

MARKET NEWS for pig meat



Market analysis

22 July 2024

Week 30

MARKET SITUATION

Europe: Legs and other cuts are being traded at unchanged or slightly falling prices this week.

UK: Sales remain stable.

Asian markets: Good and 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 25	Week 26	Week 27	Week 28	Weeks 1-28 2024:23
Carcase weight >110 kg	11,165	10,494	10,668	9,306	+41.1%
Carcase weight <110 kg	244,851	249,314	254,531	250,036	-4.1%
Total	256,016	259,808	265,199	259,342	-2.5%



USA

Futures

Chicago (\$ per 100 lbs carcasse weight)	Lean Hog			Pork Cutout		
	19/7	12/7	Change	19/7	12/7	Change
2024						
Aug	91.58	88.45	3.13	102.75	98.65	4.10
Oct	74.55	70.15	4.40	88.98	86.65	2.33
Dec	66.93	62.38	4.55	83.43	80.75	2.68
2025						
Feb	71.45	67.50	3.95	85.80	83.13	2.67
Apr	76.73	74.05	2.68	89.08	86.40	2.68
May	83.90	82.18	1.72	95.68	93.00	2.68
Jun	89.88	87.88	2.00	96.68	94.00	2.68
Jul	91.20	88.80	2.40	98.43	95.75	2.68
Aug	90.80	88.65	2.15	98.75	96.08	2.67
Oct	78.44	74.58	3.86	85.00	82.33	2.67
Dec	72.78	68.89	3.89	81.35	78.68	2.67

Conversion factors:

1 lb = 0.4536 kg

1 \$ = DKK



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.

Country	Period 11 July-17 July		Year to date 1 Jan - 17 July		2023		2022	
	Pigs	Wild boar	Pigs	Wild boar	Pigs	Wild boar	Pigs	Wild boar
Estonia		3		10	2	53		57
Latvia		35	4	427	8	730	6	913
Lithuania	2	5	5	333	3	439	16	302
Poland	5	22	22	1,045	30	2,744	14	2,152
Italy		12		1,054	17	1,047	4	277
Ukraine	4		27	11	37	9	7	2
Czech Republic		1		26		56		1
Romania	17	5	93	102	740	292	329	465
Hungary		3		239		407		550
Bulgaria			1	95	3	322	2	387
Slovakia		4		91		546	5	550
Serbia	6	2	116	82	991	213	107	146
Moldova			6	6	19	6	14	3
Montenegro				1				
Bosnia-Herzegovina	4	1	23	35	1,508	22		
Croatia	1		1	38	1,124	11		
North Macedonia			2	29	15	41	30	9
Kosovo					9	4		
Belgium								
Germany		14	2	176	1	899	3	1,628
Sweden				7		60		
Greece		1	5	16	6	2		
Albania				2				
Total	39	108	307	3,825	4,513	7,903	537	7,442

GERMANY

New case of African Swine Fever at a pig farm in Hesse

Last week, the German authorities found a second case of African Swine Fever at a pig farm in the state of Hesse. The new case comes after the first was confirmed at a farm in Hesse last week.

African Swine Fever was first found in Hesse in mid-June among wild boar. Since then, more than 20 dead wild boar have been reported as having the disease.

In the neighbouring state of Lower Saxony, African Swine Fever was recently found among wild boar. In addition to the usual measures, the authorities there have introduced a range of measures to counter the spread.

It is still unclear as to how the virus reached the two West German states.



Pig meat exports fell by 4 per cent in the first four months of 2024

With the EU Commission as the source, the table below shows EU exports of pig meat by category, importer and exporter for Jan-April 2024 compared to the same period in 2023.

