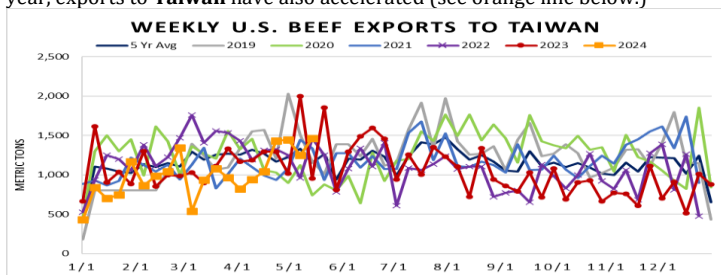


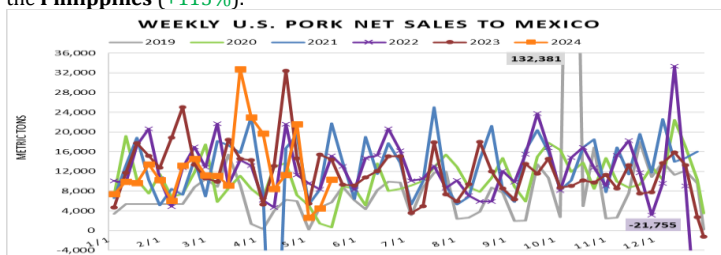
SUPPLY & DEMAND

Wholesale U.S. beef prices inched up last week as buyers sought to cover supply holes for last week's 3-day Memorial Day holiday and positioned themselves for post-holiday summer demand. There was cautious optimism about holiday sales as some national retailers ran loss-leader specials on steak cuts and ground beef. That said, overall demand remains questionable as inflation concerns chip away at consumer spending behavior (see MOVING AHEAD next column). Last week's cattle harvest of over 600K head was sizeable given that some plants were expected to run light schedules last Friday going into the 3-day long weekend. Extra poundage is hitting the market due to heavier cattle weights; last week USDA national data showed dressed steer weights up 32 pounds over a year ago at 923 pounds. Normally, cattle weights decline in the spring, then increase through the summer, but this year weights have not registered declines, raising the question of where weights go from here. Feedlots are holding cattle much longer and to much heavier weights. With replacement feeder cattle supplies tight, cattle feeders are feeding animals as long as possible rather than face declining feedlot occupancy. USDA's latest cattle on feed report (May 24) showed that the number of feeder cattle entering lots during April declined 6% from the level of April 2023, while marketings of fed cattle out of feedlots rose slightly (and when adjusted for the number of marketing days compared to April last year). The fall in placements and rise in marketings led to a YOY decline in the total number of cattle on feed as of May 1 to 11.554 million head. The week of May 10 saw heavy U.S. beef exporting activity compared to previous weeks. Outbound shipment volumes were the largest so far this marketing year, and new orders placed during the week from **China** and **Mexico** were also marketing year highs. After a slow start to the year, exports to **Taiwan** have also accelerated (see orange line below.)



Beef Choice Cutout Value: 24/5/2024 - US\$310.45/cwt. (-1% from 20/5/2024)

A slight softening in ham & belly spot values led to an easing of the overall USDA composite pork cutout value last week. Loins and rib items for retail also moved slightly lower. Despite firmness in the cutout, July lean hog futures have been steadily dropping since late April, mainly due to uncertainty about the direction of the summer belly and ham markets. Ham values have seesawed somewhat in part due to volatility in orders from leading export market **Mexico** (orange line in GRAPH below). Concerns about the Peso's strength have caused some of that volatility. To be sure, total U.S. pork export volumes have been relatively steady in the 35-40K ton-per-week range since late March, but Mexican demand plays a major role in determining spot ham values from day-to-day. Bellies have been another factor influencing the cutout, and the futures market. Although wholesale belly values are up over 50% from last year, there is some concern about a slowdown in sales of fast food, a major demand source for belly bacon. Attractive belly values early in 2023 juiced institutional demand for bacon in the summer, which then drove up belly prices. There are questions about whether a similar pattern will play out this year. Through May 16, total U.S. pork muscle cut exports are +5% YOY (volume), with YOY standouts including **Australia (+45%)**, **Colombia (+56%)**, **Korea (+68%)** and **the Philippines (+115%)**.



