U.S. Meat Bulletin

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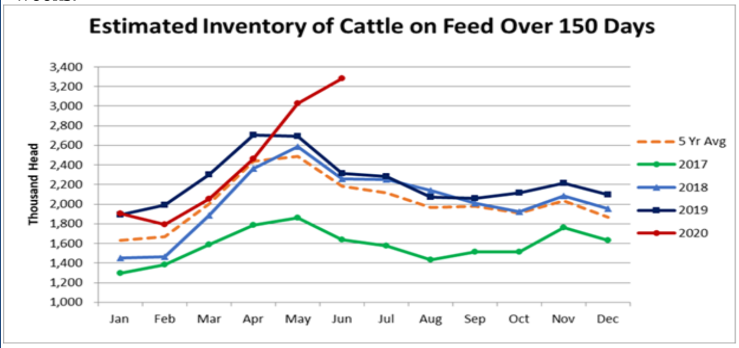
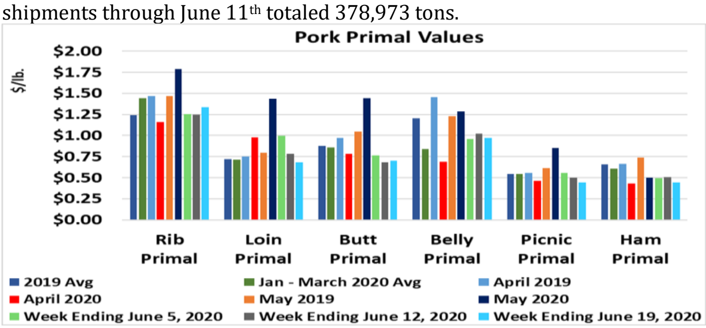
SUPPLY & DEMAND

Last week the USDA CHOICE cutout fell 8% to reach the level of a year ago. After moving down for five straight weeks, downward pressure on the cutout may be easing according to some analysts. Brisket, rib and loin primal values increased last week as more consumers fired up outdoor grills and restaurant re-openings continued. That said, the U.S. is now experiencing the dog days of summer when beef demand is tepid. Retail and institutional buying activity for the July 4th holiday should start to develop this week, although with social distancing measures still in place in many communities, Independence Day celebrations will be more muted than normal. Analysts are now focused on forecasting whether the cutout will continue to drop or stabilize along the recent five-year trend line. Heavier cattle are compensating for the continued lower year-on-year slaughter numbers, meaning that weekly U.S. beef production is now close to year-ago levels. U.S. beef production through the week of June 19 is down approximately 3.8% from the pace of a year ago. Q1 beef output was strong, with tonnage up 8% from Q1 2019, but CoVID-19 disruptions saw Q2 output drop 14% from the level of Q2 2019. With cattle backed up in feedlots (see graph below), Q3 beef production will likely be significantly higher than the same quarter last year, and Oct-Dec output should be higher as well (see story next column). With higher forecasted production for the balance of the year, demand will be critical to determining the direction of wholesale beef pricing. Demand is difficult to forecast, but in general, the recession & continued CoVID outbreaks will likely curb restaurant traffic. With prices moderating, overseas buyers have begun to book more U.S. beef after weak export activity in May. New net export sales for the week ending June 11th were up 67% from the pace of the previous 4 weeks.



Beef Choice Beef Cutout Value:22/6/2020 – US$214.06/cwt. (-6% from 15/6/2020)

The pork cutout dropped again last week, closing Friday 7% below the previous week. The recovery in harvest activity at plants has been sharp; last week's pork output from the 2.587 million hogs processed was 8% above the same week a year ago, and year-to-date U.S. pork production is now slightly above last year's pace. Average live slaughter weights for market-ready hogs last week of 293 pounds (133 kgs.) are noticeably heavier (+9 pounds) than a year-ago. Most pork primal values are lower than year-ago levels (see TABLE below). Lean hog futures have fallen on news that **China** is asking foreign suppliers of meat & other foodstuffs for statements that products shipped to China are CoVID-19 free (see TRADE next column). According to USDA's weekly export report, outstanding pork muscle cut sales (sold but not yet shipped) to China now total 101,079 tons for 2020 delivery, while actual shipments through June 11th totaled 378,973 tons.

