



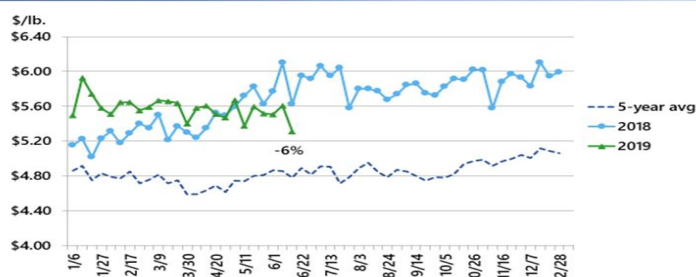
# U.S. Meat Bulletin

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## SUPPLY & DEMAND

The cutout drifted lower last week as middle meat and short rib prices weakened (see graph below). Harvest levels have also been higher in the past few weeks, which has contributed to the weaker tone in the wholesale markets. Beef sales at retail were reportedly brisk in the run-up to last Sunday's Father's Day, but June is supposed to be the month with the strongest beef demand anyway as buyers stock up on supplies in advance of the big July 4<sup>th</sup> Independence Day holiday. Growing demand for briskets was in the news last week as summer grilling and smoking activity seasonally accelerates. According to Cattle Buyer's Weekly, the brisket primal is now the 3<sup>rd</sup> most valuable item after ribs and loins. The average brisket value at the end of May was +19.4% from year-ago levels, while ribs and loins were slightly weaker YOY. Cattle feeders placed less cattle into lots during May, bringing to an end the month-on-month ramp up in placements that began in February. Further declines are expected in June, and then through August. Given the slight weakness in beef demand, especially for exports, this will help keep the market more balanced later in the fall. Rising corn prices, weak fed cattle prices, and low futures prices have tempered cattle placements.

### Choice Bone-in Short Ribs

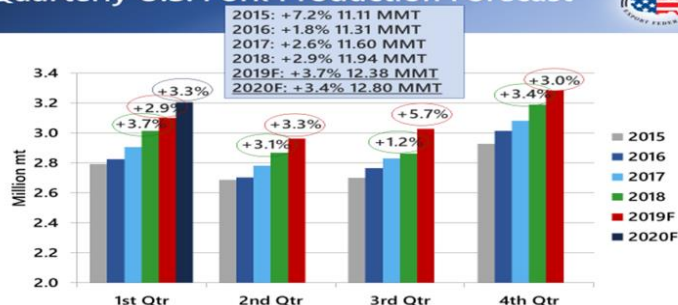


Source: USDA/AMS

**Beef Choice Beef Cutout Value: 17/6/2019 - US\$221.82/cwt. (<+1% from 10/6/2019)**

U.S. pork wholesale prices closed lower last week, with the cutout weakening by less than 1% week-on-week to \$0.83/lb., up 2% from last year. Hog raisers have been closely following developments in the grain markets, where prices have spiked. However, progress has been made with corn plantings. USDA/NASS's June 10 Crop Progress report showed that farmers were able to plant 92% of the US corn crop as of this past Sunday. Although that sounds high, the average for plantings for this time of year is 100%, so large acreage still remains unplanted. The states with the lowest percentages of expected plantings have been Ohio, Indiana, Michigan, South Dakota, and Illinois. Corn prices were last over \$4/lb. in 2014. According to an Iowa State University's calculation, corn costs have accounted for approximately of 25% of total costs for hog production since 2015. During the drought earlier this decade, corn costs, then over U.S. \$7/bushel, accounted for 38% of costs. Corn constitutes a lower % of the cost of finishing grain-fed cattle; according to ISU, corn accounts for about 11% of the total cost of an Iowan finished steer. For more about hog & pork market prospects, see MOVING AHEAD in the next column.

