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Market Update

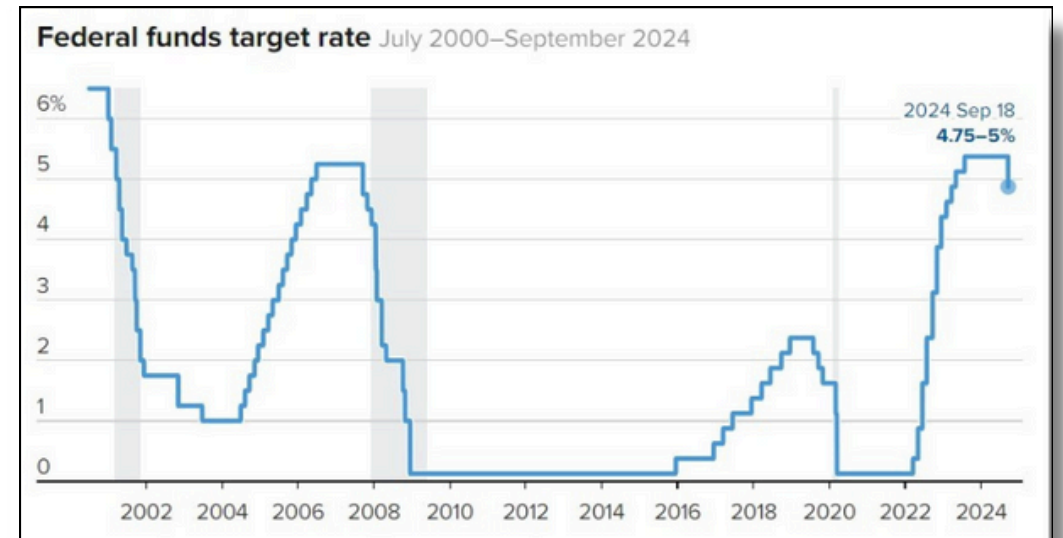
Q3 2024

- **The Federal Reserve lowers the interest rate by 0.5%**
 - The Federal Reserve lowered its benchmark interest rate to stimulate economic growth.
- **Longshoremen reach tentative agreement**
 - After three days the strike was suspended until January 15th to allow more time to negotiate.
- **A new route for global trade in Mexico**
 - Mexico aims to compete with the Panama Canal by using cargo trains.
- **2025 Trend: hybrid harvests**
 - Industries explore ways to blend science and nature.

The Federal Reserve cuts the interest rate by 0.5%

The Federal Reserve lowered its benchmark rate to stimulate economic growth.

- This marked the first rate cut in four years, signaling the Fed's focus on managing inflation and preventing rising unemployment.
- U.S. rate cuts may ease borrowing costs globally, but inflationary pressures vary by region.
- The Federal Reserve also projected four rate cuts next year and two more the following year, with inflation expected to return to the central bank's two percent target by the end of 2025.



Source: Federal Reserve Bank of New York



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Longshoremen reach tentative agreement

After three days, the strike was temporarily suspended until January 15th to allow more time for negotiations.

- A tentative agreement was reached, including a 62% wage increase over the six-year contract.
- The key focus of negotiations leading up to January 15th will be the role of automated machinery, which the union claims threatens job security.
- We will monitor the progress of these negotiations and be prepared to take proactive measures if another strike seems imminent.



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A new route for global trade in Mexico

Mexico aims to compete with the Panama Canal by using cargo trains.

- Mexico is developing a 188-mile railway connecting the Pacific port of Salina Cruz with the Gulf port of Coatzacoalcos, allowing containers to cross between oceans.
- This project, called the Isthmus of Tehuantepec Interoceanic Corridor (CIIT), is expected to alleviate congestion caused by droughts in Panama, offering an alternative for smaller ships and helping to ease the burden on global supply chains.
- This new infrastructure could position Mexico as a significant competitor to the Panama Canal, reshaping global trade routes.



2025 Trend: hybrid harvests



Industries explore ways to blend science and nature.

- Growers are using drones, GPS, and sensors to monitor crops, while also leveraging advances in biotechnology to develop more resilient crop varieties.
- The increasing use of technology in food and beverage production is essential to tackle today's food supply challenges.
- The Isobionics® product line exemplifies this by using fermentation to produce high-purity flavor compounds from renewable materials.



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