

MARKET NEWS for pig meat



Market analysis

13 February 2023

Week 7

MARKET SITUATION

Europe: Legs and other cuts are being traded at increasing prices again this week.

UK: Stable trade at increasing prices.

China: Very quiet trading continues. **Japan and other Asian markets:** sluggish trade continues.

Slaughtering in Denmark

Weekly slaughtering figures for pigs and sows as reported to the Danish Classification Control Service. The figures exclude culled pigs.

	Week 3	Week 4	Week 5	Weeks 1-5 2023:22
Carcase weight >110 kg	11.448	11.094	9.124	-50.3%
Carcase weight <110 kg	328.413	331.729	323.887	-11.8%
Totalmodtagelsen	339.861	342.823	333.011	-14.1%

USA

Futures

Chicago (\$ per 100 lbs carcase weight)	Lean Hog			Pork Cutout		
	10/2	3/2	Change	10/2	3/2	Change
2023						
Feb	75.88	75.03	0.85	80.75	82.50	-1.75
Apr	83.33	86.48	-3.15	90.00	93.55	-3.55
May	93.20	95.28	-2.08	99.25	102.05	-2.80
Jun	101.65	103.30	-1.65	105.53	107.58	-2.05
Jul	103.63	104.88	-1.25	108.15	109.38	-1.23
Aug	103.38	104.60	-1.22	108.03	108.95	-0.92
Oct	91.05	92.03	-0.98	98.35	98.50	-0.15
Dec	83.98	84.35	-0.37	91.83	91.98	-0.15
2024						
Feb	86.90	87.23	-0.33	93.35	93.50	-0.15
Apr	90.30	90.40	-0.10	95.43	95.58	-0.15
May	96.55	96.65	-0.10	102.65	102.80	-0.15
Jun	99.80	99.90	-0.10	107.88	108.03	-0.15

Conversion factors:
 1 lbs. = 0.4536 kg
 1 \$ = DKK
 6.9640

 **China**
Futures

Dalian (Yuan pr. kg)	Pigs					
	16/1	23/1	30/1	6/2	13/2	Change 6/2-13/2
March 2023	15.18	15.26	14.42	14.54	14.69	0.15
May 2023	17.17	17.02	16.48	16.27	16.98	0.71
July 2023	17.67	17.80	17.43	17.63	17.67	0.04
Sept 2023	18.00	18.12	18.18	18.22	18.09	-0.13
Nov 2023	18.08	18.25	18.41	18.50	18.33	-0.17
Jan 2024		18.76	19.20	19.03	18.99	-0.04

Conversion factors:
 1 Y = DKK
 1.0093 1 Y =
 EUR 0.14

 **EU**
African Swine Fever

According to the EU Commission's reporting system for the outbreak of disease, outbreaks of ASF were reported for the following countries, including Serbia, Ukraine, Moldova and North Macedonia between 29 Jan– 5 February.

Country	Period 29 Jan-5 Feb		Year to date 1 Jan-5 Feb		2022		2021	
	Pigs	Wild boar	Pigs	Wild boar	Pigs	Wild boar	Pigs	Wild boar
Estonia		5		14		57	1	67
Latvia		15		61	6	913	2	338
Lithuania		9		44	16	302		238
Poland		105		434	14	2,152	124	3,023
Italy	1	17	1	79	4	277	1	14
Ukraine		1		1	7	2	13	3
Czech Republic				2		1		
Romania	3	20	29	80	329	465	1,648	1,019
Hungary		23		103		550		2,568
Bulgaria		4		71	2	387	6	318
Slovakia		19		103	5	550	11	1,622
Serbia	6	31	7	65	107	146	33	71
Moldova			4	1	14	3	1	
North Macedonia				5	30	9		
Belgium								
Germany		40		227	3	1,628	4	2,431
Greece				2				
Total	10	289	41	1,292	537	7,442	1,844	11,712



December pig census

Eurostat has now published the results of the December 2022 pig census for five EU countries, Germany, Denmark, the Czech Republic, Greece and Luxembourg. The results of the Polish pig census have also been reported in various media. The provisional figures for the six EU countries appear in the table below.

As always, the results should be treated with caution as they are based on sample surveys in the different countries. Technical changes in the individual countries' pig censuses also make it difficult to make accurate comparisons with the previous year.

However, the results published so far clearly show a sharply reduced pig population, including the breeding herd, in all six EU countries. EU pig slaughtering in 2023 can thus be expected to be significantly lower than in 2022.

