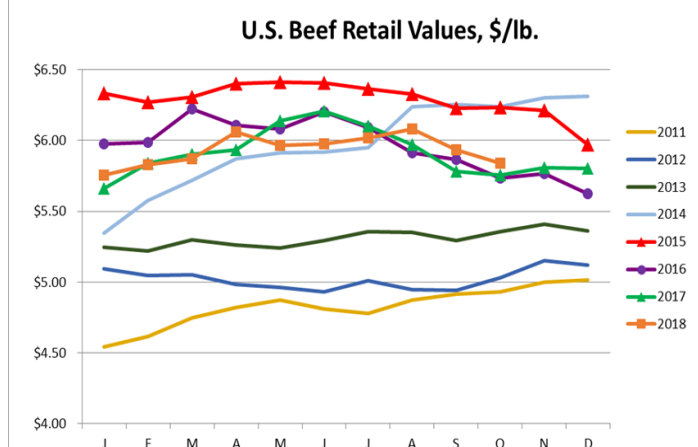


SUPPLY & DEMAND

Most beef primal values drifted lower last week as turkey-centric Thanksgiving purchasing dominated wholesale & retail activity last week. Live cattle prices also softened, while futures firmed on news that **Japan** may eliminate its 30-month-and-under age restrictions for U.S. beef imports. Beef export sales reported to the USDA for the week ending November 8 showed activity below the most recent 4-week period, but exports to main markets (excluding variety meats) through early November are still 14% higher than the pace of a year ago. Analysts will be closely watching this week's cattle-on-feed report to see if placements of cattle into feedlots during October continued at higher than year ago levels. Cold and wet weather has seen some deterioration in feedlot conditions which could slow placements and result in operators keeping existing cattle-on-feed in lots longer. Average cattle harvest weights increased last week, but remain below year-ago levels due to increased cow slaughter. Both beef & dairy cow slaughter has been running above year ago levels for most of this year. Since July, the number of culled cows and bulls has increased by 12% compared to the same period last year. Dairy producer margins have eroded this summer and fall, resulting in more dairy cows entering the slaughter mix (see MOVING AHEAD next column.) The larger cow harvest is providing more ground beef supplies to the market, resulting in consumer prices 12% below those of a year-ago.



Beef Choice Beef Cutout Value: 19/11/2018 - US\$213.39/cwt. (-2% from 5/11/2018)

The pork cutout closed lower week-on-week last Friday, the result of a record harvest (2.626 million head) week and lower values for all primals. In advance of Thanksgiving, packing plants usually ramp up harvests to ensure adequate supplies through this holiday-shortened week. Pork tenderloin values jumped last week, but they are coming off extremely low levels and remain an attractive feature. Otherwise, Thanksgiving turkey demand resulted in lower buying interest last week for hams, bellies and butts. Despite weakness in the cash market, Chicago Mercantile Exchange lean hog futures surged on Friday, closing up their daily trading limit, following news that African Swine Fever had been detected in **China's** Sichuan province and in a wild boar (see TRADE next column). The market also received a boost from U.S. administration comments that it had received an offer from China to relieve current trade tensions. Plentiful pork supplies have meant cheaper prices for consumers at retail stores; market analysts **Uerner Barry** calculate that average supermarket prices for pork roasts and loin cuts are down 6% and 17% respectively from year-ago levels. Year to date U.S. pork production is up 2.8% from last year with slaughter up 2.4%.

Hog Carcass Cutout Value: 19/11/2018 - US\$68.81/cwt. (-8% from 5/11/2018)

ACTIVITIES:

SIAL, Shanghai : May 14-16, 2019

Hofex, Hong Kong: May 7-10, 2019

MARKET MAKERS

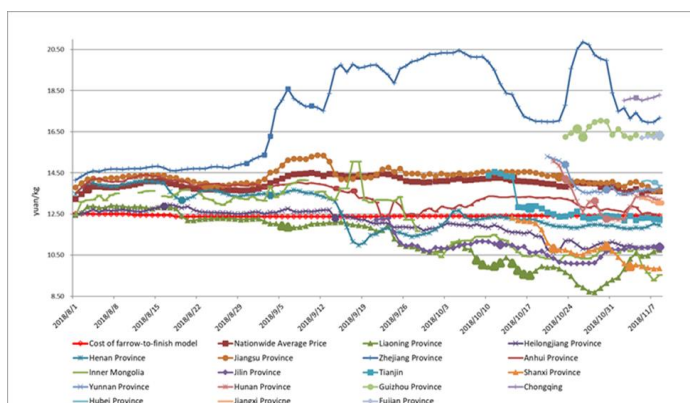
Korea meat processor **CJ CheilJedang** has purchased an 80% stake in prepared foodservice & retail meal provider **Schwan's**. Schwan's operates 17 manufacturing facilities and 10 distribution centers in the United States and employs 12,000 people. It is a leading purveyor of foodservice ready-to-heat pizzas and Asian meals, such as pot stickers.

