

# MARKET NEWS for pig meat



Market analysis

10 October 2017

Week 41

## MARKET SITUATION

Europe: Trading in fresh legs and other cuts is at unchanged prices.

UK: Trading is stable.

Trade is reported as stable for Japan and China.

## SLAUGHTERINGS DANMARK

	Week 37	Week 38	Week 39	Week 1-39 2017/2016
Total	325,665	332,238	338,042	-5.7 %

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

## PRICES

### Slaughter pigs and sows

DKK/kg	DC	Tican
Finished pigs (basic weight class and basic meat percentage)	10.00	10.00
Sows (above 130 kg)	6.20	6.20

### Nominal prices for piglets (30 kg)

DKK/head	Current	52 wk av
Basic	384.51	406.89
SPF+Myc	389.51	411.89
SPF	393.51	415.89
Organic	945.49	1033.90
<b>Market prices SPF region 1</b>		
PRRS negative	420.00	481.00
PRRS positive	390.00	464.00
<b>Market prices SPF region 2/3</b>		
PRRS negative	420.00	481.00
PRRS positive	390.00	464.00

Weight adjustment:	7-9 kg	9-12 kg	12-25 kg	25-30 kg	30-40 kg
	10.19 kr/kg	9.08 kr/kg	6.61 kr/kg	5.46 kr/kg	5.60 kr/kg

## FUTURES

	<b>Chicago</b> (\$ per 100 lbs slaughter weight)		
	6/10	29/9	Change
<b>2017</b>			
Oct	59.18	55.40	+3.78
Nov	-	-	-
Dec	60.93	59.95	+0.98
<b>2018</b>			
Jan	-	-	-
Feb	66.55	65.05	+1.50
Mar	-	-	-
Apr	71.40	69.85	+1.55
May	76.38	75.68	+0.70
Jun	79.88	78.88	+1.00
Jul	80.48	78.90	+1.58
Aug	79.88	78.15	+1.73
Sep	-	-	-
Oct	67.75	65.53	+2.22
Nov	-	-	-
Dec	62.05	60.73	+1.32
<b>2019</b>			
Jan	-	-	-
Feb	65.20	63.65	+1.55
Conversion factors: 1 lb = 0.4536 kg \$ = €6.3038			



EU

### African Swine Fever

The EU Commission's reporting system for the outbreak of disease has published the following figures:

Countries	Period 2 Oct – 8 Oct		Year to date 1 Jan – 8 Oct	
	Pigs	Wild boar	Pigs	Wild boar
Estonia		11	3	519
Latvia		10	7	689
Lithuania		29	30	710
Poland	1	18	79	356
Italy			16	28
Ukraine	3		99	15
Czech Republic		5		111
Romania			2	



RUSSIA

### African Swine Fever

In the last two weeks, Russia reported eight cases of African Swine Fever: 7 at small pig farms and one among wild boar.

 **RUSSIA**
**Foot and Mouth disease**

On Monday, the authorities in Russia reported three outbreaks of Foot and Mouth disease in southern Russia near the Ural mountains, not far from the border with Kazakhstan. Some 10 cattle and 65 sheep and goats have been affected.

 **RUSSIA**
**Classical Swine Fever**

An outbreak of Classical Swine Fever was reported last week at a small pig farm in eastern Russia close to the border with China.

 **GERMANY**
**End to futures prices for finished pigs**

The German futures price for finished pigs and piglets on the German futures market, Eurex, came to an end with effect from last week.

As a result, Market News will only cover the futures prices from Chicago for US finished pigs.

The German futures market for finished pigs has never been an effective market with realistic futures prices for German finished pigs.

 **HOLLAND**
**Piglet exports**

Weekly Tribune reports that Holland exported 4.41 million piglets in the first eight months of 2017: a rise of 1.3% compared with the same period last year.

Germany is the largest export market for Dutch piglets with 3.02 million so far this year and is followed by Belgium with 594,000. Spain has overtaken Poland's position as the third largest export market with exports totalling 190,000. Poland imported 93,000 against 220,000 last year.

 **BRAZIL/**
 **PERU**
**Peru opens its market to pig meat from Brazil**

According to Brazil's Ministry of Agriculture, Peru is to open its market to pig meat from Brazil from 30 November this year. The agreement is expected to be settled in connection with a Brazilian trade delegation's visit to Peru.

 **BRAZIL/**
 **SINGAPORE**
**Brazil expects increased exports to Singapore following new agreement**

Agra Europe reports that Brazil has gained access to the Singapore market for pig meat, beef and by-products.