By category

	Jan-April 2024	Jan-April 2023	% change 24:23
Live pigs	28,567	17,331	65
Fresh/frozen	655,537	736,307	-11
Bacon	71,207	71,850	-1
Processed	146,043	146,140	0
By-products	478,549	464,330	3
Total	1,379,903	1,435,958	-4

Importers of pig meat from EU

Tonnes	Jan-April 2024	Jan-April 2023	% change 24:23
China	356,102	429,150	-17
UK	278,005	278,522	0
Japan	115,595	129,299	-11
Philippines	118,153	101,408	17
South Korea	96,392	80,159	20
Vietnam	50,753	29,653	71
USA	38,083	27,939	36
Australia	27,943	31,877	-12
Serbia	27,596	18,491	49
Ivory Coast	26,108	30,096	-13
Hong Kong	21,026	24,435	-14
Others	224,147	254,929	-12
EU-27	1,379,903	1,435,958	-4

Exporters of pig meat from EU

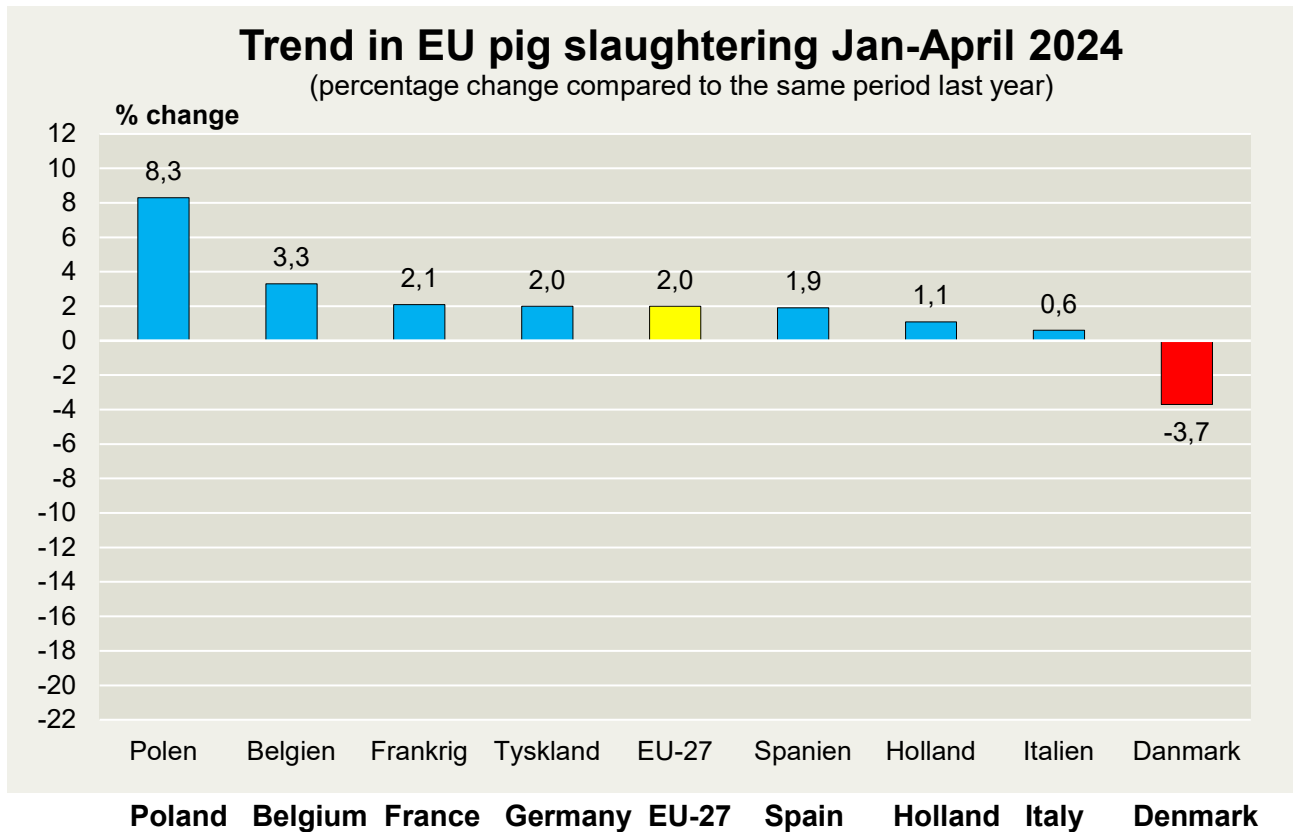
Tonnes	Jan-April 2024	Jan-April 2023	% change 24:23
Spain	438,493	464,445	-6
Holland	227,771	241,155	-6
Denmark	200,088	223,877	-11
Germany	127,127	108,866	17
France	89,868	84,257	7
Ireland	75,535	72,661	4
Poland	75,457	82,477	-9
Belgium	47,179	48,078	-2
Italy	32,999	28,359	16
Austria	17,019	17,341	-2
Hungary	11,112	7,514	48
Others	37,255	56,928	-35
EU-27	1,379,903	1,435,958	-4



EU pig slaughtering increased by 2 per cent for the period January-April 2024

All EU countries have now reported their pig slaughtering figures to Eurostat for the first four months of 2024.

