

MARKET NEWS for pig meat



Market analysis

6 June 2017

Week 23

MARKET SITUATION

Europe: Trading in fresh legs and other cuts is under pressure. Trading, however, is at largely unchanged prices.

UK: Trading is stable.

Calm trading continues to be reported for China and Japan.

SLAUGHTERINGS DENMARK

	Week 19	Week 20	Week 21	Week 1-21 2017/2016
Total	303,795	338,348	222,096	-8.2 %

Source: Danish Classification Control Service – representing around 98% of all finished pigs and sows slaughtered, excluding culled pigs.

PIG PRICES

Finished pigs and sows

DKK/kg	DC	Tican
Finished pigs (basic weight class and basic meat percentage)	11.60	11.60
Sows (above 130 kg)	8.20	8.20

Nominal prices for piglets (30 kg)

DKK/kg	Current	52 wk av
Basic	446.02	400.35
SPF+Myc	451.02	405.35
SPF	455.02	409.35
Organic	1061.93	1067.44
Market prices SPF region 1		
PRRS negative	555.00	447.00
PRRS positive	550.00	431.00
Market prices SPF region 2/3		
PRRS negative	555.00	447.00
PRRS positive	550.00	431.00

Weight adjustment:	7-9 kg	9-12 kg	12-25 kg	25-30 kg	30-40 kg
	12.83 kr./kg	7.53 kr./kg	7.60 kr./kg	6.28 kr./kg	6.34 kr./kg

FUTURES

	Chicago (\$ per 100 lbs slaughter weight)			Eurex (€/kg slaughter weight)		
	2/6	26/5	Change	2/6	26/5	Change
2017						
Jun	81.23	81.83	-0.60	1.79	1.74	+0.05
Jul	81.98	81.90	+0.08	1.75	1.75	0.00
Aug	81.70	81.30	+0.40	1.75	1.75	0.00
Sep	-	-	-	1.75	1.75	0.00
Oct	68.70	68.23	+0.47	1.75	1.75	0.00
Nov	-	-	-	1.70	1.75	-0.05
Dec	63.05	62.18	+0.87	-	-	-
2018						
Jan	-	-	-	-	-	-
Feb	66.38	65.83	+0.55	-	-	-
Mar	69.48	69.05	+0.43	-	-	-
Apr	73.50	73.20	+0.30	-	-	-
May	77.20	76.83	+0.37	-	-	-
Jun	76.70	76.13	+0.57	-	-	-
Jul	76.10	75.40	+0.70	-	-	-
Aug	67.00	67.00	0.00	-	-	-
Conversion factors: 1 lb = 0.4536 kg \$ = €6.6321				Conversion factor DKK/kg: € = 7.4392		



EU

African Swine Fever

According to the EU Commission's reporting system for the outbreak of disease, the following outbreaks of ASF were reported for the following EU countries and the Ukraine:

Countries	Period 14 May - 28 May		Year to date 1 January - 28 May	
	Pigs	Wild boar	Pigs	Wild boar
Estonia		16	0	311
Latvia		24	2	302
Lithuania		14	1	190
Poland		24	0	165
Italy	4		13	28
Ukraine	4		65	5

Slaughterings

2015	Pigs/sows 50-110 kg	Sows etc. above 110 kg	Total
January	1,801,534	65,316	1,866,850
February	1,518,612	45,563	1,564,175
March	1,498,617	37,317	1,535,934
April	1,579,842	49,161	1,629,003
May	1,301,793	44,381	1,346,174
June	1,403,521	45,657	1,449,178
July	1,693,617	50,667	1,744,284
August	1,381,699	43,093	1,424,792
September	1,392,141	43,777	1,435,918
October	1,775,467	42,091	1,817,558
November	1,533,406	43,372	1,576,778
December	1,557,981	41,110	1,599,091
Jan-Dec	18,438,230	551,505	18,989,735

2016	Pigs/sows 50-110 kg	Sows etc above 110 kg	Total
January	1,542,852	49,976	1,592,828
February	1,442,088	44,695	1,486,783
March	1,595,234	47,847	1,643,081
April	1,372,690	45,301	1,417,991
May	1,270,399	42,165	1,312,564
June	1,683,766	51,569	1,735,335
July	1,330,632	40,749	1,371,381
August	1,327,556	44,362	1,371,918
September	1,698,226	48,624	1,746,850
October	1,382,249	43,324	1,425,573
November	1,475,498	45,403	1,520,901
December	1,623,095	46,922	1,670,017
Jan-Dec	17,744,285	550,937	18,295,222

2017	Pigs/sows 50-110 kg	Sows etc above 110 kg	Total
January	1,388,979	45,071	1,434,050
February	1,325,804	41,159	1,366,963
March	1,658,873	51,456	1,710,329
April*	1,117,002	40,891	1,157,893
May	0	0	0
June	0	0	0
July	0	0	0
August	0	0	0
September	0	0	0
October	0	0	0
November	0	0	0
December	0	0	0
Jan-Dec	5,490,658	178,577	5,669,235

