

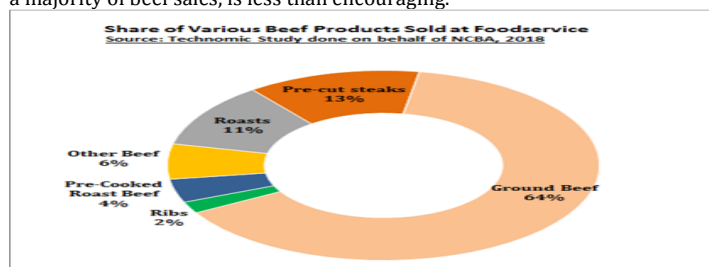


U.S. Meat Bulletin

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SUPPLY & DEMAND

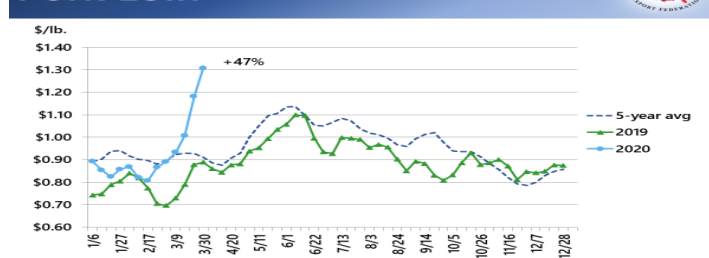
The beef cutout closed last Friday **+5%** from the level of the previous week, but analysts see a slowing of retail demand in the coming weeks as consumers in virus hotspots in the U.S., including major cities such as New York, Los Angeles, and Chicago, should now be well stocked. Primal chuck and round values both increased by double digits last week, and ground beef is still enjoying a surge in demand. However, items like tenderloins, which are primarily used by dine-in steakhouses and family restaurants, are seeing weak demand; USDA CHOICE wholesale tenderloin values have dropped **29%** since the beginning of the year, with an approximate U.S. \$2/lb. drop occurring in just the last 2 weeks. Retail meat sales continue strong and retailers are adjusting store operations to reflect changes in consumer behavior. Some chains, like **Kroger**, are closing their full-service seafood, meat counters and in-store salad bars, and moving employees to shelf restocking activity. Online grocery sales are booming; U.S. grocery delivery startup **Instacart** has announced it would hire 300,000 contract workers to add to its existing 200K over the next 3 months. On the production side, last week saw a seasonally high 676,000 head of cattle harvested as record processing margins incentivized plants to pull in cattle. The movement of cattle from feedlots to plants has been unprecedented for this time of year and because average slaughter weights are running +34 pounds from year-ago levels, beef production is sharply higher year-on-year. U.S. beef production through last week is up 4.8% from last year, with slaughter up 2.6%. Live fed cattle prices have rallied from the U.S. \$1.05/lb level a few weeks ago to the \$1.20 range. Cattle futures are getting whipsawed by continued uncertainty in financial and equity markets. The spread between current spot live cattle prices and nearby futures values are record wide, but the fundamentals are showing a record seasonal slaughter pace, record high retail meat demand, and record processing margins. Nervousness prevails however, and the short-term outlook for foodservice sales which account for a majority of beef sales, is less than encouraging.



Beef Choice Beef Cutout Value: 30/3/2020 - US\$250.97/cwt. (-2% from 23/3/2020)

The pork cutout value rose **4%** last week based on strong retail sales, but spreads between primal prices widened as foodservice items such as bellies swooned. Values continued to surge for butts (**+20%**), loins (**+19%**), ribs (**+11%**), and picnics (**+11%**), while hams dropped **8%** and the belly primal decreased **26%**. Hams are feeling pressure from the steep drop of the **Mexican** peso while bacon sales have dropped as restaurant business has dried up. U.S. pork production fell the limit yesterday over fears of supply chain disruptions as **Canada** announced the temporary closure of one of its larger pork plants. Although U.S. pork production is **+5.4%** year to date, USDA's March 26th hogs & pigs report showed that producers may pull back on expanding production given current virus uncertainties & weak profitability during Jan and Feb. A decline in farrowing intentions now will reduce Q4 2020 and Q1 2021 pork production. In the meantime, exports remain strong, with record volumes of U.S. pork being exported during the week of March 13. Weekly exports to **China** have averaged 16,700 tons year-to-date, and the pace of total exports is up **82%** year-on-year.

