

MARKET NEWS for pig meat



Market analysis

22 January 2024

Week 4

MARKET SITUATION

Europe: Trading is at falling price levels. This applies to both legs and other cuts.

UK: Sales are stable.

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 52	Week 1	Week 2	Weeks 1-2 2024:23
Carcass weight >110 kg	8,352	12,880	21,628	+40.8%
Carcass weight <110 kg	156,047	177,948	266,597	-31.2%
Total	164,399	190,828	288,225	-28.6%



USA

Futures

Chicago (\$ per 100 lbs carcass weight)	Lean Hog			Pork Cutout		
	19/1	12/1	Change	19/1	12/1	Change
2024						
Feb	70.75	71.90	-1.15	85.40	85.85	-0.45
Apr	78.15	78.03	0.12	88.08	88.08	0.00
May	83.98	84.45	-0.47	92.05	92.35	-0.30
Jun	91.65	92.45	-0.80	99.08	99.38	-0.30
Jul	93.43	94.38	-0.95	101.63	101.93	-0.30
Aug	93.33	94.48	-1.15	102.05	102.35	-0.30
Oct	82.10	82.20	-0.10	93.85	94.15	-0.30
Dec	75.23	75.00	0.23	89.98	90.28	-0.30
2025						
Feb	78.35	78.35	0.00	92.80	93.10	-0.30
Apr	82.00	82.15	-0.15	98.65	98.95	-0.30
May	88.73	89.03	-0.30	105.25	105.55	-0.30
Jun	93.38	94.00	-0.62	111.58	111.88	-0.30

Conversion factors:

1 lb = 0.4536 kg

\$ = DKK 6.8499

 **CHINA**
Futures

Dalian (Yuan per kg)	Pigs					
	27/11	4/12	11/12	18/12	26/12	Change 18/12- 26/12
2024						
January	15.55	13.91	14.13	14.80	14.06	-0.74
March	14.59	13.52	14.22	14.42	14.05	-0.37
May	15.18	14.60	15.25	15.36	15.28	-0.08
July	16.21	15.72	16.23	16.33	16.15	-0.18
September	17.31	16.94	17.29	17.33	17.06	-0.27
November		17.30	17.39	17.33	17.21	-0.12
Conversion factors: 1 Y = DKK 0.9481; 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 1 Jan-14 Jan		Year to date 1 Jan - 14 Jan		2023		2022	
	Pigs	Wild boar	Pigs	Wild boar	Pigs	Wild boar	Pigs	Wild boar
Estonia		1		1	2	53		57
Latvia		25		25	8	730	6	913
Lithuania		33		33	3	439	16	302
Poland		69		69	30	2,744	14	2,152
Italy		54		54	17	1,047	4	277
Ukraine	1		1		37	9	7	2
Czech Republic		1		1		56		1
Romania	3	16	3	16	740	292	329	465
Hungary		26		26		407		550
Bulgaria		80		80	3	322	2	387
Slovakia		9		9		546	5	550
Serbia	3	2	3	2	991	213	107	146
Moldova					19	6	14	3
Bosnia-Herzegovina					1,508	22		
Croatia		3		3	1,124	11		
North Macedonia		11		11	15	41	30	9
Kosovo					9	4		
Belgium								
Germany					1	899	3	1,628
Sweden						60		
Greece	1		1		6	2		

Total	8	330	3	8	330	4,513	7,903	537	7,442
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GERMANY

Vion closes slaughter capacity in Germany

Prolonged over capacity at German slaughterhouses is now causing Vion Food to close slaughter capacity and divest operations in the German market.

Vion announced last week that it will close its pig slaughterhouse in Emstek by the end of March. The closure follows the unsuccessful attempt to find a buyer for the plant.

The slaughterhouse in Emstek has a slaughter capacity of 70,000 pigs per week. According to Vion, 750 workers will be affected by the closure.

In addition, Vion is to sell its cattle slaughterhouse, its Totalenburg packing facility and the ham processing plant, Ahlener Fleischhandel, to Tönnies.

Finally, the company is to sell its pig processing plant in Perleberg to Uhlen GmbH.

All sales are, however, conditional upon the approval of the various competition authorities.

Vion has pointed out in its press release that the pig producers who previously supplied pigs to Emstek should have no difficulties finding a new slaughterhouse for their pigs considering the slaughtering capacity available in the region.

MONTENEGRO

First case of African Swine Fever

Montenegro has recorded its first case of African Swine Fever in the country.

The disease has been confirmed in two dead wild boars found near the town of Niksic close to the border with Bosnia-Herzegovina.

Considering Montenegro's geographical location at the centre of the Balkans with borders to Bosnia-Herzegovina, Serbia, Croatia and Kosovo, it was expected that the country would be affected by African Swine Fever.

CHINA

Rising pig meat production in 2023

Reuters reports that preliminary figures from China's National Bureau of Statistics (NBS) show that Chinese pig meat production in 2023 reached 57.94 million tonnes in 2023. This is a rise of 4.6 per cent compared to the previous year.

Production in Q4 reached 14.93 million tonnes, which is a rise of 7 per cent compared to the same quarter the previous year.

