

MARKET NEWS for pig meat



Market analysis

17 December 2018

Week 51

MARKET SITUATION

Europe: Trading in legs and other cuts is at unchanged or slightly falling prices.

UK: Prices are reported as stable.

Demand continues to be stable for both China and Japan.

Slaughterings in Denmark

	Week 47	Week 48	Week 49	Week 1-49 2018/2017
Total	386,643	376,153	381,869	+4.3 %

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

FUTURES

	Chicago (\$ per 100 lbs slaughter weight)		
	14/12	7/12	Change
2018			
Dec	54.95	54.25	0.70
2019			
Jan	-	-	-
Feb	64.50	67.88	-3.38
Mar	-	-	-
Apr	70.05	72.33	-2.28
May	75.78	76.88	-1.10
Jun	83.18	84.00	-0.83
Jul	84.03	84.50	-0.47
Aug	83.70	84.38	-0.67
Sep	-	-	-
Oct	68.88	68.80	0.08
Nov	-	-	-
Dec	63.38	62.78	0.60
2020			
Jan	-	-	-
Feb	71.08	66.95	4.13
Mar	-	-	-
Apr	77.00	70.65	6.35
May	-	-	-
Jun	81.00	-	-
Conversion factors: 1 lb = 0.4536 kg \$ = 6.6155			



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 countries and Ukraine up to and including 9 December.

Countries	Period 2 Dec - 9 Dec		Year to date 1 Jan - 9 Dec	
	Pigs	Wild boar	Pigs	Wild boar
Estonia		5		220
Latvia		21	10	652
Lithuania		25	51	1,386
Poland		65	109	2,289
Italy			10	49
Ukraine	3	1	104	39
Czech Republic				28
Romania	6	8	1,147	142
Hungary		16		91
Bulgaria			1	4
Belgium		20		128
Total	9	161	1,432	5,028



RUSSIA

African Swine Fever

Last week, Russia reported one outbreak of African Swine Fever among wild boar in the west of the country.



CHINA

African Swine Fever

African Swine Fever continues to spread across China. A total of 90 cases has been reported so far.



CHINA

Closure of small farms in the Beijing region

According to The Pig Site, the authorities have decided to close all pig farms in the Beijing region with fewer than 500 pigs. Compensation of 1,200 rmb (USD 175) per pig, irrespective of weight, will be awarded.

 **CHINA**
Increased imports of American pig meat in 2019

International news media report that Rabobank expects to see increased Chinese imports of American pig meat as a result of the “truce” agreed between the two countries. However, Rabobank has not put forward any specific figures and believes that the increase will be driven politically rather than by actual demand. Rabobank notes that current demand from China is weak despite the spread of African Swine Fever in the country and the coming Chinese new year.

According to The Pig Site that references China News, China must agree to triple imports of American pig meat in 2019 compared to 2018. This is part of the agreement entered into between the two countries at the G-20 meeting in Argentina.

 **VIETNAM**
Foot and mouth disease

Asian Agribusiness reports that there are confirmed cases of foot and mouth disease in the Ba Vi district in Hanoi. According to the authorities, this is because some small-scale pig producers have omitted to vaccinate against the disease.

The outbreak is, however, under control although there is a significant risk of an outbreak amongst cattle that are still not vaccinated against the disease. The authorities have culled 268 pigs and vaccinated all 12,275 pigs in the area.

 **GERMANY**
Federal Council resolves to extend deadline for castration without anaesthetic

Last week, the German Federal Council resolved to extend the deadline for castration without anaesthetic by two years. German piglet producers can, therefore, continue to castrate piglets without anaesthetic until 1st January 2021.

 **JAPAN**
Classical Swine Fever

The authorities in Japan continue to report a number of new cases of Classical Swine Fever among wild boar in the Gifu region.

There was also one outbreak at a small pig farm in the region last week.

 **EU/**  **JAPAN**
EU Parliament approves free trade agreement between EU and Japan

Last week, the EU Parliament approved the free trade agreement between the EU and Japan, which is expected to take effect from 1 February 2019.

The agreement is of major importance to the EU's pig meat sector because the EU will be able to expand its exports of pig meat to Japan, in particular, processed pig meat products.



Pig meat exports

The following tables show EU exports of pig meat according to categories, exporters and importers for the period January-October.

