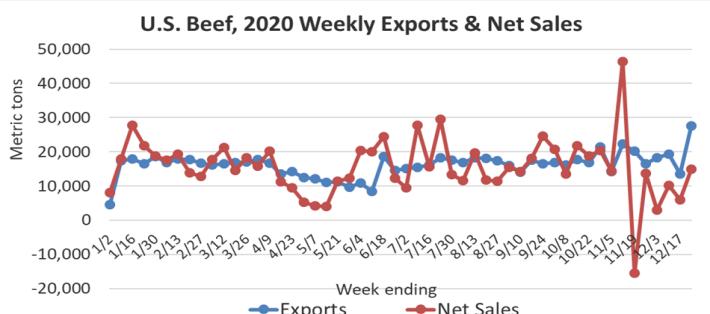


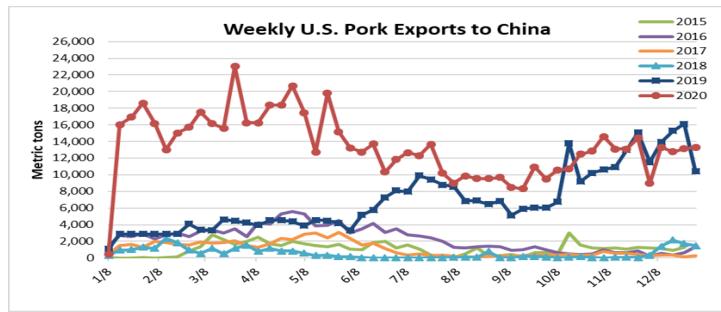
SUPPLY & DEMAND

The wholesale beef market was largely quiet last week, with 2 consecutive weeks of holiday-reduced slaughter being supportive of the near-term outlook. Processors will be looking to fill plants this week to catch up with order backlogs. However, markets could see-saw in the weeks ahead as the new year is starting with a record number of cattle on feed that need to be processed during Q1. Lower placements of cattle into feedlots during Q4 2020 should support live fed cattle prices during Q2, but now analysts see another possible market tightening factor in higher corn & oilseed prices. Last week, **Argentina** announced new restrictions on its corn exports, driving corn futures to a 6-year high. Higher feed costs cut into feedlots' profit margins, making feeding cattle less attractive. If production is constrained by the tightening cattle cycle and high grain prices, this could set up the market for bullish price gains later in the spring and through the end of the year. Longer term demand looks promising; widespread vaccination efforts in Asia and North America should see the beginnings of a recovery in global foodservice receipts by H2 while retail beef demand has remained strong globally throughout the pandemic. U.S. beef exports could be supported by the weak dollar and economic rebounds in main markets **Japan, Korea and Mexico**. This effect was in evidence during the Christmas week when USDA's export report showed U.S. beef shipments reaching a new weekly 2020 high, with large volumes reported to the above markets + **China**, where weekly exports hit a 2020 record of 4,400 tons.



Beef Choice Beef Cutout Value: 4/1/2021 - US\$209.87/cwt. (<-1% from 21/12/2020)

The pork cutout advanced a sharp 7% on the last day of 2020 based on a short slaughter week and efforts by retailers to secure supplies amid end-of-year storm activity through the eastern U.S. Through last Thursday - New Years' eve - harvest plants were able to process 1.835 million head, more than the previous Christmas week, but far from a normal 5-day harvest period. Bone-in hams found support, while last week's belly trading was choppy. Lean hog futures prices ended the year on a high note as reports surfaced of growing interest by outside speculators and investment funds in commodities, including pork. On Dec 31, USDA released its last weekly export sales report covering the week through Dec 24, and the figures showed continued large pork exports to **China**, plus 22,650 tons of new sales for 2021. Chinese pork prices are firming as consumers shun overseas proteins over fears that CoVID is being imported into China on frozen food packaging. MEF has heard that some China traders are now betting on domestic pork prices staying high after the Feb 12 lunar New Year, propelling the current buying interest. As China rolls out vaccinations, anxiety over imports should start to dissipate toward the 2nd half of Q1. In the meantime, strong seasonal winter demand for pork is also propping up domestic live hog prices, with the national average hog price now +28.4% from its fall trough of RMB 28.79 reached on Oct 29. Outside investor interest in pork and other commodities is also being driven by a weakening U.S. dollar; against a basket of currencies the dollar has declined about 13% from the high reached in mid-March 2020. A weak dollar will increase the competitiveness of U.S. pork, especially vis-à-vis EU product, where the Euro is strengthening.



