

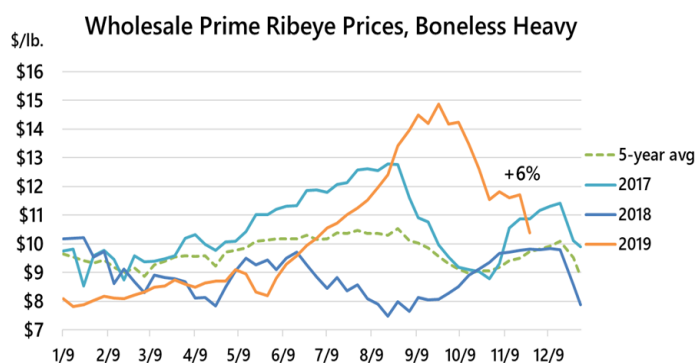


# U.S. Meat Bulletin

December 3, 2019 Volume XI | Issue 12.1

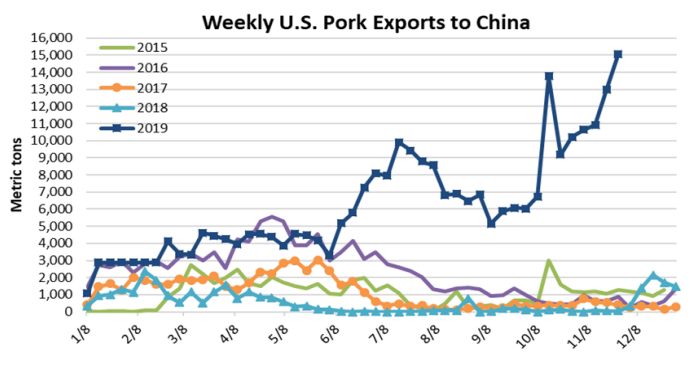
## SUPPLY & DEMAND

The beef cutout drifted lower last week, but meat & livestock markets were muted due to the long Thanksgiving and Black Friday holidays. Live fed cattle prices strengthened last week as wintry weather hit the Midwest and news that the fire-damaged beef plant was re-opening. Historically, wholesale beef markets soften the 1<sup>st</sup> week of December as buyers pause their buying activity, but demand tends to firm as Christmas approaches and end-users seek to lock in last minute holiday meat supplies. Prime ribeyes are a holiday favorite, and analysts will be watching the direction of ribeye pricing this week. Prime ribeye wholesale prices from the latest weekly market report (Nov 25) dropped to the lowest level since July at \$10.38/lb., but were still up 6% from last year (see chart below). Cattle currently entering plants are grading well; USDA's latest grading data for the weeks ending Nov 8 and Nov 15 showed 9.9% and 9.5% of fed beef graded USDA PRIME those weeks, the highest level since late March/early April. Domestic beef demand continues to be buoyant; according to the Livestock Marketing Information Center's (LMIC) Meat Demand Index, Q3 retail beef demand grew by just under 1%, not a large increase, but still part of a general upswing in recent years. There is no question that U.S. beef production is expanding, but less known is that beef derived from cattle not fed in feedlots (e.g., beef cows, dairy cows, and bulls) has been increasing since 2016 at a rate faster than fed beef production. Non-fed beef production increased by 5% in 2016, by 7% in 2017, and by 6% in 2018. Through mid-November 2019, the pace of the increase in non-fed beef production is still up 1.7% year-on-year while fed beef production is up only slightly at +0.4%. Overall, through mid-November, fed beef production accounted for 83% of total beef production.



**Beef Choice Beef Cutout Value: 2/12/2019 - US\$232.61/cwt. (<-1% from 25/11/2019)**

The pork cutout moved lower for the second week last week, closing down 3.5% week-on-week at \$0.82/lb. Last Friday's cutout close was up 20% from last year however. Year to date U.S. pork production is up 4.5% from last year with slaughter up 3.9%. Lean hog futures closed up last Friday on renewed trade optimism. Weekly exports to China hit a record high during the latest USDA reporting period (week ending November 21) of 15,080 MT, +35% week-on-week, while shipments to Mexico of 11,160 MT, were the highest since June 2015 apart from the large catch-up total six weeks ago.



