



U.S. Meat Bulletin

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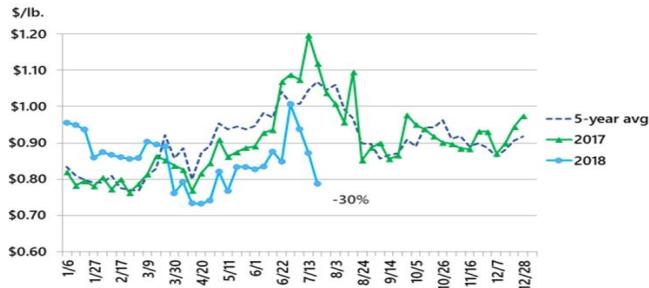
SUPPLY & DEMAND

The USDA Choice and Select beef cutouts inched higher last week as aggressive retail beef promotions (see MOVING AHEAD next column) and a slightly lower harvest stabilized summer market softness. Cattle futures rallied last week, giving confidence to feedlot operators to raise their live fed cattle offer prices. Opinions remain divided over the short term direction of the market. Last Friday's USDA Cattle on Feed report showed that there are still ample supplies of market-ready fed cattle available, but some believe that feedlots have worked through a large number of animals and remain very current. They cite the latest USDA carcass weight data for the week ending July 7 showing average fed steer dressed weights are now only 1 pound above a year ago at 867 pounds (393 kgs.) and 2 pounds below the 5-year average. Other analysts see processors trying to slow down harvest in order to provide firmness (and decent margins) to the boxed beef market, which seasonally should remain weak through early August. The cattle on feed report showed July 1 feedlot inventories 4% higher (at 11.3 million head) than the level of a year ago, a number in line with pre-report analyst estimates. More talk last week was devoted to USDA's biannual cattle inventory report, which showed that on July 1, the total U.S. cattle herd of 103 million head was 1% larger than a year ago, but that the number of beef cow replacement heifers kept for breeding fell 2.1% from last year's level. The drop was viewed as evidence of a slowdown in the expansion of the U.S. cattle population.

Beef Choice Beef Cutout Value: 23/7/2018 - US\$204.82/cwt. (+1% from 16/7/2018)

The pork cutout closed last Friday 2% softer than the previous week, and 20% down from last year. All average pork primal values moved lower except the ham primal, which ground higher despite negative trade news. The picnic primal had the steepest drop (-10%), followed by loins (-3%), butts (-2%), ribs (-1%), and bellies (-1%). Despite the slight firming of prices last week, ham prices remain a bargain, with heavy bone-in ham values averaging 33% less than a year ago. Last week's 2.382 million head harvest number was large, but there is concern over even larger numbers in the months ahead. After dropping by 3% the previous week, live hog prices (carcass basis) were down 8% last week to \$68.07/cwt (U.S. \$1.50/kg.) last Friday. Futures contracts also closed lower last week. An analysis in the July 16 Daily Livestock Report suggests that live hog prices would probably be even lower if were not for the additional packing plant capacity that has been added over the last year. Processing margins (wholesale cutout price versus live hog price) have declined by US \$20.44 per head. In short, the price plants have been paying to buy market-ready hogs has not declined as much as the wholesale price of meat, including offal.

U.S. Pork Picnic Meat, boxed cushion-out FZN



Source: USDA/AMS, Boxed Cushion Out, FZN

Hog Carcass Cutout Value: 23/7/2018 - US\$80.07/cwt. (-4% from 16/7/2018)

MOVING AHEAD

Beef is a bargain to US consumers this year, with average retail beef prices - as measured by protein market analysts **Urner Barry** - at US \$5.80 per pound, the lowest in 4 years. Prices are 11% lower than a year ago, and at a time when the economy is strong, with firming wages and almost full employment. Low prices and increasing production is incentivizing retailers to promote beef much more aggressively than in recent years. Urner Barry (UB) publishes a weekly National Feature Activity report that scans U.S. supermarket prices in several key urban U.S. grocery markets (a sample of the latest report can be found at <http://library.urnerbarry.com/features/2018/nfa0716.pdf>), including Los Angeles and Chicago, among others. The report indicates the retailer's method of promotion, such as utilizing bonus cards, two-for-one sales or coupons, and gives pricing of featured items; for example, during last week, the report lists retail giant's **Safeway's** promotion of bulk-packed bone-in choice striploins for US \$5.97/lb. in the Seattle area. UB noted early this week that steak features account for roughly half of current beef promotion ads, with ground beef and roasts garnering smaller shares. Summer sees steak demand wane, and current middle meat promotions will likely see consumers enjoying the lowest retail prices for these categories of items this year. Looking at the overall protein retail complex, beef faces stiff competition from both pork and chicken. UB calculates that current pork and chicken prices, across a range of cuts, are averaging \$3.87 and \$2.84 per pound respectively. UB's seafood retail index is the highest among proteins however, at \$7.71 per pound. A **Wall Street Journal** article last week noted that with production of all proteins increasing, beef competitors pork and poultry were aiming to capture a growing share of the ground patty market, where ground beef is the undisputed market leader, accounting for U.S. \$10 billion of the \$12 billion ground meat market. The report noted that sales of ground pork, turkey, salmon and tuna, plus the newer plant-based burgers, are growing faster than that of ground beef, and that major companies such as **Tyson** and **Hormel** are investing significantly in non-beef ground meat options.