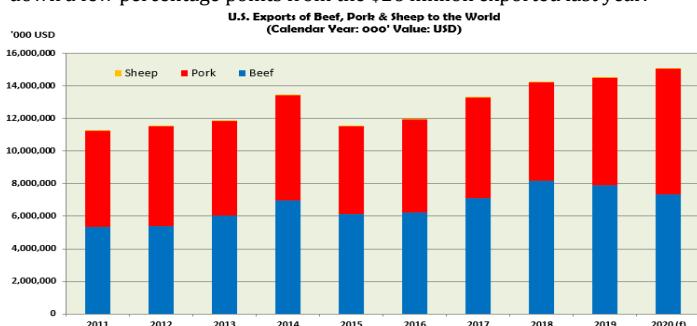
Hog Carcass Cutout Value: 4/1/2021 - US\$77.77/cwt. (+7% from 21/12/2020)

MOVING AHEAD

About 50% of all hogs produced in the U.S. are finished under production contracts, while research conducted in 2000 packers found that approximately 23% of U.S. slaughter hogs in that year were owned by meat packers. In the U.S., it is estimated that in excess of 90% of all chickens raised for human consumption in the United States are produced by independent farmers working under contract with integrated chicken production and processing companies. The move toward vertical integration has been pronounced but not without controversy by those that argue that integration can reduce the effectiveness of price discovery if only a small proportion of total transactions are being conducted under open market conditions. Still, that has not reduced the interest in vertical integration and now America's large retail chains are investing in upstream livestock & meat processing in order to control supplies. In 2019, retail giant **Costco Wholesale Corp** opened a \$400 million chicken processing plant in Nebraska, the 1st time a U.S. retailer had ever created an entire vertical supply chain for a protein. Early last year, **Walmart** opened a U.S. \$90 million case-ready beef plant in Georgia. The plant, operated by beef processor **FPL Foods**, is part of an effort announced by Walmart in April 2019 to build an "end-to-end" Angus beef supply chain starting with farmers/ranchers & feedlots, extending to harvest facility **Creekstone Farms**, and ultimately to the chain's 500 stores in the southeast U.S. Other retailers have announced similar projects to develop their own meat supply chains, including Texas based retailer **H-E-B's** farm-to-fork beef supply chain to serve the Mexican market, and **Ahold Delhaize USA**'s new \$100 million case ready beef plant being build in cooperation with **Cargill**. Just as the 1st plant nears completion in Rhode Island, Cargill announced its intention to build a 2nd beef plant in Pennsylvania, to serve the Dutch-owned Ahold Delhaize's 2,000 stores and distribution centers across 23 states. Ahold Delhaize owns and operates notable east coast supermarket brands **Food Lion, Giant Food, GIANT Food Stores, Hannaford, and Stop & Shop**. The move toward greater vertical integration by big box retailers helps chains ensure supplies of key profitable items, a strategy that became paramount during the spring of last year when CoVID disrupted meat plant operations. Moreover, such investments hopefully assist with lowering costs and attaining better day-to-day product consistency. One of Costco's considerations in its investment in chicken production was its need to ensure access to growing supplies of its popular rotisserie chickens, which have a unique lighter weight specification. Finally, control over the supply chain will allow retailers to own more stories about traceability and connections to farmers, a growing concern of consumers who are increasingly asking where their food comes from.

