

MARKET NEWS for pig meat



Market analysis

22 April 2024

Week 17

MARKET SITUATION

Europe: Legs and other cuts are being traded at largely unchanged prices.

UK: Sales are stable.

China: Subdued demand. **Other Asian markets:** Good demand, particularly for bellies

Slaughtering in Denmark

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

	Week 13	Week 14	Week 15	Weeks 1-15 2024:23
Carcase weight >110 kg	7,154	14,264	15,639	+57.7%
Carcase weight <110 kg	137,708	240,300	290,023	-9.2%
Total	144,862	254,564	305,662	-7.0%



USA

Futures

Chicago (\$ per 100 lbs carcase weight)	Lean Hog			Pork Cutout		
	19/4	12/4	Change	19/4	12/4	Change
2024						
May	96.23	93.88	2.35	102.08	101.25	0.83
Jun	104.83	102.08	2.75	109.28	109.28	0.00
Jul	106.48	104.25	2.23	112.58	112.58	0.00
Aug	104.05	102.25	1.80	111.83	112.90	-1.07
Oct	86.25	86.13	0.12	97.68	98.75	-1.07
Dec	77.18	77.28	-0.10	91.13	91.05	0.08
2025						
Feb	80.35	80.30	0.05	93.95	93.88	0.07
Apr	84.03	83.80	0.23	99.80	99.73	0.07
May	87.68	87.38	0.30	106.40	106.33	0.07
Jun	94.00	93.15	0.85	107.40	107.33	0.07
Jul	94.75	94.30	0.45	109.15	109.08	0.07
Aug	93.30			109.48		

Conversion factors:

1 lb = 0.4536 kg

1 \$ = DKK

7.0048



EU

African Swine Fever

According to the EU Commission's reporting system for the outbreak of disease, outbreaks of ASF have been reported for the following countries, plus Serbia, Ukraine, Moldova, Bosnia-Herzegovina, Kosovo and North Macedonia.

Countries	Period 6 April-12 April		Year to date 1 Jan - 12 April		2023		2022	
	Pigs	Wild boar	Pigs	Wild boar	Pigs	Wild boar	Pigs	Wild boar
Estonia				4	2	53		57
Latvia				232	8	730	6	913
Lithuania		26		201	3	439	16	302
Poland		34		593	30	2,744	14	2,152
Italy		37		544	17	1,047	4	277
Ukraine		1	8	8	37	9	7	2
Czech Republic				4		56		1
Romania	4	4	29	93	740	292	329	465
Hungary		3		165		407		550
Bulgaria		5	1	446	3	322	2	387
Slovakia		2		58		546	5	550
Serbia	1	5	28	68	991	213	107	146
Moldova			2	5	19	6	14	3
Montenegro				1				
Bosnia-Herzegovina			16	36	1,508	22		
Croatia				38	1,124	11		
North Macedonia			3	33	15	41	30	9
Kosovo					9	4		
Belgium								
Germany		13		73	1	899	3	1,628
Sweden						60		
Greece	1	1	3	12	6	2		
Albania				2				
Total	6	131	90	2,616	4,513	7,903	537	7,442

GERMANY

AMI: Continued profits for German finisher producers

AMI's model calculations show that finisher production continues to be profitable and has been since the spring of 2023.

This follows an extended period – from 2020 to 2023 – of losses for German finisher producers.

For the current month of April, the model calculations show a profit of 10 euros per produced finisher. Profits for the first four months of the year as a whole amount to EUR 7 per finisher – the same for the whole of 2023 as an average.

GERMANY

Pig meat storage saw a slight increase in February but remains at a low level

The latest calculations from AMI for German storage³ of frozen pig meat show that storage amounted to 107,000 tonnes in February.

This is a slight rise from 103,000 tonnes in January and also slightly higher than February last year when storage stood at 95,000 tonnes.

From an historical perspective, however, pig meat storage remains at a low level. In the same period in 2022, storage stood at 200,000 tonnes.

CHINA/GERMANY

China opens its market to beef from Germany

In connection with the German Chancellor, Olaf Scholz's state visit to Beijing, the Chinese authorities have announced that they will permit imports of beef from Germany.

The Chinese ban on imports of German beef has been in force since 2001 following the outbreak of BSE in Germany.

Germany had hoped that China would allow imports of German pig meat from regions not affected by African Swine Fever, but so far China has maintained the ban.

CHINA

Sow population falls again – 7.3 per cent lower than one year ago

Both the overall pig population and the sow population continue to fall in China.

