



U.S. Meat Bulletin

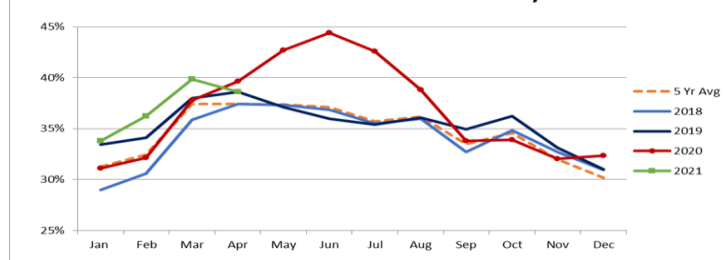
April 27, 2021

Volume XIII | Issue 4.3

SUPPLY & DEMAND

Last week the USDA CHOICE beef cutout value moved higher for the 5th week, hitting record levels for this time of year apart from the surges of last April-June during the initial pandemic disruptions. Continued strong retail sales are being complemented by rebounding restaurant demand for a range of cuts: e.g. values of USDA CHOICE deckle-off boneless briskets are up **51%** over the last four weeks and are record high. Loins and ribs are also benefiting from a tick up in buying activity in advance for the Memorial Day weekend in late May. As the U.S. nears having 1/3 of its population fully vaccinated, plans are underway for a busy summer travel period, with consumers ready to spend pent-up savings on entertainment, travel and eating. Record meat prices are occurring even as the industry expands production. After a few weeks of restrained harvest levels, last week's slaughter reached 665,000 head, as processors are enjoying near unprecedented margins. Year to date U.S. beef production is up **2.9%** from the pace of last year with slaughter up **1.6%**. Carcass quality continues to improve with over 12% of graded cattle hitting USDA PRIME the week ending April 10. Last Friday's USDA monthly cattle on feed report was deemed slightly bullish after showing that the total 11.9 million head of cattle on feed as of April 1 was slightly lower than estimates. Lower-than-expected March placements of cattle into feedlots and higher marketings to processors indicate cattle are moving through the pipeline smoothly. The percent of cattle on feed over 120 days, a measure of currentness, dropped into a range near the most recent 5-year average. That said, cattle futures sagged last week despite outstanding beef demand, and in response to surging corn prices. But last week's cattle on feed report convinced analysts that a tightening of fed cattle supplies – delayed because of the pandemic and Feb weather – will become reality as the year progresses. Beef exports are also helping to propel prices, as reported new sales made during the week ending April 15 were a strong **+38%** from the previous 4-week average. Sales have been exceptionally strong to **Korea**, with buyers concerned that record purchases by China could further drive up prices, especially of Asian cuts such as short plate & short ribs.

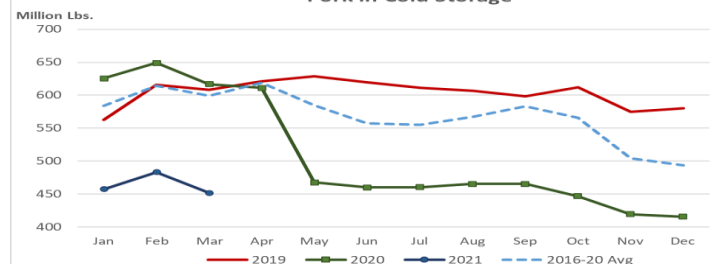
Percent of Cattle on Feed Over 120 Days



Beef Choice Beef Cutout Value: 26/4/2021 – US\$285.20/cwt. (+3% from 19/4/2021)

The pork cutout moved higher again last week, and now stands **+57%** from last year and **+32%** from 2019. The rib complex jumped **+7%** on a resurgence of demand from dine-in restaurants, the imminent onset of the outdoor grilling season, and new data showing lower rib freezer stocks. USDA's latest cold storage report (see graph below) showed total frozen pork stocks declined through March and stood April 1 at **-25%** to the average level of the past 5 years. Despite the strong current domestic demand, some hesitation crept into the market last week as reported new export sales (week of April 8-15) fell again and high U.S. corn prices spooked investors who feared that rising grain input costs could crimp producer profitability. Pork futures weakened through last week but managed to turn up last Friday and yesterday. Weekly hog slaughter rates are struggling to reach 2.5 million head, significantly lower than capacity, which should be supportive of meat prices but negative to live swine prices. Agricultural analysts are closely watching grain markets; U.S. corn futures climbed to their highest since June 2013 yesterday over weather and global supply issues, with wheat and soybean futures hitting their highest levels since 2014.

