

MARKET NEWS for pig meat



Market analysis

10 September 2018

Week 37

MARKET SITUATION

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

UK: Prices are reported as stable.

Sales activity for China has improved and is stable for Japan.

Slaughterings in Denmark

	Week 33	Week 34	Week 35	Week 1-35 2018/2017
Total	329,555	318,566	336,158	+3.7 %

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

FUTURES, USA

	Chicago (\$ per 100 lbs slaughter weight)		
	7/9	31/8	Change
2018			
Oct	55.65	50.43	5.23
Nov	-	-	-
Dec	56.80	53.40	3.40
2019			
Jan	-	-	-
Feb	64.73	62.88	1.85
Mar	-	-	-
Apr	69.80	68.48	1.33
May	75.25	74.18	1.08
Jun	80.53	78.75	1.78
Jul	80.13	78.60	1.53
Aug	78.85	77.38	1.47
Sep	-	-	-
Oct	66.60	64.70	1.90
Nov	-	-	-
Dec	62.08	61.00	1.08
2020			
Jan	-	-	-
Feb	66.75	65.00	1.75

Conversion factors:
1 lb = 0.4536 kg
1 \$ = DKK 6.4210



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 countries and Ukraine up to and including 2 September.

Countries	Period 26 August – 2 September		Year to date 1 Jan – 2 September	
	Pigs	Wild boar	Pigs	Wild boar
Estonia				192
Latvia		11	10	517
Lithuania	2	7	49	1.184
Poland	2	29	105	1.862
Italy			3	24
Ukraine	4		75	36
Czech Republic				28
Romania	25	3	808	29
Hungary		1		33
Bulgaria	1		1	

MOLDOVA

African Swine Fever

Last week, the authorities in Moldova reported 7 outbreaks of African Swine Fever at two small farms. Two of the outbreaks were in the south of the country, close to the border with Romania while five were found in the south east of the country, close to the border with Ukraine.

CHINA

18 outbreaks of African Swine Fever

The Chinese authorities have now confirmed 18 cases of African Swine Fever in six provinces.

There are reports of rising pig prices in the more populous southern provinces. Normally slaughterhouses in the south receive a quantity of pigs for slaughter from the northern regions. However, such transports of pigs from north to south are now being complicated by transport restrictions.

According to Rabobank, there is a high likelihood of rising Chinese imports of pig meat in the future. The bank emphasises, however, that both the volume of imports and the time scale for a possible decline in Chinese production is highly uncertain.

According to the FAO, the disease has probably come to China to stay. And there is a major risk of it spreading to other Asian countries. The FAO points out that the relatively extensive spread across large areas of China indicate that the disease is spread through meat products. The disease is difficult to control as African Swine Fever can survive for months in meat products, animal feed and kitchen waste.

