

2021 global Piguemeat market outlook

Highlights from the Gira Meat Club

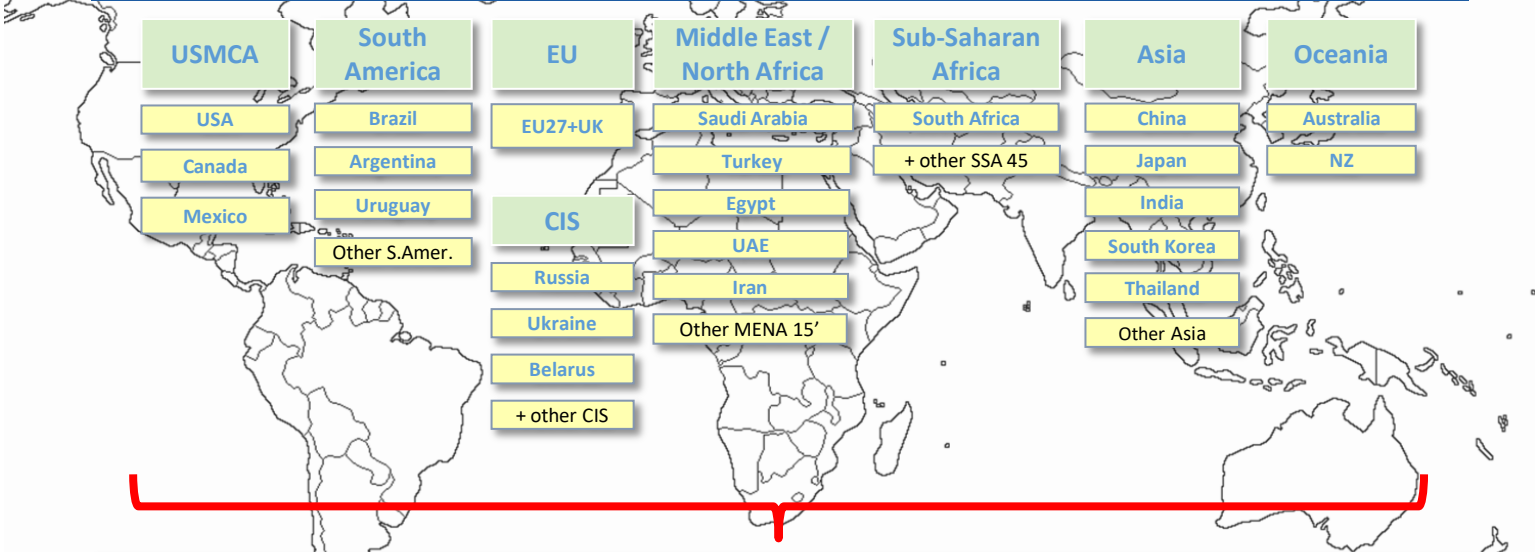
by

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European Commission Piguemeat Working Group

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REGIONAL MARKET INSIGHTS, DATA & FORECASTS BY SPECIES
Socio-economic assumptions – Pig – Poultry – Beef – Sheepmeat



GLOBAL SYNTHESIS
Socio-economics – **Production** – **Consumption** – **Trade** – **Prices** – Industrial developments

Total Meat Global Pigmeat Global Poultry Global Beef Global Sheepmeat

Key current Gira multi-client research projects in meat

In the meantime, what's new at Gira?

🌿 **The EU Meat Companies Panorama 2020**

- EU's Top 100 Slaughter Companies
- Published Nov 2020

Available Now

🌿 **Chinese Protein Alternative Market**

- The next front in alternative proteins
- Meat & dairy

Available April'21

🌿 **European Processed Meat Market Outlook**

- The major EU Further Processed Red Meat Markets
- Volumes, Products, Forecasts, Key Processors, Trend Changes

Launched; Available-Mid'21

🌿 **Gira Meat Club (GMC): Annual**

- Gira Asia Meat Club (GAMC): Annual – end February in Asia

Dec 7th & 8th 2021, Geneva

Gira also carries out a number of direct consultancy project throughout the year, can we help on yours?

