

# MARKET NEWS for pig meat



Market analysis

17 September 2018

Week 38

## MARKET SITUATION

Europe: Trading in fresh legs is at slightly falling prices this week. Trading in other cuts is at largely unchanged prices.

UK: Prices are reported as stable.

There is increased interest from China. Sales to Japan remain stable.

## Slaughterings in Denmark

	Week34	Week 35	Week 36	Week 1-36 2018/2017
Total	318,566	336,158	328,251	+3.7 %

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

## FUTURES

	Chicago (\$ per 100 lbs slaughter weight)		
	14/9	7/9	Change
<b>2018</b>			
Oct	56.23	55,65	0,58
Nov	-	-	-
Dec	56.65	56,80	-0,15
<b>2019</b>			
Jan	-	-	-
Feb	65.68	64,73	0,95
Mar	-	-	-
Apr	70.28	69,80	0,48
May	75.50	75,25	0,25
Jun	80.40	80,53	-0,13
July	80.68	80,13	0,55
Aug	79.63	78,85	0,78
Sep	-	-	-
Oct	66.55	66,60	-0,05
Nov	-	-	-
Dec	61.70	62,08	-0,38
<b>2020</b>			
Jan	-	-	-
Feb	66.85	66,75	0,10

Conversion factors:  
1 lb = 0.4536 kg  
\$ = DKK 6.3817



### 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 9 September.

Countries	Period 2 Sept - 9 Sept		Year to date 1 Jan - 9 Sept	
	Pigs	Wild boar	Pigs	Wild boar
Estonia				192
Latvia		13	10	530
Lithuania		18	49	1.202
Poland	2	44	107	1.906
Italy	6	16	9	40
Ukraine	6		81	36
Czech Republic				28
Romania	80	5	888	34
Hungary				33
Bulgaria	1		1	

### MOLDOVA

#### African Swine Fever

During the past week, the authorities in Moldova reported one outbreak of African Swine Fever at a small farm in the south of the country close to the border with Romania.

### RUSSIA

#### African Swine Fever

During the past week, the authorities in Russia reported eight outbreaks of African Swine Fever: five among wild boar and three at small farms. The outbreaks were found in and around Leningrad, Tver, Kaliningrad, Rostov, Pskov and Lipetsk.

### CHINA

#### Further outbreaks of African Swine Fever

New outbreaks of African Swine Fever continue to be reported in China, but the speed at which they are being reported has decreased. Whether there are, in fact, fewer outbreaks or whether the lower figure is due to the fact that the central authorities have become more circumspect about communicating new outbreaks is unclear.

However, in the past week, there have been reports of outbreaks of African Swine Fever in Anhui, Henan and Inner Mongolia.

The central authorities have imposed a ban on using kitchen waste for pig feed in all provinces affected by the outbreak. The use of pigs' blood in feed products is also banned. Moreover, the authorities have announced that they will take samples from feed products and if they discover the virus, the feed will be recalled and destroyed.

Live markets in 16 Chinese provinces have been closed down and the authorities have imposed a number of transport restrictions.

The Chinese Ministry of Agriculture describes the African Swine Fever situation as challenging and complex and has set up an inspection team to visit the provinces.

The many transport restrictions and market closures mean that pig prices are under pressure in the northern provinces, which normally despatch many live pigs for slaughter to the south. On the other hand, prices are rising in several southern provinces which are not receiving their usual supplies of pigs. The northern province of Liaoning reports a pig price of 12 yuan per kg live weight, while in the southern province of Zhejiang, the pig price is reported as 18,50 yuan per kg. The national average last week was 14.38 yuan per kg.

With a shortage of pig meat, poultry prices have increased significantly in recent weeks and are now at their highest level since August 2016. There are also reports of consumers who feel unsure about the safety of pig meat and have switched to poultry.

## CHINA

### Foot and mouth disease in Gansu province

Last week, the Chinese authorities reported one outbreak of foot and mouth disease in a consignment of 47 head of cattle from Gansu province to the Xianjiang region.

## BELGIUM

### African Swine Fever found in wild boar

Last week, the authorities in Belgium confirmed that African Swine Fever has been found in two dead wild boar in Etalle in the province of Luxembourg, which is part of Belgium. The affected area is in the south-east of Belgium, close to the border with both the country Luxembourg and France.

At the weekend in the same area, an additional two dead wild boar were found, and it is suspected that African Swine Fever is the cause.

The last case of African Swine Fever in Belgium was in 1985. The source was infected meat from Spain, reports Agra Europe.

The chart below shows Belgium's pig meat exports out of the EU in 2017 (source: EU Commission).

1,000 tonnes	2017
China	24.8
Philippines	11.4
Hong Kong	9.9
South Korea	8.5
Australia	3.2
Ukraine	2.1
Ivory Coast	2.0
Thailand	1.5
Ghana	1.6
Uruguay	1.5
Equatorial Guinea	1.3
New Zealand	1.3
Congo	1.2
South Africa	1.2
Congo	1.1
Angola	1.0
Montenegro	1.0
Other	9.4
<b>Total</b>	<b>84.0</b>



### May/June pig census

Eurostat has now published preliminary results of the May/June census for 13 of 14 EU countries. Data for France remains outstanding. Eurostat has also published the results for Serbia.

