

## MARKET SITUATION

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

**UK:** Sales are stable. New contracts are being agreed at increasing price levels.

Strong demand is reported from **China**. Sluggish sales are reported for other Asian markets, including **Japan**.

## Slaughterings in Denmark

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

	Week 40	Week 41	Week 42	Weeks 1-42 2019/2018
Total	301,453	313,504	314,562	-8.6 %

## FUTURES, USA

	Chicago \$ per 100 lbs slaughter weight)		
	25/10	18/10	Change
<b>2019</b>			
Dec	64.93	67,95	-3,02
<b>2020</b>			
Jan	-	-	
Feb	73.35	77,48	-4,13
Mar	-	-	
Apr	79.55	83,45	-3,90
May	85.63	88,80	-3,17
Jun	90.13	92,85	-2,72
Jul	90.35	92,68	-2,33
Aug	88.93	90,88	-1,95
Sep	-	-	
Oct	75.63	76,63	-1,00
Nov	-	-	
Dec	71.13	71,70	-0,57
<b>2021</b>			
Jan	-	-	
Feb	73.93	74,05	-0,12
Mar	-	-	
Apr	76.53	76,55	-0,02

Conversion factors:

1 lb = 0.4536 kg

\$ = DKK 6.7258



### 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 20 October.

Countries	Period 13 Oct – 20 Oct		Year to date 1 Jan – 20 Oct		2018	
	Pigs	Wild boar	Pigs	Wild boar	Pigs	Wild boar
Estonia		1		71		230
Latvia		11	1	266	10	685
Lithuania		8	19	389	51	1,443
Poland		25	48	1,818	109	2,438
Italy			1	26	10	64
Ukraine	1		38	10	105	41
Czech Republic						28
Romania	14	6	1,516	520	1,163	170
Hungary		23		1,191		138
Bulgaria	1	9	40	77	1	5
Slovakia		1	11	14		
Serbia			18			
Belgium				479		161
<b>Total</b>	<b>16</b>	<b>84</b>	<b>1,692</b>	<b>4,861</b>	<b>1,449</b>	<b>5,403</b>

### RUSSIA

#### African Swine Fever

Last week, Russia reported four outbreaks of African Swine Fever among wild boar: two in the West of the country and two in the East, close to the border with China and North Korea.

### MOLDOVA

#### African Swine Fever

Last week, Moldova reported one outbreak of African Swine Fever among wild boar in the South of the country, not far from the border with Romania.

### SOUTH KOREA

#### African Swine Fever

Last week, the authorities in South Korea reported seven outbreaks of African Swine Fever among wild boar. As was the case previously, all the outbreaks occurred in the North of the country, not far from the border with North Korea.

Asian Agribusiness reports that the authorities have imposed army snipers and civilian hunters to shoot any wild boar in the area bordering North Korea. Drones have also been used in the hunt to identify infected wild boar.

 **SOUTH KOREA**
**Decline in imports of fresh/frozen pig meat for Jan-Sept 2019**

South Korea has seen increasing imports of pig meat in recent years. However, for the first nine months of 2019, imports are slightly down on the same period last year.

The decline is not entirely unexpected and is due to increased Korean imports and the stockpiling of pig meat in 2018.

As shown in the charts below, the U.S. continues to be the largest exporter of pig meat to South Korea even though U.S. exports have fallen slightly in 2019.

Among EU countries, Spain has increased its exports to South Korea while other major EU exporting countries have seen a decline. The substantial fall in exports from Belgium and Hungary is, of course, due to the South Korean import ban following African Swine Fever in the two countries.

0203 Fresh/frozen pig meat				
Tonnes	Jan-Sept 2017	Jan-Sept 2018	Jan-Sept 2019	% change 19:18
USA	115,941	148,944	142,405	-4.4
Germany	85,915	86,636	84,247	-2.8
Spain	47,919	55,036	62,276	13.2
Canada	26,847	30,837	32,037	3.9
Chile	21,328	24,050	24,166	0.5
Holland	17,477	20,769	17,322	-16.6
Austria	12,869	12,351	10,734	-13.1
Denmark	11,191	12,513	10,920	-12.7
Mexico	11,710	10,791	8,981	-16.8
Ireland	2,784	3,719	3,679	-1.1
France	5,526	5,891	4,042	-31.4
Finland	2,563	2,641	2,891	9.5
Brazil	0	41	2,236	5353.7
Sweden	1,178	1,143	1,420	24.2
Belgium	7,118	9,268	843	-90.9
UK	2,306	1,439	1,064	-26.1
Australia	581	1,202	654	-45.6
Hungary	3,304	3,027	180	-94.1
Portugal	0	0	111	-
Others	1	-2	-2	0.0
<b>Total</b>	<b>376,558</b>	<b>430,296</b>	<b>410,206</b>	<b>-4.7</b>

 **VIETNAM**
**Strongly rising pig prices. Minister calls for a halt to exports to China**

Asian Agribusiness reports that pig prices in Vietnam are continuing to rise because of the demand from China.

