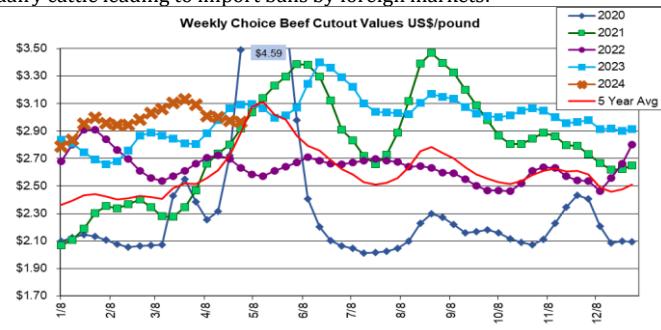


## SUPPLY & DEMAND

Wholesale beef prices have eased over the past 2 weeks, a counter-seasonal movement likely related to market anxiety over the spread of HPAI and a late start to the spring grilling season. The most recent USDA cattle-on-feed report also showed the bulge of front-end market-ready fed cattle continued through March. Lastly, concerns remain about consumer demand as retail beef prices remain noticeably higher than a year ago (see MOVING AHEAD next column). The pressure on prices comes despite a drop in production YOY; year-to-date production is down **2.6%** from last year, while year-to-date slaughter is down **4.7%**. Falling wholesale beef values are squeezing the margins of beef harvest plants, who are trying to slow down slaughter schedules to set a price floor. So far this year, processors have operated in the black for only 3 of 17 weeks. The impact of the slower slaughter pace has been higher fed cattle & carcass weights, higher numbers of USDA yield grade 4 & up (fattier) cattle, and a contra-seasonal increase in higher graded animals. Fed cattle are averaging a heavy 1,399 pounds, 47 pounds higher than the average a year-ago. Heavier cattle are helping to offset the decline in slaughter numbers - especially over the past month - but are also adding price pressure to the cutout. On the bright side, there was aggressive cattle purchasing by packers late last week, a potential sign of optimism about upcoming spring demand; May & June traditionally see fed cattle slaughter increase compared to the Jan-April period. Average fed cattle prices advanced through last week to close around the U.S. \$1.84/lb. (liveweight) range. Stormy weather is adding welcome moisture to cattle areas, although also delaying the onset of grilling season. An improvement in pasture conditions may help boost herd expansion sentiment, and one positive data point is that the % of heifers in the total cattle-on-feed mix of 38% during Q1 was the lowest in 7 quarters. U.S. beef exports continue to be challenged by persistent high dollar and high prices in dollar terms. Exporters grew more nervous last week over the risk of HPAI detections in U.S. dairy cattle leading to import bans by foreign markets.



**Beef Choice Beef Cutout Value: 29/4/2024 - US\$297.53/cwt. (-<1% from 16/4/2024)**

Last week, the USDA pork cutout value fell on easing bone-in ham and belly prices. Heavy bone-in ham prices trended lower for the 2<sup>nd</sup> consecutive week after reaching the highest price since last August. After rising against the U.S. dollar, the **Mexican** peso saw a big selloff early last week as currency traders fretted over the possibility of longer-than-expected high interest rates in the U.S. due to continuing inflation. On the belly side, after rallying during Jan & Feb, average wholesale reference prices have remained relatively stable over the last month but are approximately **25%** above year-ago levels. Higher belly prices account for roughly 2/3rds of the YOY increase in the value of the overall pork cutout. Last year at this time, belly prices were low, stimulating price reductions & supermarket promotions of bacon. Lower bacon prices boosted sales, raising demand for bellies from mid-summer. Bacon manufacturers were also putting more bellies into storage during summer to comply with California's new animal welfare rule. Now, there is growing apprehension about the belly market moving forward. Reports of a slowdown in quick service restaurant sales could crimp bacon sales, and the USDA's latest cold storage report showed that frozen belly inventories at the end of March were **18%** higher than a month earlier and **23%** higher than the most recent 5-year average. After trading near contracts highs early in the week, the June lean hog futures contracts traded lower last Thursday and Friday after the release of USDA's cold storage report. The pace of weekly U.S. pork export shipments has increased over the past 6 weeks. Through the week of April 18, total U.S. pork muscle cut exports were **+9%** the pace of a year ago.

