

## SUPPLY & DEMAND

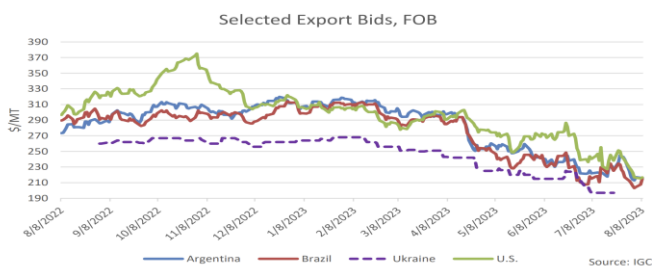
After level conditions the previous week, the wholesale beef market turned more clearly bullish through last Friday, with primal rib, brisket, and end meats all gaining value week-on-week. Last week's low weekly cattle slaughter of 616K head (same week last year = 664K head) signaled to buyers that beef supplies would be tight moving into the fall. Supermarket chains were also focused on purchasing strategies for the approaching end-of-summer Labor Day holiday (September 4). Slightly cooler temperatures across the U.S. stimulated more backyard BBQ activity, supporting briskets. While wholesale beef prices showed strength, live fed cattle prices drifted lower. Although the overall herd continues to contract, recent lighter slaughter activity has caused cattle on feed numbers to edge up, prompting feedlot operators last week to accept lower prices from plants. Last Friday's cattle on feed report showed that the feedlot inventory number on August 1 totaled 11 million head, **-2%** from a year earlier. This finding matched up with analyst expectations, as did the **5%** fewer YOY marketings of cattle during the month of July. Before the release of USDA's report, analysts were concerned with higher-than-forecast movements of feeder cattle & calves into feedlots and the potential for a slight back-up of cattle as beef processors cut back on purchases to balance falling wholesale beef prices. The USDA report's most unexpected finding was the sharp **8.3%** fall in the number of cattle placed into feedlots during July, suggesting that the higher placements earlier this summer had further shrunk the dwindling supply of cattle outside of feedlots. Analysts had forecast the July placement figure at **-5.3%** YOY. With some evidence emerging of heifers being retained for breeding, the market outlook for live fed cattle remains bullish. Last Friday's report drove live cattle futures higher at the end of the week after hitting a 6-week low a few days earlier. New U.S. beef export sales to **Japan** and **Korea** noticeably dropped the week ending August 10, with the dollar surge last week raising new questions about U.S. product affordability (see TRADE next column).

**Beef Choice Beef Cutout Value: 21/8/2023 - US\$315.56/cwt. (+3% from 14/8/2023)**

Wholesale pork prices drifted lower last week as plants began to seasonally ramp up harvest activity. Ham and belly primal values eased on unsettled purchasing interest and end-of-summer weakness in bacon consumption. As wholesale pork prices hit a 6-week low, nearby October lean hog futures also slumped, with traders betting there will be more price pressure through year-end. USDA has made a slight adjustment to its forecast for 2023 U.S. pork output. The agency now expects this year's production to be 12.37 million tons, **+1%** YOY. This was slightly smaller than the previous month's estimate, with USDA projecting lower-than-expected average carcass weights. For 2024, USDA now estimates pork production will increase marginally to 12.4 million tons, a change from their previous projection of an output fall next year. USDA anticipates that lower feed costs (and higher hog prices) will support a modest increase in farrowings in 2024 that will lead to production growth later in the year. They also believe that the growth in the average number of pigs saved per litter will continue. Corn prices have been easing again (see CHART below), with USDA estimating this year's corn crop will be record large at 15.320 billion bushels (389 million tons), up **10.1%** YOY. U.S. corn acres planted increased from 88.6 million last crop year to 94.1 million this year. Unlike for beef, weekly pork exports and new sales during the week of August 4<sup>th</sup> strengthened significantly from previous weeks, with high activity to **Japan & Korea**.

### CORN PRICES

Since the July WASDE, bids for all major exporters have softened. U.S. bids were down \$23 to \$216/ton on favorable weather conditions during July for most corn producing areas and subjective assessments of crop conditions by NASS. Brazilian bids were little changed since July. Argentine bids were \$216/ton, down \$5 from last month. Competition with large crops in the United States and Brazil and a new preferential exchange rate are supporting lower prices. Ukrainian bids have not been published since July 21.



