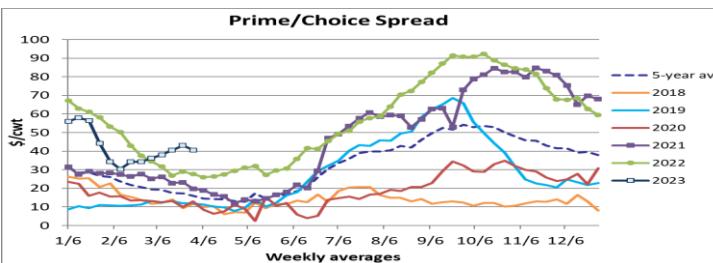


SUPPLY & DEMAND

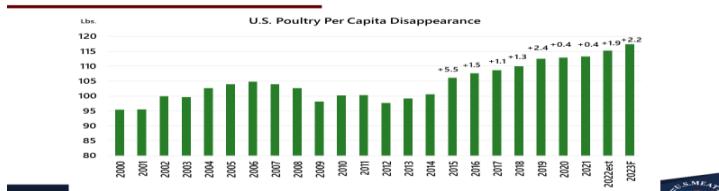
The USDA CHOICE beef cutout value rose **3.3%** last week to reach the highest level since September 2021. Wholesale spot prices of cuts from all primals gained week-on-week as institutional buyers begin to prepare for the onset of grilling season. Average live fed cattle values hit another record last week at \$1.73/lb., with prices in northern cattle areas jumping over the \$1.80/lb. mark. The values surpassed the previous record set in late November 2014. The last 3 weeks has seen one of the most bullish cattle market rallies in recent history, with processors willing to pay more for cattle as each day passed. Last week, despite rising prices, the beef packing industry harvested 614K cattle, a 10K increase from the previous week. Fed cattle futures have risen along with cash prices, but the April contract, which expires April 28, closed last Friday at a discount to spot cash fed cattle prices, suggesting that the market expects the recent rise in fed cattle prices to hit a pause. Historically, fed cattle prices reach annual highs in May & June. In contrast, market bulls see a tightening cattle pipeline ahead, even in the early summer months. More evidence on the dynamics of live cattle markets will be revealed this Friday as USDA issues its latest monthly cattle-on-feed report. Cattle weights continue to run 7 pounds under year-ago levels, adding to the tightness in the beef supply. Year to date production was down **4.6%** from last year, and year to date slaughter was down **2.9%**. One of the main concerns moving forward is how institutional buyers & consumers will behave as rising wholesale beef prices begin to squeeze retail margins and put upward pressure on supermarket prices. Last week, USDA released its monthly March food price report, and it showed the USDA CHOICE retail beef price, across all cuts, was **0.6%** lower than a year ago but had increased from February of this year. Foreign buyers of U.S. beef have been more cautious this year, with the pace of U.S. beef exports through the 1st week of April down **13%** YOY. There have been double digit YOY declines in shipments to main markets **Japan, Korea, China, and Taiwan**.



Beef Choice Beef Cutout Value: 17/4/2023 - US\$305.98/cwt. (+4% from 11/4/2023)

The pork cutout value drifted lower last week, the 5th consecutive week of downward movement. Last Friday's close was the lowest since the end of 2020 and was **-29%** from last year's level. Ham prices managed to edge marginally higher last week, along with butts and loins, while bellies fell a noticeable **8%** week-on-week. Analysts noted that retail hot dog and sausage sales were below year-ago levels. Nearby lean hog futures traded at new contract lows. Negative sentiment in the live hog & pork complex was driven in part by rising corn prices, with Friday's average value reaching the highest level in 2 months. New U.S. corn orders by China have helped to drive up prices in addition to inclement weather which is hindering planting activity. There continues to be concern about growing competition among meat proteins, with chicken consumption expected to grow a strong **2.2%** this year after a **1.9%** YOY rise last year (see GRAPH below). The volume of U.S. pork muscle cut exports during the week ending April 6th hit a high for this year, with large shipments to **China**, and despite weak domestic hog prices there. However, new pork sales during the week sagged; U.S. pork export volume is **+3%** YOY through the 1st week of April.

