

Beer, Beer, Beer!: Facts & comparisons within our banking network

Following you find a comprehensive and well researched summary (from our IC colleagues) of beer consumption habits around the world but also especially within our banking network. Enjoy!

However, if you are interested in actual market relevant Fixed Income research, go to our [Vienna Calling Fixed Income publication](#), delivered to your mailbox daily (for registered Research clients) with all the relevant news focusing on CEE and AT you need to start your day.



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Facts about beer in CEE

- In **Russia** beer, tied with vodka, is the most popular alcoholic drink. Up until 2011 beer was considered a soft drink in Russia.
- Beer in PET bottles is widely distributed in **Belarus**.
- In over 95% of the cases in **Bosnia and Herzegovina** lager beer is the chosen beer.
- Beer was mostly unknown in **Bulgaria** until foreigners introduced it in the 19th century.
- More than 90% of the consumed beer in **Croatia** is produced by domestic brands.
- Beer is one of the most important exports in the **Czech Republic**. Over forty industrial breweries and seventy small and medium-sized family breweries are located there.
- In **Vienna** you can order a "16er Blech" (16th sheet metal) at local street food stands ("Würstelstand"). If you order a "16er Blech" you will get a beer from the Viennese brewery Ottakringer. 16 stands for the 16th Viennese district Ottakring where the brewery is located and "Blech" for the can material.

Source: Wikipedia

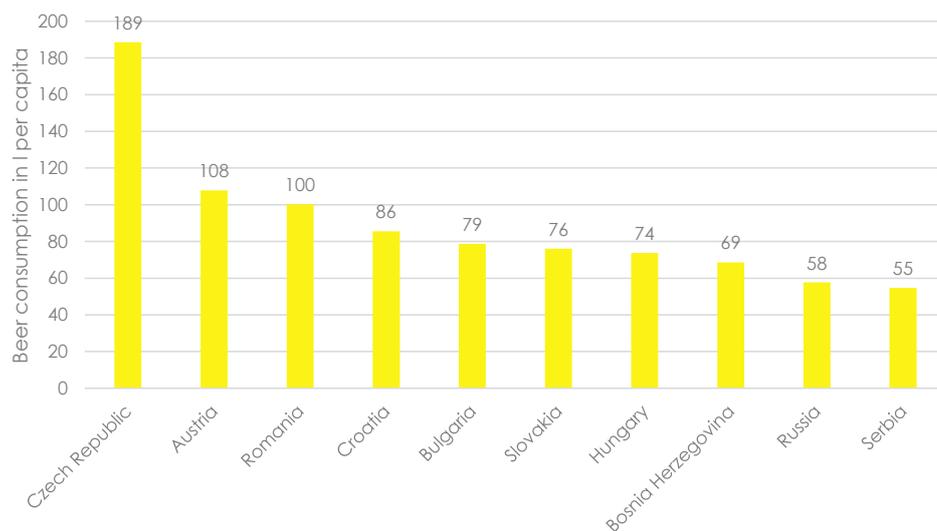
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Chart 1 - Top 10 beers consuming countries CEE (incl. Austria)

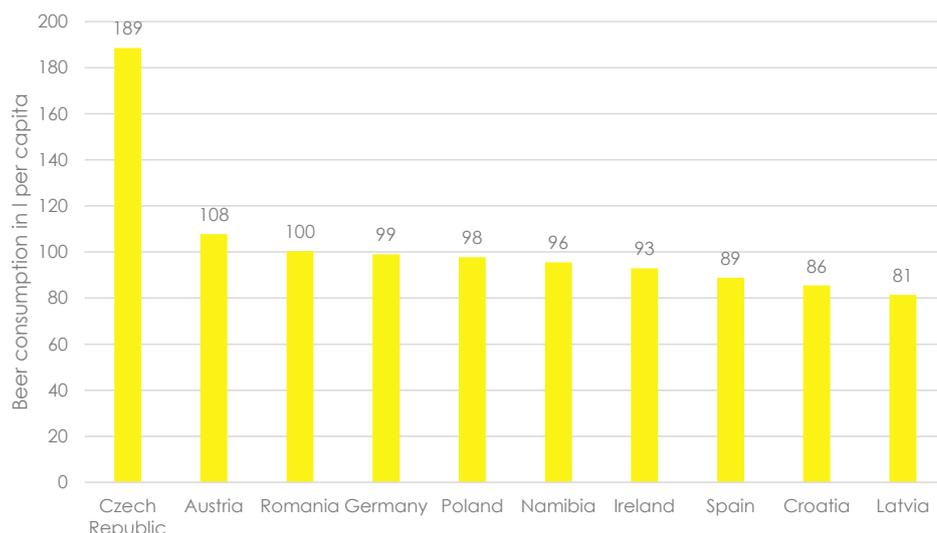


Source: Wikipedia; https://en.wikipedia.org/wiki/List_of_countries_by_beer_consumption_per_capita

