

MARKET NEWS for pig meat



Market analysis

25 September 2023 Week 39

MARKET SITUATION

Europe: Once again this week, legs are being traded at slightly rising prices while trading in other cuts is largely at unchanged prices.

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 35	Week 36	Week 37	Weeks 1-37 2023:22
Carcass weight >110 kg	9,359	9,927	10,198	-36.5%
Carcass weight <110 kg	261,104	246,358	249,184	-19.2%
Total	270,463	256,285	259,382	-20.0%



Futures

Chicago (\$ per 100 lbs carcass weight)	Lean Hog			Pork Cutout		
	22/9	15/9	Change	22/9	15/9	Change
2023						
Oct	81.53	83.13	-1.60	92.20	94.40	-2.20
Dec	72.18	75.10	-2.92	82.73	85.98	-3.25
2024						
Feb	75.35	78.78	-3.43	83.55	86.75	-3.20
Apr	81.28	84.23	-2.95	87.65	90.58	-2.93
May	86.43	88.85	-2.42	92.05	93.93	-1.88
Jun	94.00	96.15	-2.15	102.13	104.60	-2.47
Jul	94.70	96.53	-1.83	102.38	105.48	-3.10
Aug	93.95	95.63	-1.68	100.55	103.65	-3.10
Oct	81.13	82.65	-1.52	92.35	95.45	-3.10
Dec	75.45	76.60	-1.15	88.48	91.58	-3.10
Feb 2025	79.55	80.70	-1.15	91.30	94.40	-3.10
Conversion factors: 1 lb = 0.4536 kg 1 \$ = -DKK 7.0026						

 **CHINA**
Futures

Dalian (Yuan per kg)	Pigs					
	28/8	4/9	11/9	18/9	25/9	Change 18/9-25/9
November 2023	16.99	16.78	16.70	16.74	16.78	0.04
January 2024	17.11	17.35	17.13	17.13	17.21	0.08
March 2024	15.71	15.82	15.73	15.63	15.47	-0.16
May 2024	16.03	16.16	16.02	15.93	15.83	-0.10
July 2024	16.61	16.66	16.61	16.62	16.56	-0.06
Conversion factors: 1 Y = DKK 0.9587: 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 2 – 8 September		Year to date 1 January - 8 Sept		2022		2021	
	Pigs	Wild boar	Pigs	Wild boar	Pigs	Wild boar	Pigs	Wild boar
Estonia		1	2	35		57	1	67
Latvia		7	8	526	6	913	2	338
Lithuania		8	3	264	16	302		238
Poland	1	41	22	2,203	14	2,152	124	3,023
Italy	5	7	15	788	4	277	1	14
Ukraine	2		14	6	7	2	13	3
Czech Republic				53		1		
Romania	33	1	590	233	329	465	1,648	1,019
Hungary		4		352		550		2,568
Bulgaria			3	121	2	387	6	318
Slovakia		1		499	5	550	11	1,622
Serbia			508	198	107	146	33	71
Moldova			19	6	14	3	1	
Bosnia-Herzegovina			570	7				
Croatia	80	1	669	6				
North Macedonia		1	5	24	30	9		
Kosovo			8	4				
Belgium								
Germany		12	1	832	3	1,628	4	2,431
Sweden		1		1				
Greece			6	2				
Total	121	85	2,443	6,160	537	7,442	1,844	11,712

 **SWEDEN**
41 wild boar found dead with African Swine Fever – all in the same area

By the start of the weekend, 41 wild boar had been found dead with African Swine Fever. All were found in the same location, east of the town of Fagersta. The authorities continue to scour the area.

If no new discoveries are made outside the affected area in the coming weeks, the authorities plan to begin sealing it off with an electric fence. The area covers approx. 100 km².

The area is expected to be sealed off for up to two years.

 **ITALY**
More than 30,000 pigs culled to prevent further spread of infection in Lombardy

In Italy, more than 30,000 pigs from a total of 12 pig farms have been culled to prevent further spread of infection in the Lombardy region.

Lombardy is the most pig-intensive region in Italy. With approx. 5 million pigs, the region accounts for up to half of Italy's 10 million pig population.

"Our aim is to stop this outbreak so that the problems do not pose a risk to the entire Italian pig meat sector supply chain," said a spokesperson from Italy's pig meat sector's supply chain.

According to the spokesperson, the risk of the virus spreading further has been averted for now.

 **EU**
USDA: Decline in EU pig slaughtering expected to continue in 2024

The USDA has published a report on the EU beef and pig meat markets.

Production of both beef and pig meat in the EU is expected to continue to fall in 2024. Pig slaughtering in 2024 is expected to fall to 226.0 million against 230.0 million in 2023. In 2022, the figure stood at 239.0 million. Slaughtering is expected to pick up slightly in H2 2023, but not to the extent that will offset the fall in H1 2023.

USDA also expects the trend towards lower pig meat consumption in the EU market to continue in 2024. The report notes that consumers in the EU are showing a distinct preference for poultry. This is due to health considerations, easier preparation and relatively lower prices.

