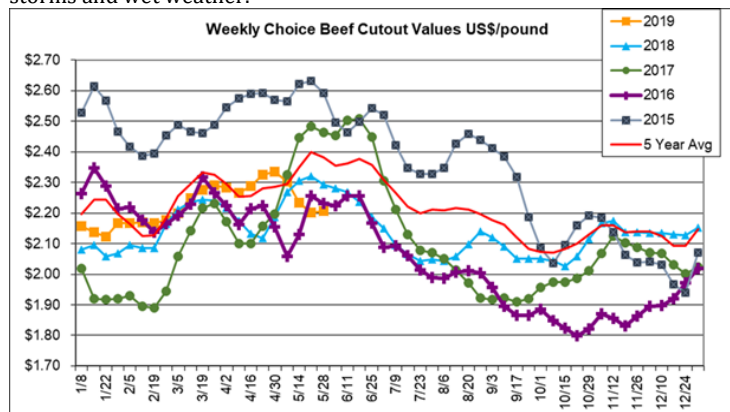




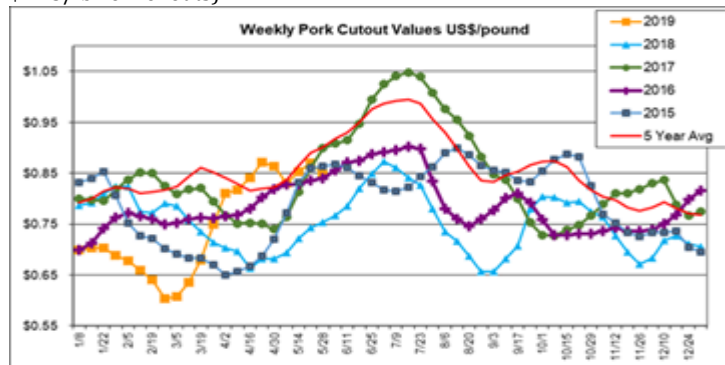
## SUPPLY & DEMAND

The beef cutout finished mixed last Friday, with middle meat primal values dropping while end cuts edged higher. A four-week 10% decline in live fed cattle prices flattened at the end of last week. Analysts reported solid beef sales at retail leading up to this past Memorial Day long weekend, but wet weather scattered across the nation probably dampened some grilling activity. The main agricultural story last week centered around the growing problems with getting corn planted, and grain prices and futures advanced sharply. Meanwhile, USDA published its April cattle-on-feed numbers. The May 1 number was a record for the month, but still fell short of the monthly record set during February 2012. The surprise of the USDA report was the lower-than-expected number of cattle placed on feed during April. This provides some optimism that the wall of fed cattle expected this fall may be more modest than anticipated. Like corn, placements of cattle into feedlots have been slowed by continuing rain storms and wet weather.



**Beef Choice Beef Cutout Value: 24/5/2019 - US\$221.64/cwt. (<+1% from 13/5/2019)**

The pork cutout closed out last week down week-on-week due to growing pessimism over the likelihood that the U.S. and **China** would complete a trade deal in the near future. Pork futures were in a holding pattern last week with optimists believing that China's ASF scourge will create huge imports & opportunities for all major and minor pork exporters, with pessimists countering that the U.S. will sit on the sidelines of this increased China trade due to the punitive 62% import duties (competitors pay 12%). Countering the souring mood about trade prospects with China, which saw the weakening of most average U.S. pork primal values last week, average ham values firmed due to the announcement a week ago Monday that **Mexico** had abolished the punitive 20% punitive import duty on U.S. pork. The action came as a response to the U.S. announcing May 17 that it would abolish the 25% and 10% duties on Mexican and **Canadian** steel & aluminum imports respectively. The news drove the U.S. ham primal higher, as hams have been a major component of U.S. pork exports to Mexico. Rollout boneless ham values jumped 4% to \$1.40/lb. Hams are now up 45% from year-ago levels, but remain below recent historical highs seen in 2014 (the 2014 high was \$1.43/lb. for heavy bone-in hams and \$2.23/lb. for rollouts).

