



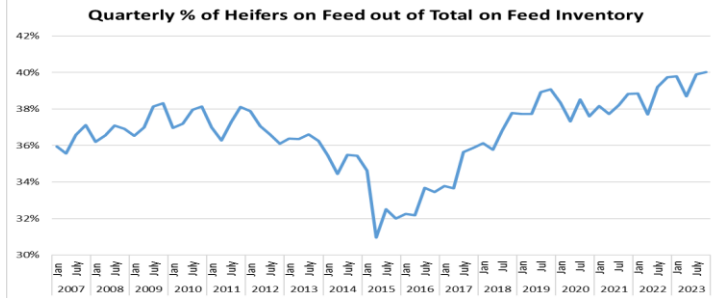
# U.S. Meat Bulletin

October 24, 2023

Volume XV | Issue 10.3

## SUPPLY & DEMAND

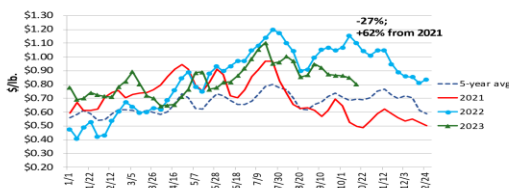
After languishing through the 1<sup>st</sup> half of October, beef wholesale prices moved upward through last week, albeit slightly. Buyers continue to be cautious about year-end demand prospects but took positions last week in expectations of tighter beef supplies ahead. Prices firmed despite a larger slaughter week of 638K head, up from 617k head the previous week. Last Friday's USDA's cattle on feed report surprised the market, showing October 1, 2023 feedlot inventories had increased 0.6% from the year-ago level to 11.6 million head, the 1<sup>st</sup> time since September 2022 that the COF inventory had risen YOY. The inventory was larger than expected due to higher-than-expected placements of cattle into feedlots during September. To be sure, placements were expected to be rise YOY based on dry weather pushing more feeder cattle into feedlots in addition to increased imports of feeder cattle from Mexico and Canada. The higher placements number, coupled with lower movements of cattle out of feedlots to plants, is creating a backup in the fed cattle pipeline; the number of cattle on feed over 120 days of 4.3 million head on Oct 1 was 4% higher than last year and up 6% from the previous 5-year average. USDA's report also showed that the number of heifers on feed remains high (see GRAPH below), a sign that cow-calf producers have yet to begin to retail heifers for herd expansion. Last Friday's bearish news from USDA coupled with skittishness in financial markets caused fed cattle futures to fall sharply yesterday, with feeder cattle futures continuing a decline that started a month ago. Feeder cattle futures were also negatively impacted by a sharp rise at the end of the week in U.S. corn prices, following news about expanding drought in **Brazil**.



**Beef Choice Beef Cutout Value: 23/10/2023 - US\$304.54/cwt. (<1% from 16/10/2023)**

The 2<sup>nd</sup> largest slaughter week of the year yielded larger pork supplies, which weighed on wholesale pork prices. Ample supplies from last week's 2.61 million head harvest pushed ham prices lower, as well as butts and bellies. Spot values for retail loin items also weakened. Heavy bone-in ham prices settled near the U.S. \$0.80/lb. level at the end of last week, the lowest level since May, and -27% from last year (see GRAPH below). Pork price declines have been expected with the seasonal ramp-up in slaughter activity. The near-term bearish sentiment drove the value of the December 2023 lean hog futures contract to a new low last Friday. After returning to profitability during July & August, U.S. pork producers are likely to experience deteriorating margins through the rest of Q4 & into Q1. However, with the harvest underway for what will be the USA's 3<sup>rd</sup> largest corn crop ever, producers can look forward to significantly lower production costs next year; last week, December corn futures hovered near the U.S. \$4.80/bushel level compared to the \$7.00 prices observed a year earlier. U.S. pork exports continue to be strong, with total YTD muscle cut export volumes through the week of October 12 up 6% YOY. A new report by European analysts painted a bleak picture for EU pork production & trade this year, raising issues of longer-term EU pork export competitiveness (see TRADE next column).

