

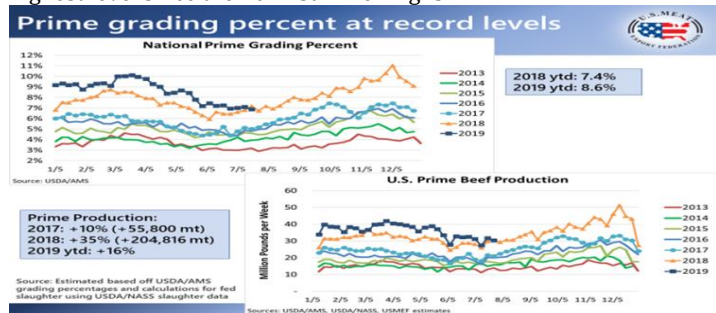


# U.S. Meat Bulletin

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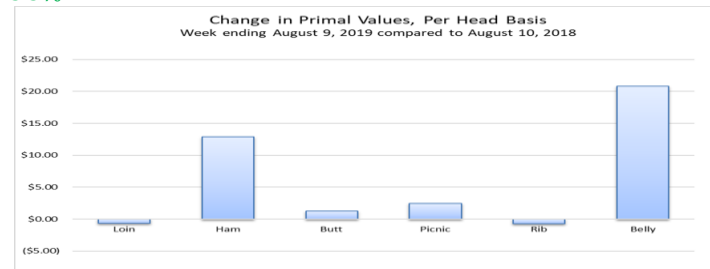
## SUPPLY & DEMAND

The beef cutout advanced last week as retailers started to position ordering for the upcoming end-of-summer U.S. Labor Day holiday (Sept 2). Historical data shows the beef cutout normally advances through August following tepid consumption through the hot “dog days” of summer. Live cattle prices remained largely flat last week. Through early August 71.7% of U.S. beef production graded USDA CHOICE compared to 71.5% last year, and 8.6% of fed beef production reached the USDA PRIME grade compared to 7.4% last year. The percentage of fed beef production grading USDA SELECT has declined. That said, PRIME beef grading percentages usually decline during the summer, and this year was no different except demand for higher graded beef has remained firm. Trade reports suggest that big U.S. retail chains **COSTCO** and **Sam’s Club** made large PRIME purchases in July, which supported prices. Wholesale PRIME ribeye prices have been increasing since June, and for the week ending August 6 were up 42% from last year, reaching the highest level since the 2017 summer highs.



**Beef Choice Beef Cutout Value: 12/8/2019 – US\$218.62/cwt. (+2% from 5/8/2019)**

The pork cutout strengthened again last week, rising 3% to reach the highest value since August 2017. Last Friday the pork cutout value stood 24% higher than the same week last year. As the chart shows below, the sharp increase in the cutout has been driven almost solely by gains in belly and ham primal values; the average wholesale prices of those 2 items have increased approximately 40% and 25% in the last 3 weeks alone. While pork wholesale prices have strengthened, live hog values have fallen. Weekly slaughter volumes have been on the seasonally low side over the past few weeks, but analysts are predicting that harvest activity will move upward from this week, and remain elevated for the remainder of the year. Like live hogs, pork futures have fallen in recent days due to continued trade friction and fears over the vague announcements last week that China would halt imports of all U.S. agricultural goods. With the cash cutout standing at about U.S. \$90/cwt. (100 pounds), CME October futures closed last Friday at just under U.S. \$67/cwt. Year to date U.S. pork production is up 3.9% from last year with slaughter up 3.3%.



**Hog Carcass Cutout Value: 12/8/2019 – US\$90.19/cwt. (+2% from 5/8/2019)**

### ACTIVITIES:

World Pork Congress, Chengdu: Sept 25-26, 2019  
Restaurant & Bar, Hong Kong: Sep 3-5, 2019  
FHC, Shanghai: Nov 12-14, 2019

## MARKET MAKERS

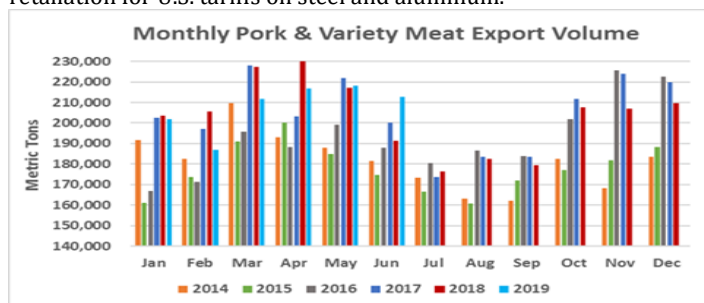
Eighty-two-year-old **Strauss Brands LLC**, a family owned and operated purveyor of specialty meats including grass-fed and organic beef, as well as veal and lamb, has been purchased by Texas-based private equity firm **Insight Equity Holdings**. Strauss Brands is based in Wisconsin near Milwaukee and will continue to be operated by Strauss family members descended from the owner, Milton Strauss.