TRADE

Last week saw more significant trade news. While the U.S. announced that tariffs could be placed on almost all of China's U.S. \$500 billion of imports, the **European Union** and **Japan** inked its new Economic Partnership Agreement (EPA). The EPA will see EU suppliers realize market access conditions similar to those that the U.S. negotiated under TPP. Concessions include Japan's lowering of import duties and maximum duty payments on fresh and frozen pork, and an elimination of the gate (minimum import) price on processed pork. Japan will also phase out all duties on EU ground seasoned pork imports, a 138,000+ ton market worth almost US \$400 million. The same concessions will apply to U.S. competitors **Canada** and **Mexico**, both members of the CPTPP. The CPTPP could see implementation begin next April as well. USMEF has estimated that under the scenario where CPTPP and the Japan-EU agreement are implemented on April 1, 2019 and the U.S. has no agreement, annual losses to the U.S. pork industry could reach more than \$600 million by 2023 and \$1.02 billion by 2028. The U.S. share of Japan's pork imports has already been trending lower, dropping from 44% in 2012 to 34% in 2017. U.S. pork exporters are particularly concerned about the further erosion in share of chilled pork shipments to Japan, which account for roughly 16% of total U.S. pork exports (value). U.S. market share of Japan's chilled pork imports has already slipped from 70% in 2012 to just 53.5% in 2017.

ACTIVITIES:

Restaurant & Bar, Hong Kong: Sep 4 - 6, 2018
FHC, Shanghai : Nov 13-15, 2018

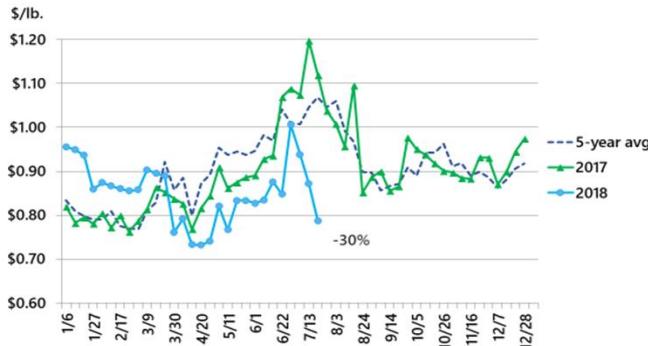
供应与需求

美国农业部特选级和可选级牛肉分切价上周小幅上涨，积极的零售牛肉促销活动(请见右栏产业动态)和略低的屠宰率稳定了疲软的夏季市场。牛肉期货上周上涨，让肥育场经营者有信心提高他们已肥育活牛的价格。關於市场的短期走向，意见仍然存在分歧。上周五美国农业部发布的牛只在养头数报告显示，可供屠宰的已肥育牛只供应充足，但有些人认为肥育场已屠宰大量牛只，并维持在一定水平；他们引用了7月7日结束当周，美国农业部最新的屠体重量数据，表明目前已肥育小公牛平均屠体重量为867磅(393公斤)，仅比一年前高出1磅，比五年前平均值低2磅。其他分析师认为屠宰商正试图减缓屠宰率以维持箱装牛肉市场稳定(和良好的利润率)，该市场从八月初开始持续季节性疲软。牛只在养头数报告中指出，7月1日肥育场库存比一年前增长4%(1,130万头)，这与分析师在报告发布前所预估的数量相符。上周更多讨论专注於美国农业部一年两期的牛只库存报告，该报告显示於7月1日美国牛只总数为1.03亿头，比一年前增长1%，但是繁殖用的母肉牛用後备小母牛数量比去年减少2.1%。此数量减少被视为美国牛群扩张放缓的证据。

美国农业部牛肉屠体价格指数(特选级)：2018年7月23日-\$204.82美元/百磅(较2018年7月16日增加1%)