## Heavy Bone-in Hams



Source: USDA/AMS, 23-27#

**Hog Carcass Cutout Value: 23/10/2023 - US\$88.55/cwt. (-3% from 16/10/2023)**

## MARKET MAKERS

The **Catelli Brothers Family of Foods**, which claims to be the largest vertically integrated veal and lamb company in North America, is purchasing the veal & lamb business of Wisconsin based **Strauss Brands**. Both Strauss and Catelli have long traditions in the U.S. meat industry with the Strauss family commencing operations in 1937 and Catelli just 9 years later in 1946. Strauss says the sale will allow it to focus on its grass-fed beef production. Catelli is part of the Canadian based conglomerate **Préval AG**.

## MOVING AHEAD

Keeping African Swine Fever (ASF) out of the U.S. remains the U.S. pork industry's #1 priority. The **National Pork Producers Council** (NPPC) has recently made fresh appeals to U.S. lawmakers to extend & expand funding for ASF for prevention and preparedness, while reiterating that an outbreak would be catastrophic to the entire U.S. agricultural sector. **Iowa State University** estimates that an ASF outbreak in the U.S. herd could cost the U.S. pork industry more than U.S. \$75 billion over 10 years, with major spinoff impacts including declining U.S. feed grain usage and thus lower grain prices. U.S. pork exports, worth U.S. \$7.7 billion would stop immediately, causing a collapse in the domestic pork market. In 2021, ASF was detected in both the **Dominican Republic** and **Haiti**, just several hundred nautical miles from the U.S. territory of Puerto Rico. Since then, the USDA's Animal & Plant Health Inspection Service (APHIS) has been aggressive in preventing ASF from reaching U.S. shores, and earlier this month, celebrated 2 years of prevention success, while noting that risks remain. The agency has surveyed all known Puerto Rico swine premises, collecting over 9,600 samples. APHIS also continues to conduct surveillance for ASF in swine in the mainland United States, with 6,000 tests conducted since 2021. Moving forward, the pork industry will focus on enhancing traceability, as at any given time in the U.S., nearly 1 million hogs are in transit. Of particular interest are tightening up monitoring of show pigs (e.g., those exhibited at agricultural fairs), culled animals and breeding stock. APHIS is also increasing monitoring of feral pigs, especially in the southern U.S. APHIS claims it has also increased the inspection of inspection of passengers and products arriving from ASF-affected countries. ASF outbreaks have been reported in 50 countries, including most recently **Sweden** which reported its 1<sup>st</sup> case on September 7.

## TRADE

European pork export prices through the 1<sup>st</sup> 7 months of the year were the highest among major exporters as regulatory uncertainty and disease outbreaks led to sharp declines in production. According to a recent report by the **European Commission**, EU pork production through the 1st half of 2023 was down 8.6% YOY, with full year output expected to drop 6.6% from 2022. H1 output was sharply lower in major pork producers **Germany** (-9.4%), **Denmark** (-21.5%) and **Spain** (-5.8%). A beneficial downward correction in feed costs and a rebound in hog prices have improved recent producer profitability, which should see total EU pork output increase modestly in 2024, but next year's production is still forecast to be the 2<sup>nd</sup> lowest since the year 2000. EU hog prices have been easing since July and are now up just 6% YOY from last year. On the trade side, EU pork exports are forecast to drop 16% in 2023, then rebound 5% in 2024. If the projections are correct, export volumes in both years would be the smallest since 2015. Exports are estimated to account for 16% of production this year and 17% in 2024, down from a high of 21% in 2020 and 18% in 2022. Lower EU production & consumer inflation concerns have caused EU pork consumption to drop, with more households substituting poultry for pork. Pork is still the most consumed meat in Europe, but this year's estimated per capita poultry consumption of 24.4 kgs. per capita is catching up to what will be record low pork intake in 2023 of 30.4 kg. In its most recent global livestock update, USDA noted a major shift in market shares among global meat & poultry exporters, with Europe experiencing a secular decline while **Brazil** gains share.



