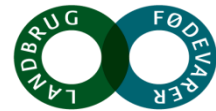


MARKET NEWS for pig meat



Market analysis

16 September 2019

Week 38

MARKET SITUATION

Europe: Legs and other cuts are being traded at unchanged prices this week.

UK: Sales are stable.

Steady sales are reported for **Japan and other Asian markets** 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 34	Week 35	Week 36	Week 1-36 2019/2018
Total	298,781	298,500	298,192	-7.6 %

FUTURES

	Chicago (\$ per 100 lbs slaughter weight)		
	13/9	6/9	Change
2019			
Oct	66.48	63.50	2.98
Nov	-	-	
Dec	68.70	62.48	6.22
2020			
Jan	-	-	
Feb	75.10	70.85	4.25
Mar	-	-	
Apr	81.18	76.40	4.78
May	86.13	82.40	3.73
Jun	91.13	86.38	4.75
Jul	90.50	86.35	4.15
Aug	88.73	85.00	3.73
Sep	-	-	
Oct	75.85	72.50	3.35
Nov	-	-	
Dec	71.75	68.45	3.30
2021			
Jan	-	-	
Feb	74.75	71.70	3.05
Conversion factors: 1 lb = 0.4536 kg \$ = 6.7302			



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 9 September.

Countries	Period 2 Sept- 9 Sept		Year to date 1 Jan – 9 Sept		2018	
	Pigs	Wild boar	Pigs	Wild boar	Pigs	Wild boar
Estonia				60		230
Latvia		1	1	230	10	685
Lithuania		2	15	351	51	1,443
Poland		30	45	1,662	109	2,438
Italy			1	26	10	64
Ukraine	2		35	10	105	41
Czech Republic						28
Romania	87	27	1,310	460	1,163	170
Hungary		82		948		138
Bulgaria		3	35	57	1	5
Slovakia		3	11	7		
Serbia			17			
Belgium				479		161
Total	89	148	1,470	4,290	1,449	5,403

MOLDOVA

African Swine Fever

Last week, Moldova reported two outbreaks of African Swine Fever at small farms in the West of the country, close to the border with Romania.

RUSSIA

African Swine Fever

Last week, Russia reported an outbreak of African Swine Fever at a large farm with 35,647 pigs in the West of the country in Novgorod.

Five cases were also reported at small farms in the East of Russia close to the border with China, and one among wild boar in the West of the country.

PHILIPPINES

African Swine Fever

As reported in Market News last week, the Philippines has confirmed that African Swine Fever is now present in the country.

Last week, the Philippines reported seven cases of African Swine Fever at pig farms comprising 7,952 pigs.


CHINA/ USA
China will exempt U.S. pig meat from tariffs

There seems to be an easing in the trade war between the U.S and China. Reuters reports that on Friday, China announced that U.S. pork and soybeans will be exempt from additional tariffs.

“China supports relevant enterprises buying certain amounts of soybeans and pork and other agricultural products from today in accordance with market principles and WTO rules”, stated China’s official news agency, Xinhua, adding: “The Customs Tariff Commission of China’s State Council would exclude additional tariffs on those items”.


CHINA
Pig population for August

According to new figures from China’s Agriculture Ministry, the total pig population for August was 38.7 per cent lower compared to one year ago and 9.8 per cent down compared to the previous month.

There was a 37.4 per cent decline for the sow population compared to one year ago and a 9.1 per cent decline compared to the previous month.


CHINA
Test of vaccine against African Swine Fever

International news media report that the Chinese Academy of Agricultural Sciences confirmed on Tuesday last week that they had concluded laboratory tests on a vaccine against African Swine Fever.

The Academy has now submitted an application for a safety assessment to the Ministry of Agriculture with the aim of starting clinical trials of the vaccine.

China’s Deputy Minister of Agriculture said in a press briefing that this is a positive development and the first step towards a vaccine.


CHINA
Authorities will ensure sufficient pig meat for the upcoming holidays

A spokesperson from the National Development and Reform Commission stated at a press briefing that the authorities will ensure sufficient supplies of pig meat for the upcoming holidays, including the Chinese New Year at the end of January.

The authorities are planning to release pig meat from state reserves.


VIETNAM
Pig production replaced by increased production of ducks and cattle

There have been previous reports of strongly increasing poultry production to compensate for the decline in pig production.

Asian Agribusiness now reports that African Swine Fever has caused many farmers in Lam Dong province to switch their production to eggs and cattle.

It is expected that the total population of poultry in the province will increase from 5 million to 6 million while the cattle population is expected to rise from 100,000 to 120,000.