Domestic Vietnamese pig meat production has been so badly affected by African Swine Fever that Vietnam's Agriculture Minister is calling on local producers not to export to China but to re-establish their own pig production instead.

However, according to local experts, in many areas of the country it is not realistic to do this because of the substantial risk of being hit by disease again. "Even with correct culling, many affected areas will take at least five years to re-establish their herds," said Nguyen Tri Cong, Chair of Dong Naj Livestock Production Association to Asian Agribusiness.

One company that sees great potential in exploiting the high pig prices and starting pig production in Vietnam is the Chinese New Hope Lieuhe. The company expects to produce 300,000 pigs in Vietnam by

2021. And when two more herds are established, New Hope Lieuhe expects to reach annual production of 700,000 pigs.

## PHILIPPINES

### **African Swine Fever is spreading rapidly and now confirmed in pig meat products**

According to Reuters, African Swine Fever is spreading rapidly in the Philippines and the virus has now been confirmed in pig meat products, reports a spokesperson from the Philippine Department of Agriculture.

Since the first outbreak in September, more than 60,000 pigs have either died because of the disease or have been culled. The spokesperson says that the disease is costing the industry around 1 billion pesos (USD 19.5 million) per month.

To date, the disease has been confirmed on the main island of Luzon.

The Philippines' pig population totals 12.7 million. So far, less than 1 per cent of the population has died or been culled as a result of the disease.

The pig meat products containing the virus include sausages and other processed products. Some provinces in central and southern Philippines have banned pig meat and pig meat products from the disease-hit areas.

According to the Agriculture Minister, the disease has spread via illegal pig smuggling from the infected areas. He has announced tough punishments for producers and pig traders who fail to comply with the regulations.

## PHILIPPINES

### **Chicken prices increase**

Asian Agribusiness reports that chicken prices have increased significantly since African Swine Fever was confirmed in the Philippines. Figures from the United Broiler Raisers Association (UBRA) show that chicken prices from 13 September to 15 October increased by 37 per cent to USD 2.28 per kg.

According to the President of UBRA, there has been a consumer shift from pig meat to chicken.

## CHINA

### **Prices for pig meat and live pigs achieve new records**

Reuters reports that prices for both pig meat and live pigs have achieved record levels in China.

The retail price for pig meat increased to more than 50 yuan/kg (approx. GBP 5.5/kg) in the week up to 16 October. For live pigs for slaughter, the average price for the whole country was 40.40 yuan/kg (GBP 4.45). And in the southern provinces of Sichuan, Guangdong and Fujia, the price reached 44 yuan (GBP 4.84) at the end of the week.

The high prices for live pigs mean that many breeders are holding on to sows that were originally destined for slaughter to use for breeding instead in an attempt to rebuild the herd without enough breeding sows.

There is also a knock-on effect on the prices of other animal proteins, where egg prices have reached their highest levels in three years, reports Reuters.

## CHINA

### **Optimism about the development of a vaccine against African Swine Fever**

Scientists at the Chinese Academy of Agricultural Sciences have expressed optimism about the possibility of the development of a vaccine against African Swine Fever. However, no timescale has been given.

According to Agra Europe, Chinese scientists have succeeded in isolating the virus strain that is widespread in China. Scientists will now analyse the structure of the virus and see how it interacts with receptors.


**Imports of pig meat January-September 2019**

The chart below shows China's official trading statistics for imports of cuts and by-products.

There is an increase in Chinese imports of cuts of 403,000 tonnes, i.e. 44 per cent, for the first half year 2019. This is due first and foremost to increased imports in the third quarter. Imports from the U.S. saw a significant increase in the third quarter.

As regards by-products, there was only a modest increase in Chinese imports, which are nevertheless down on 2017.

