



# Market Report

## 2020 Week 20

Very much a stand on market again this week with SPP gaining only 0.05p and APP up 0.21p. All major processors stood on with their weekly input prices. Virtually pigs entered were placed despite a number of pigs rolled having to be rolled this week due to breakdowns and staff shortages. Seasonal shortages of pig numbers have helped maintain a balance.

Estimated slaughter rose by 3,400 head on the week to 170,700 head. This is 2,800 head below the same week last year and carcass weights averaged 85.16kg for the week, up 100g from the week before. This is 1.1kg heavier than the same time last year.

Demand is steady with plenty of meat on cold store waiting for a resurrection in the food service industry and containers arriving back to China so exports can resume. Despite plenty of product in cold store, AHDB say that despite higher retail sales, overall demand for red meat is now lower than it was before the coronavirus lockdown. Compared to beef and lamb pork sales have fared well and it was good to hear Tesco asking processors for a derogation to allow them to use Red Tractor indoor pork for its Finest range. They said the decision was driven by the 'unprecedented COVID-19 crisis' and the 'huge increase in the demand for meat products such as bacon', including the panic buying, which 'rapidly depleted' available stocks.

Unfortunately this week has seen the UK pig industry experienced it's first real issue with Covid 19 causing a few problems with one major processor having a severe shortage of staff in their processing departments due to illness / lockdown which has reduced the flow of slaughter pigs that can be processed. Reducing kill plans are currently the only option.

We are quite fortunate in the UK when hear the horror stories coming out of North America where slaughter pig numbers have virtually halved due to the closure of a number of major processing facilities. Reports of mass culls / aborting sows / euthanising piglets / killing pigs on farm and a massive build up of numbers on farm do not bode well. President Donald Trump issued an executive order to mandate that meat plants continue to function, amid fears of national food shortages, although so far this does not appear to have stemmed the loss of processing capacity.

Sow prices saw another major drop of 12-15p/kg as European continue to fall with the average EU price dropping by nearly 15p/kg since the end of March. Hopefully, this does not have to much of any impact on the UK market as there will be more competition for the Chinese market once the American market gets back to some normality. We do hope the retailers will remain loyal especially after the great effort farmers and associated businesses have made to supply the food for our plate in recent times!!

	This week	Change on week	This wk 2019	Change on Year
<b>GB(SPP)EU</b>	1.6405	0.0005	1.4168	0.2237
<b>GB(SPP)UK</b>	1.6115	0.0004	1.3914	0.2201
<b>Tribune</b>				
04/05/20	1.6699	0.0000	1.7467	0.0000
27/04/20	1.6699		1.7467	
<b>Pork</b>				
Cutter	1.7375	0.0000	1.5350	0.2025
	1.7534	0.0001	1.5499	0.2035



GB(SPP) Sample	This wk	Last wk	Chg
<b>Number</b>	77,695	76,151	1,544
<b>Ave Weight kg</b>	85.16	85.06	0.10
<b>Ave Probe mm</b>	11.1	11.2	-0.1

	10/05/20	Change on week	03/05/20	Diff UK
<b>Denmark</b>	170.48	0.00	170.48	6.05
<b>Germany</b>	161.46	0.00	161.46	-2.97
<b>France</b>	142.64	0.00	142.64	-21.79
<b>Holland</b>	146.63	0.00	146.63	-17.80
<b>Spain</b>	156.50	0.00	156.50	-7.93
<b>EU28</b>	156.35	0.00	156.35	-8.08
<b>UK</b>	164.43	0.00	164.43	0.00

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