DENMARK

Denmark' pig meat exports, tonnes

January-June 2019

	By products	Live pigs	Processed Canned	Bacon	Whole and half pigs/sows	Cuts	Sausages	Total	Per cent
Germany	6,073	100,758	3,766	130	37,441	92,061	1,609	241,837	27.0
Poland	540	84,179	24	10	186	52,676	1	137,614	15.3
UK	3,439	878	5,092	21,176	2	56,498	6,041	93,126	10.4
Italy	984	10,466	255	37	4	42,690	249	54,685	6.1
Holland	5,347	8,310	108	10	0	3,870	200	17,845	2.0
Sweden	2,496	143	1,079	375	0	5,217	2,295	11,604	1.3
Spain	276	3,735	596	214	0	3,157	684	8,662	1.0
France	467	753	487	250	0	4,859	519	7,336	0.8
Other EU countries	5,842	8,208	1,619	82	10	13,668	2,068	31,496	3.5
Total EU	25,463	217,430	13,026	22,284	37,641	274,694	13,666	604,205	67.4
China	85,765	0	228	0	0	60,730	173	146,896	16.4
Japan	127	1	1,579	0	0	57,591	842	60,140	6.7
Australia	125	0	153	119	0	27,447	35	27,880	3.1
USA	952	0	2,818	30	0	7,952	483	12,235	1.4
South Korea	182	10	967	0	0	7,949	119	9,226	1.0
Taiwan	411	2	29	0	0	4,967	10	5,418	0.6
Hong Kong	1,599	0	356	11	0	2,090	103	4,158	0.5
Canada	75	0	360	0	0	2,898	0	3,333	0.4
Belarus	2,733	6	335	0	0	0	0	3,074	0.3
Other 3rd countries	6,385	382	4,298	781	0	5,619	2,905	20,369	2.3
3rd countries, total	98,353	401	11,123	940	5	177,242	4,670	292,734	32.6
Exports, total	123,816	217,831	24,149	23,224	37,647	451,936	18,336	896,939	100

