



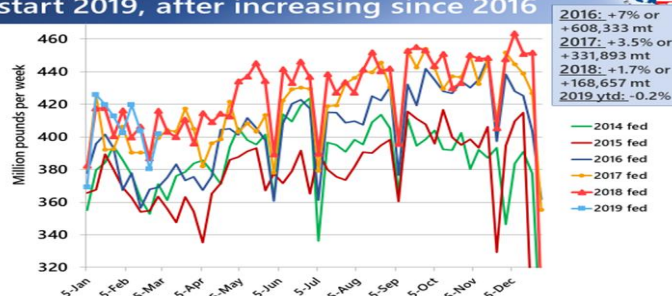
# U.S. Meat Bulletin

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## SUPPLY & DEMAND

Storms and flooding in the USA's northern cattle country reduced cattle harvest volumes last week, propelling beef wholesale prices higher. Primal ribs weakened slightly, but all other primals gained during a week when weather was again the main market driver. Over the last weekend, a "bomb cyclone" caused record flooding in major cattle areas in Nebraska, the largest beef processing state and one of the largest cattle feeding states. The weather outlook for this week is for clear and warmer weather, but the copious amounts of precipitation this winter and early spring will keep feedlots wet and muddy for a few more weeks. Moreover, flooding will impede the movement of cattle into and out of feedlots, reducing harvest numbers. Analysts are already forecasting that cattle-on-feed (COF) numbers on March 1, when reported, will be below the level of March 1, 2018, the first time COF will have shown a year-on-year decline since December 2016. On the consumption end, beef demand has been seasonally soft, but some analysts believe consumer pocketbooks have been pinched by higher energy bills due to this year's cold weather. USDA data continues to show carcass weights running below year ago levels; for the week ending March 2, average fed steer carcass weights were 874 pounds (396 kgs), 9 pounds less than a year ago.

### U.S. fed beef production down slightly to start 2019, after increasing since 2016

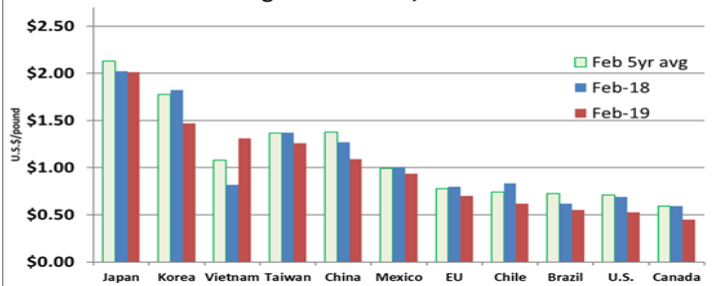


Source: USDA/NASS

Beef Choice Beef Cutout Value: 18/3/2019 - US\$228.33/cwt. (<+1% from 11/3/2019)

The pork cutout powered higher last week, driven mainly by rumors of greater import demand from **China** and speculation that the government may reduce import duties on U.S. pork as a goodwill gesture (see TRADE next column). The June lean hog futures contract rose 10.7% last week based on anticipation of greater exports, and evidence that even under the current 62% import duty regime, some U.S. pork items could be profitably imported. Reports were also circulating that EU has been steadily rising prices, widening the gap between U.S. and EU offers, although there is still a 50% spread between tariffs assessed on EU and U.S. products. That said, the most recent USDA export data (week ending March 7) reported net U.S. pork muscle cut sales to China of nearly 29,000 tons, the highest number in nearly 2 years. For perspective, consider that the U.S. exported approximately 20,000 tons of pork to the **Philippines** during all of last year.

### Estimated Hog Carcass Prices, Feb 2018 & 2019



Hog Carcass Cutout Value: 18/3/2019 - US\$72.39/cwt. (+9% from 11/3/2019)

## MARKET MAKERS

**Marfrig Global Foods S.A.** and shareholders of **National Beef Packing Company** have acquired beef processor **Iowa Premium** from the USA's largest foodservice distributor **Sysco Holdings** for U.S. \$150 million. Iowa Premium's single processing facility is located in central Iowa and has a slaughter capacity of 1,100 head per day. Iowa Premium focuses on processing high quality Angus & other grain-fed young cattle. Marfrig purchased a 51% majority share of National Beef in April 2018. Marfrig is now the 2<sup>nd</sup> largest global beef processor after **JBS S.A.**

