Nutraceuticals World

Nutraceutical Ingredients Market to Reach $28.8 Billion by 2017

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Global demand for nutraceutical ingredients is forecast to increase 6.4% annually to $28.8 billion in 2017, according to a new report from Cleveland, OH-based market research firm The Freedonia Group titled "World Nutraceutical Ingredients."

The best growth prospects will exist for substances with clinically supported health benefits and broad applications in foods, beverages, dietary supplements and adult and pediatric nutritional preparations. Included in this group are soy proteins; oat bran, psyllium and soy fibers; cranberry and garlic extracts; calcium and zinc minerals; folic acid; and vitamins A and D.

Nutrients will remain the top selling group of nutraceutical ingredients worldwide. Fibers will post the fastest demand gains as food and beverage makers throughout the world introduce new high value-added nutritional preparations. Naturally derived herbal and botanical extracts and animal- and marine-based derivatives will remain the second largest selling group of nutraceutical ingredients worldwide. Analyst Bill Martineau forecasted, "Glucosamine will continue to lead demand, reflecting clinically proven pain control benefits and expanding use in dietary supplements and nutritional therapies."

Brazil, China, India, Mexico and Turkey will be among the fastest growing consumers and producers of nutraceutical ingredients worldwide. Mr. Martineau stated, "Increasing economic prosperity will enable these countries to expand and diversify their food and beverage processing, and pharmaceutical industries."

In 2017, China alone will absorb almost 14% of the value of global nutraceutical ingredient demand and will account for nearly 19% of the value of related world shipments. The U.S. will remain the world leader, making up 20% of global demand and 21% of shipments.

The supply of and demand for nutraceutical ingredients in the U.S., Western Europe, and other developed economies will increase more slowly than will developing regions due to maturing markets and recurring safety controversies involving various compounds. Nonetheless, food, beverage and pharmaceutical companies in these economies will continue to pursue opportunities in conventional and specialty nutritional products and natural medicines. As a result, they will remain major customers for nutraceutical ingredients.