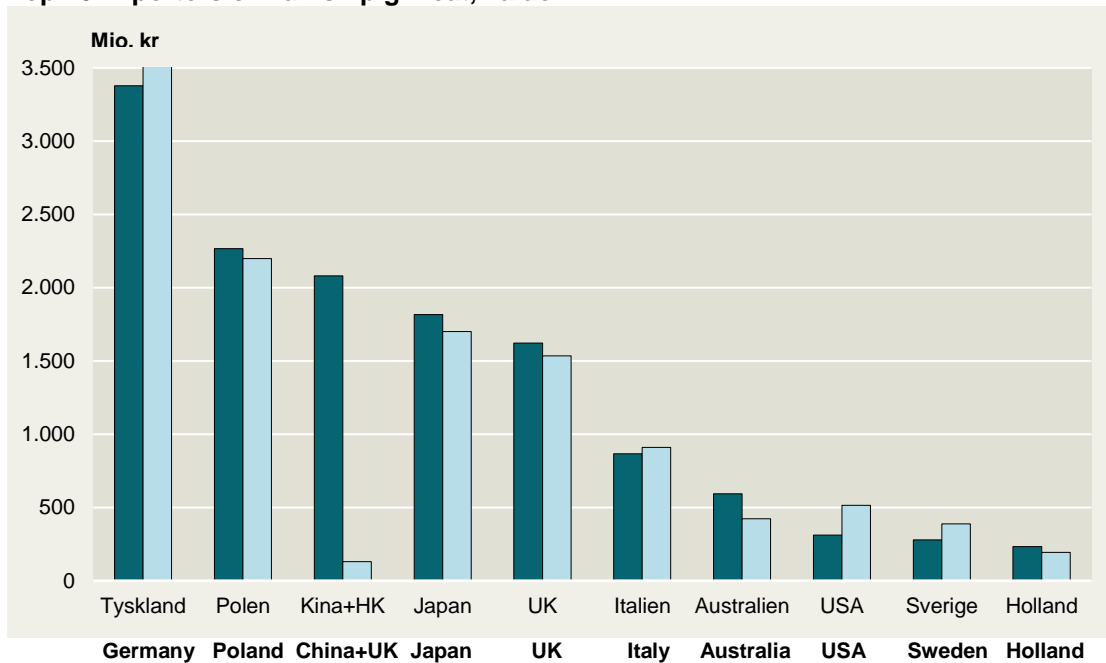
January-June 2018

	By-products	Live pigs	Processed Canned	Bacon	Whole and half pigs/sows	Cuts	Sausages	Total	Per cent
Germany	14,276	104,198	3,618	93	42,635	137,010	1,444	303,273	30.9
Poland	669	91,860	40	1	0	64,988	0	157,558	16.0
UK	3,689	206	4,968	21,646	0	61,492	5,161	97,161	9.9
Italy	938	12,385	254	35	0	53,262	174	67,048	6.8
Sweden	4,351	145	1,059	557	0	9,815	2,476	18,402	1.9
Holland	5,562	6,645	102	9	0	4,443	139	16,900	1.7
France	1,072	819	461	233	0	6,765	465	9,816	1.0
Spain	291	1,958	568	234	0	2,772	666	6,489	0.7
Other EU countries	5,534	6,971	1,554	68	4	26,452	1,922	42,506	4.3
Total EU									
China	79,471	0	110	0	0	32,772	0	112,353	11.4
Japan	1,360	3	2,089	18	0	55,382	921	59,773	6.1
Australia	1,327	0	2,390	54	0	17,125	569	21,464	2.2
USA	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
Canada	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 3rd countries	5,544	606	4,503	723	0	5,824	3,334	20,535	2.1
3rd countries, total	93,767	1,034	10,707	980	25	151,328	5,053	262,895	26.8
Exports, total	130,149	226,222	23,331	23,857	42,664	518,327	17,500	982,049	100

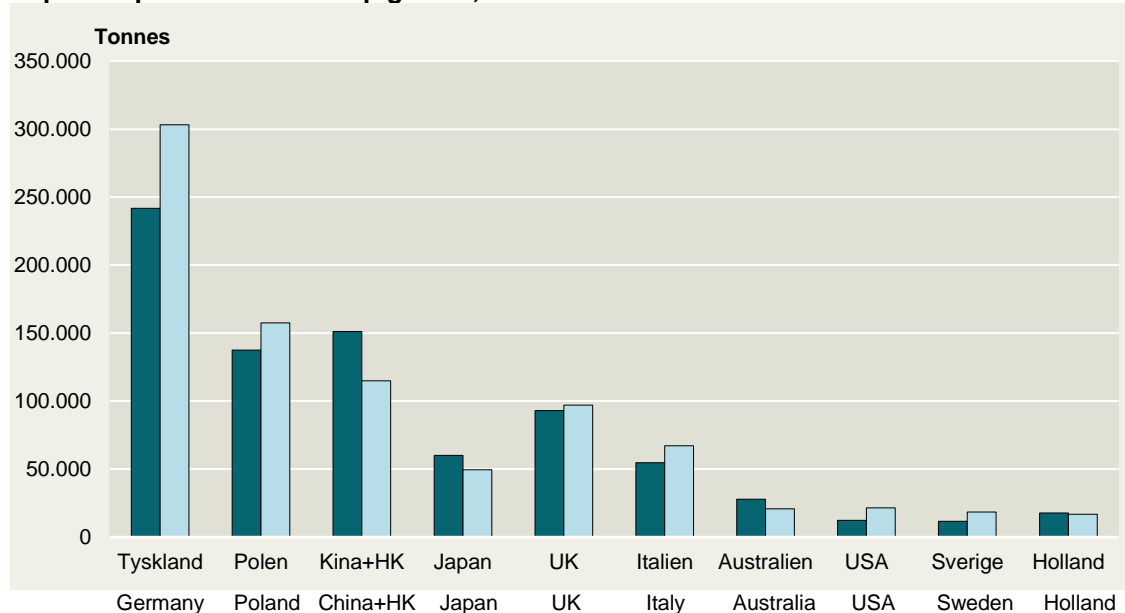
Top 10 importers of Danish pig meat according to value

Countries	Jan - June 2019		Jan - June 2018	
	Value in DKK million	Tonnes	Value in DKK million	Tonnes
Germany	3,377	241,837	3,623	303,273
Poland	2,267	137,614	2,198	157,558
China+HK	2,081	151,055	131	115,032
Japan	1,816	60,140	1,700	49,436
UK	1,622	93,126	1,535	97,161
Italy	867	54,685	911	67,048
Australia	593	27,880	422	20,768
USA	311	12,235	515	21,464
Sweden	279	11,604	387	18,402
Holland	234	17,845	194	16,900
Top 10 total	13,447	808,021	11,616	867,043
Other countries	1,873	88,918	3,072	115,006
Total	15,320	896,939	14,688	982,049