**Hog Carcass Cutout Value: 29/4/2024 - US\$99/cwt. (-1% from 16/4/2024)**

## ACTIVITIES:

SIAL, Shanghai: May 28-30, 2024

FHC Shanghai Global Food Trade Show: Nov 12-14, 2024

## MOVING AHEAD

Continuing media coverage about HPAI in dairy cattle & high front-end feedlot numbers have weighed down U.S. cattle markets in the past two weeks. On the demand side, high retail beef prices are posing a challenge to consumers of U.S. beef, both at home and abroad. Due to increasing detections of HPAI in dairy cattle, the USDA announced last week that all lactating cows crossing state lines must undergo tests for the virus. The order came into effect yesterday. Although not many dairy cattle move interstate, the order added another chilling effect to the overall cattle market. Unlike domesticated poultry, most infected dairy cattle have displayed mild conditions, with affected cows recovering after supported care with little to no associated mortality. The U.S. FDA confirmed it had found small remnants of HPAI virus in commercially available milk, but announced over the weekend that the traces found were not viable. Although HPAI has not been found in beef cattle herds or any beef products, the [Meat Institute](#) issued a statement reassuring consumers that properly prepared beef products remain safe to eat. They also called upon the USDA and the [Centers for Disease Control and Prevention \(CDC\)](#) to provide worker safety guidance specific to beef processors to ensure workers are protected from infection, while noting that USDA FSIS inspectors are present every day in meat packing plants and are trained to detect disease both prior to slaughter and after. Meat from dairy animals account for roughly 7% of the U.S. beef supply. Although there is no indication that the HPAI detections have affected beef consumption, the industry remains concerned that overseas beef markets could implement trade barriers like those that have been erected against U.S. poultry exports. Turning to the cattle supply situation, USDA's latest cattle on feed report (April 19), showed that the April 1 total U.S. cattle-on-feed number of 11.82 million head was up **1.5%** YOY with the total being the 4th highest total for the date. The 7.27 million head of steers and steer calves in feedlots was **+1.7%** from a year earlier. Although the flow of cattle into lots during March was **-12.3%** the pace of last year, the movement of market-ready fed cattle to processing plants was also slow, leading to a further build up in front-end supplies. Analysts estimate that the May 1 supply of cattle on feed over 150 days could be **+17%** from a year earlier. On the demand side, average U.S. beef retail prices during March increased from February & were a sharp **9.1%** above year ago levels. Whether the price increase affects this year's spring grilling demand - which should be in full swing within the next week or 2 - remains to be seen.

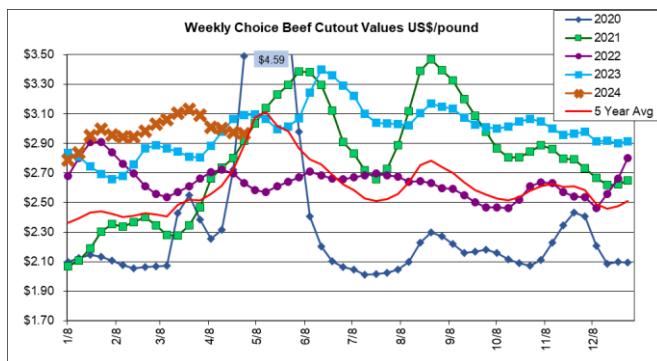
## TRADE

**Korea's** total pork imports during Jan-March - both volume and value - were record large for a Q1 period, with imports from the U.S. up a sharp **40%** YOY. The market has been a major driver of the U.S.'s big jump in total pork exports so far this year, with the U.S. regaining share from major EU suppliers **Spain** and the **Netherlands** due to competitive picnic prices. Although the U.S. does not generally compete with EU suppliers for Korea's large import demand for bellies, U.S. & European exporters have historically gone head-to-head for the meat processing industry's imported picnic business. Another driver of import demand has been the growth in **Brazilian** shipments. Products from several plants in the state of Santa Catarina were granted access in 2017, with exports minimal for the 1<sup>st</sup> few years. But Q1 2024 data shows that imports have doubled in each of the past two years. The YOY jump in Korean imports has also been fueled by a drawdown in Korea domestic ham usage and aggressive Q1 buying of U.S. Boston Butts. U.S. butt exports dropped during the pandemic due to high prices, but buying interest has returned. Higher U.S. prices could slow the pace of Korean pork imports from the U.S. during Q2. On the demand side, pork consumption has generally been stable, and despite anxiety over inflation, there has not been a noticeable trade down in the protein choices of Korean consumers from beef to pork. That said, overall pork consumption has grown roughly **40%** since 2012 due to falling tariffs and import barriers related to an array of free-trade agreements, and a rise in the variety & popularity of convenience products.



