



U.S. Meat Bulletin

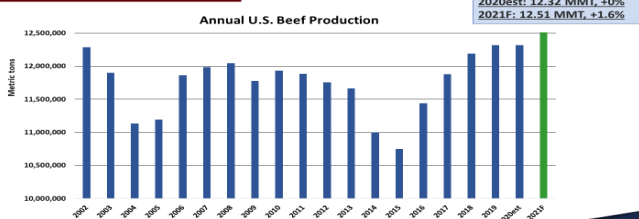
March 16, 2021

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SUPPLY & DEMAND

Last Friday, the USDA CHOICE cutout closed down for the 2nd consecutive week, with values of both middle and end cuts softening. Historically, beef demand is weak during March, and retailers have been hesitant to stock up in the hopes that the larger supplies of fed cattle moving through the pipeline may translate into even softer prices in the next week or 2. Exports to all main markets are still running below year-ago levels. And new stimulus checks did not start hitting consumer pocketbooks until the end of this past weekend. Finally, the nation's restaurants reported a dismal performance during February when inclement weather and continued consumer CoVID related apprehension to venture out saw major U.S. restaurant chain customer transactions decline by -13% versus year ago, compared to a -9% decline in January. Despite these recent negatives, optimism remains in the market as the U.S. vaccination rollout accelerates and expectations that the 1st seasonal buying for the grilling season is just weeks away. Live fed cattle prices have been remarkably steady for the past 6 weeks, but the April live cattle futures contract closed firmly up last Friday and yesterday on expectations for overall improved demand conditions starting in the next few weeks. Moreover, the U.S. beef export picture looks positive, with Australian exports stifled by the current low point in the cattle cycle, and Brazil Jan-Feb overseas shipments dropping 8% year on year.

USDA expects 2021 beef production to reach a new record

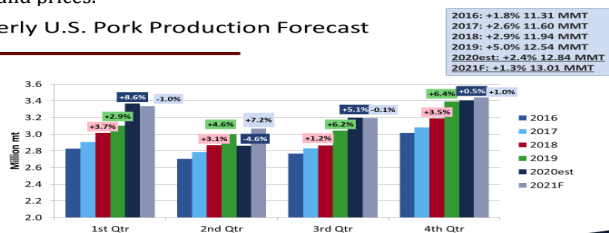


Source: USDA/NAASS & WASDE estimates

Beef Choice Beef Cutout Value: 15/3/2021 - US\$224.77/cwt. (-3% from 8/3/2021)

The pork cutout rose again last week, reaching the highest level since mid-October of last year. Except for hams, the values of all primals strengthened through last week. April, May, June and July lean hog futures prices all ended last Friday at their contract highs. USDA's most recent monthly supply & demand report adjusted the 2021 U.S. pork production forecast down slightly to 13 million tons, a volume which would still equal an 1.3% year-over-year increase and would be the 7th consecutive year of record large production. USDA is also predicting heavier year-over-year hog carcass weights in the first half of the year. On the other hand, high grain prices - the result of surging exports to China - are of growing concern to domestic producers this year. Exports of both corn and soybeans are expected to reach record levels this year and USDA is forecasting the average 2020/21 U.S. corn price will reach U.S. \$169/ton, 22% higher than the 2019/20 average of U.S. \$138/ton. May corn futures closed last Friday at \$212/ton. After rallying since last August, corn values have been trading in a steady range over the last few months as analysts grasp for insights into China's current animal disease challenges. China has announced 6 new ASF cases in recent months, but some analysts are estimating that up to 10-20% of China's sow herd has been culled since the beginning of the year due to disease problems. USDA on the other hand, in a report released March 3, estimates China's total swine inventories will increase 11% - or 43.5 million head - during 2021. Any herd losses would begin to hurt pig production from May forward according to experts. And any hit to China's pork production would increase U.S. pork export prospects and lower those for grain & oilseed exports and prices.

