

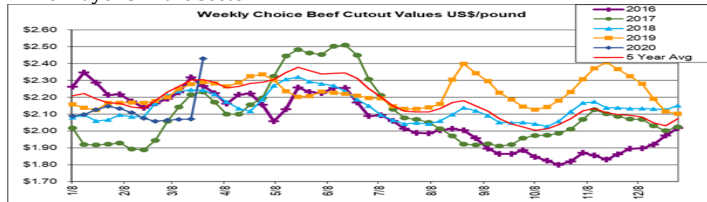


U.S. Meat Bulletin

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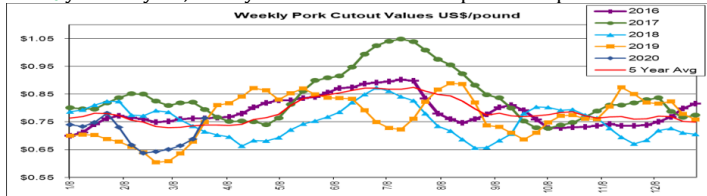
SUPPLY & DEMAND

The beef cutout surged last week as panic buying ensued and retailers placed large orders to keep supermarket shelves stocked. The rally continued yesterday (Monday) as U.S. live cattle futures rose their daily limit, lifted by strong packer margins and rising wholesale beef prices. The cutout, an average of the value of 7 beef primals, rose more last week than any other week ever, ending last Friday up **17%** or **+0.36/lb.** from the previous week (see graph below). Analysts expect the spike in retail food buying to continue for a few more weeks as reality sets in across the U.S. that almost all meals, except those delivered, will be prepared at home. But markets remain volatile as concern grows over a possible U.S. recession and a sharp contraction in U.S. foodservice receipts. Cattle futures gyrated wildly last week as overall financial markets searched fruitlessly for clues on CoVID-19's economic impacts. Live cattle prices strengthened through last week as plants sought to maximize harvest numbers to take advantage of swelling margins. At the end of last week, **Tyson Foods** announced that they would provide an additional \$5 cwt. for all cattle harvested this week to 'share' the current spike in boxed beef prices with the company's cattle suppliers. Despite the pandemic, the U.S. feeder and fed cattle supply chain is operating normally. Last Friday's cattle on feed report showed total inventories in feedlots of 11.806 million head, even with last year and in alignment with analysts' forecasts. Cattle feeders aggressively marketed fed cattle in February due to firm domestic & foreign demand as well as high processing margins. Marketings were up **5.5%** year-on-year to 1.775 million head. Uncertainty over CoVID-19's impacts was most pronounced in the number of cattle placed into feedlots during February. Placements dropped a relatively large **7.9%** as macro-affected financial markets faltered, pulling down cattle futures to below breakeven levels. But the continued contraction in the U.S. cattle herd should lower the availability of animals for slaughter later in the year, which should be supportive of futures. Uncertainty reigns however, as there is no clear path of how wide the virus will spread in the U.S. and for how long. The USA's 1 million restaurants - 70% of which are independent - employs 15.6 million people. According to the **National Restaurant Association**, the \$940 billion foodservice sector could lose U.S. \$225 billion in sales and result in 5-7 million layoffs in the sector.



Beef Choice Beef Cutout Value: 23/3/2020 - US\$257.32/cwt. (+15% from 16/3/2020)

Similar to beef, the pork cutout spiked upward last week as panic retail buying set off aggressive spot wholesale covering of short-term pork needs by retailers. The pork cutout increased **11%** week-over-week closing last Friday at \$0.76/lb., the highest level since late January. The cutout jumped another **4.3%** yesterday - Monday - and futures jumped limit up on spillover strength from cattle. Daily movement limits on pork futures will widen to 4.5 cents for Tuesday trading. There is heightened wholesale purchasing of lean trimmings, picnics, and cushion meat that serve as raw material for pizza toppings, as pizza delivery orders have skyrocketed. The virus's impact on #1 foodservice bacon demand is mixed. Retail bacon purchases have spiked, but the item is also a major ingredient in a variety of restaurant & QSR menus. Export demand for U.S. pork is holding up; during the week ending March 14, shipments were even and sales were higher than the previous 4-week average; for the 1st 11 weeks of this year, total pork muscle cut shipments are **+83%** year-on-year, mainly as a result of a record pace of shipments to China..



