



Euromonitor
International

Commodity Supply Chain Risks: Analysis of Sectors Most Vulnerable to Disruptions

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INTRODUCTION

Scope

Key findings

ANALYSIS OF COMMODITIES SUPPLY

Increased supply risks encourage supply chain diversification

Commodity price shocks require a better understanding of supply networks

Commodity supply disruptions contribute to global inflation surge

Key factors influencing commodity supply risks

Methodology used to measure commodity supply risks

CONCENTRATION IN METALS PRODUCTION

Production of metals used in green energy transition is the most concentrated

Availability of bauxite deposits shapes aluminium supply

China's dominance in the cobalt industry threatens battery industry's supply chains

Graphite supply heavily concentrated due to China's dominance

Long mining project cycles prevent faster diversification of lithium supplies

Rising geopolitical risks encourage magnesium production diversification

Political risks put pressure on the global nickel supply

Factors driving concentration in the metals and mining industry

Metal supply disruptions would impact hi-tech goods, construction and automotive sectors

Metals supply problems would largely affect Asian and European countries

CONCENTRATION IN ENERGY COMMODITIES PRODUCTION

Supply of energy commodities remains diversified

Changes in demand structure led to higher supply concentration of coal

Political risks remain among the key challenges for stable oil supply

Political risks and infrastructure constraints put pressure on natural gas supply

Factors driving concentration in the energy commodities industry

Transportation and chemicals sectors face the highest energy supply risks

Countries with large chemical products industry are vulnerable to energy supply risks

CONCENTRATION IN AGRICULTURAL COMMODITIES PRODUCTION

Supply of key agricultural commodities is concentrated

Natural conditions shape the supply of palm oil

Climate change poses biggest threat to the global supply of rice

Global soybeans supply largely relies on production in Brazil and the US

Natural conditions restrict sugar cane supply diversification

War in Ukraine challenges global supply of sunflower oil

Factors driving concentration in the agricultural commodities industry

Food sector is the most sensitive to agricultural commodity supply disruptions

Low income countries with high food imports share are the most affected by supply risks

CONCLUSION

Production of commodities is forecast to remain concentrated

Steps for companies to reduce commodity supply risks

APPENDIX

Methodology of the HHI

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