



# U.S. Meat Bulletin

July 20, 2021

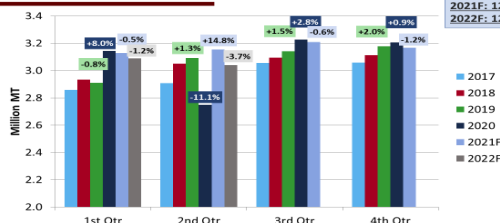
Volume XIII | Issue 7.2

## SUPPLY & DEMAND

The beef cutout value continues to drift lower with seasonal summer weakness, but prices still remain historically high and movement of product through restaurants and supermarkets remains brisk (see pork section below). Brisket and tenderloin wholesale prices noticeably eased through the week, while ribs – which had fallen in recent weeks – moved sideways. Live fed cattle prices seesawed last week but there is optimism about prices firming steadily in coming months. That said, cattle futures dipped last week on investor sentiment that the current high inflation rate will be temporary. Analysts generally believe that the U.S. cattle herd is in the liquidation phase of its current cycle. A severe drought in the west is exacerbating the female cull. U.S. cow slaughter numbers during Q2 2021 were 17% higher than during the same period last year and 12% over CoVID 2019. To be sure, not all cow-calf areas are experiencing water challenges, with cow slaughter in Nebraska, Iowa, Missouri and Kansas below the pace of a year-ago. Although the placement of cattle into feedlots during this June are expected to show a fall from June 2020, analysts still believe that dry conditions will result in figures showing higher June 2021 placements than the 2015-19 average. If so, fed cattle supplies through the end of the year could be more abundant than originally forecasted. Despite the possible impact of drought on cattle placements, USDA's latest forecasts call for YOY declines in Q3 and Q4 beef production, though quarterly output will be equal to or larger than 2017-19.

USDA expects beef production to tighten during the second half of 2021 compared to 2020

2017: 11.88 MMT, +3.8%
2018: 12.19 MMT, +2.6%
2019: 12.32 MMT, +1.0%
2020: 12.33 MMT, +0.1%
2021F: 12.66 MMT, +2.7%
2022F: 12.39 MMT, -2.1%



**Beef Choice Beef Cutout Value: 19/7/2021 - US\$266.49/cwt. (-3% from 12/7/2021)**

Low harvest numbers, reports of renewed outbreaks of ASF in **China** and strong consumer food buying at both retail and foodservice contributed to firmness in the pork cutout last week. Last week's slaughter volume of 2.28 million head was the lowest for a non-holiday week so far this year. Lower hog slaughter weights are also underpinning price firmness as overall pork supplies tighten. Domestic U.S. tourism numbers have been high so far this summer, a trend which is supportive to sandwich meals and away-from-home breakfasts. This in turn is driving strong demand for processed meats, including sausage and especially bacon, which is seasonally popular in the summer as tomato availability increases. Consumers continue to show a willingness to spend on food; the value of combined June 2021 national grocery and foodservice sales were up 20% year over year, accelerating from May. June retail food sales were up 6% from last year, & up 16% from pre-pandemic 2019. June 2021 restaurant receipts were record high, +38% from last year and +7% from 2019. Lean hog futures firmed last week on general market optimism, but pork exports for the latest reporting week (week ending July 8<sup>th</sup>) were disappointing at just over 25,000 tons, a marketing year low. The pace of exports has weakened in the past 8 weeks with the collapse in Chinese hog prices and slowdown in wholesaling activity for imported pork. China has also released Q2 pork production data showing that output rose 30% in the April-June period, putting H1 pork production at 26.74 million tons, up 34% from last year and up 2% from pre-ASF 2018.



