



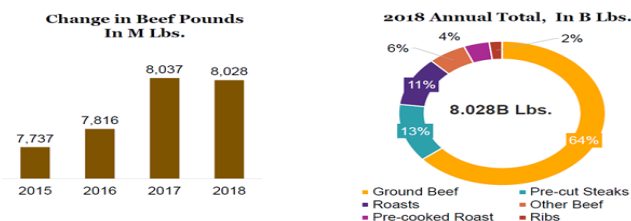
# U.S. Meat Bulletin

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## SUPPLY & DEMAND

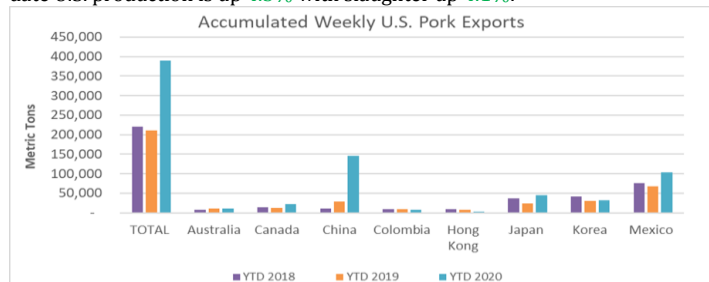
Last week the beef cutout, indicative of wholesale beef prices, managed to maintain its level of the previous week despite the beginning of massive shifts in food consumption behavior. Retail demand for value items such as ground beef and rounds helped to prop up overall values. However, concern over demand moving forward and the wilting of equity and financial markets has dragged down live cattle values. Reports in the last few days tell of lower activity at auction markets and both live fed cattle prices and feeder cattle prices have dropped. Yesterday, cattle futures plunged the 4.5 cents-per-pound limit to their lowest levels in ten years over demand uncertainty. Tomorrow, the CMA will implement widened trading limits of 6.75 cents in order to keep markets active. Although analysts expect medium term beef demand to contract sharply due to the widespread adoption of social distancing policies, in the short run, panic buying continues at supermarkets from coast to coast. Yesterday, Monday March 16, the all-primal beef cutout value spiked upward by nearly 8% day-on-day as retailers rushed to refill cleared shelves. While U.S. restaurant closures will be a negative for foodservice orders, those effects may take a week or two to unfold. Retail demand however has abruptly swelled in just the last few days, driving up demand for value cuts such as chucks and rounds (see next column). Analysts are concerned however about the prospects for higher graded USDA PRIME and upper CHOICE beef as sales of steak items could dip with the closure of steakhouses across the country. Another consideration is the possibility that CoVID-19 creates impacts at plants, which could be fueling purchasing by wholesalers who want to stock up in the event of a supply disruption. The coronavirus comes at an inopportune time for the beef industry as production is up substantially so far this year. Year to date production is up 3.7% from last year, with slaughter up 1.8%. Through the week of March 5<sup>th</sup>, exports were holding; year-to-date shipped volumes (muscle cuts) were up 34% and new sales reported during the 1<sup>st</sup> week of March were up 11% from the previous 4-week average; large sales were reported to **Taiwan**, and the volume packers reported they sold to **China** was the highest weekly volume on record. Still, CoVID-19 is creating larger and larger impacts each day and uncertainty is increasing.

### **Beef volume at foodservice was steady in 2018, despite the challenging year for restaurants**



**Beef Choice Beef Cutout Value: 16/3/2020 - US\$224.36/cwt. (+8% from 9/3/2020)**

Consumers seeking value proteins pushed retail demand for pork items like loins and luncheon meats higher last week, allowing the cutout to eke out a gain last week. The cutout then spiked 5% yesterday due to huge refill orders from retailers. USDA's weekly export and sales report showed a record week of overseas shipments during the week ending March 5<sup>th</sup>, but there was some concern in the market as USDA reported a relatively large negative 'correction' in new pork sales to China. MEF has heard of other order curtailments from other suppliers to China. Yesterday, live hog futures fell sharply with all equity and commodity markets, reaching their lowest level since October 2018. U.S. production continues at a near record pace; last week's slaughter reached 2.648 million head, up 7.9% from last year. Year to date U.S. production is up 4.5% with slaughter up 4.1%.