Pork Loin



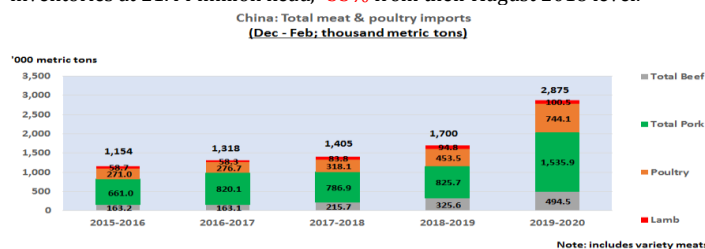
Hog Carcass Cutout Value: 30/3/2020 - US\$70.71/cwt. (-15% from 23/3/2020)

CORONAVIRUS AND U.S. RED MEAT SUPPLY CHAIN ASSURANCES

The U.S. livestock and meat sector, and associated industries, are rapidly implementing measures to assure the stability of the supply chain. As one of the Department of Homeland Security's (DHS) designated critical infrastructure industries, food and agricultural workers - including those in the livestock and meat industries - continue to staff the nation's 7,500+ federally inspected meat and poultry slaughter & processing facilities despite large segments of the U.S. population being subject to shelter-in-place rules. Those workers include the approximate 7,800 USDA federal meat inspectors whose presence is mandatory in all federally inspected facilities. A number of food and meat industry organizations and companies, working with several federal agencies, now have clear protocols for handling employees who test positive for Co-VID-19. The objective of the protocols is to avoid or limit business interruptions. The **North American Meat Institute** is currently canvassing its wide membership base of meat and poultry companies to assess requirements for essential workplace materials including PPE, sanitizers, and disinfectants. These industry wide needs are being conveyed to DHS, the Federal Emergency Management Agency (FEMA), and USDA. Like supermarkets, meat companies have been actively seeking new employees to ensure adequate staffing and production, especially as the retail demand for meat has surged. USDA's FSIS has made temporary changes to mandatory labeling regulations to allow wholesale products originally designated for the foodservice sector, including now-closed schools, to be channeled for retail use. The US Department of Transportation's Federal Motor Carrier Safety Administration (FMCSA) has declared a national emergency to allow for a relaxation of hours-of-service regulations for commercial vehicle drivers moving "emergency relief" in response to COVID-19. Goods covered by the emergency order include "food for emergency restocking of stores." DHS's list of critical workers includes those in logistics, cold storages, packaging and those "distributing products for wholesale or retail sale or use." The U.S. has over 3.5 million professional truck drivers, but the need to move necessities around the country quickly has driven up demand for new drivers. The industry is reporting one small silver lining from the current crisis; traffic is light, leading to speedier movements along some road routes. Principal U.S. ports, also exempted from shelter-in-place restrictions, are operating normally. At California's main ports, authorities have added new daily virus sanitation SOPs for cargo-handling equipment.

TRADE

China has released its Jan & Feb trade data and it shows the country imported unprecedented volumes of meat and poultry during the December 2019 to Feb 2020 quarter. Imports of all protein categories increased. The import surge followed the ASF induced spike in domestic pork prices during Q4 2019. Hog prices stayed high in China through the lunar new year and despite a lockdown of the entire economy. Although China has started to re-open its economy, foodservice sales remain weak. This is feeding back to slaughter plants who are being pinched by high live hog prices and slower-than-normal movement of pork to end-users. Consequently, hog prices have gradually eased approximately **9%** from their Feb 19 high of RMB 38.16/kg. Releases of imported frozen pork reserves so far this year of 250K tons have also placed pressure on domestic pork prices. However, average Chinese live hog values remain very high at approximately U.S. \$2.20/lb vs. prices in the U.S. that are hovering in the \$0.43/lb range. All indicators suggest a shortage of animals still exists in China. Despite average production margins last week of U.S. \$335/head for farrow-to-finish operations (Shandong Province), data from a dozen of the largest publicly listed PRC pork producing enterprises showed a **-47%** collective drop in the number of live hogs marketed during Jan-Feb compared to a year earlier (but with a sharply higher combined **74%** increase in combined revenues). Official data on sows put Feb nationwide inventories at 21.44 million head, **-33%** from their August 2018 level.

