

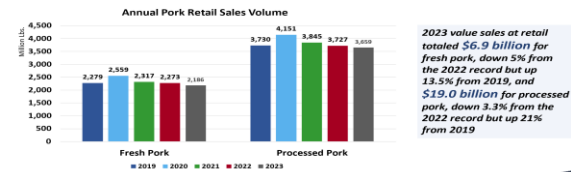
SUPPLY & DEMAND

Wholesale beef prices edged upward last week, although buying activity remained hand-to-mouth as retailers continue to have concern about consumer beef affordability. Packers are curtailing slaughter activity to place a floor under beef prices; last week's harvest of 599,000 head was 4.3% less than the same week last year, with year-to-date slaughter down 5.3%. Price firmness has been noticeable for end meats, including chucks (see GRAPH below), which have constituted a more economical roasting alternative to rib and loin cuts. Chuck prices may also be receiving support from record high lean 90s trimmings prices & last week's Texas wildfire. The fire burnt over 1 million acres of land in the northern panhandle district, home to the state's biggest concentration of cattle. Estimates of the number of perished cattle reach into the tens of thousands of head, with reports that the fire impacted the operations of several large cow processing plants located in the panhandle. To be sure, Texas's cattle population of 12 million head means the catastrophe is unlikely to have a lasting impact on the U.S. cattle population - and market - as a whole. Despite last week's low slaughter, live fed cattle prices managed to eke out a small gain last week, but so far this week, trading and market sentiment has been choppy. Analysts believe lower slaughter numbers, which translate into slower movement of cattle out of feedlots, could push market-ready cattle supplies higher through next month. Analysts also note that fed cattle weights have been increasing, which together with the bulge in feedlot inventories could dampen fed cattle prices in the short run. Although fed cattle futures have seasawed, feeder cattle futures advanced on strong demand for lightweight cattle and calves for grazing. U.S. beef export activity remains muted, with export volumes worldwide down 6% YOY.

MOVING AHEAD

The U.S. pork industry is vowing to double down on marketing efforts to stimulate U.S. pork consumption after macro data from 2023 showed a noticeable drop in pork retail sales for both fresh product & processed meats (PM). In last week's bulletin, we showed recent year sales across different cuts & PM's, but the graph below illustrates pork's sales performance across all product categories. While beef & pork retail prices have increased, average pork prices have been deflating, along with volumes sold. Fresh uncooked pork retail tonnage has been more of a problem than processed meats with some data showing that an average American household purchases raw pork for home preparation less than once a month. According to Midan Marketing, there are several factors involved. First, baby boomers remain the core market for pork, and with the aging of that generation, purchases are declining. Millennials consume less than half the volume of pork than baby boomers. Specifically, younger millennials and Gen Zs consumption of pork is narrower, with charcuterie and pizza toppings being the principal items. Midan notes that supermarkets are still merchandising pork in anachronistic ways, including offering large family packs of pork chops, or simply offering price discounts without providing recipe ideas or highlighting other product attributes. Moving forward, the pork industry intends to allocate more marketing resources to younger age groups, the USA's ethnic populations, and dense coastal urban areas. Pork remains a core ingredient of staple recipes of Hispanic and Asian communities in the U.S.; the 2 groups represent a combined market of approximately 80 million consumers. For example, one of the most frequently ordered items on food delivery app DoorDash - and across the U.S. - is pork dumplings. Pork-based taco offerings are also ubiquitous. Although most pork consumed in the U.S. is in the form of processed meats, Midan recommends more marketing focus should be placed on the unique flavor profile of the protein.

In 2023, fresh pork volume sales at retail were down 3.8% year-over-year and down 4.1% from 2019; processed pork volume sales at retail were down 1.8% year-over-year and down 1.9% from 2019

