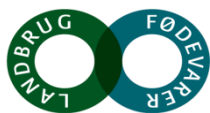


MARKET NEWS for pig meat



Market analysis

18 September 2023 Week 38

MARKET SITUATION

Europe: Legs are being traded at slightly rising prices while trading in other cuts is largely at unchanged prices.

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 34	Week 35	Week 36	Weeks 1-36 2023:22
Carcass weight >110 kg	9,795	9,359	9,896	-37.0%
Carcass weight <110 kg	259,309	261,085	244,106	-19.3%
Total	269,104	270,444	254,002	-20.1%

USA

Futures

Chicago (\$ per 100 lbs carcass weight)	Lean Hog			Pork Cutout		
	15/9	8/9	Change	15/9	8/9	Change
2023						
Oct	83.13	81.53	1.60	94.40	92.83	1.57
Dec	75.10	74.45	0.65	85.98	84.95	1.03
2024						
Feb	78.78	78.55	0.23	86.75	86.38	0.37
Apr	84.23	84.08	0.15	90.58	90.53	0.05
May	88.85	88.65	0.20	93.93	94.45	-0.52
Jun	96.15	95.73	0.42	104.60	102.18	2.42
Jul	96.53	95.88	0.65	105.48	103.05	2.43
Aug	95.63	94.78	0.85	103.65	104.35	-0.70
Oct	82.65	81.85	0.80	95.45	96.15	-0.70
Dec	76.60	76.60	0.00	91.58	92.28	-0.70
Feb 2025	80.70	80.95	-0.25	94.40	95.10	-0.70

Conversion factors:
 1 lb = 0.4536 kg
 1 \$ = DKK
 6.9969

 **CHINA**
Futures

Dalian (Yuan per kg)	Pigs					
	21/8	28/8	4/9	11/9	18/9	Change 11/9-18/9
September 2023	16.46	16.23	16.16	16.50	15.85	-0.65
November 2023	17.04	16.99	16.78	16.70	16.74	0.04
January 2024	17.18	17.11	17.35	17.13	17.13	0.00
March 2024	15.78	15.71	15.82	15.73	15.63	-0.10
May 2024	16.01	16.03	16.16	16.02	15.93	-0.09
July 2024	16.64	16.61	16.66	16.61	16.62	0.01

Conversion factors:
1 Y = DKK
0.9615: 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 2 – 8 September		Year to date 1 January - 8 Sept		2022		2021	
	Pigs	Wild boar	Pigs	Wild boar	Pigs	Wild boar	Pigs	Wild boar
Estonia		1	2	35		57	1	67
Latvia		7	8	526	6	913	2	338
Lithuania		8	3	264	16	302		238
Poland	1	41	22	2,203	14	2,152	124	3,023
Italy	5	7	15	788	4	277	1	14
Ukraine	2		14	6	7	2	13	3
Czech Republic				53		1		
Romania	33	1	590	233	329	465	1,648	1,019
Hungary		4		352		550		2,568
Bulgaria			3	121	2	387	6	318
Slovakia		1		499	5	550	11	1,622
Serbia			508	198	107	146	33	71
Moldova			19	6	14	3	1	
Bosnia-Herzegovina			570	7				
Croatia	80	1	669	6				
North Macedonia		1	5	24	30	9		
Kosovo			8	4				
Belgium								
Germany		12	1	832	3	1,628	4	2,431
Sweden		1		1				
Greece			6	2				
Total	121	85	2,443	6,160	537	7,442	1,844	11,712

 **SWEDEN**
20 dead wild boar found with African Swine Fever

In Fagersta, 145 km north-west of Stockholm, the authorities continue to scour a large area for dead wild boar, helped by 400 hunters.

So far, 20 dead wild boar have been found infected with the African Swine Fever virus. All finds were made in a less restricted area, which is positive with a view to containing and controlling the infection.

The authorities hope to have fenced off the affected area within one month.

According to Swedish media, there is very little commercial pig production in this area.

 **ITALY**
New cases of African Swine Fever at pig farms

In Italy, the authorities continue to find new cases of African Swine Fever both among wild boar and at pig farms.

