



Istituto di Servizi per il Mercato Agricolo e Alimentare

# Pig production costs in Italy

Monitoring and methodology

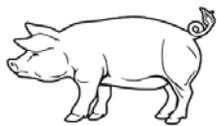


4th June 2024

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# ITALIAN MARKET FRAMEWORK FOR PIGMEAT

YEAR 2023



**8.130.000** live swine, *which of 2,37 mio fattening pigs and 497 k covered saw*

change  
2023/2022  
**-3,7%**



**26.460** farms

change  
2023/2022  
**-8,2%**



Territorial distribution: Lombardia, Piemonte, Emilia Romagna

**77%**  
of the total pig population

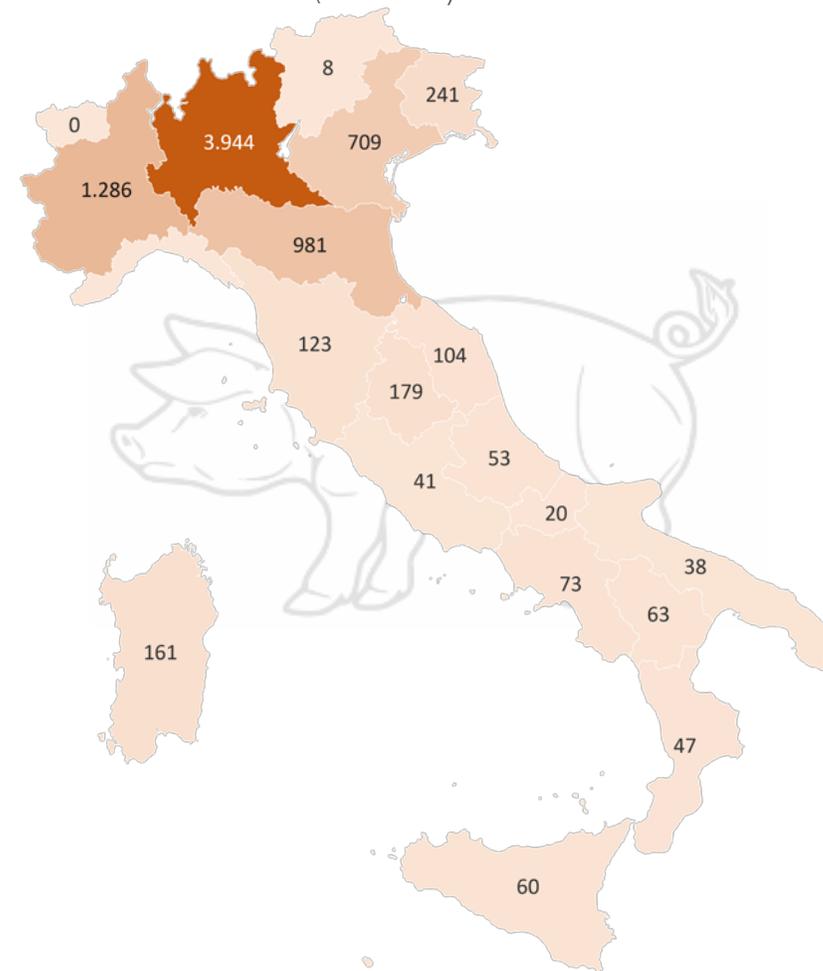


Specialization: fattening pigs (160-176 kg) for PDO production

**75%**  
of the total pig slaughters

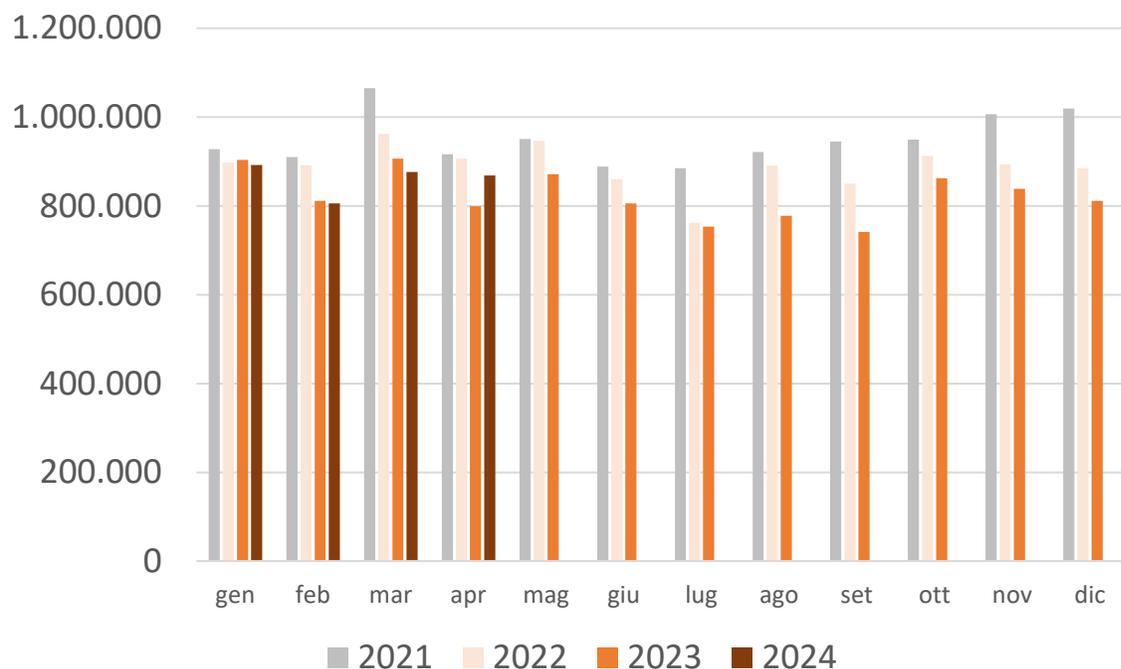
Livestock survey 31/12/2023 – Live Swine

(.000 heads)



