



Market Report

2021 Week 33

This week we have seen increasing challenges in pig marketing. Production remains steady but there are ongoing issues right across the supply chain from our processing customers and they are having real problems in slaughtering our pigs and more importantly, the ability to further process them. The coronavirus related absences that we saw in processing staff have given away massively to issues of staff availability for the past few months; abattoir staff have not been back to Eastern Europe to visit family and have taken the opportunity to do so and staying there. There is an acute shortage in the boning halls, and logistics in the processing industry and this appears it is not going to get any easier in the coming weeks.

The processing plants are more or less working to downward trends in intake and the uptake of slaughter pigs. They can kill them but can't process them. This alongside the China situation where we have seen a huge reduction in the uplift of imported pork. According to Euromeat in July, the Asian market took 854k tonnes of meat but that was 14% less than a year ago. China has increased its sow base for a year ago in the first half of the year, pork production is 36% up which totals 26 million tonnes while the swine inventory rose by 30% to 439 million head to end of June this year.

This week for the first time in 20 consecutive weeks the EU Spec SPP took a slight downturn, SPP fell by 0.14p on the week to average 160.79/kg; this price is 3.05p below same point last year but still 7.87 above the 5-year average. The problem now we have record highs of cereal inclusion prices in pig diets. We have seen this week all the major processors take money out of their prices and all have had much reduced kill and as already stated, there are big numbers of pigs across the UK backed up on farms.

The smaller cutter plants this morning have all reported a number of people ringing them offering them cheaper pigs than the week before to try and move some of their backlogs. But trade has not been bad, an odd penny or two have come out but fresh meat pigs have moved. On the weaner/store front, there are a number of pigs sat on farms but due to bacon pigs rolled no available space or in some cases finisher confidence to buy them. Sows have stood on this week. So an interesting week and it looks like for a number of weeks to come until we see some staff back working at major processors it is going to be a repeat story.

	This week	Change on week	This wk 2020	Change on Year
GB(SPP)EU	1.6079	-0.0014	1.6384	-0.0305
GB(SPP)UK	1.5797	-0.0014	1.6096	-0.0299
Tribune	GB Spot Bacon		GB Spot Cutter	
09/08/21	1.5988	-0.0048	1.6750	0.0000
02/08/21	1.6036		1.6750	
Pork	1.6700	-0.0125	1.7375	-0.0675
Cutter	1.6877	-0.0122	1.7498	-0.0621



GB(SPP) Sample	This wk	Last wk	Chg
Number	72,470	73,775	-1,305
Ave Weight kg	86.26	86.44	-0.18
Ave Probe mm	11.1	11.2	-0.1

<u>EU Pig Prices</u>	Change on			
P/KG	15/08/21	week	08/08/21	Diff UK
Denmark	129.24	-2.97	132.21	-32.27
Germany	123.83	-2.89	126.72	-37.68
France	125.15	-0.21	125.36	-36.36
Holland	109.73	-3.75	113.48	-51.78
Spain	135.93	-3.25	139.18	-25.58
EU27	126.48	-1.44	127.92	-35.03
UK	161.51	-0.31	161.82	0.00



Chairman:
Richard Butterworth

Vice-Chairman:
David Argo

Directors:
Ian Paragreen (CEO)
A Myers, J Wyllie,
P Cornforth, R Traquair,
G Christie

Registered Office:
Rural Centre, West Mains,
Ingliston, Midlothian, EH28 8NZ

Reg No 2039R(S) Vat No: GB 345250964