MOVING AHEAD

A weak U.S. domestic dairy market is causing more cow slaughter, affecting both average cattle weights, prices for lean grinding beef - the main product derived from cows - and total beef production. Through May, prices for dairy items such as cheese barrels, blocks, and butter were firm, but have since deteriorated and are running at levels far below those of a year-ago. The market weakness has led to an increased culling of dairy cows. Total cattle harvest is comprised of that from steers, heifers, beef cows, dairy cows, and bulls. Steers are by far the largest component, but in the last 4 reporting weeks, dairy cow slaughter has been running 5.5% above the similar period in 2017. The marginal increase in dairy cow slaughter is causing a decline in average carcass weights of all animals, and although the annual 2018 average slaughter weight of all cattle may be near the 5-year average of 2012-2016, it could be 12-15 pounds below that of last year. For the week ending November 10, dressed cattle weights - of all cattle types - averaged 824 lbs (374 kgs.), 3 pounds lower than a year ago. Both steer and heifer carcass weights are running below year-ago levels as well, a sign that the marketing of cattle from feedlots is current. Recently, wet weather in the southern plains has adversely affected weight gains as well, also resulting in lower fed cattle weights.

TRADE

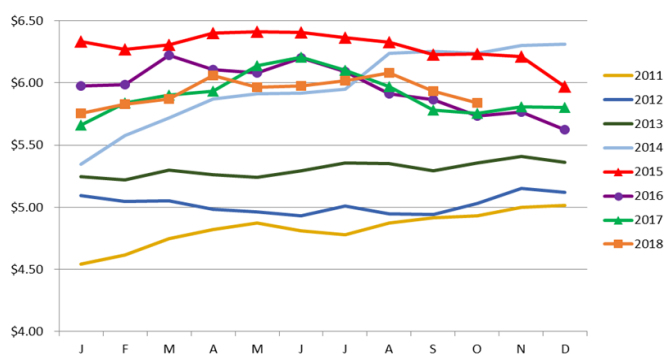
Rising imported pork prices at the wholesale level, and media reports of the detection of the ASF virus in Chinese animal feed products, is driving more speculation about increased pork import demand by **China** next year. Analysts estimate that a 10% drop in Chinese pork production could lead to increased imports of up to 1.5 million tons. A similar scenario unfolded in 2016 when the PED virus crimped mainland production, causing direct imports to nearly double to just under 3 million tons from the 1.553 million ton level in 2015. Although the national average pork price remains above estimated costs of production, in ASF affected provinces such as hard-hit Liaoning province, current prices are far below production costs as transportation restrictions curtail live hog and product movement (see graph below). Low prices are expected to encourage culling and push small to medium operators to exit the industry. Although there is no indication of mass avoidance of pork by consumers, prices for other meats are trending higher, suggesting there could be some substitution of poultry for pork. Broiler prices are at multi-year highs as well as beef prices, and both are moving higher although this follows seasonal trends. Pork demand from other Asian markets is strong, with **Korea's** Jan-Oct imports up 22% to 380,500 tons. Traders also report strong chilled imported buying interest from **Japan**.



供应与需求

由於以火鸡为中心的感恩节采买主导了上周的批发与零售活动，上周多数的大分切牛肉价格下滑。活牛价格同样疲软，但由於日本可能取消限制进口 30 个月及以下美国牛肉的消息，未来价格应会回归稳定。根据向美国农业部(USDA)报告的牛肉出口销售数据，截至 11 月 8 日当周的活动低於最近 4 周的平均，但直至 11 月初销往主要市场(不包含杂碎肉)的出口仍较去年同期高出 14%。分析师将密切关注本周的牛只在养报告，追踪 10 月的牛只置入育肥场头数是否持续高於一年前的水平。寒冷且潮湿的天气让育肥场条件有所恶化，这可能减缓牛只置入育肥场的速度，并导致业者将现有的在养牛只放置於育肥场更久。上周的牛只平均收成重量增加，但由於牛只屠宰量增加，所以仍低於去年同期水平。今年多数时间，肉牛与奶牛屠宰量都高於去年同期水平。自 7 月以来，淘汰的奶牛与公牛数量较去年同期增加了 12%。乳制品生产商的利润在今年夏季与秋季都有所下降，导致更多的奶牛被送往屠宰(详见产业动态栏)。更大的牛只收成量提供了市场更多的牛绞肉供应，导致消费者价格较去年同期降低 12%。

U.S. Beef Retail Values, \$/lb.



