



U.S. Meat Bulletin

February 1, 2023

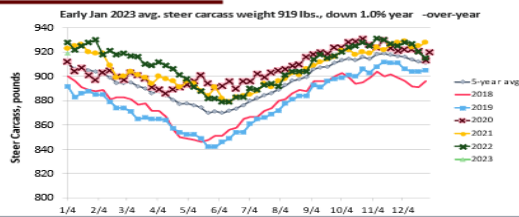
Volume XV | Issue 2.1

Note: The next U.S. Meat Bulletin will be published Feb 8.

SUPPLY & DEMAND

Wholesale beef prices moved lower through last Friday but firmed during the 1st two days of this week. After a tepid market over the last few weeks, February is beginning with more optimism, both in beef & live cattle complex. Frigid weather in the cattle heartland is affecting cattle feeding performance, resulting in significantly lighter average weights for fed steers & heifers entering plants in recent weeks (see MOVING AHEAD next column). Optimists believe that even if temperatures rise in the early spring, the impact of the weather will continue to adversely affect weights through April or May. This is adding bullishness to a market that was already expecting tightening cyclical conditions. USDA's Jan 20 cattle on feed report offered clear evidence of the contraction underway in U.S. cattle supplies. First, the Jan 1, 2023, cattle on feed inventory totaled 11.7 million head, **3%** under a year earlier. Cattle placed on feed during December totaled 1.8 million head, **8%** below December 2021. Total U.S. beef production in December was **5.8%** lower than the same month in 2021. One data point worth noting was the number of heifers on feed as of Jan 1. The 4.65 million head of female animals in feedlots was only slightly below year-earlier levels, suggesting that cow-calf operators still are not seeing incentives to hold back more females for breeding, despite the outlook for higher cattle prices as the cattle cycle further contracts. Some analysts believe the high costs of inputs, such as feed, hay and fuel are discouraging expansion, and drought conditions – though improving – are still challenging producers. On the beef export side, eyes are on **China**, where the epidemic curve moved faster than forecast, leading to hopes of a quicker recovery in restaurant traffic & overall consumer demand. Wholesale imported beef prices are starting the New year on a firmer footing.

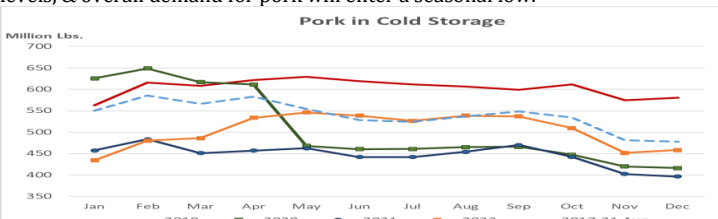
Steer weights averaged a record 910 lbs. in 2022, up from 208 lbs. in 2020 and 906 lbs. in 2021; steer weights trended lower from December 2022 into January 2023



Source: USDA/NASS

Beef Choice Beef Cutout Value: 31/1/2023 - US\$266.09/cwt. (-4% from 13/1/2023)

Wholesale pork prices were mixed last week, with modest firmness in bone-in ham values being offset by weakness in boneless product. Analysts described deli meat demand as being weak. The February lean hog futures contract closed last Friday at a 3 1/2 month low as market players try and reconcile USDA's forecast of tighter live hog supplies early this year with actual harvest numbers that are running – through last Friday - **+2.2%** above the pace of a year ago. Interestingly, the high harvest activity so far this year came after a sharp **7.2%** YOY drop in December pork output. Pork may also be receiving some pressure from poultry, which is piling up in cold storages after production ramped up during the late summer and fall of last year. With food inflation remaining front & center for both consumers and institutional users, restaurants have cheered the roughly **25%** price drop on chicken breasts, wings, and tenders since their high point last mid-summer. U.S. pork stocks stored in freezers storage moved upwards toward pre-covid levels earlier in 2022 and have been close to the previous 5-year average since May. At the end of December, pork stocks in cold storage were **+16%** from last year but down **4.1%** from the previous 5-year average and down **21%** from 2019. On the export side, **China's** live hog prices following the Lunar New Year's holiday were even-to-weaker to pre-holiday levels, & overall demand for pork will enter a seasonal low.



