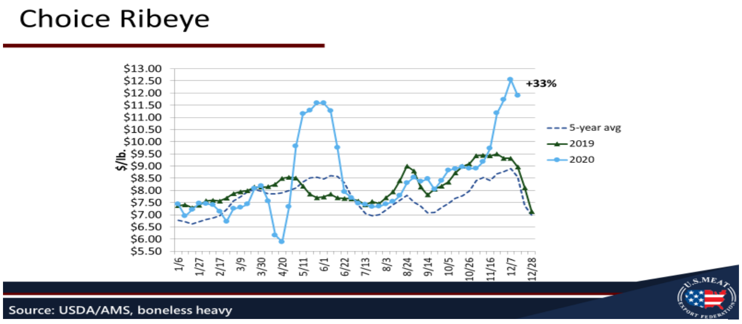
U.S. Meat Bulletin

December 15, 2020 Volume XII | Issue 12.2

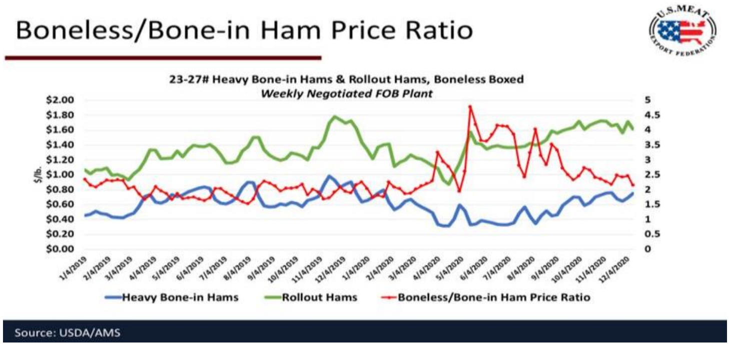
SUPPLY & DEMAND

Beef wholesale prices fell a sharp -8% last week, as ribeye values dipped from record high levels. Retailers were well stocked for the holidays going into last week, and news of additional CoVID-related restaurant re-closures, including New York City establishments, added to the negative market tone. According to Crest Performance Alerts, full-service restaurant transactions in November were down -23% year-on-year, with a sharper drop off occurring near the end of the month when the CoVID caseload spiked & more locales announced closures. An estimated 17% of all U.S. restaurants, equal to 110,000 establishments, have shuttered according to National Restaurant Association research. Although there is current pessimism about short term demand, the U.S. now has embarked on an aggressive CoVID vaccination plan that will see a large swath of the population inoculated before mid-2021 (see MOVING AHEAD next column). On the supply side, although there is currently a record number of cattle on feed and supplies of fed cattle should be large through February, USDA analysts believe the U.S. cattle supply pipeline will begin to tighten during Q2 next year. It will get even tighter during the July-December 2021 period, when beef output is expected to drop -4.6% year-over-year. The past 2 months have seen significant declines in feedlot placements, which will translate into less supplies of fed cattle late next spring. Higher feed costs have been part of the disincentive to cattle feeders and USDA last week predicted that 2020/21 corn and soybean prices will be the highest since 2013/14.



Beef Choice Beef Cutout Value: 14/12/2020 – US$209.69/cwt. (-9% from 7/12/2020)

The pork cutout closed last Friday steady with the level of the previous week. Primal ham and rib values gained, but all other cut values were lower. Last week's slaughter totaled 2.776 million head, the same as the previous week but still one of the most active 6-day periods this year. Looking ahead, this week will be the last full slaughter week this year. With live hog supplies ample, the market could face renewed pressure early next year. That said, despite continued CoVID challenges across the U.S., meat processing plants appear to be operating normally, with harvest activity at near capacity and signs that labor issues may be easing. One indicator is the narrowing spread between heavy bone-in ham prices and more labor-intensive boneless product (see GRAPH below). The spread between bone-in and boneless loins however is at the highest level since June, making it difficult to draw conclusions. U.S. pork exports during the latest reporting week (Nov 27 – Dec 3) were the highest since May, with large shipments reported for **Mexico**, **Korea**, **Canada**, **Australia** and **Japan**. Exports to **China** of 13,310 tons were welcome news following recent reports of slowdowns of imported meat & poultry sales due to increased environmental CoVID testing of cold chain products.