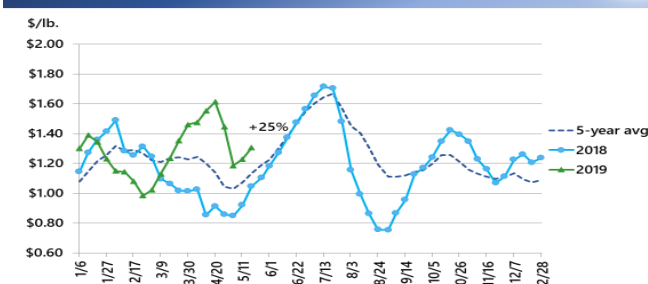


**Hog Carcass Cutout Value: 24/5/2019 - US\$83.27/cwt. (-6% from 13/5/2019)**

## MOVING AHEAD

U.S. commodities futures exchange platform **The CME Group** has announced it has begun publishing a new CME Fresh Bacon Index to help the marketplace establish a more transparent reference price for fresh pork bellies that are a main ingredient used to make bacon. Bacon is one of the most ubiquitous meat products in the U.S. The new index has been developed as wholesale values for bellies have become much more volatile, despite seemingly stable but growing demand for bacon. Last year, pork bellies were the most volatile of all pork primals (see graph below). The new index aims to provide U.S. pork producers, packers, processors, wholesalers, restaurant operators, supermarket chains and others with a weekly reference price which will track supply and demand dynamics of wholesale bacon transactions on the cash market. A weekly bacon price will be published by the CME each Monday. This value will be based on a combination of negotiated and formula transaction values that are currently made available from USDA. The CME Fresh Bacon Index will represent a reference price reflecting the value of a 40,000 lot of fresh, skinless pork bellies, expressed in U.S. cents per pound. The CME managed trade in a frozen pork belly futures contract from 1961 through July 2011, at which time the exchange dropped the futures product due to trading inactivity. Interestingly, bellies futures predated the creation of financial futures products, and during the 1980s, the heyday of the contract, some traders used them as a tool to hedge against macroeconomic risks.

## U.S. Pork Belly Primal



Source: USDA/AMS

## TRADE

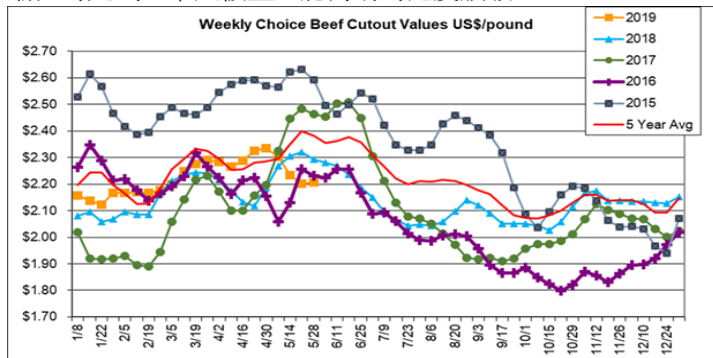
On May 17, **Japan** opened to imports of U.S. beef derived from animals over thirty months of age (OTMB). USMEF estimates that the expanded access could increase U.S. beef and beef product exports to Japan by up to \$200 million per year. Major items of commercial interest include mountain chain tripe, tongues, intestines, steak items and other primals from fed cow programs, as well as Asian cuts such as short ribs. Approximately 20% of the U.S. beef supply is sourced from cattle that are over thirty months of age. Because age determination by dentition sees some under-thirty-month cattle be categorized as older animals, the new rules will see a small but not insignificant additional volume of young fed beef now eligible for export to the USA's #1 beef market. At the end of 2005, Japan restored access for U.S. beef muscle cuts and offal items from cattle 20 months of age and younger, extending the age limit to 30 months in February 2013. In April 2017, Japan ended its age-based BSE testing on domestic Japanese cattle, which started the process of assessing risk of cattle from negligible BSE-risk suppliers, including the United States. The U.S. is likely to begin to engage both **Korea** and **Taiwan** on allowing OTMB; both markets have determined that OTM U.S. beef is safe, but political considerations have prevented the implementation of the terms of the full access agreements.

## ACTIVITIES:

Food Show, Taipei: June 19-22, 2019  
Restaurant & Bar, Hong Kong: Sep 3-5, 2019  
FHC, Shanghai: Nov 12-14, 2019

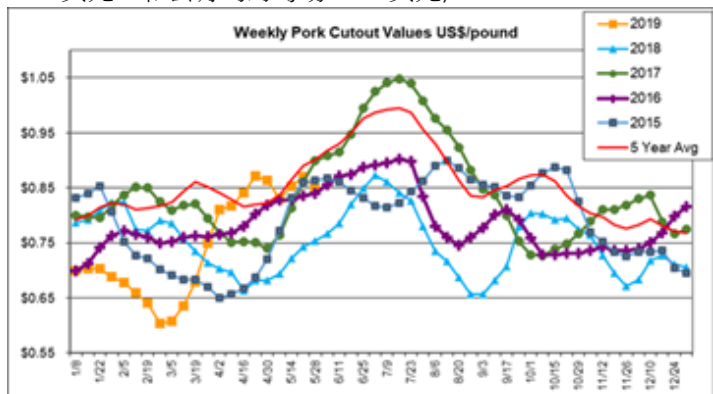
## 供应与需求

上周末，连续四周下跌 10% 的已肥育活牛价格回稳。分析师指，在刚结束的阵亡将士纪念日长假，零售牛肉的销售稳定，但全国各地潮湿的天气可能会使消费者的烧烤活动减少。上周农业方面的主要问题在于玉米种植的问题日益严重，以及谷物的价格和期货价格大幅上涨。与此同时，美国农业部公布了 4 月牛只在养头数数据。5 月 1 日所得的数量创下当月纪录，但仍低于 2012 年 2 月时的月度纪录。美国农业部的报告中令人意外地是 4 月牛只在养头数远低于预期。这为市场带来了一些乐观情绪，即今年秋季的已肥育牛只头数可能比预期趋稳。如同玉米种植一样，由于持续的暴雨和潮湿的天气，牛只被置入肥育场的速度放缓。