TRADE

Although it will be February before final trade statistics are published, the value of U.S. CY 2020 red meat exports is on track to set a fresh record, despite trade feuds, the pandemic, and CoVID-related weakening of overseas demand. Combined U.S. beef, pork and lamb exports should near the \$15 billion level, a 4.1% increase over last year's record level of U.S. \$14.5 billion. A surge in **China** purchases of U.S. pork, plus a surprising gain in pork shipments to historical #1 market **Japan**, helped offset declines in trade with other main markets. Overall, the pandemic disrupted trade much less than experts forecast earlier in the year. For example, a surge in H2 buying by **China** of U.S. beef helped offset declines in the value of U.S. beef exports to other main Asian markets **Japan, Korea, Taiwan & HK**. Still, CoVID exacted a toll on U.S. meat exports, especially beef, where the virus caused a meltdown in **Mexico's** currency and imported beef demand. Total 2020 U.S. sheep & lamb product exports are forecast to reach \$24 million, down a few percentage points from the \$26 million exported last year.

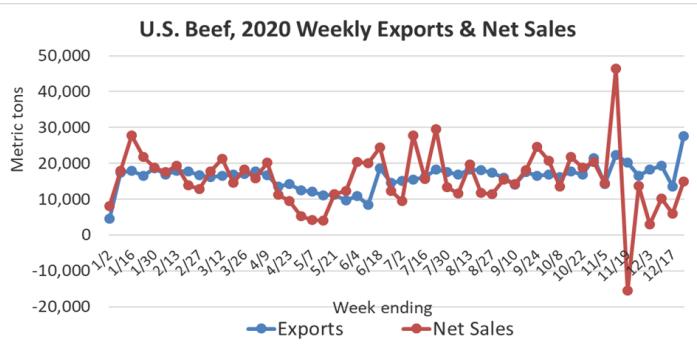


ACTIVITIES:

HOFEX, Hong Kong: May 12-14, 2021
SIAL, Shanghai: May 18-20, 2021

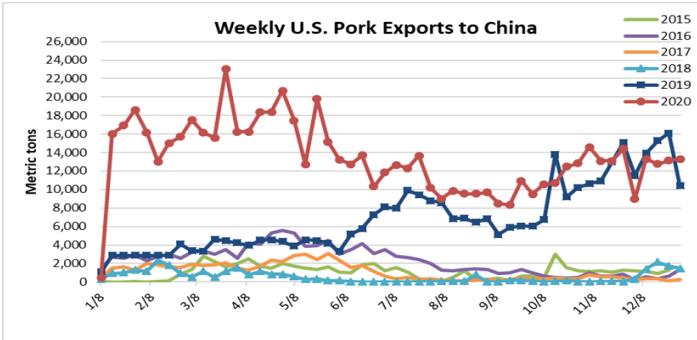
供應與需求

上週牛肉批發市場平靜，連續兩周的假期減少屠宰量，對近期前景有支撐作用。加工商將在本周尋求填補屠宰廠的空缺，以追趕積壓訂單。然而，隨著新的一年開始，未來幾周市場可能會出現波動，第一季需要加工的肥育牛隻數量已創下新高。雖然 2020 年第四季期間置入肥育場的牛隻頭數較少，但應能支撐第二季的活體已肥育牛隻價格，可是現在分析師又認為，玉米和油料價格上漲將成為另一種可能影響市場緊縮的因素。上週，**阿根廷**宣佈對玉米出口實施新的限制，使玉米期貨上升至六年來新高。較高的飼料成本削減肥育場的利潤率，使已肥育牛隻的吸引力下降。如果產量受限於緊縮的養牛週期及穀物價格上漲，這可能會造成春季後期至今年年底間的市場價格看漲。長期需求前景被看好，在亞洲和北美，廣泛開發的疫苗接種下，將使全球餐飲服務收入在下半年開始復甦，而在整個疫情期間，全球零售牛肉需求仍保持強勁。美國牛肉出口可能會受到來自美元疲軟以及主要市場**日本**、**韓國**和**墨西哥**經濟反彈的支持。在聖誕節這一週，USDA 出口報告顯示，美國牛肉的出貨量達到 2020 年的每週新高，上述市場及**中國**的出口量達到 2020 年 4,400 噸的歷史新高，印證這一效應。



