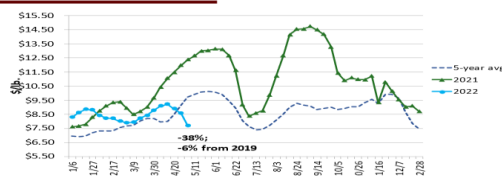


SUPPLY & DEMAND

Last week, the USDA CHOICE cutout closed down for the 3rd successive week, as processing plants ramped up harvests and more beef entered wholesale markets. After a strong Mother's Day this past Sunday, where reservations on the [OpenTable Inc](#) platform were 39% higher than in 2019, wholesale beef market demand is mixed. May is traditionally the strongest month for beef demand as households fire up grills across the country. Grilling activity in the past few weeks has been delayed by cold weather. Moreover, consumers are worried about prices – especially for food & gasoline – and this concern is showing up in falling price levels for premium beef cuts such as ribeye (see GRAPH below). The recent value decline of the rib primal accounts for 1/3rd of the overall cutout's decline with analysts believing that weakening demand is fueling the drift lower. Moreover, the fall is occurring as a substitute grilling product, boneless chicken breasts, are enjoying record high retail prices. Supermarkets have started more actively advertising specials on rib and loin cuts, and the industry is hopeful that households will ramp up beef purchases in the critical demand weeks leading up to the May 30 Memorial Day weekend. Fed live cattle prices remained steady in the U.S. \$140 - \$145/cwt. range through last week and await better news from the beef wholesale market. Futures ticked up based on continued optimism over tighter cattle supplies during H2 2022, but cattle on feed remain record high and some believe ample supplies will be available through Q3. Much welcome rain has fallen across the Great Plains in recent days, providing incentives to graze cattle rather than move them into feedlots. The moisture could also result in less cows being sent to slaughter in the months ahead.

Choice Ribeye



Source: USDA/AMS, boneless heavy

Beef Choice Beef Cutout Value: 10/5/2022 - US\$255.24/cwt. (-4% from 25/4/2022)

The pork cutout held steady last week on steady to firm ham, loin, rib, and picnic prices. Harvest activity ticked up to 2.427 million head – the highest in 4 weeks – but year-to-date U.S. pork production is still -5.1% YOY. That's despite live hog weights averaging 293 pounds (133 kgs.) or +5 pounds YOY. Lean hog futures were pressured last week from inflation concerns, the negative tone of financial & equity markets and bearishness about U.S. pork exports. Inflation is currently front & center for U.S. consumers with both grocery and restaurant prices record high (see GRAPH below). How this is influencing food buying decisions remains unclear, with restaurant activity still strong but consumers pushing back in supermarkets on items like bacon, where double digit YOY price increases are more transparent. Other ominous signs are the declining savings rate & the level of household disposable income. On the trade front, data from Q1 show total U.S. pork exports, including variety meats, down 20% YOY, while weekly data through the end of April shows the pace of muscle cut shipments at -26% YOY. Pork exports – including V-meats - accounted for one-quarter of total U.S. output in Q1. There continues to be concern about the impact of China's CoVID related lockdowns on overall pork consumption and demand for imports, but despite continued negative news, lockdown activity is easing. China market observers also point to slowly rising Dalian futures prices as reason for optimism, with the Jan 2023 contract now at levels suggesting domestic producers could be profiting up to \$35/head by early next year. Farrow-to-finish producers are losing over \$40/head currently.

Menu Prices, Grocery Store Prices & Overall Consumer Prices

Percent change versus same month in previous year



Sources: Bureau of Labor Statistics, National Restaurant Association

Hog Carcass Cutout Value: 10/5/2022 - US\$100.19/cwt. (-5% from 25/4/2022)

