



U.S. Meat Bulletin

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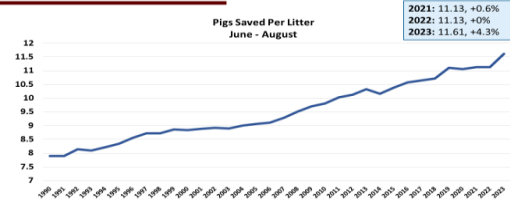
SUPPLY & DEMAND

Wholesale beef prices drifted lower through most of last week on lackluster institutional buying but jumped on Friday, with an additional upward movement of the USDA CHOICE cutout value yesterday. Overall wholesale beef price movements have remained muted so far in October due to weakness in beef trim and ground beef prices (see GRAPH below), with some evidence that retailers are pulling back on beef promotions due to high prices & supply concerns. At the same time, there is ongoing concern about a pullback in overall consumer spending amid rising gas prices & high interest rates. Historical data shows that wholesale beef values usually rally during the month of October, but with retail prices already at record levels, there are questions about how much higher they can move. Fed beef packing plants are attempting to moderate slaughter levels to put a floor under beef supplies and wholesale prices. Last week's total U.S. cattle harvest of 628K head was above the previous week's 619K, but noticeably smaller than the 669K head processed during the same week of a year ago. Overall, year to date U.S. beef production trails last year's pace by 5.2%, with slaughter numbers -4.5% YOY. The slowdown in slaughter has been pressuring fed live cattle prices, with last week's average value for a fed steer of \$1.82/lb. (liveweight) ending slightly lower than the previous week. The slower flow of fed cattle to plants has caused cattle in feedlots to unexpectedly bulge - albeit slightly - with hope that the seasonal boost in beef demand during the holiday period will bring supply & demand back into balance. Live fed cattle futures dropped Monday October 9 on geopolitical uncertainty & concern over oil prices. U.S. beef exports during August were -19% last August's volume, with Jan-August U.S. beef shipments down 12% from last year's record pace.

MOVING AHEAD

Data from USDA's latest quarterly Hogs and Pigs report was generally in line with analysts' pre-report expectations, but a sharp rise in sow productivity came somewhat as a surprise. Average pigs saved per litter during the June-to-August 2023 quarter reached a record 11.61, +4.3% higher than the same quarter in 2022 (see GRAPH below). Many analysts had also forecast a decline in total U.S. pig numbers, but the September 1 inventory figure of 74.319 million head was unexpectedly +0.3% YOY. The increase in sow productivity allowed farmers to farrow fewer sows YOY during the June-to-August quarter, but produce a larger pig crop, which at 34.229 million head, was up 0.4% YOY. USDA's quarterly report asks producers about their farrowing intentions in the months ahead. For the current quarter (Sept - Nov) and the December 2023-February 2024 period, U.S. producers responded that they planned to reduce farrowings during both periods. Still, if sow productivity continues to increase, the U.S. pig crop could grow next year, contrary to producer intentions & earlier analyst predictions. Analysts note that the U.S. pigs saved per litter has further room to increase; **Denmark's** average of approximately 15 pigs per litter (and higher for the most productive 25% of farms) indicates the biological potential for the U.S. herd. Factors affecting breeding herd efficiency include animal disease prevalence, genetics, & even on-farm employment rates; some believe that productivity during the pandemic suffered because of the lack of on-farm herd management labor.

Higher Number of Pigs Saved Per Litter = Increasing Productivity; Pigs per litter for June - August 2023 increased significantly from previous year and reached a new record, following disruptions from covid/PRRs in prior years.

