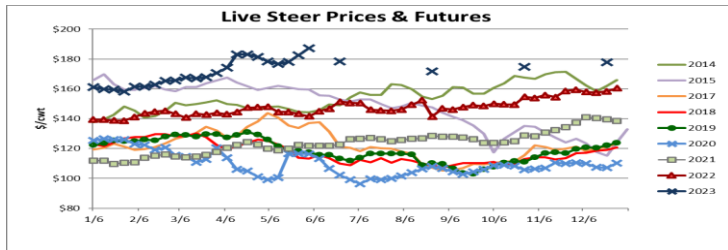


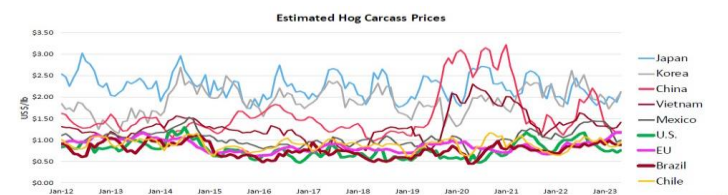
SUPPLY & DEMAND

Wholesale beef prices spiked last week as buyers chased tightening supplies amid the need to restock for upcoming summer holidays. All primal values increased during the week, and buying was described as volatile as market players attempted to build inventories in anticipation of even higher prices ahead. Concerns about demand destruction faded, as market dynamics focused purely on supply issues. The value of end & secondary cuts including rounds and briskets saw the biggest gains as retailers looked to feature more affordable items. There was exciting action in the live cattle markets, with average live fed cattle prices rising 2-4 cents per pound while dressed prices rose \$0.10/lb. Dressed fed cattle prices are now trading over \$3/lb. While cash markets appear to be headed in one upward direction, fed cattle futures dropped last week. Futures traders anticipate a major seasonal correction in fed cattle prices in the coming weeks. The June live cattle futures contract, which expires in roughly 2 weeks, closed last Friday at just over \$1.78/lb., significantly below current cash values of near \$1.90. A big question as this week starts off is how meat packers may have pushed last week's aggressive live cattle purchases into deferred delivery schedules for the coming few weeks. Pasture conditions are now the best in 3 years, which – combined with high calf and feeder cattle prices – will incentivize cow-calf producers to hold back animals to rebuild herds. This will lead to a fall in slaughter cow numbers and exacerbate the tight beef market in the weeks and months ahead. Exports continue to struggle amid high offer prices and a weak overall pace of buying by major Asian markets (see TRADE next column).



Beef Choice Beef Cutout Value: 12/6/2023 – US\$337.43/cwt. (+7% from 5/6/2023)

Wholesale pork prices gained again last week, with all primal values firming. Last week's slower hog harvest of 2.363 million head helped put a floor under prices, with seasonal demand for grilling cuts such as ribs pushing up institutional buying. Spot belly values also advanced, but prices remain significantly below year-ago – and historical – levels for this time of year (see MOVING AHEAD next column). Live hog weights averaged 288 pounds (128.5 kgs) for the week, which was 2 pounds less than the previous week and a year ago. Lean hog futures also found some strength, with market bulls arguing that cash and futures values have found their bottoms and will advance in the weeks & months ahead. Summer buying patterns are now in full swing and now big retail and foodservice chain buyers are focusing on the upcoming Father's Day (June 18) and Independence Day (July 4) holidays. Pork promotions at retail are expected to rise in the coming weeks, especially as beef supplies tighten, and prices move further northward. Positive news on exports is also supporting the market; last week's release of April trade data showed another strong month for overseas shipments (see TRADE next column), and U.S. hog prices are now the lowest among major producing & exporting countries (see GRAPH below). Last week, U.S. pork industry leaders gathered at the World Pork Expo in Iowa, highlighting the industry's major current issues: record high production costs, increasing risks from foreign animal diseases, the need to expand international market access for U.S. pork, and ensuring that products can be sold without barriers within in the U.S. Regarding the latter point, the industry is still scrambling to determine how California's new Proposition 12 rules mandating sow production practices will affect the domestic U.S. pork market.

