



# Market Report

## 2020 Week 42

Sadly, this week the SPP continues to decline, the GB EU spec SPP stands at 158.23p/kg. This is a fall on the week of 1.39p, this is the largest weekly fall since January 2018. We have low prices across the continent that are influencing our domestic pig prices, There is a back log of pigs in Germany with about 50k pigs short of what is needed on a weekly kill basis needed to prevent the number of pigs being rolled from growing.

Germany's slaughter capacity as stagnated at 850k to 870k pig per week. According to ISN Covid-19 disease is putting a huge challenge on the German pig market as well as ASF and there are new cases being found in the Brandenburg area. Back to the UK we are in a situation where the supply of slaughter pigs is high, weekly estimated slaughter stands at 204k head which is up 9700k head on the week before. This is also according to AHDB 13% higher than a year earlier level and the highest weekly kill estimate since last Christmas. We have developed a back log due to problems at processing plants due to break down and Covid-19 issues.

Carcass weights are up by 2.33kg when compared to the same week in 2019. Processors are killing to capacity with some movement in pricing structures this week.

On the fresh meat front, most pigs have found a home but there has been a resistance to price and money come out of pigs. Sows have stood on this week even though the German marketplace is saturated with pigs but there will be a different retail sector for sow meat. On the weaner front there is ample supplies of 30kg store and 7kg weaners available but with the Wheat price climbing there will be some reluctance to purchase stores now.

|                  | This week            | Change on week | This wk 2019          | Change on Year |
|------------------|----------------------|----------------|-----------------------|----------------|
| <b>GB(SPP)EU</b> | 1.5823               | -0.0139        | 1.5532                | 0.0291         |
| <b>GB(SPP)UK</b> | 1.5547               | -0.0135        | 1.5257                | 0.0290         |
| <b>Tribune</b>   | <b>GB Spot Bacon</b> |                | <b>GB Spot Cutter</b> |                |
| 05/10/20         | 1.6050               | 0.0000         | 1.6908                | 0.0000         |
| 28/09/20         | 1.6050               |                | 1.6908                |                |
| <b>Pork</b>      | 1.6725               | -0.0150        | 1.6350                | 0.0375         |
| <b>Cutter</b>    | 1.6863               | -0.0145        | 1.6558                | 0.0305         |



| GB(SPP) Sample       | This wk | Last wk | Chg   |
|----------------------|---------|---------|-------|
| <b>Number</b>        | 84,636  | 80,613  | 4,023 |
| <b>Ave Weight kg</b> | 86.85   | 86.38   | 0.47  |
| <b>Ave Probe mm</b>  | 11.3    | 11.3    | 0.0   |

| <u>EU Pig Prices</u> |          | Change on |          |         |
|----------------------|----------|-----------|----------|---------|
| <u>P/KG</u>          | 11/10/20 | week      | 04/10/20 | Diff UK |
| <b>Denmark</b>       | 140.99   | -1.85     | 142.84   | -17.42  |
| <b>Germany</b>       | 120.30   | -1.00     | 121.30   | -38.11  |
| <b>France</b>        | 137.22   | -0.94     | 138.16   | -21.19  |
| <b>Holland</b>       | 117.13   | -0.84     | 117.97   | -41.28  |
| <b>Spain</b>         | 142.76   | -2.10     | 144.86   | -15.65  |
| <b>EU27</b>          | 128.33   | -1.26     | 129.59   | -30.08  |
| <b>UK</b>            | 158.41   | -1.90     | 160.31   | 0.00    |



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