

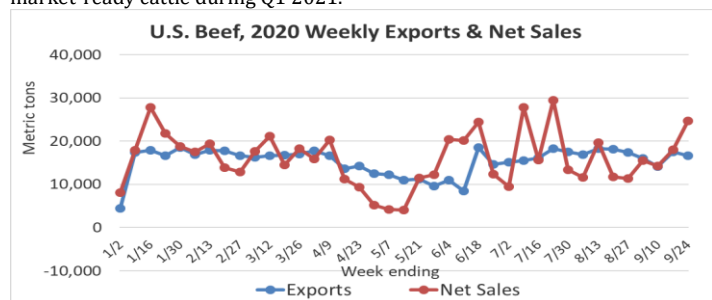


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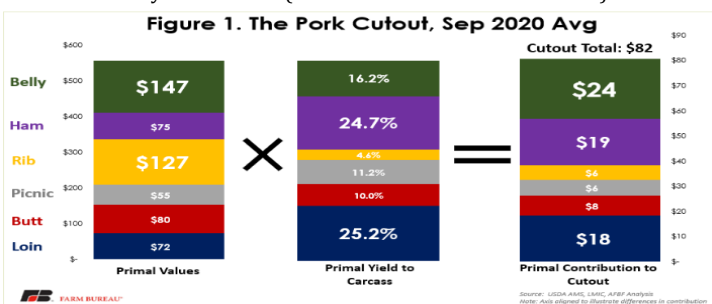
SUPPLY & DEMAND

The USDA Choice cutout reference value closed higher last Friday from the previous week's close, the 2nd weekly increase. Buying interest continues for ribs and tenderloins ahead of the end-of-year holiday season commencing with Thanksgiving on November 26. The percent of beef sold as forward orders (for delivery 22 days or later) has been high over the last 2 weeks indicating institutional buyers are looking to lock in holiday supplies early. Retail featuring of loins, chucks, and rounds this week should provide additional support as colder weather produces the seasonal consumption shift to more at-home roasting & stewing. Moreover, retail beef prices continue to steadily move lower, with USDA's 9/25 [Food Price Outlook](#) report showing a -4.6% change in average all-beef retail prices from July to August. A clear rise in new export orders over the last few weeks (see graph below) is also supporting the wholesale beef complex. Last week's wholesale price increases came as the industry harvested 665K head of cattle, the 2nd highest weekly total so far this year. With average cattle weights still running 2-3% higher than year-ago levels, last week's beef output set a record for this week. Cattle futures have ground higher as increased harvest activity is viewed as a positive for clearing the high front-end fed cattle supplies reported in USDA's most recent cattle on feed report. The 9/25 report spooked the market because of the large number of cattle reportedly placed into feedlots during August and the high number of market-ready cattle still in feedlots indicated by the Sept 1 total cattle on feed number. However, analysts have since pointed out that 2 months of high placements should be viewed in the context of the total cattle cycle, which shows that U.S. cattle inventories peaked in 2019 and on January 1, 2020 estimated feeder cattle supplies were down 0.4 percent year over year. And despite large placements during July & August, total feedlot placements since January contracted 4.2% year-on-year. Consequently, feeder cattle supplies should continue to tighten modestly although the high placements of the late summer should see a bulge in market-ready cattle during Q1 2021.



Beef Choice Beef Cutout Value: 5/10/2020 - US\$216.98/cwt. (-1% from 28/9/2020)

The pork cutout continued to surge last week and moved another 3% higher yesterday Monday October 5. The CME's lean hog index, a two-day weighted average of cash live hog markets, increased yesterday to its highest level since August 2019. Analysts believe that export demand is driving the increase in wholesale pork values but weekly export volumes since June have been relatively steady and below the weekly averages of Jan-May. Total U.S. pork production, expected to hit record levels this year despite CoVID, was up 1.8% through last week from last year's pace, with slaughter up 1.0%. Primal pork values have seesawed throughout the year, but a new CME futures instrument may allow producers and processors to hedge wholesale pork market volatility in the future (see MOVING AHEAD next column.)