JAPAN

Outbreak of African Swine Fever

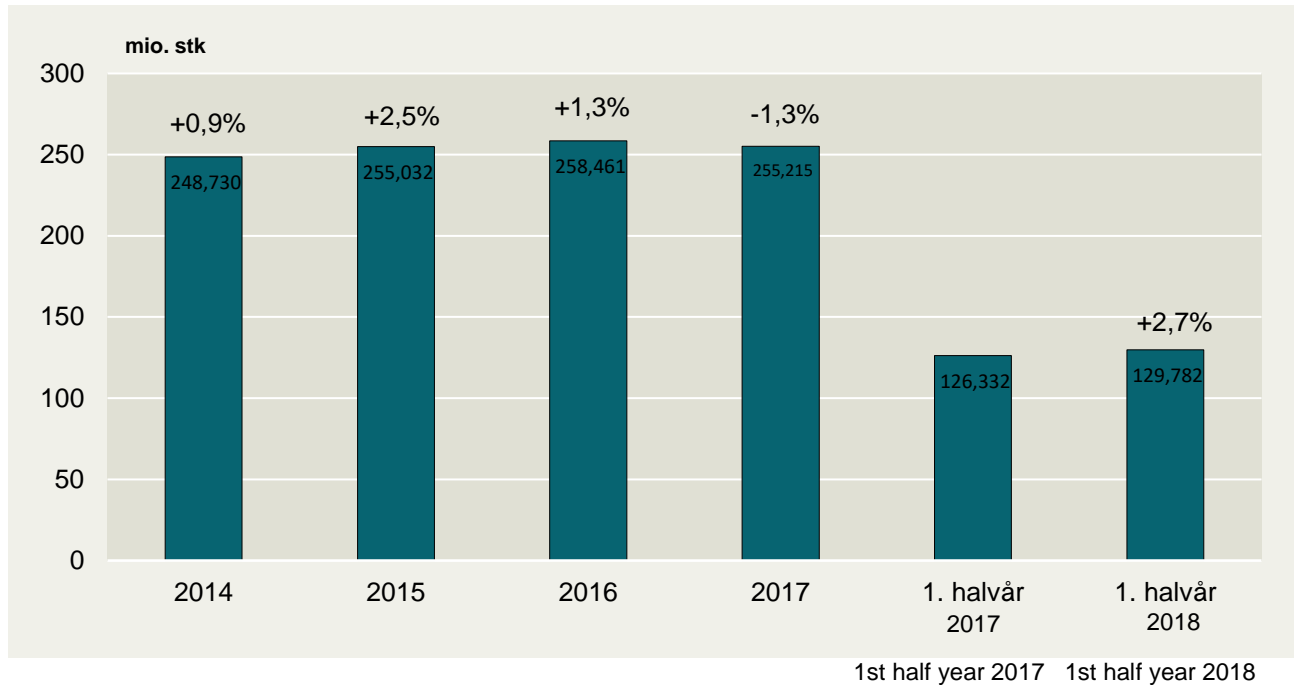
Japan reported one outbreak of African Swine Fever at the weekend – the first in 26 years. The virus was discovered at a farm in the town of Gifu in central Japan.



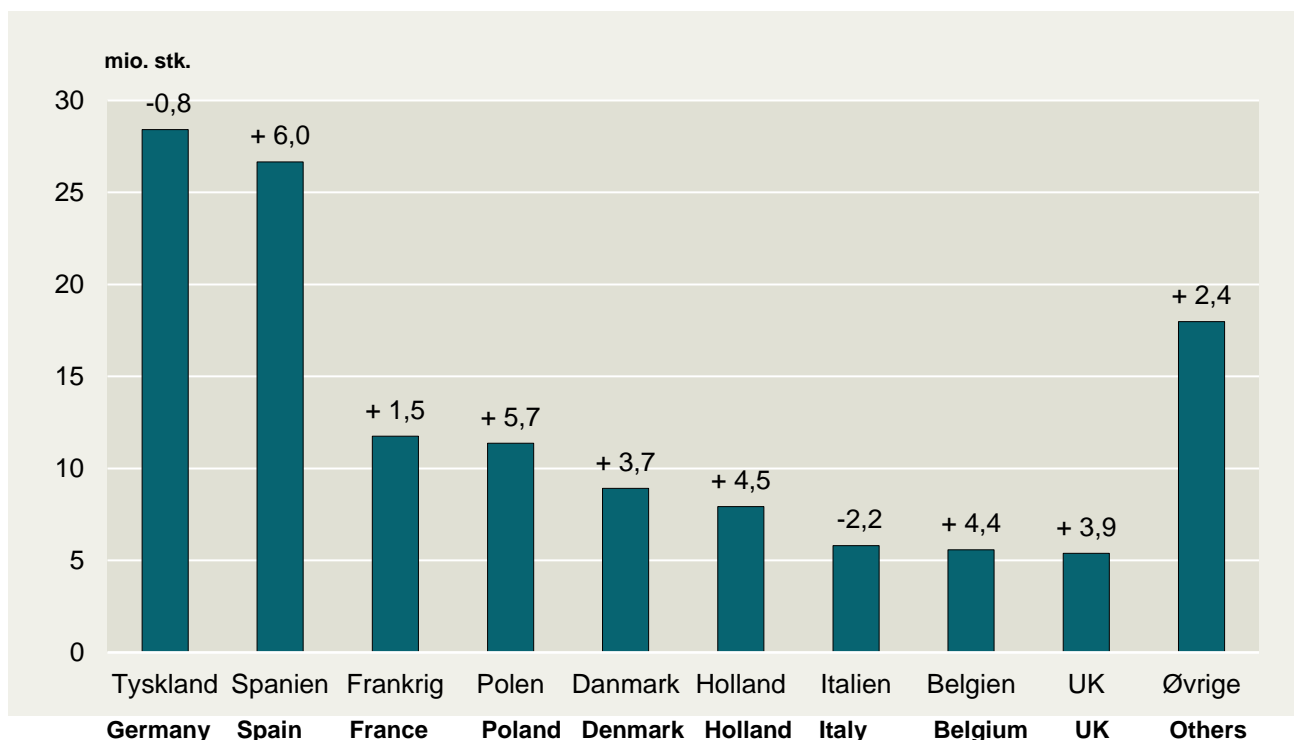
Pig slaughterings rose 2.7 per cent in first half year 2018