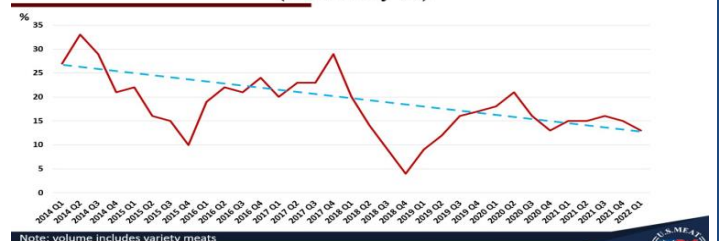
MOVING AHEAD

This bulletin has covered the separate U.S. beef industry sustainability initiatives being undertaken by producer groups and the packing industry, but there is an ongoing unified effort to advance the continuous sustainability improvements across the entire U.S. beef value-chain. Members of the **U.S. Roundtable for Sustainable Beef (USRSB)** include cattle raisers, feedlotters, cow-calf operators, auction barns, packers and processors, retail and restaurant chains (e.g. Target and McDonald's), beef allied industries (e.g. animal health companies) and members of civil society (e.g. The Nature Conservancy). Formed in 2015, USRSB began a multi-year goals-setting process to establish metrics and targets for each sector of the industry and in 6 sustainability buckets: 1) air and greenhouse gas emissions, 2) land resources, 3) water resources, 4) employee safety and well-being, 5) animal health and well-being, and 6) beef production efficiency and yield. In late April, USRSB published these goals in a 38-page [USRSB High-Priority Indicator Goals & Sector Targets](#) that can be found [HERE](#). Given that the USRSB is not a regulatory body, its targets are voluntary, but its membership of industry heavyweights suggests that its efforts will influence the entire U.S. beef industry. Its targets are specific & quantitative. For example, all USRSB member retail and foodservice companies are to assess food waste and set a target to reduce waste by 2023, and then report publicly on that progress by 2025. Chain end-users of U.S. beef are also committed to assess deforestation risks in their beef supply chains. Packer members are tasked to reduce worker safety incident reports in half by 2030, while on the other end of their supply chains, ask cattle suppliers to implement mandatory employee training on proper animal handling and care. In the hopes that other industry players will adapt USRSB's goals, the organization provides online sustainability training modules and sustainability self-assessment surveys to enterprises wishing to begin the process of developing sustainability programs for their beef supply chains.

TRADE

China's weak pork market is exacerbating the impact of punitive tariffs on U.S. pork imports there. China placed an additional 25% import duty on the MFN duty rate of 12% in April 2018 and U.S. exporters continue to face that duty disadvantage vis-à-vis competitor products from all other suppliers. The U.S. market share of China's total Q1 2022 pork imports stood at 13%. During Q1 2017 – pre-tariffs – U.S. market share stood at 20%, and on a volume almost exactly the same (663K tons) as Q1 this year. The difference in 2017 & 2022 market share performance equates to a loss of over U.S. \$100 million based on current U.S. pork export unit values. Moreover, higher import duties translate into lower export prices for U.S. exporters. During the Jan-Feb period, average EU bone-in ham export values equated to \$1,834/ton while U.S. values were \$1,347/ton, a differential almost exactly equal to the 25% duty difference. Now there is a glimmer of hope in both China and the U.S. that some tariffs could be lifted. The U.S. administration is to begin a 60-day scheduled review of the \$300+ billion of tariffs imposed on Chinese imports nearly 4 years ago. Although the review does not include the Section 232 metals tariffs which prompted China to add the 25% punitive duty on U.S. pork imports, other administration officials have stated in recent weeks that the U.S. should review all tariffs in light of current U.S. inflation trends. According to a study by the [Peterson Institute \(PIIE\)](#), a 2% reduction of tariff rates spread across the U.S. \$2.8 trillion in merchandise the U.S. imported last year would yield a 1.1% reduction in inflation, which in the most recent month, grew at an 8.5% annualized clip. That would equate to a sizeable U.S. \$800 per annum reduction in the merchandise expenditures bill of an average American household. While economists debate the calculations of the PIIE, there is general agreement that tariffs are aggravating inflation, and there is little question that China's tariffs on U.S. imports are crimping trade. If U.S. market share in China returned to the 20% level that existed pre-punitive tariffs, the volume of total U.S. pork exports could increase by 10-15%.