China's Agriculture Ministry put the total pig population and the number of sows at 408.5 million and 39.92 million respectively.

The total pig population is therefore 5.2 per cent lower than one year ago but the population of sows fell by 7.3 per cent.

This is the fifth quarter in a row for the sow population to fall. However, the population remains higher than the authorities' target figure for a sow population of 39.0 million head.

According to figures from the National Bureau of Statistics, at 15.83 million tonnes, pig meat production in Q1 2024 was a modest 0.4 per cent lower than the same quarter last year.

In March, the pig price increased to 15.5 yuan/kg. The price rise – in combination with lower feed prices – meant that, following an extended period of negative earnings, Chinese pig producers saw positive earnings of around 100 yuan per pig in March.

In April, however, poor demand meant that prices fell to 15.0 yuan per kg, which again put pressure on earnings and gave rise to concerns that further production cutbacks are necessary to generate a positive bottom line.

CHINA

Imports of by-products exceed imports of fresh/frozen pig meat in Q1 2024

The Chinese authorities have published import figures for Q1 2024.

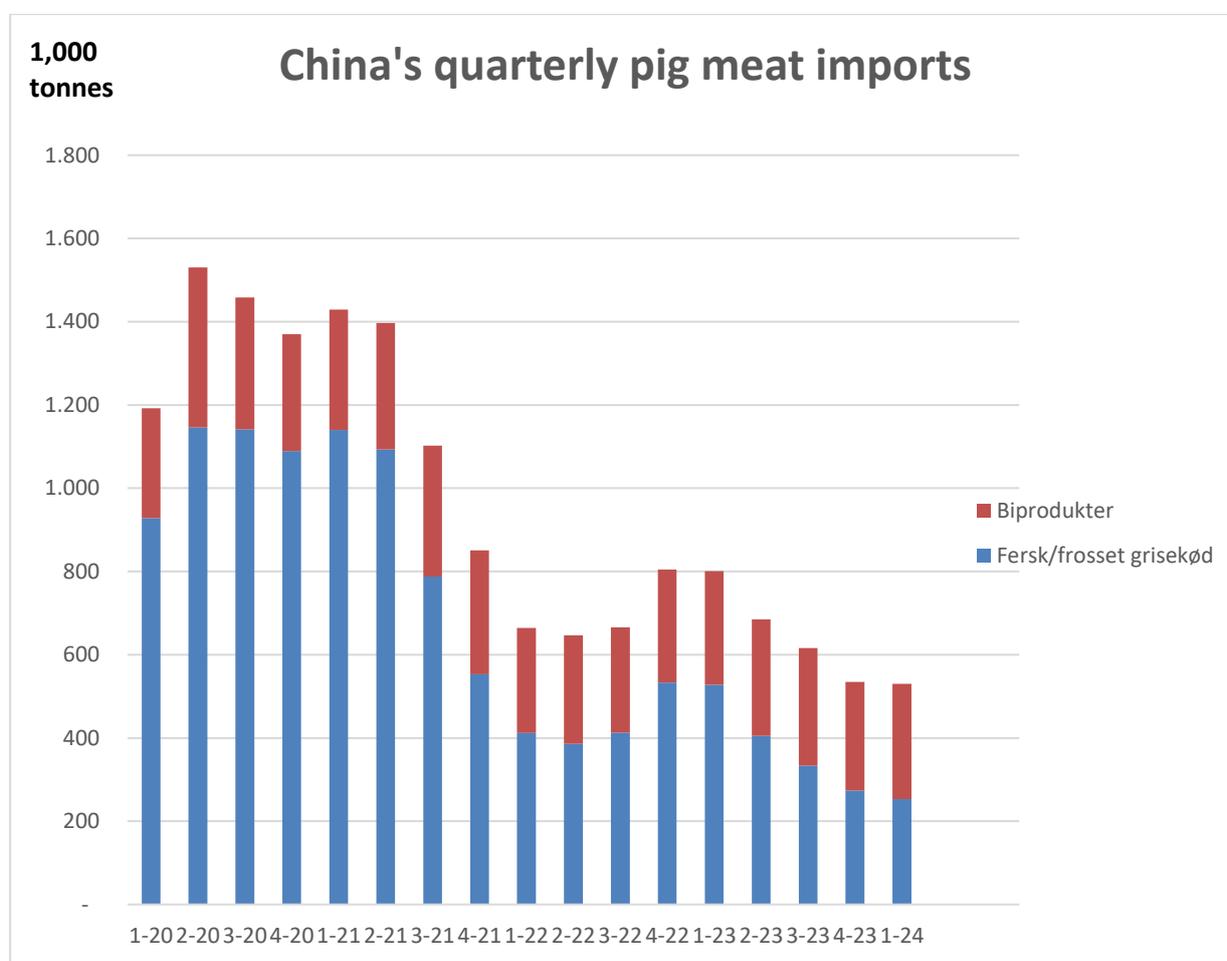
Compared to Q4 2023, imports of fresh/frozen pig meat fell in Q1 whereas there was a modest rise in the import of by-products. Imports of by-products in Q1 2024, therefore, were higher than imports of fresh/frozen pig meat.

