

MARKET NEWS for pig meat



Market analysis

20 April 2023

Week 16

MARKET SITUATION

The market situation is unchanged from last week.

Europe: Legs and other cuts are being traded at unchanged prices.

UK: Sales are good at unchanged prices.

China: Very quiet trading continues. **Japan and other Asian markets:** stable 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 13	Week 14	Week 15	Weeks 1-15 2023:22
Carcass weight >110 kg	9,896	6,228	8,140	-45.9%
Carcass weight <110 kg	299,996	172,338	229,093	-16.2%
Total	309,892	178,566	237,233	-17.6%

USA

Futures

Chicago (\$ per 100 lbs carcass weight)	Lean Hog			Pork Cutout		
	18/4	10/4	Change	18/4	10/4	Change
2023						
Apr		73.38		77.35	78.95	-1.60
May	78.83	82.85	-4.02	84.98	88.25	-3.27
Jun	85.75	89.15	-3.40	91.33	94.00	-2.67
Jul	88.78	92.15	-3.37	95.23	98.65	-3.42
Aug	89.88	92.95	-3.07	97.33	100.65	-3.32
Oct	80.40	83.68	-3.28	90.60	92.73	-2.13
Dec	76.43	79.15	-2.72	85.30	87.13	-1.83
2024						
Feb	80.25	82.65	-2.40	86.83	88.65	-1.82
Apr	84.20	86.70	-2.50	89.48	91.30	-1.82
May	89.18	91.68	-2.50	96.70	98.53	-1.83
Jun	93.73	95.55	-1.82	101.93	103.75	-1.82
Jul	93.53	95.35	-1.82	104.83	106.65	-1.82

Conversion factors:
1 lb = 0.4536 kg

1 \$ = DKK
6.7912

China

Futures

Dalian (Yuan per kg)	Pigs					
	13/3	20/3	31/3	11/4	19/4	Change 11/4-19/4
May 2023	15.74	15.85	15.08	14.78	15.03	0.25
July 2023	17.04	16.99	16.80	16.26	16.63	0.37
September 2023	18.00	18.25	18.02	17.87	17.93	0.06
November 2023	18.54	18.62	18.69	18.84	18.75	-0.09
January 2024	19.00	18.94	18.94	18.93	18.86	-0.07
March 2024			17.36	17.25	17.15	-0.10

Omregning til Dkr/kg:
1 Y = DKK
0.9878; 1 Y =
0.14

EU

African Swine Fever

According to the EU Commission's reporting system for the outbreak of disease, outbreaks of ASF were reported for the following countries, including Serbia, Ukraine, Moldova and North Macedonia between 1-14 April.

Country	Period 1 -14 April		Year to date 1 Jan-14 Apr		2022		2021	
	Pigs	Wild boar	Pigs	Wild boar	Pigs	Wild boar	Pigs	Wild boar
Estonia		1		20		57	1	67
Latvia		21		135	6	913	2	338
Lithuania		9		114	16	302		238
Poland	1	164	1	1,184	14	2,152	124	3,023
Italy		30	1	316	4	277	1	14
Ukraine			2	2	7	2	13	3
Czech Republic				9		1		
Romania	9		62	171	329	465	1,648	1,019
Hungary		11		220		550		2,568
Bulgaria		1		114	2	387	6	318
Slovakia		41		308	5	550	11	1,622
Serbia	10	3	39	152	107	146	33	71
Moldova			15	5	14	3	1	
North Macedonia				12	30	9		
Belgium								
Germany		46	1	532	3	1,628	4	2,431
Greece				2				
Total	20	327	121	3,296	537	7,442	1,844	11,712

 **POLAND**
After a six-month reprieve Poland reports one outbreak of African Swine Fever at a pig farm

For the first time since last September, Poland has reported an outbreak of African Swine Fever at a pig farm. The incident was confirmed at a small farm of 16 pigs not far from the border with the Czech Republic.

As can be seen from the above table, Poland has experienced almost 1,200 cases of African Swine Fever among wild boar so far this year but none at pig farms until now.

 **DENMARK**
Structural development

Last week, Statistics Denmark published the results of the annual agricultural census (summer) for 2022.

With the census as the source, the tables below show the structural development in the number of farms and pig farms for the period 2022-1990.

Again with the census as the source, the pig population is shown by region for the period 2022-2018.

As this is a random count, the individual year's figures are subject to some uncertainty.

