



U.S. Meat Bulletin

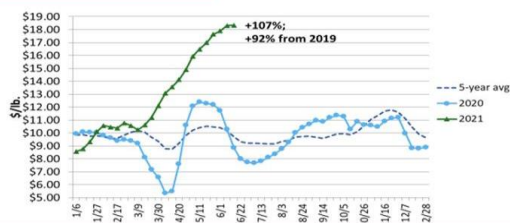
June 22, 2021

Volume XIII | Issue 6.3

SUPPLY & DEMAND

Last Friday, the USDA CHOICE cutout value closed lower week on week for the 1st time since March. The completion of institutional buying for the upcoming July 4th holiday saw an easing in spot demand after torrid domestic purchasing in April and May (see MOVING AHEAD next column). Primal values dropped for ribs, loins and briskets, although continued robust demand by steakhouses saw tenderloins edge upward to reach a new record. Domestic 90% beef trim prices were also the highest since the 2014/15 records. Ground beef processors remain active in seeking rounds and chucks as imported lean trim supplies remain tight. Last week also saw the 2nd consecutive week of large slaughter and production, with the U.S. industry harvesting 663,000 head. Live fed spot cattle prices firmed on expectations that there will be tighter cattle supplies ahead but both fed and feeder cattle futures continue to seesaw due to volatile grain markets. Reports of drought in the far west were interspersed with much needed rain in the corn belt, causing corn futures to seesaw last week. This is challenging to feedlot operators as they try and calculate break-evens while keeping feeding pens full. Exacerbating this risk is the sizeable recent flows of non-agricultural investment funds into commodities, driven in part to efforts by investors to find inflation hedges. Observers believe current grain & livestock volatility is due in part to computer trading magnifying what is a confusing picture of both crop weather conditions and the overall macroeconomic outlook.

Choice Tenderloin

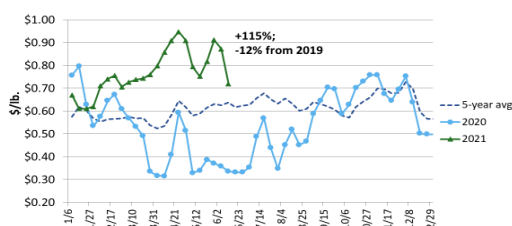


Source: USDA/AMS, trimmed heavy

Beef/Choice Beef Cutout Value: 21/6/2021 - US\$321.20/cwt. (-4% from 15/6/2021)

The pork cutout saw a significant correction last week, sliding 8% from the close of the previous Friday. Still, wholesale pork prices are up 90% from last year and up 32% from the mid-June 2019 levels. Spot hams and bellies saw double digit falls, with the belly primal falling nearly 25% on June 15th. Heavy bone-in ham values were down 17% from the previous week's close to hit their lowest values since March. Butts remain at record levels, evidence that backyard BBQ hobbyists are snapping them up for the upcoming July 4th holidays, and rib prices, which sagged last week, remain at historically high levels. Futures markets were choppy last week and moved sharply lower yesterday. Speculators are evaluating the Federal Reserve's comments about possible interest rate hikes next year, news that has helped cool all commodity markets and drive lean hog futures lower. Analysts were also examining the abrupt drop in Chinese pork prices, which could have major repercussions for the international pork trade; **China** last year accounted for nearly half of global imports. Reports from China last week indicated that current international offers for items such as carcasses and hams were U.S. \$500+ higher than the value of current inventories because of the weakening market (see TRADE next column). New net U.S. export sales to China the week ending June 10th were negative, indicating the drop off in demand there. But total new pork bookings were up from the most recent 4-week average with strong new sales to **Mexico** and **Japan**. U.S. pork prices often soften after the July 4th holiday as domestic demand and live supplies seasonally build.