Hog Carcass Cutout Value: 24/5/2024 - US\$99.14/cwt. (-3% from 20/5/2024)

ACTIVITIES:

SIAL, Shanghai: May 28-30, 2024 (Today)

FHC Shanghai Global Food Trade Show: Nov 12-14, 2024

MOVING MAKERS

According to trade reports, **Meats by Linz** (MBL), a Chicago-area beef processor that specializes in dry-aged beef for high-end steakhouses, will open a new 120,000 square foot facility in Indiana, just south of Chicago. MBL claims to have one of the largest dry age rooms in the U.S. Established in 1963, MBL was originally known for its skillful purveying of high-quality beef, pork, and lamb. In 2012, the company's owners developed its own supply & sales chain of purebred Angus cattle under the **Linz Heritage Angus** program.

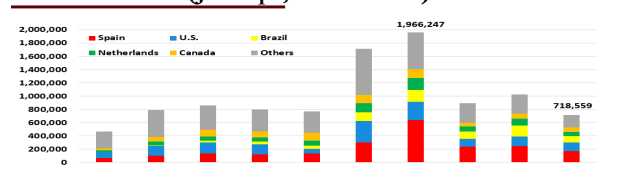
MOVING AHEAD

This past Memorial Day weekend saw several U.S. major retailers feature price reductions on a range of foodstuffs & household goods, including several summer meat categories. **Kroger**, the #2 U.S. supermarket chain after **Wal-Mart**, offered limited quantities of bone-in USDA CHOICE ribeye steaks for U.S. \$5.99/lb., a price that appeared to be below wholesale costs. **Target** ran specials on a prominent U.S. sausage brand, in addition to announcing it was reducing prices on 5,000 other items, including milk, fresh vegetables, coffee, snacks, yogurt, and other goods. **Amazon Fresh** has followed suit; the online grocery delivery service, which also operates a handful of physical stores, said it will offer up to 30% discounts on 4,000 items in-store and online. Although the April U.S. consumer price index of 3.4% showed a slight cooling from March, inflation remains stickily above policymakers' target of 2%, & U.S. consumer sentiment has fallen to a 6-month low. Total U.S. retail sales also fell slightly last month, with many Americans citing inflation and interest rates as factors causing them to rein in spending. Whether the current price promotions impact the overall inflation rate remains to be seen. Other categories of expenditures – especially housing – continue to rise, and consumers continue to complain that prices of just about everything are up double digits from pre-pandemic levels. All U.S. food prices are up only 2.2% from a year ago, a major drop from the 9.9% registered in 2022 and the 5.8% price growth last year. In its May food price forecasts, USDA's **Economic Research Service** predicts that U.S. food retail prices will continue to decelerate in 2024 compared to the pandemic years. ERS estimates that CY 2024 food inflation will increase 2.2% with food-at-home prices to rise 1.2% and food-away-from-home prices to jump 4.2%. Food prices, and overall inflation, are expected to remain front-and-center general news topics in the runup to the November Presidential election, as candidates argue the merits of their respective inflation-fighting strategies. In the latest **ABC/Ipsos** consumer poll, 88% of Americans stated "the economy" – the top factor cited – as a determining issue in their upcoming vote.

TRADE

Early this week, **China's** average live national hog price hit its highest level this year when the **Zhuhue Network** index touched RMB 16.84/kg. (U.S. \$1.02/lb.) Optimism has increased about conditions improving for Chinese hog producers after official statistics show the breeding herd is contracting. China's Ministry of Agriculture reported last week that at the end of April, the number of fertile sows in the country totaled 39.86 million, a decrease of 0.1% month-on-month and 6.9% year-on-year. Analysts believe the current price bump is being pushed by an increase in demand for live hogs by secondary fatteners, who are betting that live prices will continue their upward momentum in the coming months. The firmness in the live hog is counter-seasonal, as annual consumption normally hits its nadir in the late spring. From May through November, pork demand should increase – albeit slightly – before moving into the peak consumption period at the end of the year. Another factor that could be contributing to recent firmness is the decline in pork imports. China's Jan-April total pork imports of 718K tons (-30% YOY) were the lowest for the 1st 4 months of a year since 2016, and an indication that importers are rebalancing imported supplies to match the flow of product into & out of wholesale markets. China's leading hog producer said last week that it had been successful at lowering the average cost of production to RMB 14/kg. so far this year and could see costs drop to RMB 13/kg. by the end of 2024, a full RMB 2/kg. lower than the firm's average production cost in 2023.