Drivers and brakes for meat – 2020-21f&25f

Disruption has become a part of the landscape

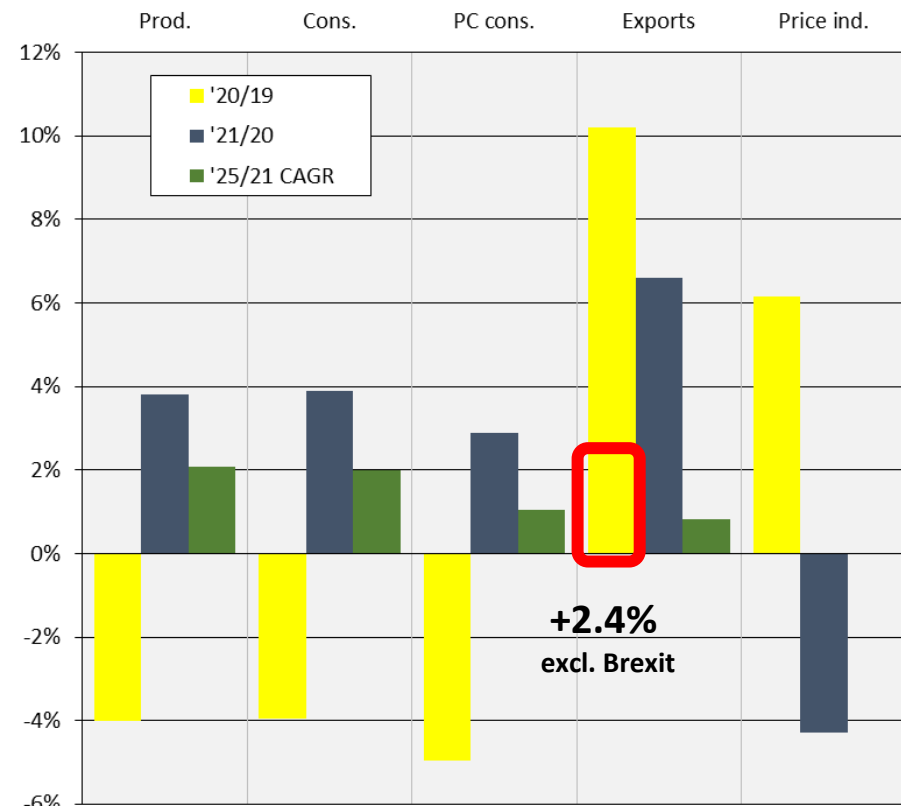
Vaccines are the watchword for 2021



Overview of global meat market situation

2020-21f-25f All meat headline metrics

2019/20 ASF impact in China still dominates global outlook



Source: Gira forecasts. No n+5 price forecasts

Chinese ASF losses in production **dominate** the 2020 metrics →

- Global meat consumption falls
- Increased Pk trade, mainly to supply CN

But **Covid-19 offsets CN import surge**

- Stability in global Py trade: fall in Bf & Sh trade

→ **2020 deflated LC price index rises**

- Covid pegged the anticipated rise, forced a scaleback in global Py production rise, and:
- Lowers the 2021f price**

2021-25f shows CN pork **production recovery** and resultant impact on RoW:

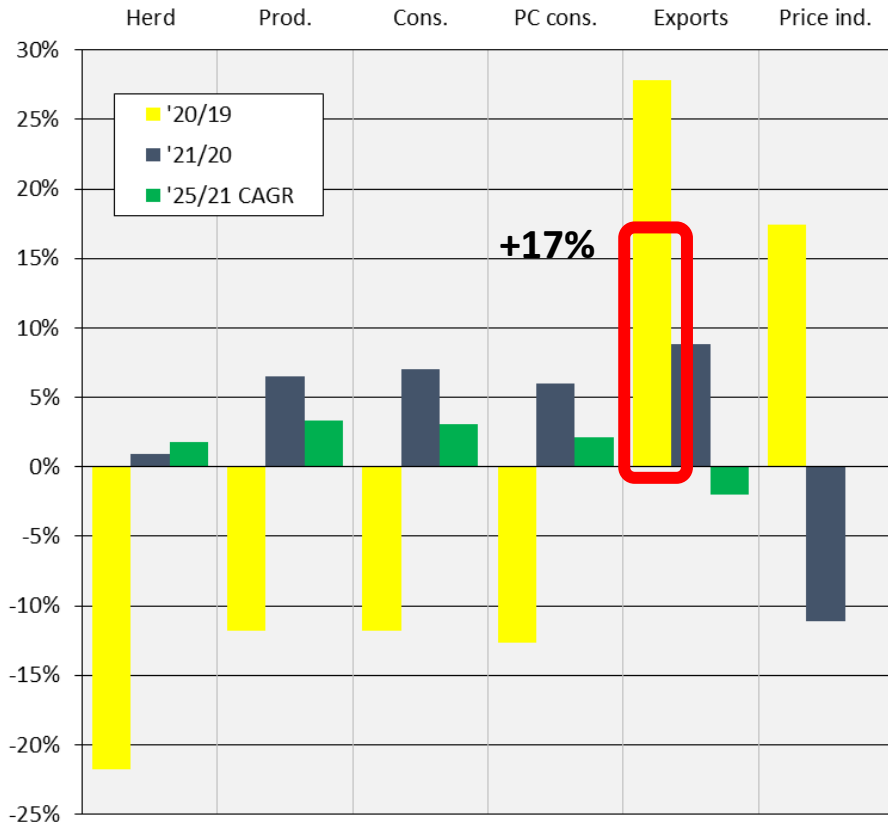
- Global consumption recovers
- Trade stabilises, but doesn't fall, threatening highly competitive period on world markets.