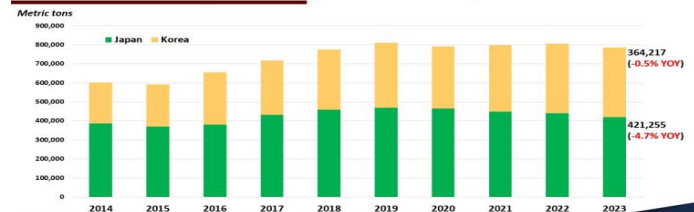


Source: USDA/NASS

TRADE

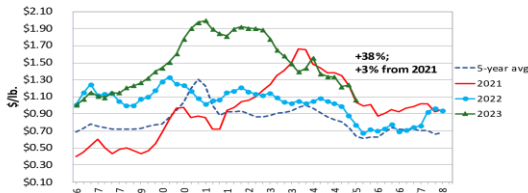
Combined **Japanese & Korean** total beef imports through August of this year were slightly slower than last year's pace (see GRAPH below). Interestingly, the flat performance was mainly due to lower volume shipments from #3, #4 & #5 suppliers **Canada (-8% YOY)**, **New Zealand (-21%)** & **Mexico (-34%)**, and not by any significant decline in the pace of U.S. beef imports, which are tightening in supply. The U.S. dollar has also been cited as a factor which could slow down purchases of U.S. product by the 2 North Asian destinations. The U.S. & **Australia** command an 84% share of both import markets combined (volume), and Japan & Korea are the #1 & #2 export destinations for U.S. beef, accounting for about 40% of total U.S. beef exports. A recent **Nikkei** article highlighted that current Japanese beef consumption is sluggish, and that over the past decade, more favorable pork & chicken prices have incentivized consumers away from beef. In an August report, USDA claimed that while inflation was hitting Japanese retail sales of beef, rising tourism numbers were providing some offsetting support to beef sales in foodservice outlets. Tourist arrivals into Japan during August of 2.16 million surpassed 80% of pre-CoVID levels for the 1st time of any month since the pandemic onset. In Korea, unlike Japan, beef consumption has shown a long-term increase, with per capita intake increasing 55% to 14.8 kgs. over the 22-year period from 2000 to 2022. Korea, which imports 62% of its total beef consumption, has lowered total beef costs to consumers through comprehensive free trade agreements with its trading partners, including most major beef suppliers. That said, the Korean economy is sluggish this year with high inflation driving consumers to tighten their belts. A CoVID labor shortage has also crimped foodservice operators, who are increasingly employing robot servers. Total Korean foodservice sales have yet to recover to pre-CoVID levels.

Japan & Korea total beef imports (Jan - Aug, metric tons)



Source: TDM

50% Lean Trimmings



Source: USDA/AMS

Beef Choice Beef Cutout Value: 6/10/2023 - US\$302.01/cwt. (+1% from 26/9/2023)

Weaker belly, rib and butt values pushed the pork cutout value lower last week. Ham values were firm on continued strong **Mexican** demand. Over the last week, U.S.-Mexico border issues have snarled truck traffic, but most of the impact has been on U.S. bound cargo from Mexico. Another modestly bearish factor surfaced last week with the release of USDA's September 28 Hogs & Pigs report, which showed that rising breeding efficiency may yield a larger-than-estimated 2024 pig crop, even with a decline in the nation's inventory of breeding sows (see GRAPH below & MOVING AHEAD next column). Despite the drop in wholesale pork prices, lean hog futures jumped at the end of last week, mainly driven by positive export news. USDA reported a sharp jump in new export sales during the week ending September 28, while the release of August monthly trade data showed exports continued to be strong during the month. Sales to #1 market **Mexico** remain on a record pace, with the monthly export value of U.S. \$211.7 million reaching a new record. Through the first eight months of 2023, total U.S. pork exports were 11% above last year's pace at 1.91 million tons, valued at \$5.32 billion (up 9%).