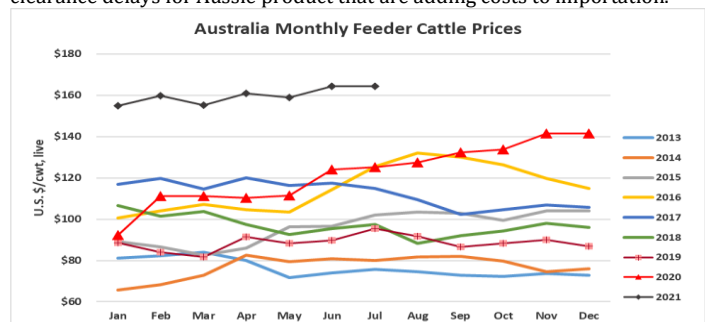
**Hog Carcass Cutout Value: 19/7/2021 - US\$121.85/cwt. (+4% from 12/7/2021)**

## MOVING AHEAD

The U.S. President signed a broad executive order (EO) on July 9 to promote more competition in various sectors of the U.S. economy, ranging from agriculture to healthcare to the internet. The EO contains 72 new initiatives designed to “promote the interests of American workers, businesses, and consumers.” The EO contained several directives aimed at the livestock and meat sector. First, USDA will investigate the effectiveness of the 100-year old [Packers and Stockyards Act](#), which was originally formulated to protect producers from unfair practices in livestock and meat markets. Many U.S. cattle producers have been unhappy about the rising spread between meat and live animal prices, citing growing processing industry consolidation. The U.S. processing industry has claimed that labor and plant capacity issues have handicapped slaughter levels, and that the market will self-correct when cyclically high cattle numbers decline. (Although not specifically part of the EO, USDA is investing U.S. \$500 million into expanding meat and poultry processing capacity.) The new EO also directs USDA and the [Federal Trade Commission](#) to investigate and further define “Product of USA” voluntary labeling on meat products. Country of origin labeling has been a contentious issue within in the industry as some livestock producers want the label only to be applied to product from animals born and raised in the U.S. Current rules state that an item can be labeled a “Product of the USA” so long as it was slaughtered and/or processed domestically. Other mandates under the EO include directing the USDA to determine - within 180 days - new and “alternative” ways to market and distribute agricultural products. Additionally, the executive order also includes a section on maritime shipping, specifically targeting detention and demurrage fees and practices. The order encourages the [Federal Maritime Commission](#) (FMC) to “vigorously enforce the prohibition of unjust and unreasonable practices in the context of detention and demurrage...” and asks the FMC to consider further rulemaking to improve detention and demurrage practices. Global shipping capacity and operations have been strained by post pandemic spikes in consumer demand worldwide, which has led to all time high shipping rates. Capacity has been further hindered by social distancing restrictions and labor shortages on docks, in warehouses, and in trucking fleets. The EO cannot itself put all these directives into effect, and none were enacted overnight. Rather, the EO process directs federal agencies such as the USDA to begin work on specific rules, a process that will likely include public comment periods, which experts say could last 3-4 months. Executive Orders have the force of law, much like regulations issued by federal agencies, but are not legislation and do not require Congressional approval. That said, Congress may pass legislation that might makes it difficult, or even impossible, to carry out EOs, such as removing funding.

## TRADE

Last week, Australian cattle prices reached new highs, a sign of tight supplies as abundant rain incentivizes restocking. The reference Eastern Young Cattle Indicator (EYCI) approached the A \$10/kg (U.S. \$7.50/kg) market (dressed basis) for the first time since the index was established. Comparing to U.S. cattle, average Queensland feeder steers (330-40 kgs) last week were valued at U.S. \$168/cwt, while a lot of Kansas feeder steers with a similar average weight range sold for \$163/cwt. Analysts believe Australian prices will move even higher during H2, while the percentage of beef finished on grain – 47% during Q1 2020 - will continue to increase, and despite improving pasture conditions. In the meantime, lofty cattle prices and tight supplies have slowed Australian beef exports. Australia's total Jan-June beef shipments were down 24% year on year, with exports to #2 market **China** down 40%. The largest declines in exports consist of grass-fed frozen product, with [Meat & Livestock Australia](#) reporting that H1 2021 grain-fed exports were down only 5% year on year. Australia's China business remains handicapped by the continued suspension of 6 beef plants. Chinese importers are also reporting customs and quarantine clearance delays for Aussie product that are adding costs to importation.