## MOVING AHEAD

**China's** hog prices reached a milestone last week, with the official national average live hog reference price exceeding 20 RMB/kg (U.S. \$2.83/kg.) for first time since 2016. Live hog prices are now 47+% higher than year-ago levels. As a comparison, U.S. live hog reference prices last week were approximately U.S. \$1.28/kg. China swine industry analysts **Boyar** estimate China's sow inventory in late July was down 27.5% from year-ago levels and total hog inventory was down 32%. China's Ministry of Agriculture last week announced that it had completed inspections and certification of 3,436 slaughter plants nationwide under a new upgrade of its quarantine system. Plants must be on this new MARA list in order to obtain the required health certificates for selling pork into the marketplace. China's rising hog prices have pulled up global live swine values; During July 2019, average values of major producers were up in **Brazil** (+53%), the **EU** (+16%), **Chile** (+14%), and **Taiwan** (+4%). However, the predicted massive impact of China's pork supply shortage on the global pork marketplace is still somewhat elusive, with H1 2019 Chinese pork/pvm imports up only a modest +12% over the pace of H1 2018. Year-on-year live hog average values in July were down in ASF stricken **Vietnam** (-34%), **Japan** (-11%), **Korea** (-13%), **Canada** (-8%), and world #1 exporter the U.S. (-5%).

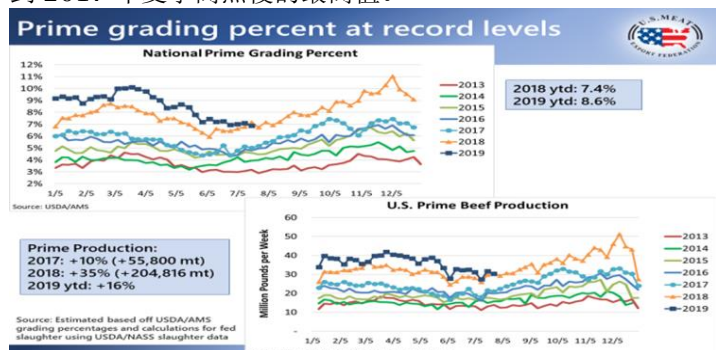
## TRADE

U.S. pork and beef exports, which have been somewhat sluggish this year due to trade skirmishes, ramped up in June compared to year ago levels. The increases were driven by higher pork shipments to **China** and continued strong demand for U.S. beef in **Korea** and **Taiwan**. Despite a 62% duty, total U.S. pork and pvm exports to China in June were just under 42,000 tons, the highest since May 2016 and the 5th highest on record. The U.S. is also exporting record volumes of pork to **Australia**; exports for H1 grew +44% to 56.3 thousand tons. Although U.S. pork exports in June to its #1 export market **Mexico** reached similar levels as June 2018, the pace of shipments for the 1<sup>st</sup> 6 months of the year was off -17% due to higher punitive 20% duties being in place until duty free access was restored in mid-May. Overall, total Jan-June U.S. pork & pork variety meat exports to all destinations were -2% in volume (to 1.248 million tons) and -6% in value (to U.S. \$3.143 billion). The total volume of January-June U.S. beef & beef variety meat exports were -2% due to sharp declines in shipments to **Hong Kong** (-31%; 42,577 tons) and **Canada** (-17%; 48,725 tons). U.S. beef shipments, along with those of other major supplying countries, have fallen to HK due to a crack-down on meat smuggling by China. Like Mexico, Canada imposed a 10% duty on U.S. processed beef imports in July 2018 in retaliation for U.S. tariffs on steel and aluminum.



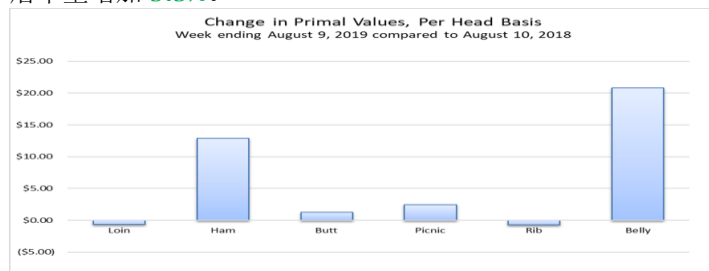
## 供应与需求

由於零售业者开始为即将到来的夏季末美国劳动节假期(9月2日)进行采购, 上周牛肉分切价格上涨。历史数据显示, 夏季炎热的天气导致消费平平, 牛肉分切价格通常上涨并持续至8月份。上周活牛价格大致持平。截至8月初, 71.7%的美国牛肉被评为美国农业部特选级, 去年为71.5%; 8.6%的已肥育牛肉被评为美国农业部极佳级, 去年为7.4%。被评为美国农业部可选级的牛肉产量百分比减少。不过极佳级的牛肉百分比通常於夏季减少, 除了消费者对更高等级的牛肉需求保持坚挺, 今年也是如此。贸易报告显示, 美国大型的连锁零售商 **COSTCO** 和 **Sam's Club** 於7月时大量采购极佳级牛肉而支撑其价格。自6月以来, 极佳级肋眼的批发价格一直上涨, 截至8月6日当周其价格较去年**上涨42%**, 达到2017年夏季高点後的最值。



