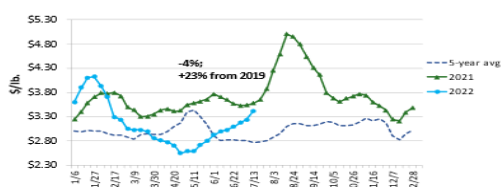


## SUPPLY & DEMAND

The USDA CHOICE beef cutout value rose **1%** week-on-week, with strength from retailers who were filling spot needs due to surprisingly strong consumer buying activity. Even as the U.S. announced a 40-year high YOY GDP growth in June of **9.1%**, consumers are remaining resilient in their basic food spending. After noticeable weakness, chuck roll values have risen, with wholesale prices **+32%** since May. Last week's price firmness came despite a high slaughter number of 677,000 head; harvest activity has been elevated in recent weeks, and this Friday's monthly cattle on feed report could show the highest June marketings of fed cattle in 11 years. But movement of feeder cattle into feedlots during June is expected to have dropped considerably, setting up the market for much tighter cattle supplies moving forward. For the last few months, USDA has been revising up its 2022 beef production forecast due to continued large feedlot inventories. This month, USDA upped its annual beef production forecast by **0.1%** from last month to 12.67 million tons, just slightly below last year's record beef output of 12.68 million tons. USDA has also revised its 2023 forecast slightly lower to 11.77 million tons (**-7.1%**) based on its prediction that carcass weights will fall in early 2023. USDA is forecasting beef production to start to drop below year-ago levels late this year, with Q4 2022 production forecast down **5.1%** YOY. For 2023, USDA is forecasting a steep **7.4%** decrease in Q1 and a **10.1%** decrease in Q2. Despite the bullish forecasts, average fed cattle prices moved lower last week, with most of the fall attributed to weakness in lower grading cattle from the southern plains. The supply of USDA SELECT grade beef is rising, pressuring values for that leaner grade of product.

### Choice Chuck Roll 1x1

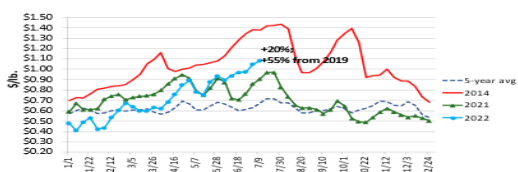


Source: USDA/AMS

**Beef Choice Beef Cutout Value: 18/7/2022 - US\$270.55/cwt. (+1% from 11/7/2022)**

The pork cutout continued to surge last week, rising **4.5%** following a **5%** climb during the previous holiday-shortened July 4<sup>th</sup> week. The cutout value, a measure of overall wholesale pork prices, is **+56%** from pre-pandemic 2019 and at its highest level since last August. Lower slaughter activity is supporting prices and harvest activity normally slackens during the mid-summer months. Last week's hog harvest totaled a relatively muted 2.255 million head, and year-to-date pork production is **-3.2%**. Compared to the previous week, values were higher for the belly (**+9%**), ham (**+6%**), picnic (**+6%**), butt (**+4%**), and loin (**+3%**) primals, while the rib primal trended lower for the 7<sup>th</sup> week. Heavy bone-in ham prices settled last Friday at their highest level since 2014. On the demand end, although concerned about inflation, consumers are focusing their budgeting efforts on food, gas and back-to-school expenditures. On the food side, June grocery retail sales were strong – despite higher prices – and spending in supermarkets during the month was a significant **+7.5%** higher than a year ago. Processed meat consumption could be benefiting from high beef prices and consumers trading down from more expensive proteins. Demand for hams from **Mexico** have been the bright spot for exports so far this year, but new foreign orders for the week ending July 7 were the lowest since late May. Lean hog futures ended the week up slightly.