* = Preliminary figures

Exports of live pigs

2015	Piglets		Pigs/sows 50-135 kg	Pigs/sows above 135 kg	Total
	0-15 kg	15-50 kg			
January	42,630	919,542	29,148	3,104	994,424
February	32,552	944,306	33,330	3,666	1,013,854
March	30,147	966,766	31,340	3,580	1,031,833
April	36,128	1,053,984	25,245	4,709	1,120,066
May	31,159	916,293	18,966	3,436	969,854
June	36,096	918,366	27,421	4,054	985,937
July	31,212	988,119	20,122	4,087	1,043,540
August	33,360	922,436	22,920	3,563	982,279
September	31,500	1,023,964	23,760	4,551	1,083,775
October	30,715	874,603	21,448	3,324	930,090
November	30,018	929,703	15,621	3,370	978,712
December	46,115	1,105,335	20,859	7,148	1,179,457
Jan-Dec	411,632	11,563,417	290,180	48,592	12,313,821

2016	Piglets		Pigs/sows 50-135 kg	Pigs/sows above 135 kg	Total
	0-15 kg	15-50 kg			
January	43,054	1,158,651	16,967	4,426	1,223,098
February	35,503	891,644	21,095	6,806	955,048
March	45,142	1,102,519	17,526	2,196	1,167,383
April	43,235	1,073,102	22,482	4,442	1,143,261
May	41,933	1,069,525	16,384	4,051	1,131,893
June	36,059	1,052,983	36,263	4,255	1,129,560
July	35,510	1,019,201	19,854	2,879	1,077,444
August	35,973	1,098,135	18,203	1,396	1,153,707
September	40,429	1,023,887	17,196	1,600	1,083,112
October	33,161	1,057,389	16,592	1,372	1,108,514
November	36,939	1,117,457	15,546	1,868	1,171,810
December	37,014	1,106,230	22,057	885	1,166,186
Jan-Dec	463,952	12,770,723	240,165	36,176	13,511,016

2017	Piglets		Pigs/sows 50-135 kg	Pigs/sows above 135 kg	Total
	0-15 kg	15-50 kg			
January	37,756	1,132,400	18,025	1,270	1,189,451
February	27,330	981,169	16,415	1,142	1,026,056
March	37,601	1,184,981	19,819	1,289	1,243,690
April*	35,328	950,135	23,492	2,311	1,011,266
May	0	0	0	0	0
June	0	0	0	0	0
July	0	0	0	0	0
August	0	0	0	0	0
September	0	0	0	0	0
October	0	0	0	0	0
November	0	0	0	0	0
December	0	0	0	0	0
Jan-Dec	138,015	4,248,685	77,751	6,012	4,470,463

* = Preliminary figures

 **CANADA**
Residues of ractopamine found in pig feet to China

A shipment of pig feet to China from the Canadian meat company, Olymel, has tested positive for residues of ractopamine.

China views the tainted shipment as a systematic failure of Canada's programme that certifies pig meat to China as free of ractopamine.

Canada now fears that the finding could impact future Canadian exports of pig meat to China. The Canadian Food Inspection Agency (CFIA), which certifies pig meat to China as free of ractopamine, has temporarily stopped signing certificates that allow the Olymel plant to export to China.

As a result of the finding, CFIA reports that the Chinese authorities have now stepped up their testing of Canadian pig meat. The last time China detected ractopamine in imported Canadian pig meat, it removed several Canadian processing plants from the list of approved exporters to China, says a spokesman from the Canadian Pork Council.

According to Statistics Canada, in 2016, Canada exported 314,000 tonnes pig meat to China worth C\$ 587 million. Pig feet are a popular dish in China.

 **CANADA**
More cases of PEDv

Since the first case of PEDv was reported at the beginning of May, the Canadian province of Manitoba has reported ten cases so far.

Although the outbreaks are limited compared to the situation in the US in 2013 and 2014, the situation is causing concern.

The outbreaks have hit both sow and finisher herds, all of which are in the south east of the province.

The authorities do not yet know what has caused the virus to spread. There are no obvious links between the affected herds and usually, the virus is spread in cold, humid weather. The weather in Manitoba has been hot and dry recently.

 **GERMANY**
Tönnies regains access to China

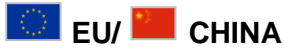
Tönnies has regained access for exports to China for its two slaughterings plants, Rheda-Wiedenbrück and Weissenfels. The export licence for the Böseler slaughterhouse has also been re-established.

The two German slaughterhouses have been unable to export to China since February.

 **HOLLAND**
Unchanged turnover for Topigs

Weekly Tribune reports that the Dutch breeding company, Topigs, posted a turnover of €119.8 million in 2016, which is unchanged on the year.

Profits amounted to €1.3 million against a loss of €1.7 million the previous year. An increasing proportion of the turnover stems from markets outside Holland. The domestic market accounts for just 19 per cent of the total turnover.



EU and China agree to publish a list of European and Chinese geographical indications

Following a meeting between the EU and China in Brussels on 2 June, the two parties have agreed to publish a list of 100 European and 100 Chinese products that will be considered for protection through a bilateral agreement to be concluded in 2017.



