

MARKET NEWS for pig meat



Market analysis

15 August 2023

Week 33

MARKET SITUATION

Europe: Legs and other cuts are being traded at largely 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 29	Week 30	Week 31	Weeks 1-31 2023:22
Carcass weight >110 kg	8,977	8,772	9,824	-39.4%
Carcass weight <110 kg	247,119	249,703	251,444	-19.2%
Total	256,096	258,475	261,268	-20.1%

USA

Futures

Chicago (\$ per 100 lbs carcass weight)	Lean Hog			Pork Cutout		
	11/8	4/8	Change	11/8	4/8	Change
2023						
Aug	102.10	101.03	1.07	111.10	109.48	1.62
Oct	81.33	83.08	-1.75	91.08	93.05	-1.97
Dec	74.50	75.30	-0.80	84.13	84.88	-0.75
2024						
Feb	78.55	79.20	-0.65	86.95	87.80	-0.85
Apr	83.30	83.90	-0.60	90.90	91.68	-0.78
May	87.60	88.20	-0.60	95.43	95.90	-0.47
Jun	93.98	94.65	-0.67	100.45	101.25	-0.80
Jul	94.23	94.95	-0.72	101.33	102.13	-0.80
Aug	93.23	93.85	-0.62	102.63	103.43	-0.80
Oct	81.68	81.40	0.28	94.43	95.23	-0.80
Dec	76.58	77.00	-0.42	90.55	91.35	-0.80

Conversion factors:

1 lb = 0.4536 kg

1 \$ = DKK

6.7712

 **China**
Futures

Dalian (Yuan per kg)	Pigs					
	17/7	24/7	31/7	7/8	14/8	Change 7/8-14/8
September 2023	15.02	15.85	17.14	16.98	16.21	-0.77
November 2023	16.09	16.72	17.81	17.43	17.24	-0.19
January 2024	16.77	17.34	17.72	17.30	17.34	0.04
March 2024	15.62	15.75	15.96	15.88	15.86	-0.02
May 2024	16.24	16.30	16.44	16.38	16.29	-0.09
July 2024			16.84	16.77	16.78	0.01

Conversion factors:
1 Y = DKK
0.9362; 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 23 July – 4 Aug		Year to date 1 January - 4 Aug		2022		2021	
	Pigs	Wild boar	Pigs	Wild boar	Pigs	Wild boar	Pigs	Wild boar
Estonia	1	3	2	28		57	1	67
Latvia	1	101	6	391	6	913	2	338
Lithuania		14	3	229	16	302		238
Poland	3	43	19	2,037	14	2,152	124	3,023
Italy		13	6	749	4	277	1	14
Ukraine	2		8	6	7	2	13	3
Czech Republic		5		49		1		
Romania	136	3	395	226	329	465	1,648	1,019
Hungary		2		327		550		2,568
Bulgaria	1		2	121	2	387	6	318
Slovakia		5		495	5	550	11	1,622
Serbia	123		403	194	107	146	33	71
Moldova	3		18	6	14	3	1	
Bosnia-Herzegovina	81	3	267	4				
Croatia	201	1	313	4				
North Macedonia		2	4	23	30	9		
Kosovo	2	1	3	2				
Belgium								
Germany		31	1	779	3	1,628	4	2,431
Greece			6	2				
Total	554	227	1,456	5,672	537	7,442	1,844	11,712



USA

Rise in U.S. pig meat exports in H1 – but down on two years ago

With U.S. export statistics as the source, the table below shows U.S. exports of pig meat by country for H1 2023 compared to the same period in the previous two years. Exports are grouped into fresh/frozen, by-products and processed pig meat.

As can be seen, compared to a year ago, there has been a rise in US exports of fresh/frozen pig meat and by-products. This applies to all the major U.S. pig meat markets.

Exports of fresh/frozen pig meat are, however, somewhat below the level of two years ago when the figures were positively influenced by substantial exports to China.

By contrast, U.S. exports of processed pig meat were somewhat lower in the first half of the year than in the same period last year.