### Heavy Bone-in Hams



Source: USDA/AMS, 23-27#

**Hog Carcass Cutout Value: 18/7/2022 - US\$121.96/cwt. (+6% from 11/7/2022)**

## ACTIVITIES:

Food & Hotel Asia, Singapore: September 5-8, 2022  
 Restaurant and Bar, Hong Kong: September 6-8, 2022  
 FHC Shanghai Global Food Trade Show: Nov 8-10, 2022  
 SIAL, Shanghai: December 7-9, 2022

## MOVING AHEAD

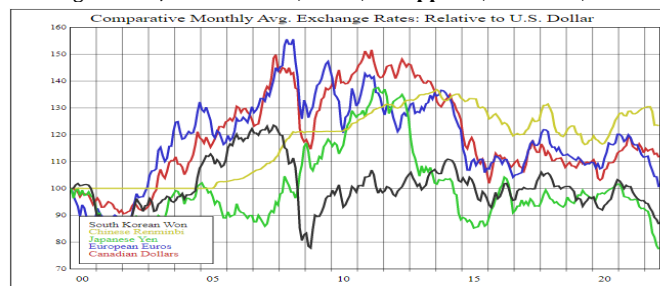
According to a new report by the **National Pork Producers Council** entitled **The U.S. Pork Industry 2021**, U.S. pork production activity generated U.S. \$35.9 billion in personal income and contributed U.S. \$57 billion of value to the U.S. GDP last year. The new report highlights that the structure of U.S. pork production has undergone a significant transformation over the last few decades, moving from one characterized by family run operations producing commodity hogs to a more capital-intensive industry whose evolution is being driven by new science and technology & the need to produce more efficiently and sustainably. To be sure, 96% of the USA's 66,500 pork farms are family-owned, but economies of scale are pushing operations to enlarge, with contract production arrangements becoming more popular. The average hog inventory per farm rose from 490 in 1997 to 1,089 in 2017, but the 3,600 largest farms – which account for only 5.4% of the total number of farms – hold over 70% of the total U.S. hog population. The total value of hog marketings in 2021, representing the farm value of live hog transactions, reached U.S. \$28.02 billion. The far larger U.S. \$57 billion in added economic value to the U.S. economy involves the economic impact of activities related to processing, distributing, and selling pork products. U.S. pork production generates 36,000 full time jobs at the farm production level, with an additional 138,000 laborers employed by the hog slaughter and processing sector. While there are some specialized wean-to-finish operations, most U.S. production is of the farrow-to-finish model. Based on this model, ISU estimates that total feed costs represent 56% of total hog production costs, with U.S. hog production accounting for 11% of total U.S. corn utilization in 2021, and 9.8% of the U.S. soybean output. Below are ISU estimates of the national hog production balance sheet, based on long term projections of grain & other non-feed costs and hog sales revenue of average farrow-to-finish operations; in its model of industry returns to capital, ISU estimated live hog prices of U.S. \$60.83/cwt. (U.S. \$1.34/kg.)

**National annual costs & revenues of U.S. pork production (140 million hogs marketed annually; US\$ millions)**

Costs	
Corn	\$7,718
Soybean meal	\$3,393
Other feed	\$1,624
Other direct costs	\$5,029
Equipment	\$552
Building, land & other	\$2,158
Labor & management	\$2,302
<b>TOTAL COSTS</b>	<b>\$22,776</b>
<b>Revenue (140m head x \$60.83/cwt)</b>	<b>\$24,291</b>
<b>Return to Capital</b>	<b>\$1,515</b>

## TRADE

The U.S. dollar is reaching 20-year highs against other major currencies as the U.S. Federal Reserve raises interest rates (see GRAPH below) to fight inflation. Last week, for the 1<sup>st</sup> time in 20 years, one U.S. dollar was worth more than one Euro, and the dollar has also surged against the Japanese Yen, Korean Won, and Australian dollar. It is not yet clear how the strong U.S. dollar may affect beef & pork exports, but some saw last week's slow export pace as a sign of more challenging conditions ahead. After announcing a 50K ton tariff-free quota (TRQ) for pork muscle cuts in order to tame its food inflation, **Korea** is set to announce details on a similar tariff-free beef TRQ. The current tariffs are 10.6% and 16% on US and Australian beef respectively, so the new TRQ should help cushion the impact of the Won fall; Korean duties on U.S. pork were already zero, so the new pork TRQ is set to make **Canadian & Mexican** product more competitive as product from those suppliers are still assessed duties of 9.6% and 25% respectively. The outlook for the U.S. currency remains uncertain, but with the U.S. reporting another record inflation month in June, there is likely to be more pressure to continue hiking interest rates. That said, dozens of other major economies are now raising rates as well, including **Canada**, the Euro Zone, Korea, **Philippines**, **Australia**, and **India**.