Hog Carcass Cutout Value: 14/12/2020 – US$77.03/cwt. (<-1% from 7/12/2020)

ACTIVITIES:
HOFEX, Hong Kong: May 12-14, 2021
SIAL, Shanghai, May 18-20, 2021

MARKET MAKERS

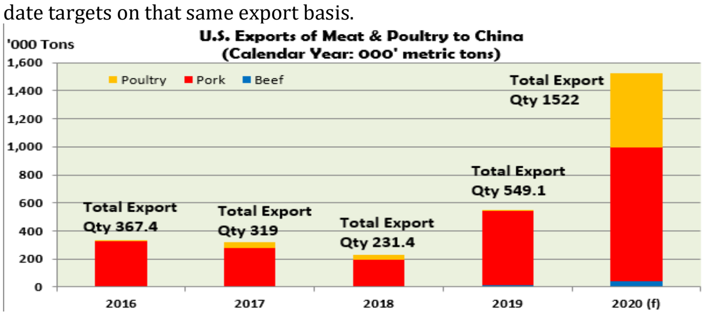
President Elect Joe Biden has selected **Tom Vilsack** as his nominee for the Secretary of Agriculture position. Vilsack served as USDA secretary from 2009 until 2017 and was the Governor of Iowa from 1999 to 2007. As Governor and USDA secretary, Vilsack led several agricultural trade missions to China & other Asian markets.

MOVING AHEAD

With vaccinations for CoVID beginning this week in the U.S., the meat industry is requesting that front line meat processing workers be prioritized to receive jabs. Last week, the **Centers for Disease Control's (CDC)** Advisory Committee on Immunization Practices (ACIP) recommended that the 1st available batches of CoVID vaccines be earmarked for the approximate 24 million Americans working in healthcare plus residents of long-term care facilities. These Phase 1a targeted candidates would be followed by Phase 1b "essential workers", or those 80 million or so U.S. citizens working in the education, food and agriculture and utility (i.e. plumbers & electricians) sectors, plus firefighters, correction officers and transportation workers. Phase 1c targets the population of the 153 million Americans who are over 65 years of age and/or have high risk medical conditions. The estimated 500K workers in meat packing & processing would be included in the "essential worker" category, but it remains unknown how the CDC will prioritize those within the phase 1b sub-population. The **North American Meat Institute** (NAMI), the **National Cattlemen's Beef Association** (NCBA) and the **National Pork Producers Council** (NPPC) are urging authorities to highly prioritize COVID-19 vaccination for meat and poultry industry workers, following healthcare workers and those in long-term care facilities. NAMI argues that given the U.S. **Department of Homeland Security** identified food manufacturing, including meat & poultry production facilities, as critical infrastructure in March, workers in this sector should be accorded a very high priority for receiving vaccinations. It notes that U.S. meat & poultry plants are well equipped to distribute the vaccines, with many having medical personnel on site. Leading pork processor **Smithfield** has offered the federal government the use of its ultra-low temperature cold storage infrastructure to help store the vaccines. The Governor of Kansas and the League of United Latin American Citizens (LULAC) have also endorsed early vaccination of meat & poultry workers. While the CDC issues guidelines, it will be up to officials in each state to decide vaccine distribution priorities. Experts predict that up to 40 million doses can be distributed within the U.S. by the end of December, with 5 to 10 million being available weekly after the new year.

TRADE

Last week, the widely read Daily Livestock Report estimated that during the month of October, U.S. beef exports to **China** accounted for 0.8% of total U.S. beef output that month. China has not historically been a major part of the U.S. industry's export portfolio, but during October, U.S. beef shipments reached a record monthly level of just under 6K tons. With October's exports exceeding those to #5 market **Taiwan** for the 1st time ever, China is gaining more prominence as a beef export destination. China is a much bigger market for U.S. pork & poultry, but how strategic is it overall to the U.S. meat industry? Chinese imports of U.S. meat & poultry (M&P) will reach a record level this year (see graph below); total CY 2020 U.S. shipments – including offal - could exceed 1.5 million tons with a value of U.S. $3.25 billion. That would still put China as the #2 U.S. M&P market behind **Mexico**, but well ahead of historical top tier export destinations **Japan** & **Canada**. Based on estimated USDA production forecasts, China 2020 purchases would account for approximately 7% of this year's U.S. pork production, 0.5% of U.S. beef production, and 2.3% of U.S. total poultry output. These estimates exclude variety meats. Under the PHASE 1 U.S.-China trade deal, China committed to import $33.4 billion of total U.S. ag products on a U.S. export basis; the **Peterson Institute** estimates that for the 1st 10 months of 2020, China's purchases equaled 71% of their year-to-date targets on that same export basis.