Top 10 importers of Danish pig meat, value



Top 10 importers of Danish pig meat, tonnes

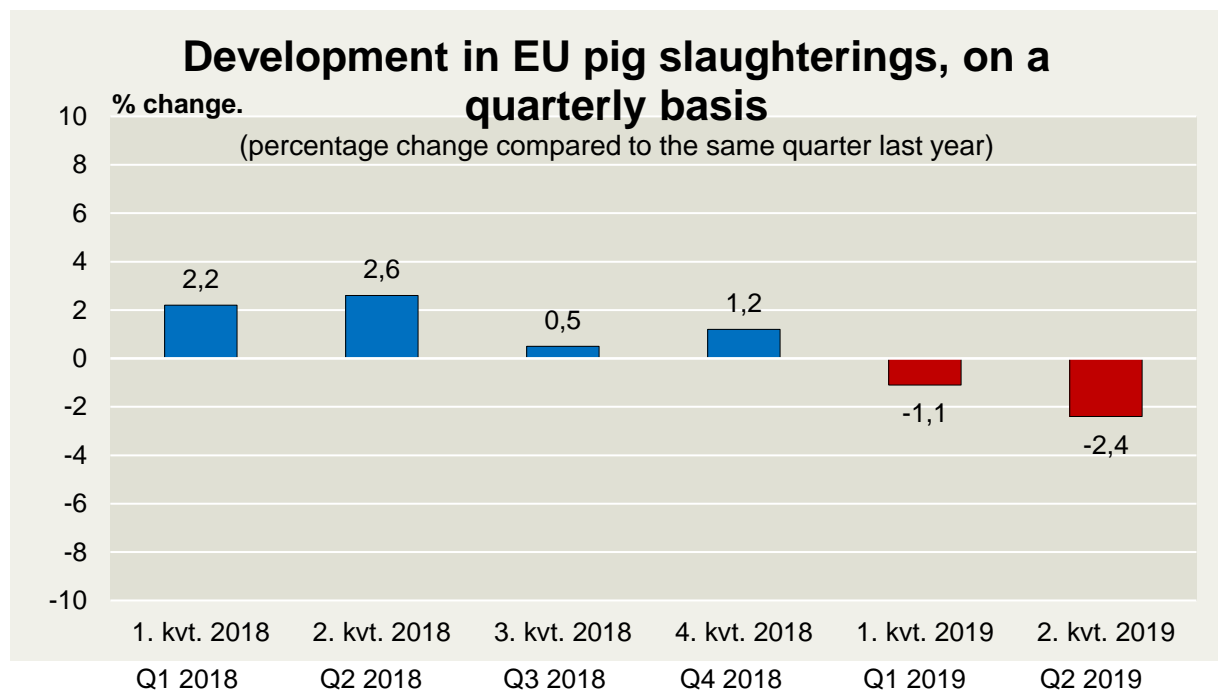


EU

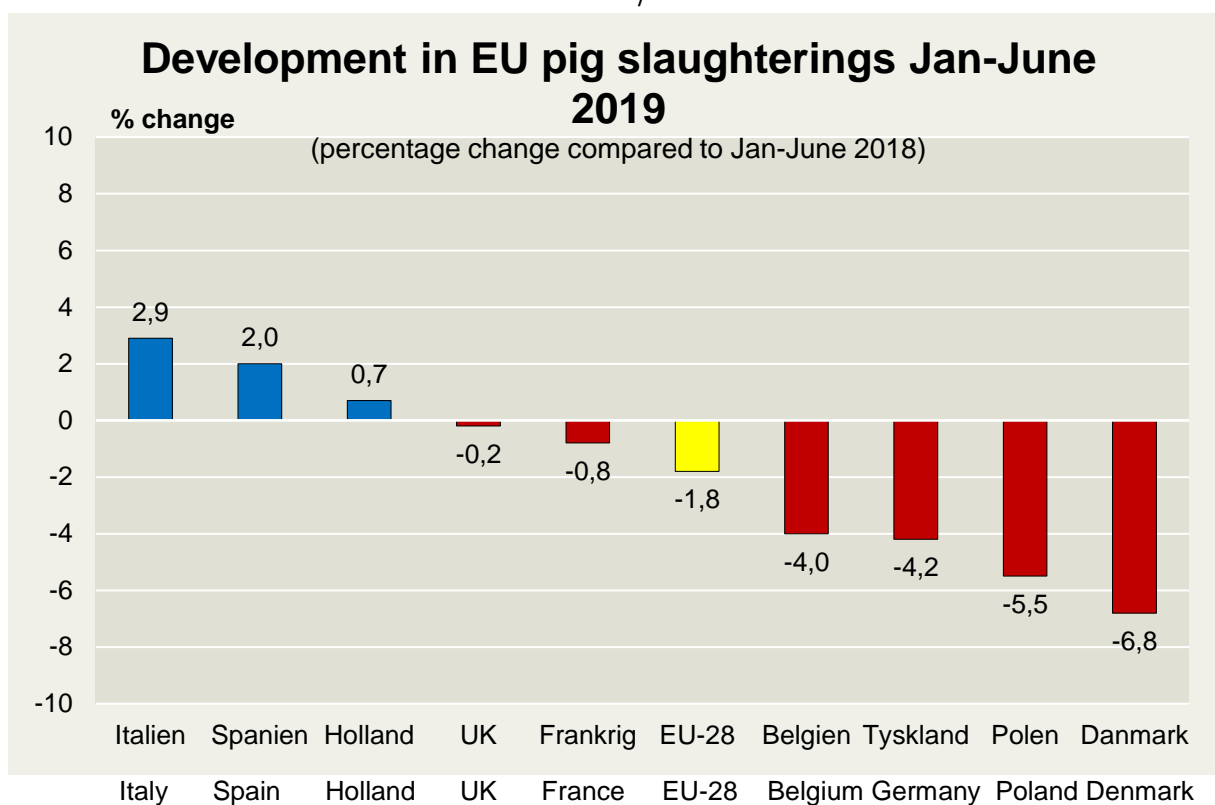
Pig slaughterings declined 1.8 per cent in 1st half year 2019