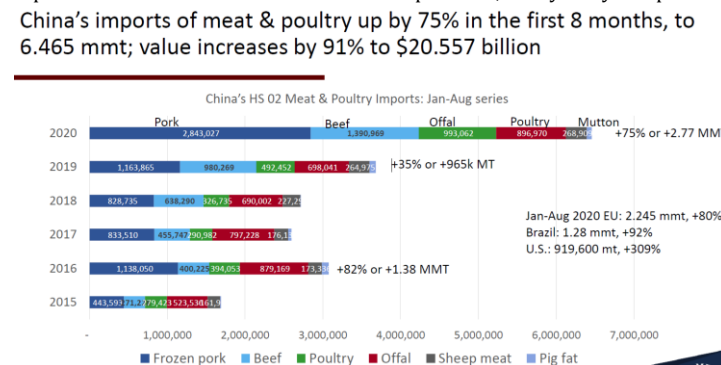
Hog Carcass Cutout Value: 5/10/2020 - US\$95.00/cwt. (+2% from 28/9/2020)

MOVING AHEAD

Leading derivatives marketplace platform **The CME Group** will launch trading in a new cash-settled pork cutout futures contract (PCC) on November 9. The new contract will complement CME's existing Lean Hog Contract and is designed to reflect an evolution in the hog-pork marketplace that is now seeing more hogs traded under formula arrangements whereby hog transaction prices are determined from pork cut values rather than other live hog value indices. The USDA-determined "cutout" is the approximate value of a hog calculated using reported wholesale market prices for primal cuts of pork (see graph below from [Farm Bureau](#)). The cuts used to calculate the pork cutout include the loin, butt, picnic, rib, ham, and belly. The new CME Pork Cutout Index is a five-business day weighted average of these cut prices as published by USDA's Agricultural Marketing Service (AMS) in its "National Daily Pork Report Fob Plant - Negotiated Sales - Afternoon" (link here: https://www.ams.usda.gov/mnreports/ams_2498.pdf). The new contract unit will be 40,000 pounds, the same for the current lean hog contract. Players from all stages of the U.S. pork supply chain - from producers to processors - have applauded the new market instrument. Although cutout and live hog values generally move in a similar fashion, pork wholesale prices jumped during the pandemic due to processing plant disruptions. For producers basing their hog pricing decisions this year from live hog indices, the CME lean hog contract index did not serve as an effective hedge for those with cash market-based contracts. It is not known what percentage of total hog transactions are currently based on meat - not hog - values, but this year, approximately 30% of transactions are under the category "Swine or Pork Market Formula" that includes meat-based pricing formulas. The new PCC will not enable market participants to completely hedge changes in individual meat cut prices; specifically, the cutout reflects an average of all primals, whose values move independently due to seasonal factors, and other market news such as changes in cold storage stocks or sudden large expansions or contractions in reported weekly export volumes. The CME ceased trading its pork belly futures contract in 2011 but created a Fresh Bacon Index in 2019 to establish a transparent price reference for fresh pork bellies used to make bacon. A newly published explanation of the pork cutout can be found here (<https://www.ams.usda.gov/sites/default/files/media/LMRPorkCutoutHandout.pdf>).

TRADE

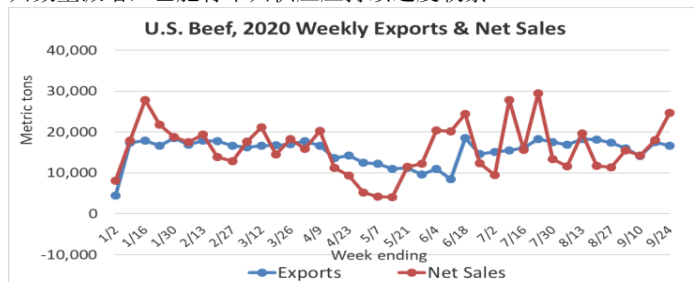
China is by far the world's largest meat & poultry importer but has now become the world's largest market for all agricultural & food products, surpassing the U.S. and the EU according to a new USDA report. The composition of China's \$133.1 billion (2019) of ag & food imports is shifting from heavy bulk commodities to consumer-oriented products, with trade in the latter surpassing that of the former in 2019. China's imports of intermediate ag products such as palm & soybean oil and hides & skins have also dropped. Growth in consumer-oriented products - including meat & poultry, dairy products, and fruits and nuts - has been rapid. Meat & poultry imports, which are up 75% through August this year due to ASF-driven domestic pork shortages, are not the only story. China is the world's largest importer of dairy products (U.S. \$12 billion in 2019), with imports of UHT milk, whole milk powder and especially infant formula driving trade. China's imports of tree nuts and fruits have also increase noticeably in recent years. Although China has pledged to import a record US \$36.5 billion of U.S. ag products this year, U.S. agricultural exports to China peaked in 2012 at \$25.9 billion & then declined with exports totaling \$13.9 billion last year. **Brazil** & the EU have overtaken the U.S. as the largest ag product suppliers to China. About 85% of Brazil's exports to China consist of soybeans, although meat exports are also seeing rapid growth. In contrast, over 80% percent of China's imports from the EU are consumer-oriented products, led by dairy and pork.