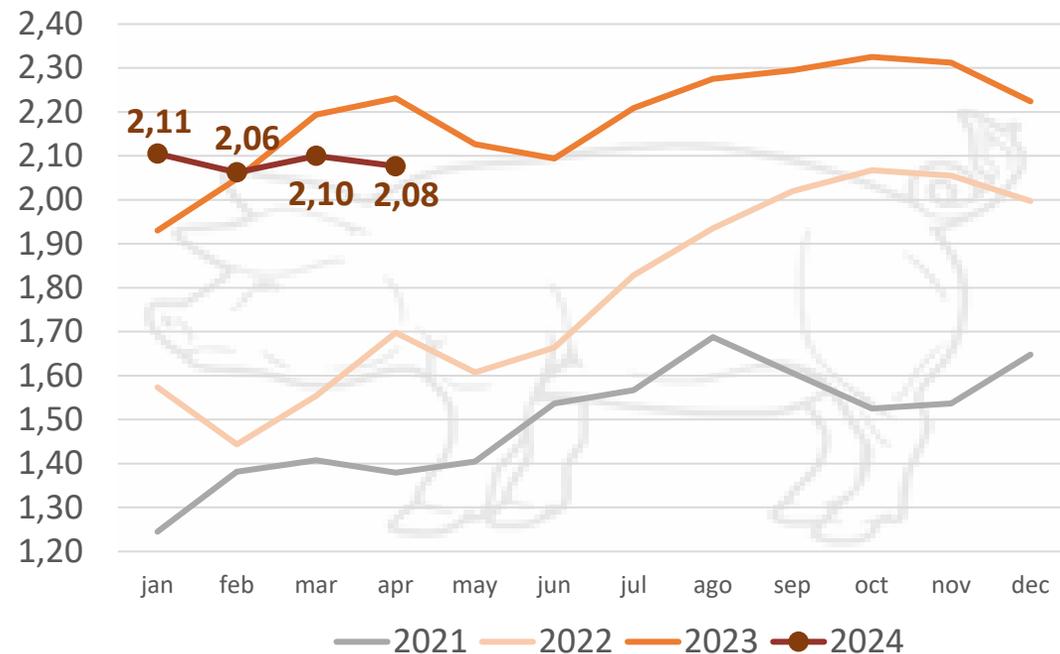
# ITALIAN MARKET SITUATION

### Pig Slaughterers (.000 heads) **9.884.049 heads in 2023**



**- 7,3%** change 2023/2022  
**+0,6%** change Q1 2024/2023

### Pig Price – 160/176 kg PDO production (€/kg live weight)



**+22,5%** change 2023/2022  
**-0,7%** change Q1 2024/2023

# REGULATORY FRAMEWORK

The Institute of Services for the Agricultural and Food Market (ISMEA) is responsible in Italy for the monitoring of production costs of agricultural and livestock products according to EU and national regulations.



*Directive (EU) 2019/633 of the European Parliament and of the Council of 17 April 2019 on unfair trading practices in business-to-business relationships in the agricultural and food supply chain*



*Legislative Decree no. 198/2021. Implementation of Directive (EU) 2019/633 as well as of article 7 of law 22 April 2021, n. 53*

ISMEA's monitoring of production costs is based on three independent and interlinked activities:

1. A network for the collection of producer and wholesale prices of agricultural and livestock products (since 2002 ISMEA's collection networks have been certified by **UNI EN ISO 9001: 2015** standard. The measurements are carried out on a weekly basis for 200 agricultural products recorded at 290 points distributed throughout Italy)
2. A network for the collection of farm input prices (on a weekly/monthly basis with its own network in the national territory)
3. Direct survey on representative farms of national production, for technical and economic data collection (on an annual basis).

# METHODOLOGY - 1

## CLUSTER

- The collection of data requires the identification of **farm clusters** on the basis of census data from ISTAT and the National Livestock Register. Each cluster shall be identified on the basis of: **geographical location, productive specialization, holding size and production destination.**

Geographical location	Emilia Romagna, Lombardia, Piemonte
Holding size	3.700 pigs sold/year
Productive specialization	<b>Fattening heavy pigs</b>
Production destination	Protected Denomination of Origin



- Pig production cost is calculated considering the needs of all the production inputs necessary to complete the fattening cycle.
- All inputs are valued at market prices.
- Total production costs is expressed in **euros/kg live weight**

# METHODOLOGY – 2

The calculation of **annual production costs** and **monthly monitoring** are carried out through two steps:

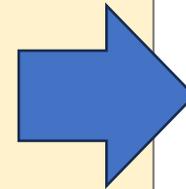
## 1. Annual survey

(achieved on average every three years):

- **Technical parameters of the fattening cycle** (average weight in input e at slaughter, fattening cycle duration, finishing feed conversion ratio, etc.)
- **Daily feed rations** for each period (fattening, finishing, etc.)

### Expenditure items and farms needs of:

- **Piglet** including transport
- **Feed**
- **Fuel and energy**
- **Labour**, including family and advent
- **Other costs** (medicines and veterinary services, insurance, maintenance, livestock waste, water, cleaning, consultancy/certification, membership fees, general and administrative costs, etc.)
- **Depreciation** of buildings and machinery



## 2. Montly reporting:

- **Piglet price** (€/kg live weight)
- **Feed price** (€/kg for raw materials and compound feed)
- **Fuel and energy price** (€/lt; €/kwh)
- **Wage** (€/montly for each labourer)

# DATA ENTRY: FOCUS ON FEED

**SEZ. C - RAZIONI ALIMENTARI**

C.1 RAZIONI ALIMENTARI PER FASE INGRASSO

	FASI INGRASSO		
	1	2	3
Durata della fase (GIORNI)			
Da Kg			
A Kg			
L'alimentazione è secca o liquida	Liquida ▾	Liquida ▾	Liquida ▾

