



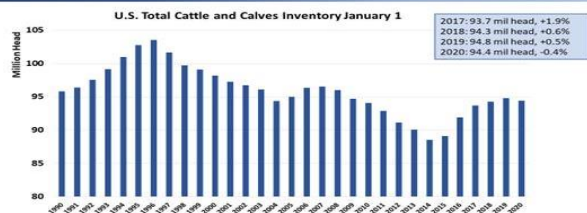
# U.S. Meat Bulletin

Feb 11, 2020 Volume XII | Issue 2.2

## SUPPLY & DEMAND

Wholesale beef prices moved lower last week amid uncertainty about the global impact of the coronavirus(NCP). Live cattle prices were also softer amid the contagion scare. USDA's weekly export numbers showed beef export shipments for the 1<sup>st</sup> 5 weeks of the year up **51%**, but reports over the last few weeks about sharp dips in restaurant traffic and receipts in **China**, as well as **Korea, Japan, Taiwan** and several SE Asian capitals have spooked the trade. Analysts believe beef exports will be critical to sustaining the profitability of all players along the cattle & beef supply chain, as the U.S. is forecast to produce record amounts of meat & poultry this year. Coming into the new year, there was optimism on the trade front as Japan implemented new lower duties, Korea was importing record amounts of U.S. beef, and the U.S. and China concluded a phase 1 trade deal that significantly liberalizes import conditions for U.S. beef. But greater market access doesn't equal instant demand, and communal restaurant dining concepts throughout Asia such as hot pot and Korean BBQ have been hit hard in the last 20 days by a steep drop in visitors. Any slowdown on the pace of exports will add pressure on U.S. markets, especially because slaughter levels have been high since the new year; January saw the largest U.S. slaughter numbers for that month ever. Moreover, fed cattle weights are sharply up from a year-ago, although market observers note that last year's ultra-cold weather hurt feeding performance. Still, so far this year, feedlotters are reporting heavier placement weights, heavier average out-weights, while cattle on feed are spending fewer days in lots. Other analysts are more sanguine, pointing to unambiguous numbers showing a declining U.S. cattle herd (see graph below). The herd liquidation phase started during the 3<sup>rd</sup> quarter of last year, ending a near-five year expansion cycle, and on Jan 1, the number of feeder cattle and calves not in feedlots of 26.4 million head was below the Jan 1 2019 number, an indicator that the pipeline of cattle in the future will be tighter.

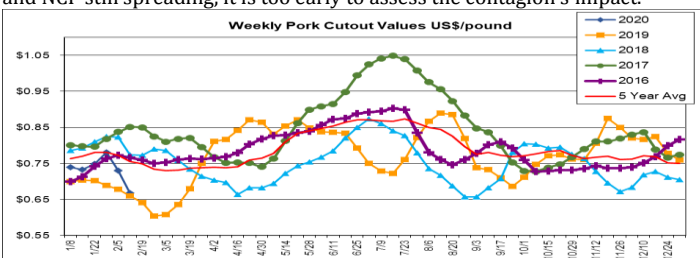
### U.S. cattle inventory contracts slightly



Source: USDA/NASS

**Beef Choice Beef Cutout Value: 10/2/2020 - US\$208.91/cwt. (-1% from 3/2/2020)**

The pork cutout closed last Friday **-8.3%** lower than the previous Friday, as fears over NCP-related demand destruction in Asia weighed on markets. Last Friday's cutout value was the lowest since March 2019, but still **+1%** above year-ago levels. Average primal belly and ham values each fell by double digits week-on-week. Futures contracts have also fallen, with the April contract yesterday down **-13%** from its Jan 23<sup>rd</sup> value. U.S. pork is now very competitive, with plentiful supplies and low live hog prices (U.S. \$0.86/kg). However, analysts are concerned about the impact of the coronavirus on U.S. exports; last year, shipments to China accounted for approximately 6% of total U.S. pork production, including variety meats. Chinese port operations re-opened yesterday offering some hope that a backlog of inbound meat & poultry shipments would start to move through the distribution system. On the other hand, in order to halt the spread of NCP, China has implemented very strict travel and transportation quarantine rules. Retail demand for staples including vegetables and pork are very solid, and China's central leadership has issued statements urging the smooth clearance of imported meat products. But with the extended lunar new year holidays just ending, and NCP still spreading, it is too early to assess the contagion's impact.