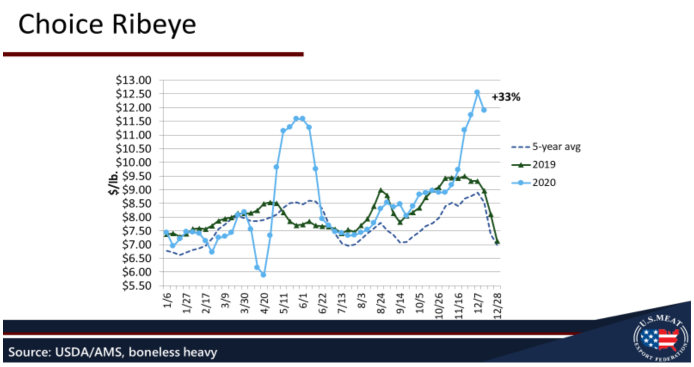
美 國 肉 品 新 知

2020 年 12 月 15 日　第十二卷 12.2 期

供應與需求

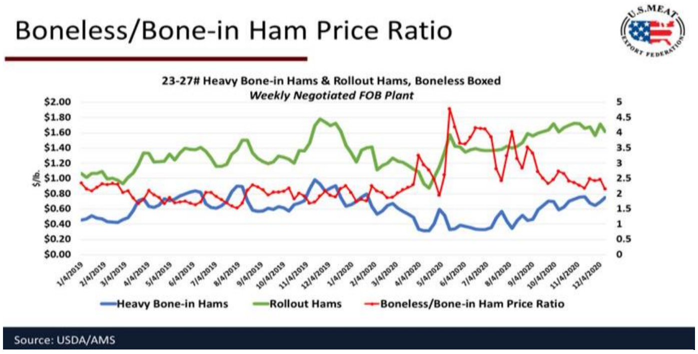
上週牛肉批發價格大幅下跌 8%，因肋眼價格從歷史高位下滑。上週零售商已為假期準備充足的庫存，而更多因 CoVID 相關的餐廳又重新傳出關閉的消息，包含紐約市的餐廳，使市場的負面情緒更加嚴重。

依據 Crest Performance Alerts 的數據顯示，11 月全方位服務餐廳的交易量與去年同期相比下降 23%，其中跌幅最大為當月底，因 COVID 案例激增使更多地區餐廳宣布停業。根據美國餐廳協會的調查，估計 17%的美國餐廳，相當於 11 萬家餐館已停業。儘管美國目前對短期需求持悲觀態度，但他們已經開始積極在進行 CoVID 疫苗接種計劃，預計將在 2021 年中前為大批人口接種疫苗（見下欄產業動態）。在供應方面，雖然目前牛隻在養頭數及肥育牛隻創下歷史新高且可足量供應至 2 月，但美國農業部分析師認為，明年第二季期時美國牛隻供應渠道將開始緊縮。於 2021 年 7 月至 12 月期間將更為緊縮，屆時牛肉產量將與去年同期相較下降 4.6%。在過去兩個月已見肥育場供應大幅下降，這將導致明年春季後期的肥育牛隻供應量減少。飼料成本上漲一直是抑制養牛戶的部分因素，美國農業部上週預測，2020/21 年度玉米及大豆價格將是 2013/14 年度以來新高。



美國農業部牛肉屠體價格指數（特選級）：2020 年 12 月 14 日 – $209.69 美元/百磅（較 2020 年 12 月 7 日減少 9%）

上週五豬肉分切價與前一周持平。後腿肉和肋排價值上漲，但其他部位價值均下跌。上週屠宰總量為 277.6 萬頭，與前一周持平，但仍是今年最活躍的六天之一。本週將為今年最後可每天屠宰的一週。由於生豬供應充足的情況下，明年初市場可能再次面臨新的壓力。這表示，即使美國各地持續面臨 CoVID 挑戰，但肉類加工廠似乎仍正常營運，屠宰量接近滿載，亦有跡象顯示勞動問題可能有所緩解。這個跡象是帶骨後腿肉價格與無骨產品之間的價差在縮減（見下圖）。然而，帶骨和去骨里肌之間的價差處於 6 月以來最高水平，因此難以下結論。在最新報告週（11 月 27 日-12 月 3 日）美國豬肉出口量為 5 月以來最高，其中**墨西哥**、**韓國**、**加拿大**、**澳大利亞**及**日本**的出貨量較大。最近報導稱，中國的出口量達到了 13,310 噸，由於冷鏈產品進行的 CoVID 環境檢測增加，導致進口的肉類和禽肉銷售放緩。