According to Brazil's Ministry of Agriculture, the new agreement may result in an uplift in meat exports from Brazil to Singapore equivalent to more than USD 100 million per year – USD 89 million for beef alone.

So far, Santa Catarina is the only Brazilian state to export to Singapore.


**BRAZIL/ RUSSIA**
**Brazil wants increased trade with Russia**

Agra Europe reports that the Brazilian Agriculture Minister visited Moscow last week in an effort to increase trade between the two countries.

The Brazilians are particularly keen to increase exports of pig meat, beef and soya beans and are looking to get more Brazilian slaughterhouses approved for export to Russia. In return, the Brazilians are prepared to give Russia greater access to the Brazilian market for wheat, fish and beef.

In 2016, Brazil's agricultural exports to Russia totalled USD 2.07 billion. The biggest products were pig meat at USD 513 million, soya beans at USD 411 million and beef at USD 390 million. Russian agricultural exports to Brazil amounted to just USD 5 million.


**USA/ MYANMAR**
**US export promotion in Myanmar**

The Pigsite has reported on a US export promotion in Myanmar for US beef and pig meat as part of the Food and Hotel Myanmar 2017 exhibition.

USMEF (US Meat Exporters Federation) has been working with the market in Myanmar since 2013 when an export protocol between the two countries was established. "The foodservice sector will be our main focus for the time being, even though we are also beginning to see a small window in the retail sector", commented Sabrina Yin, USMEF Director for the ASEAN region.

Myanmar has a population of 51 million.


**JAPAN**
**Imports of fresh/frozen pig meat**

0203					
Fresh/frozen pig meat					
Tonnes	2017 August	2016 August	2017 Jan-Aug	2016 Jan-Aug	% change 2017:16
USA	22,858	24,353	176,242	173,530	1.6
Canada	18,494	14,227	139,240	114,352	21.8
Denmark	9,642	11,170	76,190	76,012	0.2
Spain	8,616	7,372	72,187	62,144	16.2
Mexico	7,549	6,167	57,552	48,921	17.6
Chile	2,425	2,269	16,479	18,595	-11.4
Holland	2,225	1,796	16,631	15,868	4.8
Hungary	1,404	1,274	13,751	15,552	-11.6
Germany	1,334	1,274	11,823	9,125	29.6
France	1,265	1,297	9,484	8,845	7.2
Italy	1,081	1,066	8,769	8,840	-0.8
Austria	720	1,019	5,347	8,714	-38.6
Ireland	528	313	5,467	5,008	9.2
Australia	73	44	346	312	10.8
Belgium	72	48	382	360	6.3
Finland	25	25	495	887	-44.2
Others	188	220	1,651	1,875	-11.9
<b>Total</b>	<b>78,497</b>	<b>73,935</b>	<b>612,036</b>	<b>568,941</b>	<b>7.6</b>

## Japan's imports of sausage products

0210 Sausage products		
Tonnes	2017	% change 2017:16
	Jan-Aug	
China	5,641	-10.9
Taiwan	133	-9.7
Thailand	4,268	-9.9
Denmark	1,051	-14.6
Canada	57	200.0
USA	6,110	-4.4
Brazil	2,953	21.5
Others	1,524	33.0
<b>Total</b>	<b>21,737</b>	<b>-3.1</b>

## Development in pig meat storage

Tonnage	Own production		Imported volumes		Total storage
	Fresh	Frozen	Fresh	Frozen	
End January 16	294	16,559	6,530	144,724	168,107
End February 16	313	16,839	7,088	144,023	168,263
End March 16	351	15,601	9,206	144,222	169,380
End April 16	611	17,479	7,843	147,530	173,463
End May 16	510	18,368	8,524	150,870	178,272
End June 16	492	20,660	9,180	149,946	180,278
End July 16	521	18,184	7,350	146,181	172,236
End August 16	382	17,151	11,429	147,350	176,312
End September 16	425	17,153	10,342	141,460	169,380
End October 16	644	16,916	8,636	137,490	163,686
End November 16	467	15,700	10,026	138,043	164,236
End December 16	604	16,196	7,781	137,656	162,237
End January 17	442	16,843	7,780	150,579	175,644
End February 17	1,454	16,149	7,443	146,058	171,104
End March 17	417	15,433	9,556	152,113	177,519
End April 17	505	16,360	8,921	148,234	174,020
End May 17	456	17,341	8,794	155,611	182,202
End June 17	407	15,974	7,435	157,400	181,216
End July 17	691	13,767	6,408	155,203	176,069