**Average daily consumption (kg/head/d)**

Indicare la quantità di razioni per giorno / capo in grammi

	FASI INGRASSO		
	1	2	3
Silomais			
Pastone di mais			
Insilato di loietto			
Insilato di triticale			
Insilato di orzo			
Insilato di sorgo			
Insilato di prato			
Fieno di loietto			
Fieno di prato			
Paglia			
Polpe bietola supressate			

**SEZ. D - ACQUISTO PRODOTTI ALIMENTARI**

D.1 MANGIMI E NUCLEI

Industrial feed	Quantità acquistata (kg)	Prezzo (€/kg)	Totale €
Mangime completo unico	<b>Feed quantity (kg)</b>	<b>ISMEA producer prices (€/kg)</b>	<b>Feed cost (€)</b>
Mangime completo 1ª fase			
Mangime completo 2ª fase			
Mangime completo 3ª fase			
Mangime completo finissaggio			
Nucleo generico			
Altro (specificare)			

D.2 MANGIMI PRIME

Raw material for feed	Quantità acquistata (kg)	Prezzo (€/kg)	Totale €
Sostitutivo del latte			
Soluzione reidratante			
Mais			
Farina di mais			
Polpe di bietola			
Paglia			
Altro (specificare)			



# DESCRIPTION OF THE CLUSTER

Fattening pig farms



<https://www.ismeamercati.it/flex/cm/pages/ServeBLOB.php/L/IT/IDPagina/12104>

## ISMEA cluster - Physical performance

<b>Piglet average weight in input (kg)</b>	30
<b>Average live weight at slaughter (kg)</b>	171
<b>Finishing mortality (%)</b>	3%
<b>Fattening cycle duration (days)</b>	185
<b>Finishing daily liveweight gain (g/day)</b>	754
<b>Finishing feed conversion ratio (kg/kg)</b>	3,17
<b>Average carcasse weight – cold (kg)</b>	140