**Hog Carcass Cutout Value: 10/2/2020 - US\$65.02/cwt. (-7% from 3/2/2020)**

## TRADE

End-of-year trade data has now been published by a number of major meat exporting and importing countries. This week, we provide a brief summary of **China's** huge CY 2019 red meat and poultry (M&P) import numbers, while also reporting the **USA's** 2019 export performance for beef and pork muscle cuts and variety meats (i.e. excluding processed & value added products, which we will cover later). First, as expected, China imported a record amount of total M&P (including processed) last year. Driven by the largest monthly imports ever last Dec of 697,000 tons, total 2019 imports of all M&P reached 6.197 million tons, nearly 2 million tons more than 2018 and 1/3<sup>rd</sup> more than the previous record import year of 2016. For unprocessed M&P (under HS codes 02 & 0504), totals for different categories were as follows: pork 1.99 million tons (mmt), **+67%**, beef 1.66 mmt, **+60%**, offal (mostly pork) 1.05 mmt, **+8%**, poultry 795,000 tons **+58%**, sheep meat 392,000 tons **+23%**, and pig fat 113,500 tons **+897%**. Total direct China pork + pork variety meat imports reached 3.012 mmt **+41%**, but when factoring in the HK trade, total imports reached 3.45 mmt, roughly 1 mmt more than 2018. With a year-on-year **-21.3%** pork production drop of nearly 11.5 million to 42.55 mmt, according to official numbers, China was unable to make up its protein shortfall. We will report more on China's beef numbers next week.



Turning to 2019 U.S. red meat exports, as expected, ASF drove U.S. pork exports to record levels, with the total volume of shipments across all categories of pork products reaching over 2.672 mmt tons (**+11%**), with value exceeding U.S. \$6.392 billion(**+9%**). Within Asia, new U.S. export records were set for China, **Australia** and **New Zealand** (see table below). For simplicity purposes, we have included only exports of unprocessed beef and pork, and unprocessed variety meats. U.S. pork & pork variety meat exports last year accounted for 26.9% of U.S. production.

U.S. Pork and Pork Variety Meat Exports to Asia & the World ('000 Metric tons)

Destination	Chilled & Frozen Pork Cuts				Pork Variety Meats			
	2017	2018	2019	% Change 2018/2019	2017	2018	2019	% Change 2018/2019
Japan	365.1	364.7	343.8	-5.7%	10.7	13.7	10.1	-26.3%
Korea	158.0	220.4	189.0	-14.3%	6.9	11.2	6.9	-38.4%
China	127.5	105.2	378.0*	+259.3%	147.5	80.9	155.2*	+91.8%
Australia	61.9	72.0	97.7*	+35.7%	**	0.3	0.4*	+33.3%
Philippines	19.1	20.5	21.7	+5.9%	11.4	17.2	10.9	-36.6%
Hong Kong	43.6	18.2	15.4	-15.4%	139.4	108.6	71.5	-34.2%
Taiwan	9.5	13.0	12.2	-6.2%	3.1	4.2	3.2	-23.8%
New Zealand	5.0	6.0	8.2*	+33.7%	**	**	**	-
Vietnam	2.8	5.5	3.6	-34.5%	-	9.2	10.0*	+8.7%
Singapore	3.8	2.6	3.7	+42.3%	0.4	0.3	0.2	-27.3%
Indonesia	0.3	0.5	0.5	-1.8%	**	**	**	-
Malaysia	0.1	0.1	0.3*	+221.0%	**	**	-	-
<b>World Total</b>	<b>1,721.6</b>	<b>1,806.0</b>	<b>2,007.3*</b>	<b>+11.0%</b>	<b>476.5</b>	<b>388.2</b>	<b>416.5</b>	<b>+7.3%</b>

\*2019 Record Volume

\*\*Less than 100 tons

U.S. beef export volume dropped last year **-2%** to 1.319 mmt tons, with value dipping **-3%** to U.S. \$8.09 billion as trade friction reduced competitiveness. Still, the U.S. ended up with its 2<sup>nd</sup> best beef export year ever, and set shipment records to China and several SE Asian markets (see below). Exports are expected to increase this year with renewed preferential access into Japan, and lower **Australian** exports. U.S. beef & beef variety meat exports last year accounted for 14.1% of total U.S. beef production.