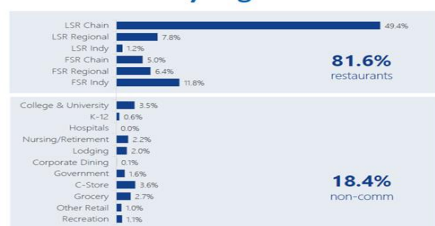


**Hog Carcass Cutout Value: 16/3/2020 - US\$73.38/cwt. (+8% from 9/3/2020)**

## CORONAVIRUS AND U.S. MEAT DEMAND

As a growing percentage of the U.S. population hunkerS down at home, analysts are attempting to grasp the implications for red meat demand by U.S. foodservice establishments. A survey by **Datassential** released mid-last week found that 89% of Americans now are feeling more comfortable eating food from home or grocery stores, while only 11% replied that they feel confident about eating food from restaurants or away from home. **Resy**, a nationwide restaurant reservation platform, has reported that cancellations are up between 20%-40% across the country. Moreover, U.S. consumers seem to understand the risks of different types of establishments, with the Datassential survey indicating what type of eating environments they would avoid most: cruise ships (71%), arenas/stadiums (59%), buffet restaurants (49%), bars/clubs/ lounges (48%), cafeterias (46%), food courts/food halls (45%), hotel restaurants/bars (39%), limited service restaurants (34%), convenience stores (32%), grocery stores (29%), casual dining (27%), and fine dining establishments (21%). In a more recent survey by reservation platform **OpenTable**, restaurant occupancy rates on Saturday March 14 in Boston, New York, Seattle and San Francisco were already down 58%-65%. More closures are likely as these surveys predate yesterday's recommendations from the White House that all Americans avoid gathering in groups more than 10, and to avoid visiting restaurants and food courts. Over the last 48 hours, many state and municipal governments have ordered full or partial closures of all restaurants and bars, including California, Connecticut, Illinois, Indiana, Kentucky, Maryland, Massachusetts, Michigan, Minnesota, New York, New Jersey, Ohio, Pennsylvania, Rhode Island, Vermont and Washington State. Largest restaurant operator **McDonald's** will close all in-restaurant dining at its U.S. outlets although drive-by and pick up ordering will continue. According to the **National Restaurant Association**, there are over 1 million restaurant establishments in the U.S. The industry generates \$899 billion in annual revenues (or an average of \$17.3 billion per week) and employs 15.6 million persons. While CoVID-19 will likely hammer restaurants sales, retail food sales are booming as Americans stock up for possible movement lockdowns. In urban areas, many grocery shelves have been cleared of perishables over worries of short food supplies, but being a major food producer and processor, there is little risk of food shortages. Popular media platforms have published recommended products which typically include canned food, non-perishables and other foods with a long storage life. However, in its CoVID-19 shopping list, USA TODAY is recommending meat and fish, and in many parts of the country, meat sections in supermarkets went bare over the weekend. And among all proteins, egg values surged the most last week. And among meats, ground beef demand from retail chains has also been exceptionally strong as we noted in the previous column. Hot dog and canned meat purchases have also spiked causing some plants to add extend production schedules. While the U.S. is too early into the outbreak to assess the impact of the epidemic on meat demand, there are estimates on the split between retail and foodservice usage. According to the **NCBA**, the retail to foodservice split in 2018 was approximately 60:40 on a volume basis. In that year, approximately 50% of the volume of all beef sold at retail was ground beef, followed by loins at 13%, rounds at 9%, chucks at 8%, and ribs at 7% (see table previous column). The **National Pork Board** similarly estimated that in 2018, the foodservice-to-retail split was 48:52. Of that, nearly 80% of pork sold at foodservice was further processed and 21% was fresh. Limited service restaurants, mostly QSR establishments, bought nearly half of all pork destined for the foodservice sector. That meant that limited service establishments accounted for about 70% of the processed pork volume at foodservice. For retail, fresh pork accounted for 40% of pork retail volume in 2019, followed by sausage (19%), bacon (16%), and ham (10%). Bacon is by far the largest volume item processed pork item sold at foodservice establishments.