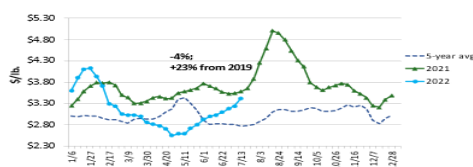


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## 供应与需求

由于消费者购买活动异常强劲，零售商正在满足现货需求，使得美国特选级牛肉分切价格较上周上涨 1%。虽然美国在 6 月份宣布 GDP 同比增长 9.1%，创 40 年来新高，消费者仍在努力满足基本食品支出。在经历了明显的疲软之后，上脑的价格有所增长，批发价格自 5 月以来上涨了 32%。上周，尽管牛只屠宰数量高达 677,000 头，但牛肉批发价格依然坚挺。近几周的牛只出栏有所增加，本周五即将发布的月度育肥肉报告可能会显示出，6 月份已育牛只出栏量将达到 11 年来的最高水平。但是，6 月份进入育肥场的育肥肉只数量预计将大幅下降，这将导致牛只供应的进一步收紧。在过去几个月里，美国农业部一直在上调其 2022 年牛肉产量预测，原因是育肥场持续存在大量库存。本月，美国农业部再次略微上调了其牛肉产量预测，较上月上升 0.1%，至 1267 万吨。这一数字只比去年创纪录的 1268 万吨相比略微下降。根据对 2023 年初胴体重量下降的预测，美国农业部还将 2023 年的牛肉产量预测略微下调至 1177 万吨（-7.1%）。美国农业部预计，今年晚些时候牛肉产量将开始低于去年同期水平，2022 年第四季度的产量预计同比下降 5.1%。美国农业部预测 2023 年第一季度和第二季度将分别大幅下降 7.4% 和 10.1%。尽管预测相对乐观，上周已育牛只平均价格还是下降了，主要原因是南方平原地区的牛只等级下降造成的疲软。美国农业部可选级牛肉的供应量正在上升，对更瘦等级的牛肉的价值造成压力。

### Choice Chuck Roll 1x1

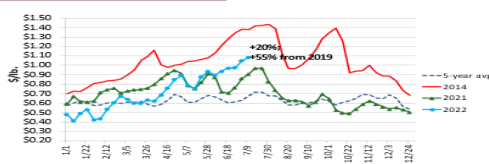


Source: USDA/AMS

美国农业部牛肉屠体价格指数（特选级）：2022 年 7 月 18 日 - \$270.55 美元/百磅（较 2022 年 7 月 11 日增加 1%）

上周猪肉分切价格继续飙升，继 7 月 4 日一周因假期工作日缩短上涨 5% 后，上周又上涨了 4.5%。猪肉分切价格是衡量整体猪肉批发价格的一个指标，其较 2019 年疫情大流行前上升了 56%，达到去年 8 月以来的最高水平。屠宰活动减少正在支撑价格，而生猪出栏通常在仲夏月份放缓。上周的生猪出栏量相对较少，为 225.5 万头，而今年迄今为止的猪肉产量同比下降 3.2%。与前一周相比，初级分切肉的价格都有所上涨，腹部肉（+9%）、后腿肉（+6%）、前腿肉（+6%）、肩胛肉（+4%）和腰脊肉（+3%），而排骨的初级分切肉价格连续 7 周走低。上周五，带骨后腿的价格收于 2014 年以来的最高水平。在需求方面，尽管担心通货膨胀，但消费者把预算的重点依然放在了食品、汽油和返校支出上。在食品方面，6 月份的食品零售销售强劲——尽管价格更高——当月超市的花销比去年同期显著增加了 7.5%。加工猪肉消费增长可能受益于较高的牛肉价格和消费者减少购买更昂贵的蛋白质食物。今年以来，墨西哥对后腿肉的需求一直是出口的亮点，但截至 7 月 7 日当周的新增订单量为 5 月底以来最低。上周结束交易的瘦肉型生猪期货价格小幅上涨。

