

MARKET NEWS for pig meat



Market analysis

28 August 2023

Week 35

MARKET SITUATION

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

UK: Sales are good.

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 31	Week 32	Week 33	Weeks 1-33 2023:22
Carcass weight >110 kg	9,833	10,081	7,745	-38.8%
Carcass weight <110 kg	253,370	251,548	248,640	-19.4%
Total	263,203	261,629	256,385	-20.2%

USA

Futures

Chicago (\$ per 100 lbs carcass weight)	Lean Hog			Pork Cutout		
	25/8	18/8	Change	25/8	18/8	Change
2023						
Oct	79.83	82.13	-2.30	91.10	93.20	-2.10
Dec	72.03	74.50	-2.47	82.58	84.80	-2.22
2024						
Feb	76.38	78.60	-2.22	84.93	87.23	-2.30
Apr	81.48	83.25	-1.77	88.45	90.95	-2.50
May	85.68	87.28	-1.60	92.13	95.63	-3.50
Jun	92.63	93.93	-1.30	99.10	100.70	-1.60
Jul	93.00	94.05	-1.05	99.98	101.58	-1.60
Aug	92.10	92.88	-0.78	101.28	102.88	-1.60
Oct	80.28	80.30	-0.02	93.08	94.68	-1.60
Dec	75.88	75.88	0.00	89.20	90.80	-1.60
Feb 2025	80.23	80.23	0.00	92.03	93.63	-1.60

Conversion factors:

1 lb = 0.4536 kg

1 \$ = DKK

6.8965

 **China**
Futures

Dalian (Yuan per.kg)	Pigs					
	31/7	7/8	14/8	21/8	28/8	Change 21/8-28/8
September 2023	17.14	16.98	16.21	16.46	16.23	-0.23
November 2023	17.81	17.43	17.24	17.04	16.99	-0.05
January 2024	17.72	17.30	17.34	17.18	17.11	-0.07
March 2024	15.96	15.88	15.86	15.78	15.71	-0.07
May 2024	16.44	16.38	16.29	16.01	16.03	0.02
July 2024	16.84	16.77	16.78	16.64	16.61	-0.03

Omregning til Dkr/kg:
1 Y = DKK
0.9461: 1 Y =
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 5 – 20 August		Year to date 1 January - 20 Aug		2022		2021	
	Pigs	Wild boar	Pigs	Wild boar	Pigs	Wild boar	Pigs	Wild boar
Estonia		3	2	31		57	1	67
Latvia	2	95	8	486	6	913	2	338
Lithuania		12	3	241	16	302		238
Poland	2	62	21	2,099	14	2,152	124	3,023
Italy	1	18	7	767	4	277	1	14
Ukraine	2		10	6	7	2	13	3
Czech Republic		2		51		1		
Romania	70	2	465	228	329	465	1,648	1,019
Hungary		9		336		550		2,568
Bulgaria	1		3	121	2	387	6	318
Slovakia		2		497		550	11	1,622
Serbia	80	4	483	198	107	146	33	71
Moldova	1		19	6	14	3	1	
Bosnia-Herzegovina	303	3	570	7				
Croatia	170		483	4				
North Macedonia			4	23	30	9		
Kosovo	1		4	2				
Belgium								
Germany		21	1	800	3	1,628	4	2,431
Greece			6	2				
Total	633	233	2,089	5,905	537	7,442	1,844	11,712



EU

Outbreak of African Swine Fever ravages the Balkans

As can be seen from the table above, there are still many outbreaks of African Swine Fever in the Balkans where a number of small farms in Bosnia-Herzegovina, Croatia, Serbia and Romania have recently been affected.

The many cases in the Balkans mean that so far this year, according to the Commission's calculations, almost four times as many outbreaks have been detected at pig farms than were detected in the whole of last year. Moreover, the number of outbreaks in farms is already higher this year than for the whole of 2021.



EU

New research offers hope of better control of African Swine Fever

Scientists at the University of Edinburgh and the Friedrich Löffler Institute have found a pig gene for the replication of the African Swine Fever virus.

The scientists believe that the new discovery will provide a better understanding of the disease and make it possible to breed pigs that are resistant to the virus in future.



ITALY

African Swine Fever confirmed at a pig farm in Lombardy

Earlier this summer, the first case of African Swine Fever was found in Lombardy in a dead wild boar.

The disease has now been confirmed at a pig farm in the North Italian province, where a farm of 166 pigs is reported to be affected.



CANADA

Pig census 1 July

Last week, the authorities in Canada published the results of the pig census carried out on 1 July 2023.

The census shows a decline of 1.0 per cent in the population of piglets and finishers while the breeding herd fell by 0.4 per cent.

1,000 head	1 July 2023	1 July 2022	% change 2023:2022
Breeding herd	1,242.9	1,247.3	-0.4
Piglets and finishers	12,532.1	12,662.7	-1.0
Total	13,775.0	13,910.0	-1.0

On 1 July 2023, 7,100 pig farms were recorded in Canada, which is a decline of 2.9 per cent compared to one year ago when the number of pig farms stood at 7,310.