Global Pigmeat Highlights

2020-21f-25f Pork headlines

World Pk market continues to be led by the CN supply shortages



Source: Gira forecasts. No n+5 price forecasts

Herd

- Further dramatic declines in Asia
 - But CN recovery has started
- Industrialisation and vertical integration

Production

- Ditto... but recovery with more efficiency

Consumption

- Limited by supplies ... and high prices
- C-19 impact less than in ruminants

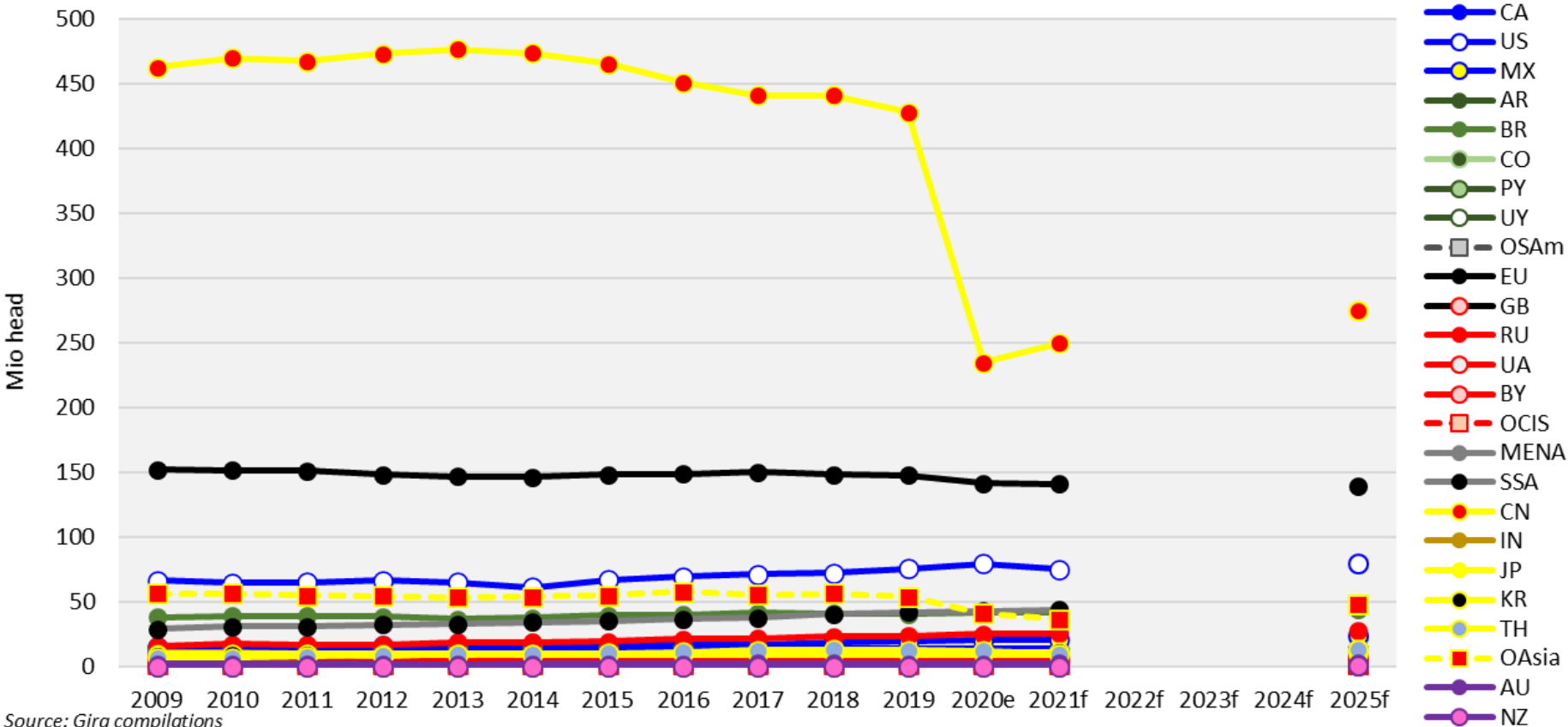
Trade: limited by available supplies

- Further growth in CN imports (diverts)
- ASF in DE (banned from CN, JP, SK, PH)

