



U.S. Meat Bulletin

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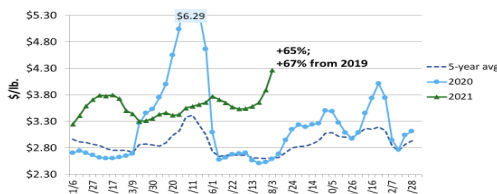
SUPPLY & DEMAND

The beef cutout moved higher last week again as retailers chased supplies for the Labor Day holiday and consumers stocked up in anticipation of fewer trips out due to the spread of the Delta CoVID variant. Values of most primals increased, with interest in ribs & loins especially high. The cutout was also supported by strength in fatty trimmings and beef by-products, including hides. Wholesale chuck roll prices are at record levels. Plants struggled last week in their harvest activity with the nation managing to process only 641K head of cattle, down 8K head from the previous week, and despite record high processing margins for this time of year. Live fed cattle prices firmed, but to a far lesser extent than the jump in boxed beef prices. Futures were choppy last week. Near term supplies of fed cattle remain ample, with analysts forecasting that a tightening of the pipeline will not start to become noticeable until the beginning of Q4. The disconnect between live cattle and beef prices continues to attract attention at the policy making level, and USDA announced last week that it will publish several new cattle reports which it claims will provide the market with greater pricing transparency. In the meantime, beef exports continue to sizzle, with volumes shipped overseas through the end of July +13% above the average pace of 2018-2020. Exports to Asia remain solidly above recent five-year averages, driven by the explosion over the last year of new China business. Some uncertainty lies ahead as main markets **Japan** and **Korea** experience record new CoVID cases (see TRADE next column.)

MOVING AHEAD

Labor has arguably become the #1 issue for the beef, pork & poultry industries. Worker shortages slow down harvest & fabrication times, which in turn have pushed up meat prices, especially of value-added items requiring higher labor input (e.g., boneless vs bone-in hams). Analysts are also pointing to labor shortages as the main factor driving a wedge between live animal & meat prices, an issue that has grown politically contentious as producers have watched meat prices surge while livestock prices remain relatively flat. But problems persist across the entire pork supply chain, including on farms. The **National Pork Producers Council (NPPC)** has just published a study on the labor shortage problem in the U.S. pork industry. Iowa State University economists conducting the study (ISU) concluded that labor shortages are the result of several long-term changes to the pork industry; 1) an increase in hired labor vs family labor on swine farms; 2) slowing population growth and an aging of the work force in non-metropolitan counties where most hog production and harvest/fabrication facilities are located; and 3) a decline in the flow of immigrants into rural labor markets. An overlay to these longer-term structural trends has been the recent strengthening of the broader U.S. labor market. The U.S. unemployment rate fell from the post-financial crisis level of 10% in 2009 to 3.5% in early 2020. CoVID initially caused unemployment rates in mid-2020 to spike, but then rates declined steeply in early 2021 to the low rates of today. Unemployment in the 8 main hog production states is even lower at 1.3%, with labor force participation rates above the national average, meaning there is little or no slack in these markets. Moreover, while the labor force has declined in 5 of the 8 largest hog production states, the number of firms employing workers in hog production has increased significantly. Overall, ISU research showed that from 2001 to 2020, employment in the swine industry - nationwide - grew by an annual rate of 1.5% or nearly 4X faster than employment growth in all U.S. industries. And total and weekly wages in hog production jobs have also grown faster than the average of all U.S. industries over the 20-year span. Finally, the modernization of the hog production industry - e.g., the requirement that labor be able to manage increasingly sophisticated farm procedures such as antibiotic-use guidelines and other regulations and protocols - has created demand for employees with higher levels of education and training. Late last month, the NPPC testified to Congress concerning the industry's labor problems and are requesting reforms to the H-2A seasonal farm worker visa program to allow year-round labor without a cap, while providing legal status for agricultural workers already in the country.

