

# MARKET NEWS for pig meat



Market analysis

12 August 2019

Week 33

## MARKET SITUATION

**Europe:** Legs and other cuts are being traded at increasing prices.

**UK:** Sales are sluggish. Prices are being affected by the fall in sterling.

Stable sales are reported for Japan and there is good demand from China.

## Slaughterings in Denmark

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

	Week 29	Week 30	Week 31	Week 1-31 2019/2018
Total	302,079	293,137	296,453	-7.1 %

## FUTURES, USA

	Chicago (\$ per 100 lbs carcass weight)		
	9/8	2/8	Change
<b>2019</b>			
Aug	79.03	76.28	2.75
Sep	-	-	
Oct	66.98	65.73	1.25
Nov	-	-	
Dec	64.68	63.25	1.43
<b>2020</b>			
Jan	-	-	
Feb	71.33	68.18	3.15
Mar	-	-	
Apr	76.43	72.95	3.48
May	81.53	79.60	1.93
Jun	85.55	82.50	3.05
Jul	85.83	83.43	2.40
Aug	85.58	83.85	1.73
Sep	-	-	
Oct	74.68	73.70	0.98
Dec	70.58	71.00	-0.42
Conversion factors: 1 lb = 0.4536 kg \$ = DKK 6.6647			



### 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 4 August.

Countries	Period 29 July - 4 August		Year to date 1 Jan - 4 August		2018	
	Pigs	Wild boar	Pigs	Wild boar	Pigs	Wild boar
Estonia				55		230
Latvia		8	1	203	10	685
Lithuania	1	7	13	327	51	1,443
Poland	3	62	33	1,496	109	2,438
Italy			1	26	10	64
Ukraine	1		28	9	105	41
Czech Republic						28
Romania	213	22	766	356	1,163	170
Hungary		17		803		138
Bulgaria	8	7	30	27	1	5
Slovakia	1		2			
Belgium				478		161
<b>Total</b>	<b>227</b>	<b>123</b>	<b>874</b>	<b>3,780</b>	<b>1,449</b>	<b>5,403</b>

### BULGARIA

#### African Swine Fever

As reported in last week's Market News, a number of large pig farms in Bulgaria have been affected by African Swine Fever in recent weeks.

At a press conference last week, a spokesperson from the EU Commission described the situation in Bulgaria as extremely concerning.

Bulgaria's Deputy Agriculture Minister said last Wednesday that the country has not managed to control the spread of the disease. The situation is extremely serious because Bulgaria – along with Romania – are the two EU countries with the most "backyard farms", which makes it very difficult to control and prevent the infection from spreading further.

Bulgarian agriculture officials commented to Reuters that the outbreaks could lead to massive losses for Bulgarian pig production.

### MOLDOVA

#### African Swine Fever

Last week, Moldova reported three cases of African Swine Fever to the authorities at small farms close to the border with Romania. All cases were in the south of the country.

### RUSSIA

#### African Swine Fever

Last week, Russia reported eight cases of African Swine Fever – seven in the west of the country, four at "backyard farms" and three among wild boar. The latest outbreak was in the east of the country close to the border with China at a pig farm of 180 pigs.



### Pig census 1 July 2019

Statistics Denmark has published the results of its pig census from 1 July 2019 based on random samples of 1,850 farms.

The census shows a continuing decline in the pig population in Denmark compared to the corresponding census one year ago. This time, however, the decline is less significant than the most recent census in April.

The total pig population is 1 per cent higher than the April census when normal seasonal adjustments are taken into account.

The total population is 2.5 per cent lower than one year ago. There is a significant decline in the category finished pigs > 50 kg, which declined by 6.3 per cent. Excluding finished pigs > 50 kg, there is a decline in the total population of 1.4 per cent.

As regards the breeding population in the form of pregnant sows, there is a 3.2 per cent decline compared to one year ago – a decline, however, which is expected to be offset by increasing productivity.