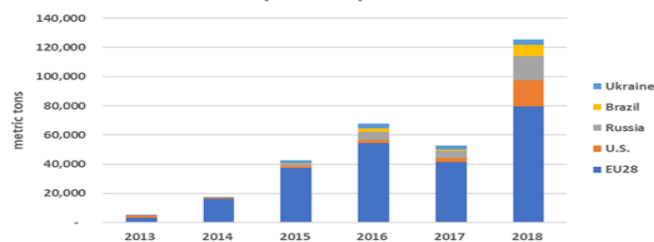
## MOVING AHEAD

A great deal of media has been devoted to alternative 'meat' products, and the U.S. livestock and meat industry has been vocal in advocating that they are regulated as strictly as the current federal USDA inspection system for red meat & poultry, both in terms of safety and consumer labeling. The state of Missouri has passed legislation banning the use of 'meat' terminology to describe food products not derived from a slaughtered animal. Lab grown meat, derived from actual animal cells has posed more regulatory challenges. Although no cultured meat products are currently being sold in any significant commercial quantities, USDA and the FDA announced earlier this month a formal agreement to jointly regulate "human food products derived from the cells of livestock and poultry". Under the agreement, FDA will oversee cell collection, cell banks, and regulate cell growth and differentiation. USDA's Food Safety Inspection Service (FSIS) will monitor and regulate the harvesting of the cellular based meat products, and also oversee the preparation of final products and product labeling.

## TRADE

African Swine Fever (ASF) continues to roil global pork markets. There have now been 113 confirmed cases in 28 provinces in **China**, with about 1 million pigs slaughtered. Statistics released last Friday by China's Ministry of Agriculture showed that the national pig herd declined 16.6% in February from the previous year, an acceleration from January when year-on-year numbers showed a 5.4% decline. The sow herd stood 19.1% lower in Feb from the same month in 2018. These numbers helped drive a near 17% surge in the average national live Chinese hog price last week to U.S. \$2.16/kg. Late last week, U.S. live hog prices were approximately U.S. \$0.88/kg. In the meantime, ASF seems to be spreading faster in **Vietnam** with 79 confirmed cases announced by Vietnamese authorities since the first outbreak on February 1. Vietnam's live hog prices had already been very high, helping pork imports reach record levels last year (see graph below). Interestingly, Vietnam has been one of the main drivers of **Russian** pork exports. The U.S. exported a record amount of pork variety meats to Vietnam in 2018 (10,078 tons).

### Pork & Variety Meat Exports to Vietnam



## ACTIVITIES:

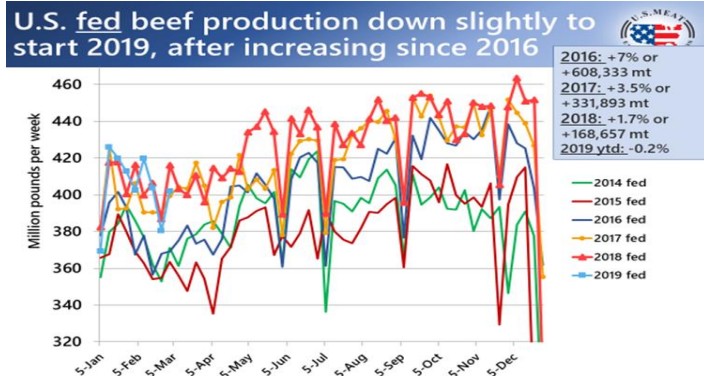
SIAL, Shanghai : May 14-16, 2019

Hofex, Hong Kong: May 7-10, 2019

Food Show, Taipei June 19-22, 2019

## 供应与需求

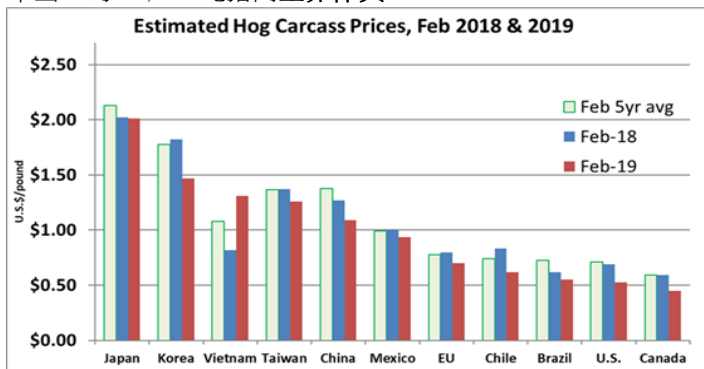
美国北部养牛地区受暴风雨和洪水影响，上周牛只屠宰量减少，推动牛肉批发价格走高。肋骨部原始价格略微下跌，但当周天气再次成为驱动市场的主要因素，其他所有大分切价格均上涨。上周末，一场「炸弹气旋」(bomb cyclone)导致内布拉斯加州主要养牛地区洪水泛滥，该州是美国其中一个最大的牛只屠宰和肥育州。本周预测将会是晴朗且温暖的天气，但受今年冬季和早春大量降水影响，肥育场潮湿且泥泞的情况将再持续几周。此外，洪水也阻碍牛只进出肥育场，使得屠宰量减少。分析师以预测，3月1日的牛只在养头数(COF)将低於2018年3月1日纪录，这是自2016年12月以来，COF首次出现同比减少。消费方面，牛肉需求持续季节性疲软；一些分析师认为，今年寒冷的天气导致消费者在能源账单上的开支增加使得荷包缩水。美国农业部的数据显示牛只屠体重量仍於一年前水平；截至3月2日当周，已肥育小公牛屠体平均重874磅(396公斤)，比一年前下降9磅。