### Heavy Bone-in Hams



Source: USDA/AMS, 23-27#

猪屠体分切价格：2022 年 7 月 18 日 - \$121.96 美元/百磅（较 2022 年 7 月 11 日增加 6%）

### 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

香港餐饮展 - 香港：2022 年 9 月 6-8 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

## 产业动态

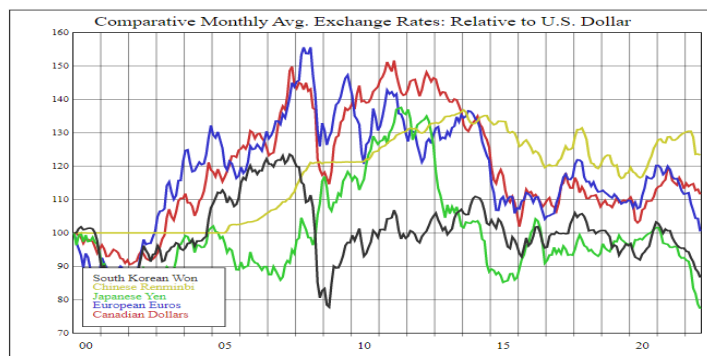
美国猪肉生产商协会题为《2021 年美国猪肉行业》的新报告中指出，去年因美国猪肉产业所产生的个人收入为 359 亿美元，为美国 GDP 总值贡献了 570 亿美元的价值。报告中强调，在过去几十年里，美国猪肉的产业结构发生了重大转变，从以家族企业生产商品生猪的经营模式变为资本密集型的产业，并且受到高新科技和更高效、可持续发展需求的推动。值得肯定的是，在美国 66500 个猪肉养殖场中，96% 是家族企业，但因规模经济的需要，生产规模正逐渐扩大，合同制的生产安排也逐渐被普遍化。每个农场的平均生猪存栏量从 1997 年的 490 头上升到 2017 年的 1089 头，但其中有 3600 个规模最大的农场——一只占农场总数量的 5.4%，却拥有超过 70% 的美国生猪总数。2021 年的生猪市场交易总额，意味着农场生猪的交易额达到 280.2 亿美元，其中猪肉产品加工、分销和销售相关的一些经济商业行为为美国创造了 570 亿的巨大的经济附加值。美国猪肉生产在农业生产层面创造了 36,000 个全职工作岗位，生猪屠宰和加工厂还另外雇佣了 138,000 人。尽管有些美国猪肉生产商专门用“断奶到育成”运营模式，但大多数都是“出生到育成”的模式。基于该模型，爱荷华州立大学预估饲料总成本占生猪生产总成本的 56%，2021 年美国生猪产量占玉米总利用率的 11%，占大豆产量的 9.8%。以下是爱荷华州立大学对美国全国生猪生产资产负债表的估算，此数据来源基于两项长期预测：谷物及其他非饲料成本和平均按“出生到育成”的生产模式所产生的生猪销售收入；在工业资本回报模型中，爱荷华州立大学预估生猪销售价格为 60.83 美元/美担（1.34 美元/公斤）。

National annual costs & revenues of U.S. pork production (140 million hogs marketed annually; US\$ millions)

Costs	
Corn	\$7,718
Soybean meal	\$3,393
Other feed	\$1,624
Other direct costs	\$5,029
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## 贸易新闻

由于美联储加息(见下图)以对抗通胀，美元对其他主要货币的汇率达到了 20 年来的最高点。上周，时隔 20 年，欧元兑美元首次突破 1.0000 关口，美元兑日元、韩元、澳元的汇率也大幅上升。目前尚不清楚美元走强会如何影响牛肉和猪肉的出口，但上周出口减速对于未来形势来说不容乐观。为了抑制食品通胀，继韩国公布免去五万吨猪肉配额的关税（TRQ）后，还将公布牛肉免税配额（TRQ）的具体内容。目前韩国对美国和澳大利亚的牛肉关税比例分别为 10.6% 和 16%，因此新的关税配额（TRQ）应该有助于减轻韩国贬值所带来的影响；因为韩国对进口美国猪肉的关税调整为零，所以新的猪肉关税配额（TRQ）会增大加拿大和墨西哥之间的竞争力，因为他们的关税比例分别为 9.6% 和 25%。未来美元的走势仍然未知，但由于 6 月份美国公布的通货膨胀率再创新高，持续加息的话，通胀压力的可能会更大。尽管如此，包括加拿大、欧元区、韩国、菲律宾、澳大利亚和印度在内的几十个其他主要经济体也在实行加息。



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