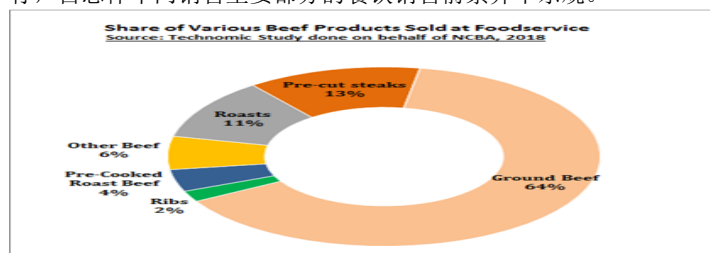


ACTIVITIES:

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

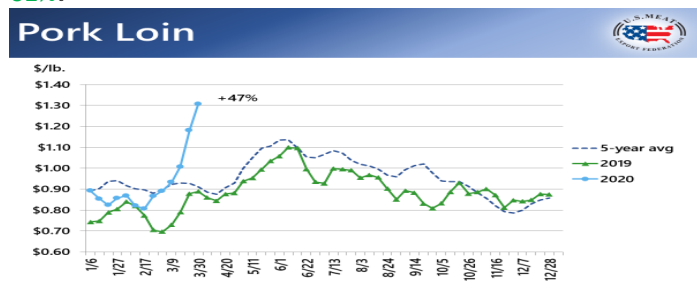
供应与需求

上周五牛肉分切价格与上上周相比**上涨 5%**，但分析师认为：由於美国疫情重灾区(包括纽约、洛杉矶和芝加哥等主要城市)的消费者储备充足，未来几周的零售需求应该会放缓。上周肩胛部和後腿部分切价格均有两位数成长，而牛绞肉的需求仍持续激增。但主要在牛排馆和家庭餐厅使用的产品如腰里肌肉(菲力)的需求疲软；自今年年初以来，美国农业部特选级里肌肉批发价格**下跌 29%**，在最近两周内下跌约为每磅 2 美元。零售肉类销量持续强劲，零售商正调整商店运营以因应消费者行为变化。一些连锁商店，例如 **Kroger**，正关闭其提供全方位服务的海鲜和肉类柜台以及店内沙拉吧，并将所有人力转移进行补货作业。线上食品杂货销售兴旺；美国杂货外送公司 **Instacart** 宣布将在未来 3 个月内雇用 30 万名约聘员工以增其现有 20 万的人力资源。生产方面，上周牛只屠宰量季节性走高达 676,000 头，创纪录的屠宰利润激励屠宰商购买更多牛只。每年这个时候，从肥育场运送至屠宰厂的牛只头数均创下纪录；且由於平均屠体重比去年同期增加 34 磅，牛肉产量与去年同期相比大幅增长。截至上周，美国牛肉产量比去年增长 4.8%，屠宰量增长 2.6%。已肥育活牛价格已从几周前的每磅 1.05 美元上涨至 1.20 美元。牛只期货价格因金融和股票市场持续的不确定性而变得起伏。当前活牛现金价格和近期期货价格之间的价差达到创纪录水平，但这基本显示出创纪录的季节性屠宰率、创纪录强劲的零售肉类需求和创纪录的屠宰利润率。然而市场紧张情绪盛行，占总体牛肉销售主要部分的餐饮销售前景并不乐观。



美国农业部牛肉屠体价格指数 (特选级)：2020 年 3 月 30 日 - \$250.97 美元/百磅 (较 2020 年 3 月 23 日减少 2%)

由於强劲的零售销售，上周猪肉分切价格**上涨 4%**；但由於餐饮通路使用部位肉如腹肋肉的表现疲软，大分切之间价差扩大。梅花肉(+20%)、里肌肉(+19%)、肋排(+11%)和前腿肉(+11%)的价格均持续飙升，而後腿肉价格**下跌 8%**，及腹肋肉大分切价格**下跌 26%**。後腿肉价格因墨西哥披索价值急剧下跌而受压，且该部位肉的销量因餐饮业受重创而减少。加拿大宣布暂时关闭其中一间较大的猪肉屠宰厂；由於担忧猪肉供应链中断，昨日美国猪肉期货价格跌停。尽管今年迄今美国猪肉产量增长 5.4%，3 月 26 日美国农业部猪肉季报显示，鑑於目前疫情不确定性以及 1 月和 2 月的利润薄弱，生产可能会减少增产。现在产仔猪的意愿下跌将会使 2020 年第四季度和 2021 年第一季度的猪肉产量减少。与此同时，猪肉出口保持强劲；3 月 13 日当周美国猪肉出口量创历史新高。年初至今，美国至中国的每周出口量平均为 16,700 吨，总出口速度同比增长 82%。