U.S. Beef and Beef Variety Meat Exports to Asia & the World ('000 Metric tons)

Destination	Chilled & Frozen Beef				Beef Variety Meats			
	2017	2018	2019	% Change 2018/2019	2017	2018	2019	% Change 2018/2019
Japan	258.2	278.9	248.1	-11.0%	45.4	47.2	58.1*	+23.3%
Korea	170.2	224.7	241.8*	+7.6%	11.9	12.7	11.3	-10.8%
Hong Kong	110.7	101.5	73.0	-28.1%	7.5	12.9	8.7	-32.6%
Taiwan	44.4	59.7	63.5*	+6.3%	0.2	**	**	-
Vietnam	9.9	12.1	12.2	+0.8%	0.2	0.4	0.4	-
Philippines	9.3	12.0	13.8*	+14.6%	0.3	2.5	2.3	-9.3%
Indonesia	6.4	7.4	10.9*	+47.1%	7.3	6.7	12.7*	+89.4%
China	3.0	7.2	10.4*	+44.7%	**	0.1	0.1*	+96.8%
Singapore	3.0	2.9	3.4*	+15.5%	**	**	**	-
Thailand	0.6	1.0	1.5*	+56.1%	**	**	**	-
Cambodia	0.4	0.5	0.8*	+52.1%	**	**	**	-
Australia	0.9	0.3	**	-	**	**	**	-
New Zealand	0.1	0.1	0.1*	+54.4%	**	**	**	-
Malaysia	0.1	0.1	**	-	**	0.1	0.1	-8.9%
<b>World Total</b>	<b>913.0</b>	<b>1,012.1</b>	<b>963.4</b>	<b>-4.8%</b>	<b>251.0</b>	<b>248.4</b>	<b>261.1</b>	<b>+5.1%</b>

\*2019 Record Volume

\*\*Less than 100 tons

### ACTIVITIES:

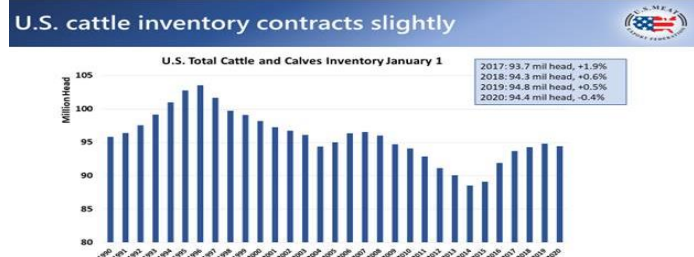
Food & Hotel Asia, Singapore: March 31 - April 3, 2020