Quarterly U.S. Pork Production Forecast



Source: USDA/WASDE March 2021, carcass weight equivalent, commercial production

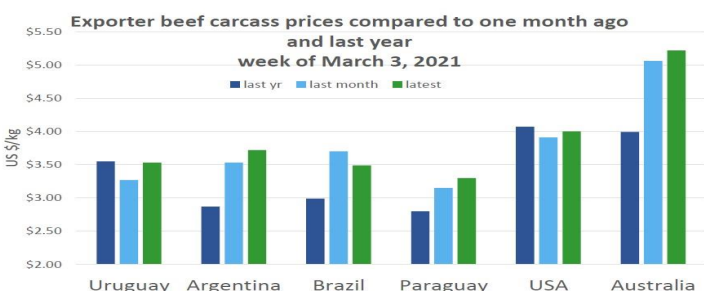
Hog Carcass Cutout Value: 15/3/2021 - US\$102.44/cwt. (+8% from 8/3/2021)

MOVING AHEAD

Recent media reports have highlighted a global rise in food prices. The **FAO's** global **Food Price Index**, a metric which tracks monthly changes in the international prices of common food commodities - including grains, oilseeds, dairy products, tropical crops, and meat - was up 26.5% in February 2021 from a year ago. And according to **Rabobank**, prices of all agricultural commodities - as measured by the **Standard & Poor's GS Agricultural index** - have jumped 50% since mid-2020. Rabobank cited 4 factors behind the sharp rise in agricultural commodity prices: 1) a *La Nina* weather pattern that has affected crop harvests in North & South America including those for wheat, soybeans, corn, cotton, and other tropical crops; 2) weakness of the U.S. dollar which causes prices of agricultural commodities to inflate as most international trade in crops and livestock products is dollar-based. 3) an inflow of speculative money into agricultural commodities driven by current low interest rates and an expectation that CoVID related stimulus packages will increase demand & spending in the months ahead; and 4) a general increase in global food demand. Contrary to what many analysts predicted a year ago when CoVID began to disrupt social activity, the virus has not severely affected overall food demand. And except for some tropical products & cotton, food purchasing continued unabated throughout the pandemic and despite dramatic decreases in foodservice sector activity. Stimulus spending has also directly affected food demand. For example, in the U.S., the new \$1.9 trillion relief package includes \$1.15 billion to additional nutrition assistance program subsidies (SNAP) through Q3 that will add \$25 per month of food spending by 40 million Americans. There have also been some reports of food stockpiling amid fear over supply chain disruptions. Although current frozen meat stocks are not high, last spring U.S. chain store retailers rushed to stock meat following the short term - and relatively minor - disruptions at slaughter plants last spring. So, given these supply & demand changes, what is the current situation with meat prices? On a global scale, global meat prices have been more stable than that of other crops & foodstuffs; this February FAO's all meat & poultry price index (2014-16 base year = 100) stood at 96, below the 100 value during pre-pandemic 2019. Reasons for the reduction include a drop in European pork prices due to **Germany's** ban from the **China** market & stable to soft poultry prices. And although foreign buyers are well aware of current elevated U.S. pork & beef wholesale prices, U.S. beef and pork prices are not at historical highs. In the U.S., the all-fresh retail beef price - across all beef items in the meat case - stood at \$6.30/lb in February, up 6.2% from a year ago. The average retail price of pork last month was \$4.14/lb, up just 7.5% from the level of a year ago. But analysts believe prices have room to move higher. First, China's aggressive grain purchases & adverse crop weather in South America have driven up U.S. corn prices 40% over the past year while soybean prices are +60%. Eventually, these livestock input price hikes should feed through to meat. Re-openings from CoVID should stoke demand, although U.S. retailers are reigning in their expectations as more shoppers get vaccinated & head out to restaurants. Overall, bullish sentiment is outpacing the bears, but the new uncertainty about the status of China's hog herd still makes meat & grain markets - and prices - potentially volatile. As the #1 buyer of meat & grains, China's influence remains outsized.

TRADE

As highlighted by the FAO global food index, meat prices have shown more stability than other agricultural products. Beef carcass prices of major exporters in early March were mostly higher than year ago levels, except those of **Uruguay** and the U.S. Australian cattle prices continue to be the highest in the world among major exporters, and tight supplies have affected exports. For the 1st 2 months of 2021, Australian exports were down 32%, with the total volume of 116,421 tons the lowest for this time period in recent history. Jan-Feb Australian exports to China of 37,800 tons were off 45% YOY, while U.S. shipments of 16.2 thousand tons were up 1,600% through March 4.