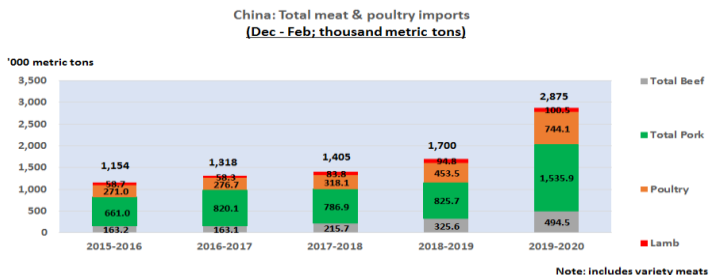
Source: USDA/AMS, ¼ in trimmed, vacuum packed
猪屠体分切价格：2020 年 3 月 30 日 - \$70.71 美元/百磅 (较 2020 年 3 月 23 日减少 15%)

新型冠状病毒和美国红肉供应保证

美国畜牧和肉类业者以及相关产业正迅速执行各项措施，以确保产品供应链的稳定性。尽管美国有一大部分居民正进行居家避疫，食品和农作人员(包括畜牧和肉类业者)作为国土安全部(DHS)清单所指定的关键基础设施之一，他们仍继续在美国 7,500 多间经由联邦政府审查的肉类和家禽屠宰和加工厂工作。这些作业人员中包括大约 7,800 名美国农业部国家肉品检验员，他们必须在所有经联邦政府检查的设施中。与许多联邦机构合作的食品和肉品机构和公司现在都有明确的协议去处理对 Co-VID-19 测试呈阳性的员工。协议的目的在于避免或限制其运营中断。**North American Meat Institute** 目前正游说其众多的肉类和家禽公司会员评估基本工作场所物资需求，包括个人防护设备、消毒剂和除菌剂。这些产业广大的需求正传达给 DHS、联邦紧急事务管理署(FEMA)和美国农业部。和超市的情况一样，肉类公司一直在积极寻找新员工，以确保充足的人员配备和生产，特别是在零售肉类需求激增的情况下。美国农业部食品安全和检验署(FSIS)临时修改强制性标签法规以允许最初指定供应餐饮业(包括现已关闭的学校)的批发产品转售於零售通路。联邦汽车运输安全管理局(FMCSA)宣布全国进入紧急状态，允许因 COVID-19 所采取的「紧急救援」措施以放宽商用车驾驶员的劳动时间规定。紧急命令下商品包含「商店紧急用来补货的食品」。DHS 的关键名单包括从事物流、冷藏仓储、包装和那些「分配至批发或零售销售或使用产品」的劳工。美国有超过 350 万名专业卡车司机，但在全国各地运输生活必需品的需求迅速成长，导致对新司机的需求增加。该产业对当前的危机带来一线希望：交通不顺畅使得某些路线的行车速度加快。美国主要港口也已免除居家避疫的限制，目前仍正常运作。在加利福尼亚州的主要港口，美国当局已为货物装卸设备增加新的日常病毒卫生标准操作程序。

贸易新闻

中国发布 1 月和 2 月的贸易数据，显示该国在 2019 年 12 月至 2020 年 2 月期间的肉类和禽肉进口量是前所未有的。所有蛋白质进口量均增加。在非洲猪瘟爆发导致 2019 年第四季度国内猪肉价格飙升之後，其进口激增。尽管总体经济处于低迷状态，农历新年期间中国活猪价格一直居高不下。虽然中国已重新开放经济，但餐饮服务销售表现仍疲弱；这将反映在屠宰厂上，这些屠宰厂因活猪价格高企和猪肉运至终端消费者的速度低於正常水平而受到压力。结果活猪价格从 2 月 19 日每公斤 38.16 元高位逐渐**下跌 9%**。今年迄今为止 25 万吨的进口冷冻猪肉库存释放也对国内猪肉价格构成压力。尽管如此，中国活猪平均价格仍很高，约为每磅 2.20 美元；而美国活猪价格一直徘徊在每磅 0.43 美元左右。所有数据表明：中国仍面临动物短缺。尽管上周已完成肥育产仔牛的平均生产利润为每头 335 美元(山东省)，来自几个最大的公开数据显示：与去年同期相比，1 至 2 月期间多间中国猪肉生产公司的活猪销售量集体**减少 47%**(但合并总体收入来看大幅**增长 74%**)。官方数据显示，2 月全国种母猪库存为 2144 万头，与 2018 年 8 月相比**减少 33%**。



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