'000 head.	July census			April census		
	1 July 2019	1 July 2018	% change 19:18	1. april 2019	1. april 2018	% change 19:18
Breeding boars	11	11	-	10	10	-
Pregnant gilts	189	193	-2.1	189	200	-5.5
Other pregnant sows	579	600	-3.5	566	592	-4.4
Total pregnant sows	768	793	-3.2	755	792	-4.7
Nursing sows	210	213	-1.4	207	216	-4.2
Dry sows	35	37	-5.4	35	38	-7.9
Sows and boars for slaughter	6	7	-14.3	6	6	-
Gilts >50 kg for breeding	214	226	-5.3	218	226	-3.5
Piglets with sows	2,617	2,632	-0.6	2,544	2,660	-4.4
Weaned pigs <50 kg	5,895	5,976	-1.4	5,676	5,809	-2.3
Finished pigs >50 kg	2,795	2,983	-6.3	2,724	2,976	-8.5
<b>Total pigs</b>	<b>12,551</b>	<b>12,878</b>	<b>-2.5</b>	<b>12,175</b>	<b>12,733</b>	<b>-4.4</b>
<b>Total pigs excl. finished pigs</b>	<b>9,756</b>	<b>9,895</b>	<b>-1.4</b>	<b>9,451</b>	<b>9,757</b>	<b>-3.1</b>


Slaughterings

2017	Pigs/sows 50-110 kg	Sows etc. above 110 kg	Total
January	1,388,979	45,071	1,434,050
February	1,325,895	41,159	1,367,054
March*	1,659,600	51,456	1,711,056
April	1,080,045	40,805	1,120,850
May	1,165,283	48,312	1,213,595
June*	1,691,408	54,077	1,745,485
July	1,267,063	40,667	1,307,730
August	1,273,261	44,802	1,318,063
September*	1,635,135	49,357	1,684,492
October	1,390,734	44,285	1,435,019
November	1,356,756	35,121	1,391,877
December*	1,679,724	56,588	1,736,312
<b>Jan-Dec</b>	<b>16,913,883</b>	<b>551,700</b>	<b>17,465,583</b>

2018	Pigs/sows 50-110 kg	Sows etc. above 110 kg	Total
January	1,384,564	48,982	1,433,546
February	1,390,214	42,296	1,432,510
March*	1,602,989	49,004	1,651,993
April	1,330,704	46,252	1,376,956
May*	1,590,176	59,004	1,649,180
June	1,328,304	44,369	1,372,673
July	1,300,265	41,644	1,341,909
August*	1,634,399	50,063	1,684,462
September	1,366,922	44,925	1,411,847
October	1,442,388	50,702	1,493,090
November*	1,837,422	49,753	1,887,175
December	1,262,176	35,510	1,297,686
<b>Jan-Dec 2018</b>	<b>17,470,523</b>	<b>562,504</b>	<b>18,033,027</b>

2019	Pigs/sows 50-110 kg	Sows etc. Over 110 kg	Total
January	1,588,261	52,742	1,641,003
February	1,329,198	41,879	1,371,077
March	1,356,477	43,969	1,400,446
April	1,323,430	41,740	1,365,170
May	1,291,387	45,402	1,336,789
June	1,155,191	41,112	1,196,303
July			
August			
September			
October			
November			
December			
<b>Jan-June 2019</b>	<b>8,043,944</b>	<b>266,844</b>	<b>8,310,788</b>
<b>Jan-June 2018</b>	<b>8,626,951</b>	<b>289,907</b>	<b>8,916,858</b>
<b>Change per head</b>	<b>-583,007</b>	<b>-23,063</b>	<b>-606,070</b>
<b>Change in per cent</b>	<b>-6.8</b>	<b>-8.0</b>	<b>-6.8</b>