The chart below shows the quarterly development in China's imports of pig meat since Q1 2020 as regards fresh/frozen pig meat (product code 0203) and by-products (product code 020649).

As can be seen, China's pig meat imports reached their peak between Q2 2020 and Q2 2021. China's own pig meat production was affected by African Swine Fever.

There was a slight rise in imports in the final quarter of 2022 and the first quarter of 2023. However, since Q1 2023, imports have shown quarterly falls.

Imports of fresh/frozen pig meat have seen the most significant falls, while imports of by-products have been more stable.



Key: Biprodukter – By-products: Fersk/frosset grisekød – Fresh/frozen pig meat

The tables below show Chinese imports of fresh/frozen pig meat and by-products for January-March 2024 compared to the same period in the two previous years.

0203 Fresh/frozen				
Tonnes	Jan-March 2022	Jan-March 2023	Jan-March 2024	% change 24:23
Brazil	81,039	121,850	70,663	-42.0
Spain	125,236	132,359	67,167	-49.3
Canada	26,514	41,175	18,777	-54.4
Holland	25,777	49,900	17,795	-64.3
USA	30,279	40,604	17,679	-56.5
Chile	16,549	24,010	14,759	-38.5
UK	20,023	20,807	13,647	-34.4
Denmark	45,298	62,852	13,556	-78.4
France	15,774	16,290	10,458	-35.8

Ireland	10,509	8,308	5,902	-29.0
Finland	2,091	2,167	862	-60.2
Austria	3,458	4,423	823	-81.4
Portugal	1,145	1,108	592	-46.6
Mexico	5,396	1,946	205	-89.5
Switzerland	296	218	171	-21.6
Argentina	48	50	75	50.0
Costa Rica	12			
Italy	2,282			
Total	411,726	528,067	253,131	-52.1

020649				
By-products - pigs				
Tonnes	Jan-March 2022	Jan-March 2023	Jan-March 2024	% change 24:23
USA	57,140	76,830	78,636	2.4
Spain	59,069	54,179	58,424	7.8
Holland	26,236	33,177	30,715	-7.4
Canada	11,420	18,287	28,655	56.7
Denmark	41,841	36,529	27,442	-24.9
France	17,193	18,870	16,509	-12.5
UK	11,791	12,463	13,695	9.9
Chile	9,672	8,568	7,706	-10.1
Ireland	6,098	4,925	5,763	17.0
Brazil	4,897	5,144	5,688	10.6
Finland	2,083	2,687	2,401	-10.6
Switzerland	827	605	699	15.5
Portugal	268	185	272	47.0
Belgium			176	
Mexico	1,144	153	55	-64.1
Italy	2,259			
Costa Rica	13			
Total	251,951	272,602	276,836	1.6



EU

Pig meat exports fell by 8 per cent in January 2024 compared to January 2023

With the EU Commission as the source, the table below shows EU pig meat exports by category, importers and exporters for January 2024 compared to January 2023.

Exports are stated in product weight.

By category

Tonnes	January 2024	January 2023	% change 24:23
Live pigs	5,650	4,615	22
Fresh/frozen	162,941	201,088	-19
Bacon	17,547	18,201	-4
Processed	36,605	35,660	3
By-products	120,713	113,017	7
Total	343,456	372,581	-8

Importers of pig meat from

EU

Tonnes	January 2024	January 2023	% change 24:23
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China	96,773	122,350	-21
UK	70,268	68,942	2
Japan	28,032	32,509	-14
Philippines	25,892	21,365	21
South Korea	24,277	21,059	15
Vietnam	12,826	4,023	219
USA	9,264	6,641	39
Ivory Coast	6,803	8,290	-18
Hong Kong	5,868	6,168	-5
Australia	5,711	10,958	-48
Serbia	5,579	4,755	17
Others	52,164	65,520	-20
EU-27	343,457	372,580	-8