EU pig slaughterings declined by 1.8 per cent in the first half year 2019 compared to the first half year 2018. This is shown by the EU countries' reported slaughterings to Eurostat.

The development in EU slaughterings per quarter for 2018 and 2019 are shown in the diagram below – as is the percentage change in slaughterings compared to the corresponding quarter of the previous quarter. As can be seen, a fall in EU slaughterings in 2019 follows an increase in slaughterings in 2018.



The chart below shows the development in slaughterings for the first half year 2019 compared to the same half year 2018 for the largest pig producing countries in the EU. As can be seen, slaughterings for northern European countries in 2019 were down. The hot summer in 2018 (with lower productivity) contributed to lower slaughterings in Northern Europe, particularly in the 2nd quarter 2019.



EU

EU pig meat exports Jan – July 2019

The table below shows the EU Commission's figures for EU exports of pig meat (translated into carcass weight) for the period January-July 2019 compared to the same period last year.

Carcass weight, tonnes	Jan - Jul	Jan - Jul	% change
	2019	2018	
China	1,138,923	785,959	44.9
Japan	290,538	267,922	8.4
South Korea	178,407	200,253	-10.9
Philippines	160,338	168,634	-4.9
Hong Kong	120,153	131,768	-8.8
USA	88,437	106,008	-16.6
Øvrige	619,159	584,086	6.0
Total	2,595,955	2,244,630	15.7



EU

African Swine Fever poses a risk for entire Balkan region

At a meeting about African Swine Fever in Bulgaria, representatives from the World Organisation for Animal Health stated that African Swine Fever now poses a serious risk to the entire Balkan region following outbreaks in Serbia.

In addition to a number of veterinary experts, the agriculture ministers from five Balkan countries as well as the EU Commissioner for Health and Food Safety, Vytenis Andriukaitis, attended the meeting.

Shortly after the meeting, the Croatian Agriculture Minister announced a range of new measures designed to protect the country against African Swine Fever. Among them is a ban on the sale of pigs from farms that have not complied with infection protection requirements.

 **CANADA**
Pig census 1 July

The Canadian pig census of 1 July 2019 shows a largely unchanged total pig population whereas the breeding herd was reduced by 1.3 per cent compared to one year ago.

'000 head	1 July 2019	1 July 2018	% change 2019:2018
Breeding herd	1,233,2	1,249,9	-1.3
Piglets and finished pigs	12,716,8	12,705,1	0.1
Total	13,950,0	13,955,0	-0.0

On 1 July 2019, 7,740 pig farms were registered in Canada, which is a decline of 1.3 per cent compared to one year ago.

Pig slaughterings for the first half year 2019 totalled 10.8 million, i.e. 0.2 per cent higher than the same period last year.

Exports of live pigs amounted to 2.6 million for the first half year 2019. This is a decline of 4.1 per cent compared to the same period in 2018. Exports of live pigs are almost 50 per cent lower compared to their peak in 2008, reports Statistics Canada.

 **SOUTH AFRICA**
African Swine Fever

The authorities in South Africa have reported one case of African Swine Fever at a small farm.

 **SOUTH AFRICA**
Foot and mouth disease

Last week, the authorities in South African reported one case of foot and mouth disease. Some 5,000 head of cattle were affected.

 **ZAMBIA**
Foot and mouth disease

Last week, the authorities in Zambia reported 14 cases of foot and mouth disease at a number of cattle farms. Some 47,000 head of cattle were affected.