



Market Report

2021 Week 31

Everybody in the pig industry must be aware of the situation that we find ourselves in now with staffing issues; shortage of staff causing absolute mayhem in the processing and logistics within the pig industry. Slaughter plans this week are very tight, most of the large processors have lost a good number of staff and are doing what they can to continue to kill pigs in the short to medium term. The NPA has warned that the pig sector is moving close to major crisis as if we haven't had enough this year as staff problems are causing main concern, with backlog on farms, and pigs going out of weight and out of spec which will only help to lower an already fragile SPP. But more importantly it will cause gaps on supermarket shelves, and it looks like some major pork processors cutting 25%.

Perhaps the only good news this week, with the aftermath of all the good weather the pigs haven't grown too well in some cases and numbers are not that high, however, we have a back log of rolled pigs for the first time in long time and the on-farm situation is serious.

This week the SPP EU spec did move by 0.24p to average 160.90p/kg which, at this time of year, is a good pig price but with inputs skewed dramatically upwards for compound feeders who are certainly feeling pressure now. Winter barley harvest in the UK is well under way and in some cases finished and it looks favourable as the weather picks up for the wheat. We are likely to see very high cereal prices post-harvest and well into next year.

Pig prices on the continent are being lowered and this has not added to a decent picture. Butchers are reporting Spanish loins which are 40p/kg cheaper to import so demand is probably good in food service sector but a lot of this will be imported pigmeat. There is a wide differential between European price and UK price. The European average stands at 126.86p according to the Tribune this week, so we can see why the imports are favourable as we know what our SPP is.

The fresh meat market is in the same boat as the bacon plants this week, all reporting a sluggish trade and most of them were asking for money out of the price. Cull sows stood on this week, in the next few weeks, the main priority is trying to keep abreast of moving pigs at all costs.

	This week	Change on week	This wk 2020	Change on Year
GB(SPP)EU	1.6090	0.0024	1.6561	-0.0471
GB(SPP)UK	1.5808	0.0023	1.6268	-0.0460
Tribune	GB Spot Bacon		GB Spot Cutter	
26/07/21	1.6130	0.0000	1.6870	0.0000
19/07/21	1.6130		1.6870	
Pork	1.6850	-0.0025	1.7600	-0.0750
Cutter	1.7039	-0.0050	1.7728	-0.0689



GB(SPP) Sample	This wk	Last wk	Chg
Number	73,742	73,254	488
Ave Weight kg	86.61	86.34	0.27
Ave Probe mm	11.3	11.1	0.2

<u>EU Pig Prices</u>		Change on		
<u>P/KG</u>	01/08/21	week	25/07/21	Diff UK
Denmark	136.50	-4.30	140.80	-24.65
Germany	127.89	-4.46	132.35	-33.26
France	127.88	-7.61	135.49	-33.27
Holland	120.30	0.05	120.25	-40.85
Spain	148.89	-4.69	153.58	-12.26
EU27	130.02	-4.09	134.11	-31.13
UK	161.15	0.19	160.96	0.00



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