美国农业部牛肉屠体价格指数(特选级): 2019年8月12日—\$218.62美元/百磅 (较2019年8月5日增加2%)

上周猪肉分切价格持续强劲并上涨**3%**, 达到自2017年8月以来的最高值。上周五猪肉分切价格比去年同期**高出24%**。如下图所示, 猪肉分切价格急剧上涨几乎是受到腹肋肉和後腿肉原始价格增长所推动; 仅在过去3周内, 这两个大分切的平均批发价格**上涨约40%和25%**。尽管猪肉批发价格表现强劲, 活猪价格已经下跌。过去几周, 每周屠宰量一直处於季节性低位, 但分析师预测屠宰活动将於本周开始增加, 并於今年剩餘时间内维持高位。与活猪一样, 由於持续的贸易摩擦和对上周公告含糊指出中国将停止进口所有美国农产品的担忧, 近几天猪肉期货价格下跌。分切现金价格约为每英担(100磅)90美元, 上周五芝商所10月期货收盘价格低於每英担67美元。年初至今美国猪肉产量比去年**增加3.9%**, 屠宰量增加**3.3%**。



猪屠体分切价格: 2019年8月12日—\$90.19美元/百磅 (较2019年8月5日增加2%)

美国肉类出口协会活动预告:

香港餐饮展: 2019年9月3-5日

中国国际肉类工业展览会, 成都: 2019年9月25-26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

已开业82年的 **Strauss Brands LLC** 是1间家族企业和供应各种肉类, 包括草饲和有机牛, 以及小牛肉和羊肉, 该公司已被总部位于德克萨斯州的私募股权公司 **Insight Equity Holdings** 收购。Strauss Brands 总部位于威斯康星州靠近密尔沃基一带, 并将继续由 Strauss 家族成员 **Milton Strauss** 经营。

## 产业新知

中国的活猪价格於上周创下纪录, 全国官方参考活猪平均价格自2016年以来首次超过每公斤20元(每公斤2.83美元)。现在活猪价格比去年同期高出47%以上。相比之下, 上周美国活猪参考价格约为每公斤1.28美元。中国养猪业分析师 **Boyar** 估计, 7月下旬中国种母猪库存头数较去年同期**减少27.5%**, 活猪库存总亮**减少32%**。中国农业部上周宣布, 在其新升级的检疫系统下, 全国3,436家屠宰场已完成检验和认证。屠宰场必须被列在此MARA清单上以获得可以在市场销售猪肉所需的健康证书。中国活猪价格上涨推高全球活猪价格; 2019年7月, 主要生产国**巴西(+53%)**、**欧盟(+16%)**、**智利(+14%)**和**台湾(+4%)**的猪肉价格均上涨。然而, 對於中国猪肉供应短缺对全球猪肉市场所带来的巨大影响仍难以捉摸, 2019年上半年中国猪肉/猪杂碎进口量仅比2018年上半年小幅增长12%。7月**越南(-34%)**、**日本(-11%)**、**韩国(-13%)**、**加拿大(-8%)**, 全球最大出口国美国(-5%)的猪肉平均出口价格均受到非洲猪瘟影响而下跌。

## 贸易新闻

由於贸易冲突, 今年美国猪肉和牛肉出口有所放缓, 与去年同期相比6月出口有所增长。出口增长主要得益於往**中国**的猪肉出口量增加, 以及**韩国**和**台湾**对美国牛肉的需求持续强劲。尽管关税为62%, 6月出口至中国的猪肉和猪杂碎总量仅略低於42,000吨, 是自2016年5月以来的最高水平, 也是有史以来的第5高位。美国至**澳洲**的猪肉出口量也创纪录, 上半年出口**增长44%**, 达到56.3万吨。尽管6月美国往最大出口市场墨西哥的猪肉出口量达到与2018年6月相似的水平, 今年前6个月的出口量**减少17%**, 因为在5月恢复免税准入前有更高的20%惩罚性关税。总体而言, 1至6月美国猪肉和猪杂碎往所有目的地的出口量和出口值分别**减少2%**(至124.8万吨)和**6%**(至31.43亿美元)。由於往**香港(-31%)**; 42,577吨)和**加拿大(-17%)**; 48,725吨)的出口量大幅减少, 1至6月美国牛肉和牛杂碎出口总量**减少2%**。中国打击走私肉品使得美国以及其他主要供应国至香港的牛肉出口量减少。和墨西哥一样, 加拿大於2018年7月开始对美国加工牛肉徵收10%进口关税, 以抵制美国对其钢铁和铝的关税。

