

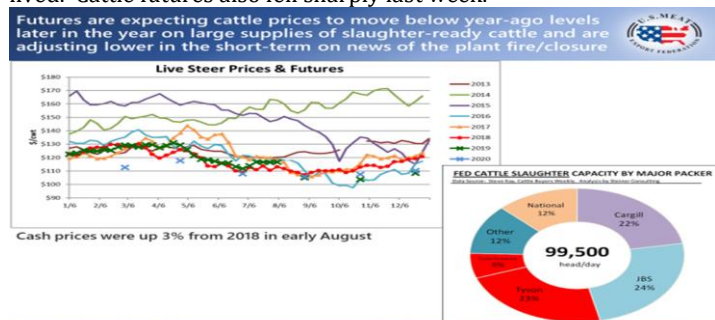


U.S. Meat Bulletin

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SUPPLY & DEMAND

The largest fire at a Kansas beef packing plant in nearly 20 years caused a severe disruption in the U.S. wholesale beef market last week. With one of the U.S.'s largest processing plants out of commission, retail and foodservice buyers scrambled to lock down supplies, and a time when wholesale demand seasonally increases. The USDA CHOICE grade cutout value closed last Friday at \$2.30/lb., up **6.7%** or +14 cents/lb. from the previous week. This was the highest weekly percentage gain for the cutout ever. Last Friday's close was up **10%** from year-ago levels and the highest since this April. Labor Day falls on Monday September 2nd, and wholesale markets usually come alive several weeks before this last big grilling day of the year. Average rib and loin primal values increased **7%** through the week, and fatty 50% lean beef trimmings spiked over **15%**. The USA's fed cattle harvest capacity will temporarily decline due to the fire, which will be supportive of beef prices, but negative to live cattle values. The plant processed about 6,000 head of fed cattle per day, leaving a shortfall in the national packing capacity of between 30 – 33 thousand head per week or 6% of total national capacity (see GRAPH below). Optimists believe that more than 2/3rds of that shortfall can be made up by increasing production at other plants, including harvesting on Saturdays, if labor is available. After the Monday August 9th fire, U.S. plants still managed to harvest 651 thousand head of cattle last week, only 1.4% below the level of the same week a year ago. That said, live fed cattle prices closed last Friday 4-5% lower week-on-week over concern that existing plants could not easily make up the lost capacity at the Kansas plant. However, the spike upward in beef prices and downward fall in live cattle yielded record processing margins, which likely will be short-lived. Cattle futures also fell sharply last week.



Source: USDA/AMS & CME closing futures prices on August 12, 2019, Daily Livestock Report

Beef Choice Beef Cutout Value: 19/8/2019 - US\$239.13/cwt. (+9% from 12/8/2019)

The pork cutout closed last Friday even with the previous week at U.S. \$0.89/lb. Bellies kept the overall wholesale average value of all primals even with the previous week, but the primal ham value, the value of which has been extremely volatile this year, fell **10%**. Reference values for heavy bone-in hams were down a sharp **21%** or -18.5 cents/lb. from the previous week to \$0.71/lb. Although the most recent export sales report for the week ending August 8th showed strong overseas buying interest, and a 10,000+ ton sale to **China**, the most heavily traded October futures contract closed limit down last Friday on continuing trade uncertainty. Total net export sales for the week ending August 8 were a strong 20,400 tons, up **48%** from the previous week and **25%** above the previous four-week average. The reported sales to China came despite statements on August 5th by PRC officials that China would halt further purchases of U.S. agricultural products.

Hog Carcass Cutout Value: 19/8/2019 - US\$84.98/cwt. (-6% from 12/8/2019)

ACTIVITIES:

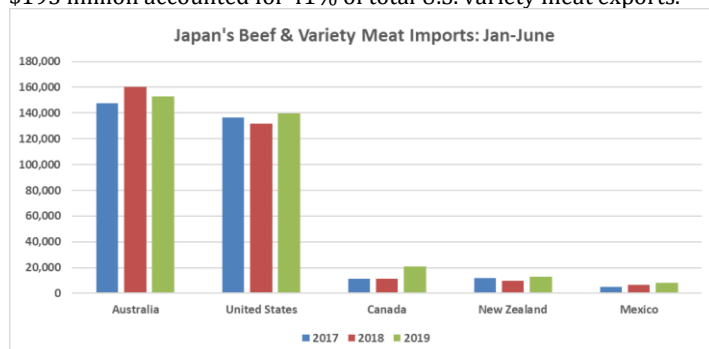
World Pork Congress, Chengdu: Sept 25-26, 2019
Restaurant & Bar, Hong Kong: Sep 3-5, 2019
FHC, Shanghai: Nov 12-14, 2019

