 2.6kg in 2022.

PROSPECTS AND OPPORTUNITIES



TRANS-FAT ELIMINATION



SHIFTING FROM BUTTER TO
MARGARINE



LOCAL FOOD PROVENANCE



TRANS-FAT ELIMINATION

With rising health awareness among Filipinos, they are now seeking healthy food products that are **trans-fat-free** and contain essential nutrients.



“Partially hydrogenated oils (PHO) or trans fats is found to increase bad cholesterol and lower the good cholesterol, which increases the risk for heart diseases”



Source: Transparency Market Research, 2021



- ▶ Senate Bill 1954 or also known as the Trans-Fat Free Philippines Act, was filed by Senator Francis Pangilinan in December 2020.
- ▶ This act is to prohibit the manufacture, importation, distribution and sale of food and similar products that are high in trans-fatty acids.

Source: Euromonitor International, 2021

Philippines Trans-fat Elimination Strategies

Replaced with refined or fully hydrogenated oil, which contains a lower amount of fats.

Manufacturers to reduce the production of the PHO oils and focus on trans-fat-free oils or alternatives such as ‘palm or soybean oil’.





TRANS-FAT ELIMINATION

Bakers 365 Canola Oil

- Canola Oil is a vegetable oil derived from a variety of rapeseed that is low in erucic acid.
- As Bakers 365 Canola Oil has undergone refining, deodorizing and bleaching similar to the process of palm, coconut and other oils intended for frying.
- Halal and trans-fat free
- Product of Philippines

Ingredient: Refined, Bleached and Deodorized Canola Oil

MARKET EXAMPLES



DIETARY



Halal



Trans-Fat Free



TRANS-FAT ELIMINATION

MARKET EXAMPLES

Delicious Margarine

- 0g Trans Fat
- Cholesterol free
- Product of Philippines

Ingredient: Blend Of Vegetable Oils: Coconut Oil, Palm Oil, Fully Hydrogenated Palm Stearin, Water, Iodized Salt, Artificial Flavor, Soya Lecithin (Emulsifier), Antioxidant (BHA, Propyl Gallate), **Beta Carotene** As Colorant, **Vitamin A, Vitamin D3**.

Beta Carotene acts as an antioxidant and one of the main additive and colorant in food products like margarine, buttery oils & bakery shortening.

Source: Zeb, 2011





TRANS-FAT ELIMINATION

MARKET EXAMPLES

Magnolia Gold Butter

- Magnolia Gold Butter you love, with the spreadable convenience!
- 0g Trans Fat
- San Miguel Corporation (SMC) is one of the Philippines' largest and most diversified conglomerates, with revenues equivalent to about 4% of the country's GDP in 2020
- Product of Philippines



Nutrition Facts		
Serving Size: 1 tbsp. (15g)		
Servings per container: 13		
	Per 15g	%RENI
Energy	120 Calories	5%
Total Fat	12g	
Saturated Fat	9g	
Trans Fat	0g	
Cholesterol	10mg	
Sodium	0mg	
Total Carbohydrate	less than 1g	
Dietary Fibers	0g	
Sugars	0g	
Total Protein	0g	0%
Vitamin A	467IU	20%
Recommended Energy and Nutrient Intake (RENI) 2015, Male 19-29 yrs. old		



TRANS-FAT ELIMINATION

MARKET EXAMPLES

Crisco All-Vegetable Shortening

- 0g Trans Fat Per Serving*
- 50% Less Saturated Fat than Butter: Crisco Shortening: 3.5g saturated fat per tablespoon. Butter: 7g saturated fat per tablespoon. Crisco Shortening contains 12g total fat per serving.
- Excellent source of ALA Omega-3 fatty acid*Contains 710mg of ALA per serving, which is 44% of the 1.6g Daily Value for ALA.
- Product of US

Ingredient: Soybean Oil, Fully Hydrogenated Palm Oil, Palm Oil, Mono And Diglycerides, TBHQ And **Citric Acid** (Antioxidants).

Citric acid is used to decrease the pH-value and increases the microbial shelf life of the product.