Year-over-year per capita poultry consumption growth accelerated in 2022 and is expected to grow strongly in 2023 following slower growth in 2020/21

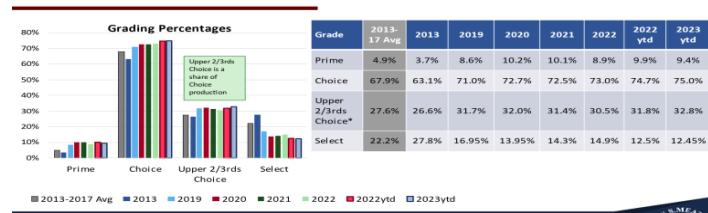


Hog Carcass Cutout Value: 17/4/2023 - US\$77.61/cwt. (+<1% from 11/4/2023)

MOVING AHEAD

Consumers continue to demonstrate a willingness to purchase higher quality beef, and that translates into incentives to cattle producers & feeders to reach the top USDA grade designation, USDA PRIME. Up until several decades ago, feeders sold pens of cattle to packers based on the total weight of the cattle in the lot and a negotiated price-per-pound liveweight. Now, the majority of cattle are sold on a 'grid' system whereby feeders are reimbursed based on the attributes of the carcass, including the USDA grade. As the graph below demonstrates, the % of beef grading PRIME and upper CHOICE (the marbling threshold for Certified Angus Beef carcasses) has gradually increased over time, and in recent weeks, weekly average fed cattle grading percentages are nearing records. The total volume of USDA PRIME beef production reached a record high in 2021 at 1.05 million tons, representing 10.1% of fed beef production. That was down slightly from the record 10.2% reached in 2020. Through the 1st week of March 2023, total PRIME beef production continued to slow and was down 8.9% from the same period last year. This is due to both a slight YOY decline in total fed cattle slaughter, but also slightly lower PRIME grading percentages year-to-date (9.4%, the lowest since 2019). Despite reports of consumers penny-pinching, the fact that PRIME prices are holding, and that the spread between USDA PRIME and USDA CHOICE is the highest in recent history for this time of year (see GRAPH previous column), is evidence of the continued robust demand for higher-graded beef. Not all cattle are graded, as a large percentage of beef derived from old cows and bulls are channeled into ground beef production. Although machines are routinely used to grade cattle, only USDA has the authority to award grade designations, charging packing plants U.S. \$86/hour for 40-hour-per-week services. All beef cuts from a graded carcass can be sold using that grade designation, but not all PRIME beef cuts are necessarily sold as PRIME; for leaner round cuts for example, where the value differentials between PRIME & CHOICE are low, packers may simply designate the item as "CHOICE-or-higher."

Increase in Prime and Choice grading percentages in recent years

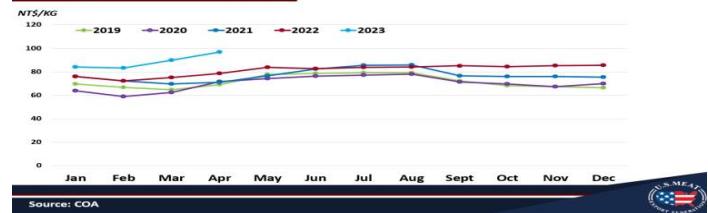


Source: USDA/AMS, percentages are for share of total fed beef production, *except Upper 2/3rds Choice which is based on AMS data

TRADE

Taiwan beef and pork imports dropped year-on-year during Q1 2023. Total beef imports of 30.8 thousand tons were **11.5%** below last year's Q1 level. Shipments from #1 & #2 suppliers USA and **Australia** fell while those from NZ and **Paraguay** increased. At the beginning of the year, high frozen inventories of commodity beef items such as U.S. short plate resulted in more cautious buying in Jan & Feb, but the continued re-opening of Taiwan following last year's CoVID waves is accelerating institutional demand, and the pace of imports is expected to pick up in the months ahead. Total Q1 pork imports, including variety meats, of 23.9K tons were down a sharp **33%**, a somewhat surprising performance given that domestic Taiwanese pork prices started out the year at a high level, and have registered month-to-month gains since (see GRAPH below). High EU pork prices are part of the reason import activity has been constrained; the average value of EU pork exports to Taiwan in Jan of this year were **+26%** from the level of Jan 2022. The EU supplied 72% of Taiwan's 2022 total pork imports of 104K tons, with Canada supplying 23%. Imports of U.S. pork have been hampered in recent years by negative Taiwanese consumer perceptions of the approved use in the U.S. of the feed additive ractopamine. These fears are fading as the public has come to realize that U.S. pork is safe, and that pork shipped to Taiwan is ractopamine free. Taiwan Q1 imports of U.S. pork, though small at 1.5K tons, are up **368%** YOY.

