

MARKET NEWS for pig meat



Market analysis

27 November 2023 Week 48

MARKET SITUATION

Europe: Improved demand in the run-up to Christmas, but so far, the Christmas trade is not fully meeting expectations. Both legs and other cuts are being traded at unchanged prices this week.

UK: Sales are good.

China: Very quiet trading continues. **Japan and other Asian markets:** subdued demand.

Slaughtering in Denmark

Weekly slaughtering figures for pigs and sows as reported to the Danish Classification Control Service. The figures exclude culled pigs.

	Week 44	Week 45	Week 46	Weeks 1-46 2023:22
Carcass weight >110 kg	11,057	11,352	11,584	-32.7%
Carcass weight <110 kg	273,593	268,213	275,674	-18.6%
Total	284,650	279,565	287,258	-192%

USA

Futures

Chicago (\$ per 100 lbs carcass weight)	Lean Hog			Pork Cutout		
	24/11	17/11	Change	24/11	17/11	Change
Dec 2023	67.58	70.98	-3.40	79.70	81.45	-1.75
2024						
Feb	68.78	75.45	-6.67	82.00	85.78	-3.78
Apr	75.28	81.45	-6.17	82.78	88.78	-6.00
May	82.03	87.03	-5.00	88.50	93.95	-5.45
Jun	90.85	95.00	-4.15	97.03	100.90	-3.87
Jul	93.03	96.65	-3.62	99.10	102.98	-3.88
Aug	93.63	96.75	-3.12	98.43	101.75	-3.32
Oct	80.30	83.85	-3.55	90.23	93.55	-3.32
Dec	72.95	77.13	-4.18	86.35	89.68	-3.33
Feb 2025	76.28	80.85	-4.57	89.18	92.50	-3.32
Apr 2025	79.43	83.88	-4.45	95.03	98.35	-3.32

Conversion factors:

1 lb = 0.4536 kg

1 \$ = DKK

6.8302

 **CHINA**
Futures

Dalian (Yuan per kg)	Pigs					
	30/10	6/11	13/11	20/11	27/11	Change 20/11-27/11
January 2024	16.07	16.14	15.78	15.90	15.55	-0.35
March 2024	15.17	15.22	15.13	15.09	14.59	-0.50
May 2024	15.96	15.89	15.74	15.60	15.18	-0.42
July 2024	16.89	16.87	16.68	16.47	16.21	-0.26
September 2024	17.77	17.77	17.69	17.58	17.31	-0.27

Conversion factors:
1 Y = DK
0.9548; 1 Y =
EUR 0.13

 **EU**
African Swine Fever

According to the EU Commission's reporting system for the outbreak of disease, outbreaks of ASF have been reported for the following countries, plus Serbia, Ukraine, Moldova, Bosnia-Herzegovina, Kosovo and North Macedonia.

Countries	Period 4 - 10 November		Year to date 1 Jan - 10 Nov		2022		2021	
	Pigs	Wild boar	Pigs	Wild boar	Pigs	Wild boar	Pigs	Wild boar
Estonia		2	2	44		57	1	67
Latvia		12	8	641	6	913	2	338
Lithuania		19	3	359	16	302		238
Poland		36	30	2,465	14	2,152	124	3,023
Italy		7	17	859	4	277	1	14
Ukraine	2		31	7	7	2	13	3
Czech Republic		1		55		1		
Romania	8	4	718	265	329	465	1,648	1,019
Hungary		7		377		550		2,568
Bulgaria			3	180	2	387	6	318
Slovakia				521	5	550	11	1,622
Serbia	100	3	961	203	107	146	33	71
Moldova			19	6	14	3	1	
Bosnia-Herzegovina			1,405	9				
Croatia	2		1,113	9				
North Macedonia			13	32	30	9		
Kosovo			9	4				
Belgium								
Germany		5	1	863	3	1,628	4	2,431
Sweden				51				
Greece			6	2				
Total	112	96	4,339	6,952	537	7,442	1,844	11,712



EU

Meat exports down by 18 per cent for Jan-Aug 2023

With the EU Commission as the source, the table below shows EU exports of pig meat by category, importer and exporter for January-August 2023 compared to the same period in 2022.

Exports are stated in product weight and include the UK as a Third Country.