### Quarterly U.S. Pork Production Forecast



Source: USDA/FAS; carcass weight equivalent, June 2018 WASDE Report

**Hog Carcass Cutout Value: 17/6/2019 - US\$82.97/cwt. (-1% from 10/6/2019)**

### ACTIVITIES:

Food Show, Taipei: June 19-22, 2019  
Restaurant & Bar, Hong Kong: Sep 3-5, 2019  
FHC, Shanghai: Nov 12-14, 2019

## MARKET MAKERS

Corporate leaders at two meat industry giants, **Tyson** and **Hormel Foods**, have announced new alternative meat product launches. Tyson's new Raised & Rooted brand will consist of a line of plant-based nuggets as well as blended burgers made with a combination of beef and plant based material. Hormel has been selling several blended meat-plant products for years, but will now roll out a 100% plant based pizza topping. Pizza is the 2<sup>nd</sup> most popular fast food after hamburgers in the U.S., with total away-from-home sales nearing US \$46 billion last year.

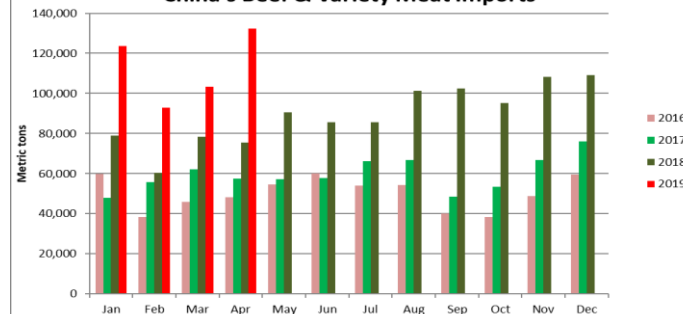
## MOVING AHEAD

Questions loom large about the direction the U.S. pork market will take in 2019 H2. Policy is currently driving markets as much as fundamentals, but a review of what analysts, and the USDA, is predicting may be useful to our readers. U.S. pork and hog prices moved lower in 2018 as **China** and **Mexico** raised tariffs on U.S. imports. Record production of pork and competing proteins also dampened prices. In March 2019, U.S. prices surged on speculation and positioning for China's looming shortage of pork as a result of ASF; Mexico's removal of retaliatory tariffs on U.S. pork products late last month should also be supportive of prices. From January through the first week of June 2019, the average U.S. wholesale pork cutout value was +0.4% from last year at \$0.75/lb. Live hog prices averaged up 1.8% from last year at \$49.99/cwt., with carcass prices up 2.9% at \$66.17/cwt. USDA released its latest estimates for 2019 production and pricing on June 11 in the WASDE (World Ag Supply and Demand Estimates) report. For 2019, U.S. pork production increased by 2.9% year-over-year during the 1st quarter, and USDA is forecasting increases of 3.3%, 5.7%, and 3.0% for the 2nd, 3rd, and 4th quarters. USDA is forecasting a 3rd quarter live hog price average of \$60/cwt (+40% YOY) and a 4th quarter price average of \$56/cwt (+22%). The **Livestock Marketing Information Center's** 2018 national average carcass price was \$69.42/cwt. LMIC is forecasting 3rd quarter carcass prices will average \$77 - \$81/cwt (+26%), with 4th quarter prices at \$72 - \$74 (+21%). CME lean hog futures surged in March with the summer contracts trading over \$100/cwt but have since adjusted lower and have been trending down since mid-May. The June 12, 2018 closing lean hog futures contracts with the percentage change from last year's actual hog price are as follows: June: \$79.03/cwt, -2%; July: \$84.38, +20%; August: \$82.53, +80%; October: \$76.13, +22%; and December: \$75.38, +47%. 2020 futures are currently showing prices above 2019 throughout the year, but still well below the price highs in 2014, when the U.S. and several other countries had PEDv and U.S. production decreased by 1.5%. In the summer of 2014, the pork cutout peaked at \$1.36/lb., and carcass prices peaked at \$131.73/cwt. As evidenced by the wide swings in the CME lean hog futures contract, there is still considerable uncertainty in the market, largely related to China's retaliatory tariffs on U.S. pork and the global ASF situation.

## TRADE

Last week we reported on China's Jan-April pork imports, which continue to be modest given what appears to be a sharp decrease in domestic pork production. China's April beef trade data shows that China remains the globe's largest importer and by far the fastest growing. April imports of 132 K tons were record-large for any month, and combined China/HK imports were also record-large at 191 K tons. Jan-April imports into China were up 54% to 452,390 tons but down to HK -19%; combined China/HK volume totaled 688,613 tons, up 17%. The biggest growth has come from **Argentina** (105,876 tons +90%), which with new access for chilled and bone-in beef, can compete more effectively with **Australia** and **Uruguay**.