US market share of China pork imports (Quarterly %)



Note: volume includes variety meats

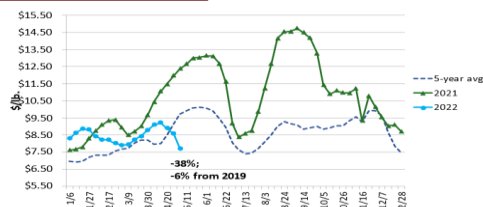
ACTIVITIES:

Food & Hotel Asia, Singapore: September 5-8, 2022
FHC Shanghai Global Food Trade Show: Nov 8-10, 2022
SIAL, Shanghai: December 7-9, 2022

供应与需求

上周是美国特选级牛肉连续第三周冻涨，因加工厂增加产量及更多牛肉进入批发市场。上周日经历了一个强劲需求的母亲节之后，OpenTable Inc 平台上的预订量比 2019 年高出 39%，牛肉批发市场的需求被描述为喜忧参半。传统上，5 月是牛肉需求最旺盛的月份，因为全国各地的家庭都开始烧烤。过去几周的烧烤活动因为寒冷的气候而有所延迟。不过，今年，消费者对价格感到担忧——尤其是食品和汽油的价格——而这种担忧正体现在价格水平下降中的肋眼等优质牛肉（见下图）。肋脊部最近的价值下跌占整体牛肉跌幅的 1/3，分析师认为需求疲软正在推动价格下跌。此外，正享受着创纪录的高零售价的替代烧烤产品价格正在下降，如去骨鸡胸肉。超市已经开始更积极地宣传肋脊部和前腰脊部的特价商品，他们希望家庭在 5 月 30 日阵亡将士纪念日周末之前的关键需求周内增加牛肉购买量。直至上周肥育活牛价格稳定维持在 U.S. \$140 - \$145/cwt 区间，正等待来自牛肉批发市场的好消息。基于对 2022 年下半年牛肉供应紧张的持续乐观情绪，期货小幅上涨，但牛只在养头数仍维持在历史高挡且一些人认为充足的供应将可持续至第三季。近几日大平原上大雨倾盆，促使人们放牧牛而不是将它们转移到肥育场。这些水分也可能会导致未来几个月被送往屠宰场的母牛减少。

Choice Ribeye



Source: USDA/AMS, boneless heavy

美国农业部牛肉屠体价格指数（特选级）：2022 年 5 月 10 日 - \$255.24 美元/百磅（较 2022 年 4 月 25 日减少 4%）

由於後腿、腰脊部、肋脊部和前腿肉价格稳定至坚挺，上周猪肉价格保持稳定。收成量增至 242.7 万头——为 4 周以来的最高水平——但年初至今的美国猪肉产量与去年同期相较仍下滑 5.1%。尽管活猪体重平均为 293 磅（133 公斤）或比去年同期增加 5 磅。上周，由於对通货膨胀的担忧、金融和股票市场的负面基调以及对美国猪肉出口的悲观情绪，瘦肉猪期货受到压力。通货膨胀目前是美国消费者最关注的事情，杂货店和餐馆的价格都在历史高点（见下图）。这将如何影响食品购买决策仍不清楚，餐厅活动仍然强劲，但消费者在超市对培根等商品的退缩，很明显的是与去年相较该品项价格上涨了两位数。其它不祥的迹象是储蓄率和家庭可支配收入水平下降。在贸易方面，第一季度的数据显示，包括内脏类产品在内的美国猪肉出口总量与去年同期相较下降 20%，截至 4 月底的每周数据显示，猪肉出货量下滑 26%。猪肉出口（包括内脏类）占第一季度美国猪肉总产量的四分之一。人们继续担心中国与 CoVID 相关的封锁对整体猪肉消费和进口需求的影响，尽管负面消息不断，封锁活动正在缓解。中国市场观察人士还指出，大连期货价格缓慢上涨是乐观的理由，2023 年 1 月的合约目前处于暗示国内生产商将再次盈利，在年初达到每头利润为 35 美元。仔猪出生至肥育的生产者目前每头损失超过 40 美元。