**Hog Carcass Cutout Value: 2/12/2019 - US\$82.86/cwt. (-1% from 25/11/2019)**

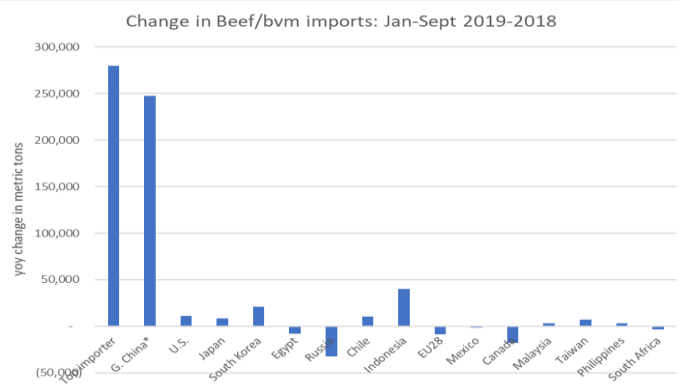
### ACTIVITIES:

Food & Hotel Asia, Singapore: March 31 - April 3, 2020

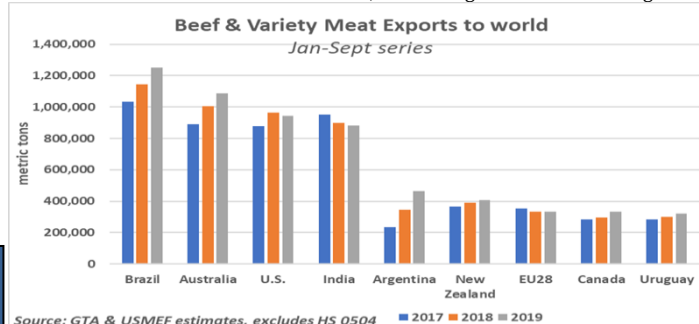
SIAL, Shanghai: May 13-15, 2020

## TRADE

Due to last week's Thanksgiving holiday, we use this week's Bulletin to provide a more in-depth look at the status of this year's Q1-Q3 global beef trade. **China** continues to dominate global beef flow dynamics. Total global beef trade through Sept - as measured by export activity by major suppliers - increased 6% to 6.4 million tons, with China imports accounting for 70% of that approximate 352 thousand-ton increase. Most of the export growth was captured by **Argentina** (+116,470 tons), **Australia** (+82,000 tons) and **Brazil** (+109,250 tons), with Chinese demand driving the increases for Argentina and Australia, but new demand in **Russia**, **UAE**, **Philippines**, **Turkey**, and **Israel** pushing up Brazil's trade volumes. **New Zealand's** exports grew a modest 4%, but it had to short sales to the U.S. and its traditional Asian markets in order to fill its China orders. Because of China's restrictive market access conditions and re-export challenges in **Hong Kong** and **Vietnam**, Q1-Q3 U.S. and **Indian** beef export volumes each fell by 2% (For U.S. to 945K tons; to India, to 762 K tons, Jan-August) respectively. From an import perspective, Greater China (China, HK & Vietnam) accounted for 31% of total export volume by top beef exporters during the period, or approximately 2 million tons. In terms of direct imports, China's 53% increase in imports to 1.16 million tons clearly solidified China as the globe's #1 importer, surpassing the U.S. for the 1<sup>st</sup> time. Outside of China, total beef exports by main suppliers to the rest of the world increased only 2% to 4.41 million tons, with tonnage increases in markets such as **Indonesia**, **Korea**, **Chile**, **Japan**, and **Taiwan** piling to those of China (see graph below).