According to Reuters, China's beef production rose by 4.8 per cent to 7.53 million tonnes, poultry by 4.9 per cent to 25.63 million tonnes and lamb by 1.3 per cent to 5.31 million tonnes in 2023.

RUSSIA

Pig meat exports from Russia to China may be imminent

According to Pig 333, the veterinary authorities in Russia and China have agreed on joint veterinary certificates for the export of pig meat.

The way is thus paved for Russia to start exporting pig meat to China. The Russian veterinary authorities are now waiting for the Chinese authorities to carry out the necessary inspections in Russia.

Russia's Deputy Prime Minister Viktoria
meat to China is expected to begin from mid-2024.

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Abramchenko previously stated that the export of pig

BRAZIL

Rising exports of pig meat in 2023

The table below shows the official figures for Brazil's export of fresh/frozen pig meat for 2023 compared to 2022 and 2021.

As can be seen, Brazil's pig meat exports in 2023 were higher than the previous two years.

2023 saw a fall in exports to China, but this was more than offset by rising exports to the other major export markets for Brazilian pig meat.

0203				
Fresh/frozen pig meat				
Tonnes	Jan-Dec 2021	Jan-Dec 2022	Jan-Dec 2023	% change 2023:2022
China	510,830	437,738	367,303	-16.1
Hong Kong	117,826	87,006	108,168	24.3
Philippines	28,511	70,649	106,385	50.6
Chile	60,652	60,093	86,656	44.2
Singapore	46,240	54,622	62,870	15.1
Uruguay	40,284	41,843	47,189	12.8
Vietnam	43,788	44,183	47,123	6.7
Japan	14,853	26,669	39,417	47.8
Georgia	14,746	18,604	29,157	56.7
Mexico	0	0	28,368	
Angola	18,254	17,228	17,821	3.4
UAE	10,297	11,869	14,504	22.2
South Korea	4,269	9,024	14,379	59.3
USA	13,107	13,104	14,160	8.1
Others	91,518	121,025	104,651	-13.5
Total	1,015,175	1,013,657	1,088,151	7.3

VIETNAM

4 per cent rise in pig population

Pig 333 reports that the authorities in Vietnam put the country's pig population at 30.3 million in November 2023. This is a rise of 4 per cent compared to one year ago.

According to figures from the Vietnamese Agriculture Ministry, Vietnam's pig production rose by 7.2 per cent to 4,866 million tonnes carcass weight in 2023. The ministry estimates that production will rise by a further 4 per cent in 2024.

In 2023, Vietnam imported 116,000 tonnes pig meat, a rise of 1.8 per cent compared to 2022. Imports account for 3 per cent of domestic pig meat consumption.

According to Pig 333, Vietnam imported 122,000 tonnes of pig meat by-products. This is a rise of 76.7 per cent compared to last year.

SPAIN

Vall Companys acquires a stake in pig production company in Murcia

The Spanish meat company, Vall Companys, has entered into partnership and acquired a 30 per cent stake in Porcisan, which is a pig production company in Murcia.

According to Vall Companys, the overall aim of the partnership is to exploit synergies between the two companies, implement a growth plan and contribute to the consolidation of Porcisan over the coming years.

Porcisan posted a turnover of EUR 120 million in 2023. The company was established in 1889.



Stable piglet exports in 2023

With the Dutch authorities in the form of RVO (Rijksdienst Voor Ondernemend) as the source, the tables below show the preliminary figures for Dutch exports of live pigs for 2023 compared to 2022.

According to RVO, Holland's piglet exports in 2023 were more or less on a par with 2022. Exports to the largest market, Germany, saw a slight fall, however. There were also falls in exports to Belgium, Slovenia and Italy. By contrast, exports rose to Spain, Romania and Austria

Exports of finishers from Holland rose by almost 100,000 head to 901,471 head in 2023, which was due to a rise in exports to Germany. However, exports of finishers fell to other EU countries.

Exports of sows for slaughter saw a slight fall in 2023. Germany and Belgium imported slightly more sows, but there was a decline in exports to Croatia, Italy and Spain.

Piglet exports

	2023	2022	% change 2023:22
Germany	2,879,545	2,945,025	-2.2
Spain	1,980,936	1,697,247	16.7
Belgium/Luxembourg	496,368	642,596	-22.8
Romania	173,285	155,220	11.6
Austria	52,612	49,131	7.1
Slovenia	47,440	55,614	-14.7
Italy	31,945	69,087	-53.8
Others	123,594	200,860	-38.5
Total	5,706,340	5,690,079	0.3

Exports of finishers

	2023	2022	% change 2023:22
Germany	815,810	553,760	47.3
Belgium/Luxembourg	35,268	67,205	-47.5
Spain	30,032	94,217	-68.1
Italy	11,669	24,789	-52.9
Poland	4,856	65,331	-92.6
Andre	3,836	12,658	-69.7
Total	901,471	817,960	10.2

Exports of sows

	2023	2022	% change 2023:22
Germany	205,957	199,106	3.4
Croatia	140,333	146,789	-4.4
Italy	31,104	48,191	-35.5
Belgium/Luxembourg	29,973	24,769	21.0
Spain	23,195	50,056	-53.7
Others	10,689	14,375	-25.6
Total	441,251	483,286	-8.7