\* = 5 weeks

**Exports of live pigs**

2017	Piglets		Pigs/sows	Pigs/sows	Total
	0-15 kg	15-50 kg	50-135 kg	above 135 kg	
January	37,756	1,132,400	18,025	1,270	1,189,451
February	27,330	981,920	16,415	1,142	1,026,807
March	37,601	1,189,831	17,812	592	1,245,836
April	36,047	960,048	13,885	2,311	1,012,291
May	46,023	1,288,148	28,501	4,574	1,367,246
June	38,015	1,238,442	50,120	2,253	1,328,830
July	36,172	1,064,250	17,014	1,852	1,119,288
August	32,578	1,260,946	16,778	2,381	1,312,683
September	33,351	1,079,055	17,675	2,289	1,132,370
October	44,274	1,178,831	17,679	1,571	1,242,355
November	41,015	1,157,185	22,467	1,954	1,222,621
December	32,889	1,147,621	16,462	1,363	1,198,335
<b>Jan-Dec</b>	<b>443,051</b>	<b>13,678,677</b>	<b>252,833</b>	<b>23,552</b>	<b>14,398,113</b>

2018	Smågrise		Pigs/sows	Pigs/sows	Total
	0-15 kg	15-50 kg	50-135 kg	above 135 kg	
January	36,440	1,142,852	14,798	3,812	1,197,902
February	30,271	1,089,062	15,883	2,507	1,137,723
March	29,057	1,264,848	17,783	3,047	1,314,735
April	30,268	1,161,152	20,695	3,501	1,215,616
May	37,352	1,305,241	26,451	4,144	1,373,188
June	27,004	1,158,207	23,134	4,235	1,212,580
July	30,738	1,142,607	18,882	3,966	1,196,193
August	27,087	1,204,026	21,533	4,732	1,257,378
September	27,496	1,019,587	23,569	3,895	1,074,547
October	34,713	1,350,273	20,972	8,547	1,414,505
November	24,760	1,174,336	14,561	4,816	1,218,473
December	31,882	1,016,093	15,952	3,104	1,067,031
<b>Jan-Dec 2018</b>	<b>367,068</b>	<b>14,028,284</b>	<b>234,213</b>	<b>50,306</b>	<b>14,679,871</b>

2019	Piglets		Pigs/sows	Pigs/sows	Total
	0-15 kg	15-50 kg	50-135 kg	above 135 kg	
January	30,609	1,367,435	22,094	4,750	1,424,888
February*	30,000	1,100,000	25,000	3,000	1,158,000
March*	30,325	1,150,397	24,976	3,173	1,208,871
April	33,628	1,143,557	22,659	2,719	1,202,563
May	34,635	1,226,559	22,715	3,538	1,287,447
June	27,181	1,291,047	17,062	3,092	1,338,382
July					
August					
September					
October					
November					
December					
<b>Jan-June 2019</b>	<b>186,378</b>	<b>7,278,995</b>	<b>134,506</b>	<b>20,272</b>	<b>7,620,151</b>
<b>Jan-June 2018</b>	<b>190,392</b>	<b>7,121,362</b>	<b>118,744</b>	<b>21,246</b>	<b>7,451,744</b>
<b>Change per head</b>	<b>-4,014</b>	<b>157,633</b>	<b>15,762</b>	<b>-974</b>	<b>168,407</b>

Change in per cent	-2.1	2.2	13.3	-4.6	2.3
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\*=Estimated figures. On the basis of overall figures for February-March.



EU

### May-June pig census

Eurostat has now published preliminary results for its May/June pig census for four EU countries – Germany, Denmark (1 July census), Italy and Hungary. The results are shown in the table below.

Some 14 EU countries are expected to publish their figures for the development in the pig population for May/June 2019 compared to the previous year. Figures for the other 10 EU countries are expected to be published over the coming weeks.

