



# Market Report

## 2019 Week 20

Pig numbers again were very short and no processors are reporting any roll overs of pigs despite breakdowns occurring this week. Fresh meat outlets reported demand to be slow probably due to a wet Bank Holiday and poor weather during the week keeping shoppers at home. A lot of frozen & chilled product is also available from cold store, filtering in to the market place.

German prices increased by 3 cents adding 4-5p to sow prices but the clean pig price saw stand on to a +2p rise in weekly element inputs from processors averaging 1-1.5p increase across the board.

The EU-spec SPP continued to gain momentum in the week ended 4 May. A rise of 1.84p means the price for the week averaged 141.68p/kg. This is largest weekly rise the SPP has recorded since August 2016. Despite this, the price is still slightly below the 2018 price, by just under 5p.

The EU-spec APP in the week ended 27 April averaged 144.11p/kg, up 0.65p week-on-week. The gap between the SPP and APP for the corresponding week narrowed slightly, to 4.27p.

The 30kg weaner price in the week ended 4 May was £45.59/head, similar to last week's price. The 7kg weaner price was also relatively stable, averaging £35.30/head.

With regards to China expected growth in sales / prices this will not seriously materialise until at least until late June onwards. China discovered ASF in August / September 2018 and as we know a number of pigs have already been culled and liquidated but it does take at least 10 months to produce a bacon pig from conception, probably longer in Asian countries hence the reason why supply should start to reduced supply late June/early July onwards and escalate when sows are no longer producing progeny to add to the Chinese herd. According to China's Agriculture Ministry, more than 80% of farms have not replaced their pigs. It's likely that these will include many of the vast number of small backyard operations in the country, which are unlikely to continue with pig-keeping now that feeding waste food has been banned by the Chinese authorities.

Interesting today the US has hiked the tariffs on \$200bn of Chinese goods to 25% overnight, from 10%, escalating the battle between the two economic powers. The Chinese government expressed "deep regret over the development" and pledged to take "necessary countermeasures". "We hope the United States will meet us halfway, and work with us to resolve existing issues through cooperation and consultation," China's Ministry of Commerce said in a statement. US hog producers may not be too happy with Mr Trump's administration!! Will this leave the door open for the EU to export more pork?

	This week	Change on week	This wk 2018	Change on Year
<b>GB(SPP)EU</b>	1.4168	0.0184	1.4662	-0.0494
<b>GB(SPP)UK</b>	1.3914	0.0180	1.4398	-0.0484
<b>Tribune</b>				
<b>06/05/19</b>	<b>GB Spot Bacon</b>	<b>0.0153</b>	<b>GB Spot Cutter</b>	<b>0.0166</b>
<b>29/04/19</b>	1.4522		1.5308	
	1.4369		1.5142	
<b>Pork</b>	1.5250	0.0150	1.5725	-0.0475
<b>Cutter</b>	1.5382	0.0162	1.5858	-0.0475



GB(SPP) Sample	This wk	Last wk	Chg
<b>Number</b>	85,338	83,935	1,403
<b>Ave Weight kg</b>	84.06	84.78	-0.72
<b>Ave Probe mm</b>	11.0	11.0	0.0

	12/05/19	Change on week	05/05/19	Diff UK
<b>Denmark</b>	138.28	0.74	137.54	-3.85
<b>Germany</b>	153.45	-0.49	153.94	11.32
<b>France</b>	131.73	0.35	131.38	-10.40
<b>Holland</b>	137.55	-0.49	138.04	-4.58
<b>Spain</b>	141.91	0.52	141.39	-0.22
<b>EU28</b>	146.40	-0.13	146.53	4.27
<b>UK</b>	142.13	0.99	141.14	0.00

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