0203				
Fresh/frozen pig meat				
Tonnes	Jan-June 2021	Jan-June 2022	Jan-June 2023	% change 23:22
Mexico	326,574	409,949	450,326	9.8
Japan	187,054	147,710	165,456	12.0
China	294,111	84,686	98,138	15.9
South Korea	89,496	85,321	97,050	13.7
Canada	61,627	44,582	61,877	38.8
Dom. Rep.	27,876	41,307	52,196	26.4
Columbia	44,741	48,240	38,920	-19.3
Australia	37,348	16,655	30,226	81.5
Honduras	24,165	22,818	23,397	2.5
Others	122,558	54,910	81,529	48.5
Total	1,215,550	956,178	1,099,115	14.9

020649				
By-products				
Tonnes	Jan-June 2021	Jan-June 2022	Jan-June 2023	% change 23:22
China	145,261	117,433	156,668	33.4
Mexico	23,650	14,957	15,894	6.3
Philippines	7,890	7,820	12,004	53.5
Canada	4,237	5,029	4,578	-9.0
Colombia	1,701	2,296	3,327	44.9
Japan	2,772	5,175	2,745	-47.0
Dom.Rep.	751	1,224	2,570	110.0
South Korea	2,727	2,795	1,530	-45.3
Others	11,308	4,244	5,566	31.1
Total	200,297	160,973	204,882	27.3

160249, 160241, 160242, 021012, 021019, 021011				
Processed pig meat				
Tonnes	Jan-June 2021	Jan-June 2022	Jan-June 2023	% change 23:22
Canada	39,108	40,165	31,799	-20.8
Japan	17,531	36,496	18,637	-48.9
Mexico	13,953	16,792	14,707	-12.4
Philippines	5,983	5,072	3,440	-32.2
Australia	1,677	2,219	2,106	-5.1
Guatemala	2,058	1,474	1,630	10.6
South Korea	3,358	2,725	1,328	-51.3
Others	11,390	12,764	9,789	-23.3
Total	95,058	117,707	83,436	-29.1

 **USA**

Smithfield to close 35 farms in Missouri in October

In May, the U.S. media reported that Smithfield planned to close a number of the company's sow farms in Missouri.

Smithfield did not wish to comment on the report at the time, but now the company has announced that it will shut down 35 pig farms in Missouri from 8 October. The closure means that 92 employees will be made redundant.

 **BRAZIL**

Rise in pig meat exports

The Brazilian Animal Protein Association (ABPA) reports that substantial exports of pig meat have continued in 2023.

According to calculations from ABPA, pig meat exports for the first seven months of the year stand at 695,000 tonnes, 14.6 per cent higher than the same period last year. According to value, exports rose by 24.3 per cent.

 **BRAZIL**

The Dominican Republic gives the go-ahead to pig meat from Brazil

The Brazilian Animal Protein Association (ABPA) reports that the Dominican Republic has given the go-ahead to pig meat from Brazil.

Three plants in the states of Acre, Santa Catarina and Rio Grande do Sul will pave the way. However, a number of other plants are expected to be approved in the near future.

ABPA forecasts a reasonably good level of exports to the new market going forward.

After the Dominican Republic was hit by African ⁵ Swine Fever in 2021, the country has seen a rise in pig meat exports. As can be seen on page 3, the U.S. has also been increasing its exports of pig meat to the Dominican Republic since 2021.

GERMANY

6 per cent fall in meat production in H1 2023

AMI reports that German meat production in H1 2023 stood at 3.3 million tonnes, 6 per cent lower than the same period last year.

The fall can be solely attributed to pig meat production, which fell by 9.4 per cent to 2.06 million tonnes. German poultry production was almost unchanged at 0.771 million tonnes while beef production rose by 0.9 per cent to 0.481 million tonnes.

GERMANY

June's figures show low level of pig meat storage continues

The latest figures from AMI for German storage of frozen pig meat in June stood at 79,000 tonnes.

The June figures, therefore, continue to show a fall in German pig meat storage. In May, storage stood at 85,000 tonnes and in April at 100,000 tonnes.

Since May 2022, when storage stood at 212,000 tonnes, there has been a strong downward trend in German pig meat storage.

The AMI figures are based on Germany's trade association for cold stores.