

# Global Pork Sector Outlook

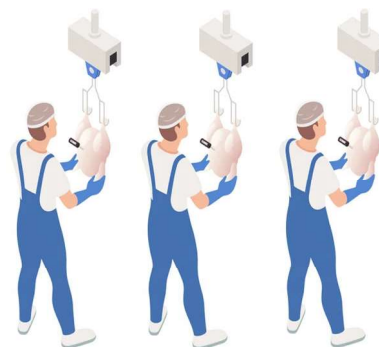
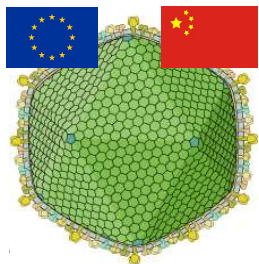
Extracted from the Gira Meat Club, for DG Agri Pork  
CDG

**25<sup>th</sup> April 2023**

# Array of global issues challenging the meat (food) industry

*... threatening, inflationary ... and difficult to respond to*

Gira



**COP27**  
SHARM EL-SHEIKH  
EGYPT 2022

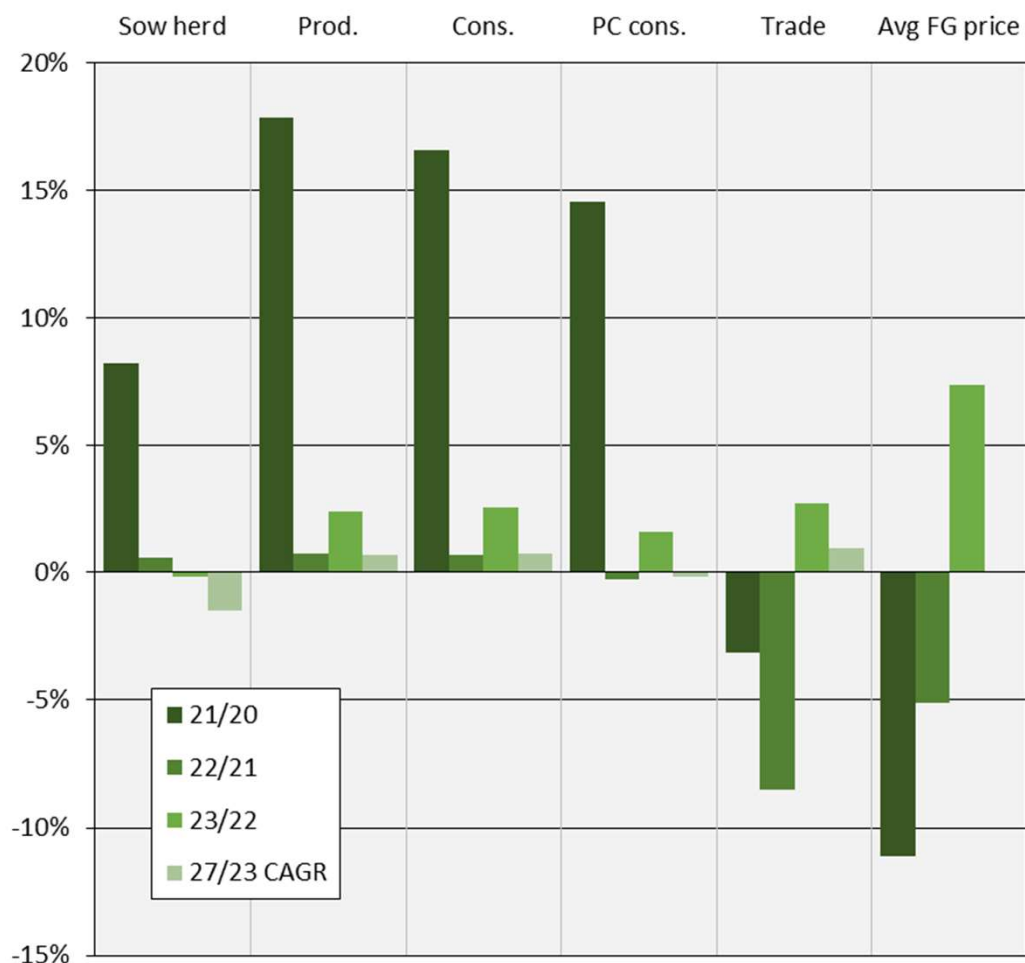


# Global Pork Outlook

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# 2022e-23f Pork headlines

*End of CN recovery impact; inflation and weaker global demand*



Source: Gira forecasts. No n+5 FG (farmgate) price forecasts

Major impact of Chinese market (40-50% of global pork market) ... so Chinese situation and outside China