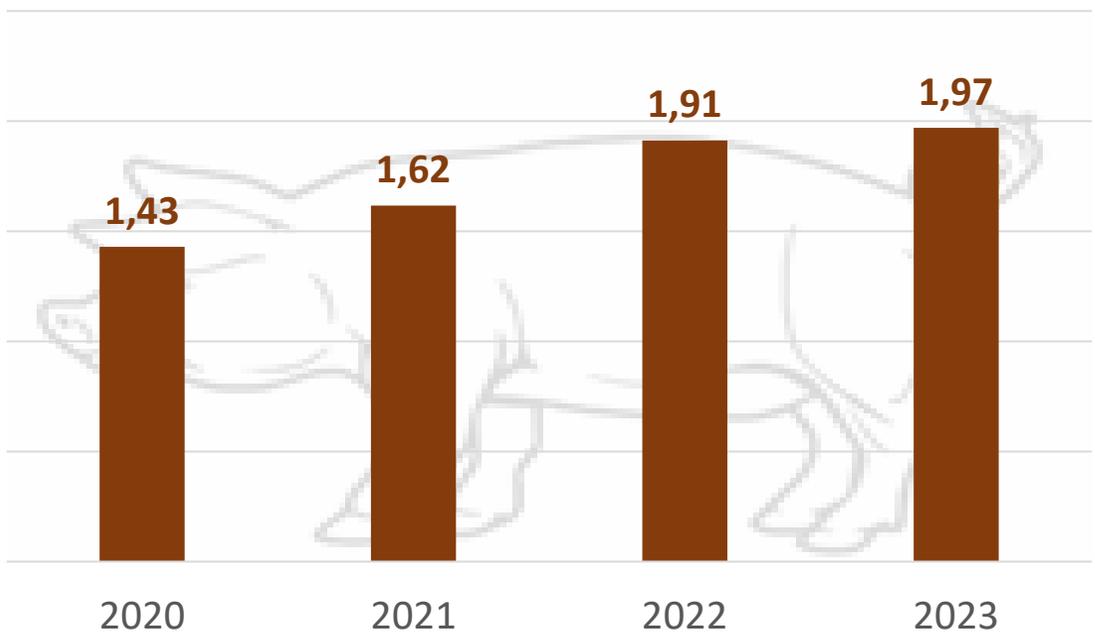
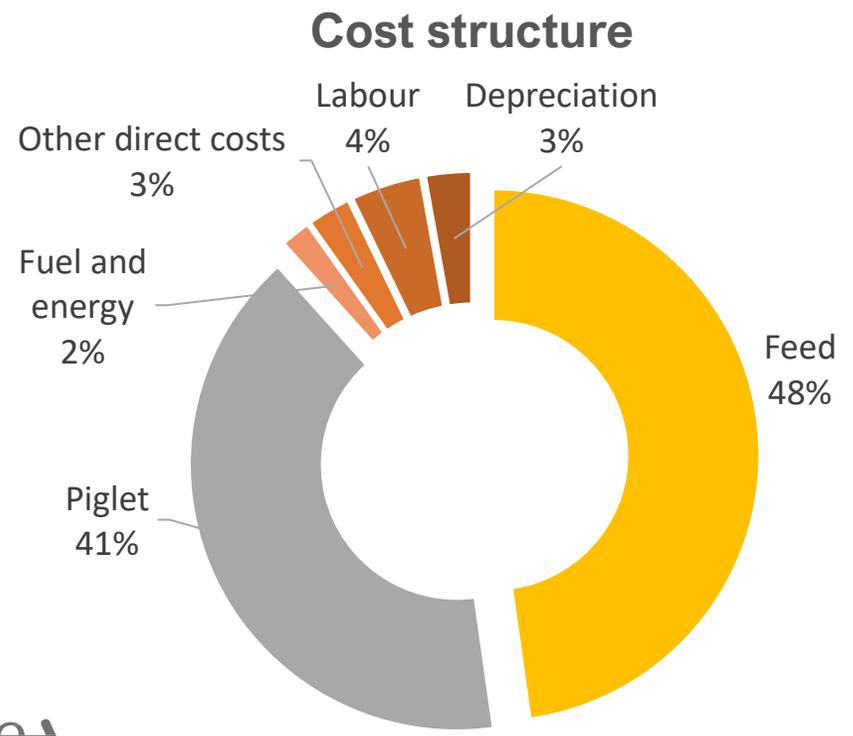
# PIG PRODUCTION COSTS IN FATTENING FARMS

## Cost structure and evolution in last five years

- In fattening farms, production costs increased by 3% in 2023.
- Feed is the main component of production costs and