Taiwan Live Hog Price (NTD/KG)



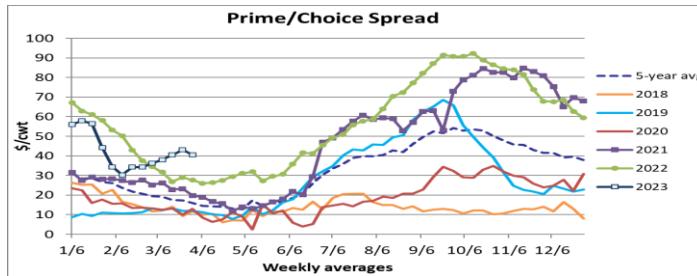
ACTIVITIES:

Food & Hotel Asia, Singapore: April 25-28, 2023 (next week)

SIAL, Shanghai: May 18-20, 2023

供应与需求

上周，美国农业部精选级牛肉分切价格上涨 3.3%，达到 2021 年 9 月以来的最高水平。由于机构买家开始为烧烤季节的到来做准备，所有牛肉部位的批发现货价格均环比上涨。出栏牛平均价格上周再创新高，达到 1.73 美元/磅。美国北部养牛区的出栏牛价格已突破每磅 1.80 美元。这一数值超过了 2014 年 11 月底创下的纪录。过去三周见证了近期历史上最强劲的牛只市场涨势之一，随着时间的推移，屠宰场愿意为牛支付更高的价格。上周，尽管价格上涨，但屠宰场屠宰了 61.4 万头牛，比前一周增加了 1 万头。牛只期货价格跟随现货价格一同上涨，但将于 4 月 28 日到期的 4 月合约价格上周五收于低于现货现金交易牛只的价格，这表明市场预计近期出栏牛价格的上涨将出现停顿。从历史上看，出栏牛价格在 5 月和 6 月达到年度高点。相比之下，市场看涨人士认为即使在初夏的几个月里，牛的供应链也会收紧。有关活牛市场动态的更多证据将于本周五公布，届时美国农业部将发布最新的月度育肥牛报告。牛的体重继续比去年同期低 7 磅，加剧了牛肉供应的紧张。今年迄今为止的牛肉产量比去年同比下降了 4.6%，今年迄今为止的屠宰量下降了 2.9%。未来的主要担忧之一是：随着牛肉批发价格的上涨开始挤压零售利润，并且对超市价格构成上行压力的情况下，机构买家和消费者将如何表现。上周，美国农业部发布了 3 月份食品价格月度报告，报告显示，美国农业部精选级零售牛肉价格（包括所有的牛肉部位）较去年同期下降了 0.6%，但较今年 2 月份有所上涨。美国牛肉的外国买家今年更加谨慎，截至 4 月第一周的美国牛肉出口量同比下降 13%。对日本、韩国、中国大陆和台湾地区等主要市场的出口量出现了同比两位数的下降。



美国农业部牛肉屠体价格指数（特选级）：2023 年 4 月 17 日 - \$305.98 美元/百磅（较 2023 年 4 月 11 日增加 4%）

猪肉分切价格上周有所下降，这是连续第五周下跌。上周五的收盘价是自 2020 年底以来的最低水平，比去年的水平下跌了 29%。上周，后腿部、肩胛部和腰脊部的价格小幅上涨，而腹部肉的价格较前一周明显下降了 8%。分析师指出，热狗和香肠的零售销量低于去年同期水平。最近的瘦肉猪期货价格创下合约价格新低。生猪和猪肉市场的负面情绪部分受到玉米价格上涨的影响，周五玉米均价达到两个月来的最高水平。除了恶劣天气阻碍了种植活动外，中国新的玉米订单也帮助推高了价格。人们继续担心各种肉类之间的竞争日益激烈，继去年同比增长 1.9% 之后，预计今年鸡肉消费量将强劲增长 2.2%（见下图）。在截至 4 月 6 日的一周内，美国猪肉的出口量达到了今年以来的最高水平，其中有大量出口运往中国，尽管中国国内生猪价格疲软。然而，本周新增猪肉销量订单依旧下滑；截至 4 月第一周，美国猪肉出口量同比增长 3%。

Year-over-year per capita poultry consumption growth accelerated in 2022 and is expected to grow strongly in 2023 following slower growth in 2020/21



