



# U.S. Meat Bulletin

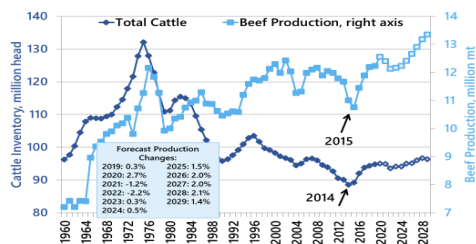
Jan 21, 2020 Volume XII | Issue 1.3

**Editor's Note:** USMEF would like to wish all our friends, colleagues and their families a happy and prosperous lunar new year.

## SUPPLY & DEMAND

The beef cutout started to show some strength last week, and the composite primal value closed last Friday higher. Boxed beef prices are expected to seasonally firm over the coming weeks, most immediately from a spike in demand for ground beef that annually occurs around the U.S. football Superbowl championship game (Feb 2), and increased foodservice ordering of middle meats for Valentine's Day (Feb 14). Live fed cattle values at the end of last week were level with a year ago, and analysts expect continued firmness during Q1 as placements of cattle into feedlots late last year for sale during the Jan-March 2020 period were lower than anticipated. However, analysts are forecasting that the pipeline of fed cattle out of feedlots during Q2 will be large. Although Dec data has yet to be released, all indications are that placements during Q4 2019 were high, driven by solid cattle feeding margins, high summer 2020 futures prices, and relatively poor winter wheat grazing conditions. Cattle and other ag futures prices fell last week following the release of the details of the new U.S.-China deal, mainly due to the lack of clarity on whether there would be duty relief on the punitive tariffs that currently exist on beef and most U.S. ag imports into China. Both U.S. beef export shipments and sales jumped during the 1<sup>st</sup> full week of the year (Jan 3-9). Sales reported to the USDA during the week were the highest in months to **Mexico** and **Korea**, while shipments to **Japan** were also large. Japanese buyers were incentivized both by the lowering of import duties on U.S. beef effective Jan 1 and news in December that the U.S. and China would sign a trade deal Jan 15<sup>th</sup> (see MOVING AHEAD next column). In addition, **Meat and Livestock Australia** forecast in their Oct 2019 cattle projections that 2020 cattle slaughter will drop **-18%** to 6.9 million head while exports this year could fall **-20%** to 949 thousand tons shipped weight basis. With increasing production, U.S. beef may become more price competitive in Asia even for some manufacturing beef, and there have been increased inquiries by Asian-based fast food chains about U.S. beef supplies.

## U.S. Cattle Inventory & Beef Production



Source: USDA/FAS, and USDA Baseline Projections Dec 2019

**Beef Choice Beef Cutout Value: 17/1/2020 - US\$214.17/cwt. (+2% from 13/1/2020)**

The pork cutout closed last week up 2% on the previous week, as values for bellies and hams rallied. Live hog prices remain low at U.S. \$0.87/kg liveweight. In part this is due to the 2019 Christmas and the New Year holidays falling during the middle of the week, interrupting the daily pipeline flow of live hogs to slaughter plants and at a time of peak live hog supplies. Hog slaughter during the last week of the year and this year's 1<sup>st</sup> week averaged 2.161 million head, below the current full-week capacity of about 2.8 million head. Last week's slaughter totaled 2.574 million head so plants are still catching up. The holiday slow-down has led to slightly higher hog weights, which has kept a lid on hog prices. In addition, overall hog and pork prices have been held down by weakness in belly values. Though they rallied last week, the current primal value is **-25%** from a year ago. Demand remains strong however, and shipments overseas accelerated toward the end of 2019 to cap a record U.S. pork export year.

## U.S. Pork Production



Source: USDA/NASS

**Hog Carcass Cutout Value: 17/1/2020 - US\$75.47/cwt. (+2% from 13/1/2020)**

## MARKET MAKERS

No. 1 U.S. retailer **Walmart** has opened a meat fabrication facility in the state of Georgia, its first globally, to process & package 'Black Angus' beef for direct distribution to 500 of its stores in the SE USA. According to industry media reports, Walmart is developing its Angus supply chain with Texas based **44 Farms**, Texas feedlotter **Mc6 Cattle Feeders** and **Creekstone Farms**, a Kansas-based harvest facility. **FPL Foods** will operate the new plant for Walmart. Walmart operates approximately 4,700 stores in the U.S.