SIAL, Shanghai: May 13-15, 2020

Food Tainai, Taiwan: June 17-20, 2020

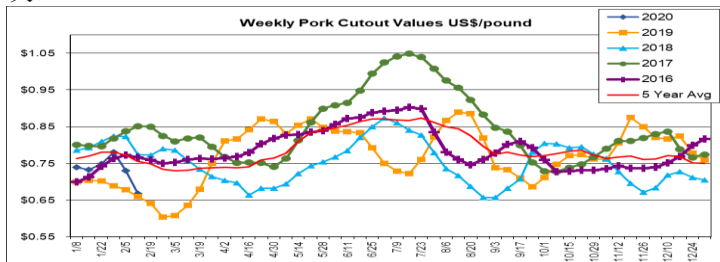
### 供应与需求

由於新型冠状病毒(NCP)对全球的影响尚未明确，上周牛肉批发价格走低。在疫情蔓延的情况下，活牛价格也走软。美国农业部每周出口数据显示，今年第1至第5周的牛肉出口量增长**51%**，但过去几周有关**中国、韩国、日本、台湾**和一些东南亚国家首都的餐厅客流量和收入急剧减少的报导冲击了市场交易。分析人士认为，牛肉出口对于维持牛只和牛肉供应链中所有参与者的利润至关重要，因为今年美国肉类和禽肉生产量预计将会创纪录。迈入新的一年，随着日本实施新的较低关税政策、韩国创纪录的美国牛肉进口量，以及美国和中国达成第一阶段贸易协议将大大放宽美国牛肉进口条件，使得贸易前景乐观。但更多的市场准入并不能反映即时的市场需求：整个亚洲地区的餐厅客流量和消费急剧减少，在过去20天里，游客人数急速减少严重打击整个亚洲地区的共享餐桌概念餐厅，例如火锅和韩式烧烤等。出口速度放缓将对美国市场带来压力，尤其因为自新年以来牛只屠宰率持续很高：1月的牛肉屠宰量是有史以来最高的当月水平。此外，尽管市场观察家指出去年严寒影响牛只肥育表现，已肥育牛只重量仍较去年同期大幅增加。今年截至目前为止，肥育者指置入肥育场牛只的平均重量较重，而牛只在养的天数则有所减少。其他分析师对市场的态度更加乐观，指出明确的数据表明美国种牛群数量正减少(见下图)。种牛群清算阶段从去年第3季度开始，结束近5年的扩张周期，而在1月1日，不在肥育场中的已肥育牛只和仔牛头数为**2640万头**，低於2019年1月1日时的水平，这表明未来置入肥育场的牛只头数将会更加吃紧。



**美国农业部牛肉屠体价格指数 (特选级) : 2020年2月10日 - \$208.91 美元/百磅 (较2020年2月3日减少1%)**

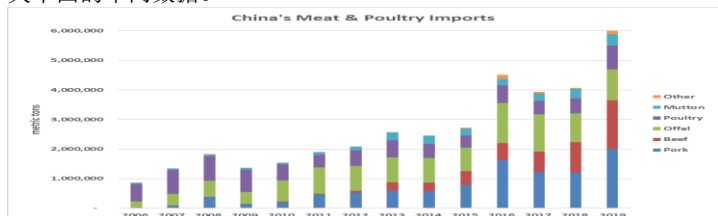
由於担心 NCP 对亚洲市场需求带来影响使得市场受压，上周五猪肉分切价格与上上周五相比**下跌 8.3%**。上周五分切价格是自2019年3月以来最低，但仍比去年同期**高 1%**。腹肋肉和後腿肉平均原始价格在每星期都下跌2位数。期货价格也走低，昨日4月期货价格比1月23日时的价格**低 13%**。现在的美国猪肉充满竞争性，其供应充足且活猪价格低廉(每公斤 0.86 美元)。尽管如此，分析家担心 NCP 对美国出口的影响：去年美国出口至中国的猪肉约占美国猪肉总产量的**6%**，其中包括猪杂碎。昨日中国港口重新开放，这为市场带来些希望，当地的肉类和禽肉存货将会开始通过分配系统转移。另一方面，为阻止 NCP 传播，中国实施非常严格的旅行和运输检疫规定。消费者对包括蔬菜和猪肉在内的主要商品的零售需求非常强劲；中国中央领导人已发表声明，敦促进口肉品能顺利清关。



**猪屠体分切价格 : 2020年2月10日 - \$65.02 美元/百磅 (较2020年2月3日减少7%)**

### 贸易新闻

一些主要的肉类进出口国现已发布年终贸易数据。本周我们简单概述了**中国**於2019年庞大的红肉和禽肉(M&P)进口量，同时也报告**美国**2019年牛肉和猪肉分切，以及各杂碎的出口表现(不包括加工和附加产品，这两类产品我们稍后会再进一步阐述)。首先，如预期所想，中国去年的 M&P 进口价值最高(包括已加工产品)。去年12月进口量达**69.7万吨**为有史以来最高的单月进口纪录，推动2019年所有 M&P 进口总量达到**619.7万吨**，与2018年相比增长近**200万吨**，比2016年时的创纪录进口年增**3分之1**。未经加工的 M&P 方面(国际商品代码分别为 02 和 0504)，不同类别的总计如下：猪肉**199万吨(+67%)**、牛肉**166万吨(+60%)**、内脏(主要为猪肉)**105万吨(+8%)**、禽肉**79.5万吨(+58%)**、绵羊肉**39.2万吨(+23%)**，以及猪脂肪**11.35万吨(+897%)**。中国猪肉和猪杂碎的直接进口量达到**301.2万吨(+41%)**；若考量到在香港的贸易，总进口量则达到**345万吨**，比20108年增加约**100万吨**。根据官方数据，中国猪肉产量与前年相比**下降 21.3%**，减少近**1150万吨**至**4255万吨**，该国无法补足其蛋白质短缺。下周我们将报告更多有关中国的牛肉数据。