Hog Carcass Cutout Value: 23/3/2020 - US\$83.51/cwt. (+14% from 16/3/2020)

ACTIVITIES:

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

CORONAVIRUS AND U.S. RED MEAT SUPPLY CHAIN ASSURANCES

With the U.S. entering a critical time for containing and mitigating the spread of CoVID-19, government agencies and industry leaders have been reassuring the public about the security and resilience of critical USA infrastructure. It is first important to note that under the U.S. federal system of government, response efforts to CoVID-19 will be locally executed, managed by State governments, and supported by the U.S. federal government in Washington D.C. To ensure continuity of function, the **Department of Homeland Security** (DHS) published late last week a preliminary list of **Essential Critical Infrastructure Workers** for reference by state and local officials. Workers in the food and agriculture sector, including those raising livestock and those engaged in meat slaughter and processing, are considered essential under the DHS list. Those working in food retail and restaurant carry out and delivery workers are also included, in addition to those involved in the transportation of essential goods; i.e., truckers, port workers, air cargo providers, and rail operators. At the meat harvest and processing plant level, meat, poultry, and processed egg inspection services continue as normal. USDA's **Food Safety Inspection Service**, which provides mandatory meat inspection services to the nation's meat and poultry plants, has in place a Human Pandemic Operations Plan that addresses how to protect the health and safety of FSIS inspectors & how to provide continuity of its essential inspection service. As mentioned above, state and local authorities have primary jurisdiction for isolation and other public health orders within their respective jurisdictions. In the event of a diagnosed CoVID-19 illness in a meat plant, FSIS will follow the recommendations of local public health authorities. But FSIS notes that CoVID-19 is one of the easiest types of viruses to kill through normal disinfection procedures and all meat & poultry plants have Sanitation SOPs that address the virus. In addition, the **U.S. Environmental Protection Agency** has published an updated list of qualified disinfectants for the virus. Detailed CoVID-19 planning, preparation and response guidance for both local officials and businesses is available from the **U.S. Centers of Disease Control** and the **U.S. Occupational Safety and Health Administration (OSHA)**. The U.S. meat industry is very much part of ongoing discussions in the U.S. on maintaining the stability of the livestock and meat industry supply chain. With more lockdown and shelter-in-place orders being implemented at state or local levels, the **North American Meat Institute** is providing letter templates to meat companies to assist them in confirming to local officials that plant employees traveling to or from a food facility, or transporting food or materials, are doing so within a designated critical infrastructure sector. **NCBA** is helping food service distributors get product to retail stores, and all U.S. livestock sectors worked hard to convince the **Federal Motor Carrier Safety Administration** on March 19 to temporarily exempt livestock haulers from compliance with federal Hours-of-Service rules that limit drive time.

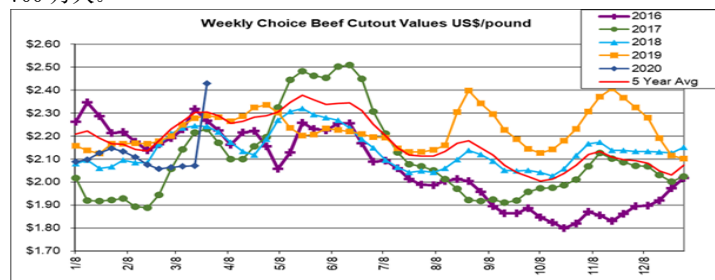
TRADE

Last Friday night March 20, USDA's FSIS updated its Export Library (EL) for China (<https://www.fsis.usda.gov/wps/portal/fsis/topics/international-affairs/exporting-products/export-library-requirements-by-country/peoples-republic-of-china>) to reflect the implementation of expanded U.S. red meat & poultry eligibility negotiated in the U.S.-China "Phase One" trade agreement. Key provisions include: all beef and beef products slaughtered and/or further processed from cattle of all ages on or after March 17 from facilities listed on China's **General Administration of Customs** (GACC) website are eligible for export to China. China has also established maximum residue limits (MRLs) for the hormones *zearanol*, *trenbolone acetate* and *melengestrol acetate* at CODEX levels in beef products. For those beef establishments that participated in the USDA-AMS Export Verification Program for Bovine for China and Agricultural Marketing Service (AMS) Beef Traceability Program, the programs will no longer be required effective March 17, 2020. However, beef products produced from cattle slaughtered prior to March 17, 2020 must be EV-compliant product produced in establishments enrolled in the AMS Export Verification (EV) Program. On the pork side, effective March 17, 2020, pork and pork products slaughtered, further processed, and certified in facilities added to the GACC website are eligible to export. China still enforces a zero tolerance for ractopamine residues on all beef and pork products. A list of approved U.S. facilities is available in the EL website link above under "Plants Eligible to Export". FSIS will provide GACC an updated establishment list monthly, after which GACC will update its eligible plant list within 30 days. Although almost all beef and pork products are now allowed access to China, including further processed, importers are advised to consult the EL for non-eligible products and tissues. Ground beef and beef patties are now eligible for importation, as well as trimmings provided trimmings are labeled as "pieces." (e.g., "beef pieces" or "pork pieces.")