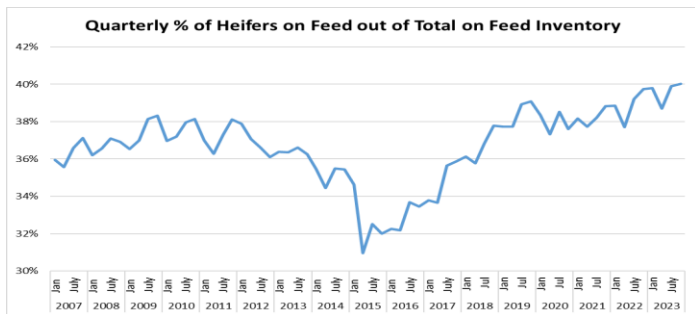
Source: TDM, USMEF

## ACTIVITIES:

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

## 供应与需求

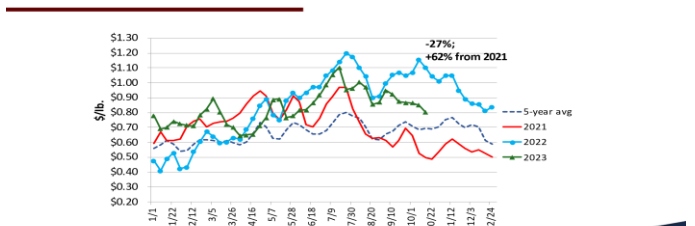
在经历了10月上半月的低迷之后，牛肉批发价格上周有所上涨，尽管幅度略小。买家继续对年底需求前景持谨慎态度，但上周因预期未来牛肉供应将趋紧而采买以占据优势地位。尽管上周屠宰量增加至63.8万头，高于前一周的61.7万头，但价格依然坚挺。上周五美国农业部发布的育肥牛报告令市场意外，显示2023年10月1日育肥场库存较去年同期增加0.6%至1,160万头，这是自2022年9月以来育肥场库存首次同比增加。由于9月份牛只转移到育肥场的数量高于预期，育肥场库存量高于预期。可以肯定的是，除了从墨西哥和加拿大进口的架子牛增加之外，由于干燥天气推动更多的架子牛进入育肥场，安置数量预计将同比增加。安置数量的增加，加上从育肥场到屠宰厂的牛转移量的减少，正在为出栏牛的供应提供更多库存；截至10月1日，育肥超过120天的牛数量为430万头，比去年增加4%，比前5年平均水平增加6%。美国农业部的报告还显示，育肥场中小母牛的数量仍然很高（见下图），这表明母牛-牛犊生产者尚未开始留存小母牛以扩大牛群规模。上周五美国农业部的利空消息加上金融市场的不安情绪导致活牛期货昨天大幅下跌，育肥牛期货延续了一个月前开始的下跌趋势。在巴西干旱扩大的消息传出后，美国玉米价格周末大幅上涨，也对育肥牛期货造成负面影响。



美国农业部牛肉屠体价格指数（特选级）：2023年10月23日 - \$304.54美元/百磅（较2023年10月16日减少<1%）

今年第二大屠宰周产生了更多的猪肉供应，这对猪肉批发价格造成压力。上周屠宰的261万头供应充足，导致后腿、肩胛部和腹部价格走低。零售背脊部产品的现货价格也走软。带骨后腿上周末的价格稳定在0.80美元/磅附近，为5月份以来的最低水平，较去年下降27%（见下图）。随着屠宰活动的季节性增加，猪肉价格预计会下降。近期看跌情绪推动2023年12月瘦肉猪期货合约价格在上周五创下新低。在7月和8月恢复盈利后，美国猪肉生产商的利润率可能会在第四季度剩余时间和第一季度出现恶化。然而，随着美国玉米作物（产量有史以来第三大）的收获工作正在进行，生产商可以期待明年的生产成本大幅降低；上周，12月玉米期货价格徘徊在4.80美元/蒲式耳附近，而去年同期价格为7.00美元/蒲式耳。美国猪肉出口继续强劲，截至10月12日当周，年初至今猪肉出口量同比增长6%。欧洲分析师的一份新报告描绘了今年欧盟猪肉生产和贸易的惨淡景象，引发了欧盟猪肉出口竞争力的长期问题（见贸易新闻）。

