

MARKET NEWS for pig meat



Market analysis

23 September 2019

Week 39

MARKET SITUATION

Europe: Legs are being traded at slightly falling prices. Other cuts are being traded at unchanged prices.

UK: Sales are stable.

Steady sales are reported for **Japan** and **other Asian** markets. 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 35	Week 36	Week 37	Week 1-37 2019/2018
Total	298,500	298,971	295,241	-7.7 %

FUTURES, USA

	Chicago (\$ per 100 lbs slaughter weight)		
	20/9	13/9	Change
2019			
Oct	60.35	66,48	-6,13
Nov	-	-	
Dec	66.25	68,70	-2,45
2020			
Jan	-	-	
Feb	73.90	75,10	-1,20
Mar	-	-	
Apr	80.70	81,18	-0,48
May	87.45	86,13	1,32
Jun	91.70	91,13	0,57
Jul	91.10	90,50	0,60
Aug	89.33	88,73	0,60
Sep	-	-	
Oct	75.96	75,85	0,11
Nov	-	-	
Dec	71.30	71,75	-0,45
2021			
Jan	-	-	
Feb	74.25	74,75	-0,50

Conversion factors:
 1 lb = 0.4536 kg
 \$ = DKK 6.7695



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 15 September.

Countries	Period 10 Sep- 15 Sep		Year to date 1 Jan - 15 Sep		2018	
	Pigs	Wild boar	Pigs	Wild boar	Pigs	Wild boar
Estonia				60		230
Latvia		3	1	233	10	685
Lithuania	1	8	16	358	51	1,443
Poland		14	45	1,676	109	2,438
Italy			1	26	10	64
Ukraine	1		36	10	105	41
Czech Republic						28
Romania	36	7	1,346	467	1,163	170
Hungary				948		138
Bulgaria	1	3	36	60	1	5
Slovakia			11	7		
Serbia			17			
Belgium				479		161
Total	39	35	1,509	4,324	1,449	5,403

SOUTH KOREA

African Swine Fever

Last week, South Korea became the ninth country in Asia to report an outbreak of African Swine Fever. Two outbreaks were identified at pig farms in the north of the country, close to the border with North Korea.

The first was at a farm of 4,732 pigs while the other at a farm of 2,450 pigs.

PHILIPPINES

African Swine Fever spreads further

The African Swine Fever virus has begun to spread in the Philippines two weeks after the country officially confirmed its first outbreak of the disease in a village in Antipolo, Rizal, east of the capital Manila

Reuters reports that there are now 12 villages with backyard farms affected by the disease – 10 in the provinces of Rizal and Bulacan and two in villages close to the city of Manila.

The Mayor of Queson, Joy Belmonte, suspects that the disease reached the city via the nearby MariChina River where 58 pigs were found. Pig producers in Rizal are suspected of having dumped the dead pigs in the river in an attempt to conceal the outbreak.

The Philippines Agriculture Minister, Eilliam Dar, has appealed to the country's backyard farms to report all suspected cases of the disease to the authorities to prevent further spread.

The Minister has also appealed to local provincial authorities not to impose their own restrictions on trade in food products. The appeal comes after the provinces of Cebu and Bohol banned pig meat and pig meat-based products from the affected areas.

The Philippines' pig population as at 1 July totalled 12.7 million: around 8 million at backyard farms and 4.7 million at commercial pig farms.

The Philippines is the world's tenth largest consumer of pig meat and the world's seventh largest pig meat importing country.

 **PHILIPPINES**
Imports of pig meat for 1st half year 2019Imports of fresh/frozen pig meat

0203				
Fresh/frozen pig meat				
Tonnes	Jan - June 2017	Jan - June 2018	Jan. - June 2019	% change 19:18
Canada	10,954	16,944	11,772	-30.5
Germany	11,085	10,637	11,103	4.4
France	7,115	5,692	6,324	11.1
USA	5,281	5,346	5,147	-3.7
Spain	4,121	3,609	2,925	-19.0
Brazil	757	1,809	2,642	46.0
Holland	1,485	941	490	-47.9
Denmark	612	775	113	-85.4
Australia	503	748	580	-22.5
UK	1,378	639	646	1.1
Ireland	466	398	107	-73.1
Belgium	729	277	25	-91.0
Others	169	87	29	-66.7
Total	44,655	47,902	41,903	-12.5

Imports of by-products

020649				
By-products				
Tonnes	Jan-June 2017	Jan-June 2018	Jan-June 2019	% change 19:18
Spain	18,106	23,316	29,344	25.9
Germany	20,560	22,808	26,260	15.1
USA	8,945	12,303	10,165	-17.4
Holland	4,986	8,905	7,886	-11.4
France	6,990	7,790	8,363	7.4
UK	3,229	5,417	4,753	-12.3
Belgium	5,485	5,321	39	-99.3
Canada	2,738	4,926	3,643	-26.0
Denmark	2,971	2,079	2,789	34.2
Ireland	921	2,070	1,370	-33.8
Australia	719	1,718	1,536	-10.6
Others	1,376	1,057	1,521	43.9
Total	77,026	97,710	97,669	-0.0


