

# MARKET NEWS for pig meat



Market analysis

19 March 2019

Week 12

## MARKET SITUATION

Europe: Trading in legs and other cuts is at slightly increasing prices this week.

UK: Sales are reported as quiet

Demand continues to be stable for Japan. Good demand is reported from China.

## Slaughterings in Denmark

	Week 9	Week 10	Week 11	Week 1-11 2019/2018
Total	321,585	323,112	319,738	-5.0 %

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

## FUTURES

	Chicago (\$ per 100 lbs slaughter weight)		
	15/3	8/3	Change.
<b>2019</b>			
Apr	68.80	60.55	8.25
May	77.90	68.93	8.98
Jun	86.53	78.18	8.35
Jul	89.38	80.05	9.33
Aug	89.75	80.68	9.08
Sep	-	-	-
Oct	78.90	69.80	9.10
Nov	-	-	-
Dec	72.53	64.18	8.35
<b>2020</b>			
Jan	-	-	-
Feb	74.00	67.53	6.47
Mar	-	-	-
Apr	76.43	70.78	5.65
May	80.15	75.20	4.95
Jun	83.00	79.95	3.05
Jul	83.00	80.00	3.00
Conversion factors: 1 lb = 0.4536 kg \$ = DKK 6.6001			



### 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 between 1 January and 17 March.

Countries	Period		Year to date		2018	
	3 March – 17 March		1 Jan – 17 March		Pigs	Wild boar
	Pigs	Wild boar	Pigs	Wild boar		
Estonia		1		45		230
Latvia		5		114	10	685
Lithuania		19		129	51	1,443
Poland		119	1	625	109	2,438
Italy			1	16	10	64
Ukraine	1		7	4	105	41
Czech Republic						28
Romania	5	27	66	151	1,163	170
Hungary		67		339		138
Bulgaria		3		6	1	5
Belgium		142		339		161
<b>Total</b>	<b>6</b>	<b>383</b>	<b>75</b>	<b>1,768</b>	<b>1,449</b>	<b>5,403</b>

### RUSSIA

#### African Swine Fever in wild boar

Last week, Russia reported two cases of African Swine Fever. One was among wild boar in the Kabardino-Balkar region while the other was discovered at a small farm in the Rostov region.

### RUSSIA

#### Foot and mouth disease

Last week, the authorities in Russia reported one outbreak of foot and mouth disease in the Zabajkalskij kraj region, which borders Mongolia and the Chinese province of Inner Mongolia.

### MOLDOVA

#### African Swine Fever

Last week, Moldova reported one case of African Swine Fever at a small farm in the south-east of the country, close to the border with Ukraine.

### CHINA

#### African Swine Fever

Last week, the Chinese authorities reported one case of African Swine Fever in Sichuan province in central China. The discovery was made in pig transport containing 150 pigs. Nine pigs had died from the disease.

According to Reuters, 112 cases have now been reported in 28 provinces or regions since the first case in August 2018.

 **CHINA**
**Fall in the pig population**

According to official Chinese figures, the Chinese pig population was 16.6 per cent down at the end of February compared to one year ago. The sow population fell by 19.1 per cent, reports Reuters.

Compared to the previous month, there was a fall of 5.4 per cent in the total pig population while the sow population was 5.0 per cent down.

 **CHINA**
**Increasing prices for pig meat**

Reuters reports that new figures from Chinese trading officials show that Chinese prices for pig meat rose by 7.7 per cent to 20.48 yuan (USD 3.05) per kg last week. This is the highest price in 13 months.

Last week, Reuters reported strongly increasing prices for pigs, which reached their highest level in 14 months.

 **CHINA/**
 **USA**
**Purchase of U.S. pig meat**

Figures from the U.S. Department of Agriculture published last week show that China purchased record quantities of U.S. pig meat – some 23,846 tonnes. This was despite the continuing punitive tariffs on U.S. pig meat.

The purchase resulted in significant increases in U.S. futures prices last week (see page 2).

 **USA**
**Pig meat storage as at 31st January**

The table below shows recently published figures for U.S. pig meat storage as at the end of January compared to the previous month and to one year ago.

The figures show a rise in pig meat storage of 11 per cent compared to the previous month and a fall of 3 per cent compared to one year ago.

Storage of beef and poultry also increased compared to one month ago by 3 per cent and 4 per cent respectively. Compared to one year ago, beef storage was 2 per cent higher while poultry storage was 2 per cent lower.

<b>1,000 lbs</b>	<b>31 January 2018</b>	<b>31 December 2018</b>	<b>31 January 2019</b>
Picnics	7,074	6,832	7,067
Legs	118,407	73,118	112,654
Bellies	43,810	42,251	53,736
Loins	40,773	34,092	34,937
Ribs	114,366	124,310	127,110
Trimmings	48,602	48,441	47,104
Butts	25,477	16,749	20,527
By-products	135,279	112,864	113,269
Other	46,926	46,630	46,306
<b>Total pig meat</b>	<b>580,714</b>	<b>505,287</b>	<b>562,710</b>
Beef	501,744	495,624	510,065
Poultry	1,255,324	1,187,331	1,234,456

**Seizure of 450 tonnes of pig meat from China**

International news media reports that the U.S. has seized 450 tonnes pig meat. An attempt had been made to smuggle the meat into the U.S. via the port of Newark.

Agra Europe reports that the meat had been concealed amongst noodles and detergents in more than 50 containers. The meat will now be examined for traces of the African Swine Fever virus.

The seizure comes as the U.S. has just upgraded their contingency measures to prevent products infected with African Swine Fever from entering the U.S. Both the American and Canadian customs authorities have invested in an increased number of dogs at airports to prevent any meat from being smuggled into the country.

**African Swine Fever**

African Swine Fever continues to spread throughout Vietnam. Last week, the authorities in Vietnam reported 127 new cases of African Swine Fever at small farms affecting 1,307 pigs. 17 provinces in northern and central Vietnam have now been hit by the virus.

There are now concerns that the disease will spread to the southern provinces. To prevent local pig farms from being infected, the authorities in Ho Chi Minh City have tried to block the transport of pigs into the city. To continue to ensure stable supplies of pig meat, the authorities are planning to store pig meat in the city's chilled storage facilities, reports Asian Agribusiness.

In addition to African Swine Fever, Vietnam is also contending with foot and mouth disease, which has been confirmed in six northern provinces.

**Classical Swine Fever**

The authorities in Japan continue to report new outbreaks of Classical Swine Fever. Last week, the authorities reported nine cases of the disease. All cases have been found among wild boar in the Gifu region.

**Tariffs in the event of a 'hard Brexit' published**

The British government has now published the tariffs that will apply if the U.K. leaves the EU without a deal.

Tariffs will range from 4-8 per cent for pig meat, which is lower than many had feared.

 **MOROCCO****Foot and mouth disease**

Last week, the authorities in Morocco reported one case of foot and mouth disease. Some nine head of cattle, two goats and 22 sheep have been affected.

 **TUNISIA****Foot and mouth disease**

Last week, the authorities in Tunisia reported two cases of foot and mouth disease. Some 14 head of cattle and 14 sheep have been affected.

 **MALAWI****Foot and mouth disease**

Last week, the authorities in Malawi reported one case of foot and mouth disease. Some 80,000 head of cattle have been affected.

 **UGANDA****Foot and mouth disease**

Last week, the authorities in Uganda reported one case of foot and mouth disease. Some 150,000 head of cattle have been affected.