Breeding Herd and Future Supply Implications

Hogs Kept for Breeding, Quarterly Inventory, '000 Head



Lowest breeding herd inventory since September 2016

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Hog Carcass Cutout Value: 6/10/2023 -US\$93.22/cwt. (-5% from 26/9/2023)

ACTIVITIES:

FHC Shanghai Global Food Trade Show: Nov 8-10, 2023

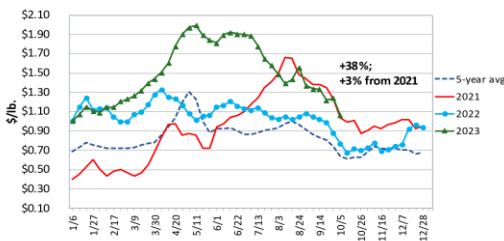
供应与需求

由于机构购买低迷，上周大部分时间牛肉批发价格走低，但价格于上周五上涨，并且昨天美国特选级分切价格进一步上涨。由于碎牛肉和绞牛肉价格疲软（见下图），10月份迄今为止，整体牛肉批发价格走势仍然平淡。有证据表明，由于价格高涨和供应担忧，零售商正在取消牛肉促销活动。与此同时，由于汽油价格上涨和高利率，人们持续担心整体消费者支出下降。历史数据显示，牛肉批发价格通常会在10月份上涨，但由于零售价格已经达到创纪录水平，因此人们对价格还能上涨多少存在疑问。牛肉屠宰厂正试图控制屠宰水平，以控制牛肉供应和批发价格。上周美国牛只的总屠宰量为62.8万头，高于前一周的61.9万头，但明显低于去年同期的66.9万头。总体而言，今年迄今美国牛肉产量比去年下降了5.2%，屠宰量同比下降4.5%。屠宰量放缓一直对出栏牛价格构成压力，上周出栏牛的平均价格为1.82美元/磅（活重），收盘略低于前一周。出栏牛流向加工工厂的速度放缓，导致育肥场的牛出人意料地增多（尽管幅度不大），节日期间牛肉需求的季节性增长有望使供需恢复平衡。由于地缘政治不确定性和对油价的担忧，活牛期货于10月9日星期一下跌。8月份美国牛肉出口量比去年8月份下降19%，1月至8月美国牛肉出口量比去年创纪录的水平下降了12%。

产业动态

美国农业部最新季度生猪和仔猪报告的数据总体符合分析师报告前的预期，但母猪生产效率的大幅上升有些令人意外。2023年6月至8月这一季度，每窝平均存活仔猪数量达到创纪录的11.61头，比2022年同期高出4.3%（见下图）。许多分析师也预测美国架子猪总存栏量将下降，但9月1日的存栏数据为7431.9万头，同比意外增长0.3%。母猪生产力的提高使得在6月至8月季度产仔的母猪数同比减少，但仔猪数量增加，达到3422.9万头，同比增长0.4%。美国农业部的季度报告询问生产者未来几个月母猪的分娩计划。对于本季度（9月至11月）和2023年12月至2024年2月期间，美国生产商回应称，他们计划减少这两个时期的产仔数。尽管如此，如果母猪生产力继续提高，明年美国仔猪数量可能会增长，这与生产者的意图和分析师之前的预测相反。分析师指出，美国每窝存活仔猪数量还有进一步增长的空间；丹麦平均每窝仔猪约15头（生产力最高的占比25%的农场的这一数字更高）表明了美国猪群的繁育潜力。影响母猪繁育效率的因素包括动物疾病流行率、遗传学，甚至农场就业率；一些人认为，新冠大流行期间生产力受到影响，因为缺乏农场畜群管理劳动力。