上周五猪肉分切收盘价比上上周下跌2%，比去年同期下跌了20%。除了後腿肉大分切外，所有猪肉大分切平均价格均下跌；尽管负面的贸易新闻，後腿肉大分切的价格仍上涨。前腿肉大分切价格跌幅最多(-10%)，其次分别为里肌(-3%)、梅花肉(-2%)、猪肋排(-1%)，以及腹肋肉(-1%)。虽然上周价格略有上涨，但後腿肉价格仍较低，其中带骨後腿肉的价格平均比一年前低33%。上周达238.2万的总屠宰头数极高，但未来几个月的数量可能更多。活猪价格(以屠体价格为基准)在上上周下跌3%之後，上周五又下跌8%，至68.07美元/英担(1.50美元/公斤)。期货合约上周也收低。7月16日的Daily Livestock Report一项分析表明，若去年没有增加额外的屠宰厂产能，活猪价格可能会更低。每头猪只的屠宰利润率(分切批发价格对活猪价格)下跌20.44美元。简而言之，屠宰场为购买可供屠宰猪只所付出的成本并不如肉类(包括内脏)批发价格下跌。

U.S. Pork Picnic Meat, boxed cushion-out FZN



Source: USDA/AMS, Boxed Cushion Out, FZN

猪屠体分切价格：2018年7月23日-\$80.07美元/百磅(较2018年7月16日减少4%)

产业动态

今年牛肉对美国消费者来说物超所值，按照蛋白质市场分析机构 Urner Barry 所计算，牛肉平均零售价格为每磅5.80美元，是四年来的最低水平。而且是在经济强劲、工资稳定和几乎充分就业的情况下，其价格较一年前低11%。较低的价格和持续增长的牛肉产量激励零售业者比近几年来更积极推广牛肉。Urner Barry (UB)发布每周一期的全国市场概况报告，该报告指出在美国几个主要杂货食品市场的超市价格，包括拉斯维加斯和芝加哥等城市(最新的报告可以在

<http://library.urnerbarry.com/features/2018/nfa0716.pdf>

查询)。该报告显示了零售商做促销的方法，例如使用集点卡、二合一折扣或优惠券，并提供特定商品折扣优惠；以零售巨头 Safeway 为例，上周报告列出该公司在西雅图地区门市推出带骨前腰脊肉散装优惠，售价为每磅5.97美元。UB 在本周早些时候指出，特定牛排类商品露出占目前牛肉促销广告大约一半，牛绞肉和烧烤类商品的份额则较小。夏季牛排需求减少，现时排类商品的促销活动可能会让消费者享受今年这些类别商品的最低零售价格。从整体蛋白质零售销售来看，牛肉正面临着对猪肉和鸡肉的激烈竞争。UB 计算出目前猪肉和鸡肉不同分切价格分别平均为每磅3.87美元和2.84美元。UB 的海鲜零售价格在所有蛋白质中最高，为每磅7.71美元。华尔街日报上周发表的一篇文章指出，随着所有蛋白质来源的产量增加，牛肉的竞争对手-猪肉和家禽的目标是在绞肉市场中取得更多的份额，其中牛绞肉毫无疑问地是市场领导者，其占据了值120亿美元绞肉市场中的100亿美元。该文章也指出，猪肉、火鸡肉、鲑鱼和鲔鱼，以及新开发的植物性汉堡的销售成长速度超过牛绞肉，Tyson 和 Hormel 等主要公司正大力投资非牛绞肉产品。

贸易新闻

上周出现更多重要的贸易新闻。在美国宣布对几乎所有5,000亿美元中国进口商品课徵关税同时，欧盟和日本签署了新的经济夥伴关系协定(EPA)。EPA 下欧盟供应商的市场准入条件与美国在TPP下谈判的条件相似。特许权包括日本降低进口关税以及生鲜和冷冻猪肉的最高关税额，并且取消加工猪肉商品的(最低进口)门槛价格。日本也将逐步取消所有欧盟调味猪绞肉进口关税，其进口量重达13.8万多吨，市场价值近4亿美元。同样的特许权将适用於美国竞争对手加拿大和墨西哥，这两国都是CPTPP的成员。CPTPP 也将在明年四月开始实施。美国肉类出口协会估计，在CPTPP和日欧经济夥伴关系协定於2019年4月1日开始实施并在美国没有达成任何协议的情况下，美国猪肉产业到2023年每年损失可能超过6亿美元，在2028年损失将达到10.2亿美元。美国在日本进口猪肉的份额已从低於2012年的44%下降至2017年的34%。美国猪肉出口商尤其担心出口至日本的冷藏猪肉份额进一步下降，其占了美国猪肉总出口(价值)的16%。美国在日本冷藏猪肉市场份额已从2012的70%下跌至2017年的53.5%。

美国肉类出口协会活动预告：

香港餐飲展：2018年9月4-6日

上海国际食品饮料及餐饮设备展览会：2018年11月13-15日