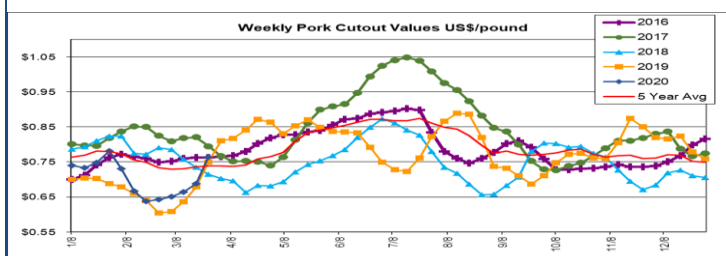
供应与需求

随之而来的恐慌性购买和零售商下了大笔订单以确保其超市货架库存导致上周牛肉分切价格飙升。由于屠宰利润强劲和牛肉批发价格上涨，推动昨日(周一)美国活牛期货价格涨停，且涨势持续。上周7种牛肉大分切平均价格涨幅超越任何其他一周；於上周五其价格比上上周高17%或每磅上涨0.36美元(见下图)。美国各地消费者除了外送外，几乎都开始在家里准备餐食；分析师预估零售食品消费量飙升的情况将持续数周之久。随着人们对美国可能出现经济衰退以及美国餐厅营收急剧下跌的担忧加剧，市场仍然动荡。由於整个金融市场对CoVID-19对经济造成的影响尚未明确，上周牛只期货价格波动极大。屠宰商试图极大化屠宰量以获取丰厚的利润使得上周活牛价格走强。上周末Tyson Foods宣布将增加本周所有屠宰牛只额外每英担5美元的利润，以与公司牛只供应商「分享」当前箱装牛肉价格飙升所得。尽管疫情大流行，美国肥育业者和已肥育牛肉供应链仍正常运行。上周五牛只在养头数报告显示，肥育场牛只库存量为1180.6万头，与去年相比持平且与分析师的预测一致。由於国内外需求强劲以及屠宰利润率高，牛只肥育者在2月时积极销售已肥育牛只；销量同比增长5.5%，达到177.5万头。CoVID-19对市场影响的不确定性在2月置入肥育场的牛只头数方面最为显着。受到宏观经济影响的金融市场动荡，置入肥育场的牛只头数减幅相对较多达7.9%，导致牛只期货价格下跌至盈亏平衡点之下。但美国牛群持续收缩将减少今年晚些时候用于屠宰的动物供应量，这应该可为期货价格带来支撑。市场不确定性仍然存在，因为目前尚未有途径去确认病毒将在美国传播的范围和持续时间。美国100万间餐厅(其中70%是独立餐厅)总共雇用1560万人。根据美国餐厅协会的数据，价值达9400亿美元的餐饮服务可能面临2250亿美元的营收损失，并导致该产业裁员500至700万人。



美国农业部牛肉屠体价格指数(特选级)：2020年3月23日 - \$257.32 美元/百磅 (较2020年3月16日增加15%)

与牛肉的情况相似，由於恐慌性的零售购买引发零售商积极地进行现货批发交易以满足短期的猪肉需求，上周五猪肉分切价格周环比上涨11%至每磅0.76美元，为1月下旬以来的最高水平。昨日(周一)猪肉分切价格再次上涨4.3%，猪肉期货价格涨停并远远超出牛只期货价格。在上周二交易中猪肉期货的每日涨停限制将扩大至4.5美分。随着披萨外送订单激增，用作披萨配料的原料肉如猪绞肉、前腿肉和腿侧肉的批发采购量增加。疫情对培根需求所造成的影响喜忧参半：零售培根的采购量激增，但该产品也是各种餐厅和快餐店菜单上料理的主要食材。出口需求持续增长；截至3月14日当周，猪肉出口量持平且销量高於前4周平均水平；在今年第1至11周期间，猪肉分切出口总量同比增长83%。



猪屠体分切价格：2020年3月23日 - \$83.51 美元/百磅 (较2020年3月16日增加14%)