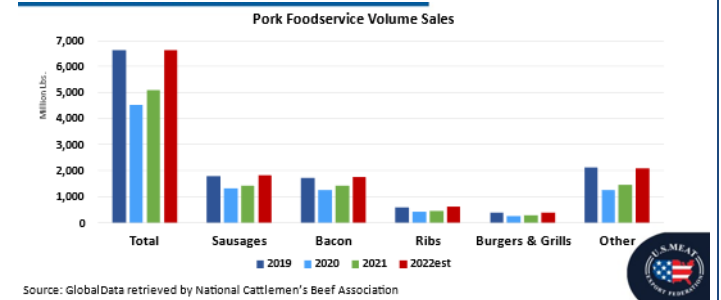


Source: ALIC, COA, DANE, Nixin, IEA, Cepes, USDA, EU Commission, Pig 333, USMEF international offices

Hog Carcass Cutout Value: 12/6/2023 – US\$88.20/cwt. (-1% from 5/6/2023)

MOVING AHEAD

Historical patterns show that spot prices of U.S. pork bellies are volatile leading into the summer months as demand for bacon – a staple in popular sandwiches such as BLTs (bacon, lettuce & tomato) – surges. This year, price fluctuations in wholesale belly prices have been minimal according to a new analysis from Urner Barry. Frozen belly stocks are at a 9-year high, pork production is up year-on-year, but most importantly, demand for bacon has been tepid due to lingering high prices from the pandemic years. Bacon prices are now falling, but it will take time for both consumer & institutional demand to recover. In the meantime, depending on the specification, wholesale belly prices are 40-50% lower than a year ago, while the pork carcass cutout is only -20% year on year. The U.S. is not traditionally an exporter of bellies or bacon, as many main import markets prefer a single rib specification to the U.S. sheet belly style; single ribbed bellies are those where the rib bones are removed but the intercostal meat remains attached, producing a meatier belly. U.S. sheet rib bellies involve removing the entire spare rib portion and marketing it separately. The belly accounts for 16% of the total carcass yield and is usually a main contributor to higher overall pork values. As shown in the table below, estimated 2022 bacon sales (volume) were roughly the level of those in 2019 after experiencing major dips during the pandemic, when a shortage of plant workers limited processing capacity, and high prices discouraged consumption.

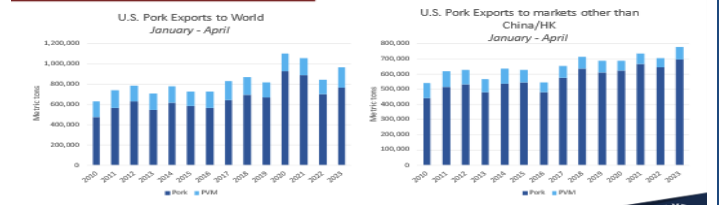


Source: GlobalData retrieved by National Cattlemen's Beef Association

TRADE

The U.S. meat trade outlook for the year is coming more into focus with the publication of April trade data. In short, U.S. beef exports are being challenged by lower production & high prices, while overseas shipments of U.S. pork this year has risen due to competitive U.S. product values and a rise in demand from non-China destinations (see GRAPH below). January to April total pork export volume was +14% YOY, hitting 960,480 tons. Export value for the 1st 4 months of the year hit \$2.62 billion, a 13% rise. Shipments just in the month of April totaled 243,789, a 15% YOY lift. Most notable was a sharp rise in exports to **South Korea**, with trade reaching the highest level in nearly 4 years. Exports were also noticeably up to **Mexico**, the **Dominican Republic**, **Australia**, **Taiwan** and the ASEAN region, the latter which is still suffering production disruptions from ASF. Interestingly, while domestic Chinese pork prices continue to languish at levels below breakeven levels, and total Chinese pork imports are down, YOY U.S. pork export growth to China – from a tonnage standpoint – was the highest of any U.S. destination at +42,300 tons. On the beef side, U.S. Jan-April total beef exports fell 8% in volume (to 437,910 mt) and were 21% lower in value terms compared to the record pace of 2022. Exports to all major Asian destinations are down; for the Jan-April period, Korea was -31% (-9,950 tons), Japan, -24% (-9,770 tons), China/HK -17% (-9,020 tons), Taiwan -36% (-5,530 tons), and the ASEAN region -42% (-5,110 tons). High U.S. product prices, restricted supplies, a resurgence in Australian exports, and high imported beef stocks in **China**, **Korea**, **Japan** and **Taiwan** have all been contributing factors to this year's depressed U.S. export performance. Still, the pace of 2023 U.S. beef muscle cut exports is the 3rd fastest ever after the exceptional 2022 and 2021 years.

