



# U.S. Meat Bulletin

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## SUPPLY & DEMAND

The beef cutout weakened slightly last week, but wholesale trading has been sporadic due to the holidays. Live fed cattle prices closed higher again last Friday week-on-week, the 10<sup>th</sup> week of consecutive gains. Weak wholesale beef prices and stronger live cattle prices have narrowed the large slaughter margins that prevailed throughout last fall. There are large numbers of fed cattle in the pipeline however, and analysts will be closely watching how beef demand – including for exports – unfolds this late winter. Analysts though are generally bullish about the next few months. Wholesale prices should start to seasonally move upward and although the beef cutout value is starting the year slightly below (-3%) the level of a year ago, China's appetite for beef imports and strong manufacturing beef prices are providing a positive bias to the market. And although U.S. beef exports were down in 2019 (exports through Dec 26 = 816K tons, -5% year on year, variety meats excluded), the new year begins with positive momentum on the trade side with a sharp tariff reduction (from 38.5% to 26.6% for frozen beef) for U.S. beef imports into #1 market **Japan** effective last Wednesday Jan 1. Last Wednesday, the U.S. also gained more access to the EU through the creation of a U.S.-only zero duty high quality beef quota; under the agreement, the country-specific TRQ begins at 18.5K tons per year, and expand to 35K tons over 7 years. U.S. congressional efforts to finalize the U.S.-Canada-Mexico agreement will help bring more trade certainty to the USA's #5 and #3 beef markets respectively, and ranchers are awaiting anxiously for the details of the new phase 1 U.S.-**China** trade deal, which the administration has announced will be signed Jan 15. Despite 35% punitive duties, USMEF estimates that U.S. beef exports to China last year grew 140% last year to about 10K tons. It remains to be seen whether the new trade deals will help the depressed cattle hide export market. The total value of hides and offals per head have dropped from a high of U.S. \$233 in 2014 to around \$133 currently. On the supply side, U.S. feedlotters aggressively placed cattle into feedlots during November, resulting in a high number of cattle currently being on feed (12.031 million head on 12/1/2019). Analysts will be watching cattle weights closely to gauge whether cattle are being marketed at a pace which prevents a back-up in feedlots. Weights increased late last year from the weather-affected low levels earlier in the year. Last week, live fed cattle weights averaged 1,377 lbs. (625 kgs.), down 2 lbs. from the previous week but up 8 lbs. from last year. That said, because the U.S. is nearing the end of its cattle cycle, there is a greater percentage of heifers in the fed cattle mix, which should translate into lower average weights across all cattle harvested. Cattle weights usually decline from the beginning of the year through May, but market ready fed cattle supplies are forecast to be large during Q2 due to the large placements toward the end of last year. Through Dec 22, 2019 USDA AMS data showed U.S. beef output up 0.5% on the pace of the same period during 2018. USDA's latest Dec 2019 forecast estimates annual U.S. beef production will increase by 1.4% this year to 12.48 million tons.

**Beef Choice Beef Cutout Value: 6/1/2020 - US\$209.65/cwt. (-1% from 23/12/2019)**

The pork cutout weakened slightly over the last two weeks, with bellies pulling down the hog carcass value. Loin and rib demand remained firm, although overall market activity was muted by the holidays. Live hog values strengthened last week, but U.S. prices remain low with values hovering near the U.S. \$1.10/kg. level, much lower than other main producers (see TRADE next column.) Pork futures sank last Friday in line with equity markets as tensions in the middle east ratcheted up. The cutout begins 2020 +6% from the level of a year ago. But this slight premium to last year's values doesn't fully capture the volatility which ensued last year for various pork primal items, especially the belly and the picnic, which closed last Friday -37% and +61% respectively from their values a year earlier (see table below). According to weekly export data, U.S. pork muscle cut exports last year (through Dec 26) reached 1.596 million tons, +38% from 2018. Monthly export data, including that for variety meats won't be available for over a month, but USDA's weekly numbers show that low U.S. prices, the restoration of zero duties in **Mexico** in late May 2018, and ASF fueled import demand by **China** allowed the U.S. to vastly expand its exports last year, despite market access challenges.