ACTIVITIES:
 Restaurant & Bar, Hong Kong: November 11-13, 2020
 Food & Hotel China, Shanghai: November 10-12, 2020

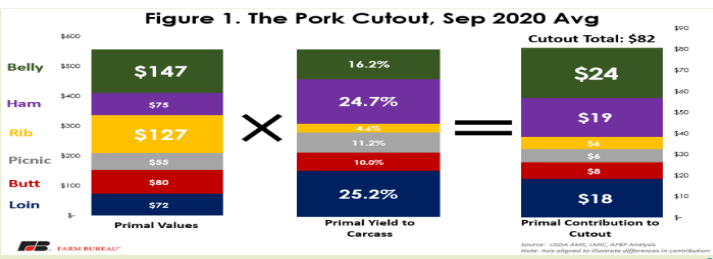
供应与需求

上周五美国农业部(USDA) Choice 分切参考价格与上上周收盘价格相比较，这已是连续第二周上涨。从11月26日感恩节开始的年底假期前，消费者对肋脊部和里脊肉的购买兴趣依然强劲。在过去两周中，作为远期订单(22天或之后交货)出售的牛肉百分比一直很高，这表明公共团体买家希望尽早准备假期供给。凉爽的天气导致季节性消费转向，消费者更倾向在室内烧烤和炖煮肉品，这周腰部、肩部部和后腿部的零售促销将为其价格带来额外支持。此外，牛肉零售价格持续稳步走低，USDA 於9月25日发布的 **Food Price Outlook** 报告显示，七月至八月所有牛肉分切的平均零售价格 **下跌 4.6%**。过去几周新的出口订单明显增加(见下图)也支撑着复合牛肉批发价格。上周批发价格上涨同时，屠宰商屠宰了 **66.5** 万头牛只，是今年迄今第二高的每周总量。由於牛只平均体重仍比去年同期重 **2 至 3%**，上周的牛肉产量创下本周纪录。牛只期货价格走高，因为屠宰活动增加被视为减少 USDA 最新一期牛只在养头数报告中已肥育牛只供应的积极手段。9月25日的报告震惊整个市场，因为据报导，八月期间有大量的牛只被置入肥育场中，而9月1日的牛只在养头数表明，肥育场中可供屠宰的牛只头数仍很多。然而，分析师指出应在整个牛群周期下审视两个月的高放养量，这表明美国牛只存货量於2019年达到最高点，而2020年1月1日预估的已肥育牛只供应同比减少 **0.4%**。尽管七月和八月有大量的牛只被置入肥育场中，自一月以来肥育场的置入头数同比减少 **4.2%**。因此，虽然夏末的高投入量应该可使2021年第一季可供屠宰的牛只数量激增，已肥育牛只供应应持续适度收紧。



美国农业部牛肉屠体价格指数 (特选级)：2020年10月5日 - **\$216.98 美元/百磅 (较2020年9月28日减少小於1%)**

上周猪肉分切价格持续飙涨，并於10月5日星期一再次 **上涨 3%**。芝加哥商品交易所(CME)的瘦肉猪指数在昨日升至2019年8月以来的最高水平，该指数为现金活猪市场指数两天的加权平均值。分析师认为，出口需求正推动猪肉批发价格上涨，但自六月以来每周出口量持稳，且低於一至五月的每周平均水平。尽管爆发 **CoVID**，今年美国猪肉总产量预计仍会创新纪录，上周产量与去年同期相比 **增长 1.8%**，屠宰量 **增长 1%**。猪肉原始价格持续上涨，但 CME 新的期货工具可能使生产商和屠宰商在未来对猪肉批发市场波动进行套其保值(见右栏产业动态)。