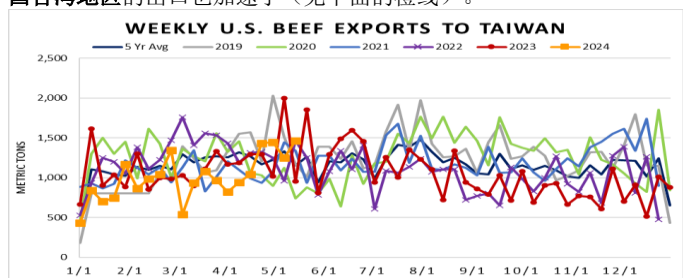
China: total pork imports 2015-2024 (Jan-Apr; metric tons)



Source: TDM data, includes variety meats

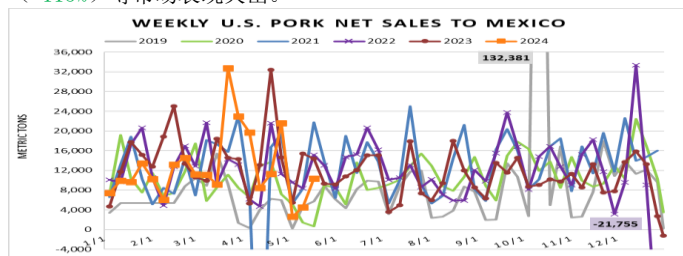
供应与需求

上周美国牛肉批发价格小幅上涨，因为买家试图弥补上周为期三天的阵亡将士纪念日假期的供应缺口，并为假期后的夏季需求做好准备。由于一些全国性零售商对牛排部位和绞牛肉进行了亏本特价促销，人们对假日销售持谨慎乐观态度。尽管如此，由于通胀担忧削弱了消费者的支出行为，总体需求仍然存在疑问（请参阅产业动态专栏）。鉴于上周五进入为期3天的长周末，一些工厂预计将进行少量生产，因此上周的牛屠宰量已超过60万头。由于牛体重较重，市场上牛肉产量增加；上周美国农业部的国家数据显示，牛只胴体体重比一年前增加了32磅，达到923磅。通常情况下，牛的体重在春季下降，然后在整个夏季增加，但今年体重没有下降，引发了一个问题：体重未来将如何变化。育肥场饲养牛的时间更长、体重更重。由于架子牛供应紧张，育肥场主会尽可能长时间地喂养牛只，来避免面临育肥场占用率下降的情况。美国农业部最新的育肥牛报告（5月24日）显示，4月份进入育肥场的架子牛数量较2023年4月的水平下降了6%，而育肥场外出栏的牛的数量略有上升（调整出栏天数后与去年4月相比的天数）。牛只进入育肥场的数量下降和销售量增加导致截至5月1日育肥场牛只总数同比下降至1155.4万头。与前几周相比，5月10日这一周美国牛肉出口活动活跃。海外出口量是本营销年度迄今为止最大的，当周来自**中国大陆地区**和**墨西哥**的新订单也创营销年度新高。在经历了年初的缓慢增长之后，对**中国台湾地区**的出口也加速了（见下面的橙线）。



美国农业部牛肉胴体价格指数（特选级）：2024年5月24日 - \$310.45美元/百磅（较2024年5月20日减少1%）

后腿和腹部肉现货价格略有走软，导致上周美国农业部综合猪肉分切价格有所下降。腰脊部和肋排产品的零售价格也略有下降。尽管分切部位价格坚挺，但自4月下旬以来，7月瘦肉猪期货价格一直在稳步下跌，这主要是由于夏季猪腹部和后腿市场方向的不确定性。后腿价格有所波动，部分原因是来自主要出口市场**墨西哥**的订单波动（下图中的橙色线）。对比索货币走势的担忧导致了部分波动。可以肯定的是，自3月下旬以来，美国猪肉出口总量相对稳定在每周3.5万吨至4万吨之间，但墨西哥的需求在决定日常后腿现货价格方面发挥着重要作用。腹部价格是影响现货分切价格和期货市场的另一个因素。尽管腹部肉的批发价格比去年上涨了50%以上，但人们对腹部培根产品的主要需求来源——快餐的销售放缓感到担忧。2023年初，腹部肉价格具有吸引力，刺激了机构对夏季培根的需求，进而推高了腹部肉价格。有人疑问今年是否会出现类似的模式。截至5月16日，美国猪肉出口总量同比增长5%（数量），其中**澳大利亚**（+45%）、**哥伦比亚**（+56%）、**韩国**（+68%）和**菲律宾**（+115%）等市场表现突出。