Price index

- Another strong upward pressure in 2020
- Reverted in 2021

Pig herd developments, 2009-21f&25f

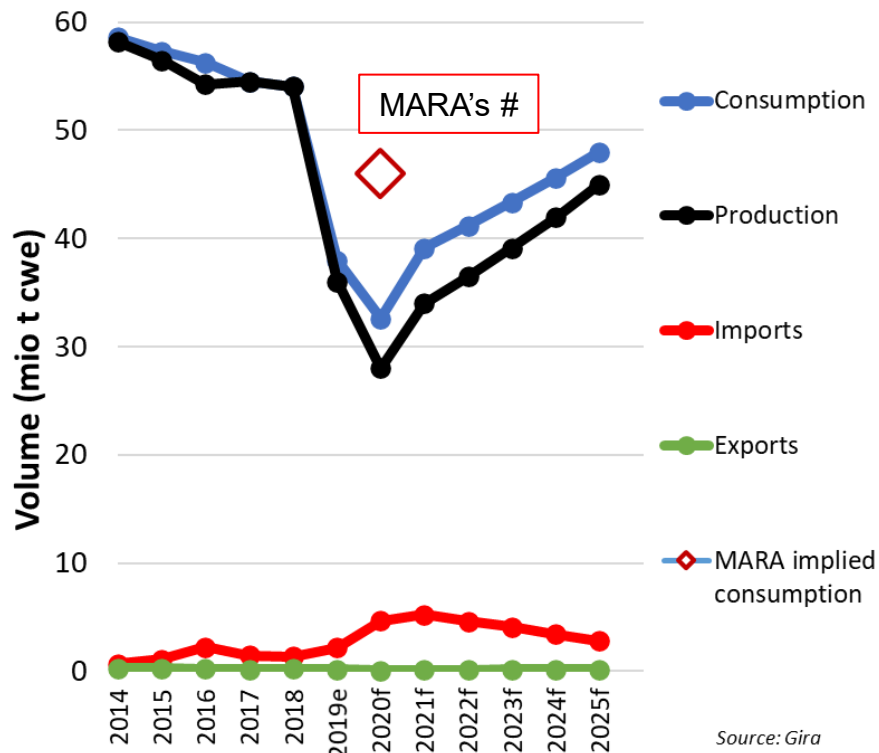


Source: Gira compilations

China Pork Overview

Beginnings of recovery in 4Q20

Chinese Pork Balance 2014-25f



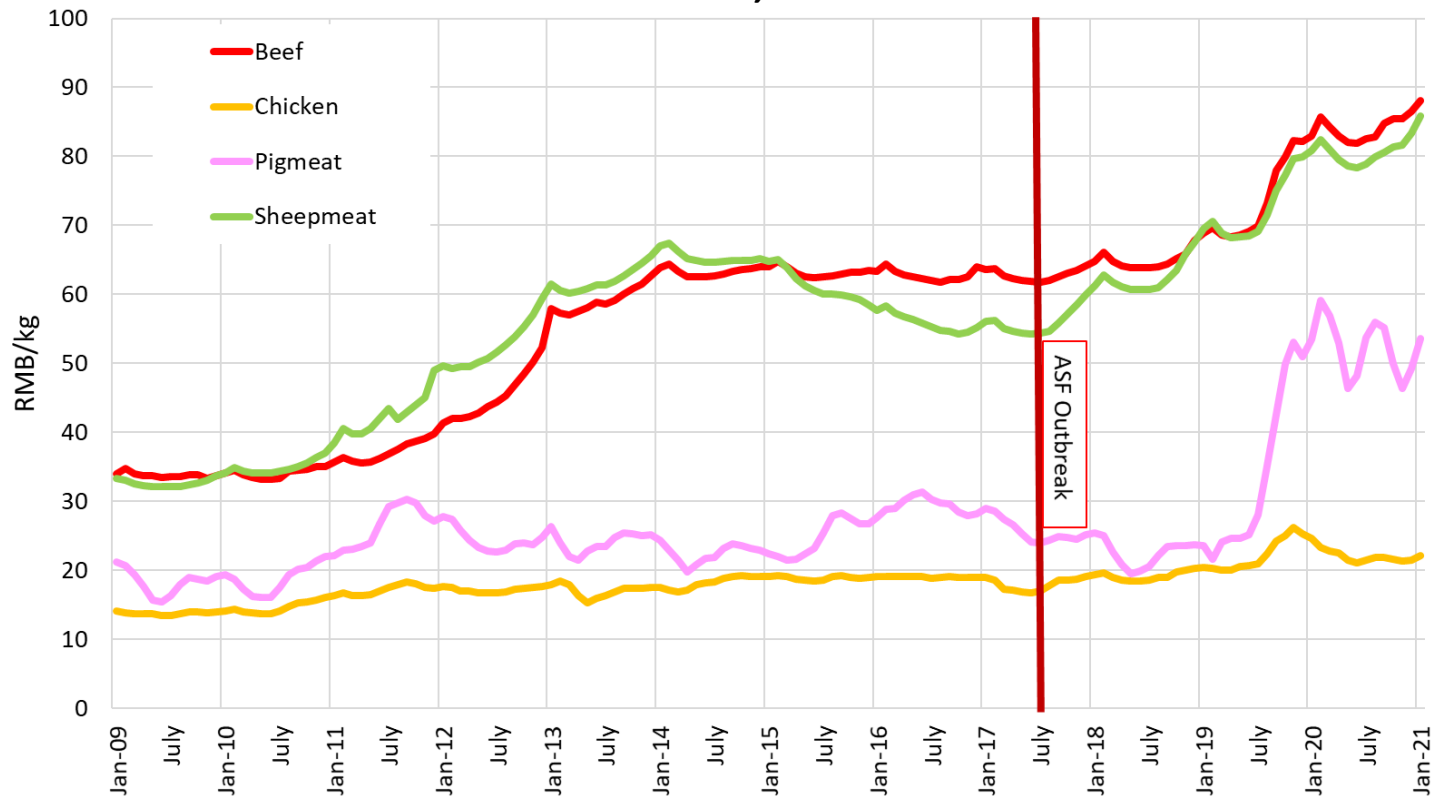
Source: Gira
compilations
& analysis

- Production, sow herd and overall herd all down about 50% from the 2018 level.
- A 26 mio ton hole in protein production, partly filled by record imports and growth of substitutes.
 - MARA's production number implies 46 mio tons consumption and 13 mio ton protein gap.
- Pig producers made big money, but slaughterers got squeezed.
- Mega-farm projects building at a rapid pace, recovery began 4Q20.
- Sporadic ASF breakouts continue, along with regional panic selling.