Aid package for pig producers

The two organisations, Vietnam Youth Federation and DSF Vietnam Co, have announced an aid package for the country's pig producers to address a serious economic crisis, reports the international news media.

The aid package aims to sell pork at subsidised prices to stimulate consumption. Until the end of June, pigs can be purchased for VND 30,000 per kg and sold at a price of VND 35,000, but buyers have to buy pieces of pork weighing 18-20 kg.

According to the Managing Director of DSF, the initial purpose of the programme is to help pig farmers sell their unsold pork. DSF also hopes to encourage pig producers to remain in the industry to prevent a shortage of pork at a later date.



Russia initiates talks with Vietnam on pork exports

Pig333 reports that in connection with the WOAHP meeting in Paris, Russia held a bilateral meeting with Vietnam on possible future exports of pork from Russia to Vietnam.

As large areas of Russia are now free of African Swine Fever, the Russians are looking to export to Vietnam from these areas.

The Vietnamese will assess the information provided by the Russians about African Swine Fever, which they expect to receive soon.



Russia begins talks with Thailand on the export of by-products

Pig333 reports that in connection with the WOAHP meeting in Paris, Russia held a bilateral meeting with Thailand concerning future exports of by-products from Russia to Thailand.

At the meeting, the Thai authorities expressed their concerns about the presence of African Swine Fever in Russia.

The Russian veterinary authorities (Rosselkhoz nadzor) stated that action will be taken to eradicate and control the disease. The Russian veterinary authorities have issued an invitation to a delegation of Thai inspectors to visit Russian producers in the near future.

Pig meat imports January - March

0203				
Fresh/frozen pig meat				
Tonnes	Jan - March 2015	Jan - March 2016	Jan - March 2017	% change 17:16
Canada	1,966	4,423	4,735	7.0
Germany	5,740	3,886	3,445	-11.4
France	3,426	3,251	2,163	-33.5
USA	677	495	1,916	287.3
Spain	1,007	1,045	1,441	37.9
Brazil	498	16	499	3092.1
Holland	469	166	445	168.9
UK	262	231	366	58.2
Denmark	866	904	361	-60.1
Australia	12	26	283	991.6
Belgium	519	188	270	44.0
Ireland	104	259	128	-50.6
Others	88	-	4	-
Total	15,633	14,890	16,055	7.8

020649				
By-products - pigs				
Tonnes	Jan - March 2015	Jan - March 2016	Jan - March 2017	% change 17:16
Germany	6,558	8,882	10,715	20.6
Spain	4,954	7,827	7,897	0.9
USA	4,193	3,965	4,800	21.1
Belgium	1,886	2,987	2,430	-18.6
Holland	3,273	3,354	2,305	-31.3
France	2,084	3,692	2,209	-40.2
UK	1,275	1,348	1,487	10.3
Denmark	1,164	1,325	1,431	8.0
Canada	2,097	3,067	926	-69.8
Ireland	614	639	257	-59.8
Australia	728	499	230	-53.8
Others	500	53	760	1347.3
Total	29,325	37,637	35,448	-5.8

020641				
Pigs liver				
Tonnes	Jan - March 2015	Jan. - March 2016	Jan. - March 2017	% change 17:16
Holland	798	772	1,026	32.9
Canada	586	312	914	192.6
Spain	522	1,734	588	-66.1
UK	-	174	567	226.3
Australia	384	522	358	-31.3
Ireland	389	400	291	-27.3
Germany	403	597	145	-75.8
Belgium	110	311	84	-73.0
France	26	53	17	-67.2
Others	78	331	106	-68.0
Total	3,296	5,207	4,097	-21.3

 **BRAZIL**
Court freezes USD 246 million belonging to Joseley Batista

Last week, a Brazilian court issued an injunction to freeze 800 million reais (USD 246 million) from an account belonging to the ex-Chairman of JBS, Joseley Batista.

The court issued the injunction stating that the frozen funds may be used to repay allegedly illegal gains in the foreign currency market.

The Batista brothers are accused of having bought dollars shortly before charges against Brazil's President were announced and selling JBS shares in April before the charges against the company were published.

 **PARAGUAY**
Paraguay declared free of Classical Swine Fever and Foot & Mouth disease

At last week's General Meeting, the World Organisation for Animal Health (OIE) declared Paraguay free of Classical Swine Fever and Foot & Mouth disease (with vaccination).

As a result of the implementation of a special programme for combating the diseases, the last outbreak of Classical Swine Fever in the country took place in 1995. The certification is expected to strengthen the production and export of pig meat from the country.

Source: Pig333

 **COLOMBIA**
Parts of Colombia declared free of Classical Swine Fever

Last week, Colombia's Minister of Agriculture announced that the country's main pig producing area is free of Classical Swine Fever (without vaccination).

The areas in question cover more than 70% of Colombian pig production.

Source: Pig333

 **SOUTH AFRICA**
Foot & Mouth disease

The authorities in South Africa have reported one case of Foot and Mouth disease to the authorities. Some seven head of cattle have been affected. The outbreak was found in the north east of the country close to the border with Mozambique.