ACTIVITIES:

SIAL, Shanghai: May 18-20, 2021

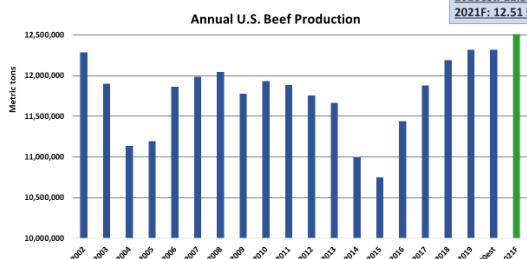
Restaurant and Bar/HOFEX, Hongkong: September 7-9, 2021

供应与需求

上周五，美国牛肉特选级分切价格连续两周下跌收市，肋脊、腰脊和後腿部位肉分切价格疲软。从过去的纪录来看，3月的牛肉需求疲软，零售业者对于存货感到犹豫，因为期望通过管道运送的大量已肥育牛只价格可能在下一周或两周转为疲软。对所有主要市场的出口量仍低於去年同期水平。而直到上周末，消费券才发放到消费者手中。2月份全美餐饮报告表现惨淡，因为恶劣严寒的天气和消费者对CoVID疫情持续的担忧，使美国主要连锁餐厅的顾客交易量较去年同期下降13%，1月份下降9%。尽管最近出现一些负面因素，但随着美国疫苗接种的加速推展，以及预期即将到来的烧烤季第一次购物，使得市场仍保持乐观的气息。过去6周，活牛价格稳定，但上周五和昨天因为预期在未来几周整体需求将有所改变，所以4月份活牛期货合约价格以平稳但稍有升高的价格收市。此外，随着澳洲出口量受到目前牛只周期低点的压制，以及巴西1到2月份总体出口船运量较去年同期下降8%，美国牛肉出口前景相当乐观。

USDA expects 2021 beef production to reach a new record

2016:	11.44 MMT	+6.4%
2017:	11.88 MMT	+3.8%
2018:	12.19 MMT	+2.6%
2019:	12.32 MMT	+1.0%
2020est:	12.32 MMT	+0%
2021F:	12.51 MMT	+1.6%



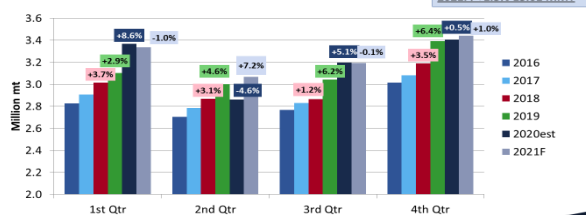
Source: USDA/NASS & WASDE estimates

美国农业部牛肉屠体价格指数（特选级）：2021年3月15日 - \$224.77 美元/百磅（较2021年3月8日减少3%）

上周猪肉分切价格再度上涨，达到去年10月中旬以来的最高价格。上周除了後腿肉外，所有原始分切部位肉的价格走强。4月、5月、6月和7月瘦猪肉的期货价格上周五以高价收盘。USDA农业部最新的供给需求月报将2021年美国猪肉生产量预测小幅下修到1300万吨，其生产量仍较去年同期增长1.3%，且将会是连续第7年创下最大产量的纪录。USDA也预期，今年上半年猪只屠体体重将较去年同期增加。另一方面，对中国出口激增导致高谷物价格，这是国内生产者越来越关注的问题。预计玉米和大豆的出口量都将达到创纪录新高，USDA预测美国2020/21年的玉米价格将达到169美元/吨，比2019/20年的平均价格138美元/吨增长22%。上周五5月份玉米期货价格收盘于212美元/吨。玉米价格自从去年8月上漲後，过去几个月玉米交易价格在稳定的范围内波动，因为分析人员掌握了有关中国当前动物疾病挑战的洞察。最近几个月，中国公布6个新ASF病例，但有分析师估计，自年初以来，由於猪瘟的问题，中国已淘汰高达10-20%以上母猪。另一方面，根据USDA3月3号发布的报告估计，2021年间中国猪只库存总量将增长11%，即4,350万头。根据专家的说法，从中国起任何存栏的损失将使猪肉生产量受到损害。任何对中国猪肉生产量的打击将使美国猪肉出口前景看好，并且使谷物、油菜的出口和价格下降。