MOVING AHEAD

Following an overly wet spring and reports of calamitous planting conditions, USDA dropped a bombshell on the market last week in its release of an unexpectedly bullish report of forecasted corn output. In its August 12th report, USDA reduced its estimate of total corn acres planted by 2% from its previous report but forecast that total corn acreage would be 1% higher than that planted in 2018. However, the report predicted that average yields would be 169.5 bushels, a sharp 3.5 bushel-per-acre increase from its June estimates. With increased yield projections more than offsetting decreased planted acres, total production for the 2019/20 crop season is now projected to reach 13.9 billion bushels (353 million tons). That would be 3.6% below last year's harvest. Forecasted ending corn stock levels, a closely watched supply variable, were also projected higher based on lower utilization by the ethanol sector, and lower estimated exports. Following the report, the most actively traded December corn futures contract dropped the 25-cents-per-bushel limit to U.S. \$3.9275/bushel (U.S. \$154.62/ton), which constituted the steepest one day decline since April of 2013. After an extremely wet spring, crop analysts are now paying closer attention to drought conditions. Dry areas have been increasing in the last 30 days, with drought-like conditions now covering 24.2% of the country versus 9.8% a month ago. Several regions have seen an uptick so far this month, including most of Texas, parts of the Southeast, as well as an expansion throughout Iowa, Illinois and Indiana. In order to better assess growing conditions, and to try and verify USDA's optimism for this fall's harvest, approximately 100 crop 'scouts' will fan out over the Midwest to inspect agricultural fields from an on-the-ground perspective. Corn is now in the sensitive silking phase, with the main harvest activity more than 2 months away.

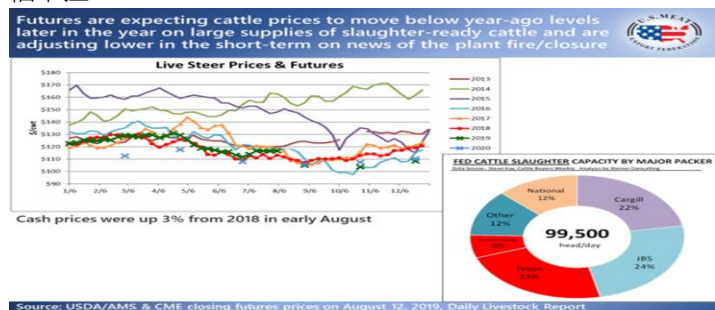
TRADE

Japan remains the #1 value and volume market for U.S. beef, and during the first half of 2019, the U.S. managed to increase shipments despite it facing a tariff disadvantage & other competitive challenges. Key competitors Australia and Canada face tariffs that are 11.9 percentage points lower than that of U.S. product but aggressive buying of Aussie beef by **China** allowed the U.S. to maintain a 39% market share (MS) of Japan's frozen and chilled beef imports during H1 2019, the same MS as H1 2018. Australia, Japan's #1 supplier, saw shipments fall **5%** as China pulled away product, while total Japanese beef imports – including variety meats – were up **5%** to 337,193 tons. According to Japanese customs data, imports from the U.S. were up **6%** to 139,403 tons, including growth in frozen (54,572 tons, +23%) as well as variety meats. Japan's H1 beef imports from **Canada**, grew **83%** to 20,690 tons. Although the frozen trade expanded during H1, Japan's chilled beef imports, accounting for approximately 45% of total fresh & frozen imports (excluding variety meats), fell **2%** to 131,412 tons, with decreases in shipments from both the U.S. (62,103 tons, -6%) and Australia (59,941 mt, -2%). Imports from Canada surged **113%** to 4,195 tons. Japan is the largest market for U.S. variety meat exports such as skirts and tongues; during Jan-June 2019, U.S. BVM exports to Japan of U.S. \$193 million accounted for 41% of total U.S. variety meat exports.



供应与需求

一間位於堪薩斯州的牛肉屠宰場發生近 20 年來最大的火災，導致上週美國牛肉批發市場嚴重受阻。隨著美國其中一間最大的屠宰場無法運作，零售和餐飲業者爭相確認肉品供應，與此同時批發需求季節性增加。上週五美國農業部特選級分切價格收於每磅 2.3 美元，與上上週相比上漲 6.7% 或每磅 14 美分；這是有史以來最高的每週百分比收益率。上週五分切收盤價格較去年同期上漲 10%，為今年 4 月以來的最高水平。9 月 2 日(星期一)為美國勞動節，批發市場通常在今年這最後一個重要的烤肉日前幾週開始活躍。肋脊部和腰脊部原始價格一週上漲 7%，以及瘦肉率達到 50% 的牛絞肉價格上漲超過 15%。由於火災，美國的已肥育牛隻屠宰產能將暫時下降，這有助於支撐牛肉價格，但對活牛價格造成負面的影響。該屠宰廠每天屠宰約 6,000 頭已肥育牛隻，全國屠宰產能將每週減少 30,000 至 33,000 頭，或全國總產能的 6%(見下圖)。樂觀主義者認為，若勞動力允許的情況下，透過增加其他屠宰場的產量，例如星期六進行屠宰作業，或許可彌補 3 分之 2 的減產量。在 8 月 9 日星期一的大火之後，上週美國屠宰場仍屠宰了 651,000 頭牛，僅比 1 年前同期減少 1.4%。不過，由於市場擔心現有屠宰場無法輕易補上堪薩斯州屠宰廠的產能損失，上週五已肥育活牛價格週環比下跌 4 至 5%。然而，牛肉價格上漲和活牛價格下跌使得屠宰利潤創紀錄，儘管這可能只是短暫的現象。上週五期貨價格也大幅下挫。