The chart below shows the trend in slaughtering for the EU overall and for the EU's eight largest pig producing countries for the period January-April 2024 compared to the same period last year.



PHILIPPINES

New outbreak of African Swine Fever

International news media reports that the Philippines has recently been hit by a number of new cases of African Swine Fever.

The area around Cebu City has been affected once again after having been declared free from African Swine Fever in May.

The authorities previously announced that a vaccination programme against African Swine Fever is expected to start in September.

CHINA

Danish Crown among three companies named as targets in China's anti-dumping investigation

The Chinese authorities have targetted three European companies in their anti-dumping investigations into pig meat products from the EU.

The three companies are Danish Crown, the Dutch Vion Boxtel, the Spanish Litera Meat (Pini Group).

China already announced in June that, in response to the EU introducing punitive tariffs on electric cars from China, it would initiate an anti-dumping investigation into imports of pig meat from the EU.

CHINA

Imports of by-products surpass imports of fresh/frozen pig meat in H1 2024

The Chinese authorities have published import figures for Q2 2024.

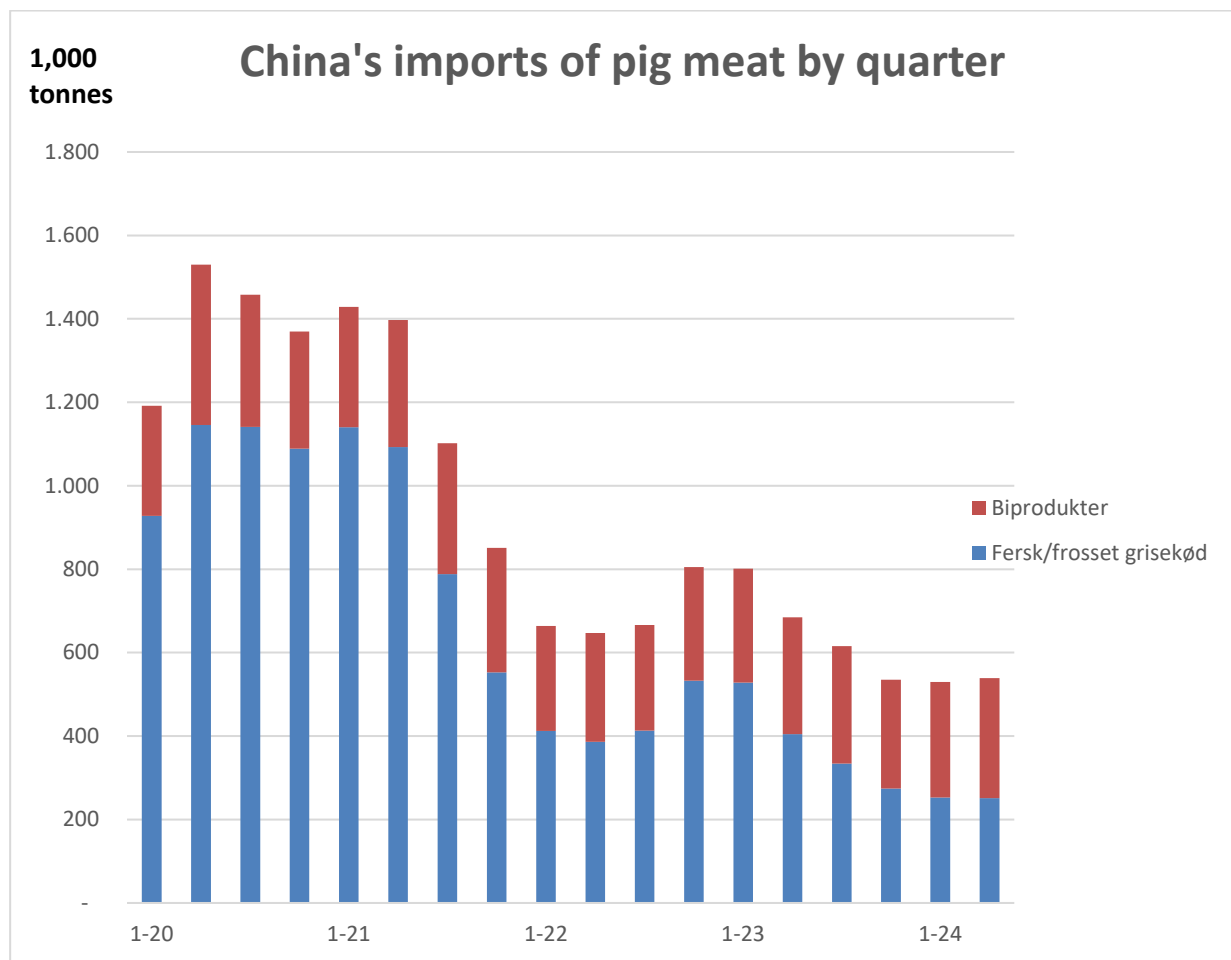
As was the case in Q1, imports of by-products in Q2 surpassed imports of fresh/frozen pig meat. Compared to Q1, imports of fresh/frozen pig meat were stable whereas there was a slight increase in the import of by-products.