Based on reports from individual EU countries, Eurostat has now published figures for the development in pig slaughterings for the first half year 2018. The reported figures show total slaughterings in the EU for the first half year 2018 to be 129.8 million. This is a rise of 3.5 million, corresponding to 2.7 per cent, compared to the first half year 2017.

As is shown in the diagram below, the rise follows a slight fall in slaughterings in 2017.



The diagram below shows the development in slaughterings for the first half year 2018 for the largest pig producing countries in the EU. There was a slight fall in slaughterings for Germany and Italy. All the other major pig producing countries saw rises, with the most significant occurring in Spain and Poland.





Pig meat exports

The EU Commission has published preliminary figures for EU pig meat exports (measured in carcase weight) for the period January-June 2018 compared to the same period last year.

According to categories

Tonnes	Jan - June 2018	Jan - June 2017	% change 18:17
Live pigs	9,615	4,119	133.4
Fresh/frozen	1,010,411	974,730	3.7
Bacon	19,124	17,254	10.8
Processed	82,577	80,147	3.0
By-products	713,925	744,925	-4.2
Total	1,835,651	1,821,176	0.8

Exporters of pig meat from EU

Tonnes	Jan-June 2018	Jan-June 2017	% change 18:17
Germany	415.391	388.559	6.9
Spain	407.236	383.801	6.1
Denmark	257.537	259.007	-0.6
France	112.624	119.849	-6.0
Holland	217.942	220.066	-1.0
Poland	116.711	113.280	3.0
UK	67.352	68.783	-2.1
Ireland	49.974	50.150	-0.4
Belgium	43.173	48.996	-11.9
Italy	47.861	48.848	-2.0
Hungary	26.163	44.753	-41.5
Austria	20.236	22.240	-9.0
Others	53.451	52.844	1.1
EU-28	1.835.651	1.821.176	0.8

Importers of pig meat from EU

Tonnes	Jan-June 2018	Jan-June 2017	% change 18:17
China	671,626	674,823	-0.5
Hong Kong	114,107	175,088	-34.8
Japan	197,996	188,684	4.9
Philippines	136,213	125,130	8.9
South Korea	161,138	138,041	16.7
USA	83,146	73,121	13.7
Ukraine	44,418	33,490	32.6
Australia	39,941	42,946	-7.0
Montenegro	11,041	9,173	20.4
Angola	16,929	14,512	16.7
Russia	1,309	2,655	-50.7
Belarus	376	39	864.1
Others	357,411	343,475	4.1
EU-28	1,835,651	1,821,176	0.8