### Average U.S. pork primal values (\$ per pound)

PORK	Cutout	Loin	Butt	Pic	Rib	Ham	Belly
1/4/2019	0.70	0.64	0.84	0.44	1.23	0.46	1.30
1/3/2020	0.74	0.71	0.94	0.70	1.38	0.65	0.81
Chg year/year	6%	11%	12%	61%	13%	42%	-37%

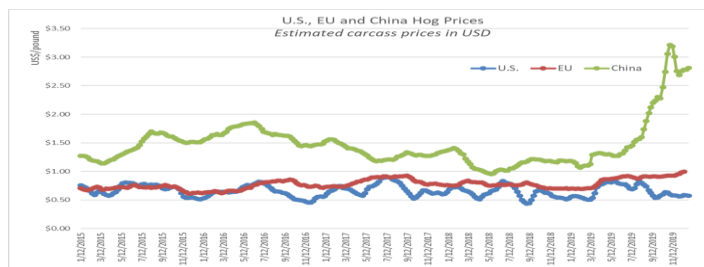
**Hog Carcass Cutout Value: 6/1/2020 - US\$74.46/cwt. (-3% from 23/12/2019)**

## MOVING AHEAD

As 2019 ends, analysts are issuing their food trend predictions for the new decade. According to a new report by **Nielson**, a large percentage of Americans want to eat and live more healthfully. How different generations define 'healthy' varies, but the desire for foods that can support personal lifestyles cuts across much of the population. These are just intentions however, and diet related health issues such as obesity & diabetes remain major problems in America. Nevertheless, 3 in 10 persons Nielson surveyed said they are currently making more healthy food choices than a year ago. Behavior changes include eating smaller portions, choosing foods with purported health and nutrition benefits, eating less fast food, and lowering intake of sugary foods. But Nielson points out that many Americans believe affordability remains a constraint to access so-called healthy foods, and price remains the dominant driver of all food purchases. One-third of Americans state that price is the main criteria driving food purchasing decisions while 75% of Americans believe it's important to shop for the best price on any given product. Nielson points out that there are many pre-packaged and frozen foods, such as frozen berries, that are affordable and nutritious but lack contemporary or slick marketing support. In the protein category, where the research firm notes that sales of trendy protein bars, nuts, and meat snacks are enjoying high rates of growth, Nielson sees opportunities for more messaging about the high protein content of fresh meat. On a per weight or per serving basis, fresh meat can be just a fraction of the cost of bars and processed meat snacks. And because 55% of Americans prioritize protein content when deciding which foods to buy, such messaging efforts could yield large dividends to the meat & poultry industry.

## TRADE

**China** imported over 229 thousand tons of pork muscle cuts during the month of November, the country's largest volume ever for a single month. However, when including variety meat shipments, imports fell approx. 6 thousand tons short of the 319 thousand tons imported during August 2016. Although total pork shipments during Nov were short of the 2016 record, China's total imports of all meat & poultry during the month of nearly 645,000 tons – or over 1,000 40 foot containers per day – was an all-time monthly record, and brought China's total animal protein shipments for the 1<sup>st</sup> 11 months of the year to 5.35 million tons, up 44% or an increase of 1.6 million tons over the pace of 2018. Nov saw China live hog prices peak at over RMB 40/kg, but prices have fallen back since then, and the large imported volumes have again filled cold storages to capacity, causing sharp downward pressure on wholesale prices of all frozen proteins. The market is also being pressured by the PRC government's release of frozen pork reserves and other administrative guidance to keep pork prices stable before the Jan 25<sup>th</sup> lunar new year. China has made 8 such releases since mid-September 2019 totaling 200K tons. China's large import purchases have driven pork prices in the EU, its main supplier of imports, to the highest levels ever for this time of year. China dropped its frozen pork import MFN duty rate from 12% to 8% on Jan 1, but EU suppliers, which captured 71% of imported market share in November, still enjoy a 60-percentage point duty advantage over U.S. products. That explains the EU's high prices, but more importantly, the 69% price spread between EU and US hog prices (equal to a \$40.60/cwt EU premium to U.S. prices) that prevailed in mid-December. To be sure, some PRC importers have been awarded exemptions from 25% of the total 60% punitive duties on U.S. pork, but information on who was granted the exemptions has not been made public. Moreover, it remains unknown what quantity of U.S. pork has been imported under the lower 37% duty rate and whether the government has set a volume limit on such imports.