Prices

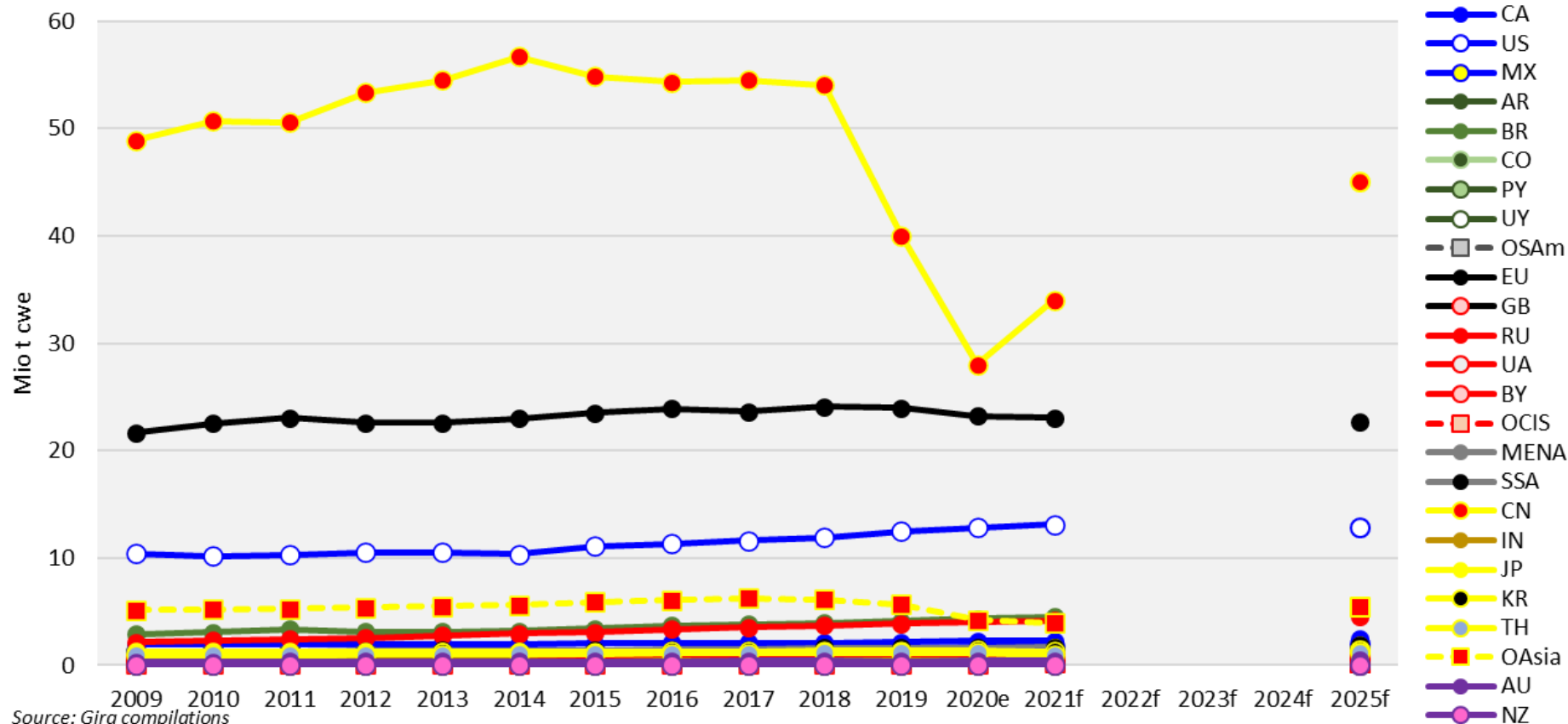
Retail prices – just a reminder of pork's position

Retail Meat Prices, 2009-Jan 2021



Pork production developments, 2009-21f&25f

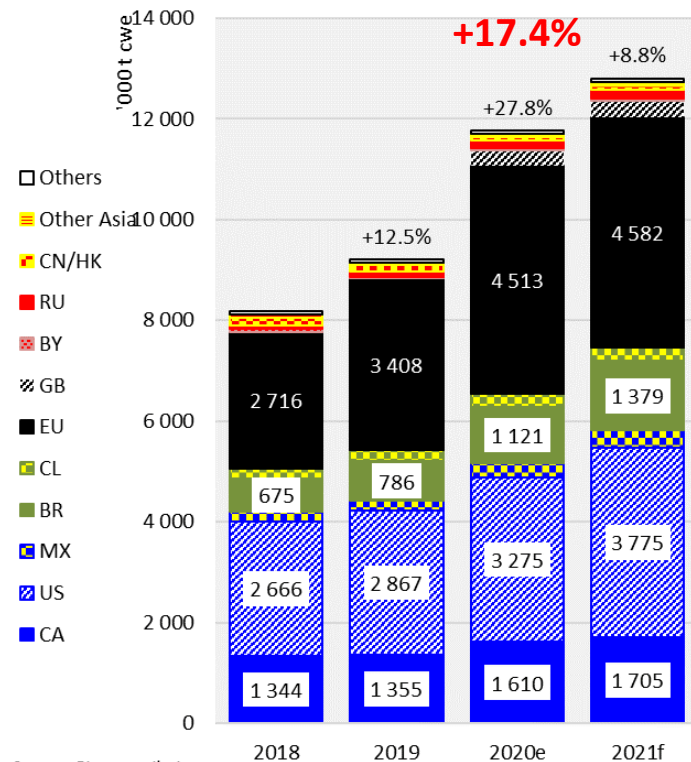
CN catastrophe in 2019/20... rebuilding thereafter