1,000 head	Total population			Breeding sows			Pregnant sows		
	2019	2018	% change	2019	2018	% change	2019	2018	% change
Germany	25,913	26,898	-3.7	1,804	1,859	-3.0	1,299	1,362	-4.6
Spain		30,142			2,498			1,669	
France		13,050			985			701	
Denmark	12,551	12,878	-2.5	1,227	1,269	-3.3	768	793	-3.2
Holland		12,509			1,059			700	
Poland		11,828			871			584	
Italy	8,642	8,766	-1.4	579	588	-1.5	474	482	-1.7
Belgium		6,107			408			336	
UK		5,012			491			347	
Romania		4,129			280			176	
Hungary	2,840	2,859	-0.7	252	260	-3.1	161	174	-7.5
Austria		2,679			228			159	
Ireland		1,622			147			103	
Sweden		1,393			130			90	
<b>EU (4)</b>	<b>49,946</b>	<b>51,401</b>	<b>-2.8</b>	<b>3,862</b>	<b>3,976</b>	<b>-2.9</b>	<b>2,702</b>	<b>2,811</b>	<b>-3.9</b>
<b>EU (14)</b>		137,748			11,175			7,821	
Serbia		2,680			413			177	



UK

### EU buyers of British meat fear hard Brexit

According to the British Meat Processors Association (BMPA), British meat exporters are finding that European buyers are not committing to British meat contracts for fear of a hard Brexit.

Buyers fear increased tariffs from 31 October in the event of a no-deal Brexit. Many British meat exporters are therefore being forced to export on a day-to-day basis at 'spot' prices, reports BMPA.



GERMANY

### Germany considers tax on meat

Agra Europe reports that German agricultural organisations are strongly opposed to the proposal for a tax on meat, pointing out that environmental and animal welfare objectives would be better served by helping German farmers compete against international competitors whose products are often produced under lower environmental and animal welfare standards.

 **CHINA**
**New outbreak of African Swine Fever**

The Chinese authorities continue to report individual cases of African Swine Fever. Last week, new cases were reported in three Chinese provinces.

In Hubei, there was an outbreak at a farm of 32 pigs. In Guangxi province, African Swine Fever was identified in a consignment of 52 pigs while the disease was reported in three shipments in Liaoning province.

 **VIETNAM**
**Rabobank forecasts 15-19 per cent decline in pig meat production i 2019**

Rabobank expects Vietnam's pig production to decline by 15-19 per cent in 2019 due to African Swine Fever, reports Asian Agribusiness.

As a result of declining production increased imports of both pig meat and other proteins are expected. Rabobank forecasts that higher pig meat prices will reduce pig meat consumption in Vietnam by 12 per cent per year.

 **MYANMAR**
**African Swine Fever suspected**

Myanmar has not yet registered any cases of African Swine Fever, but a possible outbreak of the disease is suspected in the country.

International news media are reporting that the authorities in Myanmar are now testing for the disease after several thousand pigs have recently died in a number of provinces.

 **CANADA**
**Canadian government under pressure due to Chinese import ban**

The Canadian government has come under pressure to provide compensation to meat companies for the absence of exports to China.

Agra Europe reports that the Minister of Agriculture for Ontario has sent a letter to the Minister of Agriculture for Canada drawing attention to the fact that Canadian meat companies are losing in the region of CAD 15-30 million per week as a result of the trade dispute between Canada and China.

The minister's letter also states that: "Ontario strongly urges the government to work with the meat sector on compensation so as to ensure continued viability until exports are restored and also to help ensure the opening of new export markets."

 **AUSTRALIA**
**Imports of pig meat**

<b>0203</b>				
<b>Fresh/frozen pig meat</b>				
<b>Tonnes</b>	<b>Jan-June 2017</b>	<b>Jan - June 2018</b>	<b>Jan - June 2019</b>	<b>% change 19:18</b>
USA	31,775	38,351	54,761	42.8
Denmark	25,422	22,851	29,716	30.0
Holland	14,103	13,505	12,532	-7.2
Canada	9,986	7,093	5,486	-22.7
Ireland	3,398	3,244	4,054	25.0
UK	164	466	1,050	125.3
Others	2,158	1,063	84	-92.1
<b>Total</b>	<b>87,006</b>	<b>86,573</b>	<b>107,683</b>	<b>24.4</b>

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

Last week, the authorities in Israel reported one case of foot and mouth disease. The outbreak was identified in a herd of 700 head of cattle.