Quarterly U.S. Pork Production Forecast

2016:	+1.8%	11.31 MMT
2017:	+2.6%	11.60 MMT
2018:	+2.9%	11.94 MMT
2019:	+5.0%	12.54 MMT
2020est:	+2.4%	12.84 MMT
2021F:	+1.3%	13.01 MMT



Source: USDA/WASDE March 2021, carcass weight equivalent, commercial production

猪屠体分切价格：2021年3月15日 - \$102.44 美元/百磅（较2021年3月8日增加8%）

产业动态

最近的媒体报导强调了全球粮食价格的上涨。粮农组织（FAO）的全球食品价格指数（Food Price Index），该指标追踪常交易粮食的国际价格，包括谷物、油籽、乳制品、热带农作物和肉类在内的食品价格在2021年2月的变化较一年前上涨26.5%。而根据荷兰合作银行（Rabobank）的数据，自2020年中期以来，以标准普尔（Standard & Poor's）的GS农业指数（GS Agriculture Index）为衡量标准，所有农产品的价格已经上涨50%。Rabobank列举了四个农产品价格大幅上涨的因素，1）拉妮娜气候影响了北美和南美洲的农作物收成，包括小麦、大豆、玉米、棉花及其他热带农作物的收成。2）大部分农作物和农产品贸易都是以美元为基础，但由於美元疲软，导致农产品价格上涨。3）由於当前的低利率，投机性资金流入农产品，且预期与CoVID相关的刺激计划将在接下来几个月内增加需求和支出。4）全球粮食需求普遍增加。与一年前许多分析师所预测的相反，CoVID开始扰乱社会活动时，该病毒并未严重影响整体的粮食需求。除了一些热带农产品和棉花外，尽管餐饮业活动急剧减少，但在整个疫情期间，食品采购量仍在持续增长。刺激性支出也直接影响了食品的需求。例如，直至第三季美国新的1.9万亿美元救济方案中，有11.5亿美元用於额外的营养援助计划补贴（SNAP），这使得4,000万美国人每月增加25美元的粮食支出。由於在担心供应链中断的情况下，显示出一些关于粮食库存的报导。虽然目前冷冻肉的库存不高，但去年春季美国连锁店的零售商因屠宰厂发生短暂中断後，急於储备肉类。由於这些需求和供给的变动，目前肉类价格的情况如何？在全球尺度来看，全球肉类价格较其他农作物和食品价格稳定。今年2月FAO的所有肉类和禽肉价格指数为96（2014-16为基准年=100），低於2019年疫情前的100。该价格下降，因德国猪肉被禁止进入中国市场导致欧洲猪肉价格下跌，以及家禽价格稳定至疲软。尽管国外的买家对当前美国猪肉和牛肉的批发价格上涨了如指掌，但美国牛和猪肉的价格并未达到历史高价。在美国，涵盖2月所有牛肉品项的新鲜牛肉零售价格为6.30美元/磅，较去年同期增长6.2%。上个月猪肉的平均零售价格为4.14美元/磅，较前年的水平上涨7.5%。但分析师认为，价格还有上涨的空间。首先，中国积极购买谷物和南美洲不利的农作物气候在过去一年中推动美国玉米价格上涨40%，和大豆价格上涨60%。最终，这些投入在畜牧业价格的上涨应该会影响到肉类。CoVID的重新开业应会刺激需求，尽管随着越来越多的消费者将接种疫苗及外出用餐，美国零售商对2021年的期望仍保持不变。整体看涨情绪超过负荷，但中国猪群状况的新的不确定性，仍然可能使得肉类和谷物市场以及价格出现波动。中国作为肉类和谷物的第一大买家影响力依然巨大。

贸易新闻

正如全球FAO食品指数所强调的那样，肉类价格比其他农产品表现得更为稳定。3月初，除乌拉圭和美国外，主要出口国的牛肉屠体价格大多高於去年同期水平。主要出口国中，澳牛价格仍为全球最高，紧缩的供应影响出口量。2021年的第1-2个月，澳洲出口量下降32%，总量为116,421吨，为近期历史最低。1-2月澳洲对中国出口3.78万吨，较去年同期下降45%，而截至3月4日，美国出货量增长1,600%。

Exporter beef carcass prices compared to one month ago and last year



美国肉类出口协会活动预告：

中国国际食品和饮料展览会，上海：2021年5月18-20日
香港餐展展/HOFEX，香港：2021年9月7-9日