美國農業部牛肉屠體價格指數（特選級）：2021年1月4日 - \$209.87 美元/百磅（較2020年12月21日減少<1%）

基於短暫的屠宰周，以及零售商為避免年底美國東岸風暴活動影響，進而努力確保供應，使得 2020 年最後一天豬肉分切大幅則上漲 7%。截至上週四元旦前，屠宰廠能夠屠宰 183.5 萬頭，比前期聖誕周高，但與正常的 5 天收割期相差甚遠。帶骨後腿肉找到支撐，而上週的腹脅肉交易則波瀾不驚。由於外界投機商及投資基金興趣日益濃厚，有報導稱，瘦豬期貨價格將在年底高漲。12 月 31 日，USDA 公佈截至 12 月 24 日一周，最新每週出口銷售報告，該數據顯示，對**中國**的豬肉出口量仍在持續增長，至 2021 年新增銷售量為 22,650 噸。消費者出於擔憂進而避開冷凍包裝上帶有 CoVid 病毒的海外蛋白質食品進入中國，使得中國豬肉價格堅挺。MEF 聽說，中國一些貿易商斷定中國國內豬肉價格將在 2 月 12 日農曆新年後仍保持高價，從而推動當前的購買興趣。隨著中國推出疫苗，對進口的擔憂將在第一季下半年逐漸消失。同時，冬季旺季，豬肉需求也支撐著中國國內生豬價格，使中國平均生豬價格從 10 月 29 日秋季的 28.79 元人民幣上漲 28.4%。外界投資者對豬肉和其他商品的興趣也受到美元走軟的推動，美元兌一籃貨幣已自 2020 年 3 月中旬高點下跌 13%。美元疲軟將提高美國豬肉的競爭力，尤其是相對於歐元升值的歐盟產品。



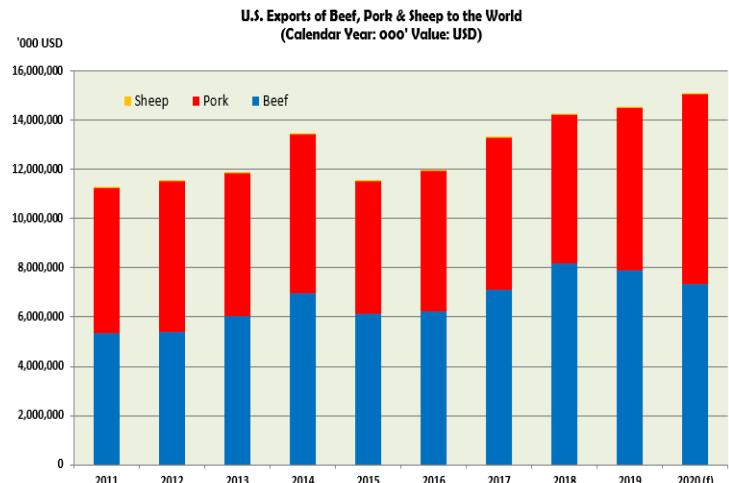
豬屠體分切價格：2021年1月4日 - \$77.77 美元/百磅（較2020年12月21日增加7%）