'000 head	Total population			Breeding herd			Pregnant sows		
	2022	2021	% change	2022	2021	% change	2022	2021	% change
Spain		34,454			2,685			1,759	
Germany*	21,330	23,762	-10.2	1,395	1,583	-11.9	1,007	1,130	-10.9
France		12,941			928			647	
Denmark	11,541	13,152	-12.2	1,118	1,235	-9.5	698	777	-10.2
Holland		10,872			910			567	
Poland	9,624	10,242	-6.0	592	654	-9.5	405	434	-6.7
Italy		8,408			551			464	
Belgium		6,042			386			314	
Romania		3,620			299			183	
Austria		2,786			224			158	
Hungary		2,726			241			156	
Portugal		2,221			230			157	
Ireland		1,714			145			101	
Czech Republic	1,329	1,493	-11.0	116	126	-7.9	73	80	-8.8
Sweden		1,373			121			80	
Finland		1,094			93			68	
Croatia		972			104			38	
Greece*	724	759	-4.6	96	104	-7.7	56	58	-3.4
Bulgaria		695			66			39	
Lithuania		574			44			36	
Slovakia		453			37			17	
Cyprus		361			31			26	
Latvia		327			40			15	
Estonia		308			26			21	
Slovenia		216			14			8	
Luxembourg	66	78	-15.4	2	3	-33.3	2	2	0.0
Malta		40			4			3	
EU-6*	44,614	49,486	-9.8	3,319	3,705	-10.4	2,241	2,481	-9.7
EU-27		141,683			10,884			7,338	
Serbia		2,868			397			155	

*=provisional figures for 2022



UK

11-15 per cent fall in slaughtering forecast

In its latest Agri Market Outlook, AHDB, the British trade organisation, expects British pig slaughtering in 2023 to be between 11-15 per cent lower than last year.

The forecast is based on the latest pig census from June 2022, which showed an 18 per cent reduction in the British breeding herd in one year. The number of pregnant sows was 14 per cent lower compared to a year ago.

AHDB expects a gradual stabilisation and less growth in the British breeding herd going forward.

As a result of the fall in domestic pig meat production, UK imports are expected to rise in 2023, while exports are expected to fall. At the same time, however, a fall in domestic demand is expected in 2023 as the consequence of the current cost-of-living difficulties for British consumers.



GERMANY

Saxony erects a double fence along its border with Poland

According to German media, the state of Saxony has now completed the erection of a double fence at the border with Poland. The fence is to prevent wild boar infected with African Swine Fever from entering eastern Saxony.

The double fence extends all the way from Saxony's state border with Brandenburg in the north to the border with the Czech Republic in the south.

The idea is that hunters will keep the zone between the double fence free from wild boar.



CHINA

Authorities ready to store pig meat to ensure stable prices

China's National Reform and Development Commission (NRDC) announced last week that they are ready to begin storing pig meat to ensure stable prices.

According to the international news media, the Chinese pig price fell to 14.59 CNY/kg in the second week of February: a 50 per cent fall in the pig price in just three months. According to NRDC's calculations, this price level means that Chinese pig producers are losing an average of CNY 272 per pig.

The Chinese authorities had hoped for price rises in January, but demand so far has been under pressure due to the Covid situation. However, analysts still expect that demand will improve as life in China returns to pre-Covid normality.



SINGAPORE

African Swine Fever among wild boar

Last week, the authorities in Singapore reported the discovery of African Swine Fever in a wild boar at a nature park.

Singapore has no commercial production of pig meat and only has wild boar in nature parks. This is the first time for the virus to be found here.



Last week, Statistics Denmark published the results of the pig census taken on 1 January 2023, which is based on a random sample of 1,570 farms.

The decline in the Danish pig population is shown to be continuing.

The total pig population is 12.2 per cent lower compared to one year ago and has fallen by 3.0 per cent since the October census. According to Statistics Denmark, this is Denmark's lowest pig population for 25 years.

The breeding herd, i.e. pregnant sows, is 10.2 per cent lower compared to one year ago. Compared to the 1 October census, the fall for pregnant sows is more modest at 1.7 per cent.

High production costs and poor returns since the summer of 2021 are the main reasons for the downturn.