The new cases at pig farms in Lombardy are concerning for the Italian pig meat sector as Lombardy is the most pig-dense region in Italy accounting for half Italy's pig production.

 **EU**
May-June pig census

Eurostat has published the results of the May/June pig census for eight EU countries. Together with the figures for Serbia, the results are shown in the following table.

A total of 13 EU countries are expected to publish their figures for developments in the May/June pig population compared to May/June 2022. Figures for the other five EU countries together with the UK are expected to be published by Eurostat over the coming weeks.

'000 head	Total population			Breeding sows			Pregnant sows		
	2023	2022	% change	2023	2022	% change	2023	2022	% change
Spain		32,553			2,673			1,758	
Germany	20,950	22,337	-6.2	1,394	1,494	-6.7	1,020	1,080	-5.6
France	12,146	12,661	-4.1	879	907	-3.1	612	635	-3.6
Denmark	11,007	12,179	-9.6	1,123	1,191	-5.7	704	734	-4.1
Holland	10,872	11,235	-3.2	882	920	-4.1	570	594	-4.0
Poland ¹⁾	9,436	9,611	-1.8	591	606	-2.5	422	418	1.0
Italy	8,366	8,766	-4.6	617	580	6.4	504	474	6.3
Belgium	5,407	5,847	-7.5	353	370	-4.6	290	301	-3.7
Romania		3,332			229			139	
Hungary		2,715			240			161	
Austria	2,573	2,633	-2.3	212	219	-3.2	147	152	-3.3
Ireland		1,635			136			93	
Sweden		1,393			126			87	
EU (8)	80,757	85,269	-5.3	6,051	6,287	-3.8	4,269	4,388	-2.7
EU (13)	126,897			9,691			6,626		
UK		5,192			415			291	
Serbia	2,433	2,641	-7.9	365	384	-4.9	198	160	23.8

1)=Preliminary figures for 2023

 **PHILIPPINES**
Fall in pig meat imports

The table below shows the official figures for the Philippines' imports of pig meat for Jan-June 2023 compared to the same period the previous two years.

As can be seen, there was a sharp fall of 34.3 per cent in imports of fresh/frozen pig meat in the first half year. However, imports were extraordinarily high in 2022 as a result of substantial problems with African Swine Fever and the consequent fall in the Philippines' pig meat production.

Imports from the EU and from Canada have been most affected. Imports from Brazil are largely unchanged.

Imports of by-products, however, increased slightly in the first half year 2023.

0203				
Fresh/frozen pig meat				
Tonnes	Jan-June 2021	Jan-June 2022	Jan-June 2023	% change 23:22
Canada	41,811	45,808	35,227	-23.1
Brazil	5,736	33,237	33,043	-0.6
Holland	13,405	15,197	12,567	-17.3
Spain	17,453	45,765	12,239	-73.3
France	6,251	9,625	6,296	-34.6
UK	7,421	11,525	5,538	-51.9
USA	28,041	3,428	5,019	46.4
Denmark	6,750	8,120	3,598	-55.7
Belgium	8,983	3,806	2,435	-36.0
Australia	661	1,320	871	-34.0
Ireland	1,015	1,459	702	-51.9
Chile	-	223	474	112.6
Others	67	419	129	-
Total	137,594	179,932	118,138	-34.3

020649				
By-products				
Tonnes	Jan-June 2021	Jan-June 2022	Jan-June 2023	% change 23:22
Spain	35,965	48,420	45,172	-6.7
USA	8,666	8,599	12,695	47.6
Canada	14,349	9,548	12,505	31.0
Holland	10,343	11,901	12,039	1.2
France	8,856	10,377	8,717	-16.0
UK	3,898	7,848	7,311	-6.8
Denmark	3,181	7,188	6,817	-5.2
Belgium	5,915	7,164	5,657	-21.0
Brazil	392	853	3,911	358.5
Ireland	1,928	2,214	2,651	19.7
Sweden	1,278	1,622	2,139	31.9
Australia	2,145	1,461	2,073	41.9
Austria	972	1,618	1,394	-13.8
Chile	180	404	696	72.3
South Korea	950			
Others	2,235	158	-12	-

Total	101,253	119,375	123,765	3.7
-------	---------	---------	---------	-----

SPAIN

USDA: Fall in Spanish pig slaughtering continues to be expected for 2024

A recently published report from the USDA anticipates a continued fall in Spanish pig slaughtering in 2024.