產業動態

美國生產的豬隻中約有 50% 是根據生產合同完成的，而 2000 年屠宰商的研究發現，當年美國屠宰的豬隻中約有 23% 是由肉類包裝商擁有的。在美國，估計飼養供人食用雞肉中，90% 以上的雞是由獨立農戶與一體化的雞肉生產和加工企業簽訂合同一起生產的。朝著縱向一體化的趨勢已經很明顯，但並非沒有爭議，有些人認為，如果僅在公開市場條件下進行一小部分的總交易，會發現有效性整合降低價格。儘管如此，這並沒有降低人們對垂直整合的興趣，現在美國的大型零售連鎖企業為了控制供應，都在投資上游的畜牧與肉類加工。2019 年，**Costco Wholesale Corp** 在內布拉斯加州 (Nebraska) 建設一間價值 4 億美元的雞肉屠宰廠，成為美國零售商第一次為一種肉類蛋白質建立整個垂直供應鏈。去年年初，**Walmart** 在喬治亞州 (Georgia) 開設一間價值 9000 萬美元的相裝牛肉屠宰廠。屠宰廠由牛肉加工廠 **FPL Foods** 運營，是 Walmart 在 2019 年 4 月宣佈的一項努力目標，該項努力旨在建立一個從末端到末端的安格斯牛肉供應鏈，從農民、牧場、肥育場開始，延伸至屠宰場 **Creekstone Farms**，最終到美國東南部的 500 家連鎖商店。其他零售商也宣佈類似的項目來發展自己的肉類供應鏈，包括總部位於德克薩斯州 (Texas) 零售商 **H-E-B** 為服務墨西哥市場而建立的農場到餐桌的牛肉供應鏈，以及 **Ahold Delhaize USA** 公司與 **Cargill** 公司合作建設的價值 1 億美元的新牛肉屠宰廠。位於羅德島州 (Rhode Island) 的第一家屠宰廠即將完工，Cargill 宣布有意在賓夕法尼亞州 (Pennsylvania) 建立第二間牛肉屠宰廠，為荷蘭的 Ahold Delhaize 公司在 23 個州的 2,000 家門市和配送中心提供服務。Ahold Delhaize 擁有並經營東海岸著名超市品牌 **Food Lion**、**Giant Food**、**GIANT Food Stores**、**Hannaford** 及 **Stop & Shop**。大賣場零售商朝著較大的垂直整合模式邁進，因有助於確保連鎖店關鍵商品的供應，且在去年春季，因 CoVID 中斷肉類屠宰廠營運而變得更重要。除此之外，這樣的投資有望協助降低成本並供應較穩的日常用品。Costco 投資雞肉生產的考慮因素之一是需要確保受歡迎的烤雞供應量不斷增加，而這種雞具有獨特的輕量化規格。最後，對供應鏈的控制將使零售商能夠擁有多個關於可追溯性和與農民聯繫的故事，同時也引起消費者關注並詢問原產地的來源。

貿易新聞

儘管將於 2 月公佈最終貿易統計數據，但即使有貿易糾紛、疫情和 CoVID 相關的海外需求疲軟，美國 CY 2020 紅肉出口值仍有望刷新紀錄。美國牛肉、豬肉和羊肉的總出口量應接近 150 億美元，比去年創紀錄的 145 億美元增長 4.1%。中國對美國豬肉的採購量激增，再加上對**日本**歷史第一大市場的豬肉出貨量出反而出乎意料地增加，幫助抵消與其他主要市場貿易的下將。總體而言，疫情對貿易的干擾遠小於年初專家的預測。例如，中國下半年對美國牛肉的購買量激增，協助抵消美國牛肉對其他亞洲主要市場**日本**、**韓國**、**台灣**及**香港**出口價值的下降。儘管如此，CoVID 還是對美國肉類出口造成了損失，尤其是牛肉，該病毒導致**墨西哥**貨幣貶值和牛肉進口需求。預計 2020 年美國綿羊及羊肉產品總出口將達到 2400 萬美元，比去年出口的 2600 萬美元下降了幾個百分點。



美國肉類出口協會活動預告：

HOFEX, 香港: 2021 年 5 月 12-14 日

中國國際食品和飲料展覽會, 上海: 2021 年 5 月 18 日-20 日