### Pork Sales Distribution by Segment



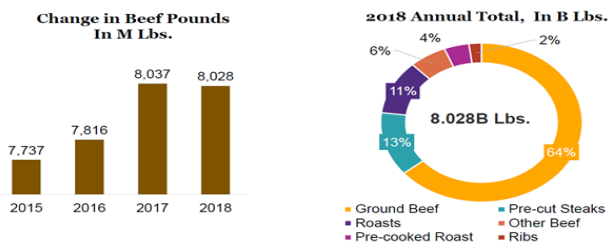
### ACTIVITIES:

**SIAL, Shanghai: September 28-30, 2020: New Dates!**  
**Food Taipei, Taiwan: June 17-20, 2020**

## 供应与需求

尽管上周食品消费行为开始发生巨大变化，反映牛肉批发价格走向的牛肉分切价格仍维持在上上周水平。零售商对如牛绞肉和後腿肉等价值商品的需求有助提升牛肉总体价格。但对不断增长的需求以及股市和金融市场萎缩的担忧导致活牛价格下跌。最近几天的报导表明拍卖市场活动减少，已肥育活牛和未肥育牛只的价格均下跌。由於市场需求不确定性，昨日牛只期货价格下跌至每磅 4.5 美分，这是 10 年以来的最低水平。明天，CMA 将实施 6.75 美分的扩大交易限额以维持市场活跃。即使分析师预计因社交疏离政策推广使得中期牛肉需求将急速减少，短期内各地超市的恐慌性采购行为仍然持续。昨日(3月16日星期一)，由於零售业者抢先补满已清空的货架，所有牛肉分切价格日环比增长近 8%。美国餐厅停业对餐饮业带来负面影响，但这些影响可能需要一至两周的时间才会变得更加明显。然而仅在最近几天零售需求突然激增，使得一些价值分切部位如肩胛和後腿的需求走强(请见右栏)。分析师正担心更高等级的美国农业部极佳级和上等特选级牛肉的前景，因为随着全国牛排馆停业，牛排商品的销量可能会减少。另一个需要考量的因素是 CoVID-19 会否对屠宰场带来影响，这可能加剧了批发商的购买意愿，这些批发商在供应中断的情况下储备商品。今年迄今牛肉产量大幅度成长，CoVID-19 爆发对牛肉产业而言不合时宜。年初至今，牛肉产量比去年同期增长 3.7%，屠宰量增长 1.8%。截至 3 月 5 日当周，出口维持稳定；年初至今出口量(肌肉)增长 34%，3 月第 1 周得销量比前 4 周的平均水平增长 11%；至台湾有大量的销售，且屠宰商报告他们往中国的销量是有史以来最高水平。尽管如此，CoVID-19 每天对市场产生越来越大的影响，不确定也持续增加。

**Beef volume at foodservice was steady in 2018, despite the challenging year for restaurants**

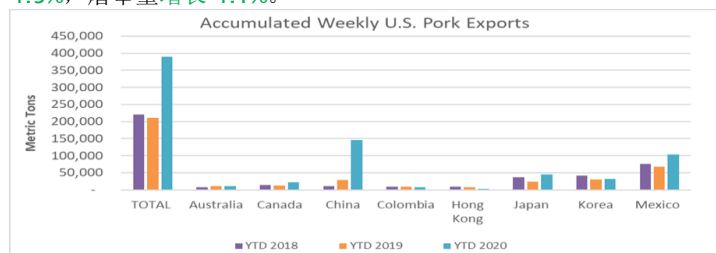


\*As the operator purchases, or distributor sales level.

Source: 2018 Beef at Foodservice Volumetric Study, Technomic, Inc.

**美国农业部牛肉屠体价格指数 (特选级)：2020 年 3 月 16 日 - \$224.36 美元/百磅 (较 2020 年 3 月 9 日增加 8%)**

消费者正寻求有价蛋白质推动里肌和切片肉品等猪肉的零售需求，使得上周猪肉分切价格走高。昨日分切价格因零售商的大量订单而飙升 5%。美国农业部每周出口销售报告显示，截至 3 月 5 日当周，海外猪肉出货量创纪录，但由於美国农业部报告对中国新的猪肉销售作出相对较大的负数修正，市场对此感到担忧。美国肉类出口协会听说其他供应商对中国的订单削减。昨日活猪期货价格、股市和商品市场均大幅下跌，跌至自 2018 年 10 月以来的最低水平。美国的猪肉产量继续已接近创纪录的速度成长；上周屠宰量达到 264.8 万头，比去年同期增长 7.9%。年初至今，美国产量增长 4.5%，屠宰量增长 4.1%。

