

Press Release

BarthHaas-Report 2021/2022

Hop acreage continues to increase, market oversupplied

Nuremberg, July 25 2022. World hop acreage rose in 2021 for the eighth year in succession. It increased by 520 hectares (+0.8 percent) to 62,886 hectares year on year. The USA has the largest hop acreage worldwide at 25,200 hectares, followed by Germany at about 20,600 hectares, and the Czech Republic at about 5,000 hectares. Together, the USA and Germany account for 73 percent of world hop acreage; the two hop-growing countries harvested a total of 77 percent of the world's 2021 hop volume. This is one of the facts contained in the BarthHaas Report 2021/2022 that the world's leading hop specialist presented at an online press conference on July 25.

Alpha volumes at highest level ever

At 130,800 tons, the 2021 crop surpassed the 2020 result by seven percent and, with a yield of just over two tons per hectare, was a good average crop. In addition to crop volume, alpha acid is a crucial factor for the beer and hop industries. The alpha volumes in recent years were at their highest levels yet. This applied to both the 2019 and the 2020 crops, and applies once more to crop year 2021. The average alpha acid content of 10.8 percent for all varieties harvested was a new record high. "One significant reason for this is the increase in alpha-rich flavor and aroma varieties in the USA. The proportion of alpha-rich varieties also increased in Germany," explains Heinrich Meier, author of the Hop Report.

(Explanation: Alpha acid is the most important hop constituent for brewing and is responsible for the bitterness of the beer. Hop growers sell their hops partly on the basis of the alpha volume delivered, and alpha acid is also often a price factor in contracts with breweries.)

Struggling with rising production costs

The fact is: The above-average 2021 crop yields led to further oversupply of the market. The effects of this oversupply are most apparent in the contract markets. Contract offers and enquiries are on the decrease. "Contract durations are becoming shorter due to uncertain expectations. Customers enquiring about contract restructuring and delayed call-offs of hop products already ordered are

further indications of lower demand and continuing inventory build-up,” explains Peter Hintermeier, Managing Director of BarthHaas.

In addition, the enormous increase in energy prices is placing great strain on hop production and processing. “The hop industry worldwide is struggling with an unprecedented increase in production costs at all stages of the value chain,” says Hintermeier, and warns: “Production cost increases and overproduction are a dangerous combination presenting the hop industry with huge challenges. The global hop industry can only counter excess production by adjusting acreage.” This is urgently necessary if the market is to return toward equilibrium.

From 2013 to 2021, world hop acreage increased by 16,640 hectares (+36 percent). After eight years of growth, world hop acreage in crop year 2022 will be roughly 62,530 hectares and, therefore, approx. 360 hectares lower than in 2021.

Please note the photo credit: BarthHaas

About BarthHaas

BarthHaas is one of the world’s leading suppliers of hop products and hop-related services. The family-owned company specialises in the creative and efficient use of hops and hop products. As visionaries, instigators and implementers of ideas, BarthHaas has been shaping the market surrounding a unique raw material for over 225 years.

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