



# Soft Drinks: Half-Year Update H1 2022

July 2022

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Key findings

## H1 SOFT DRINKS UPDATE

Global inflation leading to record nominal growth in soft drinks

Despite consumer resilience, volume growth slows across soft drinks as prices rise

Downside risk of “stagflation” as income growth outlook slows and recession looms

The many drivers of inflation within soft drinks

Energy costs remain at record highs, while sugar and corn prices rise in Q2

Production and transport costs are the highest concerns among industry leaders

Industry leaders are accepting lower margins and cutting promotional spending

Refillable packaging units will allow Coca-Cola to maintain affordability as prices increase

Price increases for PepsiCo in North America and internationally, as Bang deal expires

Anticipating price increases across the energy category in H2 2022

## H1 2022 MACROECONOMIC UPDATE

Slower economic growth and substantial inflation increases amid rising uncertainty

Supply chain problems and rising energy prices drive producer price growth

Real GDP annual growth forecasts and revisions from last quarter

## ABOUT OUR INDUSTRY FORECAST MODEL

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For more information on this report, further enquiries can be directed via this link [www.euromonitor.com/soft-drinks-half-year-update-h1-2022/report](http://www.euromonitor.com/soft-drinks-half-year-update-h1-2022/report).