Hog Carcass Cutout Value: 31/1/2023 - US\$80.25/cwt. (-2% from 13/1/2023)

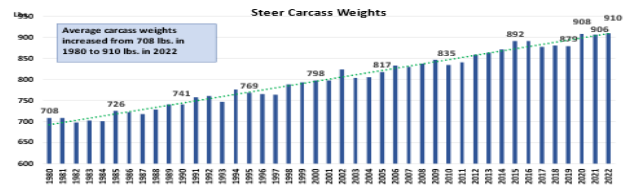
ACTIVITIES:

Food & Hotel Asia, Singapore: April 25-28, 2023
SIAL, Shanghai: May 18-20, 2023

MOVING AHEAD

Falling U.S. fed cattle weights have been a hot topic of discussion over the last 2 weeks. Given that U.S. beef output is already under pressure due to the downturn in the cattle cycle, any reduction in cattle weights will exacerbate the tight supply situation. Average fed steer & heifer weights – blended – are currently estimated to be **-1.9%** or 17 pounds below year-ago levels. Weights of some cattle moving recently into plants in Colorado, Kansas and Nebraska are 40-200 pounds off of what would be considered 'normal'. The lighter animals, combined with lower cattle harvest numbers, led to lower beef production in January; the U.S. beef supply during January was approximately **-2.5%** to Jan 2022. Harsh weather adversely affects cattle feeding performance and is being blamed for the weight downturn. To be sure, winter weather always challenges feedlot operators, but in the last few weeks, many fed cattle have been sold light by operators who see more adverse weather in the forecast & who don't want to risk animals spending additional days on pricey feed without return. That said, a percentage or two drop in average cattle weights is likely temporary & is contrary to the historical trend. Over the last two decades, cattle have clearly been getting heavier (see GRAPH below). Since 1970, average cattle weights have increased by a sharp **30%**, leading to total U.S. beef production increasing roughly **25%**, while total cattle inventories have fallen. While processing plants still apply discounts to heavier (& underweight) cattle, large animals have become more acceptable over time, with plants realizing a bigger carcass produces more beef per animal & at steady operating costs. Currently, according to USDA data, the current average discount for carcasses over 900 pounds - considered an upper threshold for the 600-900-pound normal sized animal - is roughly U.S. \$ 0.077/lb. Some think that upper limit of getting hit with discounts will continue to increase. And while there is still some concern about the fact that heavier carcasses yield thinner steaks to those institutions serving fixed weight portions, the market appears to be somewhat adjusting to managing larger animals.

Historical Increase in Carcass Weights



Source: USDA/NASS

TRADE

Korea imported a record volume of beef in 2022, and despite disruptions to the economy in Q2 when the Omicron wave rolled over large swaths of the population causing restaurant traffic to swoon. Imports of U.S. beef also hit a record at 265K tons, accounting for 52% of total trade. On the pork side, total imports rebounded sharply, with the tonnage the 2nd largest on record (see GRAPHS below). The trade expects more difficult conditions in 2023. Korea continues to battle two-decades high inflation, & economic growth is forecast to be anemic this year. USMEF forecasts that total beef imports this year will be steady or decline slightly. Headwinds include the weak economy, high imported beef stocks, & high inventories of local Hanwoo cattle. Australia, Korea's #2 supplier, will also have more exportable grass-fed product available this year. Last year, Korean buyers went long on imports of U.S. beef expecting prices to jump because of the turn of the U.S. cattle cycle & strong competition from China buyers. But wholesale U.S. beef prices remained stable through last year, and China buying slipped during Q4 due to COVID outbreaks & a rapid contraction of foodservice sales during the peak pandemic period. A silver lining on the trade side is the Korean government's extension of temporary zero duties on a number of commodity imports, including pork, chicken, and cooking oil. Korea announced last July that it would allow 100K tons of duty-free imports, but the quota ran out in mid-October and has not been extended. U.S. beef imports in 2023 are subject to an 8% duty while Aussie product is assessed 13.3%.

Korea : total beef & pork imports (Jan - Dec: '000 metric tons)