	2022	2021	2020	2010	2000	1990
Number of farms	30,678	31,395	33,148	42,099	54,541	79,338
Number of pig farms	2,399	2,576	2,921	5,068	13,231	29,903
Number of pigs (million head)	12.4	13.2	13.2	13.2	11.9	9.5

	2022	2021	2020	2010	2000	1990
Number of pig farms	2,399	2,576	2,921	5,068	13,231	29,903
Of which:						
With finishers and sows	1,007	1,062	1,080	2,089	6,110	13,902
With finishers only	975	1,044	1,226	2,239	4,876	8,010
With sows only	291	329	427	493	1,588	6,503
Neither finishers nor sows 1)	125	140	188	247	657	1,488

1) This group follows Statistics Denmark's definition of a finisher being a pig of 50 kg or over.

Farms with only pig under 50 kg and no sows are therefore registered as neither finishers nor sows.

	2022	2021	2020	2019	2018	2022
East of Storebælt	12.7	12.3	12.5	12.7	13.2	12.7
Funen	9.6	9.2	9.2	9.6	9.4	9.6
South Jutland	20.3	19.9	19.8	20.4	20.6	20.3
East Jutland	14.4	14.5	14.6	14.0	14.0	14.4
West Jutland	21.5	21.7	21.4	21.0	20.1	21.5
North Jutland	21.6	22.4	22.5	22.4	22.7	21.6
The whole country	100	100	100	100	100	100

 **DENMARK**
Denmark's pig meat exports, January

2023

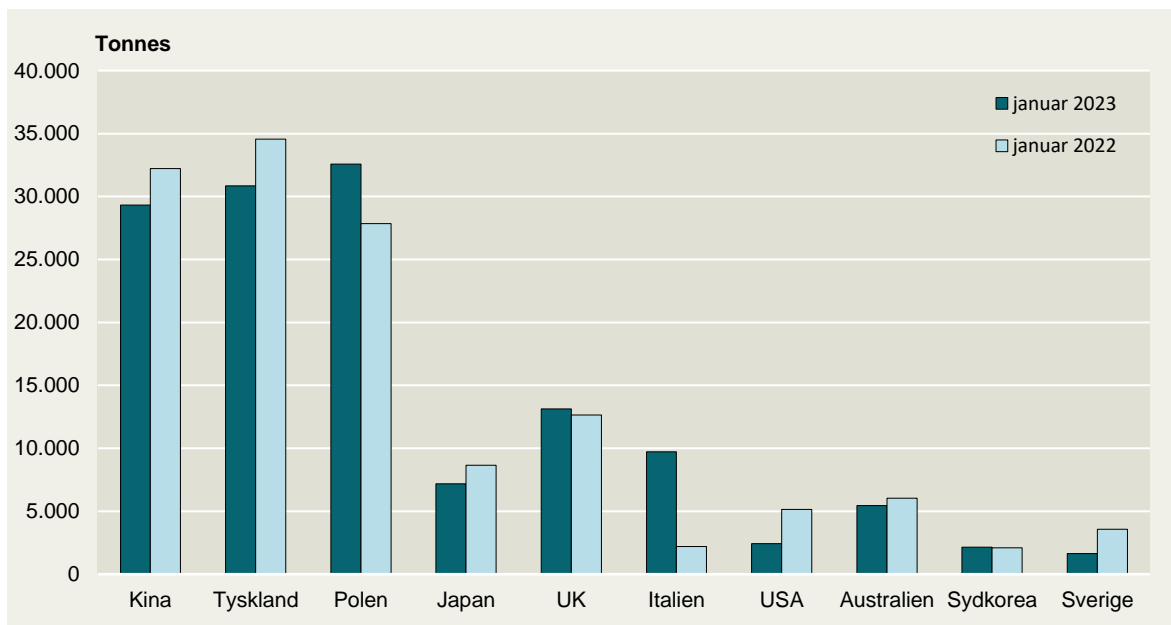
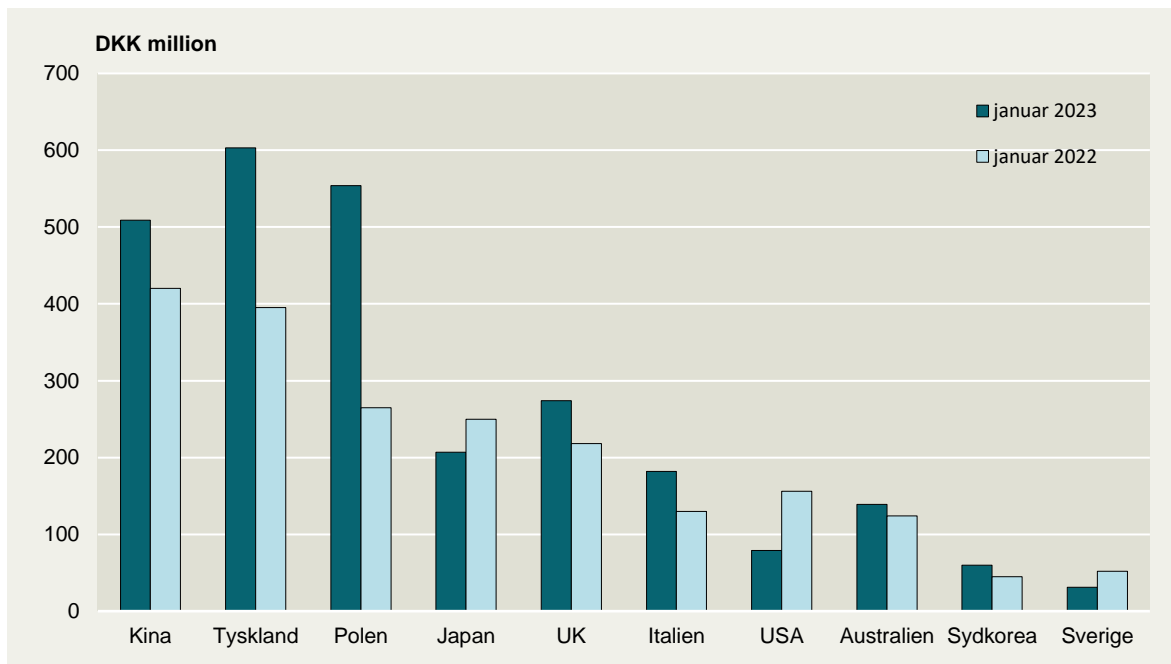
Tonnes	By-products	Live pigs	Processed Canned	Bacon	Whole and half pigs/sows	Cuts	Sausages	Total	Per cent
Poland	336	17,163	3	0	0	15,048	29	32,578	20.7
Germany	1,212	13,922	809	15	6,007	8,438	452	30,855	19.6
Italy	203	1,379	51	3	0	8,028	55	9,718	6.2
Sweden	604	29	169	142	0	910	291	2,144	1.4
Holland	568	746	25	1	0	756	48	2,143	1.4
France	305	37	61	20	0	1,465	83	1,971	1.3
Spain	14	906	58	24	0	403	115	1,520	1.0
Romania	0	148	18	0	0	1,299	0	1,465	0.9
Rest of EU	963	1,253	242	88	0	4,349	280	7,174	4.6
EU Total	4,206	35,582	1,434	293	6,007	40,696	1,352	89,570	57.0
China	14,595	0	47	0	0	14,642	47	29,331	18.7
UK	243	6	724	4,882	389	5,957	939	13,141	8.4
Japan	192	0	222	0	0	6,607	169	7,191	4.6
Australia	0	0	100	0	0	5,348	0	5,448	3.5
USA	356	0	537	0	0	1,484	56	2,434	1.5
Philippines	945	2	15	0	0	677	0	1,639	1.0
Malaysia	62	0	52	0	0	1,309	0	1,422	0.9
Canada	0	0	0	0	0	1,205	0	1,205	0.8
Taiwan	71	0	18	0	0	1,029	9	1,127	0.7
Other 3rd countries	1,084	374	693	88	0	2,097	425	4,761	3.0
3rd countries, total	17,548	382	2,408	4,970	389	40,355	1,646	67,698	43.0
Exports, total	21,754	35,964	3,842	5,263	6,396	81,050	2,998	157,268	100

