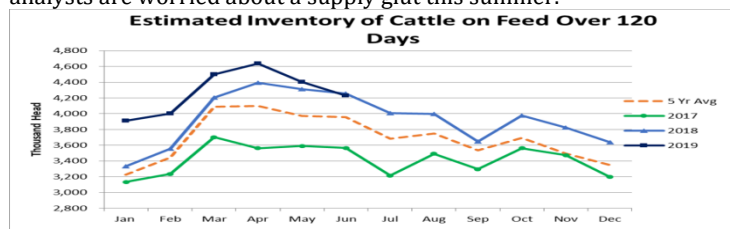




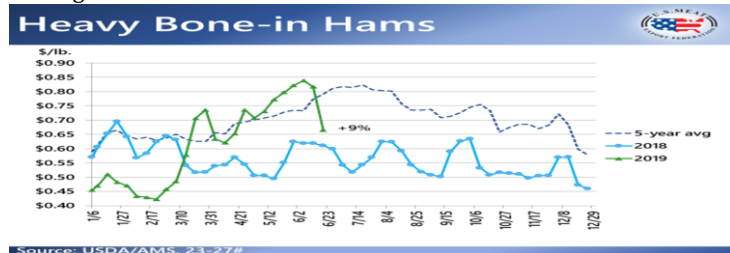
SUPPLY & DEMAND

The cutout slightly weakened last week as plants harvested more cattle, bringing more beef onto the market. Values of most primals eased, but analysts note that the overall market has been supported by significantly higher year-on-year wholesale prices of 50s trimmings, the raw material used in ground beef production. Prices of leaner trimmings also gained last week as retailers gear up for ground beef featuring in advance of the July 4th Independence Day holiday. Live cattle prices drifted seasonally lower last week while cattle futures remain choppy with an overall negative overtone. With wholesale beef prices remaining mostly steady, the drop in live fed cattle prices is creating sizeable margins for beef processors. Fed cattle prices normally fall 15% from their spring high into their fall lows, and with rising corn costs, USDA is now predicting slightly lower average cattle prices during the 2nd half of the year. They are also predicting that higher corn costs could slow the entry of cattle into feedlots later this year, as feeding margins have now turned negative. Another factor that may hold back placements are America's current excellent pasture conditions, which USDA's NASS is showing as being close to the best in 25 years. With higher priced corn, cow-calf operators and stocker operations may try and put as much weight as possible on cattle before placing them into feedlots. The industry is already relatively current in terms of supplies of front end cattle (see graph below), but if the rise in fed cattle prices doesn't match that of feed prices, the cow-calf producer will get squeezed and the current slowdown in the herd expansion cycle may be accelerated. May's cattle on feed report saw higher placements into feedlots than expected, but overall, few analysts are worried about a supply glut this summer.



Beef Choice Beef Cutout Value: 24/6/2019 - US\$219.74/cwt. (-1% from 17/6/2019)

Weakness in the ham market and continued uncertainty over export demand caused the cutout to fall markedly last week. The pork cutout dropped 4.9% from the previous week, closing at \$0.79/lb. It was the first time since mid-March that the cutout fell below year ago levels. Fourth of July demand helped strengthen rib and butt prices last week, but heavy bone-in ham values adjusted sharply lower last week (-19%) from the higher prices of April (see graph below). During May, U.S. pork production grew +2% from May 2018 levels, as weights (May average = 130 kgs.) and slaughter (+1%) grew. Late last week, the June CME futures contract tumbled the daily 3-cent limit, prompting the exchange to temporarily expand the limit to 4.5 cents from yesterday's trading.



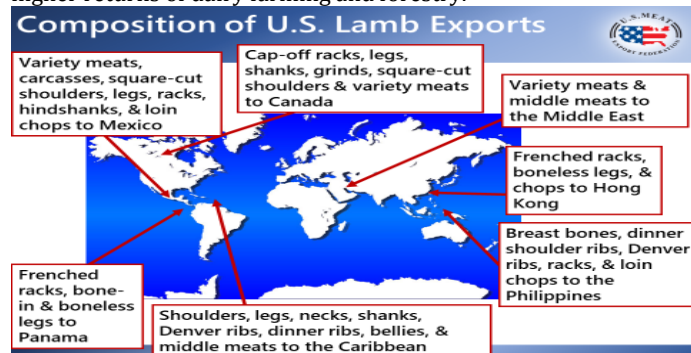
Hog Carcass Cutout Value: 24/6/2019 - US\$77.33/cwt. (-7% from 17/6/2019)

ACTIVITIES:

Restaurant & Bar, Hong Kong: Sep 3-5, 2019
FHC, Shanghai: Nov 12-14, 2019

MOVING AHEAD

U.S. lamb & mutton meat production last year grew to its highest level since 2014, arresting a four year slide. Production totaled 63,339 tons +5% from 2017 output. The U.S. is a net lamb importer, with total overseas outbound shipments reaching 12,886 tons last year (U.S. \$23.5 million). Mexico accounted for half of all exports last year by value, but 84% of volume. Other principal export destinations include the **Bahamas, Aruba and Canada** (see map below). The U.S. imported 115 thousand tons of lamb last year, mostly from **Australia** (84,156 tons) and **New Zealand** (29,023). U.S. lamb exports still face bans in some markets, including **Korea and China**. China is by far the globe's largest lamb importer (and producer and consumer), with 2018 arrivals reaching just below 319 thousand tons, a record level. With zero import duties, New Zealand is the largest supplier to China followed by Australia, and in 2018, China accounted for 46% of New Zealand's total sheep meat exports and 21% of Australia's trade. China's growing lamb appetite has supported high prices in Australia and New Zealand. However, output in the two lamb powerhouses is expected to tighten in the 2nd half of the year. Australia's 2019 lamb production is forecast to total 477 thousand tons, or -7% from 2018. New Zealand's lamb production is expected to reach 352 thousand tons in 2018/19, the 5th consecutive year of lower production. NZ lamb & mutton production has been on the decline in recent years due to the higher returns of dairy farming and forestry.



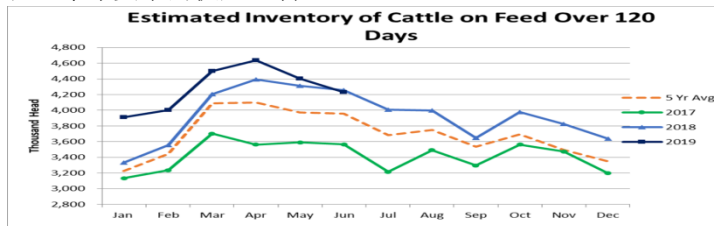
TRADE

Meat traders in China are reporting that eastern and interior cold storages in China are full, creating logistical headaches as more imported beef and pork arrives at China ports. Pork export data from the **EU**, the largest supplier to China, was released last week and it showed a large spike in shipments (see graph below) during April. The large April numbers brought total EU shipments of pork and pork variety meats (pvm) to China during the 1st 4 months of the year to 601,132 tons, +29% and for China/HK combined 676,940 tons, up 21% year-on-year. As Chinese pork supplies contract, China is buying more imported muscle cuts for further processing such as dumpling production. Jan-April pork muscle cut exports (i.e. no variety meats) by the world's major exporters to China were up 33% to 566,477 tons. EU shipments of muscle items was up 44%, Canada up 51%, and Chile up 17%, while Brazil was down 1% and U.S. down 4%.



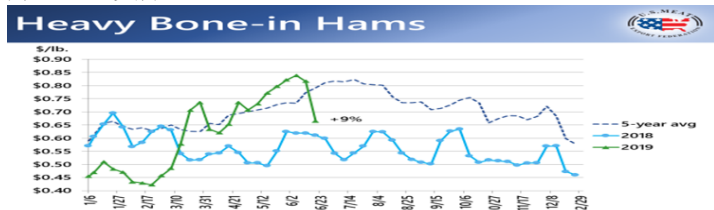
供应与需求

由於屠宰场屠宰更多牛只，市场上的牛肉数量增加，导致上周分切价格略为走弱。大多大分切价格走缓，但分析师指出，整体市场因批发价格同比显较高的瘦肉率达 50%之修切肉而得以支撑，这是用於生产牛绞肉的主要原料。零售业者於 7 月 4 日美国独立日假期之前推出牛绞肉商品，使得上周瘦肉率较高的修切肉价格也上涨。上周活牛价格季节性下跌，牛只期货价格仍然波动并总体趋於负面。批发牛肉价格大致上维持稳定，已肥育活牛价格下跌为牛肉屠宰商创造可观的利润。已肥育牛只价格通常於春季高点下跌 15%至秋季低点，随玉米成本上涨，美国农业部现预测今年下半年牛只平均价格将略低。他们也预测，玉米成本上升可能会使今年晚些时候牛只置入肥育场的速度减缓，因为肥育利润现已转为负数。可能阻碍牛只置入的另一个因素是美国当前优秀的牧场条件，据美国农业部国家农业统计局显示目前牧场处於 25 年来的最佳状态。在玉米价格较高的情况下，母仔牛育成业者和架仔牛买卖商可能会尝试在将牛只置入肥育场前尽可能地增加它们的重量。就前端牛只供应而言，该行业表现已经相对活跃(见下图)，但如果已肥育牛只价格上涨与饲料价格上涨的幅度不相符，母仔牛育成业者将面临压力，目前牛群扩张的周期放缓可能会加快。5 月牛只在养头数报告显示置入肥育场的牛只头数高於预期，但总的而言，一些分析师担心今年夏季的供应过剩。