## Heavy Bone-in Hams



Source: USDA/AMS, 23-27#  
 猪屠体分切价格：2023年10月23日 - \$88.55美元/百磅（较2023年10月16日减少3%）

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

## 产业新知

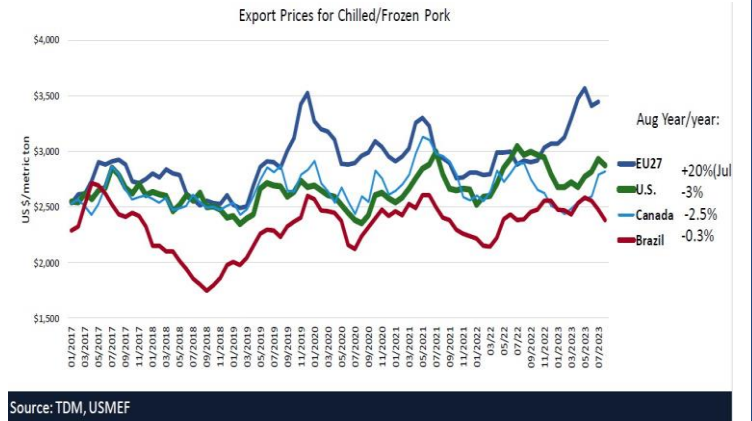
**Catelli Brothers Family of Foods** 自称是北美最大的垂直一体化小牛肉和羊肉公司，正在收购总部位于威斯康星州的 **Strauss Brands** 的小牛肉和羊肉业务。Strauss 和 Catelli 在美国肉类行业都拥有悠久的历史，Strauss 家族于1937年开始运营，而 Catelli 则在9年后的1946年开始运营。Strauss 表示，此次出售将使其能够专注于草饲牛肉的生产。Catelli 是加拿大企业集团 **Préval AG** 的一部分。

## 产业动态

将非洲猪瘟（ASF）排除在美国之外仍然是美国猪肉行业的第一要务。国家猪肉生产者委员会（NPPC）最近再次呼吁美国立法者延长和扩大对非洲猪瘟的预防和准备资金，同时重申，疫情爆发将对整个美国农业部门造成灾难性的影响。爱荷华州立大学估计，非洲猪瘟在美国猪群中的爆发可能会在10年内给美国猪肉行业造成超过750亿美元的损失，其主要附带影响包括美国饲料谷物用量下降，从而导致谷物价格下跌。美国价值77亿美元的猪肉出口将立即停止，导致美国国内猪肉市场崩溃。2021年，距离美国领土波多黎各仅数百海里的**多米尼加共和国**和**海地**均发现非洲猪瘟。自那时起，美国农业部动植物卫生检验局（APHIS）一直积极阻止非洲猪瘟抵达美国海岸，本月早些时候，庆祝了两年的预防成功，同时指出风险依然存在。该机构调查了波多黎各所有已知养猪场所，收集了9,600多个样本。APHIS 还继续对美国大陆的生猪进行非洲猪瘟监测，自2021年以来已进行了6,000次检测。展望未来，猪肉行业将重点加强可追溯性，因为在美国任何特定时间，都有近100万头生猪处于流通状态。特别值得关注的是加强对展示猪（例如在农业博览会上展出的猪）、宰杀动物和种畜的监控。APHIS 还加强了对野猪的监测，特别是在美国南部。APHIS 声称还加强了对来自受非洲猪瘟影响国家的旅客和产品的检查。已有50个国家报告非洲猪瘟疫情，包括最近于9月7日报告第一例病例的**瑞典**。

## 贸易新闻

由于监管不确定性和疾病爆发导致产量急剧下降，今年前7个月欧洲猪肉出口价格是主要出口国中最高的。根据**欧盟委员会**最近的一份报告，截至2023年上半年，欧盟猪肉产量同比下降8.6%，全年产量预计较2022年下降6.6%。主要猪肉生产国上半年产量大幅下降，**德国**（-9.4%）、**丹麦**（-21.5%）和**西班牙**（-5.8%）。饲料成本的下调和生猪价格的反弹改善了近期生产者的盈利能力，预计2024年欧盟猪肉总产量将小幅增长，但预计明年的产量仍将是2000年以来的第二低水平。自7月份以来，欧盟生猪价格一直在下降，目前同比仅上涨6%。贸易方面，预计2023年欧盟猪肉出口将下降16%，2024年将反弹5%。如果预测正确，这两年的出口量将是2015年以来的最低水平。出口量预计占今年产量的16%和2024年产量的17%，低于2020年21%和2022年18%的高位。欧盟产量下降和消费者通胀担忧导致欧盟猪肉消费下降，更多家庭用家禽替代猪肉。猪肉仍然是欧洲消费最多的肉类，但今年的人均家禽消费量估计为24.4公斤，正在赶上2023年猪肉摄入量30.4公斤的历史最低纪录。美国农业部在最新的全球牲畜更新中指出，全球肉类和家禽出口国的市场份额发生重大变化，欧洲市场份额长期下降，而**巴西**市场份额增加。



Source: TDM, USMEF