Choice Chuck Roll 1x1

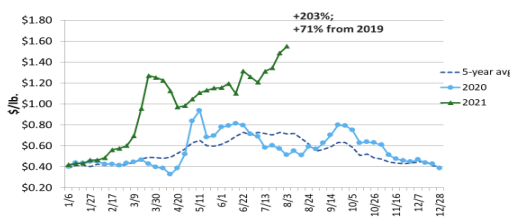


Source: USDA/AMS

Beef Choice Beef Cutout Value: 9/8/2021 - US\$299.80/cwt. (+7% from 2/8/2021)

Wholesale pork prices continued to firm last week, and are now near the high levels of 2 months ago. Record high prices for pork trimmings, the principal ingredients in sausage and other processed meat production, helped propel the overall pork cutout. Lighter dressed hog weights are also supporting prices. Although weights normally decline in the summer months, this year's drop, especially since June, has been sharper than previous years. Positive processing margins are driving plants to harvest as many hogs as possible, although last week's harvest of 2.327 million head was 200K below the same week last year. Labor shortages continue to plague meat plants, and new policies by some processors that workers must receive vaccinations could spell even tighter worker availability. The availability of labor in rural areas is extremely tight, and set to worsen, according to many experts. Last Friday, the U.S. Department of Labor reported U.S. employers hired the most workers in nearly a year during July while continuing to raise wages (see related story MOVING AHEAD next column.) On the export side, there was encouraging news from the latest USDA weekly export & sales report showing large new purchases by **China** during the week ending July 29. Total U.S. pork muscle cut exports through the end of July were down 3% from the pace of last year, but trends indicate 2021 will see the 2nd largest volume of U.S. exports ever.

Pork 42% Trim Boxed



Source: USDA/AMS

Hog Carcass Cutout Value: 9/8/2021 - US\$124.24/cwt. (-4% from 2/8/2021)

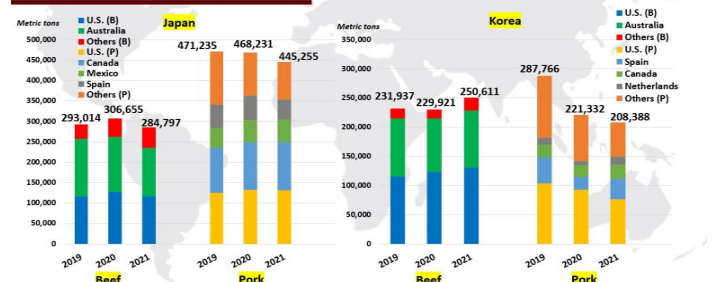
ACTIVITIES:

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

TRADE

Trade data from H1 2021 for **Japan** and **Korea** shows declines in pork imports by both markets during the Jan-June period, while beef shipments to Korea increased year-on-year but fell in Japan (see GRAPH below). While the pace of beef imports by Korea was record fast, Japan's imports of frozen beef noticeably slowed as China outbid it for supplies of price sensitive Asian beef cuts such as short plate. The outlook for both markets during H2 remains murky as CoVID cases hit record high levels. Cases in Korea and Japan are now hovering at 1,500/day and 12,000-15,000/day respectively, both highs since the onset of the pandemic. Both countries have imposed strict social distancing measures, crimping the operational flexibility of most foodservice operations that account for the majority of imported beef consumption. Japan's measures have focused mainly on urging eateries that serve alcohol to close and those that don't to do so by 8 p.m. Korea's regulations ban private gatherings of more than two people after 6 p.m., including in restaurants. Korea has also placed restrictions on the operating times & the number of visitors to retail outlets, which is expected to curtail store traffic, especially in the evenings when 30% of sales are recorded. In both markets, delivery and takeaway orders are now increasing dramatically, but it remains to be seen how the new restrictions may impact meat consumption behavior in the near future.