### ACTIVITIES:

Food & Hotel Asia, Singapore: March 31 - April 3, 2020  
SIAL, Shanghai: May 13-15, 2020  
Food Taipei, Taiwan: June 17-20, 2020



# 美国肉品新知

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## 供应与需求

上周五已肥育活牛价格周环比再次上涨，这已是连续第 10 周收高。批发牛肉价格疲软和活牛价格上涨，导致去年秋天普遍强劲的屠宰利润下跌。然而，有大量的已肥育牛只正准备运送，分析师们将密切关注今年冬季牛肉需求(包括出口)的情况。分析师通常在未来几个月对市场持乐观态度。批发价格应开始季节性上涨；即使今年年初牛肉出口价格略低于 1 年前水平(-3%)，中国对进口牛肉的需求和强劲的加工牛肉价格为市场带来正向趋势。也尽管美国牛肉出口在 2019 年有所减少(截至 12 月 26 日出口量为 81.6 万吨，同比减少 5%，不包括牛杂碎)，自 1 月 1 日上周三起，排名第一的市场——日本的美国牛肉进口关税大幅下调(冷冻牛肉关税从 38.5%降至 26.6%)，为新一年在贸易方面带来积极的动力。上周三，美国还透过建立仅美国零关税的优质牛肉配额而获得更多出口至欧盟的机会；根据协议，特定国家的关税配额始于每年 1.85 万吨，并在 7 年内增加至 3.5 万吨。美国国会为签订美国-加拿大-墨西哥协议而付出的努力将分别为美国排名第五和第三的牛肉出口市场带来更多贸易确定性，农场经营者们也正焦急地等待新的中美第一阶段贸易协议的细节，美国政府已宣布将于 1 月 15 日完成签署。尽管面临 35% 的惩罚性关税，美国肉类出口协会估计去年美国至中国的牛肉出口量增长 140%，达到约 1 万吨。新的贸易协议是否能推动低迷的牛皮出口市场还有待观察。平均每头牛只的牛皮和杂碎价值从 2014 年时的 233 美元高位下跌至目前的 133 美元左右。在供应方面，美国育肥业者在 11 月期间积极购入更多牛只，导致目前有大量的牛只在养头数(至 2019 年 12 月 1 日有 1203.1 万头)。分析师正密切关注牛只体重以衡量牛只的销售速度是否可防止肥育场的牛只过剩。去年年底牛只重量在年初受天气影响所造成的低水平后回升。上周已肥育活牛平均体重为 1,377 磅(625 公斤)，较上上周减少 2 磅，但与去年相比增长 8 磅。因为美国牛群生产周期正接近尾声，所以在已肥育牛群中，小母牛的占比更高，这使得所有牛群的平均体重较低。牛只体重通常会在年初至 5 月下跌，但由于去年年底大量牛只被置入于肥育场，预计今年第 2 季度可供屠宰的已肥育牛只供应量将会很大。根据美国农业部农业营销局(AMS)的数据，截至 2019 年 12 月 22 日美国牛肉产量比 2018 年同期增长 0.5%。美国农业部于 2019 年 12 月最新的预测显示，今年度美国牛肉产量将增长 1.4% 至 1,248 万吨。

**美国农业部牛肉屠体价格指数 (特选级)：2020 年 1 月 6 日 - \$209.65 美元/百磅 (较 2019 年 12 月 23 日减少 1%)**

腹肋肉价格疲软使得猪屠体价格下跌，导致猪肉分切价格在过去两周略为走低。尽管整个市场活动因假期而受到限制，里肌肉和肋排的需求持续强劲。上周活猪价格上涨，但美国的价格仍然较低，徘徊在每公斤 1.10 美元左右，远低于其他主要生产国(见右栏贸易新闻)。随着中东紧张局势升级，上周五猪肉期货价格与股市一致下跌。年初猪肉分切价格与 1 年前相比上涨 6%。但此比去年价格略有溢价的现象并不能完全反映出去年各种猪肉大分切价格的波动性，尤其是腹肋肉和前腿肉，上周五这两块部位肉的价格分别比去年同期下跌 37% 和增长 61% (见下图)。根据每周出口数据，去年(截至 12 月 26 日)美国猪肉(肌肉)分切出口量达到 159.6 万吨，比 2018 年增长 38%。包括猪杂碎的每月出口数据并不会在 1 个月内发布，但美国农业部的每周数据显示：美国较低的猪肉价格、墨西哥于 2018 年 5 月下旬恢复对美国猪肉的零关税，以及尽管美国去年面临市场准入的挑战，非洲猪瘟刺激了中国的进口需求导致美国仍能大幅扩张其出口。

美国猪肉大分切平均价格(每磅)

PORK	Cutout	Loin	Butt	Pic	Rib	Ham	Belly
1/4/2019	0.70	0.64	0.84	0.44	1.23	0.46	1.30
1/3/2020	0.74	0.71	0.94	0.70	1.38	0.65	0.81
Chg year/year	6%	11%	12%	61%	13%	42%	-37%