DENMARK

Denmark's exports of pig meat, tonnes

Jan-June 2018

	By-products	Live pigs	Processed Canned	Bacon	Whole and half pigs/sows	Cuts	Sausages	Total	Per cent
Germany	14,436	101,210	3,602	94	42,610	137,011	1,393	300,356	30.7
Poland	669	91,699	40	1	0	64,954	0	157,363	16.1
UK	3,689	229	4,968	21,646	0	61,849	5,151	97,532	10.0
Italy	938	12,366	254	35	0	53,201	172	66,967	6.8
Sweden	4,352	88	1,055	545	0	9,817	2,451	18,309	1.9
Holland	5,562	6,851	102	9	0	4,487	140	17,152	1.8
France	1,072	817	461	233	0	6,757	465	9,805	1.0
Spain	310	1,952	568	237	0	2,779	665	6,510	0.7
Other EU countries	5,555	6,803	1,569	69	5	26,415	1,911	42,327	4.3
Total EU	36,581	222,016	12,619	22,870	42,616	367,270	12,349	716,320	73.2
China	79,471	0	110	0	0	32,772	0	112,353	11.5
Japan	1,360	3	2,089	18	0	55,382	921	59,773	6.1
USA	1,327	0	2,390	54	0	17,125	569	21,464	2.2
Australia	95	0	90	168	0	20,369	46	20,768	2.1
South Korea	181	20	991	0	0	8,708	140	10,039	1.0
Taiwan	579	6	25	0	0	6,967	4	7,582	0.8
Philippines	2,855	0	206	0	0	949	1	4,011	0.4
Ukraine	1,584	399	0	0	0	1,682	0	3,666	0.4
Hong Kong	770	0	304	17	0	1,550	39	2,679	0.3
Other Third Countries	5,544	606	4,503	723	0	5,824	3,334	20,535	2.1
Third Countries, total	93,767	1,034	10,708	980	25	151,328	5,053	262,895	26.8
Exports, total	130,349	223,050	23,327	23,850	42,640	518,597	17,402	979,216	100

Jan-June 2017

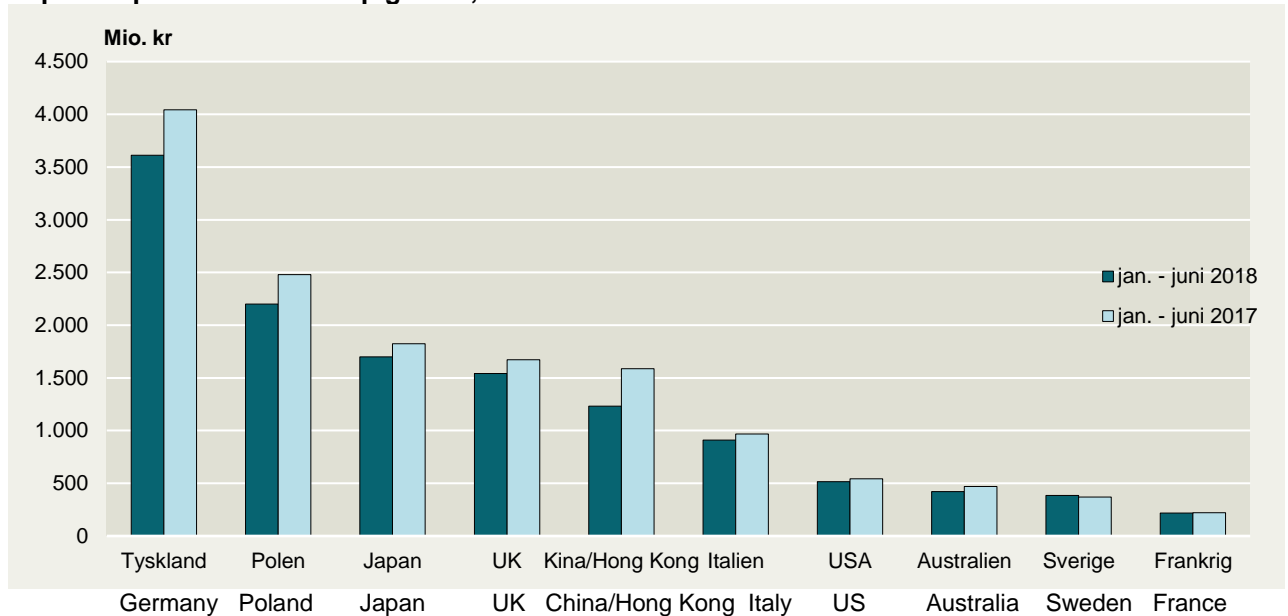
	By-products	Live pigs	Processed Canned	Bacon	Whole and half pigs/sows	Cuts	Sausages	Total	Per cent
Germany	10,844	99,820	4,024	86	42,334	121,982	1,222	280,312	29.9
Poland	1,435	80,284	147	0	0	61,205	0	143,072	15.2
UK	4,684	368	4,676	17,974	0	66,791	4,721	99,214	10.6
Italy	996	11,800	225	39	0	47,489	142	60,692	6.5
Sweden	4,394	69	1,007	626	0	8,564	2,467	17,128	1.8
Holland	4,552	6,090	123	17	0	3,627	132	14,542	1.5
France	703	695	488	213	0	6,778	461	9,338	1.0
Spain	372	2,306	655	245	0	3,586	746	7,911	0.8
Other EU countries	7,028	7,677	1,468	59	0	24,935	1,667	42,835	4.6
Total EU	35,008	209,110	12,813	19,260	42,334	344,960	11,558	675,043	71.9
China	84,517	21	0	0	0	38,048	0	122,586	13.1
Japan	1,902	10	2,149	91	0	52,614	843	57,610	6.1
Australia	115	0	88	212	0	21,206	22	21,642	2.3
USA	1,351	0	2,729	48	0	13,028	440	17,596	1.9
South Korea	387	24	1,403	0	0	6,160	179	8,153	0.9
Taiwan	780	3	10	0	0	6,824	0	7,617	0.8
Philippines	2,931	4	261	0	0	829	1	4,027	0.4
Hong Kong	712	0	330	15	0	1,694	85	2,836	0.3
Singapore	397	0	95	210	0	766	305	1,773	0.2
Other Third Countries	5,029	520	4,246	380	0	5,805	3,705	19,686	2.1
Third Countries, total	98,122	584	11,310	956	4	146,974	5,582	263,532	28.1
Exports, total	133,129	209,694	24,123	20,215	42,339	491,934	17,140	938,574	100