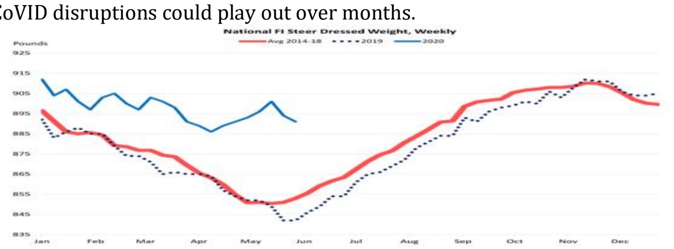


Hog Carcass Cutout Value:22/6/2020 – US$64.84/cwt. (-1% from 15/6/2020)

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

CORONAVIRUS AND THE U.S. RED MEAT SUPPLY CHAIN

Last Friday's USDA Cattle on Feed report numbers confirmed the existence of a large backlog of cattle due to the slowdown in harvest activity in April and May. Placements of cattle into feedlots during May at a level of 99% of the same level as a year ago was evidence that feedlot activity is returning to more normal levels. However, the sale of fed cattle out of feedlots of 1.5 million head was 28% below May 2019 levels, reflecting the slowdown in harvest activity that occurred during May when plants were most affected by the virus. The net result of the higher inflow and lower outflow of cattle from feedlots meant that the total number of cattle on feed on June 1 of 11.7 million head was the 2nd highest ever, but still below the level of June 1 2019. The U.S. cattle market acted quite normally during Q1, but disruptions developed quickly in early April with the spread of the outbreak into rural areas. The week ending May 2 saw slaughter levels drop 41% from previous year's levels, but recovery has been relatively rapid, with last week's harvest reaching 656,000 head, just 1.7% below the same week a year ago. Still, up to 1.1 million head of cattle remain backlogged, according to estimates. This backlog is causing a sharp increase in slaughter cattle weights. To be sure, cattle weights are now seasonally dropping but from the high base which formed during the peak of the plant slowdowns. Average fed cattle weights typically decline into May as more cattle harvested during this time entered feedlots months earlier as young calves. Calves normally finish at lighter weights and at the younger age of 12-16 months. Most yearling cattle are harvested between 16 and 24 months. During the peak of CoVID in late April and early May, feedlots were marketing as many cattle as they could, but those that couldn't find harvest space at plants were placed on special management feeding regimes to slow growth. Nevertheless, these strategies can only slow growth. Average steer weights (dressed basis) for the week ending June 6 were 892 pounds, 46 pounds heavier than a year ago (see graph below). The increase in weights is adding the equivalent of nearly 30 thousand head of cattle to weekly beef production. When the cattle backlog will resolve itself is still in question, although low placements of cattle during April should result in slightly tighter fed supplies sometime later in the summer. But those cattle that didn't enter feedlots in the spring still will have to be worked through meaning that the supply impact of the early spring CoVID disruptions could play out over months.



TRADE

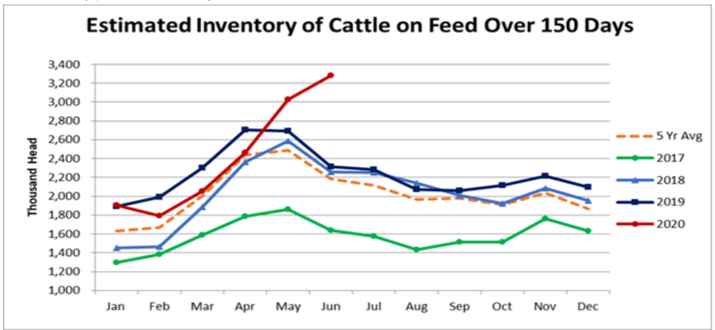
China is requesting all of its overseas approved suppliers of meat, poultry, dairy, seafood, produce and other packaged foodstuffs to sign a statement attesting that products shipped to China are not contaminated by the CoVID-19 virus. The statements also request food processors to China to follow FAO-WHO COVID-19 and food safety: guidance for food businesses guidelines published April 7. Traces of CoVID-19 virus were found in environmental testing at a major Beijing agricultural products wholesale market, and China has undertaken sample testing of meat, poultry & seafood – both imported and domestic – at ports, wholesale & retail markets. The FAO-WHO guidelines are similar in scope and content to the U.S. CDC-OSHA interim guidance for meat and poultry processing workers and employers announced on April 28. USDA directed all U.S. meat and poultry facilities on April 28 to operate in accordance with this CDC and OSHA guidance to ensure that workplaces stay safe and exposure to the virus is minimized. FAO, WHO, USDA, FDA and other national food safety agencies have noted that it is highly unlikely that CoVID19 can be transmitted through food or food packaging noting that the virus needs a human host to remain viable & replicate. Food suppliers around the world are grappling with unanswered questions about the new China requirement, including sanctions that may be imposed on products imported to China if cases of CoVID-19 are found among plant workers. As CoVID-19 has spread around the globe, a number of meat facilities have reported infections among workers, many of who are asymptomatic. China has suspended imports from a large German pork plant and a U.S. poultry plant due to CoVID-19 infections among workers. U.S. plants are now conducting intensive screenings of workers and CDC guidelines call for plants to ensure that ill employees are not present in the workplace.