represent more than half of the total costs, decreased by 13% in 2023.
- Piglets are purchased at 30 kg and fattened for 6/7 months and accounts for 41% of total costs. It increased by 31% in 2023.



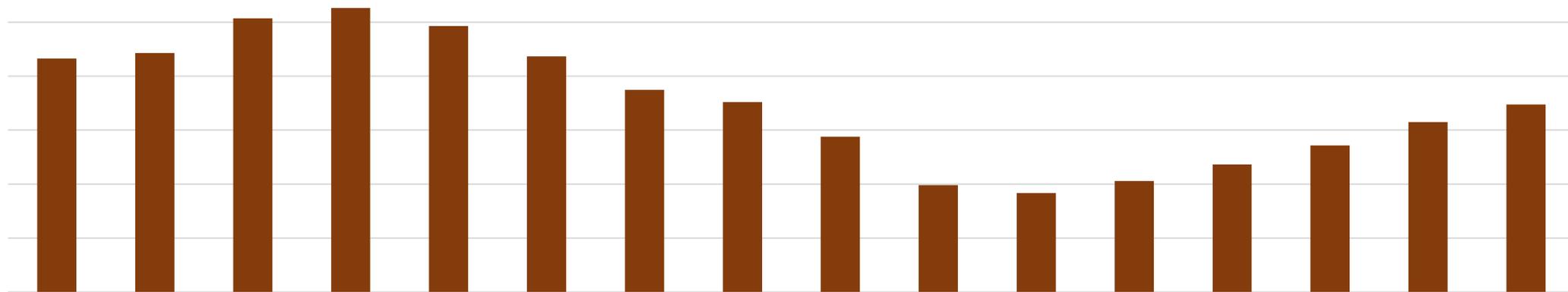
**TOTALE PRODUCTION COSTS**  
€/kg live weight