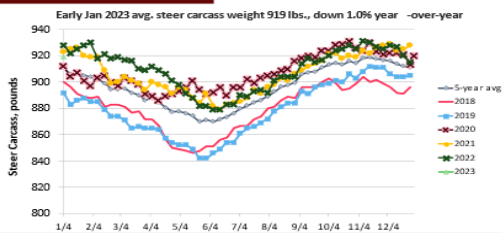
Source: TDM including variety meats

编辑笔记：下期《美国肉品新知》将于2023年2月8日发布。

供应与需求

牛肉批发价格在上个星期五一直呈下降趋势，但在本周的头两天却有所坚挺。在经历了过去几周的不温不火的市场之后，2月份牛肉和活牛市场开始变得更加乐观。牛只中心地带的寒冷天气正在影响牛的饲养性能，导致最近几周进入工厂的出栏公牛和母牛的平均体重显著减轻（请下载栏参照产业动态）。乐观的情况下，即使初春气温上升，天气的影响将持续到4月或5月，对牛只体重产生不利影响。这为市场增加了看涨情绪，此前市场已经预期周期性牛只供应的收紧。美国农业部1月20日的育肥牛只报告为美国牛只供应正在收紧提供了明确的证据。首先，2023年1月1日，育肥场牛只总数为1170万头，同比下降3%。12月运送到育肥场的牛只总数为180万头，比2021年12月的数量低8%。美国12月牛肉总产量比2021年同期下降5.8%。一个值得注意的数据点是截至1月1日育肥场的小母牛数量。育肥场的465万头母牛牛只数量仅略低于上年同期水平，这表明，母牛-小牛养牛场的经营者并没有因为这个契机留住更多母牛进行繁殖。尽管随着牛只供应进一步收缩，牛价仍有上涨前景。一些分析师认为，饲料、干草和燃料等投入的高成本阻碍了牛只的扩张，虽然干旱状况有所改善，但仍对生产商构成挑战。在牛肉出口方面，人们将目光集中在**中国**，那里的疫情曲线移动速度快于预期，这使得人们希望餐厅客流量和整体消费需求更快复苏。新年伊始，进口牛肉批发价格的基础更加稳固。

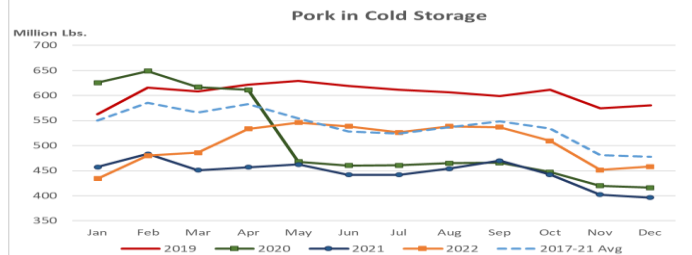
Steer weights averaged a record 910 lbs. in 2022, up from 208 lbs. in 2020 and 906 lbs. in 2021; steer weights trended lower from December 2022 into January 2023



Source: USDA/NASS

美国农业部牛肉屠体价格指数（特选级）：2023年1月31日 - \$266.09 美元/百磅（较2023年1月13日减少4%）

上周猪肉批发价格涨跌互现，带骨后腿价格略坚挺，但被去骨产品的疲软所抵消。分析师称，熟食肉需求疲软。上周五，2月份瘦肉猪期货价格收于三个半月低点，市场参与者试图将美国农业部今年年初生猪供应紧张的预测与截至上周五的实际屠宰数据相协调。截至上周五的实际屠宰数据——比去年同期增长2.2%。有趣的是，今年迄今为止的大量屠宰活动是在12月份猪肉产量同比大幅下降7.2%之后出现的。猪肉也可能受到来自家禽的一些压力，去年夏末和秋季家禽产量增加后，其冷冻库存在积压。由于食品通胀仍是消费者和机构用户关注的焦点，鸡胸肉、鸡翅和鸡柳的价格较去年仲夏的高点下降了约25%，餐馆老板们为此而感到高兴。美国猪肉的冷冻库存在2022年早些时候上升至疫情前的水平，自5月以来，已接近前5年的平均水平。12月底，冷冻猪肉库存较去年增长16%，但较前五年平均水平下降4.1%，较2019年下降21%。出口方面，春节假期后**中国**生猪价格甚至走弱至节前水平，猪肉整体需求将进入季节性低谷。