Menu Prices, Grocery Store Prices & Overall Consumer Prices



猪屠体分切价格：2022 年 5 月 10 日 - \$100.19 美元/百磅（较 2022 年 4 月 25 日减少 5%）

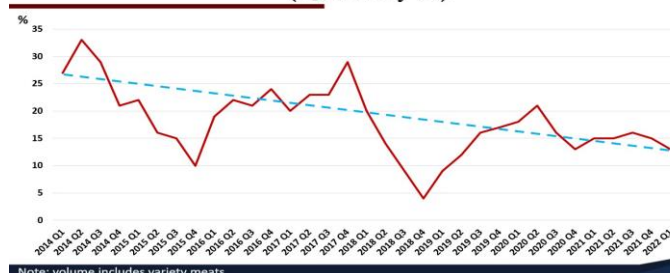
产业动态

肉品新知曾报导过，生产者团体和包装产业正采取不同的美国牛肉产业永续性倡议，但以目前来说，整个产业正一起努力，以推动整个美国牛肉价值链在永续经营的进步。美国永续牛肉的圆桌会议（U.S. Roundtable for Sustainable Beef, USRSB）的成员包括牛只饲主、肥育业者、架子牛贩、拍卖商、屠宰和加工商、零售和连锁餐饮业（如 Target 和麦当劳）、牛肉相关产业（如，动物卫生公司）和民间社会成员（如，大自然保护协会）。USRSB 从 2015 年成立后，便开始了一个多年的目标制定的过程，为产业的每个部门和 6 个永续发展领域建立指标和目标：(1) 空气和温室气体排放、(2) 土地资源、(3) 水资源、(4) 员工安全和福祉、(5) 动物健康和福祉、(6) 牛肉生产效率和产量。4 月底，USRSB 在一份 38 页的 USRSB High-Priority Indicator Goals & Sector Targets（见[连结](#)）中公布了上述的目标。由於 USRSB 不是一个监管机构，其目标是自愿性的，但产业中重量级成员说明，这项工作将影响全美牛肉产业。其目标是具体且量化的。例如，所有 USRSB 成员的零售和餐饮公司都要评估食物浪费，并设定在 2023 年前减少浪费的目标，然后在 2025 年前公开报告这一进展。美国牛肉的连锁业的末端使用者也致力于要评估其牛肉供应链中的森林砍伐风险。屠宰商会员的任务是在 2030 年前，将工人的安全事故报告减至一半，而对供应链的方面，牛只供应商被要求需落实有关适当处理和照顾动物的强制性员工培训 USRSB 希望其他产业的参与者适应 USRSB 的目标，因此 USRSB 为那些希望开始为其牛肉供应链制定永续经营计划的企业，提供线上永续经营培训模组和自我评估问卷。

贸易新闻

中国疲软的猪肉市场正加剧美国猪肉进口惩罚性关税的影响。在 2018 年 4 月，中国在最惠国税率 12% 的基础上额外徵收 25% 的进口关税，相对于所有其他供应商的竞争产品而言，美国出口商仍持续面临这种关税劣势。在中国 2022 年第一季度的猪肉进口总量中，美国的市场份额为 13%。在 2017 年第一季度中，美国的市场份额为 20%（关税前），其进口量几乎与今年第一季度完全相同（即 66.3 万吨）。根据目前美国猪肉出口单位价格，2017 年和 2022 年市场份额的差值相当于损失超过 1 亿美元。此外，较高的进口关税意味着美国出口商的出口价格更低。1 到 2 月期间，欧盟带骨後腿肉的平均出口价格相当于 1834 美元/吨，而美国带骨後腿肉的平均价格为 1347 美元/吨，这一差额几乎完全等於 25% 的关税。现在，中国和美国都对取消部分关税抱有一线希望。美国政府将开始对将近四年前中国的进口商品所徵收 3000 多亿美元的关税，进行一个为期 60 天的预定审查。尽管上述的审查不包括第 232 条款的金属关税，也就是因该关税条款促使中国对美国的进口猪肉增加 25% 惩罚性关税，但其他政府官员在最近几周表示，由於目前美国通货膨胀的趋势，美国当局应该审查所有关税。根据 Peterson Institute (PIIE) 的一项研究，去年美国进口的 2.8 万亿美元商品中，如果关税率降低 2%，将使通货膨胀率降低 1.1%，而最近一个月的通货膨胀的年化增长率为 8.5%。这将等同於每一个美国普通家庭的商品支出账单每年平均减少 800 美元。虽然经济学家们仍在讨论 PIIE 的计算方式，但他们普遍认为关税正在加剧通货膨胀；而且毫无疑问，中国对美国进口商品的关税正使贸易受到压制。如果美国在中国的市场份额恢复到惩罚性关税前 20% 的水平，那么美国猪肉的总出口量可以增加 10-15%。

US market share of China pork imports (Quarterly %)



Note: volume includes variety meats

美国肉类出口协会活动预告：

新加坡国际食品与饮料展 - 新加坡：2022 年 9 月 5-8 日

FHC 上海环球食品展：2022 年 11 月 8-10 日

SIAL 国际食品展(上海)：2022 年 12 月 7-9 日