'000 head	January census			October census		
	1 Jan 2023	1 Jan 2022	% change 23:22	1 Oct 2022	1 Oct 2021	% change 22:21
Breeding boars	10	10	-	10	10	-
Pregnant gilts	174	192	-9.4	179	193	-7.3
Other pregnant sows	524	585	-10.4	531	589	-9.8
Total pregnant sows	698	777	-10.2	710	782	-9.2
Nursing sows	186	207	-10.1	196	213	-8.0
Dry sows	31	36	-13.9	33	35	-5.7
Sows and boars for slaughtering	6	7	-14.3	6	7	-14.3
Gilts >50 kg for breeding	203	215	-5.6	218	216	0.9
Piglets with sows	2,332	2,592	-10.0	2,472	2,685	-7.9
Weaned pigs <50 kg	5,357	6,048	-11.4	5,485	6,133	-10.6
Finishers >50 kg	2,718	3,260	-16.6	2,772	3,131	-11.5
Total pigs	11,541	13,152	-12.2	11,902	13,212	-9.9
Total pig excl. finishers *	8,823	9,892	-10.8	9,130	10,081	-9.4



DENMARK

**Denmark's pig meat exports Jan-Nov
2022**

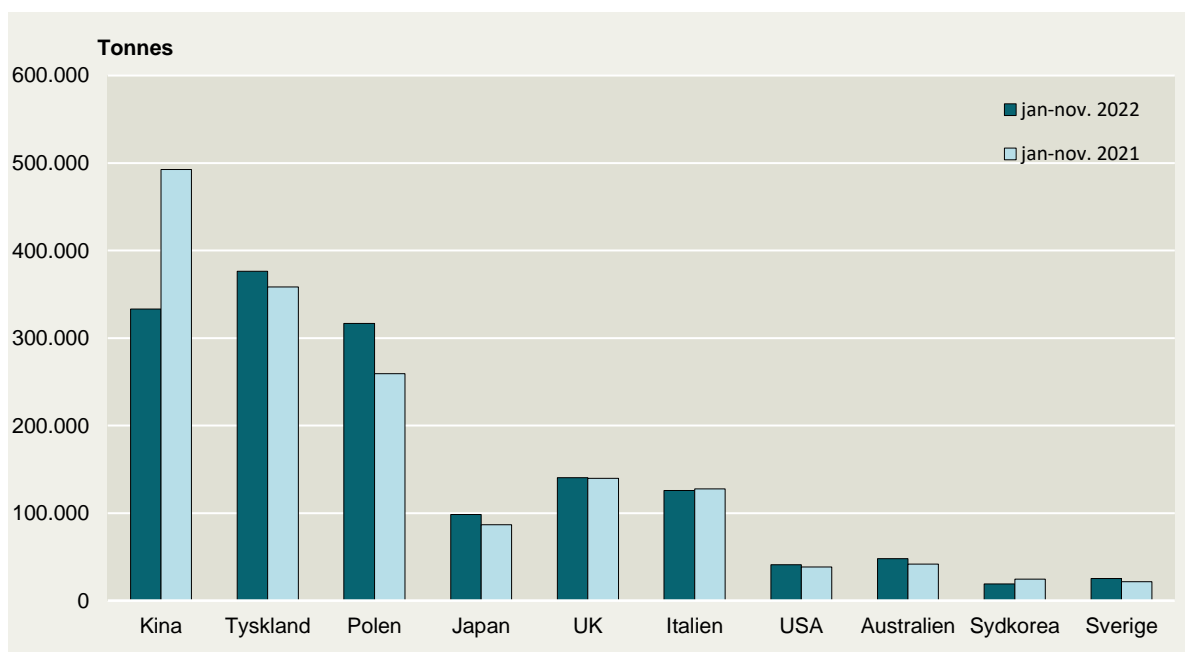
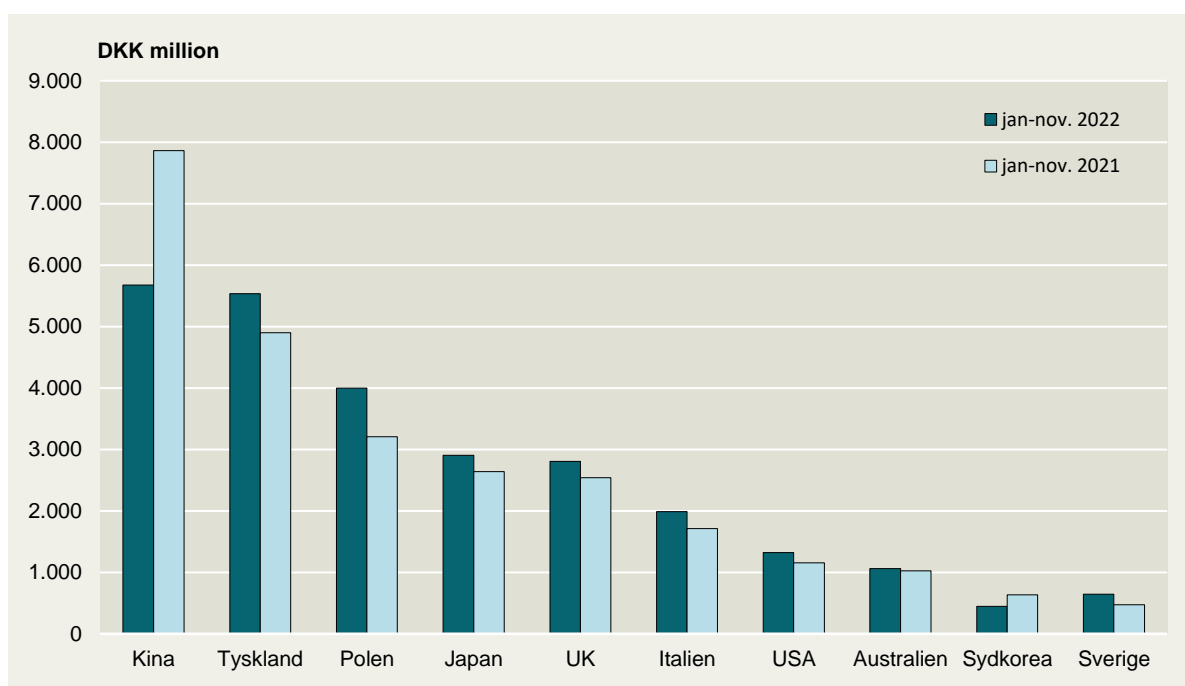
Tonnes	By-products	Live pigs	Processed Canned	Bacon	Whole & half pigs/sows	Cuts	Sausages	Total	Per cent
Germany	11,067	162,302	8,839	145	70,178	118,225	5,565	376,320	21.1
Poland	989	187,574	34	6	113	127,861	101	316,678	17.7