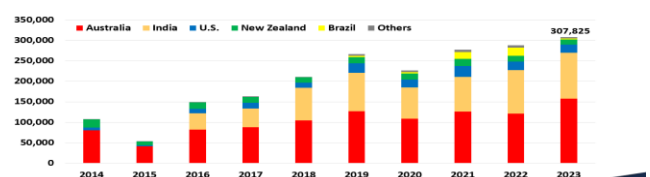


Source: IRI Unify

TRADE

Indonesia's 308K tons of beef imports (+7% YOY) last year were a record large annual volume, with main suppliers **India** and **Australia** both recording historically high trade tonnages with SE Asia's largest beef import market. Most of the recent increase in Indonesia's total imports consists of Indian buffalo meat, which was 1st granted eligibility in 2016 as the Indonesian government (GOI) sought to keep consumer beef prices low. Indian buffalo meat is imported by state owned enterprises (SOEs) under a quota scheme. Brazilian beef was granted access in 2019 to Indonesia under a similar arrangement whereby SOEs would control imports. In 2022, Indian & Brazilian product accounted for 43% of total imports, but last year **Australia** recaptured share from Brazil as its herd expanded & export prices dropped. Beef is a staple protein among Indonesia's 275 million citizens, but affordability remains a challenge. Over the past decades, the GOI has implemented a range of policies to ensure access by the population to beef, including setting retail target prices and encouraging domestic beef production through the import of Australian feeder cattle. Cattle imports over the past decade have faced several challenges, including animal welfare & disease concerns. Imports of live cattle last year of 127K head were roughly half of the peak 2014 level of 247K head. On the eve of this year's March 10-April 9 Ramadan holiday - when beef consumption peaks - the GOI is estimating 2024 total beef demand at 720K tons. Local feedlotters forecast this year's domestic production at 280K tons. With import quotas for beef & buffalo meat from all sources reaching 265K tons, a beef supply deficit of 175K tons is possible, raising the specter that consumer beef prices will remain elevated.

Indonesia: total beef imports 2014-2023 (Jan-Dec; metric tons)

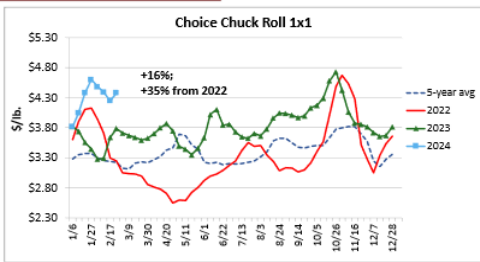


Source: YDM data, includes variety meats

ACTIVITIES:

Food & Hotel Asia, Singapore: April 23-26, 2024
SIAL, Shanghai: May 28-30, 2024

Choice Chuck Roll 1x1

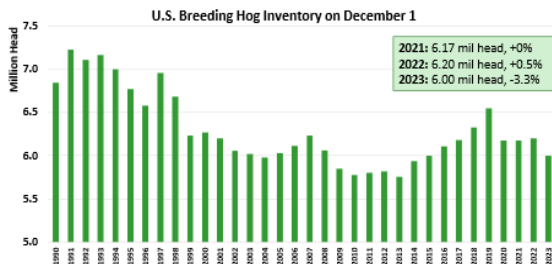


Source: USDA/AMS

Beef Choice Beef Cutout Value: 5/3/2024 - US\$304.79/cwt. (+1% from 26/2/2024)

The pork cutout value posted a gain again last week on the firming of all pork primal values. While weekly slaughter was roughly steady with the previous week at 2.549 million head, lower average market hog weights crimped weekly pork supplies as seasonal demand factors kicked in. Continued **Mexican** ham buying & domestic demand for Easter (March 31) helped ham values advance, along with ribs, picnics and butts. USDA's latest cold storage inventory report was also supportive to the market; frozen pork stocks as of February 1 were -9.8% from a year earlier and 10% lower than the five-year average. After 18 months of losses, there is suddenly more optimism about the short-term industry outlook. Sow slaughter has been elevated over the last few months, with analysts forecasting that a slight but noticeable decline in the supply of market-ready hogs may start in the weeks ahead. Feed costs and production breakevens are down, while the cutout has remained firm despite a 1.3% year-to-date increase in the pace of production. Beef supplies are cyclically contracting, while the domestic pork industry has identified new domestic marketing opportunities (see MOVING AHEAD next column). While U.S. pork exports to date are down from last year's pace, optimism about 2024 trade prospects remain, e.g., China is undergoing a significant hog herd liquidation as well, with Feb 1, 2024 sow inventories nearly 7% lower than a year ago. Last week's positive fundamentals and market sentiment helped push the April lean hog futures contract higher.