## MOVING AHEAD

Last Wednesday Jan 15, China and the U.S. signed a phase 1 trade deal in Wash D.C. The complete text of the agreement was released simultaneously and has been widely circulated. On the meat side, China agreed to move toward recognition of widely applied international safety standards such as CODEX guidelines for synthetic hormone residues in beef, and OIE traceability standards. China also agreed to undertake a risk assessment - without a deadline for completion - on the use of ractopamine in beef and cattle utilizing methodology guidance from CODEX and FAO/World Health Organization's (WHO) Joint Expert Committee on Food Additives (JECFA). Other changes in market conditions include:

- The allowance of importation of all pork & pork products, including processed meats and bungs & intestines, from any approved FSIS approved facility;
- The allowance of all U.S. value-added and processed meat products, including those of beef, pork and poultry. Products will have to be ractopamine free until such time that China revises its requirements.
- Beef & all beef variety meats, including those from cattle over 30 months of age, will be allowed market access. China will maintain a list of approved facilities that will be updated within 20 days of USDA notifying them of newly eligible plants.
- China will recognize the U.S. cattle traceability system & follow OIE guidelines should the U.S. experience another BSE case.

The new terms of access will become effective 30 days after the Jan 15<sup>th</sup> finding (i.e. Feb 14). Next steps include USDA updating its FSIS export library (see <https://www.fsis.usda.gov/wps/portal/fsis/topics/international-affairs/exporting-products/export-library-requirements-by-country/Peoples-Republic-of-China>), which when completed, will allow shipments to commence under the revised requirements. Although not confirmed, the USDA may eliminate its beef export verification (EV) program for China, which has been an extra step exporters had to take to access the China market. On the other hand, U.S. beef exporters will still be challenged by China's continued ractopamine ban. It is widely believed that USDA will not require beef exporters to enlist in the Never Fed Beta Agonist program (NFBAP) - now in effect for U.S. pork shipments to China - or the Ractopamine Residue Program, which mandates exporters of pork to China not enlisted in NFBAP to submit test results to USDA before shipping. Producers will have to decide whether export potential to China will make up for the estimated U.S. \$25/per head benefit that the feed additive currently provides. Assessing U.S. red meat export potential remains difficult, especially because the agreement did not address current duties, which remain high at 47% for beef and 68% for pork. China stated however that it could provide tariff exclusions for products it needs to buy. Moreover, under the agreement, China committed to a specific value of U.S. agricultural products it will buy. Using a base of approx. \$24 billion in products it purchased from the U.S. in 2017, China will buy \$12.5 billion above this baseline amount this year and no less than an additional \$19.5 billion next year. The agreement specifies that purchases will be made under commercial terms and commits the U.S. to "take appropriate steps to facilitate the availability of U.S. goods and services to be purchased and imported into China." The agreement listed the U.S. ag products targeted for additional purchases did not specify dollar targets for individual commodities. Combined U.S. beef & pork exports to China last year were estimated to total U.S. \$1.2 - \$1.3 billion, with pork accounting for most of the value. After achieving limited market access in 2017 for beef from 30-month-and-under cattle, U.S. beef exports have been hobbled by the hormone and ractopamine restrictions, which required the U.S. to create an entire China cattle supply chain and forced exporters to sell all cuts from China-eligible carcasses. Under the new agreement, if a critical mass of cattle producers & plants start producing for the China market, Chinese buyers should be able to purchase only the cuts with the best sales potential, including items like short plate, short ribs, and chuck cuts.

## 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

2020 年 1 月 21 日 第十二卷 1.3 期

编者注: 美国肉类出口协会祝福所有朋友、同事及其家人农历新年快乐!