The chart below shows the quarterly trend in China's pig meat imports since Q1 2020, broken down into fresh/frozen pig meat (product code 0203) and by-products (product code 020649).

As can be seen, China's pig meat imports peaked between Q2 2020 and Q2 2021 when China's domestic production was hit by African Swine Fever.

There was a modest rise in imports in Q4 2022 and in Q1 2023, but a fall to the current level over the past three quarters.

The fall in imports of fresh/frozen pig meat has been most significant, while imports of by-products have been more stable.



Red: Biprodukter – By-products; Blue: Fersk/frosset grisekød – Fresh/frozen pig meat

The tables below present Chinese imports of fresh/frozen pig meat and by-products for January-June 2024 compared to the same period in the two previous years.

0203				
Fresh/frozen				
Tonnes	Jan-June 2022	Jan-June 2023	Jan-June 2024	% change 2024:23

Spain	229,003	236,472	137,032	-42,1
Brazil	166,476	220,790	133,822	-39,4
Holland	51,231	79,827	35,775	-55,2
Canada	55,075	80,779	35,502	-56,1
Chile	34,547	46,221	32,422	-29,9
USA	59,310	75,428	31,516	-58,2
Denmark	81,108	84,897	28,006	-67,0
UK	39,518	38,157	27,491	-28,0
France	34,097	34,847	22,257	-36,1
Ireland	21,025	19,185	13,110	-31,7
Austria	7,051	7,710	2,044	-73,5
Finland	3,513	3,404	1,537	-54,8
Portugal	2,175	2,462	1,446	-41,3
Russia			1,140	
Belgium			566	
Switzerland	526	477	362	-24,1
Mexico	10,785	1,946	205	-89,5
Argentina	48	120	174	45,0
Italy	2,407			
Costa Rica	27			
Total	797,922	932,722	504,407	-45,9

020649				
Porcine by-products				
Tonnes	Jan-June 2022	Jan-June 2023	Jan-June 2024	% change 2024:23
USA	116,865	153,507	159,215	3,7
Spain	114,299	115,230	117,598	2,1
Holland	53,727	64,065	61,284	-4,3
Canada	24,493	44,533	59,120	32,8
Denmark	83,430	64,771	56,440	-12,9
France	39,094	39,164	34,373	-12,2
UK	26,745	25,837	25,248	-2,3
Chile	19,919	19,140	18,047	-5,7
Ireland	12,361	11,283	12,120	7,4
Brazil	10,694	10,455	11,141	6,6
Finland	4,557	5,238	4,198	-19,9
Belgium			3,251	
Switzerland	1,449	1,475	1,379	-6,5
Russia			584	
Portugal	483	584	564	-3,4
Mexico	2,183	153	55	-64,1
Italy	2,433			
Costa Rica	23			
Total	512,755	555,435	564,617	1,7

THAILAND

Authorities to reduce sow numbers

Pig333 reports that the authorities in Thailand have initiated a project to reduce the number of sows in the country.