猪屠体分切价格：2020年10月5日 - **\$95 美元/百磅 (较2020年9月28日增加2%)**

美国肉类出口协会活动预告：
 香港餐饮展：2020年11月11-13日
 FHC 上海环球食品展 - 上海：2020年11月10-12日

产业动态

主要的衍生性金融产品交易平台 **芝加哥商品交易所**(The CME Group) 將於11月9日推出全新以现金结算的猪肉分切期货合约(PCC)交易。新的合约将补充 CME 现有的瘦肉猪肉合约，旨在反映出活猪和猪肉市场的发展趋势：现在可见更多在公式计算下的活猪交易，而活猪的交易价格是根据猪肉分切价格而非其他活猪价格指数来决定。美国农业部(USDA)决定「分切」是根据报告的批发猪肉大分切的市场价格计算得出活猪的近似价值(请见以下来自 **Farm Bureau** 的图片)。用於计算猪肉分切价格的部位肉包括里肌、梅花肉、前腿肉、肋排、后腿肉和腹肋肉。CME 新的 PCC 指数是这些部位肉五个工作日的价格加权平均值，而这些部位肉价格来自 USDA 农业营销局(AMS)的“National Daily Pork Report Fob Plant-Negotiated Sales-Afternoon”中(网址：https://www.ams.usda.gov/mnreports/ams_2498.pdf)。新的合约单位为40,000磅，与当前的瘦肉猪肉合约相同。从生产者到屠宰商，美国猪肉供应链各个阶段的参与者均对此新的市场工具表示赞赏。仅管分切和活猪价格通常有相类似的走势，由於在大流行期间屠宰厂关闭，猪肉批发价格暴涨。對於今年根据活猪指数决定活猪定价的生产者而言，CME 瘦肉猪期货合约指数并不能作为以现金市场为基础的合约的有效对冲工具。目前尚未清楚活猪交易总额中有多少百分比是基於肉类而非活猪的价值，但今年约有30%的交易属于「猪只或猪肉市场公式」类别，其中包括基於肉类的定价公式。新的 PCC 将无法使市场参与者完全对冲各种肉类降价的变化；具体而言，该分切反映了所有原始商品的平均值，而这些原始商品的价值会因季节因素以及其他市场新闻而独立变化，例如冷藏库存或报告每周出口量突然大幅增加或减少。CME 在2011年停止腹肋肉期货合约交易，但在2019年创建了生鲜培根指数，为用於制作培根的生鲜腹肋肉建立透明的价格参考。

(<https://www.ams.usda.gov/sites/default/files/media/LMRPorkCutoutHandout.pdf>)

贸易新闻

根据美国农业部最新报告，**中国**是目前为止全球最大的肉类和禽肉进口国，而现在已晋升成为全世界所有农产品和食品的最大市场，超越美国和**欧盟**。中国达1,331亿美元(2019年)的农业和食品进口已由大宗货品转向为消费者导向的商品，而这类商品在2019年的交易量远超前。中国中间农产品如棕榈油、大豆油、皮革和兽皮的进口量减少。以消费者为导向的产品包括肉类、禽肉、乳制品、水果和坚果的进口量增长迅速。由於非洲猪瘟导致中国国内猪肉供应短缺，截至今年八月，该国肉类和禽肉进口量已 **增长 75%**，但这并非唯一的进口增长。中国是全球最大的乳制品进口国(2019年进口额为120亿美元)，超高温瞬间杀菌乳(UHT milk)、全脂奶粉及和特别是婴儿配方奶粉进口均推动贸易。近年来，中国的坚果和水果进口量也显著增加。尽管中国承诺於今年进口创纪录 365 亿美元的美国农产品，美国至中国的农产品出口额在2012年达到259亿美元峰值後下跌，去年的出口总额为139亿美元。巴西和欧盟已超越美国并成为中国最大的农产品供应国。**巴西**至中国的出口中约有85%包含大豆，尽管肉类出口也正快速增长。相反地，中国从欧盟进口有80%以上为消费者导向产品，其中以乳制品和猪肉为主。

China's imports of meat & poultry up by 75% in the first 8 months, to 6.465 mmt; value increases by 91% to \$20.557 billion