<b>0203</b>				
<b>Fresh/frozen pig meat</b>				
<b>Tonnes</b>	<b>Jan-Sept 2017</b>	<b>Jan-Sept 2018</b>	<b>Jan-Sept 2019</b>	<b>% change 19:18</b>
Spain	184,573	173,425	247,070	42.5
Germany	140,031	173,702	221,539	27.5
Canada	132,278	124,153	171,565	38.2
Brazil	39,602	108,423	143,984	32.8
USA	127,262	80,466	139,428	73.3
Holland	65,468	62,755	98,610	57.1
Denmark	67,278	55,887	88,728	58.8
France	38,811	36,476	56,337	54.4
UK	35,279	35,236	52,553	49.1
Chile	30,619	34,239	50,904	48.7
Ireland	27,976	24,803	36,765	48.2
Austria	-	71	7,513	-
Mexico	793	1,398	6,417	359.0
Finland	245	1,381	2,967	114.8
Portugal	-	-	1,321	-
Others	30,317	10,638	-	-100.0
<b>Total</b>	<b>920,532</b>	<b>923,053</b>	<b>1,325,701</b>	<b>43.6</b>

<b>020649</b>				
<b>By-products - pig meat</b>				
<b>Tonnes</b>	<b>Jan-Sept 2017</b>	<b>Jan-Sept 2018</b>	<b>Jan-Sept 2019</b>	<b>% change 19:18</b>
USA	262,191	164,334	124,813	-24.0
Germany	101,785	99,614	123,729	24.2
Denmark	108,222	105,607	101,565	-3.8
Spain	95,775	85,670	101,646	18.6
Canada	95,817	89,430	91,781	2.6
Holland	76,307	78,670	87,722	11.5
France	45,668	43,767	47,556	8.7
UK	21,181	18,566	30,641	65.0
Chile	19,455	23,047	24,649	7.0
Ireland	17,295	17,117	19,975	16.7
Finland	594	1,450	3,627	150.1
Mexico	332	431	1,069	148.0
Others	33,065	19,978	-	-100.0
<b>Total</b>	<b>877,687</b>	<b>747,681</b>	<b>758,865</b>	<b>1.5</b>



## Imports of pig meat January-September 2019

0203 Fresh/frozen pig meat				
Tonnes	Jan-Sept 2017	Jan-Sept 2018	Jan-Sept 2019	% change 19:18
Brazil	74,133	89,614	75,406	-15.9
China	38,457	29,989	20,839	-30.5
Holland	17,765	11,243	11,122	-1.1
USA	46,912	20,503	9,342	-54.4
Vietnam	12,177	7,048	8,704	23.5
Poland	17,556	8,403	6,581	-21.7
Germany	34,587	9,843	3,164	-67.9
Spain	12,412	7,852	3,038	-61.3
Canada	3,573	1,692	1,718	1.5
Thailand	547	501	1,303	160.1
Italy	3,777	2,042	1,160	-43.2
Belgium	2,758	753	1,042	38.4
Australia	474	685	726	6.0
Denmark	1,020	264	654	147.7
Others	10,556	3,981	2,504	-37.1
<b>Total</b>	<b>276,704</b>	<b>194,413</b>	<b>147,303</b>	<b>-24.2</b>

020649 By-products - pig meat				
Tonnes	Jan-Sept 2017	Jan-Sept 2018	Jan-Sept 2019	% change 19:18
USA	91,941	84,276	66,305	-21.3
Brazil	35,035	43,161	43,887	1.7
Germany	64,320	39,754	33,003	-17.0
Poland	26,154	23,396	20,820	-11.0
Spain	27,618	18,884	16,002	-15.3
Holland	25,173	19,171	13,570	-29.2
Italy	13,186	8,767	7,395	-15.6
UK	12,192	10,082	7,116	-29.4
Belgium	8,540	6,894	6,555	-4.9
Russia	2,511	2,323	5,233	125.3
Canada	2,864	2,448	4,215	72.2
France	6,093	4,158	2,771	-33.4
Denmark	2,613	2,997	2,440	-18.6
Argentina	2,039	2,042	2,343	14.7
Sweden	1,623	786	1,568	99.5
Hungary	314	983	1,268	29.0
Australia	2,718	2,677	1,262	-52.9
Portugal	1,151	1,067	949	-11.1
Others	8,170	7,985	5,411	-32.2
<b>Total</b>	<b>334,255</b>	<b>281,851</b>	<b>242,113</b>	<b>-14.1</b>

Slaughterings

2017	Pigs/sows	Sows etc.	Total
	50-110 kg	above 110 kg	
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	Sows etc.	Total
	50-110 kg	above 110 kg	
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	Sows etc.	Total
	50-110 kg	above 110 kg	
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	1,338,286	42,780	1,381,066
September	1,282,312	42,580	1,324,892
October			
November			
December			
<b>Jan-Sept. 2019</b>	<b>12,085,134</b>	<b>397,579</b>	<b>12,482,713</b>
<b>Jan-Sept 2018</b>	<b>12,928,537</b>	<b>426,539</b>	<b>13,355,076</b>
<b>Change per head</b>	<b>-843,403</b>	<b>-28,960</b>	<b>-872,363</b>
<b>Change in %</b>	<b>-6.5</b>	<b>-6.8</b>	<b>-6.5</b>