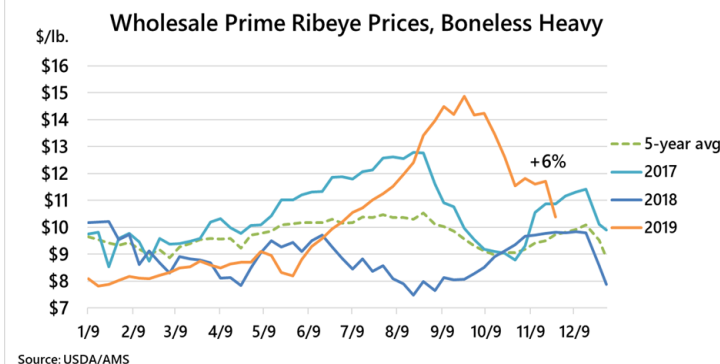
China's beef import surge is creating supply strains, especially among South American suppliers, and Australia's drought outlook could add to the pressure on global beef supplies next year. Cattle prices in South America have already significantly risen due to China buying; compared to last year, early November prices were markedly higher in Uruguay (+38%) and Brazil (+24%). Prices in U.S. dollars were down slightly in Argentina (-2%) but reflected the weaker peso. As of November 20, Uruguayan beef cattle prices were higher than those in the U.S. and Australia, and Brazilian carcass prices increased in the range of 25% between late October and late November. China is buying 83% of Uruguay's frozen beef exports, and Uruguay is now being forced to import more - mainly from Brazil - to fill its own domestic needs. Uruguay's Q1-Q3 beef imports were up 75% from Jan-Sept 2018. Brazil's beef production is up slightly this year, and should expand a bit more in 2020 according to USDA forecasts. Brazil will export approximately 23% of its total production next year, but increasing exports will mean shorting the domestic market. Australian cattle conditions continue to look challenging. The latest production data shows that female slaughter accounted for 56% of total slaughter through September and female slaughter was up 18% year-on-year from Jan-Sept. Male slaughter was down 5% with total slaughter up 8% to 6.4 mil head. Beef production was up just 4% to 1.795 million tons as carcass weights fell. Weekly slaughter charts indicate continued elevated kill levels into late Nov, another sign of continued drought.





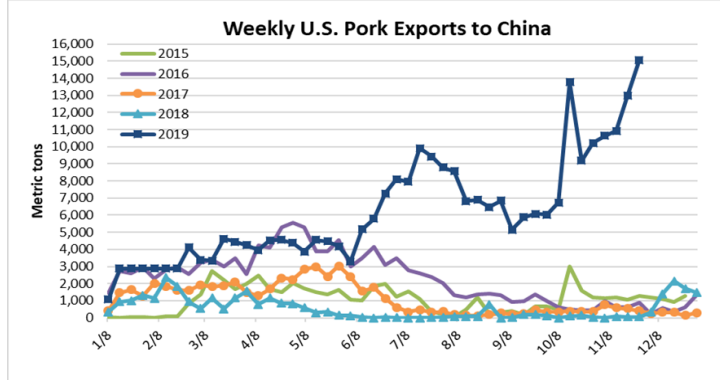
## 供应与需求

上周牛肉分切价格些微下跌，但由於感恩节和黑色星期五的长假，肉类和家禽市场低迷。由於寒冷的天气袭击中西部，以及遭遇火灾的牛肉屠宰场重新开放的消息，上周活牛价格上涨。历史上来看，由於买家暂停采购活动，牛肉批发价格在12月第一周会走软，然随着圣诞节的到来和终端消费者最後一刻找寻假期期间的肉类供应，需求将趋稳定。极佳级的肋眼是假期期间最受欢迎的品项，本周分析师将关注肋眼的订价方向。根据最新的每周市场报告(11月25日)，极佳级肋眼批发价格跌至7月以来的最低水平—10.38美元/磅，但仍比去年上涨6%(见下表)。目前进入屠宰场的牛只分级状况良好：美国农业部截至11月8日和11月15日当周的最新分级数据显示，於这几周内，美国农业部对育肥牛肉评级为极佳级的比例分别为9.9%和9.5%，为3月底/4月初以来的最高水平。美国国内牛肉需求持续强劲，跟据 Livestock Marketing Information Center's (LMIC) 的肉类需求指数，第三季零售牛肉需求成长不到1%，虽增长不大，但仍是近年来总体成长的一部分。毫无疑问，美国牛肉的产量正在增长，但鲜为人知的是，自2016年以来，非来自育肥场的牛肉(如肉母牛、乳母牛、公牛)成长速度比来自育肥场的牛肉成长速度快。2016年非育肥牛肉产量成长5%，2017年成长7%，2018年成长6%。截至2019年11月中旬，非育肥牛肉的产量仍同比增长1.7%，而育肥牛肉的产量仅微升0.4%。整体而言，截至11月中旬，育肥牛肉的产量占总牛肉产量的83%。



美国农业部牛肉屠体价格指数 (特选级)：2019年12月2日 - \$232.61 美元/百磅 (较2019年11月25日减少小於1%)