2019年美國紅肉出口方面，如預期所想：非洲豬瘟爆發使美國豬肉出口達創紀錄水平，所有豬肉分切產品的總出口量達到**267.2噸(+11%)**，價值超過**63.92億美元(+9%)**。在亞洲地區，美國至**中國、澳洲和紐西蘭**的出口均創新紀錄(見下圖)。為簡單說明，以下圖表僅顯示未經加工的牛肉和豬肉分切以及雜碎出口。去年美國豬肉和豬雜碎出口佔美國豬肉總產量的**26.9%**。

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Japan	365.1	364.7	343.8	-5.7%	10.7	13.7	10.1	-26.3%
Korea	158.0	220.4	189.0	-14.3%	6.9	11.2	6.9	-38.4%
China	127.5	105.2	378.0*	+259.3%	147.5	80.9	155.2*	+91.8%
Australia	61.9	72.0	97.7*	+35.2%	**	0.3	0.4*	+33.3%
Philippines	19.1	20.5	21.7	+5.9%	11.4	17.2	10.9	-36.6%
Hong Kong	43.6	18.2	15.4	-15.4%	139.4	108.6	71.5	-34.2%
Taiwan	9.5	13.0	12.2	-6.2%	3.1	4.2	3.2	-23.8%
New Zealand	5.0	6.0	8.2*	+36.7%	**	**	**	-
Vietnam	2.8	5.5	3.6	-34.5%	**	9.2	10.0*	+8.7%
Singapore	3.8	2.6	3.7	+42.3%	0.4	0.3	0.2	-27.3%
Indonesia	0.3	0.5	0.5	-1.8%	**	**	**	-
Malaysia	0.1	0.1	0.3*	+221.0%	**	**	**	-
<b>World Total</b>	<b>1,721.6</b>	<b>1,806.0</b>	<b>2,007.3*</b>	<b>+11.0%</b>	<b>476.5</b>	<b>388.2</b>	<b>416.5</b>	<b>+7.3%</b>

\*2019 Record Volume  
\*\*Less than 100 tons

因为贸易摩擦导致美国竞争力降低：去年美国牛肉出口量**减少 2%**至**131.9万吨**，出口价值**下跌 3%**至**80.9亿美元**。尽管如此，去年仍是美国有史以来第二高的牛肉出口年，且至中国和几个东南亚市场的出口均创下纪录(见下图)。随日本再次恢复其优惠关税政策以及今年**澳洲**的牛肉出口减少，今年美国牛肉出口预计将会增加。去年美国牛肉和牛杂碎出口占美国牛肉总产量的**14.1%**。

**U.S. Beef and Beef Variety Meat Exports to Asia & the World ('000 Metric tons)**

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Hong Kong	110.7	101.5	73.0	-28.2%	7.5	12.9	8.7	-32.6%
Taiwan	44.4	59.7	63.5*	+6.3%	0.3	**	**	-
Vietnam	9.9	12.1	12.2	+0.5%	0.2	0.4	0.4	-14.5%
Philippines	9.3	12.0	13.8*	+14.6%	0.3	2.5	2.3	-9.3%
Indonesia	6.4	7.4	10.9*	+47.1%	7.3	6.7	12.7*	+89.4%
China	3.0	7.2	10.4*	+44.7%	**	0.1	0.1*	+96.8%
Singapore	3.0	2.9	3.4*	+15.5%	**	**	**	-
Thailand	0.6	1.0	1.5*	+56.1%	**	**	**	-
Cambodia	0.6	0.5	0.8*	+52.1%	**	**	**	-
Australia	0.9	0.3	**	-	**	**	**	-
New Zealand	0.1	0.1	0.1*	+54.4%	**	**	**	-
Malaysia	0.1	0.1	**	-	**	0.1	0.1	-8.9%
<b>World Total</b>	<b>913.0</b>	<b>1,012.1</b>	<b>963.4</b>	<b>-4.8%</b>	<b>251.0</b>	<b>248.4</b>	<b>261.1</b>	<b>+5.1%</b>

\*2019 Record Volume  
\*\*Less than 100 tons

### 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