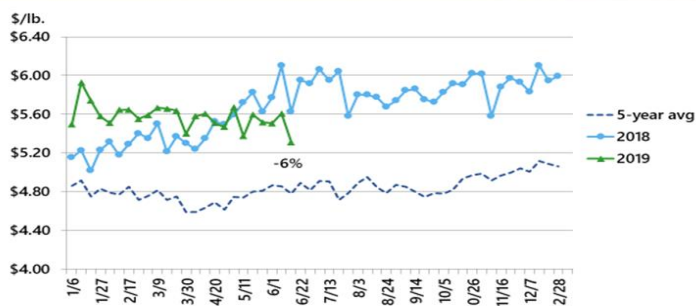
### China's Beef & Variety Meat Imports



## 供应与需求

由於排类与小排商品价格走弱，上周分切价格下跌(见下图)。过去几周的收成水平有所提高，这导致批发市场的基调较弱。据了解，上周日父亲节前夕，零售牛肉销售活跃，然 6 月应该是牛月需求最强劲的月份，因为买家会在美国国庆日(7 月 4 日)之前储备供应。由於夏季烧烤与烟熏活动逐渐盛行，上周开始出现关于牛前胸肉需求增长的消息。根据 *Cattle Buyer's Weekly*，牛前胸肉原始价格现在是第 3 有价值的品种，仅次于肋排与腰脊。5 月底的牛前胸肉平均价格比去年同期增加 19.4%，而肋排与腰脊则较去年稍低。养牛业者在 5 月份减少了牛只的数量，终结自 2 月份开始的逐月增加，并预期这将在 6 月更进一步下滑，并持续到 8 月。有鉴于牛肉需求略为疲软，尤其在出口方面，这将有助于在秋季後期保持市场平衡。玉米价格上涨、育肥牛只价格疲软、期货价格走低，这些都限制了牛只的价格。

## Choice Bone-in Short Ribs

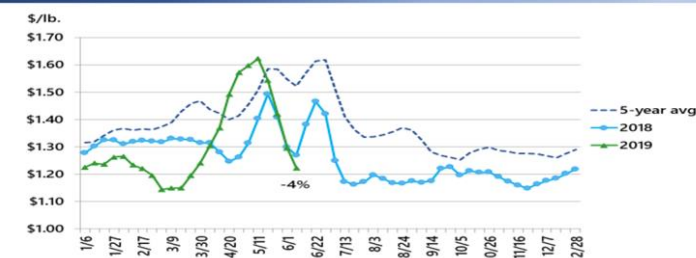


Source: USDA/AMS

美国农业部牛肉屠体价格指数 (特选级)：2019 年 6 月 17 日—\$221.82 美元 / 百磅 (较 2019 年 6 月 10 日增加小於 1%)

美国猪肉上周发批价格收低，其缩减幅度较上周下跌不到 1%至 0.83 美元/磅，较去年上涨 2%，生猪饲养业者一直密切关注价格飙升的粮食市场的动态。然而，玉米种植已获得进展，USDA/NASS 於 6 月 10 日的作物进展报告显示，截至上周日，农民已种植 92%的美国玉米作物。虽然这比例听起来很高，但这个时刻通常的种植平均百分比是 100%，因此仍有大面积的土地尚未种植，预期种植比例最低的州是俄亥俄州，印第安纳州，密西根州，南达科塔州和伊利诺伊州。玉米价格持续超过 4 美元/磅，根据 Iowa State University 计算，自 2015 年以来，玉米成本约占生猪生产总成本的 25%。在大约 10 年前的乾旱期间，当时的玉米成本超过 7 美元/蒲式耳，占总成本的 38%，玉米在谷物育肥的牛只中占较低的总百分比，根据 ISU 表示，玉米占爱荷华州的谷物育肥牛只成本的 11%，有关生猪和猪肉市场的前景，请参阅隔壁的产业新知栏。

## U.S. Pork Rib Primal Value



Source: USDA/AMS

猪屠体分价格：2019 年 6 月 17 日-\$82.97 美元 / 百磅 (较 2019 年 6 月 10 日减少 1%)

