



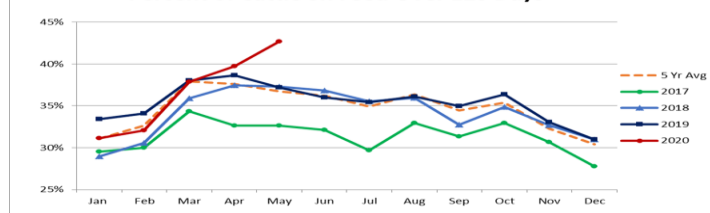
# U.S. Meat Bulletin

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## SUPPLY & DEMAND

A 10+% week-on-week increase in cattle slaughter volumes helped to pressure wholesale beef prices lower last week. All primal values dropped, except loins where Memorial day weekend & resurgent foodservice demand for steaks helped keep middle meat values relatively stable. Since hitting a peak value of U.S. \$4.75/lb on May 12 the U.S. beef CHOICE cutout value has declined by 16% to last Friday's close of \$3.97/lb. All U.S. beef plants have now re-opened, and last week's harvest of 555,000 head meant that collective U.S. capacity reached 76% last week, up from the nadir of 60.4% registered during the last week of April. Although a majority of U.S. states have announced partial re-openings of businesses, it is too early to determine whether this past long 3-day weekend boosted traffic and receipts at newly re-opened restaurants. Analysts note that restaurant operators are being handicapped not only by lower customer numbers, but also with sharply higher wholesale beef prices; last week, average primal rib & loin values year-on-year were +45% and +71% respectively, while wholesale 81% lean ground beef prices on May 15th of \$5.36/lb were +300% from the level at the end of this February. A record high spread between wholesale beef and live cattle values have seen processors paying more for live animals in recent weeks, although a large backlog of cattle still needs to be worked through (see next column). Government relief for the hard hit cattle industry is underway; from today, cattle raisers can apply for direct payments of up to U.S. \$250,000 per entity if they have documentation attesting they experienced a 5% or greater price decline as a result of the COVID-19 pandemic. Two payment schemes are available; one covers sales of animals during the period Jan 15 - April 15, while another payment is based on cattle inventory numbers held by operations between April 16 and May 14.

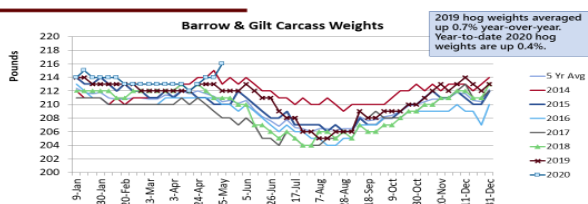
Percent of Cattle on Feed Over 120 Days



**Beef Choice Beef Cutout Value: 22/5/2020 - US\$396.74/cwt. (-4% from 18/5/2020)**

Wholesale pork prices began their retreat last week as pork slaughter rebounded. The market remains highly unsettled, evidenced by an almost unprecedented 48% week on week reduction in the average pork belly primal. Last week's harvest of 2.130 million head was only down 7.8% from the same week last year. With average hog weights of 293 pounds (133 kgs), seven pounds heavier than a year-ago, last week's U.S. pork output was only -5.2% year on year. USDA's latest cold storage report showed that frozen pork stocks of all cuts declined from March to April, but the decline was modest, and belly stocks increased to their highest levels since 2014. Analysts had expected that the decline in pork processing activity during April would cause purveyors to draw down stocks as retail demand was strong, but the small change suggested that foodservice demand was harder hit than expected. According to National Restaurant Association data, U.S. inflation adjusted restaurant receipts in April 2020 were the lowest in 35 years. April U.S. pork production fell -10% from April 2019, while total beef, pork, veal and lamb output dropped -15%. The volume drop in total red meat production from March to April was the largest on record.

