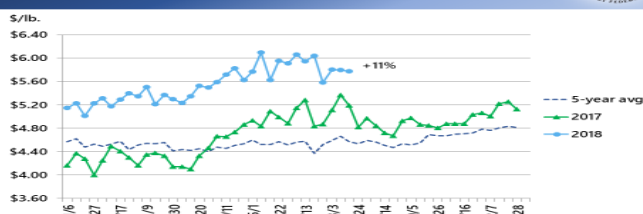




SUPPLY & DEMAND

Strength in the rib, loin and brisket primals helped the cutout edge 2% higher last week, the 3rd consecutive week of gains. According to last Friday's USDA Cattle on Feed report, the 4.6% increase in the Aug. 1 inventory meant that there were 11,093,000 cattle in feedlots at the beginning of this month. This is the highest August number since USDA reporting began in 1996. Although the number of cattle on feed has dropped since July 1, last Friday's report was seen by analysts as somewhat bearish. Last week's firming of middle meat prices is a sign that consumers may consume more steaks this Labor Day (Monday September 3rd), the result of enhanced consumption likely driven by the strong economy, low unemployment and tax cuts. Steakhouses in the U.S. are doing robust business, and some analysts see anecdotal evidence that patrons of fast food outlets are showing more interest in beef rather than chicken items. Although front end supplies of fed cattle are ample, harvest weights remain about even with last year, a sign that the fed cattle pipeline is flowing smoothly. Year to date U.S. beef production is up 3.1% from last year and slaughter is up 2.8%.

Choice Bone-in Short Ribs

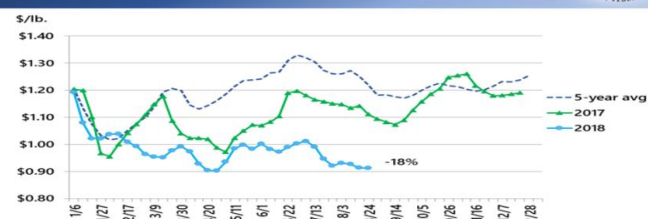


Source: USDA/AMS

Beef Choice Beef Cutout Value: 27/8/2018 - US\$213.63/cwt. (<-1% from 20/8/2018)

Small gains in butt and sparerib values, related to demand for this coming long three day Labor Day weekend, could not offset losses among other pork primals, causing the cutout to drift lower last week. In eight weeks, the cutout has dropped from the US \$81.68/cwt (100 pounds) level recorded on June 22nd to US \$55.78/cwt. registered at the end of last week. U.S. pork production in July was record high for this month, pressuring wholesale meat prices. Tariffs and increased domestic production continue to hammer U.S. pork exports to **China**; through August 16, U.S. pork muscle cut exports to the U.S.'s 3rd largest market were down 59% from the pace of a year ago, and 80% from 2016. Hams remain very attractively priced, and although butt prices are running similar to those of last year, picnic prices have not enjoyed their normal seasonal bump (see GRAPH below.) Average live Iowa market hogs are averaging US \$ 0.86/kg, 44% below a year ago.

U.S. Pork Picnic Cushion Meat



Source: USDA/AMS, vacuum packed

Hog Carcass Cutout Value: 27/8/2018 - US\$64.99/cwt. (-3% from 20/8/2018)

ACTIVITIES:

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

MARKET MAKERS

Over the last few weeks, there have been several acquisitions and transactions by major pork processing companies. **Hormel Foods** will sell its Fremont Nebraska pork processing plant to a newly formed collective of 200 pork producers called **WholeStone Farms LLC**. Hormel has stated that it and WholeStone have a multi-year strategic supply agreement in place so the plant will continue to be an integral part of the Hormel supply chain. **Mitsubishi Corporation's Indiana Packers Corp.** (IPC), has agreed to acquire Kentucky based ham and processed deli meat manufacturer **Specialty Foods Group LLC** (SFG - <https://specialtyfoodsgroup.com/brands/>).