## 产业新知

美国第一大零售商沃尔玛在乔治亚州设立了一间肉类加工厂, 这是其全球第一家工厂, 负责加工和包装“黑安格斯”牛肉, 并直接配送至其在美国东南部的 500 间店面。根据产业媒体报导, 沃尔玛正与位于德州的 44 Farms、位于德州的育肥场 Mc6 Cattle Feeders、位于堪萨斯州的 Creekstone Farms 发展其安格斯供应链。FPL Foods 将为沃尔玛营运新工厂, 沃尔玛在美国经营约 4,700 家店面。

## 贸易新闻

上周三 1 月 15 日, 美中在华盛顿特区签署了第一阶段贸易协议, 该协议的全文同时发布并广为流传。在肉类方面, 中国同意朝着广泛应用的国际安全标准承认, 例如牛肉中合成激素残留的 CODEX 准则和 OIE 可追溯性标准。中国并同意根据食品法典委员会和农粮组织/世界卫生组织(WHO)食品添加剂联合专家委员会(JECFA)的方法指导, 对牛肉与牛只中使用莱克多巴胺进行风险评估, 其没有最后期限。市场条件的其它变化包含:

- 允许任何经 FSIS 批准的工厂进口所有猪肉和猪肉产品, 包括加工肉、大肠&肠类。
- 所有美国增值和加工肉类产品的定额, 包括牛肉、猪肉、家禽产品, 在中国修改要求之前, 产品需不含莱克多巴胺。
- 允许牛肉和所有牛杂碎, 包括 30 个月以上的牛进入市场, 中国将保留一份已批准的设施清单, 清单将在美国农业部通知其新的合格设施后的 20 天内进行更新。
- 若美国遇到新的狂牛症案例, 中国将承认美国牛只的可追溯系统, 并遵守 OIE 准则。

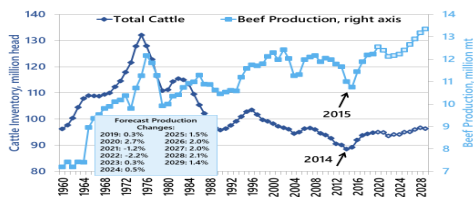
新的条款将于 1 月 15 日签署后的 30 天生效(即 2 月 14 日)。下一步包括美国农业部更新 FSIS 出口资料库(请参阅

<https://www.fsis.usda.gov/wps/portal/fsis/topics/international-affairs/exporting-products/export-library-requirements-by-country/Peoples-Republic-of-China>), 完成后将允许根据修订后的要求开始出货。尽管尚未得到确认, 但美国农业部可能取消其对中国牛肉出口验证(EV)计划, 这是出口商进入中国市场必须采取的另一步骤。另一方面, 美国牛肉出口商仍将受到中国继续实施莱克多巴胺禁令的挑战。普遍认为, 美国农业部将不要求出口商加入“未喂食乙型受体素计划”(NFBAP)——现已对美国出口到中国的猪肉生效, 或莱克多巴胺残留计划——该计划要求未加入 NFBAP 计划的猪肉出口商在出货前向 USDA 提交检验结果。出口商将不得不决定中国的出口潜力是否能弥补目前饲料添加剂所提供约每头 25 美元的利益。预估美国红肉的出口潜力仍很艰困, 尤其因该协议未涉及当前的关税, 牛肉关税仍高达 47%, 猪肉关税仍高达 68%。但中国表示, 其可为所需购买的产品提供关税减免, 此外, 根据协议, 中国承诺将购买特定价值的美国农产品。其在 2017 年从美国购买 240 亿美元的产品, 今年中国将以超过这一基准额的价格购买 125 亿美元的产品, 明年还将增加至少 195 亿美元。该协议明确规定, 采购将按商业条款进行, 并承诺美国“采取适当步骤”, 以便利购买和进口到中国的美国商品与服务。该协议列出针对美国农产品的额外购买目标, 但并未为单项商品订出美元目标。去年美国对中国的牛肉和猪肉出口总额估计为 12 至 13 亿美元, 其中猪肉占了最大值。在 2017 年 30 个月以下的牛肉获得有限的市场准入后, 美国牛肉出口受到生长激素和莱克多巴胺的限制, 这让美国须建立完整的中国牛只供应链, 并迫使出口商出售所有符合中国出口资格的屠体品项。根据新协议, 若有一定数量的牛只出口商与屠宰场开始为中国市场生产, 中国买家应能只购买最具销售潜力的品项, 如胸腹肉、牛小排、肩胛部品项。