2022

Tonnes	By-products	Live pigs	Processed Canned	Bacon	Whole and half pigs/sows	Cuts	Sausages	Total	Per cent
Germany	942	13,847	517	8	6,633	12,320	292	34,559	20.6
Poland	37	12,454	2	0	93	15,263	2	27,850	16.6
Italy	137	1,143	47	9	26	10,468	24	11,855	7.1
Holland	798	835	11	0	0	500	61	2,205	1.3
Sweden	723	6	147	118	0	819	281	2,095	1.2
France	122	39	80	17	0	981	52	1,292	0.8
Spain	48	811	111	0	0	139	96	1,205	0.7
Latvia	0	1	15	0	0	822	3	842	0.5
Rest of EU	652	1,669	183	25	154	3,040	306	6,028	3.6
EU Total	3,460	30,805	1,114	177	6,906	44,351	1,116	87,930	52.4
China	16,212	0	32	0	0	15,972	14	32,229	19.2
UK	517	1	1,032	4,745	0	5,412	933	12,640	7.5
Japan	24	0	175	0	0	8,388	79	8,666	5.2
Australia	0	0	33	0	0	6,008	0	6,041	3.6
USA	235	0	443	0	0	4,429	42	5,148	3.1
Philippines	784	0	390	0	0	2,394	0	3,568	2.1
Ukraine	21	0	0	0	16	2,684	0	2,720	1.6
South Korea	374	0	111	0	0	2,195	6	2,685	1.6
Taiwan	96	0	0	0	0	1,467	0	1,563	0.9
Other 3rd countries	839	46	1,000	151	0	2,102	317	4,455	2.7
3rd countries, total	19,099	47	3,216	4,896	16	51,052	1,392	79,717	47.6
Exports, total	22,560	30,852	4,330	5,073	6,922	95,403	2,508	167,648	100