Top 10 importers of Danish pig meat measured in value

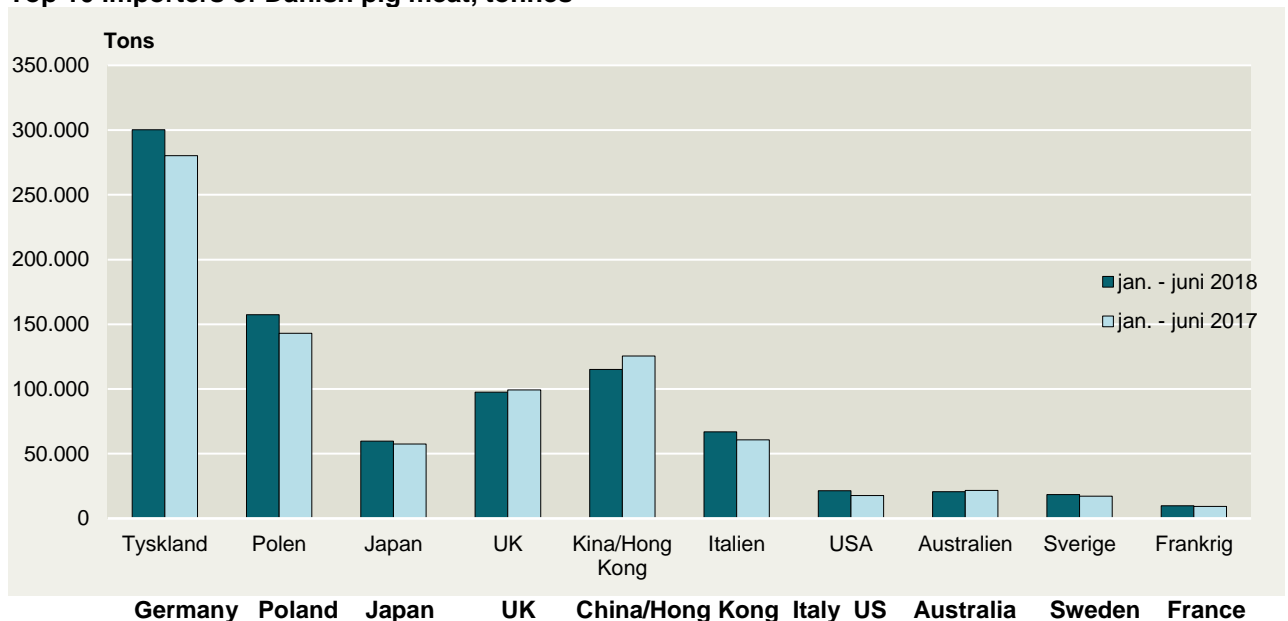
The table below lists the top 10 countries for Danish pig meat exports ranked according to value for January-June 2018. All pig meat (including live pigs) is included.