Italy	1,594	18,655	405	75	599	104,306	335	125,970	7.0
Sweden	7,968	124	1,774	1,230	12	10,219	4,024	25,351	1.4
Holland	7,688	9,331	290	23	0	6,372	1,055	24,758	1.4
Spain	346	10,469	1,096	76	0	5,380	1,692	19,060	1.1
France	2,008	626	983	320	0	13,196	733	17,866	1.0
Croatia	120	8,620	64	0	2,777	2,629	1	14,210	0.8
Rest of EU	9,124	13,456	3,065	869	277	38,351	3,568	68,710	3.8
Total EU	40,904	411,157	16,551	2,744	73,955	426,539	17,073	988,924	55.3
China	144,820	0	531	0	0	187,707	204	333,262	18.6
UK	4,316	38	9,702	53,444	1,116	61,928	10,020	140,564	7.9
Japan	875	6	3,816	0	0	92,582	1,270	98,550	5.5
Australia	125	0	528	0	0	47,208	10	47,872	2.7
USA	3,632	0	6,035	69	0	30,326	986	41,049	2.3
Philippines	11,751	81	2,730	0	27	17,895	0	32,485	1.8
South Korea	1,302	34	1,413	0	0	16,103	190	19,041	1.1
Ukraine	1,084	156	579	0	217	14,638	11	16,685	0.9
Taiwan	346	3	74	0	0	12,328	70	12,821	0.7
Other 3rd countries	13,530	2,217	8,864	1,527	9	25,084	4,689	55,919	3.1
3rd countries, total	181,781	2,533	34,273	55,040	1,370	505,800	17,451	798,248	44.7
Exports, total	222,685	413,691	50,824	57,784	75,325	932,339	34,524	1,787,172	100