The aim is to reduce the number of sows by 78,571 head at 230 large farms with more than 1,000 sows.

The authorities have called on the larger farms to participate in the project with the aim of creating a better balance in the pig meat market and preventing pig producers from experiencing continued losses.

THAILAND

African Swine Fever at a farm

The authorities in Thailand have reported an outbreak of African Swine Fever at a small farm in Chiang Mai.

This is the first case in the country to be reported since September 2023.

BRAZIL

Stable exports of pig meat in H1

The table below shows the official figures for Brazil's exports of fresh/frozen pig meat for January-June 2024 compared to the same period in the previous two years.

As can be seen, Brazil's total pig meat exports in H1 2024 were largely on par with the corresponding period last year.

Although there was a significant fall in exports to China and Hong Kong, this was more than offset by rising exports to a number of other export markets for Brazilian pig meat.

0203				
Fresh/frozen pig meat				
Tonnes	Jan-June 2022	Jan-June 2023	Jan-June 2024	% change 2024:2023
China	171,869	204,019	117,341	-42,5
Philippines	38,411	42,839	68,881	60,8
Chile	22,946	40,977	49,799	21,5
Hong Kong	43,727	52,909	41,137	-22,2
Singapore	31,479	34,219	39,588	15,7
Japan	11,877	17,679	36,909	108,8
Uruguay	20,674	24,741	21,803	-11,9
Vietnam	16,476	15,473	19,331	24,9
South Korea	3,791	4,399	15,682	256,5
Mexico		6,840	13,545	98,0
Georgia	8,334	14,699	13,502	-8,1
Angola	5,850	8,807	11,837	34,4
USA	7,691	5,062	9,250	82,7
Puerto Rico	2,474	4,338	8,178	88,5
Dom. Rep.			6,691	
Ivory coast	2,976	5,653	6,290	11,3
Others	69,376	43,535	49,509	13,7
Total	457,951	526,189	529,273	0,6

CANADA

Maple Leaf to create two companies – a new pig production company and Maple Leaf Foods

International news media report that the Canadian company, Maple Leaf, is to split into two public companies – a new, unnamed pork company and Maple Leaf Foods.

The new pig production company will have around 85,000 sows and two slaughter plants. The largest will be in Brandon, Manitoba and the smaller in Lethbridge, Alberta.

Last year, Maple Leaf slaughtered 4 million pigs, but has a capacity for 5 million.

The new company will have a supply agreement with Maple Leaf to supply pork to Maple Leaf Foods. The breakdown of sales will be about 1/3 to Maple Leaf Foods, 1/3 to current export markets and 1/3 to retail fresh pork in Canada and the US.

Maple Leaf will retain 19.9 per cent ownership of the new pig production company.

In future, Maple Leaf Foods will handle sales of processed meat, including brands such as Schneiders, and will continue to sell poultry and plant protein products.



USA

Pig meat storage at end May 9 per cent lower than one year ago

With the USDA as the source, the table below shows the latest calculations for American storage of pig meat as at 31 May 2024 compared to the previous month and to one year ago.

Overall pig meat storage was 9.4 per cent lower compared to one year ago and declined by 3.5 per cent compared to the previous month.

Beef storage was 0.5 per cent lower compared to one year ago and 3.4 per cent lower than the previous month.

As regards poultry, storage was 5.3 per cent lower compared to one year ago, but rose 3.5 per cent compared to the previous month.

1,000 lbs	31 May 2023	30 April 2024	31 May 2024	% change previous month	% change previous year
Picnics	8,179	5,772	5,058	-12,4	-38,2
Legs	137,159	94,952	110,707	16,6	-19,3
Bellies	82,531	76,692	71,374	-6,9	-13,5
Loins	32,890	39,037	34,089	-12,7	3,6
Ribs	79,382	93,054	74,597	-19,8	-6,0
Trimming	55,032	46,411	43,584	-6,1	-20,8
Butts	17,862	20,239	19,489	-3,7	9,1
By-products	69,499	79,443	78,371	-1,3	12,8
Other	49,223	43,708	44,618	2,1	-9,4
Total pig meat	531,757	499,308	481,887	-3,5	-9,4
Beef	425,660	438,530	423,684	-3,4	-0,5
Poultry	1,239,229	1,134,198	1,173,382	3,5	-5,3