2020 hog weights averaging slightly higher year-over-year, with uptick in early May as a result of slower slaughter



Source: USDA/NASS

**Hog Carcass Cutout Value: 22/5/2020 - US\$96.75/cwt. (-10% from 18/5/2020)**

## MARKET MAKERS

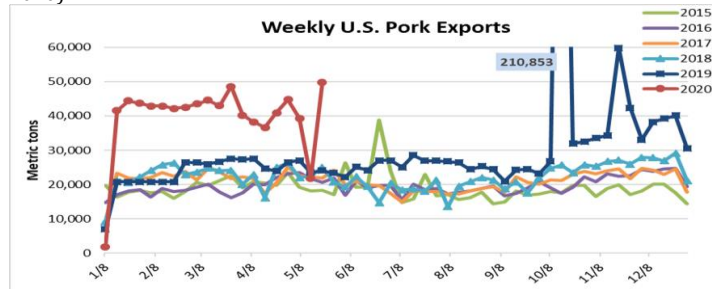
Canadian pork processor **Hylife** has announced it will purchase a 75% stake in Minnesota based pork processor **Prime Pork** from its U.S. owner **Taylor Corporation**. Prime Pork's single facility can process approximately 1.2 million hogs per year. Hylife is co-owned by Thai agribusiness conglomerate & 3rd largest pork producer in the world **Charoen Pokphand Foods Pcl** (CPF), and Japan's **Itochu Corp**. When completed, Hylife will be able to process 3.2 million hogs annually.

## CORONAVIRUS AND THE U.S. RED MEAT SUPPLY CHAIN

Harvest levels have been steadily recovering, but there are still backlogs of market ready cattle and hogs that the industry is attempting to manage. On the cattle side, analysts estimate that there are currently between 700,000 and 1 million cattle backed up in feedlots. The clog in the cattle production pipeline extends back to stocker operations - which sell young cattle to feedlots - and to cow-calf operators, who as the foundation of the nation's cattle herd respond to market signals about whether to expand or contract production. The pandemic is being described as one of the most disruptive for the industry ever, but fortunately cattle are adaptable to a variety of feeding programs, and growth can be somewhat controlled by changing the net energy level of feedlot diets. That said, incremental feed conversion rates of cattle that are nearing market weights of 1,400 - 1,500 pounds are high (i.e. more feed required per unit of meat output), meaning that heavier cattle need to be prioritized for marketing. Heavy cattle can be more susceptible to health issues, and tend to lose yield as they grow larger. Last Friday's USDA cattle on feed report showed a large year-on-year 22% decline in cattle placed into feedlots during April, while the number of cattle marketed out of feedlots to plants fell by 24%. Although the total inventory of cattle on feed as of May 1 was down 5.2% from last year at 11.2 million head, the number of cattle on feed over 120 days was up 8.9% from last year at 4.8 million head. The large supply of these 'front end' heavier cattle would suggest greater beef supplies will be forthcoming in the next few months, and explain in part why August fed cattle futures - currently priced at U.S. \$97/cwt. - are so heavily discounted from current spot fed cattle prices of approximately \$117/cwt. Unlike on the cattle side, the 'just in time' pipeline of market ready hogs from raising facilities to plants is highly sensitive to disruptions that last more than a few days. At approximately 330 pounds (150 kgs), hogs become too large for processing with the equipment installed in most U.S. plants. Moreover, heavy hogs become difficult to fit into carousel CO2 stunning chambers. Even though the backlog of hogs is slowing, euthanization of some animals is occurring in order to keep the overall supply chain functioning. Moving forward, the **National Pork Producers Council (NPPC)** will be acting as an informational clearinghouse for producers in terms of providing them with information about culling methods, protocols, and equipment. The NPPC has been communicating with the U.S. Department of Justice to ensure that the provision of such technical outreach is conducted in a manner that does not impact competitive behavior in the live hog marketplace.

## TRADE

After a marked slowdown in pork export activity during the 1st week of May, the following week ending May 14 saw the highest volume shipments of U.S. pork overseas ever recorded, excluding the catch-up reporting of last fall (see graph below). Exports were large to **Mexico**, **Japan** (the largest so far this year), **China** (19,810 tons, 3rd largest volume ever), and **Korea**. Oddly, during the same week, new pork export orders turned negative based on a large downward correction of previously recorded new sales to China. Limited U.S. beef production and offers from exporters have seen recent beef exports and new sales steadily decline, although an uptick in slaughter levels and a softening in wholesale prices is expected to revitalize buying interest. Bucking the trend, beef shipments during the 2nd week of May surged to **Hong Kong** (1,440 tons & largest this year) and **China** (390 tons, the 2nd highest in 2020).