By category

Tonnes	Jan-Aug 2023	Jan-Aug 2022	% change 23:22
Live pigs	36,115	32,829	10
Fresh/frozen	1,336,514	1,846,391	-28
Bacon	148,437	152,041	-2
Processed	289,814	311,939	-7
By-products	899,782	980,012	-8
Total	2,710,662	3,323,212	-18

Importers of pig meat from EU

Tonnes	Jan-Aug 2023	Jan-Aug 2022	% change 23:22
China	772,727	906,890	-15
UK	570,097	559,346	2
Japan	224,452	276,151	-19
Philippines	189,951	313,580	-39
South Korea	142,838	208,237	-31
Vietnam	74,568	58,106	28
Australia	53,666	92,360	-42
USA	56,760	91,071	-38
Ivory Coast	53,301	66,544	-20
Serbia	41,957	49,931	-16
Taiwan	39,485	51,546	-23
Others	490,860	649,450	-24
EU-27	2,710,662	3,323,212	-18

Exporters of pig meat from EU

Tonnes	Jan-Aug 2023	Jan-Aug 2022	% change 23:22
Spain	850,227	1,051,813	-19
Holland	462,857	554,634	-17
Denmark	404,558	551,628	-27
Germany	216,221	270,120	-20
France	172,390	197,559	-13
Poland	156,765	195,258	-20
Ireland	141,441	162,063	-13
Belgien	85,872	83,261	3
Italy	62,035	63,240	-2
Austria	34,005	39,692	-14
Others	124,291	153,944	-19
EU-27	2,710,662	3,323,212	-18

 **CHINA**
Fall in hog futures

As can be seen on page 2 of Market News, Chinese futures prices have plunged in recent days.

The fall is due to farmers destocking their herds in recent weeks, reports Reuters, which has affected market confidence.

"Large companies are reducing herds due to financial pressure after a year of deep losses while smaller farmers are also selling due to increasing outbreaks of African Swine Fever," said Darin Friedrichs, co-founder of Shanghai-based Sitionia Consulting.

The negative price trend has resulted in the Chinese authorities announcing the third purchase of pig meat this year for state reserves.

According to Reuters, the Chinese Agriculture Ministry has also announced that China's sow population at 42.1 million is higher than the authorities wish it to be. The Ministry will seek to create a more stable and sensible level of pig production through supportive policies.

 **UK/ USA**
British pig meat can be exported to California under Proposition 12 regulations

British pig meat with Red Tractor Certification has been approved as meeting Californian welfare regulations (Proposition 12), reports Pig333 and The Pig Site.

This means that from 1 January 2024, British pig meat can be exported to consumers in California.

"I'm delighted that we can now offer British pig farmers access to this important market for selling safe and traceable UK pork," says Jim Moseley, CEO, Red Tractor.

"We have explored all the different options for achieving this, including whether the CDFA could simply recognise the Red Tractor scheme directly. However, Californian legislation requires CDFA certification. This is why the news that the British NSF has now been certified by CDFA is so significant.

"As part of the existing Red Tractor scheme, producers will be able to add the Prop 12 checks, where required, and have access to this important market for their pork."

It is also reported in The Pig Site that California consumes 15 per cent of all US pork, but only produces 1 per cent.

 **USA**
Pig meat storage 14 per cent lower than one year ago

With the USDA as the source, the table below shows the latest figures for U.S. pig meat storage as at 31 October compared to last month and one year ago.

Total pig meat storage was 14 per cent lower than one year ago. Compared to the previous month, storage was down by 6 per cent.

Beef storage as at 31 October was 6 per cent higher than the previous month but 13 per cent lower than one year ago. As regards poultry, storage fell by 6 per cent from the previous month and is on a par with one year ago.

1,000 lbs	31 October 2022	30 Sept 2023	31 October 2023
Picnics	6,847	6,480	6,726
Legs	121,624	149,592	113,495
Bellies	40,247	29,639	27,936

Loins	39,389	37,615	38,822
Ribs	110,053	61,408	70,039
Trimming	38,417	38,183	37,781
Butts	20,522	16,224	19,582
By-products	80,579	73,919	73,709
Other	52,010	48,596	47,846
Total pig meat	509,688	461,656	435,936
Beef	510,254	420,846	444,331
Poultry	1,176,158	1,255,126	1,179,785