Slaughterings

	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
Jan-Dec	16,913,883	551,700	17,465,583

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
Jan-Dec 2018	17,470,523	562,504	18,033,027

2019	Pigs/sows 50-110 kg	Sows etc. above 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	1,420,592	45,375	1,465,967
August	1,339,029	42,780	1,381,809
September			
October			
November			
December			
Jan-Aug 2019	10,803,565	354,999	11,158,564
Jan-Aug 2018	11,561,615	381,614	11,943,229
Change per head	-758,050	-26,615	-784,665
Change in per cent	-6.6	-7.0	-6.6

* = 5 weeks

 DENMARK
Exports of live pigs

2017	Piglets		Pigs/sows	Pigs/sows above 135 kg	Total
	0-15 kg	15-50 kg	50-135 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
Jan-Dec	443,051	13,678,677	252,833	23,552	14,398,113

2018	Piglets		Pigs/sows	Pigs/sows above 135 kg	Total
	0-15 kg	15-50 kg	50-135 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
Jan-Dec 2018	367,068	14,028,284	234,213	50,306	14,679,871

2019	Piglets		Pigs/sows	Pigs/sows above 135 kg	Total
	0-15 kg	15-50 kg	50-135 kg		
January	30,609	1,370,638	18,891	4,750	1,424,888
February*	30,000	1,100,000	20,000	3,000	1,153,000
March*	30,325	1,160,938	19,435	3,173	1,213,871
April	33,628	1,143,557	22,659	2,719	1,202,563
May	34,635	1,227,240	22,034	3,538	1,287,447
June	27,181	1,300,471	17,062	3,092	1,347,806
July	30,683	1,251,843	17,196	12,930	1,312,652
August	37,446	1,267,312	19,205	4,319	1,328,282
September					
October					
November					
December					
Jan-Aug 2019	254,507	9,821,999	156,482	37,521	10,270,509

Jan-Aug 2018	248,217	9,467,995	159,159	29,944	9,905,315
Change per head	6,290	354,004	-2,677	7,577	365,194
Change in per cent	2.5	3.7	-1.7	25.3	3.7

*=Estimated figure – based on total figures for Feb-March

DENMARK

Denmark's exports of pig meat, 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
	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
EU Total	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