美国农业部牛肉屠体价格指数 (特选级) : 2019 年 5 月 24 日 — \$221.64 美元 / 百磅 (较 2019 年 5 月 13 日增加小于 1%)

市场对美国和中国能在不久的未来完成贸易协议的可能性越来越悲观，导致上周猪肉分切价格逐周下跌。上周猪肉期货处于持仓状态，乐观主义者认为，中国的非洲猪瘟疫情将为所有主要和次要的猪肉出口商带来巨大进口需求和商机；悲观主义者反驳，由于 62% 的惩罚性进口关税 (竞争者支付 12%)，美国将在这增加的中国贸易中做观望者。应对中国贸易前景恶化的情绪，上周美国猪肉大分切平均价格下跌，而後腿肉平均价格走强，因为墨西哥上周一废除对美国猪肉徵收 20% 的惩罚性关税。此举回应了美国在 5 月 17 日宣布取消对墨西哥和加拿大钢铁和铝分别 25% 和 10% 的进口关税。由于後腿肉是美国出口到墨西哥主要的猪肉产品，该新闻推动了美国後腿肉原始价值上涨。去骨後腿肉价格上升 4% 至每磅 1.4 美元。目前後腿肉价格比去年同期增长 45%，但仍低于近期 2014 年的历史高点 (2014 年带骨後腿肉最高价格为每磅 1.43 美元，和去骨的为每磅 2.23 美元)。

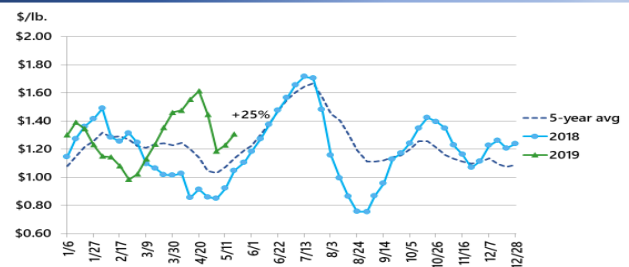


猪屠体分切价格 : 2019 年 5 月 24 日 - \$83.27 美元 / 百磅 (较 2019 年 5 月 13 日减少 6%)

## 产业动态

美国商品期货交易中心 The CME Group 宣布已发布新的 CME Fresh Bacon Index，以帮助市场为生鲜猪腹肋肉商品建立更透明的参考价值，该部位肉是制作培根的主要材料。培根是美国最普遍的肉类商品。尽管培根的需求看似稳定但却不停增长，新的指数正在成长因腹肋肉的批发价格变得更加波动。去年腹肋肉价格走势是所有猪肉大分切中最不稳定 (见下图)。新的指数旨在为美国猪肉生产商、屠宰商、加工商、批发商、餐厅业者以及连锁超市业者等提供每周参考价格，追踪现货市场上批发培根交易的供需动态。CME 将於每周一公布每周培根价格。该数值将基於当前可从美国农业部取得的交易达成数据和交易价值公式。CME Fresh Bacon Index 将作为反映 40,000 批生先去皮猪腹肋肉价值的参考价格，以每磅多少美分显示。CME 管理从 1961 年至 2011 年 7 月期间冷冻猪腹肋肉的期货合约交易，因当时的交易并不活跃，交易中心放弃了该期货产品。有趣的是，腹肋肉期货的出现早於金融期货，而在 1980 年代期货合约鼎盛时期，一些交易员将腹肋肉期货作为对冲宏观经济风险的工具。

## U.S. Pork Belly Primal



Source: USDA/AMS

## 贸易新闻

5 月 17 日，日本开放进口来自 30 个月龄以上牛只的美国牛肉 (OTMB)。美国肉类出口协会预估，进口范围扩大可使美国每年增加出口 2 亿美元的美国牛肉和牛肉产品至日本。主要商用的大分切项目包括牛肚梁 (mountain chain tripe)、牛舌、牛肠、排类商品和其他来自自己肥育母牛的大分切商品，以及亚洲常态商品如牛小排。大约 20% 的美国牛肉供应来自超过 30 个月龄的牛只。由于以牙齿测定年龄的方式可能将一些不足 30 个月的牛只归类至较老的牛群，新的规定将允许一些额外但并非微不足道的年轻已肥育牛只出口到此美国排名第一的牛肉市场。於 2005 年底，日本重新开放进口 20 个月或以下月龄的美国牛肉分切和内脏产品；於 2013 年 2 月将其年龄限制延长至 30 个月。2017 年 4 月，日本取消对国内牛肉基於年龄的 BSE 测试，并开始评估可忽略 BSE 风险牛只的牛肉供应国，包括美国在内。美国很可能会开始要求韩国和台湾允许 OTMB；这两个市场都已确定 OTM 的美国牛肉是安全的，但政治因素阻碍全面开放进口协议的执行。

## 美国肉类出口协会活动预告:

国际食品展,台北: 2019 年 6 月 19-22 日

香港餐饮展: 2019 年 9 月 3-5 日

上海国际食品饮料及餐饮设备展览会: 2019 年 11 月 12-14 日