Exporters of pig meat from EU

Tonnes	January 2024	January 2023	% change 24:23
Spain	113,176	121,313	-7
Holland	55,730	62,254	-10
Denmark	52,765	66,959	-21
Germany	30,114	26,091	15
France	21,266	21,307	0
Ireland	18,901	17,497	8
Poland	17,888	20,548	-13
Belgium	10,494	9,845	7
Italy	7,874	6,463	22
Austria	4,215	4,080	3
Hungary	2,732	1,651	65
Others	8,302	14,572	-43
EU-27	343,457	372,580	-8



UK

4.6 per cent fall in slaughtering in Q1 2024

Figures from the trade organisation, AHDB, show that at 2.43 million head, British slaughtering of finishers was 4.6 per cent down on the same period last year, i.e. a loss of 116,000 pigs, for Q1 2024.

Although carcase weights saw an uplift of 1.6 kg year on year, averaging at 90.5 kg in Q1 2024, reduced numbers of pigs available for slaughter resulted in a production decline of 2.5 per cent to 227,800 tonnes.

AHDB previously announced that they expect a slight increase in production of 0.6 per cent for 2024.



SOUTH KOREA

Rising imports to South Korea in Q1 2024 – but fall in imports from EU

The tables below show South Korea's official figures for the import of fresh/frozen pig meat for January-March 2024 compared to the same period in 2023 and 2022.

As can be seen, South Korea's total imports of fresh/frozen pig meat in Q1 2024 were higher compared to the same period in the previous two years.

In Q1, South Korea imported increasing volumes of pig meat from the US, Canada, Chile and Brazil. By contrast, import volumes from the major exporting EU countries such as Spain, Holland and Denmark fell.

South Korea resumed imports of pig meat from Germany in the summer of 2023 after an almost three-year long ban due to African Swine Fever. In 2022, South Korea resumed imports of pig meat from Belgium after the country was declared free from African Swine Fever.

0203 Fresh/frozen pig meat				
Tonnes	Jan-March 2022	Jan-March 2023	Jan-March 2024	% change 24:23
USA	34,375	38,793	55,526	43.1
Spain	46,788	31,503	27,328	-13.3
Canada	12,128	15,995	19,648	22.8
Chile	8,046	8,233	10,978	33.3
Holland	13,033	13,435	9,310	-30.7
Germany			6,580	
Brazil	861	1,878	3,919	108.7
Denmark	6,319	3,653	3,418	-6.4
Austria	8,587	5,523	3,328	-39.7
Belgium	2,053	2,330	2,395	2.8
Mexico	1,904	2,772	2,194	-20.9
France	2,720	2,236	1,730	-22.6
Finland	1,223	1,384	1,327	-4.1
UK	566	801	986	23.1
Ireland	2,746	2,382	916	-61.5
Australia	1,125	743	648	-12.8
Sweden	851	931	586	-37.1
Portugal	451	209	160	-23.4
Switzerland	20			
Total	143,796	132,801	150,977	13.7

BRAZIL

Stable exports of pig meat in Q1

The table below shows Brazil's official figures for exports of fresh/frozen pig meat for January-March 2024 compared to the same period in the previous two years.

As can be seen from the table below, Brazil's total pig meat exports in Q1 2024 were largely at the same level as the corresponding quarter last year.

Although there was a fall in exports to China and Hong Kong, this was more than offset by rising exports to a number of other export markets for Brazilian pig meat.

0203 Fresh/frozen pig meat				
Tonnes	Jan-March 2022	Jan-March 2023	Jan-March 2024	% change 2024:2023
China	81,753	104,558	63,812	-39.0
Philippines	14,919	14,247	32,694	129.5
Chile	10,764	21,192	26,473	24.9
Hong Kong	20,579	24,730	20,911	-15.4
Singapore	12,574	15,714	15,597	-0.7
Japan	5,119	6,970	15,080	116.4
Uruguay	10,403	10,296	9,843	-4.4
South Korea	1,577	2,390	8,092	238.6
Georgia	3,745	7,575	6,141	-18.9
Angola	2,331	2,763	5,708	106.6
Vietnam	6,624	4,579	5,349	16.8
USA	4,024	2,074	4,709	127.0

			8	
Puerto Rico	1,168	2,435	4,675	92.0
Ivory Coast	1,198	3,129	3,187	1.9
Others	36,390	22,382	24,730	10.5
Total	213,168	245,034	247,001	0.8