Pork in Cold Storage



Hog Carcass Cutout Value: 26/4/2021 – US\$109.30/cwt. (-4% from 19/4/2021)

MARKET MAKERS

Investors are in advance planning stages to construct a new beef processing plant in the heart of Nebraska cattle country. The recently established **Sustainable Beef LLC** is scheduled to open a 1,500 head-per-day (400K head per year) harvest and fabrication facility in 2023. According to investors, the plant will focus on exports, with 1/3 of production earmarked for the international marketplace. The price tag of the project is estimated at U.S. \$280 - \$300 million.

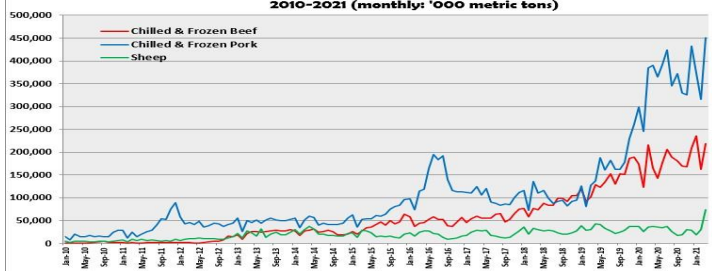
MOVING AHEAD

Traceability is a relatively new buzzword commonly understood to describe growing consumer interest in understanding where the food they buy comes from. But for ranchers, veterinarians and animal health officials, traceability is the most critical tool to track and manage periodic outbreaks of animal diseases. Last week, **Tyson** announced it would begin to invest in new infrastructure surrounding the **U.S. Cattle Trace** program to allow full cattle movement tracking throughout its supply chain. Buy in from a major processor like Tyson gives the innovative industry-run **U.S. Cattle Trace** network new credibility, according to experts. **U.S. Cattle Trace** was formed last January by cattle industry stakeholders from several key cattle states & regions who collectively recognized the need for a viable and robust industry-managed end-to-end cattle disease traceability system. The ultimate goal is to build a national traceability infrastructure through individualized management practices adopted by partner stakeholders. **U.S. Cattle Trace** uses ear tags to collect data on an individual's animal identification number, GPS location, and date and time of data capture through the ultra-high frequency (UHF) technology. Through a system of readers, animals can be traced to each location to which they travel prior to reaching the processor for harvest. The U.S. \$2 tags are electronic but not battery operated, allowing one tag to be used throughout the lifetime of the animal. Readings can be made during all stages of the cattle supply chain, including auctions. Current partner organizations on the production side include the **Kansas Livestock Association, Florida Cattlemen's Association, Texas Cattle Feeders Association, Texas and Southwestern Cattle Raisers Association and Kentucky Cattlemen's Association**. As the program expands and additional partners join the industry-led effort, the structure of **U.S. Cattle Trace** will evolve to fit the needs of the program. Tyson's involvement comes after a major successful pilot project of U.S. Cattle Trace undertaken from August 2018 through mid-2020. Costs for individual stakeholders during the pilot ranged from \$2.84 to \$6.06 per head for cow/calf producers, to under \$ 0.18/head for processors. **U.S. Cattle Trace** is being run as a non-profit enterprise, and states that it will securely maintain and manage data as needed for disease traceability purposes.

TRADE

We noted last week that **China's** meat & poultry imports hit a record 1.02 million tons in March 2021. China has now published granular import data, and it showed that total pork imports hit a record 565 thousand tons in March, while sheep meat and associated product shipments also hit record levels (see graph below). China's March beef imports of 222,000 tons were the 2nd largest monthly volume ever after Jan 2020. Although analysts believe pork imports this year could drop slightly from last year's level, beef imports are on track to hit another record, with Jan-March imports **+20%**. Supply is already becoming an issue, with beef prices already high among major suppliers. Grain-fed beef is in particular demand, with U.S. shipments up **1,580** through mid-April. Grain-fed beef accounted for approximately 5% of total beef imports in 2020, but analysts believe that could easily grow to the 48% share **Taiwan** imports, as the demand profiles of mainland and Taiwan consumers are similar.

China Red Meat Imports 2010-2021 (monthly; '000 metric tons)



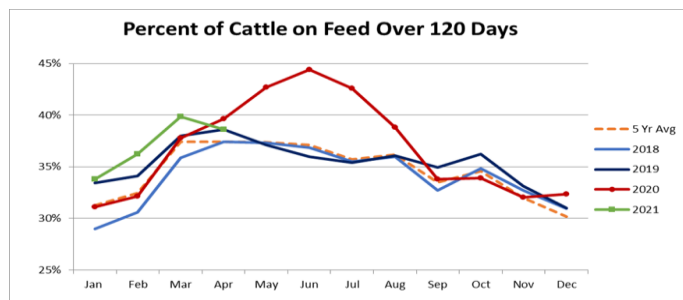
ACTIVITIES:

SIAL, Shanghai: May 18-20, 2021

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

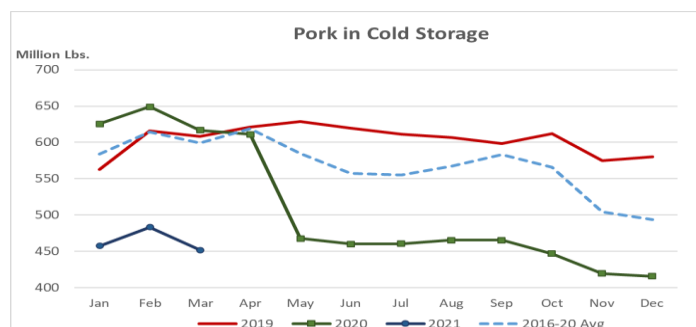
供应与需求

上周, USDA CHOICE 牛肉分切价连续第 5 周走高, 除了去年 4 月至 6 月因疫情中断期间的激增之外, 还创下今年同期的最高水平。餐厅对一系列切肉的需求回升, 补足了零售持续强劲的销售额: 例如, 在过去四周, USDA CHOICE 前胸翼板肉的价格上升 51%, 并创下了历史新高。五月下旬的亡兵纪念日 (Memorial Day weekend) 前, 购买活动的增加也使里肌肉和肋排受益。随着美国接近有 1/3 的人口完全接种疫苗, 正在计划繁忙的夏季旅游期间, 消费者准备将他们压抑的储蓄用于娱乐、旅游和饮食。肉类价格创历史新高, 即使该行业扩大了产量。在经过几周的抑制性屠宰水平后, 上周的屠宰量达到了 66.5 万头, 因为加工商享有了前所未有的利润。年初至今, 美国牛肉产量较去年增长 2.9%, 屠宰量增长 1.6%。截止 4 月 10 日当周, 屠体质量持续提高, 超过 12% 的分级牛达到了 USDA PRIME。上周五 USDA 的月度牛只在养头数报告显示, 截至 4 月 1 日, 牛只放置总头数为 1,190 万头, 略低于预期, 因此被认为略微看涨。3 月进入肥育场的牛只低于预期, 而销往加工厂的牛只销售量较高, 这表明牛只正在顺利地通过生产线。以当前水平衡量的 120 天以上肥育牛只百分比下降至最近 5 年平均水平的范围。也就是说, 尽管牛肉需求旺盛, 但由于玉米价格飙升, 上周期货下跌。但上周的牛只在养头数报告使分析师相信, 由于疫情和二月份气候的因素而推迟, 紧缩的肥育牛供应将随着一年的进展而成为现实。牛肉出口也有助于推动价格, 因截至 4 月 15 日的一周内, 报告的新销售量比前 4 周的平均水平强劲增长 38%。韩国市场的销售异常强劲, 使买家担心中国的大量采购可能会进一步推高价格, 尤其在亚洲分切, 例如胸腹肉和牛小排。



美国农业部牛肉屠体价格指数 (特选级): 2021 年 4 月 26 日 - \$285.20 美元/百磅 (较 2021 年 4 月 19 日增加 3%)

上周猪肉分切价再次走高, 现在较去年增长 57%, 较 2019 年增长 32%。肋排的价格跃升 7%, 这是由于在餐厅内用餐的需求回升, 即将到来的户外烤肉季, 以及新数据显示肋排冰柜库存减少。USDA 的最新低温储藏食品报告 (请见下图) 显示, 截至 3 月, 冷冻猪肉的总库存量有所下降, 4 月 1 日的库存量下降 25%, 达到过去 5 年的平均水平。尽管目前美国国内需求强劲, 但上周市场上还是出现了一些犹豫不决的现象, 因为据报告的新出口销售量 (4 月 8 日至 15 日当周) 再次下降, 而且美国玉米价格高涨使投资者受到惊吓, 他们担心谷物投入成本的上涨会压制生产者的盈利能力。上周猪肉期货走弱, 但昨天和上周五设法转为上涨。每周的生猪屠宰率正在努力达到 250 万头, 却明显低于产能, 这应该对肉价有支持作用, 但对生猪体价格有负面影响。农业分析师正在密切关注谷物市场; 美国玉米期货昨天因天气和全球供应问题攀升至 2013 年 6 月以来的最高水平, 小麦和大豆期货也创下 2014 年以来的最高水平。



猪屠体分切价格: 2021 年 4 月 26 日 - \$109.30 美元/百磅 (较 2021 年 4 月 19 日减少 4%)