猪屠体分切价格：2024年5月24日 - \$99.14美元/百磅（较2024年5月20日减少3%）

美国肉类出口协会活动预告：
SIAL 国际食品展(上海)：2024年5月28-30日(今天)
FHC 上海环球食品展：2024年11月12-14日

产业新知

据贸易报道称，专门为高端牛排馆生产干式熟成牛肉的芝加哥地区牛肉加工商 **Meats by Linz** (MBL) 将在芝加哥南部的印第安纳州开设一家占地120,000平方英尺的新工厂。MBL 声称拥有美国最大的干式熟成房之一。MBL 成立于1963年，最初以其精湛地加工优质牛肉、猪肉和羊肉而闻名。2012年，公司所有者根据 [Linz Heritage Angus](#) 项目开发了自己的纯种安格斯牛供应和销售链。

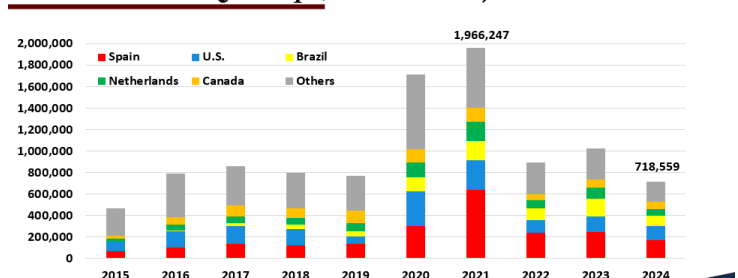
产业动态

刚刚过去的阵亡将士纪念日周末，美国几家主要零售商对一系列食品和家庭用品进行了降价，其中包括几种夏季肉类。**Kroger** 是仅次于**沃尔玛**的美国第二大连锁超市，其销售数量有限的带骨精选级肋眼牛排，售价为5.99美元/磅，这一价格似乎低于批发成本。**Target** 对美国著名香肠品牌进行特价促销，此外还宣布降低5,000种其他商品的价格，包括牛奶、新鲜蔬菜、咖啡、零食、酸奶和其他商品。**Amazon Fresh** 也紧随其后；这家在线食品杂货配送服务公司还经营着几家实体店，该公司表示将为店内和网上的4,000种商品提供高达30%的折扣。尽管美国4月份消费者价格指数为3.4%，较3月份略有降温，但通胀仍高于政策制定者2%的目标，美国消费者信心已跌至6个月低点。上个月美国零售总额也略有下降，许多美国人将通胀和利率视为导致他们控制支出的因素。目前的价格促销是否会影响到整体通胀率还有待观察。其他类别的支出——尤其是住房——继续上涨，消费者继续抱怨几乎所有东西的价格都比新冠大流行前的水平上涨了两位数。美国所有食品价格仅较去年同期上涨2.2%，较2022年的9.9%和去年的5.8%价格涨幅大幅下降。美国农业部**经济研究局**在5月份食品价格预测中指出，与大流行年份相比，2024年美国食品零售价格将继续下降。ERS 预计2024年食品通胀将上涨2.2%，其中家庭食品价格将上涨1.2%，外出食品价格将上涨4.2%。在11月总统选举前夕，食品价格和整体通胀预计仍将是主要新闻话题，因为候选人会争论各自抗通胀策略的优点。在最新的**ABC/Ipsos** 消费者民意调查中，88%的美国人表示“经济”（引用的首要因素）是他们即将进行的投票的决定性问题。

贸易新闻

本月初，**中国**生猪平均价格触及今年最高水平，**猪易网**价格指数显示猪价触及16.84元/公斤（1.02美元/磅）。在官方统计数据能繁母猪存栏持续收缩之后，人们对**中国**生猪生产者的状况改善的乐观情绪有所增加。中国农业部上周公布，4月底，全国能繁母猪存栏3,986万头，环比下降0.1%，同比下降6.9%。分析师认为，目前的价格上涨是由于二次育肥对生猪的需求增加推动的，他们押注未来几个月生猪价格将继续上涨。生猪价格的坚挺是反季节的，因为每年的消费量通常会在春末达到最低点。从5月到11月，猪肉需求应该会增加（尽管略有增加），然后在年底进入消费高峰期。另一个可能导致近期坚挺的因素是猪肉进口量的下降。中国1月至4月猪肉进口总量为71.8万吨（同比下降30%），为2016年以来今年前4个月的最低水平，这表明进口商正在重新平衡进口供应，以匹配产品进出批发市场的流量。中国领先的生猪生产商上周表示，已成功将平均生产成本降低至人民币14元/公斤。而今年到目前为止，成本可能会降至13元/公斤，比2023年的平均生产成本足足下降2元/公斤。

China: total pork imports 2015-2024 (Jan-Apr; metric tons)



Source: TDM data, includes variety meats

