

MARKET NEWS for pig meat



Market analysis

2 January 2023

Week 1

MARKET SITUATION

Europe: in the week after New Year, legs and other cuts are being traded at unchanged or slightly falling prices.

UK: Trade is sluggish and at unchanged prices.

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

Slaughterings 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 2022:21 |
|------------------------|---------|---------|---------|-----------------------|
| Carcase weight >110 kg | 11,949 | 10,061 | 8,103 | -33.9% |
| Carcase weight <110 kg | 344,330 | 324,294 | 274,931 | -1.7% |
| Total | 356,279 | 334,355 | 283,034 | -3.7% |

USA

Futures

| Chicago (\$ per 100 lbs carcase weight) | Lean Hog | | | Pork Cutout | | |
|---|----------|--------|--------|-------------|--------|--------|
| | 30/12 | 23/12 | Change | 30/12 | 23/12 | Change |
| 2023 | | | | | | |
| Feb | 87.70 | 87.83 | -0.13 | 94.08 | 94.88 | -0.80 |
| Apr | 95.30 | 95.38 | -0.08 | 102.53 | 102.48 | 0.05 |
| May | 100.70 | 100.73 | -0.03 | 107.70 | 107.65 | 0.05 |
| Jun | 109.18 | 108.75 | 0.43 | 112.73 | 113.23 | -0.50 |
| Jul | 109.68 | 109.05 | 0.63 | 113.30 | 113.25 | 0.05 |
| Aug | 108.65 | 108.13 | 0.52 | 114.35 | 112.78 | 1.57 |
| Oct | 93.28 | 92.75 | 0.53 | 105.15 | 103.58 | 1.57 |
| Dec | 84.50 | 84.15 | 0.35 | 98.63 | 97.65 | 0.98 |
| 2024 | | | | | | |
| Feb | 87.30 | 87.05 | 0.25 | 100.15 | 99.18 | 0.97 |
| Apr | 90.43 | 90.15 | 0.28 | 100.48 | 99.50 | 0.98 |
| May | 96.68 | 96.40 | 0.28 | 107.70 | 106.73 | 0.97 |
| Jun | 103.83 | 103.68 | 0.15 | 112.93 | 111.95 | 0.98 |

Conversion factors:

1 lb = 0.4536 kg

1 \$ = DKK

6.9722

 **China**
Futures

| Dalian (Yuan pr. kg) | Pigs | | | | | |
|--|-------|-------|-------|-------|-------|---------------------|
| | 5/12 | 12/12 | 19/12 | 26/12 | 2/1 | Change 26/12-2/1 |
| January 2023 | 21.06 | 17.92 | 15.62 | 16.42 | 15.20 | -1.22 |
| March 2023 | 18.78 | 17.14 | 15.47 | 16.81 | 16.15 | -0.66 |
| May 2023 | 18.25 | 17.76 | 16.70 | 17.98 | 17.34 | -0.64 |
| July 2023 | 17.46 | 17.29 | 17.03 | 17.54 | 17.09 | -0.45 |
| September 2023 | 17.50 | 17.53 | 17.16 | 17.66 | 17.32 | -0.34 |
| November 2023 | 17.60 | 17.58 | 17.38 | 17.52 | 17.40 | -0.12 |
| Conversion factors: 1 Y = DKK 1.0106 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 11–18 December.

| Countries | Period 11 Dec - 18 Dec | | Year to date 1 Jan - 18 Dec | | 2021 | | 2020 | |
|-----------------|---------------------------|------------|--------------------------------|--------------|--------------|---------------|--------------|---------------|
| | Pigs | Wild boar | Pigs | Wild boar | Pigs | Wild boar | Pigs | Wild boar |
| Estonia | | 5 | | 53 | 1 | 67 | | 66 |
| Latvia | | 23 | 6 | 874 | 2 | 338 | 3 | 300 |
| Lithuania | | 2 | 16 | 300 | | 238 | 3 | 222 |
| Poland | | 32 | 14 | 2,012 | 124 | 3,023 | 103 | 3,980 |
| Italy | | 3 | 4 | 257 | 1 | 14 | | 40 |
| Ukraine | 1 | | 7 | 2 | 13 | 3 | 23 | 5 |
| Czech Republic | | | | 1 | | | | |
| Romania | 3 | 9 | 321 | 447 | 1,648 | 1,019 | 1,008 | 848 |
| Hungary | | 7 | | 535 | | 2,568 | | 3,952 |
| Bulgaria | | 32 | 2 | 351 | 6 | 318 | 19 | 509 |
| Slovakia | | 12 | 5 | 540 | 11 | 1,622 | 17 | 328 |
| Serbia | 1 | 10 | 103 | 127 | 33 | 71 | 15 | 41 |
| Moldova | | | 13 | 3 | 1 | | 2 | 30 |
| North Macedonia | | | 30 | 9 | | | | |
| Belgium | | | | | | | | 3 |
| Germany | | 6 | 3 | 1,570 | 4 | 2,431 | | 338 |
| Greece | | | | | | | 1 | |
| Total | 5 | 141 | 524 | 7,081 | 1,844 | 11,712 | 1,194 | 10,662 |

 **CHINA**
Sow population 2.1 per cent higher than one year ago

Reuters reports that the Chinese sow population as at the end of November stands at 43.88 million. This is a rise of 2.1 per cent compared to one year ago and a rise of 0.2 per cent compared to the previous month.