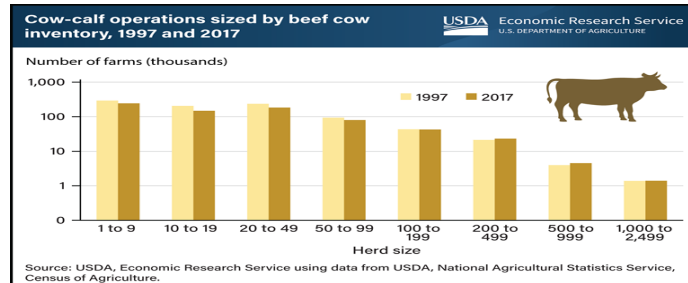
**Hog Carcass Cutout Value: 21/8/2023 -US\$105.21/cwt. (-4% from 14/8/2023)**

### ACTIVITIES:

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

## MOVING AHEAD

We often point out that the scale of U.S. cattle feeding and beef processing operations in the U.S. are large, but the engine of the U.S. beef industry – cow-calf operations – are mostly small-scale family-owned enterprises. A new USDA report on the state of the U.S. cow-calf industry concludes that although cow-calf operations became more specialized during the 22-year study period between 1996 & 2018, the present industry is mainly comprised of many small operations alongside some larger operations that specialize in producing calves for beef production. As of 2017, the U.S. had 2.04 million farm operations. Of these, USDA estimates that 729,000 of these, or roughly 1/3<sup>rd</sup> of all U.S. farms, held at least 1 beef cow in inventory. In 2017, 54% of farms that held any beef cows had fewer than 20 cows. That was down only slightly from 1997, however across the 20+ years of USDA's study, the total number of U.S. cow-calf operations declined by **19%** (see GRAPH below). The definition of a cow-calf farm is one where calves are birthed, raised, and weaned on site. While some calves remain on the farm until they reach slaughter weight, most are either moved directly to feedlots after weaning or retained on-farm for additional feeding before being sold to feedlots. Beyond the pastureland, cow-calf farms generally do not require a major upfront investment in capital assets specific to cow-calf production, such as the housing investments required for swine and poultry. USDA found that cow-calf operations involved in either or both stocker and finishing (i.e., further feeding) segments generally had different structural characteristics than operations specializing only in the cow-calf segment. Specifically, cow-calf operations that further fed animals were more likely to use more advanced production technologies and tended to be larger in terms of total inventory numbers. Cow-calf only operations – those that sold weaned calves to stockers or feedlots – were smaller in size than more diverse operations. The study also confirmed that operations in the Southeast (e.g., Missouri, Kentucky) and Southern Plains regions (e.g., Texas) had higher numbers of cow-calf operations than other regions, while farms in the Northern Plains (e.g., Nebraska) and West regions (e.g., California) tended to operate larger scale operations which were more labor efficient. USDA notes though that the cow-calf sector is unique among U.S. agricultural industries in that it is adaptable across a wide variety of climates and land types with operations existent in all 50 states.



## TRADE

News circulated last week about the U.S. dollar's renewed strength against the **China RMB** and **Japanese Yen**. After the U.S. Federal Reserve signaled last week that it could not rule out further interest rate hikes, the Japanese yen touched the key 145 level for the 1<sup>st</sup> time in 9 months last Friday, and the U.S. dollar index – a measure of the U.S. currency's value against 6 other influential currencies - touched 2-month highs, sparking some fear that the high greenback could hurt U.S. exports. But the dollar is not up against all currencies (see GRAPH below). For U.S. meat exporters, the dollar is weaker YOY against the **Mexican Peso**, the Euro, and the **British Pound**. And compared to October/early November last year, the **Colombian peso** is up by **19%**, the Mexican peso by **13%**, the British pound by **10%**, the Euro by **10%**, the Chilean peso by **8%**, and the **Korean won** by **7%**. A strong peso has helped U.S. pork exports to Mexico maintain a near record pace this year, but exchange rates are not the only factor determining meat trade patterns. The Australian dollar has remained very low over the last year, but U.S. pork exports to that market are **+80%** through early August, mainly due to a favorable ratio of U.S. to EU pork prices.