美国农业部牛肉屠体价格指数(特选级):2018 年 11 月 19 日
—\$213.39 美元 / 百磅 (较 2018 年 11 月 5 日减少 2%)

由於创纪录的收成周(262.6 万头)以及所有大分切较低的价格，上周五的猪肉分切价格逐周下降。在感恩节之前，屠宰厂通常会增加收成，以确保在这个因假期而缩短的一周有充足的供应量。上周猪腰肉的价格大幅上涨，但由於来自极低的价格水平，所以仍是个很有吸引力的特色商品。否则，感恩节上升的火鸡需求，导致上周降低的猪后腿肉、猪腹肋肉、猪上肩肉采购兴趣。尽管现货市场疲软，但由於有消息指称中国四川省和野猪中都发现非洲猪瘟病毒，芝加哥商品交易所周五的猪只瘦肉期货飙升，收盘涨停(详见贸易新闻栏)。美国政府已收到中国提出缓解当前贸易紧张局势的提议，市场也因此得到提振。丰沛的猪肉供应意味着在零售商店便宜的消费者价格；市场分析师 Urner Barry 估计，猪烤肉与猪背脊肉的平均超市价格分别比去年同期下降 6%与 17%，年初至今美国猪肉的产量比去年增加 2.8%，屠宰量增加 2.4%。

猪屠体分切价格：2018 年 11 月 19 日-\$68.81 美元/ 百磅
(较 2018 年 11 月 5 日减少 8%)

美国肉类出口协会活动预告：
 中国国际食品和饮料展览会, 上海: 2019 年 5 月 14-16 日
 Hofex, 香港: 2019 年 5 月 7-10 日

产业新知

韩国肉类加工商 CJ CheilJedang 已购买即食餐饮与零售餐食供应商 Schwan's 的 80% 股权, Schwan's 在美国有 17 间制造工厂和 10 个物流中心, 并拥有 12,000 名员工。它是加热即食比萨与亚洲食物(如锅贴)的主要供应商

产业动态

美国国内乳制品市场的疲软，导致更多牛只被送往屠宰，影响了牛只平均重量、瘦牛绞肉一来自奶牛的主要产品一与牛肉总产量的价格。截至 5 月份，乳制品如起司桶、起司块、与奶油的价格强势，但随后已弱化并维持在远低于一年前的水平。市场疲软导致淘汰的奶牛数量增加，牛只总收成来自小公牛、小母牛、母肉牛、奶牛、与公牛。小公牛是目前最大的组成，但在过去 4 个报告周中，奶牛的屠宰量比 2017 年同期高出 5.5%。奶牛屠宰量的边际增加导致所有动物的平均屠体重量下降，虽然 2018 年总牛只的平均屠宰重量仍接近 2012 年-2016 年的五年平均值，但可能较去年低 12-15 磅。截至 11 月 10 日当周，所有牛只的屠体重量平均为 824 磅(374 公斤)，比一年前减少了 3 磅。小公牛与小母牛的屠体重量也低於一年前的水平，表示来自育肥场的牛只屠宰流动性佳。近期，美国南部平原潮湿的天气也对牛只增重产生不利的影响，导致较低的牛只育肥重量。

贸易新闻

进口猪肉的批发价格上涨，以及媒体报导中国动物饲料产品中检测出非洲猪瘟(ASF)病毒，驱动了更多關於中国明年猪肉进口需求将增加的揣测。分析师预估，中国猪肉产量若下降 10%，可能导致进口量增加 150 万吨。2016 年曾有类似状况发生，当时猪流行性下痢(PED)病毒抑制了大陆的猪肉产量，并导致进口量从 2015 年的 155.3 万吨增加近一倍，来到将近 300 万吨。

虽然中国的全国平均猪肉价格仍高於预估的生产成本，但是在受非洲猪瘟病毒影响的省份一如灾情严重的辽宁省，目前的价格仍远低于生产成品，因为运输限制削减了生猪和猪肉产品的流动(见下图)。低价格预期将促使更多淘汰猪只，并使中小规模业者退出该产业。

。虽然消费者没有大规模规避猪肉的迹象，但其他肉类的价格趋势走高，表示可能有些家禽被用以替代猪肉。肉鸡价格与牛肉价格处于多年来的高点，虽然这跟季节性趋势有关，但两者都持续走高。来自其他亚洲市场的猪肉需求强劲，韩国 1 月到 10 月的进口量增长 22%至 380,500 吨，贸易商也报告来自日本强劲的冷藏进口采购兴趣。