2021

Tonnes	By-products	Live pigs	Processed Canned	Bacon	Whole & half pigs/sows	Cuts	Sausages	Total	Per cent
Germany	10,752	164,878	6,930	117	67,553	104,225	4,057	358,512	19.5
Poland	1,491	143,855	34	3	1,872	111,988	7	259,250	14.1
Italy	1,921	15,561	432	67	245	109,093	283	127,602	7.0
Holland	8,837	10,508	381	21	0	5,494	1,476	26,717	1.5
Sweden	6,568	104	1,370	909	4	9,014	3,763	21,732	1.2
Spain	590	9,990	1,101	24	0	2,033	1,213	14,951	0.8
Romania	131	5,895	33	0	1	7,292	2	13,355	0.7
France	591	721	871	233	0	9,556	809	12,782	0.7
Rest of EU	9,401	11,955	3,022	764	1,240	32,242	3,321	61,946	3.4
Total EU	40,282	363,467	14,175	2,140	70,916	390,937	14,930	896,847	48.9
China	164,342	385	314	0	0	327,483	294	492,818	26.9
UK	3,806	20	9,654	49,816	1,101	65,953	9,379	139,729	7.6
Japan	146	3	4,158	0	0	81,130	1,153	86,589	4.7
Australia	0	0	433	0	0	41,273	48	41,754	2.3
USA	2,971	0	6,551	139	0	27,738	1,038	38,436	2.1
South Korea	1,643	22	1,244	0	0	21,304	172	24,385	1.3
Philippines	7,060	0	1,658	0	0	10,527	0	19,246	1.0
Ukraine	639	283	0	0	224	15,248	0	16,393	0.9
Taiwan	470	2	101	0	0	9,759	70	10,401	0.6
Other 3rd countries	18,049	1,220	10,307	1,724	740	31,818	4,760	68,618	3.7
3rd countries, total	199,125	1,933	34,419	51,680	2,065	632,232	16,914	938,368	51.1
Exports, total	239,407	365,401	48,594	53,819	72,981	1,023,169	31,844	1,835,215	100

Top 10 importers of Danish pig meat according to value

Country	Jan-Nov 2022		Jan-Nov 2021	
	Value in DKK million	Tonnes	Value in DKK million	Tonnes
China	5,678	333,262	7,861	492,818
Germany	5,537	376,320	4,901	358,512
Poland	3,999	316,678	3,205	259,250
Japan	2,905	98,550	2,642	86,589
UK	2,807	140,564	2,540	139,729
Italy	1,989	125,970	1,714	127,602
USA	1,321	41,049	1,156	38,436
Australia	1,059	47,872	1,027	41,754
Sweden	643	25,351	473	21,732
South Korea	447	19,041	632	24,385
Top 10 total	25,938	1,505,616	25,519	1,566,422
Other countries	5,782	281,556	5,048	268,793
Total	31,720	1,787,172	30,567	1,835,215



China Germany Poland Japan UK Italy USA Australia South Korea Sweden

 **JAPAN**
Development in pig meat storage

The table below shows Japan's pig meat storage until the end of December 2022.

Tonnage	Own production		Imported volumes		Total storage
	Fresh	Frozen	Fresh	Frozen	
End January 19	668	18,975	6,854	137,392	163,889
End February 19	893	18,925	6,221	140,876	166,915
End March 19	733	20,488	6,668	138,600	166,489
End April 19	851	21,693	6,878	160,344	189,766
End May 19	807	20,836	7,778	177,185	206,606
End June 19	666	22,666	7,399	176,553	207,284
End July 19	633	21,195	9,172	183,359	214,359
End August 19	540	20,075	9,192	190,936	220,743
End September 19	463	19,888	6,092	191,762	218,205
End October 19	475	19,653	8,508	190,332	218,968
End November 19	586	21,218	7,739	183,436	212,979
End December 19	778	20,028	6,443	175,026	202,275
End January 20	451	21,023	7,099	180,639	209,212
End February 20	383	22,694	9,249	175,793	208,119
End March 20	403	24,659	7,991	177,084	210,137
End April 20	437	22,687	8,555	192,266	223,945
End May 20	393	20,465	8,663	206,221	235,742
End June 20	365	22,843	9,721	202,144	235,073
End July 20	374	21,004	10,289	193,785	225,452
End August 20	393	19,947	9,955	190,222	220,847
End September 20	361	19,324	9,658	183,728	213,071
End October 20	346	18,987	8,463	176,392	204,188
End November 20	466	18,945	10,867	164,711	194,989
End December 20	498	19,916	10,253	157,644	188,311
End January 21	368	22,065	8,872	151,259	182,564
End February 21	353	22,522	8,912	152,487	184,274
End March 21	444	23,660	11,726	146,154	181,984
End April 21	483	25,110	9,922	149,121	184,636
End May 21	415	25,437	9,863	149,760	185,475
End June 21	414	24,876	9,688	152,751	187,729
End July 21	428	23,498	11,381	149,262	184,569
End August 21	397	22,491	10,986	154,587	188,461
End September 21	433	21,495	11,242	154,249	187,419
End October 21	460	20,899	10,587	150,861	182,807
End November 21	428	21,176	11,010	143,741	176,355
End December 21	561	22,351	9,240	136,436	168,588
End January 22	463	22,763	11,477	142,569	177,272
End February 22	471	22,690	12,061	143,974	179,196
End March 22	623	23,378	12,410	143,684	180,095
End April 22	529	21,703	12,601	157,379	192,212
End May 22	390	22,052	8,210	168,749	199,401
End June 22	469	20,684	11,364	180,913	213,430
End July 22	500	20,479	10,554	189,497	221,300
End August 22	495	19,870	12,013	195,953	228,331
End September 22	351	19,020	10,493	193,979	223,843
End October 22	808	18,890	9,606	186,501	215,805
End November 22	1,015	17,736	13,653	181,903	214,307
End December 22	1,159	18,657	10,793	174,620	205,229