\* = 5 weeks

## 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
<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	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
<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 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	30,188	1,253,064	17,581	543	1,301,376
August	37,446	1,271,329	19,205	387	1,328,367
September	20,780	1,139,161	24,287	679	1,184,907
October					
November					
December					
<b>Jan-Sept 2019</b>	<b>274,792</b>	<b>10,966,398</b>	<b>181,154</b>	<b>21,881</b>	<b>11,444,225</b>
<b>Jan-Sept 2018</b>	<b>275,713</b>	<b>10,487,582</b>	<b>182,728</b>	<b>33,839</b>	<b>10,979,862</b>
<b>Change per head</b>	<b>-921</b>	<b>478,816</b>	<b>-1,574</b>	<b>-11,958</b>	<b>464,363</b>
<b>Change in %</b>	<b>-0.3</b>	<b>4.6</b>	<b>-0.9</b>	<b>-35.3</b>	<b>4.2</b>



 **INDIA**
**Decline in pig population**

According to Asian Agribusiness, India's pig population is in decline. Data shows that the overall pig population has fallen by 12 per cent since 2012.

The decline has occurred in the states of Uttar Pradesh, Bihar, Nagaland and West Bengal, while increases have been recorded in Assam, Jharkhand, Meghalaya and Mizoram.

The United Nations Food and Agriculture Organisation (FAO) ranks India as the country (among 177 countries) with the lowest meat consumption. But the Dutch bank, ABM Amro, has pointed out that India has the potential to become a new and significant export market for the EU's pig meat exports. ABM Amro has also pointed out that just 100 grams pig meat more per inhabitant corresponds to an additional 1.4 million pigs.

 **BRAZIL**
**Increasing exports January-September 2019**

Brazil's pig meat exports for the first nine months of 2019 are 15 per cent up on last year. After a decline in 2018, when Russia's import ban was in force, Brazilian exports have now returned to their record level of 2017.

China has seen a substantial rise in exports this year. A sharp rise in exports to Chile means that Chile is now Brazil's third largest export market. Russia has started to import from Brazil again albeit on a small-scale. The volumes are currently significantly under 2017 levels.

Brazil is also seeing a sharp increase in exports to Vietnam.

<b>0203</b>				
<b>Fresh/frozen pig meat</b>				
<b>Tonnes</b>	<b>Jan-Sept 2017</b>	<b>Jan-Sept 2018</b>	<b>Jan-Sept 2019</b>	<b>% change 2019:18</b>
China	35,717	118,233	157,052	32.8
Hong Kong	69,816	86,150	74,858	-13.1
Chile	16,971	22,825	33,764	47.9
Russia	204,432	175	31,136	
Uruguay	21,645	26,304	29,437	11.9
Singapore	24,971	32,242	25,865	-19.8
Argentina	22,857	26,347	22,636	-14.1
Georgia	7,727	12,482	13,372	7.1
Angola	16,588	18,312	12,795	-30.1
Vietnam	239	4,291	10,358	141.4
Others	32,966	49,932	45,485	-8.9
<b>Total</b>	<b>453,929</b>	<b>397,293</b>	<b>456,758</b>	<b>15.0</b>

 **COLOMBIA**
**Columbia exports pig meat for first time**

Agra Europe reports that Columbia is exporting pig meat for the first time. The first shipment comprised 22 tonnes to Angola.

The meat was exported from a new trading company, Comercializadora Internacional C.I. Porkco, which was established last year. The meat was supplied from four companies.

According to the President of Porkcolombia, Jeffrey Fajarco, the company expects to produce around 450,000 tonnes of pig meat in 2019, which is a rise of 9.2 per cent compared to 2018.

**Six plants approved to export pigs' trotters to China**

According to Agra Europe, a further six British plants – five in England and one in Scotland - have been approved to export pigs' trotters to China. The plants are owned by Cranswick, Karro and Tulip.

Last year, approvals were given to three plants, including two in Northern Ireland.

**Tulip consults over proposals to close its production in Bodmin**

Tulip in the UK has begun consultations with employees about the future of its Cornwall-based Bodmin plant.

The factory employs 270 people. Although Tulip has said that closure is not a foregone conclusion, the company has also said that it has been operating at a significant loss for several years and that it was unsustainable to maintain operations under the existing business model.