Categories

Tonnes	Jan-Oct 2018	Jan-Oct 2017	% change 18:17
Live pigs	15,998	10,610	50,8
Fresh/frozen	1,696,524	1,610,241	5,4
Bacon	34,435	31,855	8,1
Processed	141,085	137,230	2,8
By-products	1,221,657	1,266,593	-3,5
Total	3,109,700	3,056,528	1,7

Exporters of pig meat from EU

Tonnes	Jan-Oct 2018	Jan-Oct 2017	% change 18:17
Germany	712,817	694,659	2.6
Spain	678,102	608,848	11.4
Denmark	438,155	439,601	-0.3
France	191,704	195,624	-2.0
Holland	378,467	368,652	2.7
Poland	199,612	195,822	1.9
UK	119,927	111,532	7.5
Ireland	81,565	78,618	3.7
Belgium	66,748	76,395	-12.6
Italy	83,170	84,242	-1.3
Hungary	32,739	71,317	-54.1
Austria	35,635	34,754	2.5
Others	91,048	96,455	-5.6
EU-28	3,109,689	3,056,519	1.7

Importers of pig meat from EU

Tonnes	Jan-Oct 2018	Jan-Oct 2017	% change 18:17
China	1,114,785	1,135,190	-1.8
Hong Kong	201,553	309,463	-34.9
Japan	324,247	318,579	1.8
Philippines	234,172	205,577	13.9
South Korea	261,838	208,502	25.6
USA	127,135	121,106	5.0
Ukraine	87,263	69,048	26.4
Australia	65,944	70,590	-6.6
Montenegro	19,053	15,918	19.7
Angola	27,775	26,158	6.2
Russia	2,197	4,165	-47.3
Belarus	8,771	102	8499.0
Others	634,967	572,129	11.0
EU-28	3,109,700	3,056,528	1.7

Imports of pig meat

0203				
Fresh/frozen pig meat				
Tonnes	Jan-Sept 2016	Jan-Sept 2017	Jan-Sept 2018	% change 18:17
Canada	14,172	20,133	28,857	43.3
Germany	19,772	17,139	15,536	-9.4
USA	4,914	11,178	11,496	2.8
France	9,562	9,984	9,664	-3.2
Spain	4,147	5,837	5,491	-5.9
Brazil	675	1,211	4,829	298.8
Holland	839	2,246	1,541	-31.4
Australia	178	766	1,496	95.3
UK	1,335	1,737	1,054	-39.3
Denmark	1,060	995	885	-11.1
Belgium	722	1,078	531	-50.7
Ireland	966	938	488	-48.0
Others	99	217	112	-48.4
Total	58,441	73,459	81,980	11.6

020649				
By-products				
Tonnes	Jan-Sept 2016	Jan-Sept 2017	Jan-Sept 2018	% change. 18:17
Spain	21,356	28,674	34,764	21.2
Germany	24,055	32,270	32,006	-0.8
USA	12,577	13,471	18,066	34.1
France	11,813	10,121	11,915	17.7
Holland	6,553	8,556	11,847	38.5
UK	3,879	5,523	8,487	53.7
Belgium	8,340	7,637	7,592	-0.6
Canada	6,691	5,814	7,332	26.1
Denmark	3,125	3,962	3,050	-23.0
Ireland	1,755	1,514	2,934	93.8
Australia	1,657	1,276	2,502	96.1
Others	798	1,888	1,801	-4.6
Total	102,599	120,706	142,296	17.9

020641				
Pigs' liver				
Tonnes	Jan-Sept 2016	Jan-Sept 2017	Jan-Sept 2018	% change. 18:17
Spain	4,532	3,794	5,388	42.0
Germany	2,708	2,254	2,528	12.2
Ireland	792	1,470	2,043	39.0
Australia	1,655	1,330	1,880	41.4
Holland	1,749	2,630	1,801	-31.5
UK	701	1,910	1,503	-21.3
Canada	1,041	2,228	1,165	-47.7
Brazil	480	81	1,110	1270.4
Belgium	927	710	840	18.3
Others	509	538	612	13.8
Total	15,094	16,945	18,870	11.4

 **PHILIPPINES****Stable pig population**

According to international news media, the Philippines' pig population stood at 13.13 million as at 1 October 2018. This represents a rise of 0.9 per cent compared to one year ago.

Commercial farms account for 36 per cent of the population against 64 per cent so-called backyard farms.

For the July quarter, pig meat production amounted to 541,000 tonnes against 527,000 tonnes for the same quarter last year – a rise of 2.5 per cent.

 **SOUTH AFRICA****Foot and mouth disease**

Last week, the authorities in South Africa reported one outbreak of foot and mouth disease. Some 700 head of cattle were affected.

Please note!

The next Market News will be published at the end of the first week in January.