美国肉类出口协会活动预告：

国际食品展,台北: 2019 年 6 月 19-22 日

香港餐饮展: 2019 年 9 月 3-5 日

上海国际食品饮料及餐饮设备展览会: 2019 年 11 月 12-14 日

## 产业动态

两间肉类行业巨头 **Tyson** 与 **Hormel Foods** 的企业领导人宣布将推出新的肉类替代产品，Tyson 新推出的 **Raised & Rooted** 品牌将包括一系列的植物块，以及由牛肉与植物性饮食(plant-based)原料混合而成的汉堡。Hormel 多年来一直有销售几款肉类植物混合的产品，但现在将推出 100%植物性馅料的披萨，披萨是继汉堡之後在美国第二受欢迎的速食，去年的外食销售总额将近 460 亿美元。

## 產業新知

关于 2019 下半年美国猪肉市场将采取方向的问题益发突出，政策对于市场与基本层面的驱动一样重大，然一些分析师与美国农业部预测的内容对我们的读者可能是有用的。随着中国与墨西哥提高对美国进口产品的关税，美国猪肉与生猪价格在 2018 年走低，破纪录的猪肉产量与竞争蛋白质同时也抑制了价格。2019 年 3 月，由于猜测与定位 ASF 会造成中国猪肉短缺，美国猪肉价格飙升，墨西哥上个月未取消对美国猪肉产品的报复性关税也助长了价格的上涨。从 2019 年 1 月至 6 月的第一周，美国猪肉分切批发价格较去年上涨了 0.4%来到 0.75 美元/磅，生猪平均价格比去年上涨了 1.8%来到 49.99 美元/cwt，屠体价格上涨了 2.9%来到 66.17 美元/cwt。美国农业部於 6 月 11 日在 WASDE(世界农业供给与需求估算)报告中公布了对 2019 年产量和定价的最新估算，2019 年第一季的美国猪肉产量同比增长 2.9%，第二季、第三季、第四季分别增长 3.3%、5.7%、3.0%，第三季生猪平均价格为 60 美元/cwt(同比增长 40%)，第四季平均价格为 56 美元/cwt(+22%)。根据 *Livestock Marketing Information Center's*，2018 年全国平均屠体价格为 69.42 美元/cwt，LMIC 预测今年第三季平均屠体价格为 77-81 美元/cwt(+26%)，第四季平均屠体价格为 72-74 美元/cwt(+21%)。3 月 CME(芝加哥商品交易所)瘦猪肉期货价格飙升，夏季合约交易价格破 100 美元/cwt，但随即自 5 月中旬以後一路走低。2018 年 6 月 12 日瘦猪肉期货合约收盘与去年实际生猪价格的百分比变化情形如右一六月: 79.03 美元/cwt, -2%; 七月: 84.38 美元/cwt, +20%; 八月: 82.53 美元/cwt, +80%; 十月: 76.13 美元/cwt, +22%;十二月: 75.38 美元/cwt, +47%。目前显示 2020 年期货价格将高於 2019 年，但仍远低于 2014 年的价格高点，当时美国和其他几个国家受 PEDv 影响，美国猪肉产量因此下降 1.5%。2014 年夏季，猪肉分切价格达到 1.36 美元/磅，屠体价格达到 131.73 美元/cwt，由於芝加哥商品交易所瘦猪肉期货合约的大幅波动，市场仍存在相当大的不确定性，主要与中国对美国猪肉的报复性关税与全球 ASF 疫情有关。

## 貿易新聞

上周我们报导了中国 1 月到 4 月的猪肉进口量，由於国内猪肉产量急遽下降，中国猪肉进口量仍持续保持小幅增长，中国 4 月牛肉贸易数据显示，其仍是全球最大进口国，也是迄今增长最快的国家。4 月份进口量为 132 千吨，创下历史新高，中国/香港的进口总量也达到创纪录的 191 千吨，1 月到 4 月中国进口量增长 54%至 452,390 吨，但香港下降 19%，中国/香港合并的总量为 688,613 吨，增长 17%。当中最大的成长来自阿根廷(105,876 吨, +90%)，其新进的冷藏与带骨牛肉能够更有效与澳洲与乌拉圭的产品竞争。