Top 10 importers of Danish pig meat according to value

Countries	Jan 2023		Jan 2022	
	Value in DKK million	Tonnes	Value in DKK million	Tonnes
China	509	29,331	420	32,229
Germany	603	30,855	395	34,559
Poland	554	32,578	265	27,850
Japan	207	7,191	250	8,666
UK	274	13,141	218	12,640
Italy	182	9,718	130	2,205
USA	79	2,434	156	5,148
Australia	139	5,448	124	6,041
Sweden	60	2,144	45	2,095
Philippines	31	1,639	52	3,568
Top 10 total	2,638	134,479	2,055	135,001
Other countries	537	22,789	420	32,647
Total	3,175	157,268	2,475	167,648



China Germany Poland Japan UK Italy USA Australia South Korea Sweden

 **CHINA**
Sow population 0.9 per cent lower than one month ago

According to Reuters, which cites China's Agriculture Ministry, China's sow population stood at 43.05 million at the end of March. This is a fall of 0.9 per cent compared to the previous month.

The total pig population stands at 430.94 million, which is a rise of 2 per cent compared to one year ago.

 **CHINA**
Pig slaughtering in Q1 was 1.7 per cent higher compared to the same quarter last year

Figures from China's National Bureau of Statistics (NBS) show that 198.99 million pigs were slaughtered in Q1, up by 1.7 per cent.

A higher carcass weight meant that measured in terms of meat, pig production in Q1 increased by 1.9 per cent, which corresponds to 290,000 tonnes more pig meat.

 **USA**
U.S. court approves settlement whereby Smithfield pays USD 75 million

Last week, an American court approved a settlement agreed last year whereby Smithfield undertakes to pay USD 75 million to a group of consumer organisations who accused Smithfield and a number of other companies of restricting supply to keep prices artificially high.

In his judgement, the District Judge in Minneapolis described the resolution as fair, reasonable and adequate.

Smithfield Foods previously stated that the settlement does not mean that they are guilty of the charge but wish to remove the uncertainties and costs of lengthy legal proceedings.

As mentioned, the case was brought by a group of consumer organisations. In addition to Smithfield, companies such as JBS, Tyson and Hormel have also been accused of price fixing. JBS previously entered into a similar settlement and paid USD 20 million.

 **CANADA**
Olymel closes slaughterhouse in Quebec with 994 redundancies to follow

Last week, the Canadian Olymel announced the closure of its slaughterhouse in Vallee-Jonction in Quebec.

According to CEO Yanick Gervais, the company plans to cut slaughter capacity by 1.5 million pigs, which is the main reason for the closure.

The shortage of labour and the need to upgrade the plant were also contributory factors.

The plant in Vallee-Jonction is one of four pig slaughterhouses in Quebec owned by Olymel.

 **SOUTH KOREA**
Fall in imports from EU

The table below provides the official figures for South Korea's imports of fresh/frozen pig meat for January-March 2023 compared to the same period in 2022 and 2021.

As can be seen, South Korea's total imports of fresh/frozen pig meat for Q1 2023 are below those for the same period last year but higher compared to two years ago. Following a rise in pig meat imports from the EU in 2022, imports declined in Q1 2023. However, South Korea's imports from North America have so far increased in 2023.

South Korea resumed imports from Belgium in 2022 after Belgium was declared free from African Swine Fever in 2022.

0203				
Fresh/frozen pig meat				
Tonnes	Jan-March 2021	Jan-March 2022	Jan-March 2023	% change 23:22
USA	33,802	34,375	38,816	12.9
Spain	16,815	46,788	31,526	-32.6
Canada	12,331	12,128	15,972	31.7
Holland	6,457	13,033	13,435	3.1
Chile	5,869	8,046	8,233	2.3
Austria	6,614	8,587	5,500	-35.9
Denmark	6,387	6,319	3,653	-42.2
Mexico	2,205	1,904	2,772	45.6
Ireland	428	2,746	2,382	-13.3
Belgium		2,053	2,330	13.5
France	2,052	2,720	2,236	-17.8
Brazil	1,304	861	1,878	118.1
Finland	1,060	1,223	1,384	13.2
Sweden	501	851	931	9.4
UK	1,457	566	801	41.5
Australia	784	1,125	743	-34.0
Portugal	139	451	209	-53.7
Switzerland		20		
Germany	2,236			
Total	100,441	143,796	132,801	-7.6