# PIG PRODUCTION COSTS

## Montly monitoring

€/kg live weight	gen-23	feb-23	mar-23	apr-23	mag-23	giu-23	lug-23	ago-23	set-23	ott-23	nov-23	dic-23	gen-24	feb-24	mar-24	apr-24
Feed 	1,11	1,06	1,05	1,03	0,99	0,94	0,89	0,88	0,85	0,82	0,83	0,84	0,83	0,81	0,80	0,80
Piglet 	0,70	0,75	0,83	0,87	0,87	0,86	0,85	0,84	0,81	0,75	0,73	0,74	0,78	0,83	0,89	0,92
Fuel and energy 	0,04	0,04	0,04	0,04	0,04	0,04	0,04	0,04	0,04	0,04	0,03	0,03	0,03	0,03	0,03	0,03
Other direct costs <sup>(1)</sup>	0,05	0,05	0,05	0,05	0,05	0,05	0,05	0,05	0,05	0,05	0,05	0,05	0,05	0,05	0,05	0,05
Labour <sup>(2)</sup>	0,08	0,08	0,08	0,08	0,08	0,08	0,08	0,08	0,08	0,08	0,08	0,08	0,08	0,08	0,08	0,08
Depreciation <sup>(3)</sup>	0,06	0,06	0,06	0,06	0,06	0,06	0,06	0,06	0,06	0,06	0,06	0,06	0,06	0,06	0,06	0,06
<b>TOTAL</b>	<b>2,03</b>	<b>2,04</b>	<b>2,11</b>	<b>2,13</b>	<b>2,09</b>	<b>2,04</b>	<b>1,97</b>	<b>1,95</b>	<b>1,89</b>	<b>1,80</b>	<b>1,78</b>	<b>1,81</b>	<b>1,84</b>	<b>1,87</b>	<b>1,91</b>	<b>1,95</b>



(1) medicines and veterinary services, insurance, maintenance, livestock waste, water, cleaning, consultancy, general and administrative costs;  
 (2) including family labor; (3) buildings and machinery