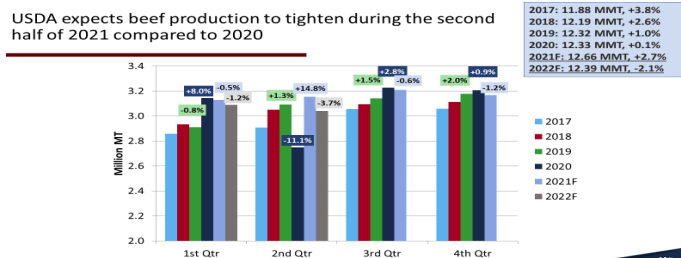


## ACTIVITIES:

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

## 供应与需求

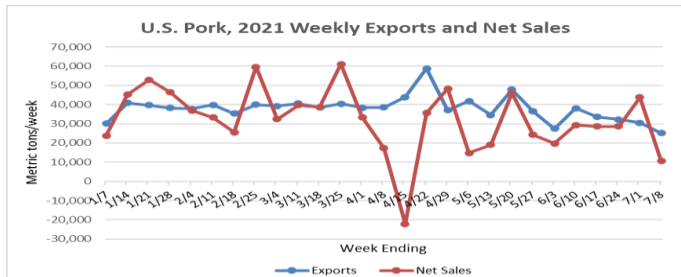
随着夏季季节性疲软，牛肉分切价值持续走低，但价格仍然保持在历史高位，产品通过餐厅和超市的流动仍然活跃（请参见下方猪肉的部分）。本周牛前胸肉和腰内肉批发价格明显回落，而最近几周下跌的肋排则横盘整理。活已肥育牛价格上周出现震荡，但人们对未来几个月价格稳步走强持乐观态度。也就是说，由于投资者认为当前的高通胀率将是暂时的，上周牛市期货出现下滑。分析师们普遍认为，美国牛群正处於当前周期的清算阶段。西部的严重干旱加剧了母牛的宰杀速度。美国 2021 年第二季度全美国屠宰的肉牛比去年同期高 17%，也比 2019 年 CoVID 前期高出 12%。可以肯定的是，并不是所有的奶牛饲养区都遇到了水的挑战，内布拉斯加、爱荷华、密苏里和堪萨斯的肉牛屠宰量低於去年同期的速度。尽管预计今年 6 月 5 牛只投放近肥育场的数量将比 2020 年 6 月有所下降，但分析师仍然认为，乾燥的条件将导致数据显示 2021 年 6 月的投放量高於 2015-19 年的平均水平。如果是这样的话，至今年年底的已肥育牛只供应可能比最初预测的要丰富。尽管乾旱可能对牛的安置产生影响，但 USDA 的最新预测认为，第三季度和第四季度的牛肉产量将出现同比下降，不过季度产量将持平或大於 2017-19 年。



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

## 美国农业部牛肉屠体价格指数（特选级）：2021年7月19日 - \$266.49 美元/百磅（较2021年7月12日减少3%）

低屠宰量、中国再次爆发 ASF 的报导以及零售和餐饮服务的消费者食品购买强劲，导致上周猪肉分切价坚挺。上周的屠宰量为 228 万头，是今年迄今为止非假日周的最低水平。随着整体猪肉供应的收紧，较低的生猪屠宰重量也支撑着价格的坚挺。今年夏天到目前为止，美国国内旅游人数一直很高，这一趋势对三明治餐和外带早餐有支持作用。这反过来又推动了对加工肉类的强劲需求，包括香肠和培根。尤其是培根，随着番茄供应量的增加，培根成为夏季季节性的热门食品。消费者持续表现出在食品上的消费意愿；2021 年 6 月美国全国食品杂货和餐饮服务的总销售额较 5 月份增长 20%。6 月零售食品销售额比去年增长 6%，比 2019 年疫情前增长 16%。2021 年 6 月餐厅收入创历史新高，比去年增长 38%，比 2019 年增长 7%。由于市场普遍乐观，上周瘦猪期货走强，但最新报告周（截至 7 月 8 日的一周）的猪肉出口令人失望，仅略高於 25,000 吨，创下销售年度低点。由于中国生猪价格暴跌和进口猪肉批发活动放缓，出口速度在过去 8 周有所放缓。中国还发布了第二季度猪肉产量数据，显示 4 月至 6 月产量增长 30%，上半年猪肉产量为 2,674 万吨，比去年增长 34%，比 2018 年非洲猪瘟之前增长 2%。