December breeding hog inventory down 3.3% year-over-year and the lowest inventory since December 2014



Source: USDA/NASS

Hog Carcass Cutout Value: 5/3/2024 - US\$91.43/cwt. (+<1% from 26/2/2024)

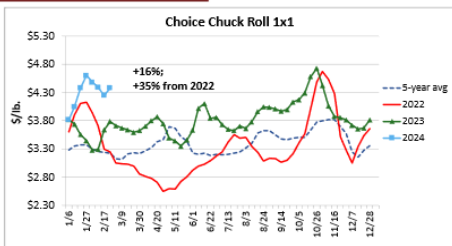
供应与需求

上周牛肉批发价格小幅上涨，但由于零售商继续担心消费者对牛肉的负担能力，购买活动仍然勉强维持。屠宰厂正试图减少屠宰活动，以便为牛肉价格设定底线；上周的屠宰量为 59.9 万头，比去年同期减少 4.3%，年初至今的屠宰量同比下降 5.3%。包括肩胛部（见下图）在内的两端部位价格坚挺明显，它是肋脊部和腰脊部分切部位的更经济的烧烤替代品。肩胛部价格也可能受到创纪录的 90%瘦肉组成的碎肉价格和上周德克萨斯州野火的支撑。大火烧毁了北部狭长地带超过 100 万英亩的土地，这里是该州最大的牛群聚集地。估计死亡牛的数量达到数万头，有报道称火灾可能会影响位于狭长地带的几家大型母牛加工厂的运营。确定的是，德克萨斯州的牛存栏量为 1200 万头，这意味着这场灾难不太可能对整个美国牛存栏量和市场产生持久影响。尽管上周屠宰量较低，但出栏牛价格上周仍勉强维持小幅上涨，但本周到目前为止，交易和市场情绪一直起伏不定。分析师认为，屠宰数量的减少意味着牛离开育肥场的速度放缓，可能会推动下个月出栏牛供应量的增加。分析师还指出，出栏牛的体重一直在增加，再加上育肥场库存的增加，可能会短期抑制出栏牛价格的进一步上涨。尽管出栏牛期货价格出现波动，但由于对小体重牛和犊牛放牧的强劲需求，架子牛期货价格上涨。美国牛肉出口活动依然低迷，对全球市场出口量同比下降 6%。

产业动态

在 2023 年的宏观数据显示生鲜猪肉和加工肉类 (PM) 的猪肉零售额显著下降后，美国猪肉行业誓言要加大营销力度，以刺激美国猪肉消费。在上周的周报中，我们展示了近年来不同部位和加工品的销售情况，但下图显示了最近几年猪肉在所有产品类别中的销售表现。尽管牛肉和猪肉零售价格有所上涨，但猪肉平均价格以及销量却一直在下降。新鲜生猪肉的零售量比加工肉类更成问题，一些数据显示，美国家庭平均每月购买生猪肉用于家庭烹饪的次数不到一次。据 Midan Marketing 称，这涉及几个因素。首先，婴儿潮一代仍然是猪肉的核心市场，随着这一代人的老龄化，购买量正在下降。千禧一代的猪肉消费量还不到婴儿潮一代的一半。具体来说，年轻的千禧一代和 Z 世代对猪肉的消费范围较小，熟食和披萨配料是主要食品。Midan 指出，超市仍然以过时的方式推销猪肉，包括提供大容量家庭装猪排，或者只是提供价格折扣，而不提供食谱创意或强调其他产品属性。展望未来，猪肉行业打算将更多营销资源集中在年轻群体、美国少数民族人口以及人口密集的沿海城市地区。猪肉仍然是美国西班牙裔和亚裔社区刚需食谱的核心成分；这两个群体代表了一个总计约 8000 万消费者的市场。例如，在美国各地的食品配送应用程序 DoorDash 上最常订购的商品之一是猪肉饺子。以猪肉为原料的玉米卷也随处可见。尽管美国消费的大多数猪肉都是加工肉类的形式，但 Midan 建议更多的营销重点应该放在蛋白质的独特风味上。

Choice Chuck Roll 1x1

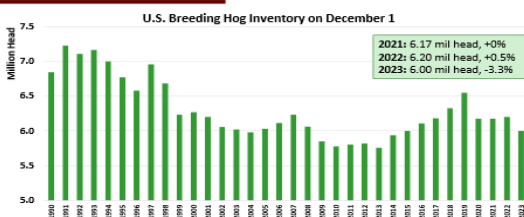


Source: USDA/AMS

美国农业部牛肉屠体价格指数 (特选级)：2024 年 3 月 5 日 - \$304.79 美元/百磅 (较 2024 年 2 月 26 日增加 1%)