The number of pig slaughterings for the 1st half year 2023 amounted to 11.1 million, a rise of 0.2 per cent compared to the 1st half year 2022.

Exports of live pigs from Canada amounted to 3.3 million for the 1st half year, which is 0.8 per cent more than the 1st half year 2022.



USA

USDA expects American pig meat production in 2024 to be largely unchanged

In their latest Outlook Report, the USDA expects American pig meat production to be largely unchanged from 2023. For 2023, the USDA expects a modest increase in production of 1 per cent.

The table below shows the USDA's forecast for quarterly pig slaughtering in 2023 and for the 1st half of 2024 compared to the previous two years.

Pig meat Million lbs	2021	2022	Forecast 2023	% change 2023:22	Forecast 2024	% change 2024:23
Q1	7,292	6,905	7,071	2.4	6,895	-2.5
Q2	6,668	6,639	6,593	-0.7	6,520	-1.1
Q3	6,530	6,534	6,480	-0.8		
Q4	7,185	6,919	7,120	2.9		
Full year	27,675	26,997	27,264	1.0	27,335	0.3

The table below shows the USDA's forecast for U.S. production of various meat types in 2023 and 2024.

As can be seen, a significantly lower production of beef is expected in both 2023 and 2024. A rise in poultry production is expected, however.

Million lbs	2021	2022	Forecast 2023	% change 2023:22	Forecast 2024	% change 2024:23
Pig meat	27,675	26,997	27,264	1.0	27,335	0.3
Beef	27,948	28,291	26,981	-4.6	25,165	-6.7
Chicken	44,899	46,206	46,976	1.7	47,470	1.1
Turkey	5,558	5,222	5,578	6.8	5,650	1.3
Lamb and mutton	138	131	131	-	129	-1.5



USA

Fall in pig meat storage

With the USDA as the source, the table below shows the latest calculations for American pig meat storage as at 31 July compared to the previous month and one year ago.

Storage as at the end of July was 3 per cent lower than the previous month and 10 per cent lower compared to one year ago.

Beef storage, however, is 2 per cent higher compared to the previous month but 18 per cent lower compared to one year ago. As regards poultry, storage was 1 per cent down on the previous month and 4 per cent higher compared to one year ago.

1,000 lbs	31 July 2022	30 June 2023	31 July 2023
Picnics	6,685	7,901	8,082
Legs	151,634	136,836	143,921
Bellies	42,842	69,954	51,774
Loins	33,376	34,660	34,264
Ribs	106,315	62,599	63,350
Trimming	46,769	47,207	46,886
Butts	14,808	13,190	14,996
By-products	76,496	69,682	66,771
Other	47,571	44,782	43,787
Total pig meat	526,496	486,811	473,831
Beef	511,845	410,736	420,101
Turkey	1,242,582	1,300,416	1,289,430



BRAZIL

China asks Brazil to reduce the number of lists of plants it wants approved for export to China

According to the Brazilian Minister of Agriculture, the Chinese authorities have asked Brazil to reduce the number of lists of plants seeking permission to export meat to China.

China believes that one list with fewer Brazilian plants will help speed up the Chinese approval process.

The Brazilian Minister of Agriculture states that the Brazilian authorities initially sought approval for exports to China from 77 Brazilian plants. The Minister will now contact the Brazilian meat industry with a view to shortening the two lists.

In the first half year, Brazil increased its exports of pig meat to China by 19 per cent to 204,000 tonnes. Total Brazilian pig meat exports increased by 15 per cent to 526,000 tonnes over the same period.

FRANCE/ AUSTRALIA

French pig meat approved for export to Australia

According to the French Ministry of Agriculture and the French trade organisation, Culture Viande, Australia has now given the go-ahead to pig meat from France.

According to Culture Viande, approval comes after several years of negotiations between the two countries on sanitary conditions and follows a deadlock in negotiations between Australia and EU on a future trade agreement.

SPAIN

Spain introduces law on mandatory camera surveillance at slaughterhouses

International news media report that Spain's parliament has passed a new law which makes camera surveillance at Spanish pig and poultry slaughterhouses mandatory.

The reason for the new law is the growing public concern about animal welfare in the country and increased interest from consumers in the conditions under which food is produced.

The law means that slaughterhouses must have video surveillance installed in all areas of the slaughterhouse where live animals are present, including incoming transport, the driving corridor as well as stunning, sticking/exsanguination.

The new law comes into force at major slaughterhouses at the end of August. Smaller plants have one year to implement the adjustments.

RUSSIA

Pig meat production rose by 5.9 per cent in first half year

According to the Director of Russia's National Union of Pork Producers, Yuri Kovalev, Russia's pig meat production rose by 5.9 per cent in the first half year of 2023 compared to the first half year of 2022.