# INPUT PRICE IN FATTENING FARMS - PIGLETS

**Price APR-2024**  
€/kg live weight

**4,86**

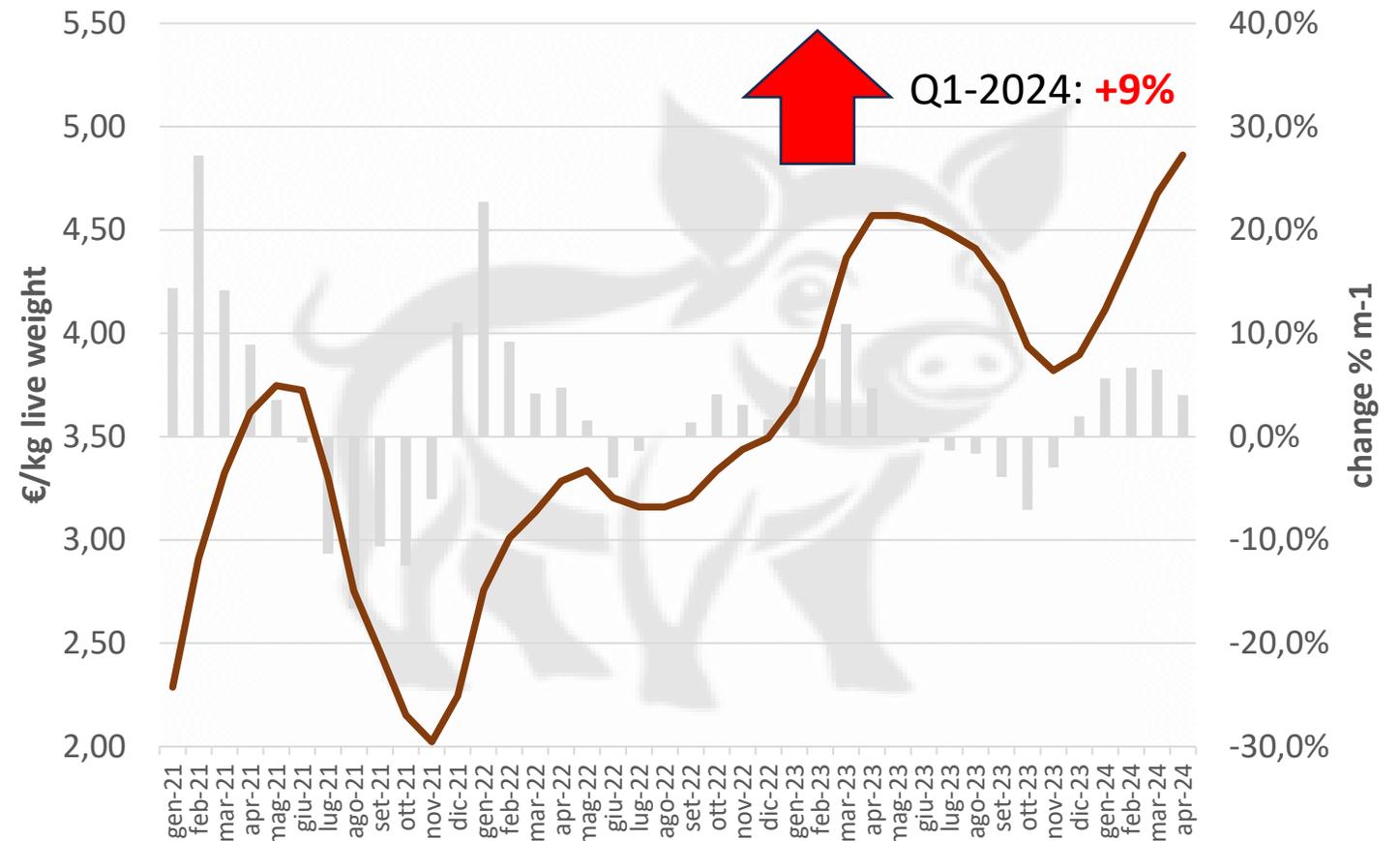
**Evolution since  
last month**

**+4,0%**

**Evolution since  
last year**

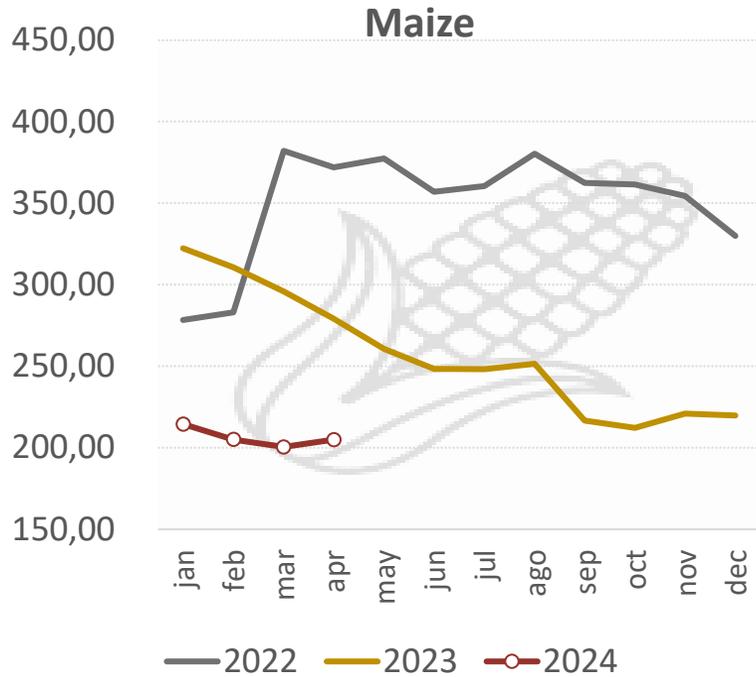
**+6,4%**

## Piglets 30 kg



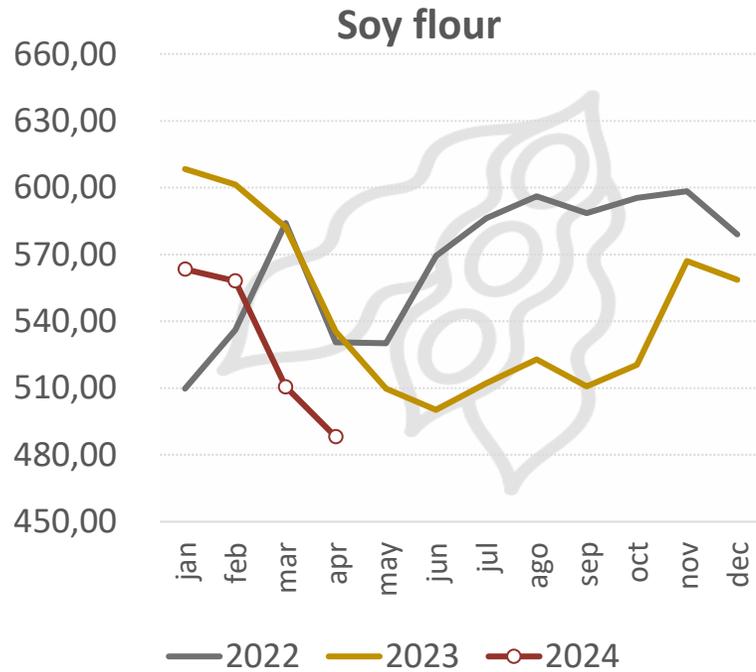
# INPUT PRICE IN FATTENING FARMS - FEED

## Feed – Italian prices (€/ton)



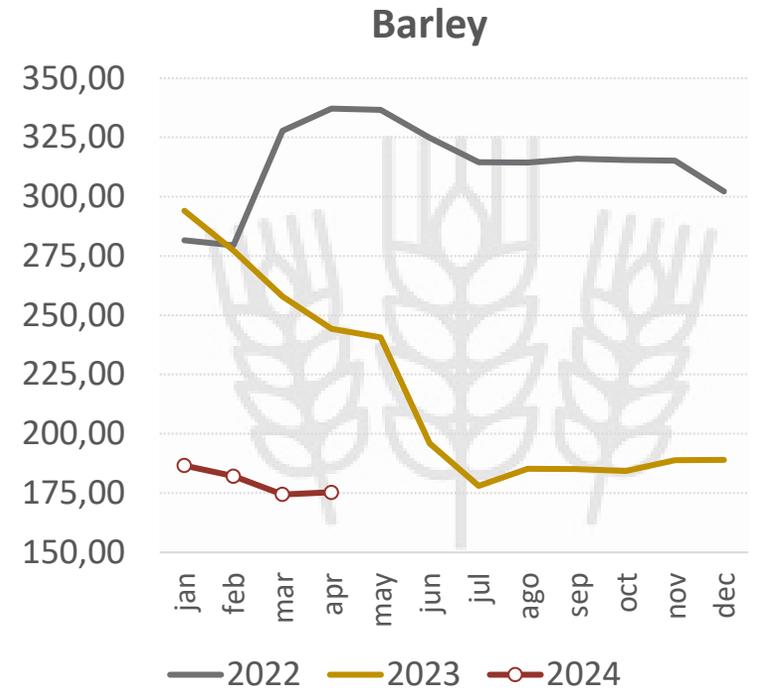
**Self sufficiency**  
average 2019-2023  
**48%**

Q1-2024: **-32%**



**Self sufficiency**  
average 2019-2023  
**31%**

Q1-2024: **-9%**



**Self sufficiency**  
average 2019-2023  
**66%**

Q1-2024: **-33%**





Istituto di Servizi per il Mercato  
Agricolo Alimentare



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