The decline in pig meat consumption is expected to hit Germany and France in particular, while southern Europe is expected to see consumption rise or stabilise in the wake of more tourists post Covid.

The table below shows the USDA's outlook for the EU's pig meat market balance.

Carcass weight, 1,000 tonnes	2022	2023	2024
Slaughtering (million)	239.0	230.0	226.0
Production	22,277	21,500	21,150
Pig meat imports	121	100	100
Pig meat exports	4,174	3,600	3,500
Consumption	18,224	18,000	17,750

 **EU**
May-June pig census

Eurostat has now published the results of the

May/June pig census for all 13 EU countries.

The figures are shown in the table below.

The 2023 figures for Poland are preliminary and estimated for Sweden.
Eurostat has not published the results of the UK pig census from May/June.

As can be seen, there is a decline in both the EU's total population and the breeding herd compared to one year ago.

But comparing the May/June census with the census from December 2022, a stabilisation of the breeding herd has taken place. Compared to December, the total population fell by 2.0 per cent while the breeding sow population, including pregnant sows, fell by 0.7 and 0.3 per cent.

The result of the census clearly shows that by the end of the year and the start of the next, we will begin to see a slight rise in EU slaughtering.

1,000 head	Total population			Breeding sows			Pregnant sows		
	2023	2022	% change	2023	2022	% change	2023	2022	% change
Spain	33,859	32,553	4.0	2,725	2,673	1.9	1,787	1,758	1.6
Germany	20,950	22,337	-6.2	1,394	1,494	-6.7	1,020	1,080	-5.6
France	12,146	12,661	-4.1	879	907	-3.1	612	635	-3.6
Denmark	11,007	12,179	-9.6	1,123	1,191	-5.7	704	734	-4.1
Holland	10,872	11,235	-3.2	882	920	-4.1	570	594	-4.0
Poland ¹⁾	9,436	9,611	-1.8	591	606	-2.5	422	418	1.0
Italy	8,366	8,766	-4.6	617	580	6.4	504	474	6.3
Belgium	5,407	5,847	-7.5	353	370	-4.6	290	301	-3.7
Romania	3,004	3,332	-9.8	224	229	-2.2	137	139	-1.4
Hungary	2,560	2,715	-5.7	232	240	-3.3	158	161	-1.9
Austria	2,573	2,633	-2.3	212	219	-3.2	147	152	-3.3
Ireland	1,661	1,635	1.6	145	136	6.6	96	93	3.2
Sweden ²⁾	1,271	1,393	-8.8	107	126	-15.1	76	87	-12.6
EU (13)	123,112	126,897	-3.0	9,484	9,691	-2.1	6,523	6,626	-1.6
UK		5,192			415			291	
Serbia	2,433	2,641	-7.9	365	384	-4.9	198	160	23.8

1)=Preliminary figures for 2023

2)=Estimated figures for 2023



EU

Pig meat exports down by 16 per cent for H1 2023

With the EU Commission as the source, the table below shows the EU's exports of pig meat by category, importers and exporters for January-June 2023 compared to the same period in 2022.

Exports are stated in product weight. The UK is included as a third market country, outside the EU.

By category

Tonnes	Jan-June 2023	Jan-June 2022	% change 23:22
Live pigs	27,095	22,154	22
Fresh/frozen	1,052,033	1,383,359	-24
Bacon	109,875	114,016	-4
Processed	220,741	233,564	-5
By-products	684,996	743,867	-8
Total	2,094,740	2,496,960	-16

Importers of pig meat from EU

Tonnes	Jan-June 2023	Jan-June 2022	% change 23:22
China	603,027	663,466	-9
UK	428,001	415,465	3
Japan	185,597	215,178	-14
Philippines	149,132	236,890	-37
South Korea	112,996	165,201	-32
Australia	43,506	70,992	-39
Vietnam	49,053	36,912	33
USA	39,976	75,293	-47
Ivory Coast	43,078	53,965	-20
Taiwan	32,940	42,957	-23
Hong Kong	33,240	38,274	-13
Others	374,194	482,367	-22
EU-27	2,094,740	2,496,960	-16

Exporters of pig meat from EU

Tonnes	Jan-June 2023	Jan-June 2022	% change 23:22
Spain	665,486	803,136	-17
Holland	357,393	408,916	-13
Denmark	317,438	410,978	-23
Germany	162,374	202,682	-20
France	127,997	151,221	-15
Poland	120,217	147,113	-18
Ireland	107,452	121,084	-11
Belgium	69,165	63,921	8
Italy	46,369	46,554	0
Austria	25,939	30,282	-14
Others	94,910	111,073	-15
EU-27	2,094,740	2,496,960	-16

Germany

AMI: Good performance for German piglet producers in 2023

Model calculations from AMI (*agricultural market information company*) in Germany for pig producers' monthly earnings show that German piglet producers put in a good performance in 2023.

The model calculations show a profit for piglet producers since January this year.

For this month of September, the profit for a 25 kg piglet is stated at EUR 20.5. Revenue is put at EUR 93.4 per pig while costs are calculated at EUR 72.9 per pig.

The positive upturn follows losses for piglet production since mid-2020.