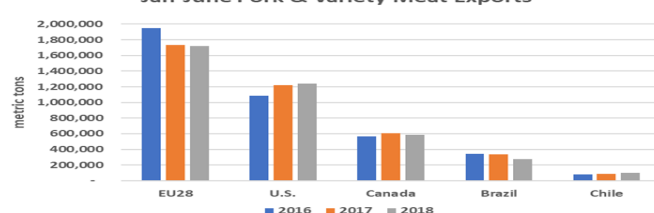
MOVING AHEAD

As we have noted in previous issues, trade friction has yet to dent the torrid growth of U.S. beef exports this year. Through August 16, weekly data shows U.S. beef shipments (muscle cuts) running 16% above the pace of a year ago. The value of beef exports however is up 23%, in part due to strong demand and a willingness of foreign buyers to pay high prices for cuts such as short ribs, where USDA's reference prices show prices running over US \$1.00 lb. higher than the most recent 5-year average (see graph previous column). Growth to the Asian markets has accounted for almost all of the export gains in short rib sales over the last few years. It is difficult to estimate the total volume of short ribs exported because the item can be shipped either boneless, preferred by **Japan** and **Taiwan**, or bone-in, preferred by **Korea** and **Hong Kong**. Short ribs constitute the lion's share of U.S. bone-in beef exports, and through June, U.S. bone-in (frozen) beef exports are up just under 3%, with a modest rise to Korea just offsetting a decline in shipments to Hong Kong. Bone-in products accounted for about 19% of total U.S. frozen beef exports (volume) through the 1st half of 2018. Of the bone-in trade, approximately 2/3rds was destined for Korea, a major market for bone-in short ribs used in the preparation of traditional *Kalbi*, or grilled short ribs.

TRADE

Larger global pork production coupled with new duties on U.S. pork exports has resulted in lower hog and pork prices among major producers and suppliers, and a contraction in global pork trade volumes. Shipments of pork & variety meats by top exporters were collectively down 2% in the first half of 2018 to 3.9 million tons. Exports from the **EU** were down slightly (1.7 million tons, -1%), but counter intuitively, pork exports from the **U.S.** were up slightly (1.2 million tons, +1%) while exports were lower from **Canada** (584,840 tons, -3%) and **Brazil** (274,640 tons, -18%) but increased from **Chile** (98,054 tons, +11%). Although the volume reduction in the international pork trade has been modest, pork prices have fallen much more. In July, prices in Brazil were down 24% from last year; Chilean prices were down 18%, the U.S. and the EU each down 15%, Canada and China each down 13%, Korea down 11%, Taiwan down 8%, Mexico down 5% while Japan prices held basically steady. In short, U.S. competitors - as of July - had yet to see higher hog prices due to the retaliatory tariffs on U.S. pork by China and Mexico.

Jan-June Pork & Variety Meat Exports



Source: GTA & USMEF estimates; excludes HS 0504



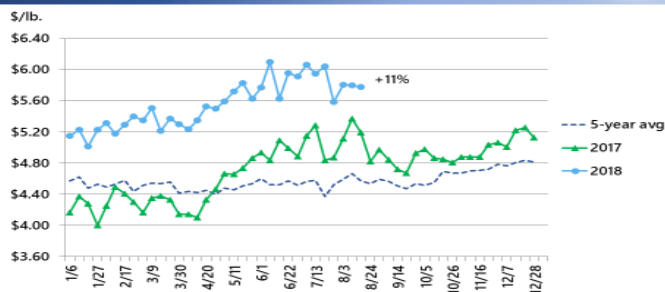
美国肉品新知

2018 年 8 月 28 日 第十卷 8.2 期

供应与需求

肋脊部、腰脊部和前胸肉大分切表现强劲，推动上周分切价格上涨 2%，并连续第三周成长。根据上周五美国农业部牛只在养头数报告，8 月 1 日牛只库存增长 4.6%意味着本月初肥育场中有 11,093 万头牛。这是美国农业部报告自 1996 年以来录得最高的八月份数字。尽管自 7 月 1 日已肥育牛只的数量有所减少，分析师认为上周五的报告显示有些悲观。上周排类商品价格坚挺，表明消费者可能会在劳动节(9 月 3 日星期一)消费更多牛排商品；因为经济强劲、低失业率和减税可能导致消费量增加。美国的牛排餐厅正稳健发展，一些分析师指出轶事证据表明，快餐店的顾客对牛肉而非鸡肉产品表现出更大兴趣。虽然已肥育牛只的前端供应充足，但屠体重量仍与去年持平，意味着已肥育牛只运输线流畅。年初至今美国牛肉产量比去年增长 3.1%，屠宰量增加 2.8%。

Choice Bone-in Short Ribs

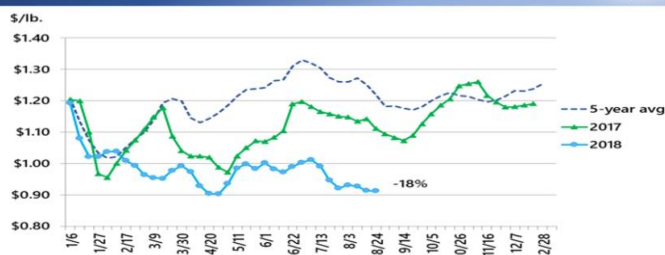


Source: USDA/AMS

美国农业部牛肉屠体价格指数(特选级):2018 年 8 月 27 日
 一\$213.63 美元 / 百磅 (较 2018 年 8 月 20 日减少小於 1%)