新型冠状病毒和美国红肉供应保证

随着美国进入控制和缓解CoVID-19传播的关键时期，政府机构和各业界领导者持续向公众保证美国关键基础设施的安全性和弹性。首先必须留意的是，在美国联邦政府体制下，针对CoVID-19的各项措施将在各州当地执行，由州政府管理，并由位於华盛顿特区的美国联邦政府支援。为确保各设施持续经营，国土安全部(DHS)於上周晚些时候发布Essential Critical Infrastructure Workers初步清单以供州和地方官员参考。在DHS清单中，食品和农业部门的劳工被认为是必不可少的，这其中包括肥育牲畜以及从事肉类屠宰和加工的劳工们。除了食品零售和餐厅工作人员以及外送员外，运输民生用品的相关人员也包括在清单内；即卡车司机、港口作业人员、航空货运承揽商和铁路运营商。肉类屠宰和加工厂方面，肉品、禽肉和蛋制品的检验服务将继续正常运行。美国农业部食品安全和检验署(FSIS)为国内肉类和禽肉屠宰厂提供强制性肉品检验服务，该局制定一项Human Pandemic Operations Plan(人类大流行行动计划)，此计划涉及如何保护FSIS检验员的健康和安全，以及如何持续提供基本检验服务。如上所述，州和地方当局在各自管辖范围对隔离安排和其他公共卫生指令拥有主要司法权。若在肉类屠宰厂中诊断出CoVID-19，FSIS将遵循当地公共卫生当局建议；但FSIS也指出，CoVID-19是最容易透过常规消毒程序而被杀死的病毒之一，而所有肉类和家禽屠宰厂均有针对该病毒的卫生标准作业程序。此外，美国环境保护局也发布最新的合格消毒剂列表。提供给当地政府和企业有关对应CoVID-19的详细计划、准备和回应指南也可从美国疾病管制与预防中心和美国职业安全与健康管理局(OSHA)取得。美国肉类产业有关维护畜牧业和其供应链稳定性是美国现正持续进行讨论的重要部分。随着各州和或地方各级官员实施更多封锁和就地庇护令，北美肉品协会(NAMI)向肉品公司提供信函模板，以帮助它们向当地政府确认其往返食品设施，或运输食品或原料的工厂员工是否有在指定的关键基础设施部门收到指令。全国食用牛生产者协会(NCBA)正帮助食品服务批发商将产品运送到零售商店，并且在3月19日当天，所有美国畜牧业者均努力说服联邦汽车运输安全管理局(FMCSA)暂时免除畜牧运输业者遵守限制驾车时间的劳动时间规定。

贸易新闻

在3月20日上周五晚上，美国农业部FSIS更新其对中国的出口图书馆(EL)

(<https://www.fsis.usda.gov/wps/portal/fsis/topics/international-affairs/exporting-products/export-library-requirements-by-country/peoples-republic-of-china>)，以反映中美「第一阶段」贸易协议中商定扩大的美国红肉和禽肉出口资格。主要的规定包括：3月17日或之後，所有年龄段牛只并在中国海关总署(GACC)网站上列出的屠宰厂进行屠宰或进一步加工的所有牛肉和牛肉商品均可出口至中国。中国也根据食品法典委员会(CODEX)标准确立牛肉产品中玉米赤霉醇(zeranol)、群勃龙醋酸酯(trenbolone acetate)和醋酸甲烯雌醇(melengestrol acetate)的最大残留容许量。對於那些参加美国农业部农业营销局(USDA-AMS)中国的牛肉出口认证计划(EV Program)以及农业营销局(AMS)牛肉追溯计划的牛肉公司自2020年3月17日起将不再需要执行这些计划。但在来自2020年3月17日之前屠宰牛只的牛肉产品必须符合出口认证，并且必须是由AMS EV计划下的屠宰厂所生产。猪肉方面，自2020年3月17日起，在GACC网站上新增的屠宰厂所屠宰、进一步加工和认证的猪肉和猪肉产品均可出口。中国仍对所有牛肉和猪肉产品中莱克多巴胺(ractopamine)残留量采取零容忍。已批准的美国屠宰厂名单可在上方EL网站连结中的「Plants Eligible to Export」取得。FSIS将每月向GACC提供最新的工厂清单，然後GACC将在30天内更新其网站上的合格名单。尽管现在几乎所有的牛肉和猪肉产品都被允许出口至中国，包括进一步的加工产品，建议进口商就不合格的牛肉商品和肌肉组织谘询EL。牛绞肉和牛肉饼现在都已允许进口，被标记为「肉块」的修切碎肉(例如「牛肉块」和「猪肉块」)也可以进口。

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