## 供应与需求

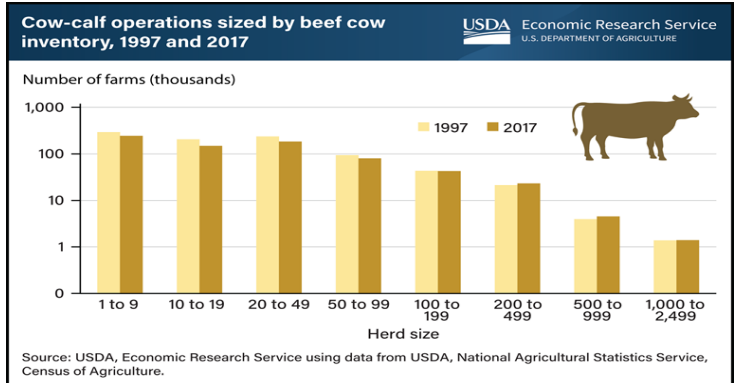
继上周平稳的价格之后，到上周五，批发牛肉市场变得明显看涨，初级分切肋脊部、前胸和肩胛部和后腿部的价格都在环比上涨。上周牛的周屠宰量较低，为 61.6 万头（去年同周 = 66.4 万头），这向买家发出信号，进入秋季牛肉供应将紧张。连锁超市还重点关注即将到来的夏末劳动节假期（9 月 4 日）的采购策略。美国各地气温稍凉，刺激了更多的后院烧烤活动，为牛胸肉提供了支撑。虽然牛肉批发价格表现强劲，但出栏牛价格却走低。尽管整体牛群继续萎缩，但近期屠宰活动减少导致育肥牛数量小幅上升，促使育肥场经营者上周接受工厂较低的价格。上周五的育肥牛报告显示，8 月 1 日育肥场库存总数为 1100 万头，同比减少 2%。这一发现与分析师的预期相符，7 月份牛的销售量同比减少 5% 同样符合预期。在美国农业部的报告发布之前，分析师担心进入育肥场的架子牛和犊牛的数量高于预期，以及由于牛肉屠宰场削减采购量以平衡不断下跌的牛肉批发价格，育肥场牛群可能会出现小幅数量上升。美国农业部报告中最令人意外的发现是，7 月份进入育肥场的牛只数量急剧下降 8.3%，这表明今年初夏早些时候的安置到育肥场的数量增加进一步减少了育肥场外已经不断下降的牛供应量。分析师此前预测 7 月份转移到育肥场数量会同比下降 5.3%。随着一些证据表明小母牛被保留用于繁育，出栏牛的市场前景继续保持看涨。上周五的报告推动活牛期货在几天前触及六周低点后在本周末走高。截至 8 月 10 日当周，美国对**日本**和**韩国**的新牛肉出口销量显著下降，上周美元飙升引发了有关美国产品承受能力的新闻问题（请参阅下一专栏贸易新闻）。

**美国农业部牛肉屠体价格指数（特选级）：2023 年 8 月 21 日 - \$315.56 美元/百磅（较 2023 年 8 月 14 日增加 3%）**

由于工厂开始季节性增加屠宰活动，上周猪肉批发价格走低。由于购买兴趣不稳定和夏末培根消费疲软，后腿和腹部部的初级分切价格有所下降。随着猪肉批发价格触及六周低点，近期的 10 月份瘦肉猪肉期货价格也暴跌，贸易商押注年底前价格压力将更大。美国农业部对 2023 年美国猪肉产量预测进行了小幅调整。该机构目前预计今年产量为 1237 万吨，同比增长 1%。这略低于上个月的预测，美国农业部预计平均胴体重量低于预期。美国农业部目前预计 2024 年猪肉产量将小幅增加至 1240 万吨，这与之前对明年产量下降的预测有所不同。美国农业部预计，较低的饲料成本（以及较高的生猪价格）将支持 2024 年产仔数的适度增加，从而促使 2024 年晚些时候的产量增长。他们还相信，每窝存活仔猪的平均数量将继续增长。玉米价格再次回落（见下图），美国农业部预计今年玉米产量将创历史新高，达到 153.20 亿蒲式耳（3.89 亿吨），同比增长 10.1%。美国玉米种植面积从上年的 8860 万英亩增加到今年的 9410 万英亩。与牛肉不同，8 月 4 日当周的猪肉出口量和新销量较前几周显著增强，其中出口到**日本**和**韩国**的活动活跃。