## 2022 in China:

- End of post-ASF production rebuilding
- Overproduction vs weak demand (zero-C19 policy)
- Impacting trade

## 2022 elsewhere:

- Many tight supplies offset growth in Asia
- Tight supplies in the US, EU vs recovering demand (HPAI)
- Impact of Chinese recessing import demand

## 2023f:

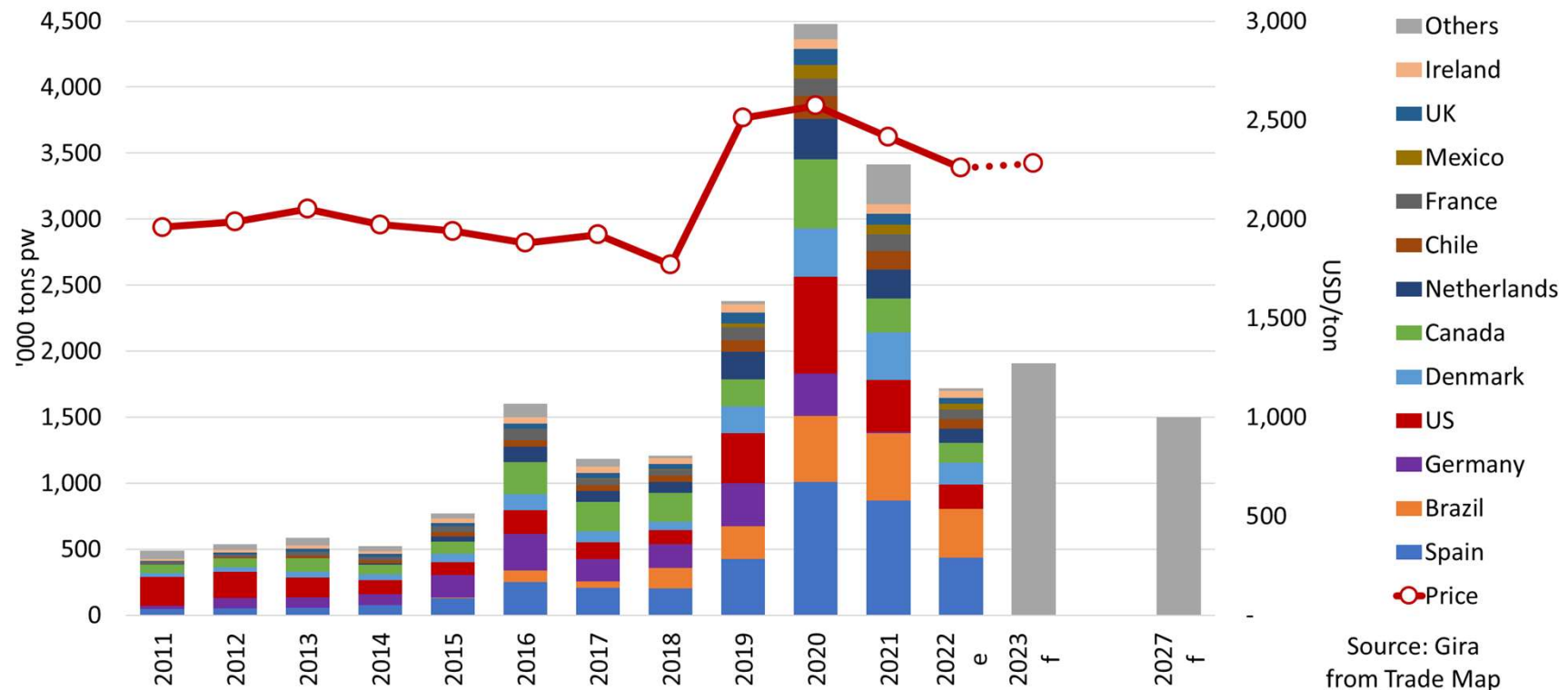
- Imbalance in Chinese Supply/Demand?
- Production contraction in EU & US