猪屠体分切价格：2023 年 4 月 17 日 - \$77.61 美元/百磅（较 2023 年 4 月 11 日增加 1%）

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：2023 年 4 月 25-28 日（下周）

SIAL 国际食品展（上海）：2023 年 5 月 18-20 日

产业动态

消费者更愿意购买品质更高的牛肉，这从而激励了牛只生产者和育肥者饲养牛只达到美国农业部制定的最高品质等级 - USDA PRIME 极佳级。直到几十年前，饲养者根据牛圈里牛只的总重量和与屠宰商协商过的牛只每磅的活重价格，将每栏牛只卖给屠宰商。现在，绝大部分牛只是通过“网格化”的管理系统被售卖的，育肥者根据牛只胴体的属性（包括 USDA 美国农业部的评级），从而获得报酬。如下图所示，PRIME 极佳级和品质较高的 CHOICE 精选级（相当于 CAB 认证安格斯牛胴体的大理石纹的入门级别）的比例逐渐增加，最近几周，平均每周育肥牛的被评级比例接近历史记录值。2021 年，美国 PRIME 极佳级牛肉产量达到 105 万吨，创下历史新高，占谷饲牛肉产量的 10.1%。这比 2020 年的 10.2% 的记录略有下降。截止 2023 年 3 月的第一周，PRIME 极佳级的牛肉总产量继续放缓，与去年同期相比下降了 8.9%。这是因为育肥牛屠宰总量同比下降，而且今年至今为止，被评为 PRIME 级别的比例略有下降（为 9.4%，是 2019 年以来最低值）。尽管有报道称消费者在消费方面很节省，但 PRIME 极佳级价格坚挺，而且 PRIME 极佳级和 CHOICE 精选级之间的价差，是近几年来，每年三四月份时候的最高水平（见上一栏图表），也证明了消费者对高品质等级牛肉的需求持续强劲。并非所有的牛只都会被评级，由于很大一部分老母牛和公牛的肉被生产作为牛绞肉。虽然按照常规，牛只的评级是通过机器，但只有美国农业部有授予牛只等级的权力，并向屠宰厂收取每周 40 小时，\$86 美元/小时的服务费。出自有等级的牛胴体的所有牛肉部位都可以按该等级标识出售，但并非所有的 PRIME 极佳级牛肉都必须作为此级别的牛肉被售卖；比如，对于更瘦的后腿肉，PRIME 极佳级和 CHOICE 精选级别的牛肉之间的价值差异可能很低，屠宰商可以把它标为 CHOICE 精选级或更高级别。

Increase in Prime and Choice grading percentages in recent years



Source: USDA/AMS, percentages are for share of total fed beef production, *except Upper 2/3rds Choice which is based on production

贸易新闻

在 2023 年第一季度，台湾地区牛肉和猪肉进口量同比下降。今年第一季度台湾地区牛肉进口总量为 30800 吨，比去年同期下降了 11.5%。供应量排名第一和第二的美国和澳大利亚的出货量下降，而新西兰和巴拉圭的出货量增加。今年年初，在台湾地区，像美国肥牛等大宗牛肉冻品库存高企，导致台湾地区买家在 1 月和 2 月更为谨慎，但在去年新冠疫情结束后，台湾地区对进口猪肉贸易的重新开放正加速推进各买家的需求，预计未来几个月进口节奏将加快。第一季度，台湾地区包括猪副产品在内的猪肉进口总量为 23900 吨，大幅下降了 33%，有些出乎意料的是，考虑到今年年初台湾地区本地的猪肉价格处于高位，并且自那以来每月都在上涨（见下图）。欧盟猪肉价格高企是台湾地区猪肉进口受限的一部分原因；今年 1 月欧盟出口到台湾地区的猪肉平均价格比 2022 年 1 月增长了 26%。台湾地区 2022 年猪肉进口总量为 104000 吨，欧盟占 72%，加拿大占 23%。近年来，在台湾地区的美国猪肉进口受到其消费者对美国批准使用饲料添加剂莱克多巴胺持负面看法的阻碍。但随着公众意识到美国猪肉是安全的，而且运往台湾地区的猪肉不含莱克多巴胺，他们对莱克多巴胺的担忧逐渐减弱。在今年第一季度，台湾地区进口的美国猪肉虽然只有 1500 吨，但同比增长了 368%。

Taiwan Live Hog Price (NTD/KG)