Heavy Bone-in Hams



Source: USDA/AMS, 23-27#

Hog Carcass Cutout Value: 21/6/2021 - US\$120.76/cwt. (-1% from 15/6/2021)

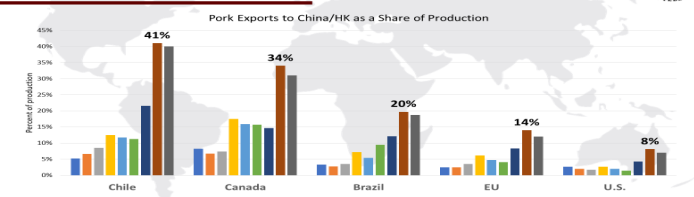
MOVING AHEAD

Coverage in U.S. business media about China's falling hog & other commodity prices was widespread last week. The Fed's announcement of a possible tightening also drove some commodities lower. On the meat side, prices in the U.S., though softening last week, remain high and more evidence has surfaced about how domestic demand has been the major driver rather than exports. To be sure, U.S. exports are still strong with total overseas shipments through June 10 +18% for beef and -2% for pork, the latter still high considering last year's record shipments. But beef and pork exports only accounted for 12% and 27% of U.S. beef and pork production respectively for the 1st 4 months of the year, and China demand is a much smaller portion of that (see TRADE below). Rather, it has been domestic demand that has propelled some meat prices to record levels. Analysts assumed that the re-opening of restaurants would cannibalize retail food sales, but so far that has not been the case. Total U.S. foodservice receipts in May reached an all-time record monthly high due to both a quick return in traffic and menu inflation. The record performance has surprised observers since according to some estimates, CoVID forced 66,000 U.S. restaurants to close, or nearly 9% of the national total. To be sure, many restaurants that rode out the pandemic did so by increasing delivery services and by expanding physical capacity due to a relaxation of outdoor dining rules. And restaurant performance - ranging from fast food outlets to steakhouses - over the last 12 weeks has been outstanding. Although the growth curve in restaurant traffic has leveled off in recent weeks, average check sizes remain record large for many operators. On the retail side, April and May 2021 grocery stores sales nationwide surprisingly were nearly as large as last year's levels during the peak CoVID shutdown period. Food inflation, including that of meat, accounts for some of the robustness, but supermarkets have also increased offerings of ready-to-eat/heat offerings which have helped sales. Although retail sales of all types fell month-on-month in May, combined U.S. grocery store and restaurant sales reached a record \$133.3 billion, nearly 6% higher than the previous one-month record set in January 2020. U.S. consumer prices reached their highest level in 13 years last month, jumping 5% from May 2020. Meat products and baked goods led the surge in food prices, according to U.S. Department of Labor statistics.

TRADE

Will the steep drop in China's pork prices result in a subsequent drop in pork imports and global pork price adjustments? It is too early to say and May global hog prices do not reflect the precipitous downturn in China values. Nor would currently available trade numbers, which are now 2 months old. There are many factors at work in world pork supply & demand beyond China's market correction, including economic re-openings in the U.S. and Europe, and the continued demand support that various CoVID relief & stimulus packages are providing. Last week's sharp fall-off in the U.S. cutout was driven by a correction in belly values, not a decline in China demand; moreover, the U.S. is not a major belly exporter. The U.S. pork demand portfolio is less dependent on China as a market than other suppliers (see graph below). Although only 14% of EU pork production is exported to China, the market constitutes 57% of the EU's total pork export portfolio (Jan-April 2021), far less than the 29% for the U.S. Year-to-date, the EU accounts for roughly 64% of China's total pork imports, suggesting that any major fall in imports is going to hit European exporters harder. Stellar U.S. domestic demand drove U.S. pork carcass prices above those of the EU in February, where they have remained at a premium ever since. EU prices have also risen since the beginning of the year, but on a less steep curve. In early June, EU price growth started to moderate, but whether that reflects the China slowdown or other factors is still unclear. But if China's pork imports swoon, there will be hundreds of thousands of tons of EU pork searching for homes in other markets; the EU exported 2.29 million tons of pork muscle cuts to China last year.

U.S. pork industry less reliant on China than its competitors



Source: USMEF estimates, USDA/FAS, TDM

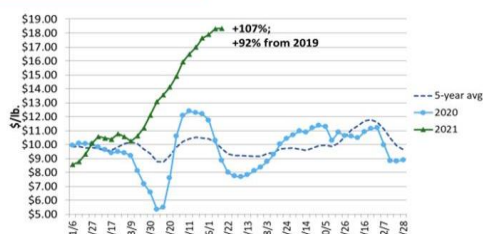
ACTIVITIES:

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

供应与需求

上周五, USDA CHOICE 分切价自 3 月以来首次出现收盘环比下降。为即将到来的 7 月 4 日假期而进行机构采购后, 现货需求于 4 月和 5 月强劲的美国国内采购后有所缓解 (请参阅下一栏的产业动态)。肋排、里肌肉和前胸肉的原始分切价下降, 但牛排馆的需求依然强劲, 腰里肌肉小幅上涨, 并创下新纪录。上周美国国内 90% 的修切牛肉价格也是自 2014/15 年度以来的最高水平; 由于进口修切瘦肉的供应仍然紧张, 牛绞肉加工商正在积极寻找后腿和肩胛部位的肉。美国上周连续第 2 周出现大规模屠宰和生产, 美国屠宰业屠宰了 663,000 头。肥育牛现货价格坚挺, 因预期未来牛只供应将趋紧, 但由于谷物市场的波动, 以及肥育牛和未肥育牛期货持续摇摆不定。美国西部干旱的报导以及玉米带急需降雨的需求, 导致上周玉米期货也不断摇摆不定。这对肥育场业者来说具有挑战性, 因他们要在保持肥育栏额满的同时计算盈亏平衡。加剧这种风险的是近期大量非农业投资资金流入商品期货, 部分原因是因投资者努力寻找通胀保值。观察家认为, 目前谷物和畜牧的波动部分是由于电脑交易放大了农作物天气状况和整体宏观经济前景的混乱局面。

Choice Tenderloin

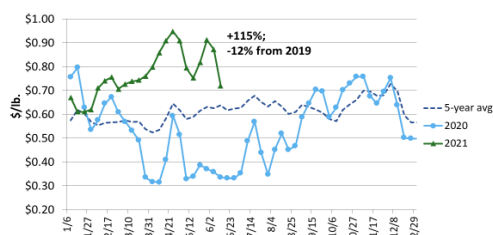


Source: USDA/AMS, trimmed heavy

美国农业部牛肉屠体价格指数 (特选级): 2021 年 6 月 21 日 - \$321.20 美元/百磅 (较 2021 年 6 月 15 日减少 4%)

上周猪肉期货出现大幅回调, 较上周五收盘下跌 8%。尽管如此, 猪肉批发价格仍较去年上涨 90%, 比 2019 年 6 月中旬的水平上涨 32%。现货的后腿肉和腹肋肉出现两位数的下降, 6 月 15 日腹肋肉价格下降近 25%。带骨后腿肉价格较前一周的收盘价下跌 17%, 创下 3 月以来的最低价值。上肩肉保持在创纪录的水平, 这表明烧烤爱好者正在为即将到来的 7 月 4 日假期抢购上肩肉, 而上周下跌的肋排价格仍处于历史高位。上期货市场波澜不惊, 昨日也大幅走低。投机者正在评估美联储对明年可能加息的评论, 这一消息帮助镇定所有商品市场, 进而推动瘦猪期货走低。分析师也在研究中国猪肉价格突然的下跌的原因, 因这可能会对国际猪肉贸易产生重大影响; 中国去年占全球进口量的近一半。上周来自中国的报告显示, 由于市场疲软, 目前国际上对屠体和后腿肉等物品的报价较当前库存价值高出 500 美元以上 (请参阅下一栏贸易新闻)。截至 6 月 10 日当周, 美国对中国的新出口净销售额为负值, 表明中国的需求下降, 但新猪肉预订总量高于近 4 周的平均水平, 和对墨西哥和日本的新销售强劲。随着美国国内需求和生猪供应的季节性增加, 美国猪肉价格于 7 月 4 日假期后通常会开始走软。

Heavy Bone-in Hams



Source: USDA/AMS, 23-2#

猪屠体分切价格: 2021 年 6 月 21 日 - \$120.76 美元/百磅 (较 2021 年 6 月 15 日减少 1%)