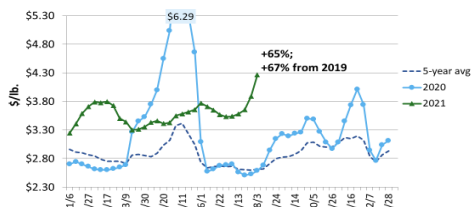
Japan & Korea: H1 Chilled & Frozen Beef & Pork Imports (Jan-Jun; metric tons)



供应与需求

由於 Delta CoVID 变种病毒的传播，以及零售商为劳动节假期追逐供应，并且消费者预计外出次数会减少，因此牛肉分切价再次走高。几乎所有其他分切的价值都在增加，对肋排和里肌肉的兴趣尤其高。较肥的绞肉和牛肉副产品，包括牛皮的强势也支持了分切价。下肩胛眼肉卷批发价格处于创纪录水平。上周，屠宰厂在屠宰活动中苦苦挣扎，美国全国仅屠宰 64.1 万头牛只，比前一周减少了 8 千头，尽管每年这时的屠宰利润率都会创历史新高。活已肥育牛只价格坚挺，但幅度远小于箱装牛肉价格的上涨。上周期货走势震荡。近期已肥育牛只的供应量仍然充足，分析师预测，供应量的收紧直到第四季度初才会开始变得明显。由於活体牛只和牛肉价格之间的脱节持续引起政策制定层面的关注，USDA 上周宣布他们将发布几份新的牛只报告，这份报告声称将为市场提供更大的定价透明度。与此同时，牛肉出口继续火爆，截至 7 月底，海外发货量比 2018-2020 年的平均速度高出 13%。在去年中国新的业务推动之下，美国对亚洲的出口仍然远高于近五年的平均水平。由於主要市场日本和韩国经历了创纪录的 CoVID 新病例，因此未来存在一些不确定性（请参阅下一栏的贸易新闻）。

Choice Chuck Roll 1x1

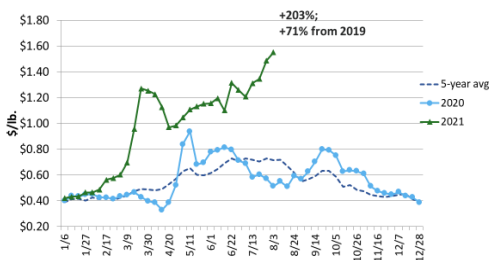


Source: USDA/AMS

美国农业部牛肉屠体价格指数（特级级）：2021年8月9日 - \$299.80 美元/百磅（较2021年8月2日增加7%）

上周美国猪肉批发价格持续坚挺，接近 2 个月前的高位水平。作为香肠和其他加工肉制品的主要成分，猪肉分切价创下历史新高，有助于推动整个猪肉分切的发展。较轻的生猪体重也支撑了价格。尽管猪只体重通常在夏季下降，但今年的下降，尤其是自 6 月以来，比往年更加明显。积极的加工利润促使屠宰厂尽可能多地屠宰生猪，尽管上周的屠宰量为 232.7 万头，但比去年同期低 20 万头。劳动力短缺继续困扰着肉类屠宰厂，一些加工厂的新政策规定工人必须接种疫苗，这可能意味着工人的出席率更加紧张。许多专家认为，农村地区的劳动力供应非常紧张，而且情况还会进一步恶化。上周五，美国劳工部称，美国雇主在 7 月份雇用了近一年来最多的工人，同时继续提高工资（请参阅下一产业动态的相关报导）。在出口方面，USDA 最新的每周出口和销售报告显示，在截至 7 月 29 日的一周内，中国有大量的新采购，这是令人鼓舞的消息。截至 7 月底，美国猪肉分切出口总量比去年下降 3%，但趋势表明 2021 年美国出口量将达到历史第二大。

Pork 42% Trim Boxed



Source: USDA/AMS

猪屠体分切价格：2021年8月9日 - \$124.24 美元/百磅（较2021年8月2日减少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