## 产业动态

我们经常指出，美国的养牛和牛肉加工企业规模很大，但美国牛肉产业的引擎——母牛牛犊养殖——大多是小家族企业。美国农业部关于美国母牛牛犊产业状况的一份新报告得出的结论是，尽管在 1996 年至 2018 年的 22 年研究期间，母牛牛犊养殖业变得更加专业化，但目前的行业主要由许多小型养殖场和一些专门生产用于牛肉生产的小牛的大型养殖场组成。截至 2017 年，美国有 204 万家农场。美国农业部估计，其中 729,000 个农场（约占美国所有农场的 1/3）至少持有 1 头肉母牛。2017 年，54% 的饲养肉母牛的农场的母牛数量少于 20 头。与 1997 年相比，这一数字仅略有下降，但在美国农业部 20 多年的研究中，美国母牛牛犊养殖农场总数下降了 19%（见下图）。母牛牛犊养殖场的定义是小牛在现场出生、饲养和断奶的农场。虽然一些小牛在达到屠宰体重之前仍留在养殖场，但大多数小牛断奶后直接转移到育肥场，或者在出售到育肥场之前留在养殖场进行额外喂养。除了牧草地之外，母牛牛犊养殖场通常不需要对牛犊生产进行大量前期投资，例如猪和家禽所需的住房投资。美国农业部发现，涉及架子牛培育或育肥出栏（即进一步饲喂）部分或两者兼有的母牛-犊牛运营模式通常与仅专门从事母牛-犊牛部分的作业具有不同的结构特征。具体而言，进一步喂养小牛的母牛牛犊养殖场更有可能使用更先进的生产技术，并且库存总量往往更大。纯母牛-犊牛养殖场（将断奶小牛出售给架子牛业者或育肥场）的规模比更多样化的养殖场要小。该研究还证实，东南部地区（例如密苏里州、肯塔基州）和南部平原地区（例如德克萨斯州）的母牛牛犊养殖场数量高于其他地区，而北部平原地区（例如内布拉斯加州）和西部地区（例如加利福尼亚州）倾向于经营规模更大、劳动力效率更高的业务。美国农业部指出，母牛牛犊行业在美国农业行业中是独一无二的，因为它可以适应多种气候和土地类型，业务遍及全美 50 个州。



## 贸易新闻

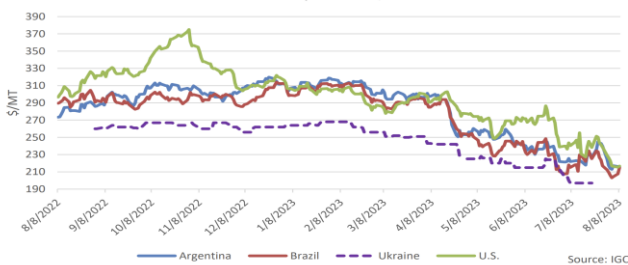
上周有消息称美元兑人民币和日元重新走强。在美联储上周表示不排除进一步加息的可能性后，日元上周五九个月来首次触及关键的 145 水平，美元指数（衡量美元兑其他 6 种有影响力的货币的价值）触及 2 个月高位，引发一些人担心美元走高可能会损害美国出口。但美元兑所有货币并未上涨（见下图）。对于美国肉类出口商来说，美元兑墨西哥比索、欧元和英镑同比走弱。与去年 10 月 11 月初相比，哥伦比亚比索上涨 19%，墨西哥比索上涨 13%，英镑上涨 10%，欧元上涨 10%，智利比索上涨 8%，韩元上涨 7%。比索坚挺帮助今年美国对墨西哥的猪肉出口保持接近创纪录的速度，但汇率并不是决定肉类贸易模式的唯一因素。去年澳元汇率一直处于非常低的水平，但截至 8 月初，美国对该市场的猪肉出口量增长了 80%，这主要是由于美国与欧盟猪肉价格的有利比率。



## CORN PRICES

Since the July WASDE, bids for all major exporters have softened. U.S. bids were down \$23 to \$216/ton on favorable weather conditions during July for most corn producing areas and subjective assessments of crop conditions by NASS. Brazilian bids were little changed since July. Argentine bids were \$216/ton, down \$5 from last month. Competition with large crops in the United States and Brazil and a new preferential exchange rate are supporting lower prices. Ukrainian bids have not been published since July 21.

Selected Export Bids, FOB



**猪屠体分切价格：2023 年 8 月 21 日 - \$105.21 美元/百磅（较 2023 年 8 月 14 日减少 4%）**

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