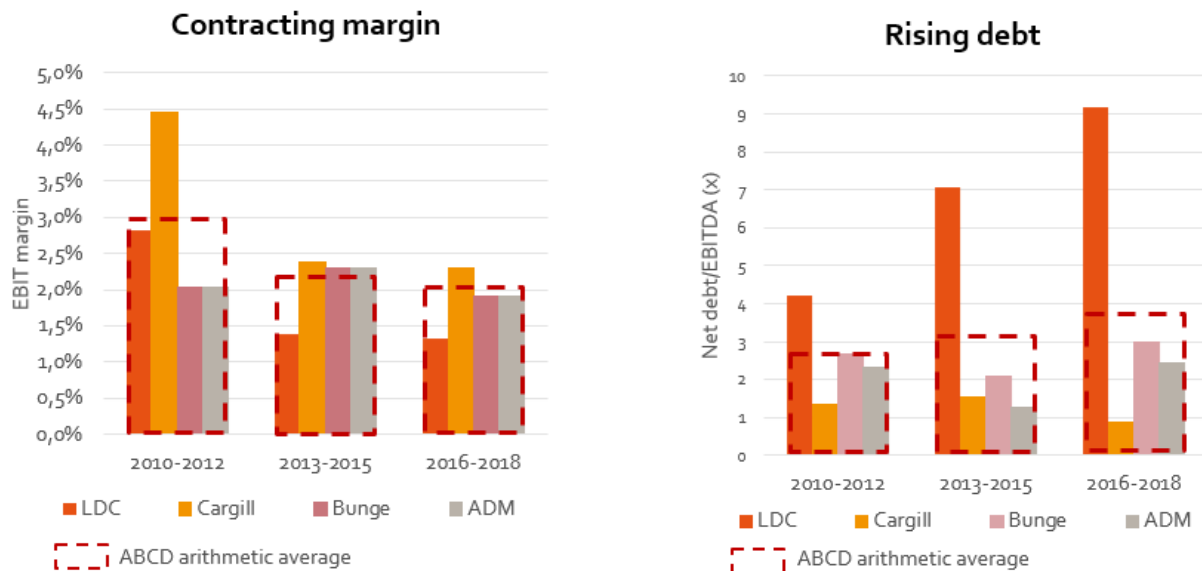




New Unigrains study International grain trading: what's next for the ABCDs?

The ABCDs': deteriorating operational results and financial health



Source: Unigrains according to Capital IQ data and annual reports

On June 11th, Unigrains organised a breakfast meeting to discuss changes in the business model of the historical international grain trading companies - the ABCDs*. This new study by Unigrains' economic and strategic research team, reserved for its partner companies, was presented by Céline Ansart and Anne Couderc.

Despite solid fundamentals, over the past few years the ABCDs have hit a patch of high turbulence leading to a significant deterioration in their operating margins. The study examines the main reasons for the weakening of these global food trading giants.

In a bid to restore competitiveness, stability and profitability, the ABCDs have undertaken a major transformation of their business model. The study details the strategic options that are emerging for each of them.

As a conclusion, the analysis seeks to assess the impact of these changes on the physiognomy and purpose of international trading in agricultural commodities. It also examines the resulting threats and opportunities for the entire agri-food value chain, with a particular focus on French companies.

* ADM, Bunge, Cargill, Louis Dreyfus Commodities