Even more facts about beer

- **Beer is healthy.** After all, it consists of 93 percent water! In addition, it contains a lot of vitamin B and minerals, for example calcium, phosphorus, magnesium and potassium.
- **Beer for breakfast:** The typical Bavarian Breakfast consists of a "Weißbier" (wheat beer), "Weißwurst" (sausage), "Brezen" and sweet mustard.
- The German cities **Cologne and Düsseldorf** are known for their **rivalry**, which also exists when it comes to beer. In Cologne, people drink Kölsch, a light beer served in special narrow glasses that Düsseldorfers like to mock as "**test tubes**." In Düsseldorf, they drink Alt beer, a darker, maltier beer, but the glasses in which it is served are not much larger than those of the people of Cologne.
- The **strongest beer in the world is "Snake Venom"**, brewed by Scottish brewery Brewmeister. It is 67.5% alcohol by volume (abv).
- Beer is **the third-most popular drink on Earth**, after water and tea.
- With one brewery for around 39,000 inhabitants, Austria has one of the **highest brewery densities** in the world.
- The world's **oldest**, still functional **brewery** is the Bavarian State Brewery Weihenstephan (founded 1040) in Freising, Germany.
- In 2017, more than 1,000 different beers were brewed in Austria at 273 breweries. That is 9.7 mnliters of beer.

Chart 2 - Top 10 beer consuming countries



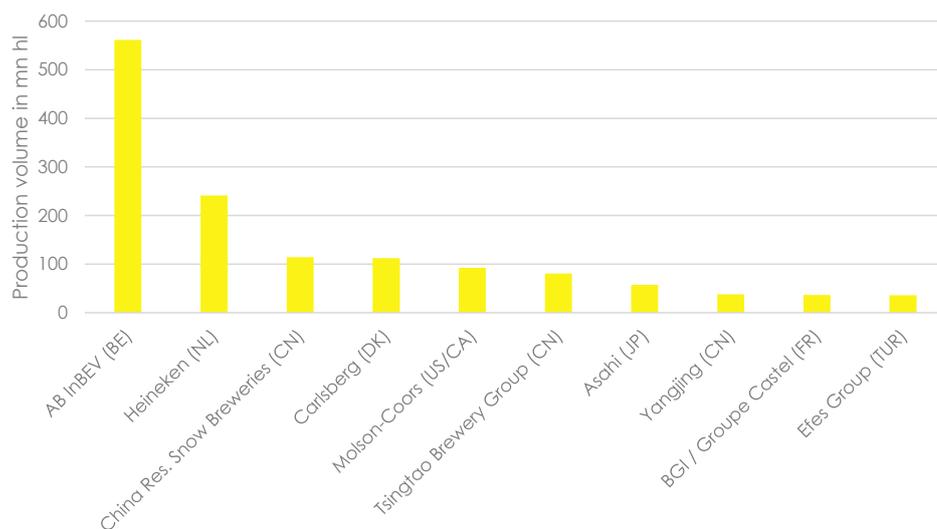
Source: Wikipedia; https://en.wikipedia.org/wiki/List_of_countries_by_beer_consumption_per_capita

How to produce beer in 10 steps

- **MALTING:** The first step in the production of beer is malting. The fresh barley gets soaked in water and put in boxes to germinate.
- **MILLING:** Next, the finished malt is milled.
- **MASHING:** The milled malt is mixed with water in the mash tun.
- **LAUTERING:** The mash is filtered in the lauter tun as the husks sink and the wort is separated from the solid substances. The wort is then further used in the brewing process, whereas the spent grains are generally used as cattle fodder.
- **WORT BOILING:** This is where the taste of a beer is created. The taste of the beer depends on the amounts of hops added in this step. The wort is boiled, and the hops is added.
- **WORT CLARIFICATION:** Here the wort is fed into the whirlpool and starts to rotate. Particles that have no further use for the beer stay in the middle of the whirlpool.
- **FERMENTATION:** The seventh step in the beer making process is the alcoholic fermentation. This takes place in a fermentation tank where special brewing yeast is added. Thanks to the yeast malt sugar turns into alcohol.
- **FILTRATION:** Thanks to the filtration the beer gets its final clear color.
- **FILLING**
- **ENJOY**