January - April 2023 U.S. pork/pvm exports to the world totaled 960,480 MT, up 14% from last year; exports to markets other than China/HK were 778,447 MT, up 11%



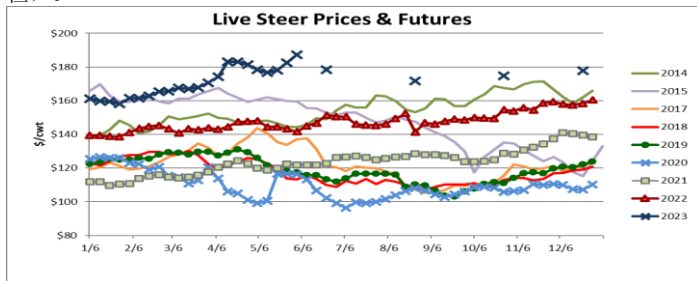
Source: USDA/FAS, USMEF

ACTIVITIES:

Restaurant and Bar, Hong Kong: September 5-7, 2023
 FHC Shanghai Global Food Trade Show: Nov 8-10, 2023

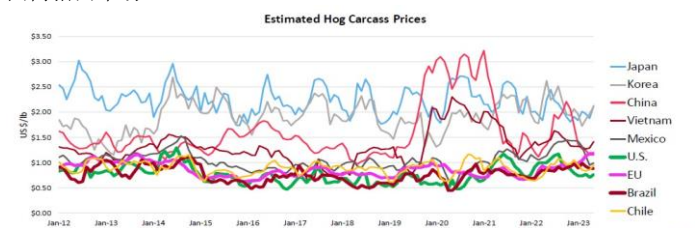
供应与需求

由于买家需要为即将到来的夏季假期补充库存，并抓紧购买收紧的供应，上周牛肉批发价格飙升。上周所有初级分切肉价格均有所上涨，并且购买有所波动，因为市场参与者预期未来价格会更高并试图建立库存。随着市场完全集中在供应问题上，对需求减少的担忧逐渐消退。包括后腿部和前胸部在内的剩余部位和二级部位肉的价格增长最大，因为零售商希望提供更实惠的商品。活牛市场出现令人振奋的走势，出栏活牛平均价格每磅上涨 2-4 美分，而胴体价格上涨 0.10 美元/磅。牛胴体的价格现在超过 3 美元/磅。虽然现货市场似乎朝着一个向上的方向发展，但上周活牛期货价格下跌。期货交易者预计未来几周出栏牛价格将出现重大季节性调整。大约 2 周后到期的 6 月活牛期货合约价格上周五收盘略高于 1.78 美元/磅，远低于目前接近 1.90 美元的现金价值。本周开始时的大问题是，肉类屠宰厂是如何将上周积极的活牛采购交付到未来几周推迟的交货计划中。牧场条件现在是 3 年来最好的，再加上小牛和架子牛的高价格，将激励母牛-小牛生产者减少出售以重建牛群。这将导致母牛的屠宰数量下降，并在未来几周和几个月内加剧牛肉市场的吃紧。由于高报价和亚洲主要市场整体采购步伐疲软，出口继续举步维艰（见贸易新闻下一栏）。



美国农业部牛肉屠体价格指数（特选级）：2023年6月12日 - \$337.43 美元/百磅（较2023年6月5日增加7%）

上周猪肉批发价格再次上涨，所有初级分切肉价格都坚挺。上周生猪屠宰量放缓至 236.3 万头，帮助支撑了价格，对肋骨等烧烤部位的季节性需求推动了机构购买。现货腹部价格也有所上涨，但价格仍远低于去年同期和历史水平（见产业动态专栏）。上周活猪平均重 288 磅（128.5 公斤），比前一周和一年前减少 2 磅。瘦肉猪期货也出现一些上涨，市场看涨者认为现货和期货价格已经触底，并将在未来几周和几个月内上涨。夏季购买模式如火如荼，现在大型零售和餐饮连锁店买家都在关注即将到来的父亲节（6月18日）和独立日（7月4日）假期。预计未来几周猪肉零售促销活动将增加，尤其是在牛肉供应紧张且价格影响进一步向北移动的情况下。出口利好消息也支撑市场；上周发布的 4 月贸易数据显示，海外出口量又是一个强劲的月份（见贸易新闻下一栏），美国生猪价格目前是主要生产国和出口国中最低的（见下图）。上周，美国猪肉行业领袖齐聚爱荷华州世界猪肉博览会，强调该行业当前面临的主要问题：创纪录的高生产成本、外国动物疾病风险增加、扩大美国猪肉国际市场准入的必要性以及确保产品可以在美国境内无障碍销售。关于后一点，该行业仍在努力确认加州新的 12 号提案强制母猪生产条件的规定将如何影响美国国内猪肉市场。