美 国 肉 品 新 知

2020 年 6 月 23 日第十二卷 6. 4 期

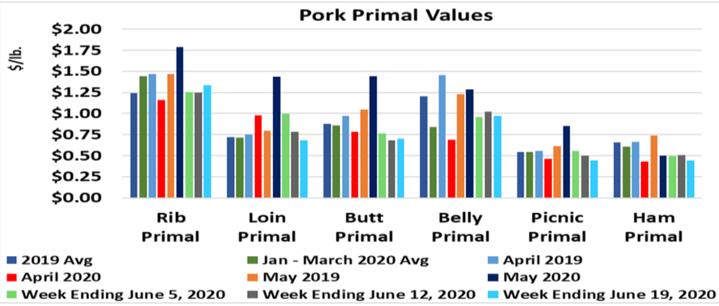
供应与需求

上周美国农业部 CHOICE 分切价格下跌 8%至一年前水平。根据一些分析师，牛肉分切价格在连续下跌 5 星期後，其下行压力可能正在放缓。上周牛前胸肉、肋脊部和腰脊部原始价格上涨，这是因为更多消费者在户外烧烤，且更多餐厅重新营业。尽管如此，美国正值夏季大热天，牛肉的需求并不高。尽管许多社区仍采取社会疏离措施，7 月 4 日假期的零售和团体采买活动应在本周开始，美国独立日的庆祝活动将比以往减少。分析师现正专注於预测分切价格是否会顺着近 5 年来的趋势线下跌或是走稳。较重的牛只体重弥补屠宰量同比持续减少，这意味着美国每周牛肉产量现已接近去年同期水平。截至 6 月 19 日当周，美国牛肉产量与去年同期相比减少约 3.8%。第一季度牛肉产量表现强劲，吨数与 2019 年第一季相比增加 8%，但受 CoVID-19 影响，第二季牛肉产量比 2019 年第二季时减少 14%。随着更多牛只存放在肥育场中，第三季度牛肉产量可能高於去年同期，且在 10 月至 12 月期间的产量也将会更高(见右栏)。由於今年馀下时间的预测产量较高，需求将决定牛肉批发价格走势。需求难以预测，但总体而言，经济衰退和疫情持续爆发很可能会减少餐厅客流量。在 5 月出口走软後，由於美国牛肉价格下跌，海外买家因此开始预订更多美国牛肉。截至 6 月 11 日当周，净出口额与前 4 周水平相比上涨 67%。



美国农业部牛肉屠体价格指数(特选级)：2020 年 6 月 22 日 - $214.06 美元/百磅 (较 2020 年 6 月 15 日减少 6%)

上周猪肉分切价格再次下跌，上周五收盘价与上上周相比下跌 7%。屠宰厂运作恢复迅速；上周猪肉产量为 258.7 万头猪只，比去年同期增长 8%，今年迄今美国猪肉产量略高於去年。上周可供屠宰的活猪屠体重平均为 293 磅(133 公斤)，与去年同期相比明显增加(增加 9 磅)。大多数猪肉原始价格低於去年同期水平(见下图)。由於**中国**正要求国外肉类和其他食品供应商提供有关运往当地产品不含 CoVID-19 的声明的消息导致瘦肉猪期货价格下跌(见右栏贸易新闻)。根据美国农业部每周出口报告，2020 年至中国的猪肉分切销量(已出售但尚未出口)目前总计为 101,079 吨，而截至 6 月 11 日，实际出口量总计 378,973 吨。

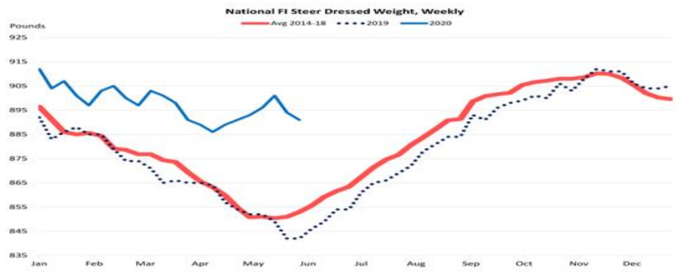


猪屠体分切价格：2020 年 6 月 22 日— $64.84 美元/ 百磅 (较 2020 年 6 月 15 日减少 1%)