产业新知

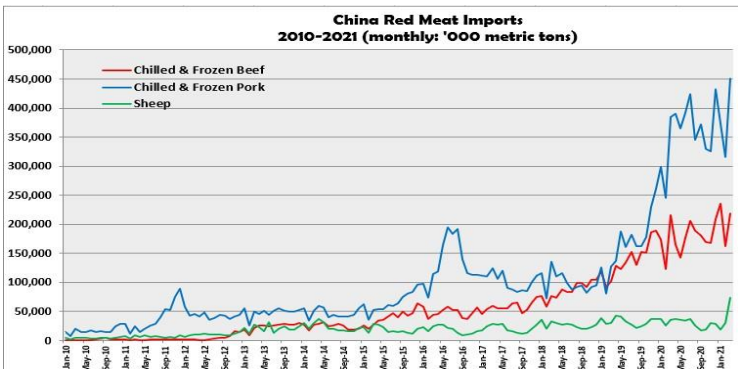
投资者正处于预先规划阶段, 因为他们准备在内布拉斯加州牛乡的中心, 建造一间新的牛肉屠宰厂。最近成立的 Sustainable Beef LLC 公司计划于 2023 年开设一间每日屠宰 1,500 头牛 (每年 40 万头) 的屠宰分切厂。据投资者称, 该屠宰厂将专注于出口, 且其中 1/3 的生产量将用于国际市场。该屠宰厂的价格估计为 2.8-3 亿美元之间。

产业动态

可追溯性是一个相对较新的流行词, 通常描述消费者对了解他们购买的产品来自何处的兴趣日益增长。但是对于牧场主、兽医和动物卫生官员而言, 可追溯性是追踪和管理动物疾病定期爆发的最关键工具。上周, Tyson 公司宣布它将开始投资环绕在 U.S. Cattle Trace 计划的新基础设施, 以便在整个供应链中全面追踪牛只的改变。专家们认为, 从像 Tyson 这样的大型加工商购买产品, 可以赋予创新行业营运的 U.S. Cattle Trace 获得新的可信度。U.S. Cattle Trace 是来自几个主要养牛州和地区的养牛业者利益相关者于去年 1 月组成的, 因为他们共同认为他们需要一可行且强大的, 由行业管理端到端追踪牛疾病的系统。最终目标是透过合作夥伴的利益相关者采用的个性化管理做法, 来建立一个国家可追溯性基础设施。U.S. Cattle Trace 使用耳标, 透过超高频 (UHF) 技术收集有关动物个体的识别号码、GPS 位置以及采集的日期和时间。透过阅读器系统, 可以追踪到动物前往屠宰厂进行屠宰前所到达的每个地点。2 美元的标签是电子标签, 而不是电池供电的标签, 且在动物的整个生命周期中只使用一个标签。可以在养牛供应链的所有阶段, 包括拍卖时, 进行读取。目前在生产方面的合作夥伴组织包括堪萨斯州牲畜协会 (Kansas Livestock Association)、佛罗里达州养牛协会 (Florida Cattlemen's Association)、德克萨斯州养牛协会 (Texas Cattle Feeders Association)、德克萨斯州和西南部养牛协会 (Texas and Southwestern Cattle Raisers Association) 以及肯塔基州养牛协会 (Kentucky Cattlemen's Association)。随着该计划的扩大和更多合作夥伴的加入这个行业主导的努力, U.S. Cattle Trace 的结构将不断发展, 以适应计划的需求。Tyson 公司于 2018 年 8 月至 2020 年中期, 在 U.S. Cattle Trace 重大试点项目取得成功后才参与的。试点期间, 个别利益相关者的成本从肉牛/仔牛生产者的每头 2.84 美元至 6.06 美元不等, 而加工者的成本每头低于 0.18 美元/头。U.S. Cattle Trace 以非营利性企业的身份营运的, 并表示它将根据疾病可追溯性的需要安全地维护和管理数据。

贸易新闻

我们上周指出, 2021 年 3 月, 中国的肉类和禽肉进口量达到创纪录的 102 万吨。中国现在已经发布了细化的进口数据, 该数据显示, 3 月猪肉总进口量达到创纪录的 56.5 万吨, 而羊肉和相关产品的出货量也达到了创纪录的水平 (请参见下图)。中国 3 月的牛肉进口量为 222,000 吨, 是有史以来继 2020 年 1 月后的第二大月度进口量。尽管分析师认为, 今年的猪肉进口量可能较去年水平略有下降, 但牛肉进口量有望再创新高, 其中 1-3 月的进口量增长 20%。但供应已成为一个问题, 因主要供应商的牛肉价格已经很高。尤其谷饲牛肉的需求量特别大, 截至 4 月中旬, 美国的牛肉出口量增长 1,580%。2020 年, 谷饲牛肉约占牛肉总进口量的 5%, 但分析师认为, 由于中国和台湾消费者的需求情况相似, 因此中国很容易增长到台湾进口的 48%。



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
香港餐饮展/HOFEX, 香港: 2021 年 9 月 7-9 日