50% Lean Trimmings



Source: USDA/AMS

美国农业部牛肉屠体价格指数（特选级）：2023年10月6日 - \$302.01美元/百磅（较2023年9月26日增加1%）

腹部、肋骨和肩胛部价格疲软导致上周猪肉分切价格走低。由于墨西哥需求持续强劲，后腿部价格坚挺。上周，美墨边境问题导致卡车交通陷入困境，但大部分影响是来自墨西哥运往美国的货物。上周美国农业部发布的9月28日生猪报告出现了另一个略显利空的因素，该报告显示，即使全国能繁母猪存栏量下降，繁育效率的提高也可能导致2024年仔猪产量高于预期（参见下图和产业动态专栏）。尽管猪肉批发价格下跌，但瘦肉猪期货价格在上周末上涨，主要是受到积极的出口消息的推动。美国农业部报告称，截至9月28日当周新出口销售大幅增长，同时发布的8月份贸易数据显示当月出口继续强劲。对第一大市场墨西哥的销售仍保持创纪录的速度，月度出口额达到2.117亿美元，创下新纪录。2023年前8个月，美国猪肉出口总量比去年增长11%，达到191万吨，价值53.2亿美元（同比增长9%）。

Breeding Herd and Future Supply Implications



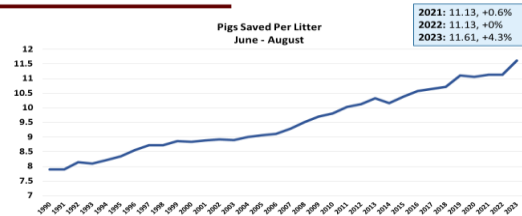
Lowest breeding herd inventory since September 2016

猪屠体分切价格：2023年10月6日 - \$93.22美元/百磅（较2023年9月26日减少5%）

美国肉类出口协会活动预告：

FHC 上海环球食品展：2023年11月8-10日

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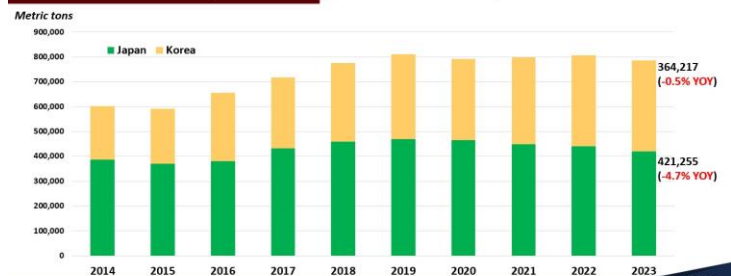


Source: USDA/NASS

贸易新闻

截至今年8月，日本和韩国的牛肉进口总量略低于去年的增速（见下图）。有趣的是，表现平平主要是由于第三、第四和第五供应商加拿大（同比-8%）、新西兰（-21%）和墨西哥（-34%）的出口量下降，而不是因为从美国进口牛肉的速度明显下降，而美国牛肉供应正在收紧。美元也被认为是可能减缓这两个北亚目的地购买美国产品的一个因素。美国和澳大利亚占两个进口市场合计（数量）的84%，日本和韩国是美国牛肉的第一和第二出口目的地，约占美国牛肉出口总量的40%。Nikkei最近的一篇文章强调，当前日本牛肉消费低迷，过去十年来，更优惠的猪肉和鸡肉价格刺激了消费者远离牛肉。美国农业部在8月份的一份报告中声称，虽然通货膨胀正在打击日本牛肉的零售销售，但旅游业人数的增加为餐饮店的牛肉销售提供了一些利好支持。8月份赴日本的游客人数达到216万人次，超过了新冠疫情爆发前水平的80%，这是自新冠爆发以来月度第一次。与日本不同，韩国的牛肉消费量呈现长期增长趋势，人均摄入量增加了55%，达到14.8公斤。从2000年到2022年的22年期间，韩国牛肉消费总量的62%是进口的，通过与包括大多数主要牛肉供应商在内的贸易伙伴签订全面自由贸易协定，降低了消费者的牛肉总成本。尽管如此，今年韩国经济依然低迷，高通胀迫使消费者勒紧裤腰带。新型冠状病毒感染的劳动力短缺也影响了餐饮服务经营者，他们越来越多地使用机器人服务员。韩国餐饮服务总销售额尚未恢复至新冠病毒爆发前的水平。

Japan & Korea total beef imports (Jan - Aug, metric tons)



Source: TDM