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

新型冠状病毒和美国红肉供应保证

上周五美国农业部牛只在养头数报告显示，由於 4 月和 5 月屠宰活动放缓，导致有大量的牛只存货。5 月置入肥育场的牛只头数为 1 年前水平的 99%，这证明肥育场的活动已恢复接近至正常水平。在 150 万头牛只肥育场中已肥育牛只的销量与 2019 年 5 月时的水平相比减少 28%，反映 5 月屠宰厂受疫情影响最大时的屠宰活动放缓。肥育场中有较多的牛只置入和较少的牛只卖出使得 6 月 1 日已肥育牛只头数达到 1170 万头，是有史以来第二高水平，但仍低於 2019 年 6 月 1 日时的纪录。美国牛只市场在第一季表现正常，但随着疫情蔓延到农村地区，4 月初活动迅速中断。截至 5 月 2 日当周，屠宰量与去年同期相比减少 41%，但恢复速度相对较快，上周屠宰量达到 65.6 万头，仅比去年同期减少 1.7%。据估计，目前仍有 11 万头牛只存货。这种存货累积的情况导致屠宰牛只体重急遽上升。可以肯定的是，现在牛只体重正季节性下跌，但是在屠宰厂活动减缓高峰期的高基数下下跌。5 月已肥育牛只平均体重通常会下跌，因为在这段期间更多的屠宰牛只为几个月前进入肥育场的仔牛。仔牛通常以较轻的体重和在较年幼 12 至 16 个月时完成肥育。大多数满 1 岁的牛只在 16 至 24 个月期间被屠宰。在 4 月下旬和 5 月初正值 CoVID 高峰期时，肥育场正尽可能地销售更多的牛只，而那些因没有空间屠宰的牛只则采用特殊的肥育方法以减缓其生长速度。但这些方法只能够减慢生长速度。截至 6 月 6 日当周，小公牛的平均体重(图体重)为 892 磅，比去年同期重 46 磅(见下图)。体重增加导致每周牛肉产量增加相当於 3 万头牛只。尽管 4 月置入肥育场的牛只头数较少将使得夏季末已肥育牛只的供应略为紧张，牛只存货的问题使否能自行解决仍是个疑问。那些在春季时没有进入肥育场的牛只仍须处理，这意味着春初 CoVID 对供应造成的影响可能持续数月之久。



贸易新闻

中国要求其所有认证的海外肉类、禽肉、乳制品、海鲜、农产品和其他包装食品供应商签署声明，证明其运往中国的产品没有受到 CoVID-19 病毒污染。声明还要求至中国的食品加工厂必须遵守联合国粮食及农业组织(FAO)和世界卫生组织(WHO)於 4 月 7 日发布的 COVID-19 及粮食安全：粮食业务指南。北京一主要农产品批发市场的环境测试中有 CoVID-19 病毒痕迹，中国已在港口以及批发和零售市场对进口和国内肉类、禽肉和海产品进行样品检测。FAO 与 WHO 发布的指南内容和美国疾病管制与预防中心(CDC)及职业安全与健康管理局(OSHA)在 4 月 28 日发布提供肉类和禽肉屠宰厂工人和雇主的临时指南内容相似。美国农业部(USDA)於 4 月 28 日指示美国所有肉类和禽肉屠宰设施须遵照 CDC 和 OSHA 指南，以确保工作场所安全并将病毒可暴露的范围减少到最小。FAO 、WHO 、USDA 、美国食品药品监督管理局(FDA)和其他国家食品安全机构指出，CoVID19 极不可能通过食物或食品包装传播，并指出该病毒需要人类当宿主才能保持活力和进行复制。全世界食品供应商都在努力应对中国新要求且未有解答的问题，包括若工厂员工发现有 CoVID19 病例，其进口至中国的产品可能会受制裁。随着 CoVID-19 在全球范围传播，许多肉类设施已报告员工有受感染，而当中许多是无症状的。由於德国一间大型猪肉厂和一间美国禽肉屠宰厂的员工感染 CoVID-19，中国已暂停进口其产品。美国屠宰厂现正对工人进行严格筛查，CDC 指南要求屠宰厂确保生病的员工不在工作场所。