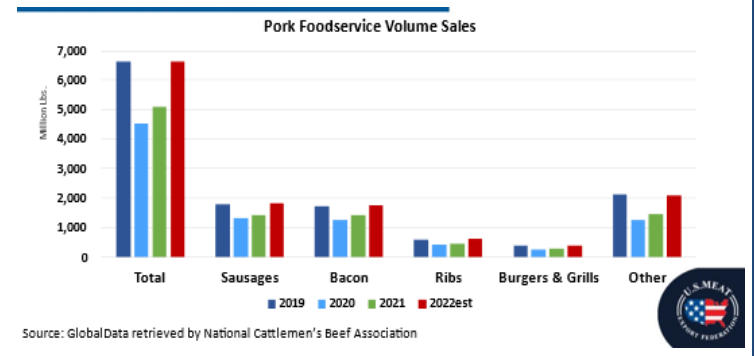
Source: ALIC, COA, DANE, Nixin, IEA, Cepea, USDA, EU Commission, Pig 333, USMEF international offices

猪屠体分切价格：2023年6月12日 - \$88.20 美元/百磅（较2023年6月5日减少1%）

美国肉类出口协会活动预告：
香港餐饮展 - 香港：2023年9月5-7日
FHC 上海环球食品展：2023年11月8-10日

产业动态

历史表明，随着像以培根为主要食材的受欢迎的 BLT 培根生菜和番茄三明治的需求增大，美国猪腹部肉的现货价格在进入夏季时出现波动。根据 Umer Barry 的一项新分析，今年猪腹部肉批发价格的波动很小。冷冻猪腹部肉库存处于 9 年来的最高水平，猪肉产量同比增长，但最重要的是，由于疫情几年培根的高价格居高不下，需求一直不温不火。美国培根批发价格现在正在下跌，但消费者和机构的需求都需要时间才能恢复。同时，根据规格，猪腹部肉批发价格比一年前低 40-50%，而猪胴体分切价格同比仅下降 20%。传统上，美国不是腹部肉或培根的出口国，因为许多主要的进口市场更偏向挑骨中方规格，相比掀骨五花；挑骨中方是肋骨剔除但肋骨间的肉依然保留，生产出肉质更加饱满的腹部肉。掀骨五花包含去除整个肋排部分，用作单独销售。腹部肉占总胴体出肉率的 16%，通常为提猪肉整体价值做主要贡献。如下表所示，预估的 2022 年的培根销量大致与 2019 年持平，在经历了疫情期间的销量大幅下滑后，由于当时缺少工厂工人限制了加工产量，高昂的培根价格也抑制了消费力。



Source: GlobalData retrieved by National Cattlemen's Beef Association

贸易新闻

随着 4 月份贸易数据的公布，美国今年的肉类贸易前景越来越受到关注。简而言之，美国牛肉出口正受到低产量和高价格的挑战，而今年美国猪肉的国际需求因具有竞争力的美国产品价值和在非中国目的地的需求的增加而增加（见下图）。1 月至 4 月猪肉总出口量同比增长 14%，达到 960,480 吨。今年前 4 个月的出口值达到 26.2 亿美元，增长 13%。仅 4 月份的总出口量就 243,789 吨，同比增长 15%。最值得注意的是对韩国的出口大幅增长，达到近 4 年来的最高水平。对墨西哥、多米尼加共和国、澳大利亚、中国台湾地区和东盟地区的出口增长也很明显，东盟这些地区仍在遭受 ASF 非洲猪瘟所带来的生产中断。有意思的是，虽然中国国内猪肉价格持续疲软处于盈亏平衡水平以下，而且中国猪肉总进口量在下降，但从出口吨数的角度来看，美国对中国的猪肉出口同比增长为 42,300 吨，是美国猪肉出口目的地中增长吨数最大的。在牛肉方面，美国 1 月至 4 月的牛肉总出口量下降了 8%（至 437,910 公吨），与 2022 年最高纪录相比，出口值下降了 21%。对所有主要的亚洲目的地的出口量均下降；1 月至 4 月期间，韩国下降 31%（减少 9,950 吨），日本下降 24%（减少 9,770 吨），中国/中国香港地区下降 17%（减少 9,020 吨），中国台湾地区下降 36%（减少 5,530 吨），以及东盟地区下降 42%（减少 5,110 吨）。美国产品价格居高不下、供应受限、澳大利亚出口复苏以及中国、韩国、日本和中国台湾地区的进口牛肉高库存都是导致今年牛肉出口表现低迷的因素。尽管如此，2023 年美国牛肉的出口速度仍排名于 2022 年和 2021 年后的第三位。

January - April 2023 U.S. pork/pvm exports to the world totaled 960,480 MT, up 14% from last year; exports to markets other than China/HK were 778,447 MT, up 11%



Source: USDA/FAS, USMEF