## 猪屠体分切价格：2021年7月19日 - \$121.85 美元/百磅（较2021年7月12日增加4%）

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

## 产业动态

美国总统於 7 月 9 日签署了一项广泛的行政命令 (EO)，以促进美国各个领域的经济竞争，从农业到医疗保健再到互联网。EO 包含 72 项旨在“促进美国工人、企业和消费者的利益”的新举措。EO 也包含几项针对性畜和肉类产业的指令。首先，USDA 将调查具有 100 年历史的《Packers and Stockyards Act》有效性，该法案最初是为了保护生产者免受畜牧和肉类市场的不公平待遇。许多美国养牛育成业者对肉类和活体动物价格之间的价差不断上升感到不满，理由是加工业的整合不断加剧。美国加工工业声称，劳动力和屠宰厂产能问题阻碍了屠宰水平，当周期性高位牛只数量下降时，市场将自我纠正。（虽然不是 EO 的具体组成部分，但 USDA 正在投资 5 亿美元来扩大肉类和禽肉加工的能力。）新的 EO 还指示 USDA 和 [联邦贸易委员会](#) 调查，并进一步定义肉制品上的“美国产品”自愿标签。原产国标签一直是业内有争议的问题，因为一些畜牧生产者希望标签仅适用于在美国出生和饲养的动物的产品。目前的规则规定，只要是在美国国内屠宰和/或加工的产品，就可以贴上“Product of the USA”的标签。EO 下的其他任务包括指示 USDA 在 180 天内确定营销和分销农产品的新的“替代”方式。此外，该行政命令还包括一个关于海运的部分，特别是针对滞留和滞期费和做法。该命令鼓励 [联邦海事委员会](#) (FMC) “在滞留和滞期费的情况下大力执行禁止不公正和不合理的做法...” 并要求 FMC 考虑进一步制定规则，以改善滞留和滞期费的做法。全球航运能力和运营受到全球消费者需求在疫情后激增的压力，导致了空前的高运费。社会疏远限制以及码头、仓库和卡车车队的劳动力短缺进一步阻碍了产能。EO 本身无法将所有这些指令付诸实施，而且没有一个指令是在一夜之间颁布的。相反，EO 程序会指示 USDA 等联邦机构开始制定具体规则，该程序可能包括公众意见徵询期，专家称这可能持续 3-4 个月。行政命令具有法律效力，就像联邦机构发布的法规，但不是立法，不需要国会批准。也就是说，国会可能会通过立法，使执行 EO 变得困难，甚至不可能，例如取消资金。

## 贸易新闻

上周，澳大利亚牛的价格创下新高，这是由于充沛的降雨刺激了补货而导致供应紧张的迹象。自该指数成立以来，参考东部幼牛仔指标 (EYCI) 首次接近 10 澳元/公斤 (7.50 美元/公斤) 的市场（按精加工基准）。与美国牛只相比，上周昆士兰未肥育小公牛 (330-40 公斤) 的平均价值为 168 美元/百磅，而许多平均重量范围相似的堪萨斯州未肥育小公牛售价为 163 美元/百磅。分析师认为，澳大利亚的价格在下半年将进一步走高，而谷饲牛肉的百分比 (2020 年第一季度为 47%) 将继续增加，尽管牧场条件有所改善。与此同时，高昂的牛价和供应紧张导致澳大利亚牛肉出口放缓。澳大利亚 1 月至 6 月的牛肉总出货量同比下降 24%，其中对第二大市场中国的出口也下降 40%。出口降幅最大的是冷冻草饲牛肉产品，[澳大利亚肉类和畜牧业](#) 报告称，2021 年上半年谷饲牛肉出口仅与同比下降 5%。澳大利亚的中国业务仍因 6 家牛肉屠宰厂的持续停业而受到阻碍。中国进口商也报告了澳大利亚产品的海关和检疫清关延迟，这增加了进口成本。