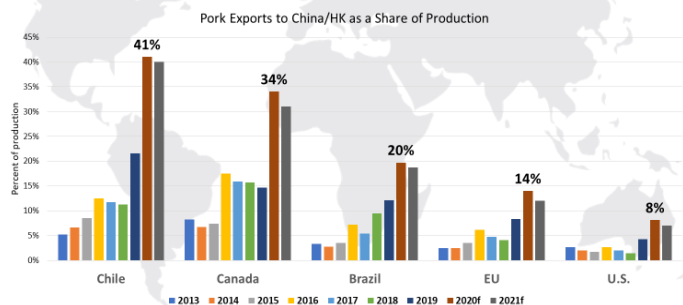
产业动态

美国商业媒体上周广泛报导了中国生猪和其他商品价格下跌的情况。以及美联储宣布可能的紧缩政策也推动了部分商品走低。在肉类方面, 美国的价格虽然上周走软, 但仍居高不下, 而且有更多证据表明美国国内需求是主要的驱动力, 而不是出口。可以肯定的是, 美国的出口仍然强劲, 截至 6 月 10 日的海外总运输量, 牛肉增长 18%, 猪肉减少 2%, 考虑到去年创纪录的出货量, 后者仍然很高。但牛肉和猪肉出口, 仅占今年前 4 个月美国牛肉和猪肉产量的 12% 和 27%, 而中国的需求在其中占的比例还小 (请参见下文的贸易新闻)。相反, 正是美国国内需求推动了一些肉类价格达到创纪录的水平。分析师认为, 餐厅的重新开业会挑拨零售食品的销售, 但到目前为止, 情况并非如此。由于客流量的迅速回升和调配成本, 5 月美国餐饮服务总收入创下月度历史新高。创纪录的表现让观察家感到惊讶, 因为根据一些估计, CoVID 迫使美国 66,000 家餐厅闭馆, 或占全国总数的近 9%。但可以肯定的是, 许多餐厅透过增加外卖服务和由于放宽户外用餐规而扩大了实体容量, 从而摆脱了疫情对他们的影响。而餐厅的表现, 从快餐店到牛排馆, 在过去 12 周内都表现的非常出色。尽管近几周餐厅客流量的增长曲线趋于平稳, 但对于许多经营者而言, 平均收益金额仍创历史新高。在零售方面, 2021 年 4 月和 5 月美国全国杂货店的销售额出人意料地几乎与去年 CoVID 停业高峰期间的水平一样的高。食品价格上涨, 包括肉类价格上涨, 在一定程度上导致了强劲的增长, 但超市也增加了即食/加热产品的供应, 这也有助于食品的销售。尽管 5 月各类零售额环比有所下降, 但美国杂货店和餐馆的总销售额达到创纪录的 1333 亿美元, 较之前在 2020 年 1 月创造的单月记录高出近 6%。美国消费者价格上个月达到 13 年来的最高水平, 较 2020 年 5 月上涨 5%。根据美国劳工部的统计数据, 肉类产品和烘焙食品导致食品价格的飙升。

贸易新闻

中国猪肉价格的急剧下降是否会导致随后猪肉进口下降和全球猪肉价格调整? 现在说还为时过早, 因 5 月的全球生猪价格并未反映出中国价值的急剧下滑。目前可用的贸易数字也不会反映出来, 因为这些数据已经是两个月前的。除了中国市场调整之外, 还有许多因素影响着世界猪肉的供应和需求, 包括美国和欧洲的经济重新开放, 以及各种 CoVID 救济和振兴经济方案提供的持续需求支持。上周美国分切价的急剧下降是由于猪腹肋肉的价格调整, 而不是中国需求的下降; 此外, 美国也不是主要出口猪腹肋肉的国家。与其他供应商相比, 美国的猪肉需求组合对中国市场的依赖程度较低 (请参见下图)。尽管欧盟猪肉产量中只有 14% 出口至中国, 但 2021 年 1 月至 4 月该市场占欧盟猪肉出口总额的 57%, 远低于美国的 29%。年初至今, 欧盟约占中国猪肉进口总量的 64%, 这表明任何进口量的大幅下降都将对欧洲出口商造成更大的打击。美国国内需求旺盛, 推动美国猪肉屠体价格于 2 月高过欧盟价格, 此后一直保持在较高的水平。欧盟价格自年初以来也有所上涨, 但上升的曲线没有那麽陡峭。6 月初, 欧盟价格增长开始放缓, 但这是否反映了中国经济放缓或其他因素, 目前尚不清楚。但是, 如果中国的猪肉进口量大幅下滑, 将有数十万吨的欧盟猪肉在其他市场寻找新的市场; 去年欧盟向中国出口了 229 万吨的猪肉分切。

U.S. pork industry less reliant on China than its competitors



Source: USMEF estimates, USDA/FAS, TDM

美国肉类出口协会活动预告:
香港餐饮展/HOFEX, 香港: 2021 年 9 月 7-9 日