Source: Fruehwirth et al. 2021

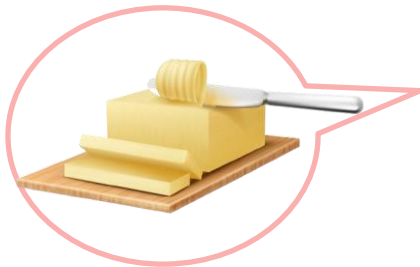




SHIFTING FROM BUTTER TO MARGARINE

With large opportunities across supermarkets, hypermarkets, convenience stores and e-retail markets in Philippines, margarine products are sure to be in demand for the foreseeable years ahead.

Consumers shifted from butter to margarine due to adverse effects from the 'bad' fats including the increase chance of health problems such as heart attack or strokes.



In Philippines, **hard margarines** has surpassed the soft and liquid types in popularity due to higher spending on packaged cookies and biscuits which is used in both commercial and household bakery items.

MARKET EXAMPLES



Minola Margarine

- Fortified with vitamins and minerals
- Coconut based and trans-fat free premium spread with butter taste and aroma. It is also excellent for sautéing vegetables and soup base.
- Trans-fat free unlike other margarine products.
- Product of Philippines



SHIFTING FROM BUTTER TO MARGARINE

MARKET EXAMPLES



Star Margarine (Classic)

- Star Margarine is a popular substitute for butter in the Philippines.
- Cholesterol-Free
- This yellow spread has helped generations of Filipino children grow.
- Product of Philippines

Ingredients: Refines Coconut Oil, Hydrogenated Palm Oil, Iodine Salt, **Skimmed Milk Powder**, Artificial Armoa's, Emulsifier E322, Antioxidants E320 E321, Potassium Iodide, **Beta-carotene, Vitamins (A, B1, B2, B6, B12, D3, Niacin, Vitamin E, Folic Acid)**.

Vitamins are essential for growth and maintenance of a healthy body and improve micronutrient deficiency in people.

Source: Das et al. 2019

SHIFTING FROM BUTTER TO MARGARINE



Peerless Fairy Cooking Margarine

- Fairy is a specialty blend cooking margarine that has been used by Australian families since the 1930s. It's a fail-proof traditional margarine for home baking & cooking and its special blend of animal fats produces outstanding baking results.
- Product of Australia

Ingredients: Animal Fats, Water, Salt, Emulsifiers (322 from Soybean, 471), Milk Solids, Acidity Regulators (331, 330), **Antioxidant**, Color, **Vitamin A and D**, Flavour.

Antioxidants are usually added to retard the oxidation in margarine therefore providing good stability.

Source: Nadeem et al. 2017



LOCAL FOOD PROVENANCE

56%

of consumers globally say they now buy more local products than they did one year ago.

WHY LOCAL PRODUCTS?

- ▶ The pandemic has amplified the demand for local products which increases the **safety of food supply**.
- ▶ Local food often seen as more **environmentally and socially sustainable**, offering consumers **transparency**.
- ▶ Provenance and 'artisanal' means **supporting local communities**.



MARKET EXAMPLES



Dari Creme Buttermilk

- If you've been looking for a delicious and creamy butter to add to your cooking, then the Dari Creme Buttermilk is for you!
- Fortified with vitamin A, D & E
- Product of Philippines

LOCAL FOOD PROVENANCE

MARKET EXAMPLES

Medella Organic Premium Coconut Cooking Oil

- 100% natural and pure unhydrogenated
- No chemicals nor solvent used
- Rich in healthy medium chain fatty acid
- Suitable for deep frying or taken orally as a supplement
- Product of Philippines

Ingredient: Organic Certified Coconut Oil Refined By Physical Steam, Refining Natural & Pure, Unhydrogenated.



PROVENANCE FROM HERE & LOCAL

MARKET EXAMPLES

Approved Margarine

- Premium quality Margarine that is proudly made in the Philippines.
- Best for frying, baking and cooking
- Product of Philippines





To know more about the featured ingredients in this market trends report as well as how you can create better food products for your consumers, contact our Food & Beverage Intelligence (FBi) team.

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