猪屠体分切价格：2023年1月31日 - \$80.25 美元/百磅（较2023年1月13日减少2%）

美国肉类出口协会活动预告：

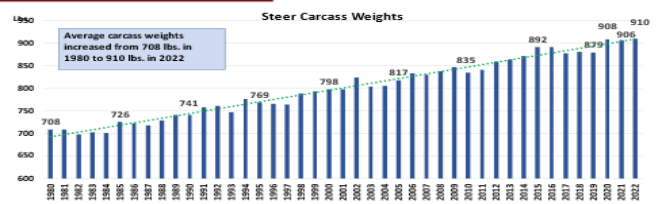
新加坡国际食品与饮料展 - 新加坡：2023年4月25-28日

SIAL 国际食品展(上海)：2023年5月18-20日

产业动态

过去两周，美国育肥牛体重下降一直是在被讨论的热门话题。由于牛只存栏量下行，美国牛肉产量已经受到压力，任何牛只体重的减少都将加剧牛只供应紧张。目前估计，育肥牛和小母牛混合在一起的平均体重比上年同期水平低1.9%即17磅。在科罗拉多州，堪萨斯州和内布拉斯加州，相对于符合正常体重要求的牛只，一些刚被送入育肥场的牛只的体重轻了40-200磅。牛只重量变轻，加上牛只屠宰数量减少，导致1月份美国牛肉产量下降；今年美国1月份的牛肉供应量约比2022年1月减少了2.5%。恶劣的天气条件不利于牛只的饲养，这也是牛只体重下降的原因。当然，冬季的天气条件总是给育肥场养殖户带来挑战，但在过去的几周里，育肥场养殖户出售了很多体重较轻的育肥牛只，因为预测到天气条件会更恶劣，他们不想冒险让牛只多吃几天昂贵的饲料而得不到收益。不过，牛只平均体重下降一或两个百分比可能只是暂时的而且与历史数据呈现相反趋势，在过去的二十年里，牛胴体体重显然变得越来越重（见下图）。自1970年以来，牛只平均体重快速增加了30%，导致美国牛肉总产量增加了约25%，而牛只的总存栏量却下降了。虽然加工厂仍然对体重较重（和体重不符合要求）的牛只提供折扣，但随着他们意识到体重更重的牛胴体能生产出更多牛肉，且养殖成本稳定，也渐渐接受了体重较重的牛只。最近，根据美国农业部的数据，目前超过900磅的牛胴体平均折扣大约是0.077美元/磅（考虑到600-900磅是屠宰企业接受的正常牛只体重范围）。有人认为，有折扣的牛胴体体重上限将继续增加。由于担心体重更重的牛胴体产出的牛排质地瘦肉更多，市场似乎在一定程度上正对体重较重的牛只做相应管理调整。

Historical Increase in Carcass Weights

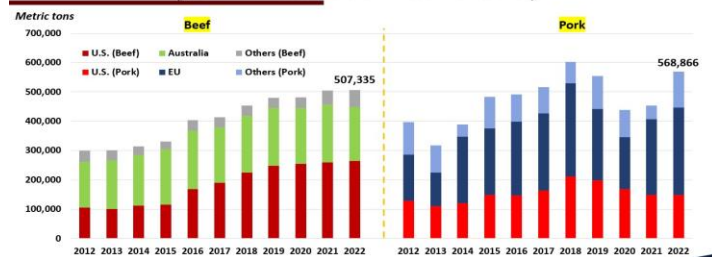


Source: USDA/NASS

贸易新闻

韩国在2022年进口牛肉数量创下纪录，尽管在第二季度，奥密克戎病毒席卷了大片人口，导致餐馆客流疲软，经济受到了干扰。美国牛肉进口量也达到创纪录的265,000吨，占进口总量的52%。在猪肉进口方面，总进口量大幅反弹，吨数处在创纪录以来第二位（见下图）。在2023年，预计贸易的情况将更加艰难。韩国继续与为数20年的高通胀作斗争，预计今年的经济增长形势低迷。USMEF美国肉类出口协会预测，今年牛肉进口总量将保持稳定或略有下降。经济疲软、进口牛肉以及韩国产的韩牛库存多都是不利因素。澳大利亚作为韩国的第二大进口牛肉供应国，今年也将会出口更多草饲牛肉到韩国。去年，韩国买家进口美国牛肉多，预计价格上涨，由于美国牛只养殖周期的变化和来自中国买家的激烈竞争。但去年整年，美国牛肉批发价格保持稳定，由于新冠疫情爆发和疫情高峰期餐饮服务快速下降，中国在第四季度的购买量有所下滑。贸易方面的一线希望是，韩国政府延长了对猪肉、鸡肉和食用油等多种进口商品的短期零关税政策。去年7月，韩国宣布允许10万吨免税进口配额，但10月中旬配额已用完，没有被延长。2023年，进口美国牛肉的关税为8%，而澳大利亚牛肉的关税估值为13.3%。

Korea : total beef & pork imports (Jan - Dec: '000 metric tons)



Source: TDM including variety meats