Source: <https://www.braeuamberg.at/en/brewing-process/>

Chart 3 - The biggest breweries in the world



Source: Statista, 2019; <https://www.statista.com/statistics/227197/leading-10-brewing-groups-worldwide-based-on-production-volume/>

The origin of Radler (German for "cyclist")

Beer-based mixed drinks are well known in different regions of the world. In German speaking countries the so called "Radler" has a long tradition. A "Radler" consists of 50% of beer and 50% of lemon-flavored soda.

It has its origin in June 1922 in a small town called Deisenhofen, near Munich. During these times cycling was very common in this region and a local innkeeper had the idea to create a bicycle trail which led directly to his restaurant. On a beautiful summer day so many cyclists arrived at his establishment, that he started to run out of beer. Due to this problem he began to mix the rest of the beer with 50 % of lemon-flavored soda and called it Radlermass ("cyclist litre").

Nowadays Radler is not only consumed in German-speaking regions but also very common in the Czech Republic, Hungary, Italy, Slovakia, Slovenia, Croatia, Serbia, Poland, Netherlands, Canada, and Romania.

In some regions the use of classic soda, orange-flavored soda or coke instead of lemon-flavored soda to create a beer-based mixed drink is common. In Austria, it is common to use Almdudler instead of lemon soda for the Radler.

Attention: If the mixture is the following: 50% Weißbier and 50% lemon-flavored soda it's not a Radler but a Russ! A Russ is very common in Bavaria and in the Austrian countryside.

Source: <https://en.wikipedia.org/wiki/Shandy#Biermischgetr%C3%A4nke>

The history of beer

The evidence of producing and drinking beer goes back about 5,000 years to the Sumerians of ancient Mesopotamia. Archeologists detected a ceramic vessel with beer residue from 3400 B.C. In addition, there is a recipe from 1800 B.C. called "Hymn to Nikasi" which is an ode to the Sumerian goddess of beer and describes the brewing process made by female priestesses. Beer was an important part of the Sumerian diet. It contained a lot of nutrients and was also safer to consume than water from a river nearby.

Beer was also known by the Babylonians and the Egyptians. Under the Egyptians, beer was also used as a payment method. Workers were often paid with a brew because it was filling and had a lot of nutrients. Even children and pharaohs drank beer daily because

it was well satiated. Those beers had a quiet different taste than the one we are used to today.

The modern tasting beer has his origin in the Middle-Age, when Christian monks started to brew beer with hops.

Source: <https://www.history.com/news/who-invented-beer>

The Bavarian "Reinheitsgebot" - the worlds oldest food regulation still applicable

As in the past, all kinds of spices were added to beer, some of which were extremely unhealthy. On April 24, 1516 Wilhelm IV, Duke of Bavaria, passed a law on brewing beer. From then on nothing "but barley, hops and water alone may be taken and used". As yeast was not known at the time, it was not mentioned in the "Reinheitsgebot". Fermentation happened spontaneously, triggered by yeast found in the air.

With its 500th anniversary in 2016, the law became the oldest food regulation law in the world that is still in force. Even today the regulation can be found in the German legislation.

Source: <https://www.bayern-und-bier.de/wissenswertes/das-bier-und-seine-herstellung/>

Table 1 - Translation of beer and how to cheer within our CEE banking network

Country	Beer in different languages	Cheers!
Albania	Birrë	Gezuar
Belarus	пiвa Piva	Будзьма Budzma
Bosnia and Herzegovina	Pivo	živjeli
Bulgaria	Бира Bira	наздраве nazdrave
Croatia	Pivo	živjeli
Czech Republic	Pivo	Na zdraví
Hungary	рyвo Sör	Budmo! Egészségére
Kosovo	Birrë / пиво (pivo)	Gezuar/ Живели (Živeli)
Romania	Bere	пoгoс
Russia	пиво pivo	ваше здоровье vashe zdorov'ye
Serbia	пиво pivo	Живели živeli
Slovakia	Pivo	na zdravie
Ukraine	пиво	бyдьмo!



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