 **CHINA**
Authorities stop testing imported food products for Covid-19

Reuters reports that the Chinese authorities have announced that they are to stop testing imported food products for Covid-19 from 8 January. The practice has been in place since 2020.

"The cessation of testing imported meat for Covid-19 at Chinese ports and at points of sale in China is an encouraging step towards the resumption of normal trade," says Joel Haggard from the US Meat Export Federation.

 **FRANCE**
Agricultural organisations criticise the recently concluded trade agreement between EU and Chile

A recently concluded trade agreement between the EU and Chile has been criticised by French agricultural organisations.

French agriculture is particularly critical of the agreement because it allows Chile to export food products to the EU that are not produced under the same standards as those that apply in the EU.

According to Marie-Pierre Vedrenne, MEP and member of the International Trade Committee (INTA), the criticism from the French agricultural organisations is a little too harsh. She says that there are no finished products that, in the entire production chain, do not comply with European standards.

"We cannot take agriculture out of trade agreements as we are in a global market. There are issues of compatibility with WTO rules," she added.

She also drew attention to the new, more environmentally ambitious sustainable development sections, which include penalties for non-compliance. These sections should first concern the agreement with New Zealand before becoming a common standard for all trade agreements, including the EU-Chile agreement, she says.

 **GERMANY**
German pig population falls by 25 per cent – 7 million pigs – in 10 years

As was shown in last week's Market News, the preliminary figures for the German pig population as at November 2022 shows that the population has declined by 10.2 per cent in one year.

The long-term decline in Germany's pig population thus continues. In ten years, the population has fallen by 25 per cent, i.e. 7 million pigs.

The trend has been particularly significant in the last two years. There has been an 18 per cent decline in the population, corresponding to 4.7 million fewer pigs. The breeding herd has also declined by 18 per cent in two years.

 **JAPAN**
Pig meat imports

The table below shows Japan's total imports of pig meat, including fresh/frozen pig meat, for the period January-November 2022 compared to the same period in 2021.

| Total pig meat | | | |
|-----------------------|-------------------------|--------------------------|-----------------------------|
| Tonnes | 2022 Jan-Nov | 2021 Jan.-Nov | % change 2022:21 |
| USA | 330,181 | 349,419 | -5.5 |
| Canada | 209,383 | 222,488 | -5.9 |
| Spain | 177,259 | 110,481 | 60.4 |
| Mexico | 126,789 | 109,999 | 15.3 |
| Denmark | 100,441 | 85,140 | 18.0 |
| Holland | 39,872 | 38,059 | 4.8 |
| Chile | 34,767 | 30,370 | 14.5 |
| Brazil | 26,224 | 13,259 | 97.8 |
| France | 16,066 | 12,806 | 25.5 |
| Ireland | 16,304 | 13,617 | 19.7 |
| China | 13,588 | 13,694 | -0.8 |
| Thailand | 9,350 | 8,829 | 5.9 |
| Italy | 5,511 | 9,944 | -44.6 |
| Austria | 3,297 | 4,326 | -23.8 |
| Portugal | 1,408 | 929 | 51.6 |
| Finland | 1,047 | 820 | 27.7 |
| UK | 866 | 265 | 226.8 |
| Germany | 10 | 533 | -98.1 |
| Others | 1,569 | 1,136 | 38.1 |
| Total | 1,113,932 | 1,026,114 | 8.6 |

| 0203 Fresh/frozen pig meat | | | |
|---------------------------------------|-------------------------|-------------------------|-----------------------------|
| Tonnes | 2022 Jan-Nov | 2021 Jan-Nov | % change 2022:21 |
| USA | 219,342 | 226,679 | -3.2 |
| Canada | 199,266 | 213,935 | -6.9 |
| Spain | 172,667 | 108,095 | 59.7 |
| Mexico | 117,923 | 103,343 | 14.1 |
| Denmark | 81,852 | 74,598 | 9.7 |
| Holland | 30,532 | 29,491 | 3.5 |
| Chile | 27,427 | 25,185 | 8.9 |
| Brazil | 20,398 | 10,150 | 101.0 |
| France | 15,721 | 12,640 | 24.4 |
| Ireland | 11,597 | 10,901 | 6.4 |
| Italy | 4,767 | 6,939 | -31.3 |
| Austria | 2,925 | 4,127 | -29.1 |
| Portugal | 1,375 | 927 | 48.3 |
| UK | 866 | 265 | 226.8 |
| Finland | 744 | 553 | 34.5 |
| Germany | 0 | 525 | -100.0 |
| Others | 756 | 465 | 62.6 |
| Total | 908,158 | 828,818 | 9.6 |