美国农业部牛肉屠体价格指数(特选级)：2019 年 6 月 24 日—\$219.74 美元 / 百磅 (较 2019 年 6 月 17 日减少 1%)

後腿肉市场疲软以及出口需求持续不确定导致上周猪肉分切价格显著下跌。猪肉分切价格较上上周下跌 4.9%，收於每磅 0.79 美元。这是自 3 月中旬以来，分切价格首次低於 1 年前水平。7 月 4 日(美国独立日)的需求有助於推动上周肋排和梅花肉的价格，但上周带骨後腿肉的价格自 4 月较高的价格後大幅下调(-19%)(见下图)。5 月美国猪肉产量与 2018 年 5 月相比增长 2%，屠体重量(5 月平均水平为 130 公斤)和屠宰量(+1%)也有所增长。上周末，6 月芝商所期货合约价格下跌至每日 3 美分的限价，促使交易所自前天的交易暂时将限价提升至 4.5 美分。

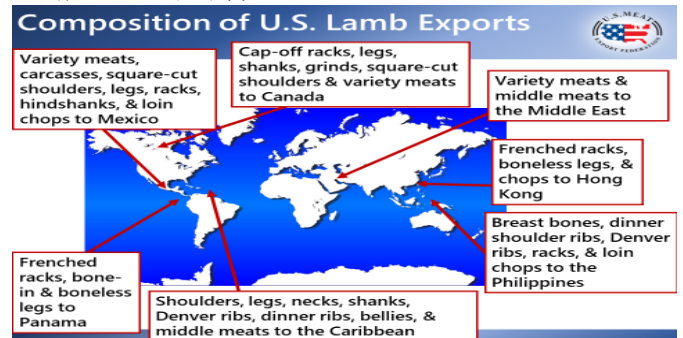


猪屠体分价格：2019 年 6 月 24 日—\$77.33 美元/ 百磅 (较 2019 年 6 月 17 日减少 7%)

美国肉类出口协会活动预告：
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

产业新知

去年美国羊肉和羔羊肉的产量增长至 2014 年以来的最高水平，终止了产量连续 4 年减少的情况。产量总计为 63,339 吨，与 2017 年相比增长 5%。美国是净羊肉进口国，其去年海外出口总量达到 12,886 吨(2,350 万美元)。按价值计算，去年墨西哥占其出口总额的一半，而以重量计算占 84%。其他主要出口目的地包括巴哈马、阿鲁巴和加拿大(见下图)。美国去年进口了 11.5 万吨羊肉，大多来自澳洲(84,156 吨)和纽西兰(29,023 吨)。美国羊肉出口在一些市场上仍被禁止，包括韩国和中国。中国是目前全球最大的羊肉进口国(以及生产国和消费国)，2018 年该国进口量达到 31.9 万吨，创历史新高。由於享有零关税，纽西兰是中国最大的羊肉供应商，其次为澳洲；2018 年，中国占纽西兰羊肉出口总量的 46%，占澳洲贸易总量的 21%。中国对羊肉持续增长的需求支撑着澳洲和纽西兰产品的高价格。然而，预计该两国的羊肉产量将在今年下半年减少。2019 年澳洲羊肉产量预计将达到 47.7 万吨，比 2018 年减少 7%；而纽西兰的羊肉产量预计达到 35.2 万吨，是连续第 5 年的产量减少。近年来，由於乳品业和林业的利润较高，纽西兰羊肉和羔羊肉的产量一直在下降。



贸易新闻

中国的肉品贸易商报告，中国东部和内陆地区的冷藏库已满，随着越来越多的进口牛肉和猪肉抵达中国港口，造成物流上的问题。中国最大的供应商—欧盟的猪肉出口数据於上周发布，4 月出口量大幅上升(见下图)。4 月的高水平使得今年前 4 个月欧盟猪肉和猪杂碎(pvm)往中国的总出口量达到 601,132 吨，增长 29%；至中国和香港的出口量合计 676,940 吨，与去年同比增长 21%。随着中国猪肉供应缩减，中国正进口更多的猪肉分切以进一步加工，例如饺子生产。全球主要猪口国於 1 至 4 月期间出口至中国的猪肉分切量(不包含猪杂碎)增长 33%，达到 566,477 吨。欧盟的猪肉分切出口量增长 44%，加拿大增长 51%，和智利增长 17%；反之巴西减少 1%，美国减少 4%。