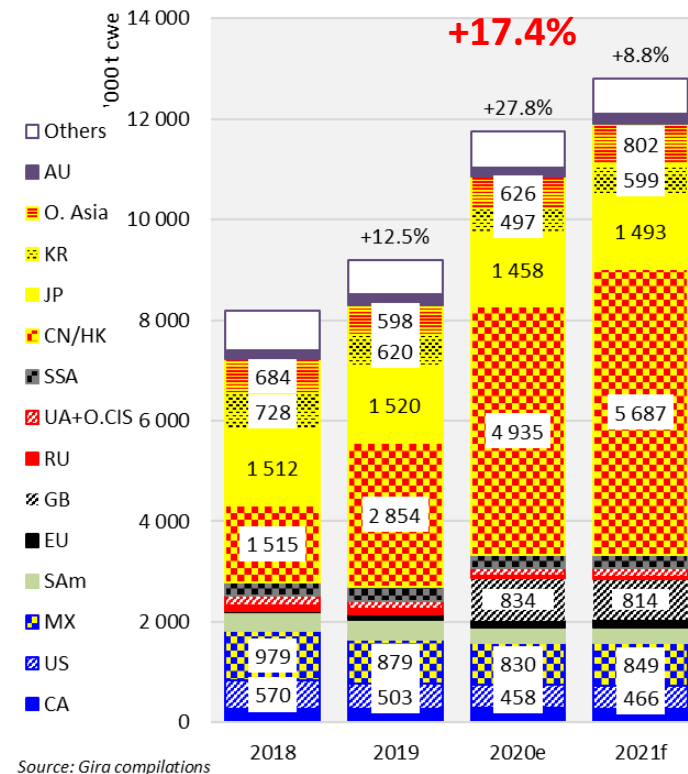
Global pork traders, 2018-21f

+17.4% 2020 growth; but Brexit impact → +27.8% in calculations

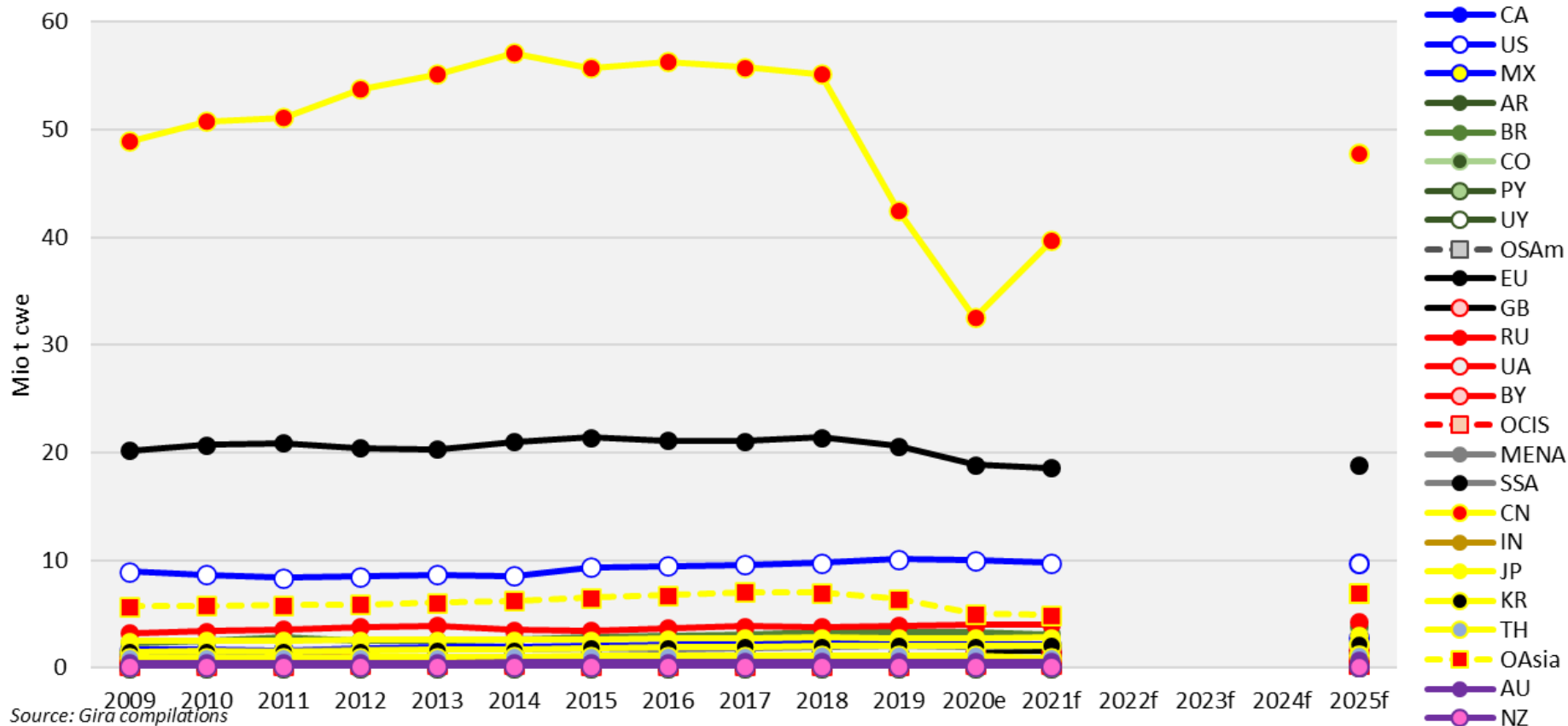
Exporters



Importers



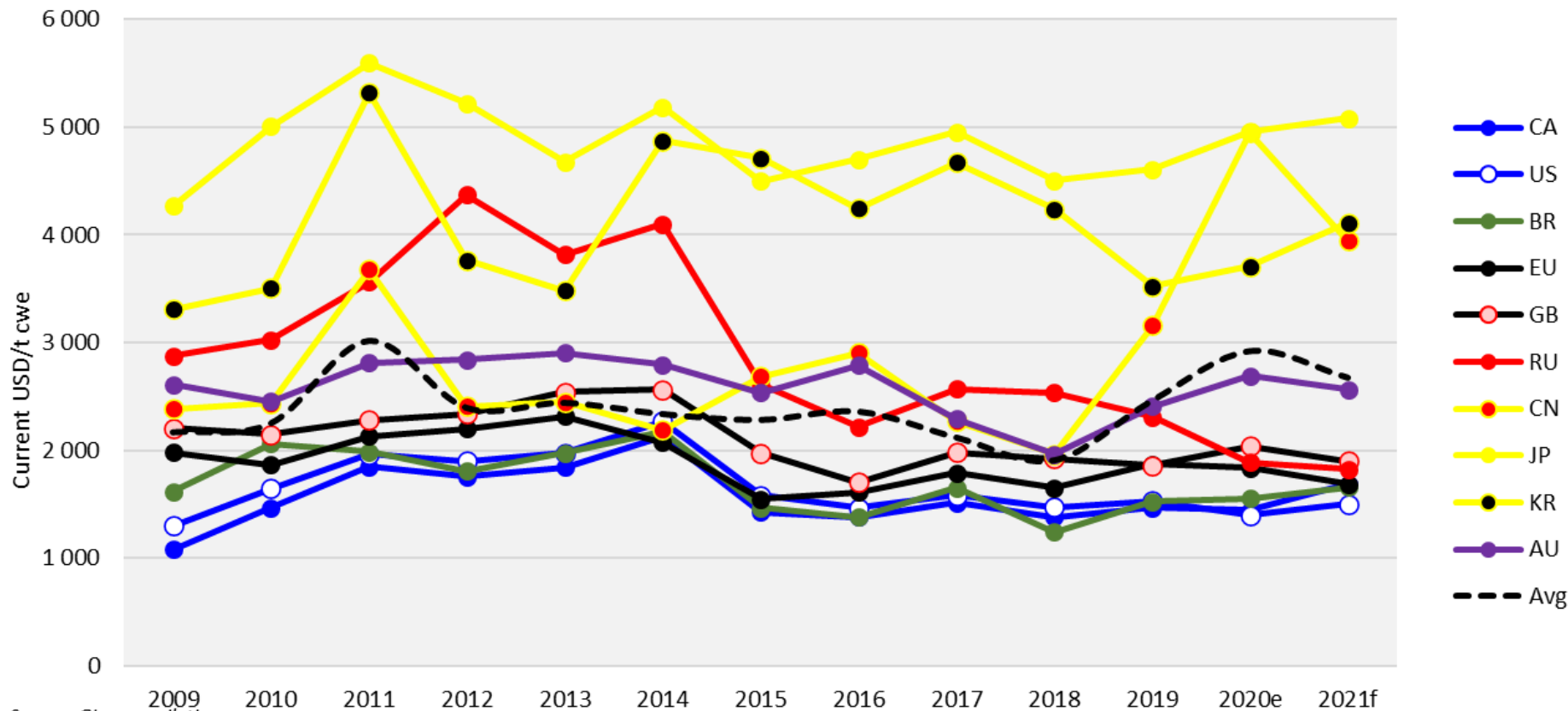
Pork consumption developments, 2009-21f&25f



Source: Gira compilations

Pork producer prices (USD/t cwe), 2009-21f

Sharp upward surge in CN, pulling prices in exporting countries



Source: Gira compilations

Thank you for your attention

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