## ACTIVITIES:

Restaurant & Ba Restaurant & Bar, Hong Kong: Sep 1-3, 2020  
SIAL, Shanghai: September 28-30, 2020  
Food Taipei, Taiwan: December 17-20, 2020

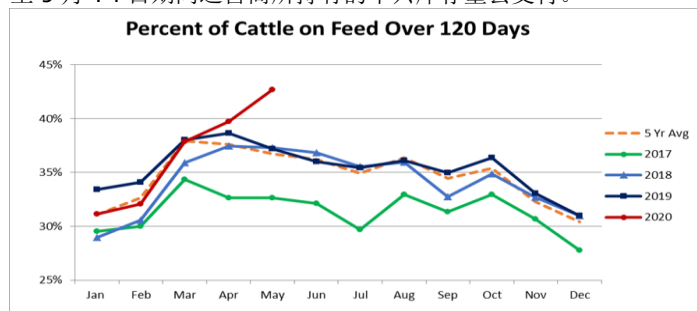


# 美国肉品新知

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## 供应与需求

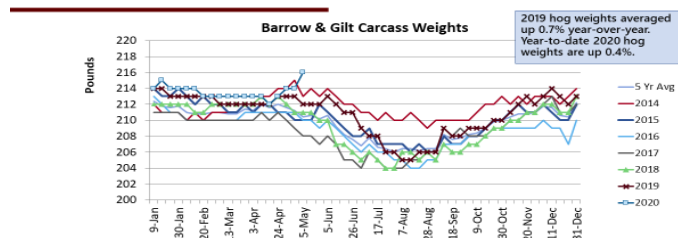
牛只屠宰量周环比增长 10% 以上使得上周牛肉批发价格下跌。因周末阵亡将士纪念日和消费者对牛排的餐饮需求回升有助于维持排类商品价格相对稳定，上周除了腰脊部外，所有大分切价格均下跌。特选级美国牛肉分切价格自 5 月 12 日达到每磅 4.75 美元峰值后下跌 16%，上周五收于每磅 3.97 美元。美国所有牛肉屠宰厂已重新开放；上周五屠宰量为 55.5 万头，这意味着美国的总生产力已达到 76%，高于 4 月最后一周时的最低点 60.4%。尽管美国大多数州已宣布部分企业重新营业，要确定在过去 3 天周末中重新开业的餐厅的客流量和营收还为时尚早。分析人士指，餐厅经营者不仅因顾客人数减少而感到困扰，也因牛肉批发价格急速上涨而受到阻碍；上周肋脊部和腰脊部大分切平均价格与去年同期相比分别上涨 45% 和 71%，而在 5 月 15 日时瘦肉率达 81% 的牛绞肉批发价格为每磅 5.36 美元，与 2 月底水平相比上涨 300%。批发牛肉和活牛之间的价差创历史新高，最近几周屠宰商以更高的价格购买活动物，尽管现在仍有大量的牛只存货需要处理(见右栏)。政府正救济遭受重创的养牛业；从今天起，若养牛业者有文件证明其因 COVID-19 大流行而导致牛只价格下跌 5% 或以上，每人便可申请最高 25 万美元的直接补助。补助分为两笔：其中一笔针对 1 月 15 日至 4 月 15 日期间的动物销售支付，另一笔则是根据 4 月 16 日至 5 月 14 日期间运营商所持有的牛只库存量去支付。



美国农业部牛肉屠体价格指数 (特选级)：2020 年 5 月 22 日 - \$396.74 美元/百磅 (较 2020 年 5 月 18 日减 4%)

由于猪肉屠宰量反弹，上周猪肉批发价格开始回落。市场仍然非常不稳定，这反映在猪肉腹肋肉大分切平均价格史无前例地周环比下跌近 48%。上周屠宰量为 213 万头，仅比去年同期减少 7.8%。由于活猪平均重量为 293 磅(133 公斤)，较去年同期重 7 磅，上周美国猪肉产量同比仅减少 5.2%。美国农业部最新的低温储藏食品报告显示，3 月至 4 月期间所有冷冻的猪肉分切库存均减少，但减幅并不大，而腹肋肉库存成长至 2014 年以来最高水平。分析预测，由于零售需求强劲，4 月猪肉屠宰活动减少将导致供应商库存减少；但这一微小变化表明：餐饮业需求收到的打击比预期还要严重。根据美国餐厅协会的数据，美国通货膨胀调整后，2020 年 4 月餐厅营收为 35 年来最低。4 月美国猪肉产量与 2019 年 4 月相比减少 10%，而牛肉、猪肉、小牛肉和羊肉总产量则减少 15%。3 月至 4 月期间红肉总产量减幅创新纪录。

2020 hog weights averaging slightly higher year-over-year, with uptick in early May as a result of slower slaughter