USA

Decline in total US pig met exports in 2022 – but increasing exports to Mexico

With US export statistics as the source, US pig meat exports by country are shown below for 2022. Exports are divided into fresh/frozen, by-products and processed products.

As can be seen from the figures, there was a decline in US exports of fresh/frozen pig meat in 2022. This is primarily due to a sharp decline in exports to China as well as a decline in exports to markets such as Japan, Canada and Australia.

By contrast, exports to Mexico continued to grow strongly in 2022, and Mexico is now by far the largest export market for US pork.

US exports of by-products for 2022 are largely unchanged from the previous year, while exports of processed pig meat saw a minor increase in 2022.

0203				
Fresh/Frozen pig meat				
Tonnes	Jan-Dec 2020	Jan-Dec 2021	Jan-Dec 2022	% change 22:21
Mexico	571,143	734,105	831,199	13.2
Japan	349,502	337,548	280,362	-16.9
China	733,062	393,278	196,222	-50.1
South Korea	144,117	153,957	162,017	5.2
Canada	141,469	117,163	95,071	-18.9
Colombia	61,096	100,903	94,458	-6.4
Dom. Rep.	38,291	56,109	81,537	45.3
Honduras	35,837	47,945	43,033	-10.2
Australia	74,184	53,483	30,637	-42.7
Others	204,189	195,870	116,167	-40.7
Total	2,352,890	2,190,361	1,930,703	-11.9

020649				
By-products				
Tonnes	Jan-Dec 2020	Jan-Dec 2021	Jan-Dec 2022	% change 22:21
China	222,315	288,588	306,620	6.2
Mexico	48,396	43,573	29,299	-32.8
Philippines	11,723	15,130	15,693	3.7
Japan	5,225	6,681	9,680	44.9
Canada	9,588	8,885	8,923	0.4
Colombia	4,771	3,657	5,632	54.0
South Korea	3,957	5,635	4,356	-22.7
Guatemala	1,620	1,549	2,480	60.1
Others	43,862	17,182	8,819	-48.7
Total	351,457	390,880	391,502	0.2

160249, 160241, 160242, 021012, 021019, 021011				
Processed pig meat				
Tonnes	Jan-Dec 2020	Jan-Dec 2021	Jan-Dec 2022	% change 22:21
Canada	68,366	87,938	86,780	-1.3
Japan	31,036	49,623	65,125	31.2
Mexico	19,806	32,471	33,951	4.6
Philippines	9,195	10,596	13,603	28.4
Panama	5,076	6,316	5,415	-14.3
South Korea	6,585	6,035	4,518	-25.1
Australia	5,075	3,861	3,576	-7.4
Others	20,864	24,480	23,264	-5.0
Total	166,003	221,320	236,232	6.7

AUSTRALIA

Pig meat imports Jan-Dec 2022

The table below shows Australian imports of fresh/frozen pig meat by country for 2022 compared to the previous two years.

As can be seen, there was a strong rise in Australian imports of pig meat from Europe and Canada whereas imports from the US have declined for the past two years.

0203				
Fresh/Frozen pig meat				
Tonnes	Jan-Dec 2020	Jan-Dec 2021	Jan-Dec 2022	% change 22:21
Denmark	33,911	38,794	58,323	50.3
Holland	18,151	34,671	50,513	45.7
USA	80,461	58,104	30,481	-47.5
Ireland	8,900	13,942	23,275	66.9
Canada	4,711	4,677	9,144	95.5
UK	594	1,987	2,759	38.9
Others	256	409	1,080	164.1
Total	146,984	152,584	175,575	15.1