## 供应与需求

牛肉分切价格从上周开始显现一定的力度, 综合大分切价格在上周五收高。箱装牛肉价格预计在未来几周内保持季节性强劲, 最直接的原因是每年美式足球超级杯冠军赛(2 月 2 日)前后对牛绞肉的需求激增, 以及情人节(2 月 14 日)对餐饮服务订单的增加。上周末的育肥活牛价格与一年前持平, 分析师预估第一季将继续保持坚挺, 因为去年底置入育肥场待 2020 年 1-3 月销售的牛只头数低于预期。然而, 分析师预估, 第二季自育肥场出来的育肥牛只供应量将很大。尽管尚未公布 12 月的数据, 但所有迹象表明, 由于稳定的牛只育肥利润, 2020 年夏季期货价格高, 冬季相对较差的放牧条件, 2019 年第四季的置入率高。在新的美中贸易细节公布之后, 上周牛肉与其它农产品期货价格下跌, 主要是由于目前尚不清楚牛肉和多数美国农产品进口至中国的惩罚性关税是否会减免。在今年的第一个整周(1 月 3 日至 9 日)中, 美国牛肉的出口出货量与销售均出现增长。本周向美国农业部报告的销售额是几个月来对墨西哥和韩国的最高纪录, 而对日本的出货量也很大。从 1 月 1 日起降低美国牛肉进口关税和 12 月有消息称美中两国将在 1 月 15 日签署贸易协议的消息激励了日本买家(见产业动态栏)。此外, Meat and Livestock Australia 在 2019 年 10 月的牛只预测中提到, 2020 年的牛屠宰量将下降 18% 至 690 万头, 而今年的出口量可能下降 20% 至 94.9 万吨。随着产量的增加, 美国牛肉在亚洲可能更具价格竞争力, 甚至对一些制造业牛肉亦是, 而亚洲速食连锁店对美国牛肉供应的询问也越来越多。编者注: 美国肉类出口协会祝福所有朋友、同事及其家人农历新年快乐!

## U.S. Cattle Inventory & Beef Production

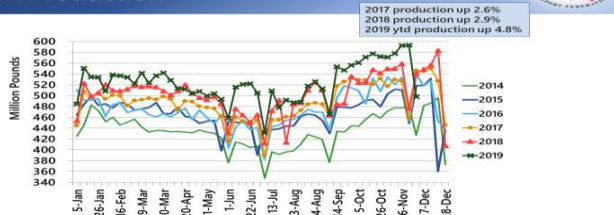


Source: USDA/IAS, and USDA Baseline Projections Dec 2019

美国农业部牛肉屠体价格指数 (特选级): 2020 年 1 月 17 日 - \$214.17 美元/百磅 (较 2020 年 1 月 13 日增加 2%)

由于腹肋肉与后腿肉的价格上涨, 上周猪肉开盘价较前一周上涨 2%, 活猪价格持续持低在 0.87 美元/公斤活体重。部分原因是由于 2019 年圣诞节和新年假期发生于周间, 从而中断生猪到屠宰场的日常运输路线及生猪供应高峰的时间点。在今天的上一周与第一周, 生猪屠宰量平均为 216.1 万头, 低于目前的整周约 280 万头。上周的屠宰量总计 257.4 万头, 因此屠宰场还在追赶, 假期间屠宰速度放缓导致生猪重量略高, 限制了生猪价格。另外, 生猪和猪肉总价格因腹肋部价格下跌而受到压制。尽管上周反弹, 但目前的大分切价格比一年前下降 25%。但是需求仍很强劲, 海外出货量在 2019 年底加速, 达到创纪录的美国猪肉出口值。

## U.S. Pork Production



Source: USDA/NASS

猪屠体分切价格: 2020 年 1 月 17 日 - \$75.47 美元/百磅 (较 2020 年 1 月 13 日增加 2%)

## 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