# Imports

*Massive drop from 1H 2021 import levels*



## China Direct Pork Imports by Origin, 2011-2027f

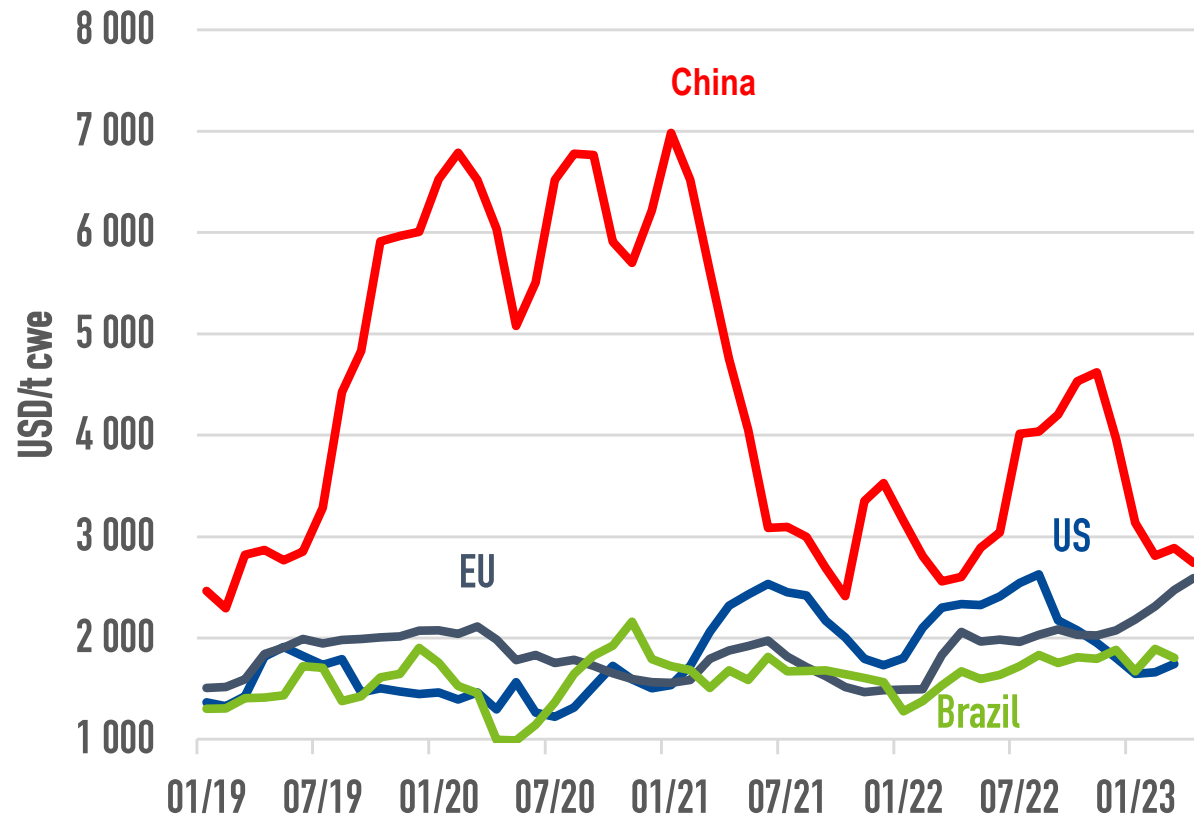


## Prices

*Record high prices in EU & strengthening € vs \$*



### Pork producer prices (USD/t cwe), monthly Jan. 2019 – 1Q23



Source: Gira compilations

## Final Thoughts

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# Final Thoughts

*Global pork market remain firm*



## ➤ **Inflationary impact** on global meat consumption ... and production:

- Impact of feed costs recessing ...
- ... but tight supplies (esp. in EU) ...
- ... and a recovering pork demand in US and EU amid HPAI impact on poultry.

## ➤ **Very unusual situation in EU pork market**

- High pig prices despite recessing grains & oilseed prices ...
- ... but pig production likely to only marginally recovers: farmers' demographics, increasing financing costs, tightening regulations, etc.

## ➤ **Restructuring pig sector in Asia, regional development in Latin America, deglobalization** ... but trade still important for carcass equilibrium

## ➤ **'Expensive' ... and production costs continue to rise:** especially in Europe

- Feed, labour, sustainability, AW, etc



**Thank you for your attention**

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