猪肉分切价格连续两周走低，逐周下跌3.5%至0.82美元/磅。上周五的分切收盘价比去年成长20%，年初至今，美国猪肉产量比去年成长4.5%，屠宰量成长3.9%。瘦猪肉期货上周五带着贸易乐观的情绪收市。根据最新的美国农业部报告(截至11月21日当周)，对中国的周出口量达到创纪录的15,080吨，较上周增长35%。对墨西哥的出口量为11,160吨，是除了6周前的大量追赶以外，自2015年6月以来的最高水平。



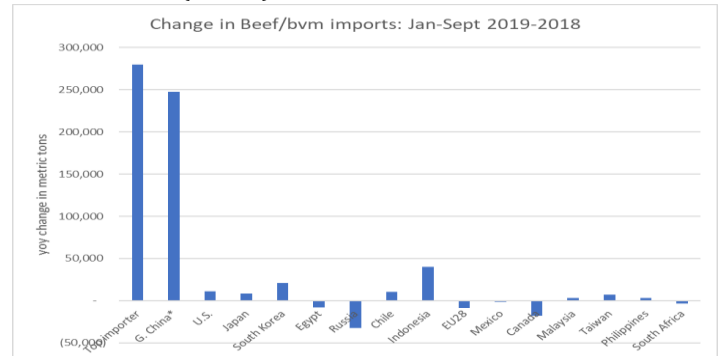
猪屠体分切价格：2019年12月2日 - \$82.86 美元/百磅 (较2019年11月25日减少1%)

美国肉类出口协会活动预告：

新加坡国际食品与饮料展 - 新加坡：2020年3月31日-4月3日  
中国国际食品及饮料展 - 上海：2020年5月13-15日

## 贸易新闻

由於上周的感恩节假期，我们将於本周更深入了解今年第一季至第三季的全球牛肉贸易状况。中国继续在全球牛肉动态中占据主导地位，按主要供应商的出口活动估算，截至9月，全球牛肉总贸易量增长6%、至640万吨，而中国的进口量占其中70%、35.2万吨。出口增长大部分来自阿根廷(+116,470吨)、澳洲(+82,000吨)和巴西(+109,250吨)，中国的需求推动了阿根廷和澳洲的成长，但俄罗斯、阿拉伯联合大公国、菲律宾、土耳其、以色列提高了巴西的贸易量。新西兰的出口些微增长4%，但为了填补中国的订单，不得不卖空对美国及其他传统亚洲市场的产品。由於中国市场准入条件的限制以及香港和越南再出口的挑战，美国和印度牛肉第一季至第三季分别下降2%(今年1月至8月美国下降至94.5万吨；印度76.2万吨)。从进口角度而言，在此期间，大中华地区(中国、香港、越南)占主要牛肉出口国总出口量的31%，约200万吨。在直接进口方面，中国的进口量增加53%，达到116万吨，这无疑巩固了中国最为全球第一大进口国的地位，并首次超越美国。在中国以外，主要牛肉出口国向其他地区的牛肉出口总量仅增长2%，达到441万吨，印尼、韩国、智利、日本、台湾等市场的吨位增长与中国一比相形失色(见图表)。



中国牛肉进口激增正造成供应吃紧，尤其對於南美洲供应商，澳洲的乾旱前景可能会增加明年全球牛肉供应的压力。由於中国的收购，南美的牛只价格已大幅上涨。与去年相比，11月初乌拉圭(+38%)和巴西(+24%)的价格明显较高。美元价格在阿根廷小幅下跌(-2%)，但反映了披索的走弱。截至11月20日，乌拉圭牛肉价格高於美国和澳洲，而巴西屠体价格在10月下旬至11月下旬间上涨25%。中国购买乌拉圭冷冻牛肉出口量当中的83%，乌拉圭目前被迫从巴西进口更多产品，以满足国内市场需求。乌拉圭第一季至第三季的牛肉进口较2018年1月-9月成长75%。跟据美国农业部的预测，今年巴西的产量略微上升，而明年亦将略有增长。明年巴西的出口量将占其总产量的23%左右，但增加出口将意味着缩减国内供给。澳洲牛只的情况目前看起来仍充满挑战。根据最新产量数据显示，截至9月，母牛屠宰量占总屠宰量的56%，而1月至9月的母牛屠宰量增长18%，公牛屠宰量下降5%。总屠宰量增长8%，达到640万头。由於屠体重量下降，牛肉产量仅增长4%，达到17.95亿吨。每周屠宰图显示，直至11月下旬，屠宰水平持续升高，这是持续乾旱的另一个迹象。