由于所有猪肉初级分切价格的坚挺，上周猪肉分切价格再次上涨。虽然周屠宰量与前一周基本持平，为 254.9 万头，但由于季节性需求因素的影响，市场生猪平均体重下降抑制了每周猪肉供应。墨西哥后腿的持续购买和复活节 (3 月 31 日) 的国内需求帮助后腿价格上涨，肋脊部、前腿和肩胛部价格也有所上涨。美国农业部最新的冷库库存报告也对市场起到了支撑作用；截至 2 月 1 日，冷冻猪肉库存同比下降 9.8%，比五年平均水平低 10%。在经历了 18 个月的亏损之后，人们对短期行业前景突然更加乐观。过去几个月，母猪屠宰量有所增加，分析师预测，未来几周内，出栏生猪供应量可能会开始出现小幅但值得注意的下降。饲料成本和生产盈亏平衡下降，尽管今年迄今产量同比增长 1.3%，但分切价格仍保持坚挺。牛肉供应正在周期性收缩，而国内猪肉行业已经发现了新的国内营销机会 (请参阅产业动态专栏)。尽管迄今为止美国猪肉出口增速低于去年，但对 2024 年贸易前景的乐观情绪依然存在；例如，中国也正在经历大规模的生猪产能去化，2024 年 2 月 1 日的母猪存栏量比一年前减少了近 7%。上周积极的基本面和市场情绪帮助推高 4 月份瘦肉猪期货合约价格。

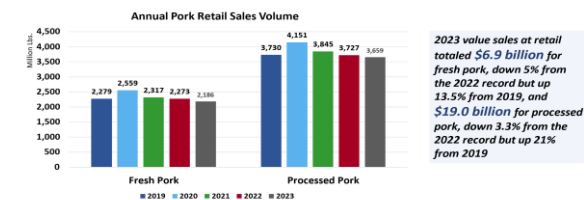
December breeding hog inventory down 3.3% year-over-year and the lowest inventory since December 2014



Source: USDA/NASS

猪屠体分切价格：2024 年 3 月 5 日 - \$91.43 美元/百磅 (较 2024 年 2 月 26 日增加 <1%)

In 2023, fresh pork volume sales at retail were down 3.8% year-over-year and down 4.1% from 2019; processed pork volume sales at retail were down 1.8% year-over-year and down 1.9% from 2019

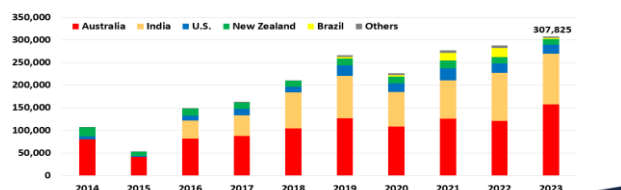


Source: IRI/Infy

贸易新闻

去年印度尼西亚牛肉进口量达 30.8 万吨 (同比增长 7%)，创历史新高，主要供应国印度和澳大利亚与印尼 (东南亚最大的牛肉进口市场) 的贸易数量均创历史新高。印度尼西亚近期进口总量增加的大部分是印度水牛肉，由于印度尼西亚政府 (GOI) 试图将消费者牛肉价格保持在较低水平，印度水牛肉于 2016 年首次获得资格。印度水牛肉由印尼国有企业 (SOE) 根据配额计划进口。巴西牛肉于 2019 年根据类似安排获准进入印度尼西亚，国有企业将控制进口。2022 年，印度和巴西产品占进口总额的 43%，但去年，随着畜群扩大和出口价格下降，澳大利亚从巴西手中夺回了份额。牛肉是印度尼西亚 2.75 亿公民的主要蛋白质，但负担能力仍然是一个挑战。在过去的几十年里，印尼政府实施了一系列政策，以确保人们获得牛肉，包括设定零售目标价格和通过进口澳大利亚架子牛鼓励国内牛肉生产。过去十年来，牛的进口面临着多项挑战，包括动物福利和疾病问题。去年活牛进口量为 12.7 万头，大约是 2014 年峰值水平 24.7 万头的一半。今年 3 月 10 日至 4 月 9 日斋月假期前夕，即牛肉消费高峰期，印尼政府预计 2024 年牛肉总需求量为 72 万吨。当地育肥场主预测今年印尼国内产量为 28 万吨。由于各种来源的牛肉和水牛肉的进口配额达到 26.5 万吨，牛肉供应缺口可能达到 17.5 万吨，这引发了人们对牛肉消费价格仍将保持高位的担忧。

Indonesia: total beef imports 2014-2023 (Jan-Dec; metric tons)



Source: TDM data, includes variety meats

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: 2024 年 4 月 23-26 日

SIAL 国际食品展 (上海): 2024 年 5 月 28-30 日