Country	Jan-June 2018		Jan-June 2017	
	Value in DKK million	Tonnes	Value in DKK million	Tonnes
Germany	3.611	300.356	4.044	280.312
Poland	2.201	157.363	2.480	143.072
Japan	1.700	59.773	1.823	57.610
UK	1.540	97.532	1.671	99.214
China/Hong Kong	1.233	115.032	1.586	125.422
Italy	910	66.967	968	60.692
USA	515	21.464	542	17.596
Australia	422	20.768	469	21.642
Sweden	385	18.309	369	17.128
France	219	9.805	222	9.338
Top 10 total	12.735	867.369	14.174	832.026
Other countries	1.964	111.847	2.030	106.549
Total	14.699	979.216	16.204	938.574

Top 10 importers of Danish pig meat, DKK million



Top 10 importers of Danish pig meat, tonnes



Imports of pig meat

0203				
Fresh/frozen pig meat				
Tonnes	Jan-June 2016	Jan-June 2017	Jan-June 2018	% change 18:17
Canada	10,040	10,954	16,944	54.7
Germany	12,774	11,085	10,637	-4.0
France	7,307	7,115	5,692	-20.0
USA	3,140	5,281	5,346	1.2
Spain	2,654	4,121	3,609	-12.4
Brazil	117	757	1,809	139.0
Holland	559	1,485	941	-36.6
Denmark	956	612	775	26.6
Australia	76	503	748	48.7
UK	891	1,378	639	-53.6
Ireland	575	466	398	-14.6
Belgium	398	729	277	-62.0
Others	78	169	87	-48.5
Total	39,565	44,655	47,902	7.3

020649				
By-products				
Tonnes	Jan-June 2016	Jan-June 2017	Jan-June 2018	% change 18:17
Spain	15,192	18,106	23,316	28.8
Germany	19,022	20,560	22,808	10.9
USA	9,245	8,945	12,303	37.5
Holland	5,373	4,986	8,905	78.6
France	7,498	6,990	7,790	11.4
UK	2,875	3,229	5,417	67.8
Belgium	5,872	5,485	5,321	-3.0
Canada	5,528	2,738	4,926	79.9
Denmark	2,499	2,971	2,079	-30.0
Ireland	1,195	921	2,070	124.8
Australia	1,022	719	1,718	138.9
Others	290	1,376	1,057	-23.2
Total	75,611	77,026	97,710	26.9

020641				
Pigs' liver				
Tonnes	Jan-June 2016	Jan-June 2017	Jan-June 2018	% change 18:17
Spain	3,451	1,933	3,256	68.4
Australia	1,023	740	1,635	120.9
Ireland	735	914	1,585	73.4
Germany	1,791	1,000	1,291	29.1
Holland	1,518	2,000	1,199	-40.1
UK	559	1,227	1,104	-10.0
Canada	912	1,516	833	-45.1
Belgium	710	483	733	51.8
Denmark	129	26	-	-
Others	511	410	1,020	148.8
Total	11,339	10,249	12,656	23.5

 **PHILIPPINES**
Imposes ban on imports of pig meat from six countries

Asian Agribusiness reports that the authorities in the Philippines have imposed a temporary ban on imports of pig meat from China, Latvia, Poland, Romania, Russia and Belarus in an effort to control the spread of African Swine Fever.

 **TAIWAN**
Authorities to prevent meat smuggling from China

The authorities in Taiwan are concerned about the spread of African Swine Fever into the country's pig sector.

Asian Agribusiness reports that Taiwan's Ministry of Agriculture uncovered 292 instances of meat smuggling from China in August alone at a time when African Swine Fever is spreading in China. The 292 cases comprise meat products such as ham and sausages as well as fresh pork.

The customs authorities will now tighten up customs clearance of aircraft and ships arriving in Taiwan. Visitors to China are being told not to visit pig farms or bring in meat products from the country.

 **VIETNAM**
Precautionary measures against African Swine Fever

Vietnam is also taking precautionary measures to prevent the spread of African Swine Fever into the country.

Asian Agribusiness reports that the country's pig meat sector is arranging information meetings with pig producers. In addition, the country's agriculture minister has asked the local authorities to ensure that neither pigs nor pig meat are traded across the Chinese border and to monitor pig transport in general.