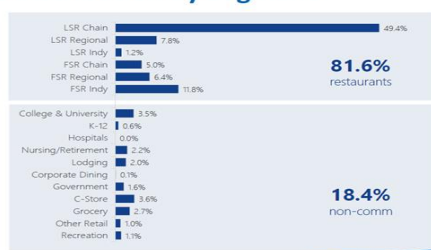


**猪屠体分切价格：2020 年 3 月 16 日 - \$73.38 美元/百磅 (较 2020 年 3 月 9 日增加 8%)**

## 新型冠状病毒和肉类需求

随着美国越来越多人留在家中休息，分析家正尝试了解美国餐饮服务业对红肉需求的影响。上周中旬，Datassential 进行的一项调查发现：89% 的美国人觉得现在在家里用餐或超市购买食物更自在，而只有 11% 的美国人表示对在餐厅用餐或外食有信心。全国性餐厅预订平台 Resy 报告：全国订位取消率上升 20% 至 40%。此外，美国消费者似乎已经能理解不同类型场所的风险，Datassential 调查显示他们最希望避免的用餐环境包括：游轮(71%)、圆形运动场/体育馆(59%)、自助式吃到饱餐厅(49%)、酒吧/俱乐部/休息室(48%)、食堂(46%)、美食街/美食广场(45%)、酒店餐厅/酒吧(39%)、有限服务餐厅(速食餐厅)(34%)、便利商店(32%)、超市(29%)、休闲餐厅(27%)和高级餐厅(21%)。在预订平台 OpenTable 的最新调查中，3 月 14 日星期六在波士顿、纽约、西雅图和旧金山的餐厅占桌率已减少 58% 至 65%。由於这些调查是在昨日白宫呼吁所有美国人应避免参加 10 人以上聚会以及避免去餐厅和美食街用餐前公布，之後可能会有更多餐厅倒闭。在过去 48 小时内，许多州和市政府已下令关闭所有或部分餐厅和酒吧，包括加利福尼亚、康涅狄格州、伊利诺伊州、印第安纳州、肯塔基州、马里兰州、马萨诸塞州、密歇根州、明尼苏达州、纽约、纽泽西州、俄亥俄州、宾夕法尼亚州、罗德岛州、佛蒙特州和华盛顿州。最大的餐厅经营商 McDonald's 将会关闭其所有店内用餐区，但仍会继续提供得来速(drive-by)和外带服务。根据 National Restaurant Association 的数据，美国有超过 100 万家餐厅。该产业年收入为 8990 亿美元(相当于平均每周 173 亿美元)，并雇用 1560 万人。尽管 CoVID-19 可能会打击餐厅营收，随着美国人为可能的国境封锁而储备物资，零售食品销售走强。在城市地区，由於担心食品供应短缺，许多超市货架上容易腐坏的食品已被清空；但美国作为主要的食品生产商和加工商，食品短缺的风险很小。流行媒体平台已发布推荐的食物，通常包括罐头食品、不易腐坏和其他具有较长保存期限的食物。但 USA TODAY 在其 CoVID-19 采购清单中推荐肉类和鱼类；而在美国许多地区，周末超市的肉品都销售一空。在所有蛋白质中，上周鸡蛋价格涨幅最大。在肉类中，连锁零售通路对牛绞肉的需求异常强劲，正如我们在左栏所述。热狗和罐头肉品的销量也激增，导致一些工厂延长生产时间表。尽管针对美国爆发疫情评估流行病对肉类需求的影响还为时过早，但已有估计零售和餐厅之间的牛肉使用差异。根据 NCBA 数据：按重量计算，2018 年时零售和餐厅的使用比例为 60:40。当时零售商贩售的所有牛肉商品中约有 50% 为牛绞肉，其次是腰脊部(13%)、後腿部(9%)、肩胛部(8%)以及肋脊部(7%)(请见左栏图表)。National Pork Board 也有类似的数据估计：2018 年餐厅和零售的猪肉使用比例为 48:52。其中将近 80% 销售至餐厅的猪肉有进一步加工，而 21% 则为生鲜的。有限服务餐厅(主要为 QSR 旗下餐厅)购买了送往餐饮服务将近一半的猪肉；这意味着有限服务餐厅的猪肉使用量占总体餐饮服务猪肉加工量的 70%。零售方面，生鲜猪肉量占 2019 年猪肉零售量总量的 40%，其次为香肠(19%)、培根(16%)和火腿(10%)。迄今为止，培根是在餐饮服务通路销量最高的加工猪肉产品。

## Pork Sales Distribution by Segment



美国肉类出口协会活动预告：

中国国际食品及饮料展 — 上海：2020 年 9 月 28-30 日  
台北国际食品展 — 台湾：2020 年 6 月 17-20 日