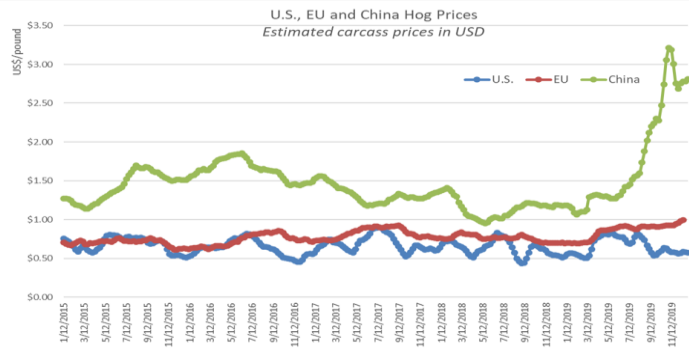
**猪屠体分切价格：2020 年 1 月 6 日 - \$74.46 美元/百磅 (较 2019 年 12 月 23 日减少 3%)**

## 产业动态

随着 2019 年结束，分析师正发布他们对未来 10 年食品趋势的预测。根据 Nielson 最新的报告，很大一部分的美国人希望他们的饮食跟生活更加健康。不同世代对「健康」的定义不太相同，但在这些人之中，许多人对于食物以维持个人生活方式的需求均减少。但这只是一意向，与饮食有关的健康问题，例如痴肥和糖尿病，仍然是美国的主要问题。不过接受 Nielson 调查 10 分之 3 的人表示，他们目前比 1 年前选择更多健康的食物。行为上的改变包括进食减少、选择标榜健康和营养益处食物、少吃快餐以及减少摄入含糖食物。3 分之 1 的美国人表示，价格是决定采买食品时的主要准则，而 75% 的美国人则认为，重要的是要以最优惠价格的去购买任何既定产品。Nielson 指出，有许多预包装和冷冻食品，例如冷冻莓果，价格适中且营养丰富，但缺乏现代或出色的营销支持。在蛋白质类别中，研究公司指出：流行的蛋白营养棒、坚果和肉类零食的销售正高速增长；Nielson 从生鲜肉品中高含量的蛋白质成分看到了更多的机会。按重量或份量计算，生鲜肉品的价格仅占营养棒和加工肉品零食成本的一小部分。而因为 55% 的美国人在决定购买哪些食品时会优先考虑蛋白质的含量，这方面的消息可能会为肉类和家禽业者带来可观的收益。

## 贸易新闻

中国于 11 月进口 22.9 万吨猪肉，是有史以来单月最高进口量；但若将猪杂碎计算在内，其总进口量比 2016 年 8 月时的 31.9 万吨减少约 6 千吨。尽管中国 11 月猪肉总出口量低于 2016 年的纪录，当月其所有肉类和禽肉总进口量接近 64.5 万吨(每天超过 1 千个 40 尺大的货柜)，这是有史以来最高的每月进口纪录，且使得中国在去年前 11 个月的动物蛋白质总进口量达到 535 万吨，与 2018 年相比增长 44%，进口增长 160 万吨。11 月中国活猪价格达到每公斤 40 多人民币的高点，但自此价格回落；而大量进口使得冷冻库存柜再次装满，这对所有冷冻蛋白的批发价格造成极大的下行压力。中国政府释出冷冻猪肉库存和其他行政指导以确保当地猪肉价格在 1 月 25 日农历新年前能够维持稳定也为市场带来压力。自 2019 年 9 月中旬以来，中国前后已经释出 8 次冷冻猪肉产品，总计 20 万吨。中国庞大的进口量已将其主要供应国-欧盟的猪价推至全年来的最高水平。中国于 1 月 1 日将冷冻猪肉的最惠国进口税率从 12% 降至 8%，但在 11 月占据了进口市场份额 71% 的欧盟仍比美国产品享有 60% 的关税优势。这也解释了欧盟猪肉的高价格，但更重要的是 12 月中旬欧盟和美国之间的活猪价差为 69% (相当于欧盟价格比美国价格每英担高出 40.60 美元)。可以肯定的是，某些中国进口商已获得免除美国猪肉总惩罚性关税 60% 中的 25%，但是有关谁获得豁免的消息尚未公开。此外，有关中国在较低的 37% 关税税率下进口多少美国猪肉以及政府是否对此类猪肉产品设置了进口量限制的消息也仍是未知数。



### 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

台北国际食品展 - 台湾：2020 年 6 月 17-20 日