美国农业部牛肉屠体价格指数 (特选级): 2019 年 8 月 19 日 — \$239.13 美元 / 百磅 (较 2019 年 8 月 12 日增加 9%)

上周五猪肉分切价格为每磅 0.89 美元，与上上周持平。腹肋肉支撑所有大分切平均批发价格，总体批发价格较上上周持平；今年腹肋肉价格极度波动，下跌 10%。带骨後腿肉参考价值与上上周水平相比急剧下跌 21% 或每磅 18.5 美分至每磅 0.71 美元。虽然至 8 月 8 日当周最新出口销售报告显示海外购买意愿强劲，以及至中国的出口销售达到 10,000 多吨，但交易量最高的 10 月的期货合约价格因持续的贸易不确定性而於上周五下跌。截至 8 月 8 日当周的净出口销售总量为 20,400 吨，较上周增长 48%，比前 4 周的平均水平高出 25%。尽管中国官员於 8 月 5 日声称中国将停止进一步购买美国农产品，报告显示至中国的销售量却持续增加。

猪屠体分切价格: 2019 年 8 月 19 日 — \$84.98 美元 / 百磅 (较 2019 年 8 月 12 日减少 6%)

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

产业新知

伴随着过度潮湿的春季天气和灾难性的环境规划报告後，上周美国农业部发布预测玉米产量意外看涨的报告，为市场投下一颗震撼弹。在其 8 月 12 日的报告中，美国农业部将其对玉米种植总面积的估计值从先前的报告数据中减少 2%，但预测的玉米种植面积将比 2018 年时高出 1%。该报告预测每英亩土地平均单产为 169.5 蒲式耳，比其 6 月时发布的数据增加每英亩 3.5 蒲式耳。由於产量预测增加与种植面积减少所带来的影响相互抵销，2019/20 年年度作物季节的总产量将达到 13.9 亿蒲式耳(3.53 亿吨)，这比去年的收成减少 3.6。由於乙醇业的需求减少，加上估计出口量下降，预计季末时玉米库存水平(一备受关注的供应变量)也会增加。报告发布後，最为活跃的 12 月玉米期货合约价格每蒲式耳下跌 25 美分至每蒲式耳 3.9275 美元(每吨 154.62 美元)，这是自 2013 年 4 月以来最大的单日跌幅。在极度潮湿的春季後，作物分析师正密切关注乾旱条件。乾旱地区在过去 30 天内一直增加；受乾旱影响的地区目前占全国土地的 24.2%，而 1 个月前为 9.8%。本月初到目前为止，有几个地区乾旱的情况越来越严重，包括德克萨斯州的大部分地区、东南部的部分地区，以及爱荷华州，伊利诺伊州和印第安纳州。为了更有效地评估作物生长条件，并试图验证美国农业部对今年秋季作物收割的乐观预测，大约 100 名作物「侦查员」将从中西部地区开始，至现场检视农田的状况。玉米现正處於敏感的吐丝(silking)阶段，並於超过 2 个月後开始收割。

贸易新闻

往日本的美国牛肉出口价值和重量仍是全球排名第一；在 2019 年上半年，尽管面临关税劣势和其他挑战，美国依然尝试增加其出口量。主要竞争对手澳洲和加拿大的产品出口关税比美国低 11.9%，但中国积极购买澳洲牛肉使得美国在 2019 年上半年得以维持其在日本冷冻和冷藏牛肉进口市场上的 39% 份额，与 2018 年上半年时的占比相同。澳洲是日本最大的牛肉供应国，随着中国撤销其产品，该国出口量减少 5%；而日本牛肉和牛杂碎进口量增长 5% 至 337,193 吨。根据日本海关数据，美国牛肉进口量增长 6% 至 139,403 吨，包括冷冻牛肉(54,572 吨，+23%)和牛杂碎进口均有成长。日本从加拿大进口的牛肉於上半年增长 83%，达到 20,690 吨。尽管冷冻肉品贸易於上半年扩张，日本冷藏牛肉进口量占生鲜和冷冻牛肉进口总量(不包括牛杂碎)的约 45%，减少 2% 至 131,412 吨；美国(62,103 吨，-6%)和澳洲(59,941 吨，-2%)的出口量均减少。自加拿大的牛肉进口量激增 113% 至 4,195 吨。日本是美国牛杂碎如横隔膜的最大出口市场；在 2019 年 1 月至 6 月期间，美国出口至日本的牛杂碎价值为 1.93 亿美元，占美国牛杂碎出口总值的 41%。