### 供应与需求

过去两周，牛肉批发价格有所回落，这可能与市场对高致病性禽流感蔓延的担忧以及春季烧烤季节开始较晚有关。美国农业部最近的育肥牛报告也显示，3月份市场上准备出栏的牛只数量持续增加。另外，消费者需求仍然令人担忧，因为牛肉零售价格仍明显高于一年前（见产业动态专栏）。尽管牛肉产量同比下降，但价格仍面临压力；年初至今的产量比去年下降了 2.6%，而年初至今的屠宰量下降了 4.7%。牛肉批发价格的下跌挤压了牛肉屠宰厂的利润，他们正试图放慢屠宰进度，以设定价格下限。今年到目前为止，屠宰场在 17 周中只有 3 周是盈利的。较慢的屠宰速度的影响是更高的出栏牛和胴体重量，美国农业部产出 4 级及以上（较肥）牛的数量增加，以及更高等级牛只的反季节增加。出栏牛的平均体重为 1399 磅，比一年前的平均体重高出 47 磅。体重较重的牛帮助抵消了屠宰数量的下降——尤其是在过去一个月里——但也给分切价格增加了压力。从好的方面来看，上周晚些时候，屠宰场积极购买牛，这可能是对即将到来的春季需求持乐观态度的迹象；传统上，与 1-4 月相比，5 月和 6 月的出栏牛屠宰量有所增加。上周，平均出栏牛价格上涨，收于每磅 1.84 美元（活重）的范围内。暴风雨天气给养牛区增加了水分，然而也推迟了烧烤季节的到来。牧场条件的改善可能有助于提振牧群扩张的情绪，一个积极的数据点是，第一季度小母牛在育肥场的占比为 38%，是 7 个季度以来的最低水平。美国牛肉出口继续受到持续的高美元和高价格的挑战。上周，出口商对美国奶牛检测出高致病性禽流感的风险变得更加紧张，这可能导致外国市场禁止进口。



**美国农业部牛肉屠体价格指数（特选级）：2024 年 4 月 29 日 - \$297.53 美元/百磅（较 2024 年 4 月 16 日减少<1%）**

上周，美国农业部猪肉分切价格下跌，原因是带骨后腿和腹部价格有所缓和。带骨后腿价格自去年 8 月以来创下最高值后，连续 2 周呈现下降趋势。墨西哥比索兑美元汇率上涨后，上周初遭遇大幅抛售，因外汇交易商担心，由于通胀持续，美国可能维持比预期更长时间的高利率。在腹部方面，经过 1 月和 2 月的反弹，平均批发参考价格在过去一个月保持相对稳定，但比去年同期水平高出约 25%。腹部价格上涨约占猪肉整体价格同比涨幅的三分之二。去年这个时候，腹部价格很低，刺激了培根的降价和超市促销。较低的培根价格促进了销售，从去年仲夏开始增加了对腹部的需求。为了遵守加州新的动物福利规定，培根制造商也在夏季将更多的培根储存起来。现在，人们越来越担心腹部市场的发展。有关快餐店销售放缓的报道可能会影响培根的销售，美国农业部最新的冷库报告显示，3 月底的冻肉库存比一个月前高出 18%，比最近五年的平均水平高出 23%。在本周早些时候交易接近合约价格高点后，在上周四和上周五美国农业部冷库报告公布后，6 月瘦肉猪期货合约价格走低。过去 6 周，美国每周猪肉出口的速度有所增加。截至 4 月 18 日当周，美国猪肉出口总量较上年同期增长 9%。