Source: USDA/NASS

猪屠体分切价格：2020 年 5 月 22 日 - \$96.75 美元/百磅 (较 2020 年 5 月 18 日减少 10%)

## 市场动态

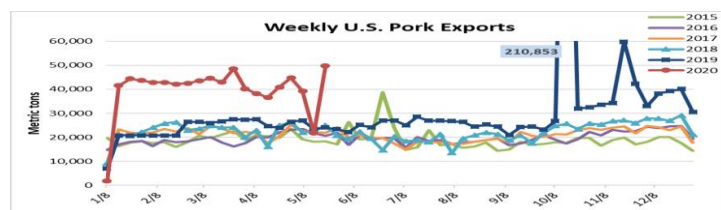
加拿大猪肉屠宰商 Hylife 宣布将和美国持有者 Taylor Corporation 收购其旗下总部位于明尼苏达州的猪肉屠宰商 Prime Pork 的 75% 股份。Prime Pork 单一屠宰厂每年可屠宰约 120 万头活猪。Hylife 是由泰国农业综合企业集团和全球第三大猪肉生产商 Charoen Pokphand Foods Pcl (CPF) 和日本 Itochu Corp 共同拥有。交易完成后，Hylife 每年将可屠宰 320 万头活猪。

## 新型冠状病毒和美国红肉供应保证

屠宰水平持续稳定提升，但可供屠宰活牛和活猪仍有存量，该产业正努力应对。在活牛方面，分析师估计目前有 70 万至 100 万头牛只被放置在肥育场上。存量问题扩展至将年幼的牛只出售给肥育场的肉牛育种业者和母仔牛育成业者上，后者必须根据年幼仔牛的价格去作出是否扩张或缩减牛群的重要决定。幸运的是，牛只可以适应各种肥育计划，并且可以透过改变在肥育场中从饮食获取的净能量水平以控制其生长。也就是说，接近市场重量 1400 至 1500 磅的牛只递增饲料转换率极高(即每单位的牛肉产量需要更多的饲料)，这意味着较重的牛只应优先在市场销售。此外，较重的牛只可能更容易受到健康问题所影响，且精肉率往往较低。上周五美国农业部牛只在养头数报告显示，4 月置入肥育场的牛只头数与去年同比大幅减少 22%，而从肥育场售卖至屠宰厂的牛只头数也减少 24%。尽管截至 5 月 1 日牛只在养库存头数比去年减少 5.2%，为 1,120 万头，但在养超过 120 天的牛只头数却比去年增长 8.9% 至 480 万头。这些「前端牛只」的大量供应表明未来几个月将会有更多的牛肉供应，并部分解释了为什么 8 月已肥育牛只的期货价格(目前价格为每百磅 97 美元)与当前已肥育牛只的现货价格(每百磅约为 117 美元)会有如此大的落差。与活牛的情况不同，从肥育场到屠宰厂的可供屠宰猪只的「即时」生产因持续超过几天中断而非常容易受到影响。大约 330 磅(150 公斤)的活猪对于多数美国屠宰厂设备来说太大。此外，较重的猪只很难进入二氧化碳致晕隔间的传输带上。尽管活猪存量正在减少，为了维持整体供应链运作，一些动物似乎需要被安乐死。展望未来，全国猪肉生产者理事会(NPPC)将作为生产者信息交换所，向他们提供有关屠宰方式、协议和设备的资讯。NPPC 已与美国司法部保持联系，以确保在不影响活猪市场竞争行为的情况下提供此类技术服务的方式。

## 贸易新闻

在 5 月第一周猪肉出口显著放缓后，除了去年秋季超前的数据外，截至 5 月 14 日的第二周美国猪肉海外销量创下有史以来最高纪录(见下图)。至墨西哥、日本(今年迄今最大)、中国(出口量有史以来第三高)和韩国的出口量大。奇怪的是，在同一周中，新的猪肉出口订购量因先前录得在中国的销量大幅下调而转为负数。有限的美国牛肉产量和出口商报价导致近期牛肉出口量和销量稳步减少，尽管屠宰水平提高和批发价格下跌有望恢复购买兴趣。5 月第二周牛肉出口量逆势而上，至香港(1,440 吨，为今年最大)和中国(390 吨，为 2020 年第二高纪录)的出口量激增。



美国肉类出口协会活动预告：

香港餐饮展：2020 年 9 月 1-3 日

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 12 月 17-20 日