1,000 head	Total population			Breeding sows			Pregnant sows		
	2018	2017	% change	2018	2017	% change	2018	2017	% change
Germany	26,888	27,175	-1.1	1,858	1,906	-2.5	1,362	1,396	-2.4
Spain	30,145	28,667	5.2	2,511	2,511	-0.2	1,673	1,728	-3.2
France									
Denmark	12,878	12,467	3.3	1,269	1,228	3.3	793	771	2.9
Holland	12,509	12,401	0.9	1,059	1,064	-0.5	700	707	-1.0
Poland	11,828	11,353	4.2	871	885	-1.6	584	603	-3.2
Italy	8,766	8,774	-0.1	588	579	1.6	482	478	0.8
Belgium	6,107	6,015	1.5	408	417	-2.2	336	344	-2.3
UK	5,028	4,969	1.2	491	498	-1.4	347	352	-1.4
Romania	4,129	4,487	-8.0	280	326	-14.1	176	208	-15.4
Hungary	2,859	2,807	1.9	260	253	2.8	174	171	1.8
Austria	2,679	2,669	0.4	228	236	-3.4	159	164	-3.0
Ireland	1,622	1,557	4.2	147	143	2.8	103	98	5.1
Sweden	1,399	1,362	2.7	131	140	-6.4	90	100	-10.0
<b>EU (13)</b>	<b>126,579</b>	<b>124,703</b>	<b>1.7</b>	<b>10,101</b>	<b>10,191</b>	<b>-0.9</b>	<b>6,979</b>	<b>7,120</b>	<b>-2.0</b>
<b>EU (14)</b>		137,748			11,175			7,821	
Serbia	2,680	2,883	-7.0	413	427	-3.3	177	213	-16.9



### Canadian Pork Council calls for help from government

The Canadian Pork Council has called for help from the Canadian government to alleviate the consequences of the USA's trade dispute with China, reports The Pig Site.

According to Gary Stordy, Director of the Canadian Pork Council, Canadian pig producers have the same market conditions as American pig producers, which is why Canadian pig producers need help from Canada's central government and its provincial governments.

In USA, the Trump administration has announced an USD 12 billion aid package to compensate farmers hit by the current US trade conflict. Aid will be extended in the form of public purchasing programmes and as support for export promotion programmes.

"In Canada, we don't have these tools and we're not confident that the existing tools that producers have access to are sufficient," says Gary Stordy.

According to Jim Long President & CEO of Genesus Genetics, American and Canadian pig producers are losing in the region of 25 to 40 dollars per pig with the current price levels.

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

<b>0203</b>					
<b>Fresh/frozen pig meat</b>					
<b>Tonnes</b>	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>	<b>%</b>
	<b>July</b>	<b>July</b>	<b>Jan - July</b>	<b>Jan - July</b>	<b>change</b>
					<b>2018:17</b>
USA	21,039	18,859	150,167	153,384	-2.1
Canada	18,535	17,473	124,423	120,746	3.0
Denmark	10,974	8,457	65,242	66,549	-2.0
Spain	10,245	10,882	68,225	63,571	7.3
Mexico	6,854	7,287	49,571	50,004	-0.9
Holland	2,603	2,036	15,820	14,405	9.8
Germany	2,165	1,649	12,270	10,489	17.0
Chile	2,021	2,078	13,814	14,054	-1.7
Italy	1,139	1,086	8,297	7,688	7.9
France	1,113	1,346	8,506	8,219	3.5
Austria	624	1,004	4,143	4,627	-10.5
Ireland	508	817	4,598	4,939	-6.9
Portugal	137	111	802	653	22.7
Brazil	90	72	829	800	3.6
Australia	61	15	354	273	29.7
Others	49	1,435	8,514	13,137	-35.2
<b>Total</b>	<b>78,157</b>	<b>74,607</b>	<b>535,575</b>	<b>533,539</b>	<b>0.4</b>

Japan's imports of sausage products

<b>0210</b>		
<b>Sausage products</b>		
<b>Tonnes</b>	<b>2018</b>	<b>% change</b>
	<b>Jan - July</b>	<b>2018:17</b>
USA	5,462	2.3
China	4,574	-4.3
Thailand	3,217	-15.6
Brazil	2,182	-11.8
Denmark	1,033	14.3
Germany	522	17.0
Italy	421	-4.8
Others	640	19.0
<b>Total</b>	<b>18,051</b>	<b>-3.6</b>

 **ISRAEL**
**Foot and mouth disease**

Last week, the authorities reported one case of foot and mouth disease. Some 200 head of cattle and 40 goats were affected. .

 **SIERRA LEONE**
**Foot and mouth disease**

Last week, the authorities in Sierra Leone reported two cases of foot and mouth disease. Some 6,000 cattle were affected.