Source: USDA/NASS

**美国农业部牛肉屠体价格指数 (特选级): 2019年3月18日—\$228.33 美元/百磅 (较2019年3月11日增加小於1%)**

上周猪肉分切价格走高，主要是因为有传言指中国对进口猪肉需求将增加，以及市场猜测中国政府可能会减少课徵美国猪肉的进口关税以示善意(见右栏贸易新闻)。由於预期出口增长，且有数据表明：即使在目前62%的进口关税制度下，一些美国猪肉产品仍可从中获利，上周的6月瘦猪肉期货价格上涨10.7%。也有报告指出，虽然欧盟和美国产品的关税仍有50%的差距，但欧盟猪肉价格持续稳步上涨，扩大美国与欧盟产品之间的价差。尽管如此，美国农业部最新出口报告显示(截至3月7日当周)，美国猪肉分切净销售量减少近29,000吨，是近两年来的最高水平。另一方面，美国去年全年出口约20,000吨猪肉至菲律宾。



**猪屠体分切价格: 2019年3月18日-\$72.39 美元/百磅 (较2019年3月11日增加9%)**

## 产业新知

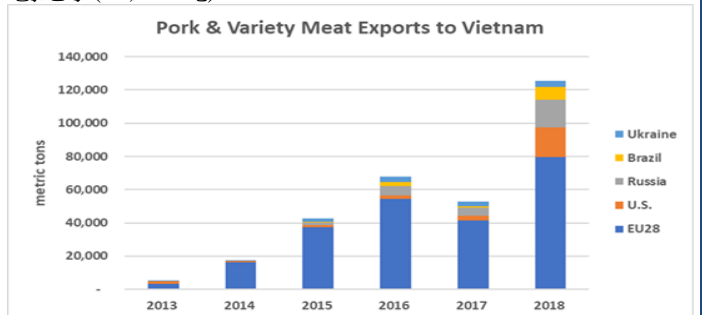
**Marfrig Global Foods S.A. 和 National Beef Packing Company** 的股东以 1.5 亿美元收购美国最大食品经销商 **Sysco Holdings** 旗下的牛肉屠宰场 **Iowa Premium**。Iowa Premium 的单向屠宰设备位於爱荷华州中部地区，每天屠宰量为 1,100 头。该公司专门屠宰优质的安格斯牛只和其他穀饲的年轻牛只。Marfrig 於 2018 年 4 月购入 National Beef 的 51% 股份，是仅次于 **JBS S.A.** 排名全球第二大的牛肉屠宰商。

## 产业动态

许多媒体致力於报导「肉类」代替品，美国畜牧业者和肉类业者主张这类商品受到严格监管，并与美国农业部当前的红肉和禽肉检验系统一样严谨，包括在食品安全和消费者标签方面。密苏里州已通过立法，禁止业者使用「肉类」这专业用词描述非动物屠宰的食品。这些在实验室透过肉类细胞所培养的肉食品已面临更多监管上的挑战。虽然这类商品目前并没有被大量商业售出，但美国农业部(USDA)和美国食品药品监督管理局(FDA)於本月早些时候宣布了一项正式协议，共同规范「源自家畜和家禽细胞的人工食品」。根据协议，FDA 将监督细胞搜集作业，管理细胞库以及细胞增长和分离内容。而美国农业部食品安全检验局(FSIS)将监测和管理透过细胞采集制成的肉类商品，并监督最终产品的制备和标签。

## 贸易新闻

非洲猪瘟(ASF)继续影响着全球猪肉市场。目前，中国 28 个省份中已有 113 例确诊，以及约 100 万头猪只被屠杀。中国农业部上周五公布的统计数据显示，2 月全国种猪群数量比去年同期减少 16.6%；跌幅於 1 月开始加快，该月同比减少 5.4%。2 月种母猪群数量比 2018 年同月减少 19.1%。这些数字推动上周中国活猪平均价格上涨近 17%，达到每公斤 21.6 美元。上周末，美国活猪价格约为每公斤 0.88 美元。与此同时，ASF 似乎在越南蔓延得更快；自 2 月 1 日首例爆发後，越南当局已宣布 79 例确诊。越南的活猪价格已非常高，去年猪肉进口量达创纪录水平(见下图)。有趣的是，越南一直是推动俄罗斯猪肉出口的主要国家之一。2018 年美国出口至越南的猪杂碎重量创纪录(10,078 吨)。



美国肉类出口协会活动预告:

中国国际食品和饮料展览会, 上海: 2019 年 5 月 14-16 日

Hofex, 香港: 2019 年 5 月 7-10 日

国际食品展, 台北: 2019 年 6 月 19-22 日