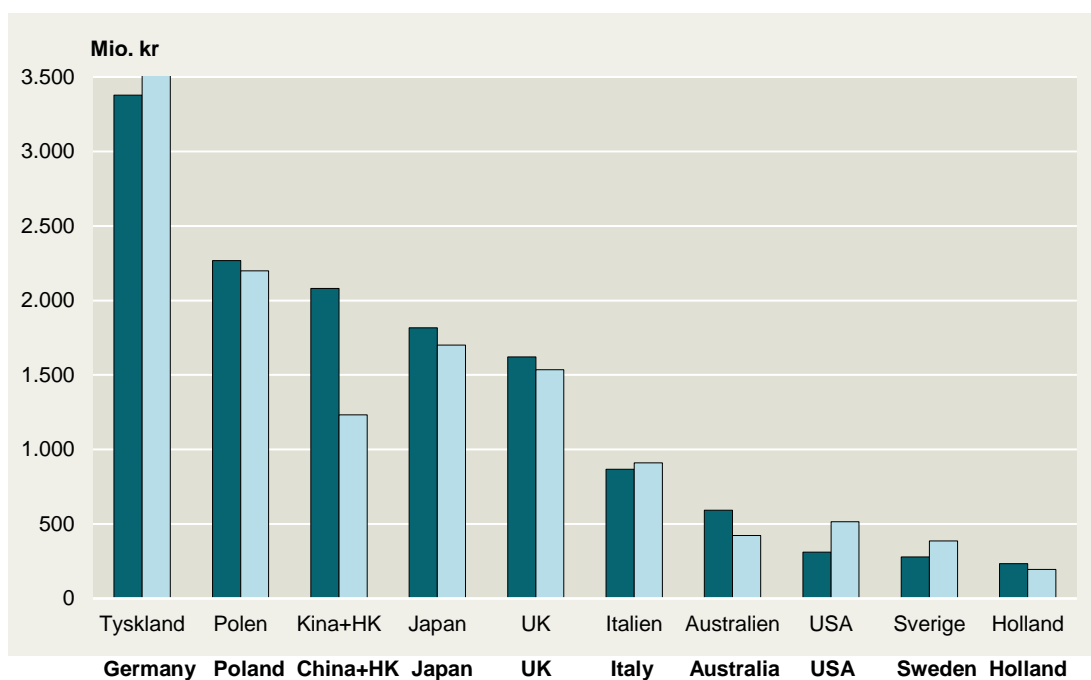
January - June 2018

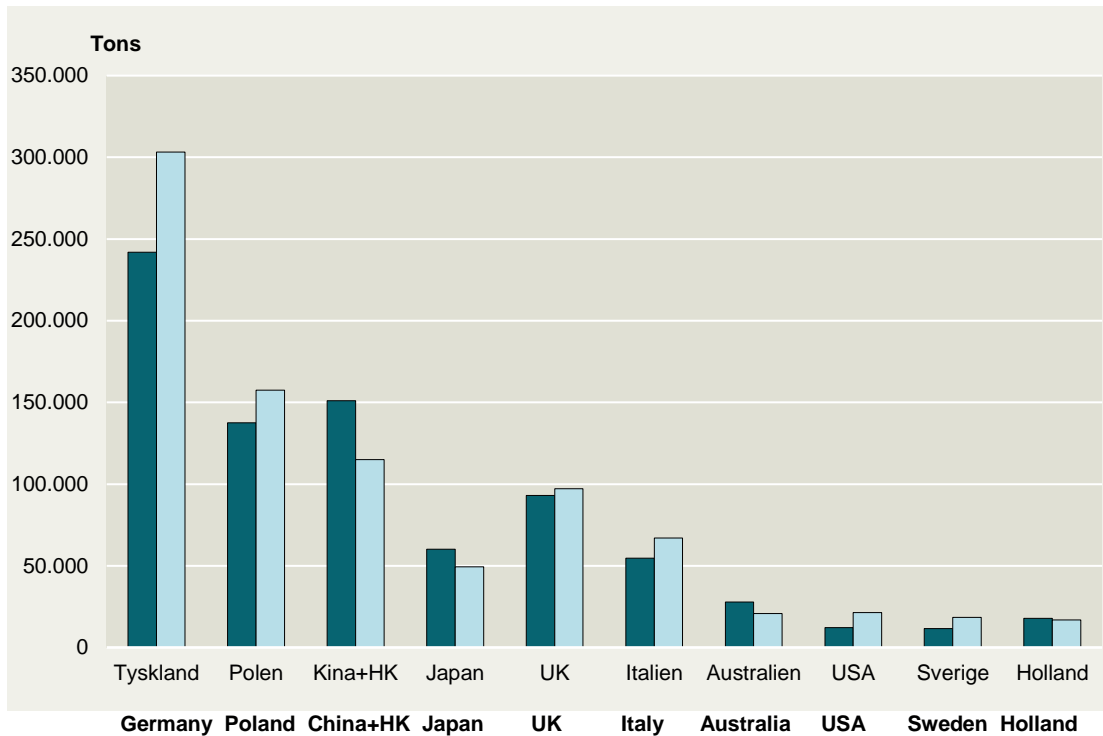
	By-products	Live pigs	Processed Canned	Bacon	Whole and half pigs/sows	Cuts	Sausages	Total	Per cent
Germany	14,276	104,198	3,618	93	42,635	137,010	1,444	303,273	30,9
Poland	669	91,860	40	1	0	64,988	0	157,558	16,0
UK	3,689	206	4,968	21,646	0	61,492	5,161	97,161	9,9
Italy	938	12,385	254	35	0	53,262	174	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
EU Total									
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 measured by value

Country	Jan-June 2019		Jan-June 2018	
	Value n 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	1.233	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	12.718	867.042
	1.873	88.918	1.970	115.007
Total	15.320	896.939	14.688	982.049





THAILAND

African Swine Fever suspected

African Swine Fever is suspected after the death of several hundred pigs in the northern province of Chiang Rai.

The authorities have sent blood samples for laboratory testing and expect the results in two weeks.

The authorities have tried to downplay the situation and have stated that the culling of the animals in the area is purely a preventive measure. Producers and consumers are being urged not to panic.

Thailand produces approx. 1.2 million tonnes pig meat per year. Exports amount to 35,000 tonnes to other Asian countries. Imports are modest and stand at 9,000 tonnes.

The U.S. has been pushing for Thailand to open its market to U.S. pig meat, but so far, their wish has been refused because of the use of ractopamine in U.S. pig production.

One month ago, Thailand announced that Japan has now been allowed to export pig meat to the Thai market.

CHINA

Authorities release 10,000 tonnes pig meat from storage

International news media report that the Chinese authorities have released 10,000 tonnes pig meat from state storage in readiness for China's national holiday. 2,400 tonnes beef and 1,900 tonnes mutton were released earlier in the month. More meat is expected to be released soon to meet the demand for meat in the market.