豬屠體分切價格：2020 年 12 月 14 日— $77.03 美元/百磅（較 2020 年 12 月 7 日減少<-1%）

美國肉類出口協會活動預告:
HOFEX, 香港: 2021 年 5 月 12-14 日
中國國際食品和飲料展覽會, 上海; 2021 年 5 月 18 日-20 日

產業新知

當選總統拜登(Joe Biden)已提名**維爾薩克**(Tom Vilsack)為農業部部長候選人。維爾薩克於 2009 年至 2017 年擔任美國農業部部長，1999 年至 2007 年擔任愛荷華州州長。在擔任州長和美國農業部部長期間，維爾薩克曾多次率領農業貿易代表團前往中國和其他亞洲市場。

產業動態

隨著美國本周開始接種 CoVID 疫苗，美國肉類行業要求一線肉類加工工人優先接種疫苗。上週，**疾病管制與預防中心(CDC)**的疫苗接種執業顧問委員會(ACIP)建議，第一批 CoVID 疫苗將專門為約 2400 萬在醫療保健服務工作人員以及長期護理機構的居民接種。這些 Phase 1a 的目標候選人將緊隨 Phase 1b 的必要性工作者，也就是那些在教育、食品、農業以及公用事業（如水電工和電工）部門工作的 8000 萬左右的美國公民，再加上消防員、獄警和運輸人員。Phase 1c 優先接種將分為約 1.53 億，年齡 65 歲以上和/或患有高風險醫療狀況的美國人。肉類包裝及加工行業預估有 50 萬工人將被列入必要性工作者類別，但目前還未知 CDC 如何優先考慮 Phase 1b 的工人。**北美肉品協會**(NAMI)、**美國牧牛肉協會**(NCBA)和**美國豬肉生產者委員會**(NPPC)正在敦促聯邦當局高度重視肉類和禽肉業工人，繼醫護人員及長期護理機構的工人接種 COVID-19 疫苗。NAMI 認為，鑑於美國**國土安全部**於 3 月將食品製造業，包括肉類和禽肉生產設施確定為關鍵基礎設施行業，該行業的工人應優先考慮接受疫苗接種。報告指出，美國的肉禽屠宰場在分發疫苗方面設備完善，許多工廠都有醫務人員在現場。領先的豬肉加工商 Smithfield 已向聯邦政府提出，使用超低溫冷藏設施，以幫助存儲疫苗。堪薩斯州州長和拉丁美洲公民聯合聯盟(LULAC)也認同肉禽工人進行早期疫苗接種。雖然 CDC 發布了指引方針，但疫苗分發的優先順序將由各州官員決定。專家預測，至 12 月底，美國境內最多可發放 4000 萬劑，新年後每周可發放 500 萬至 1000 萬劑。

貿易新聞

上週，被廣泛閱讀的《每日畜牧業報告》估計，將在 10 月，美國對**中國**的牛肉出口將佔當月美國牛肉總產量的 0.8%。中國歷年來不是美國工業出口組合的主要部分，但在 10 月期間，美國牛肉出貨量達到了創紀錄月度水平，略低於 6 千噸。隨著中國 10 月出口量首次超越市場第 5 名**台灣**的出口量，中國作為牛肉出口目的地的地位日益突出。中國是美國豬肉和禽肉的一個大市場，但整體對美國肉類行業而言戰略意義又如何？今年中國對美國肉類和禽肉（M&P）的進口量將達到創紀錄水平（見下圖）；2020 年美國的總出貨量，包括內臟，可能超過 150 萬噸，價值為 32.5 億美元。這使中國成為僅次於**墨西哥**，美國第二大 M&P 市場，早已超越歷史頂尖出口目的地**日本**和**加拿大**。根據美國農業部的估計產量預測，中國 2020 年的採購量將佔今年美國豬肉產量約 7%，美國牛肉產量的 0.5%，美國禽肉總產量的 2.3%。這些估算還不包括雜碎肉。根據 PHASE 1 美中貿易協議，中國承諾以美國出口為基礎，進口總額 334 億美元的美國農業產品；Peterson Institute 估計，在 2020 年前 10 個月，在相同的出口基礎上，中國的購買量相當於其年初至今目標的 71%。