

MARKET NEWS for pig meat



Market analysis

3 January 2024

Week 1

MARKET SITUATION

Europe: Post-Christmas trading is yet to pick up. To date, however, trading is taking place at largely unchanged prices.

UK: Sales are stable.

China: Very quiet trading continues. **Japan and other Asian markets:** subdued demand.

Slaughtering in Denmark

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

	Week 49	Week 50	Week 51	Weeks 1-51 2023:22
Carcass weight >110 kg	11,322	11,500	9,438	-30.5%
Carcass weight <110 kg	296,680	291,156	247,740	-17.9%
Total	308,002	302,656	257,178	-18.5%



USA

Futures

Chicago (\$ per 100 lbs carcass weight)	Lean Hog			Pork Cutout		
	29/12	22/12	Change	29/12	22/12	Change
2024						
Feb	67.98	71.35	-3.37	81.73	81.73	0.00
Apr	74.85	77.58	-2.73	83.95	83.95	0.00
May	81.50	83.95	-2.45	89.88	90.55	-0.67
Jun	89.93	92.30	-2.37	96.48	97.15	-0.67
Jul	91.95	93.95	-2.00	99.05	99.73	-0.68
Aug	92.53	94.30	-1.77	99.48	100.15	-0.67
Oct	81.08	81.88	-0.80	91.28	91.95	-0.67
Dec	74.20	74.53	-0.33	87.40	88.08	-0.68
2025						
Feb	77.45	77.90	-0.45	90.23	90.90	-0.67
Apr	80.95	81.40	-0.45	96.08	96.75	-0.67
May	87.83	88.28	-0.45	102.68	103.35	-0.67
Jun	95.20	96.33	-1.13	109.00	109.68	-0.68

Conversion factors:

1 lb = 0.4536 kg

1 \$ = DKK

6.7447

 **CHINA**
Futures

Dalian (Yuan per kg)	Pigs					
	27/11	4/12	11/12	18/12	26/12	Change 18/12- 26/12
January 2024	15.55	13.91	14.13	14.80	14.06	-0.74
March 2024	14.59	13.52	14.22	14.42	14.05	-0.37
May 2024	15.18	14.60	15.25	15.36	15.28	-0.08
July 2024	16.21	15.72	16.23	16.33	16.15	-0.18
September 2024	17.31	16.94	17.29	17.33	17.06	-0.27
November 2024		17.30	17.39	17.33	17.21	-0.12
Conversion factors: 1 Y = DKK 0.9481: 1 Y = EUR 0.13						

 **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 9 Dec-16 Dec		Year to date 1 Jan - 16 Dec		2022		2021	
	Pigs	Wild boar	Pigs	Wild boar	Pigs	Wild boar	Pigs	Wild boar
Estonia		3	2	52		57	1	67
Latvia		23	8	713	6	913	2	338
Lithuania		24	3	424	16	302		238
Poland		42	30	2,659	14	2,152	124	3,023
Italy		22	17	964	4	277	1	14
Ukraine		1	35	8	7	2	13	3
Czech Republic				55		1		
Romania	4	8	737	283	329	465	1,648	1,019
Hungary				395		550		2,568
Bulgaria		27	3	303	2	387	6	318
Slovakia		2		537	5	550	11	1,622
Serbia			977	204	107	146	33	71
Moldova			19	6	14	3	1	
Bosnia-Herzegovina	22	6	1,508	22				
Croatia			1,124	10				
North Macedonia			15	36	30	9		
Kosovo			9	4				
Belgium								
Germany		6	1	891	3	1,628	4	2,431
Sweden				60				
Greece			6	2				
Total	26	164	4,494	7,628	537	7,442	1,844	11,712

 **CHINA**
Sow population 5.2 per cent lower than one year ago

Reuters reports that China's sow population stood at 41.6 million at the end of November. This is a fall of 1.2 per cent compared to the previous month and 5.2 per cent lower than one year ago.

 **BRAZIL/ MEXICO**
Temporary closure of Mexican market to pig meat from Brazil

According to the trade organisation, Brazilian Animal Protein Association (ABPA), the Mexican market remained closed to pig meat from Brazil at the end of December.

The closure is due to a lawsuit lodged by the Mexican pig producers' organisation, which questions the process of opening the Mexican market to Brazilian pig meat. As a result, a Mexican court has decided to suspend the import of Brazilian pig meat for the time being with effect from the end of November.

ABPA is, of course, highly dissatisfied with the situation. According to ABPA, pig meat worth \$60 million has already been shipped from Brazil and is awaiting the reopening of the Mexican market.

On the other hand, ABPA welcomes the fact that Mexico has decided that import tariffs will remain at zero for 2024 for a number of food products, including pig meat. The exemption from import tariffs was introduced in 2023 as part of an effort to control inflation. Prior to 2023, Mexican import tariffs stood at 16 per cent for Brazilian pig meat.

Brazil began exporting pig meat to Mexico in 2023 after the Mexican authorities approved seven companies from the Brazilian state of Santa Catarina.

ABPA previously expressed its expectations for substantial exports of Brazilian pig meat to Mexico. Mexico needs to import almost half its pig meat consumption and is among the world's three largest importers of pig meat. As around 90 per cent of Mexico's imports currently comes from the U.S., Brazil will represent a reliable alternative in the Mexican market, ABPA believes.

 **MEXICO**
Increasing pig meat imports

Pig 333 reports that in the first ten months of 2023, Mexico imported 1.3 million tonnes of pig meat. This is a rise of 4.3 per cent compared to the same period last year.

The rise has been driven by a strong and growing demand from the Mexican processing industry.

By far the majority of imports came from the U.S. From Brazil and Chile, imports for the first 10 months of 2023 totalled 17,900 and 16,100 tonnes respectively.

 **GERMANY**
Slight fall in cattle population

Just before Christmas, preliminary figures were published for the German cattle population as it stood at the beginning of November. The results show that the population totalled 10.8 million head, which is a fall of 1.5 per cent compared to one year ago.

In the past 10 years, the German cattle population has been reduced by 17 per cent. As could be read in last week's Market News, the German pig census from November 2023 showed that the sharply falling pig population of recent years has now been replaced by a more stable population.