According to the report, the fall is a consequence of new, stricter Spanish animal welfare regulations which exceed EU legislation.

According to the American agricultural attaché in Madrid, who quotes Spanish sources within the industry, Spain's new welfare regulations have tightened the space requirements in housing units and introduced stricter requirements for feed, water, feed automats, environmental conditions, etc.

The existing pig farms have two years to adapt to the new regulations.

SPAIN

Spanish authorities will try to quantify Spain's wild boar population

According to Pig 333, the Spanish authorities will try to quantify the country's wild boar population over the next two years. This should provide a better overview of the distribution of wild boar at regional level and the distribution between rural areas and urban environments.

The purpose of the project is to give the authorities a better basis for making strategic decisions about controlling the population.

CANADA

Olymel closes cutting and processing plant

Last week, the Canadian Olymel announced that the company is closing its facility in Princeville in Quebec, which bones and packs pork. The plant employs 301 employees.

The closure is the latest in a series of closures that Olymel has carried out this year. Olymel has already closed a slaughtering facility and two processing plants for pig meat. All are located in Quebec.

BRAZIL

Pig slaughtering fell in Q2 2023 by 1 per cent

Figures from the Brazilian authorities show that 14.08 million pigs were slaughtered in Q2 2023. This was a decrease of 1.0 per cent compared to the same quarter last year and a fall of 0.6 per cent compared to Q1 2022.

This is the first time in many years for a fall in Brazilian slaughtering to have occurred as there has been a constant rise since 2014.

Earlier this month, the Brazilian trade organisation, Brazilian Animal Protein Association (ABPA), stated that they expect Brazil's production of pig meat in 2023 to increase by 1.5 per cent to 5.1 million tonnes.

ABPA expects sales of pig meat to the home market to be unchanged at 3.85 million tonnes while exports are expected to rise by 12 per cent to 1.25 million tonnes.

MEXICO

Increasing pig meat imports

According to Pig 333, Mexican imports of pig meat for January-July this year totalled 901,570 tonnes. This is a rise of 3.5 per cent compared to the same period in 2022. The value of imports increased by 8.0 per cent.

The rise in imports should be seen against the background of a strong and increased demand from the Mexican processing industry.

84 per cent comes from the U.S. followed by Chile and Brazil with 10.5 and 5.3 per cent of imports respectively.

AUSTRALIA

USDA expects rise in Australia's pig meat production and fall in imports in 2023

Last week, the USDA updated its outlook for the Australian beef and pig meat market.

As regards pig meat, the USDA expects a rise in Australia's pig meat production from 436,000 tonnes in 2022 to 470,000 in 2023 (+7.8 per cent) and 480,000 tonnes in 2024 (+2.1 per cent). However, at the start of the year, the USDA expected a slight fall of 2.5 per cent in Australia's pig meat production in 2023.

According to the USDA, Australia's pig meat imports totalled 241,000 tonnes (carcass weight) in 2022. For both 2023 and 2024, the USDA expects Australian imports to total 210,000 tonnes. Due to the high prices for pig meat from the EU, the EU expects imports from the U.S. to increase at the cost of pig meat from the EU.

This picture – with increased imports from the U.S. at the cost of pig meat from the EU – can also clearly be seen in Australian imports of pig meat (product weight) in the first half year 2023, which are shown below.

0203				
Fresh/frozen pig meat				
Tonnes	Jan-June 2021	Jan-June 2022	Jan-June 2023	% change 23:22
USA	37,361	14,026	23,497	67.5
Denmark	14,716	36,773	20,049	-45.5
Holland	11,696	27,295	14,243	-47.8
Ireland	6,242	9,719	9,366	-3.6
Canada	2,954	4,356	5,413	24.3
UK	1,278	2,380	683	-71.3
Sweden		219	287	31.1
Spain		6	16	166.7
Others	201	98	79	-19.4
Total	74,448	94,872	73,633	-22.4