 **VIETNAM**
Danish companies sign agreement to develop pig production

Agra Europe reports that six Danish companies have signed an agreement with the Vietnamese Tan Long Group in support of their aim to develop pig production in Vietnam and Myanmar.

The six Danish companies are Skiold, Munters, Tornordic, Haarslev, DanBred and Vilomix. According to the agreement, Skiold will supply pig housing solutions, Munters will supply ventilation systems while DanBred and Vilomix will supply breeding material and high-quality feed for the projects in Vietnam and Myanmar. Tornodric and their suppliers, Haarslev, will serve as suppliers for slaughtering and processing operations.

Tan Long Group aims to expand pig production in Vietnam from 350,000 pigs to around 1 million pigs per year. In addition to pig production in Vietnam, Tan Long Group is also planning to produce 100,000 pigs in Myanmar.

 **RUSSIA**
Russia considers ban on imports from Belarus

Reuters reports that Russia is considering a general ban on imports of pig meat from Belarus. The announcement was made last week by the Russian veterinary services, Rosselkhoznador, following an outbreak of African Swine Fever in products from Belarus.

Rosselkhoznador imposed a ban on imports of products from Grodno in Belarus from last Friday.

 **RUSSIA**
Russia's Central Bank: Import ban on Brazilian meat contributing to increased inflation

The Russian import ban on Brazilian meat is contributing to increased inflation in Russia. For August, inflation was calculated at 3.2 per cent year on year compared to 2.5 per cent in the previous month.

The Central Bank said in a report: "After a decline in meat prices in 2017 and in early 2018, there is a significant growth in prices due to a gradual reduction in excess supply. The restrictions on imports from Brazil, previously one of the largest suppliers of meat to the Russian market, is contributing to increased inflation."

Source: Reuters Bureau

 **RUSSIA**
Pig meat imports

Tonnes	0203 fresh/frozen pig meat		020649+020641 By-products		020910 Trimblings		Total		
	Jan-June 2018	Jan-June 2017	Jan-June 2018	Jan-June 2017	Jan-June 2018	Jan-June 2017	Jan-June 2018	Jan-June 2017	% change 18:17
Brazil	11.579	113.195	221	2.434	102	1.439	11.902	117.068	-89,8
Chile	10.492	5.142	2.056	1.905	6.717	3.684	19.265	10.731	79,5
Argentina	1.338	267	263	373	535	3.424	2.136	4.064	-47,4
Paraguay	1.139	644	260	210	308	241	1.707	1.095	55,9
Serbia	977	2.419	-	74	65	142	1.042	2.635	-60,5
Belarus	409	3.608	313	206	1	1	723	3.815	-81,0
Kazakhstan	89	124	16	45	-	122	105	291	-63,9
Switzerland	-	99	60	-	-	175	60	274	-78,1
Other countries	-	-	-	-	1	1.993	-	1.992	-100,0
Total	26.023	125.498	3.188	5.246	7.729	11.221	36.940	141.965	-74,0

Source: Global Trade Atlas

 **JAPAN**
Development in pig meat storage

Tonnage	Own production		Imported Quantities		Total storage
	Fresh	Frozen	Fresh	Frozen	
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
End August 17	585	15,058	9,288	152,135	177,066
End September 17	984	14,244	6,267	149,558	171,053
End October 17	573	14,305	6,642	145,497	167,017
End November 17	725	14,897	11,574	142,430	169,626
End December 17	817	16,129	11,516	142,364	170,826
End January 18	744	15,805	9,278	150,931	176,758
End February 18	626	16,485	8,398	156,307	181,816
End March 18	963	19,511	7,334	153,166	180,974
End April 18	670	18,083	6,542	152,671	177,966
End May 18	655	18,366	7,555	153,710	180,286
End June 18	644	16,790	5,591	155,496	178,521
End July 18	560	16,772	6,228	152,477	176,037

 **MALAWI**
Foot and mouth disease

Last week, the authorities in Malawi reported 7 cases of foot and mouth disease. Some 45,000 head of cattle were affected by the outbreak.

 **ALGERIA**
Foot and mouth disease

Last week, the authorities in Algeria reported 29 outbreaks of foot and mouth disease. Some 267 head of cattle were affected by the outbreak.