劳动力可以说已成为牛肉、猪肉和禽肉行业的首要问题。工人的短缺减缓了屠宰和制造的时间，这反过来又推高了肉类的价格，尤其是需要更高劳动力投入的增值产品（例如，去骨与带骨后腿肉）。分析师还指出，劳动力短缺是导致活体动物和肉类价格之间存在差距的主要因素，由於生产商看到肉类价格飙升而畜牧价格保持相对平稳，这一问题在政治上引起了争议。但问题依然存在於整个猪肉供应链中，包括农场。国家猪肉生产商委员会 (NPPC) 刚刚发表了一项关于美国猪肉行业劳动力短缺问题的研究。进行这项研究的爱荷华州立大学经济学家 (ISU) 得出结论，劳动力短缺是猪肉行业多次长期变化的结果：1) 养猪场雇佣劳动力相对于家庭劳动力的增加；2) 大多数生猪生产和屠宰/加工厂所在的非都市县的人口增长放缓以及劳动力老龄化；3) 流入农村劳动力市场的移民减少。这些长期结构性趋势的叠加是近期美国更广泛劳动力市场的加强。美国的失业率自 2009 年金融危机後的 10% 下降至 2020 年初的 3.5%。CoVID 最初导致 2020 年年中的失业率飙升，但隨後於 2021 年初急剧下降至今天的低水平。8 个主要生猪生产州的失业率甚至更低，为 1.3%，劳动力参与率高于全国平均水平，这意味着这些市场几乎没有或根本没有闲置。此外，尽管 8 个最大的生猪生产州中有 5 个州的劳动力有所下降，但在生猪生产中雇用工人的公司数量却大幅增加。总体而言，ISU 的研究表明，自 2001 年至 2020 年，全国养猪业的就业增长率为 1.5%，比美国所有行业的就业增长速度快近 4 倍。而且，在过去 20 年间，生猪生产工作的总工资和周工资的增长速度也高于美国所有行业的平均水平。最後，生猪生产行业的现代化，例如，要求劳动力能够管理日益复杂的农场程序，抗生素使用指南和其他法规和协议，创造了对具有更高教育和培训水平的员工的需求。上个月底，NPPC 就该行业的劳工问题向国会作证，并要求对 H-2A 季节性农场工人签证计划进行改革，以允许全年无上限的劳动力，同时为已经在该国的农业工人提供合法身份。

贸易新闻

日本和韩国 2021 年上半年的贸易数据显示，1 月至 6 月期间，这两个市场的猪肉进口量均有所下降，而韩国的牛肉出货量同比增加，但日本则有所下降（请参见下方图表）。虽然韩国牛肉进口速度创历史新高，但日本的冷冻牛肉进口明显放缓，因中国对价格敏感的亚洲牛肉分切（如胸腹肉）的出价高于日本。由於 CoVID 病例创下历史新高，这两个市场在下半年的前景仍然不明朗。韩国和日本的案例现在分别徘徊在 1,500 例/天及 12,000-15,000 例/天，均为疫情爆发以来的高点。这两个国家都实施了严格的社交距离措施，限制了占进口牛肉消费大部分的大多数餐饮服务业的运营灵活性。日本的措施主要集中在敦促提供酒水的餐厅关闭，而不提供酒水的餐厅则需於晚上 8 点前关闭。韩国的规定禁止於下午 6 点之後举行两人以上，包括在餐厅在内的私人聚会。韩国还对零售商店的营业时间和访客人数进行了限制，预计这将减少商店的客流量，尤其是在销售量达到 30% 的晚上。在这两个市场，外卖和外卖订单现在都在急剧增加，但新的限制在不久的将来会如何影响肉类消费行为还有待观察。

Japan & Korea: H1 Chilled & Frozen Beef & Pork Imports (Jan-Jun; metric tons)