因即将到来的三天劳动节周末需求而小幅上涨的梅花肉和腹肋排价格，无法抵销其他猪肉大分切价格下跌，导致上周整体分切价格下跌。在八周内，猪肉分切从 6 月 22 日所记录的每英担(100 磅)81.68 美元下跌至上周末每英担 55.78 美元。七月美国猪肉产量达到创纪录水平，迫使批发肉品价格上涨。关税和国内产量增长继续打击美国至中国的猪肉出口；截至 8 月 16 日，美国猪肉分切至第三大市场的出口量减少 59%，比 2016 年减少 80%。後腿肉价格仍极具吸引力，虽然梅花肉价格与去年大致持平，但前腿肉价格并没有常态的季节性暴涨(见下图)。爱荷华州活猪平均价格为每公斤 0.86 美元，比去年同期水平低 44%。

U.S. Pork Picnic Cushion Meat



Source: USDA/AMS, vacuum packed

猪屠体分切价格: 2018 年 8 月 27 日-\$64.99 美元/ 百磅(较 2018 年 8 月 20 日减少 3%)

美国肉类出口协会活动预告:

香港餐饮展: 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

产业动态

在过去几周，主要的猪肉屠宰商进行了多次企业合并和收购。**Hormel Foods** 将出售旗下猪肉屠宰场 Fremont Nebraska 给由两百位猪肉生产商共同新成立的 **WholeStone Farms LLC**。Hormel 表示，她与 WholeStone 签订了多年的策略性供应协议，因此该工厂将继续成为 Hormel 供应链中不可或缺的一部分。**Mitsubishi Corporation's Indiana Packers Corp. (IPC)** 已同意收购位於肯塔基州专门火腿和加工熟食肉品的制造商 **Specialty Foods Group LLC** (SFG- <https://specialtyfoodsgroup.com/brands/>)。

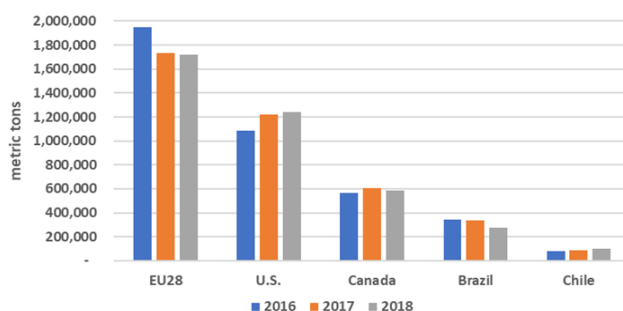
产业新知

正如我们在上一期肉品新知中所提到，贸易摩擦尚未对美国牛肉出口造成任何严重的影响。截至 8 月 16 日，每周数据显示美国牛肉出口量(肌肉分切)比一年前高出 16%。然而，牛肉出口价格却上涨 23%，部分是因为强劲的需求以及外国买家愿意以高价购入某些分切肉，例如牛小排；美国农业部参考价值显示该部位肉的价格已比近五年来平均值高出每磅 1 美元(见左栏图表)。在过去几年，牛小排销售收益基本上带动在亚洲市场的整体出口增长。要估计牛小排总体出口量是困难的，因为该产品可以是日本和台湾市场较倾向购买的无骨商品，也可以是韩国和香港喜欢的带骨商品。牛小排占美国带骨商品出口的最大份额，截至六月，美国带骨(冷冻)牛肉出口量增长不到 3%，而至韩国的出口些微增长恰好抵销了至香港出口量下降所带来的影响。截至 2018 年上半年，带骨商品约占冷冻牛肉出口(重量)的 19%。在带骨牛肉贸易中，约有三分之二的商品出口至韩国，该国使用带骨牛小排制作韩式传统料理 Kalbi 和烤牛小排。

贸易新闻

全球猪肉产量成长以及对美国猪肉出口加徵的新关税政策导致主要屠宰商和供应商的活猪和猪肉价格下跌，全球猪肉贸易缩减。最大出口商的猪肉和杂碎出货总量於 2018 年上半年下降 2%至 390 万吨。欧盟出口略有下降(170 万吨，-1%)，反观美国猪肉出口略有增长(120 万吨，+1%)；加拿大(584,840 吨，-3%)和巴西(274,640 吨，-18%)出口也下降，但智利出口增长(98,054 吨，+11%)。尽管全球猪肉贸易减幅不大，猪肉价格跌幅剧烈。七月时，巴西猪肉价格比去年下跌 24%，智利则下跌 18%，美国和欧盟各下跌 15%，加拿大和中国分别下跌 13%，韩国下跌 11%，台湾下跌 8%，墨西哥下跌 5%，而日本猪肉价格基本持稳。简而言之，截至七月，由於中国和墨西哥对美国猪肉课徵报复性关税，目前尚未见美国猪肉竞争对手有更高的活猪价格。

Jan-June Pork & Variety Meat Exports



Source: GTA & USMEF estimates; excludes HS 0504