CHINA

China approves a number of meat factories in Argentina

Last week, China approved a number of meat factories in Argentina to export to China, reports Reuters. The factories produce beef and poultry.

 **UKRAINE**
Producers call for African Swine Fever infected pig meat to be allowed into the meat industry

International news media report that Ukraine's Livestock Producers Association (ULPA) has asked the authorities in the country to allow African Swine Fever infected pig meat into the meat industry.

The request from the producer organisation comes after about 100,000 pigs were culled in Lviv. The ULPA points out that many cases of African Swine Fever in the country have never been reported, and consumers in Ukraine have eaten pork containing African Swine Fever for years.

ULPA points out that the meat is completely safe for humans to eat and if the meat industry were to process the infected meat and use it in the country's national strategic reserve, it would be able to supply meat to 200,000 people.

 **EU**
May-June pig census

Eurostat has now published preliminary results for its May/June pig census for 12 of the 14 EU countries. Only the results for Spain and UK are awaited. The results for Serbia have also been made available.

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	1,300	1,362	-4.6
Spain		30,142			2,498			1,669	
France	13,240	13,044	1.5	955	979	-2.5	680	696	-2.3
Denmark	12,551	12,878	-2.5	1,227	1,269	-3.3	768	793	-3.2
Holland	12,300	12,391	-0.7	1,017	1,051	-3.2	677	695	-2.6
Poland	10,780	11,828	-8.9	755	871	-13.3	531	584	-9.1
Italy	8,642	8,766	-1.4	579	588	-1.5	474	482	-1.7
Belgium	6,093	6,107	-0.2	395	408	-3.2	325	336	-3.3
UK		5,012			491			347	
Romania	3,726	4,129	-9.8	251	280	-10.4	159	176	-9.7
Hungary	2,840	2,859	-0.7	252	260	-3.1	161	174	-7.5
Austria	2,652	2,679	-1.0	223	228	-2.2	155	159	-2.5
Ireland	1,616	1,622	-0.4	142	147	-3.4	97	103	-5.8
Sweden	1,474	1,393	5.8	130	130	-	92	90	2.2
EU (12)	101,827	104,594	-2.6	7,730	8,070	-4.2	5,419	5,650	-4.1
EU (14)		137,748			11,175			7,821	
Serbia	2,677	2,680	-0.1	410	413	-0.7	194	177	9.6

 **UK**
NPA calls for greater control to prevent the African Swine Fever virus entering the country

Agra Europe reports that the National Pig Association (NPA) wants the authorities to introduce tougher measure to prevent the African Swine Fever virus from entering the country via illegally imported meat.

The call from the NPA comes after the UK Agriculture Minister – in a response to a letter from the NPA – stated that the risk level for an outbreak of African Swine Fever has been set at medium. This means that an outbreak of African Swine Fever in the country is likely within a year.

According to the NPA, checks on luggage are completely inadequate, particularly in the UK. In Northern Ireland in the summer, for example, 300 kg of illegally imported meat and dairy products were confiscated while in the British Isles, there are only two sniffer dogs available. We have asked for more, the NPA said in a statement, but have been told that it is too expensive.



UK

NPA calls on government reconsiders tariffs in the event of hard Brexit

The National Pig Association (NPA) has written to the UK Agriculture Minister asking the government to reconsider tariffs on pig meat imports that will come into force in the event of a hard Brexit.

Under the proposed tariff regime announced in March, tariffs on pig meat – applying equally to imports from the EU and the rest of the world – would typically equate to around 3-5%.

Currently, all UK pig meat imports come from the EU. However, the NPA fears that with a hard Brexit, the UK market would be exposed to significantly cheaper imported pig meat from countries like the U.S., produced to standards that are not legally permitted in the UK.

NPA has pointed out that after all sow stalls were banned in the UK in 1999, supermarkets continued to import EU pig meat produced under the system.

With US pig meat prices currently more than 50p/kg below UK prices, tariffs of just 3-5%, even with shipping costs, could easily be absorbed by American exporters, NPA has pointed out.



HOLLAND

Vion enters into agreement with supermarket chain to supply products from 14 Dutch pig producers

Agra Europe reports that Vion has signed an exclusive agreement with the Dutch supermarket, PLUS, to supply pig meat from 14 Dutch pig producers.

The products will be available from mid-October. The pigs from the 14 producers will be slaughtered at Vion's plant in Groenlo and produced under the Good Farming Star programme.

Vion also states that the agreement with PLUS dovetails well with the company's wish to be a game-changer in the development of a more consumer-focused supply chain.



PAKISTAN

Foot and mouth disease

Last week, the authorities in Pakistan reported four cases of foot and mouth disease at small cattle farms in the north of the country.