**猪屠体分切价格：2024 年 4 月 29 日 - \$99 美元/百磅（较 2024 年 4 月 16 日减少 1%）**

**美国肉类出口协会活动预告：**

SIAL 国际食品展（上海）：2024 年 5 月 28-30 日

FHC 上海环球食品展：2024 年 11 月 12-14 日

### 产业动态

在过去的两周里，媒体对奶牛高致病性禽流感的持续报道和育肥场准备出栏牛只的高数量拖累了美国牛市场。在需求方面，高零售牛肉价格对美国牛肉的消费者构成了挑战，无论是在国内还是国外。由于在奶牛中检测到的高致病性禽流感越来越多，美国农业部上周宣布，所有跨州界的泌乳奶牛都必须接受病毒检测。该命令于昨天生效。虽然没有多少奶牛跨州界转移，但该命令给整个牛市场带来了另一种寒蝉效应。与家养家禽不同，大多数受感染的奶牛表现出轻微的症状，受感染的奶牛在护理后恢复，几乎没有相关的死亡率。美国食品和药物管理局证实，在市售牛奶中发现了少量残留的高致病性禽流感病毒，但在周末宣布，发现的微量病毒是不可存活的。虽然没有在肉牛群或任何牛肉产品中发现高致病性禽流感，但肉类研究所发表了一份声明，向消费者保证，经过适当处理的牛肉产品仍然可以安全食用。他们还呼吁美国农业部和疾病控制与预防中心（CDC）提供专门针对牛肉屠宰厂的工人安全指导，以确保工人免受感染，同时指出，美国农业部食品安全监督局的检查员每天都在肉类屠宰厂，并接受过在屠宰前后检测疾病的培训。奶牛生产的肉约占美国牛肉供应的 7%。虽然没有迹象表明高致病性禽流感已经影响到牛肉消费，但该行业仍然担心海外牛肉市场可能会实施贸易壁垒，就像那些针对美国家禽出口的壁垒一样。至于牛的供应情况，美国农业部最新的育肥牛报告（4 月 19 日）显示，4 月 1 日美国育肥场牛只总数量为 1,182 万头，同比增长 1.5%，是该日期以来的第 4 高。育肥场的 727 万头架子牛和犊牛较上年同期增长 1.7%。尽管 3 月份进入育肥场的牛只数量比去年同期下降了 12.3%，但市场上的出栏牛运往屠宰厂的速度也很慢，导致前期供应进一步增加。分析师估计，5 月 1 日育肥场超过 150 天的牛的供应量可能较上年同期增加 17%。在需求方面，3 月份美国牛肉的平均零售价格较 2 月份上涨，比去年同期高出 9.1%。价格上涨是否会影响今年春季的烧烤需求还有待观察。春季的烧烤需求将在未来一两周内全面展开。

### 贸易新闻

今年 1-3 月，韩国的猪肉进口总量（无论是数量还是价值）都创下了第一季度的最高纪录，从美国进口的猪肉同比大幅增长了 40%。今年到目前为止，韩国市场一直是美国猪肉出口总量大幅增长的主要推动力，由于前腿价格竞争优势，美国从欧盟主要供应国西班牙和荷兰手中夺回了市场份额。虽然美国通常不会与欧盟竞争韩国对腹部的大量进口需求，但美国和欧洲的出口商历来在肉类加工行业的进口前腿业务上展开了激烈的竞争。韩国进口需求的另一个驱动因素是巴西出口量的增长。圣卡塔琳娜州几家工厂的产品于 2017 年获准进入，最初几年出口很少。但 2024 年第一季度的数据显示，过去两年每年的进口量都翻了一番。韩国猪肉进口量同比增长的另一个原因是国内后腿使用量减少，以及第一季度大量购买美国梅花肉。由于价格高企，美国梅花肉出口在疫情期间有所下降，但购买兴趣已经恢复。美国猪肉价格上涨可能会减缓第二季度韩国从美国进口猪肉的步伐。在需求方面，猪肉消费总体稳定，尽管对通胀感到担忧，但韩国消费者的蛋白质选择从牛肉到猪肉并没有明显下降。尽管如此，由于与一系列自由贸易协定相关的关税和进口壁垒的下降，以及便利产品的品种和受欢迎程度的增加，自 2012 年以来，猪肉总消费量增长了约 40%。

Korea's Pork & Variety Meat Imports  
Jan-March series



Source: TDM, USMEF