Global Meat Outlook

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Major Topics Covered in a selective global update

1) Global Meat Market Overview

2) Beef

3) Sheepmeat

4) Pork

5) Final Thoughts

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Global Meat Market Overview

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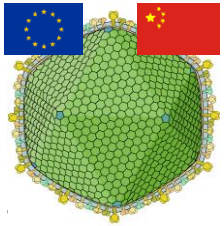
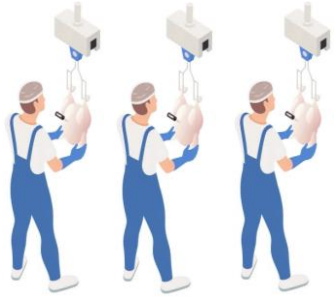
Array of issues challenging the meat industry

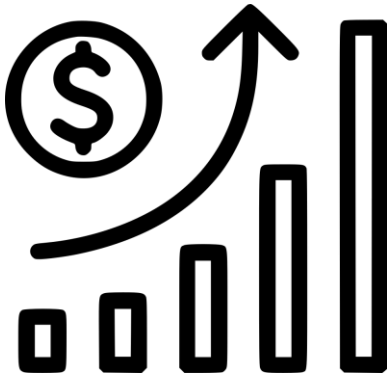
… threatening, inflationary … and difficult to respond to



















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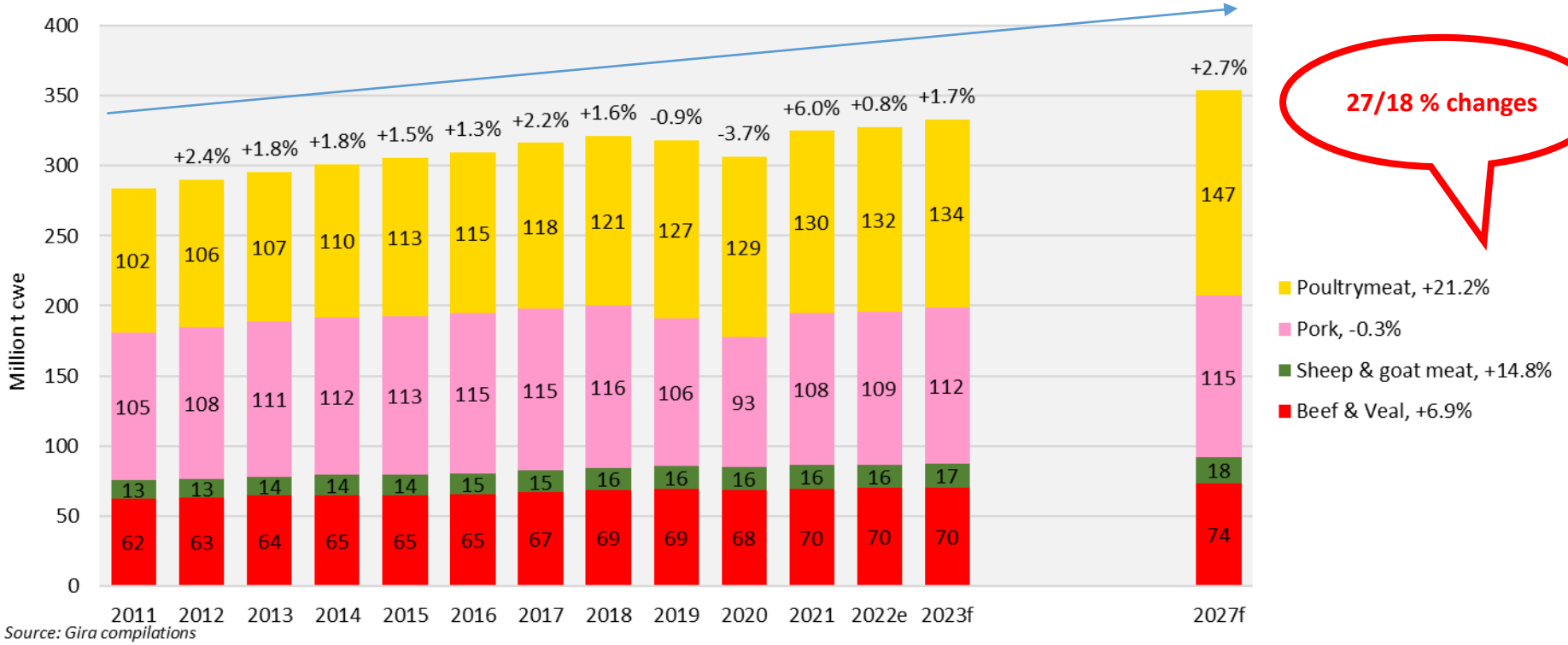
World meat consumption, 2011-23f & 27f

Asian ASF and other crises reinforced Py dominant share gain

Global Meat Consumption Volumes : main species, 000t cwe



Source: Gira compilations

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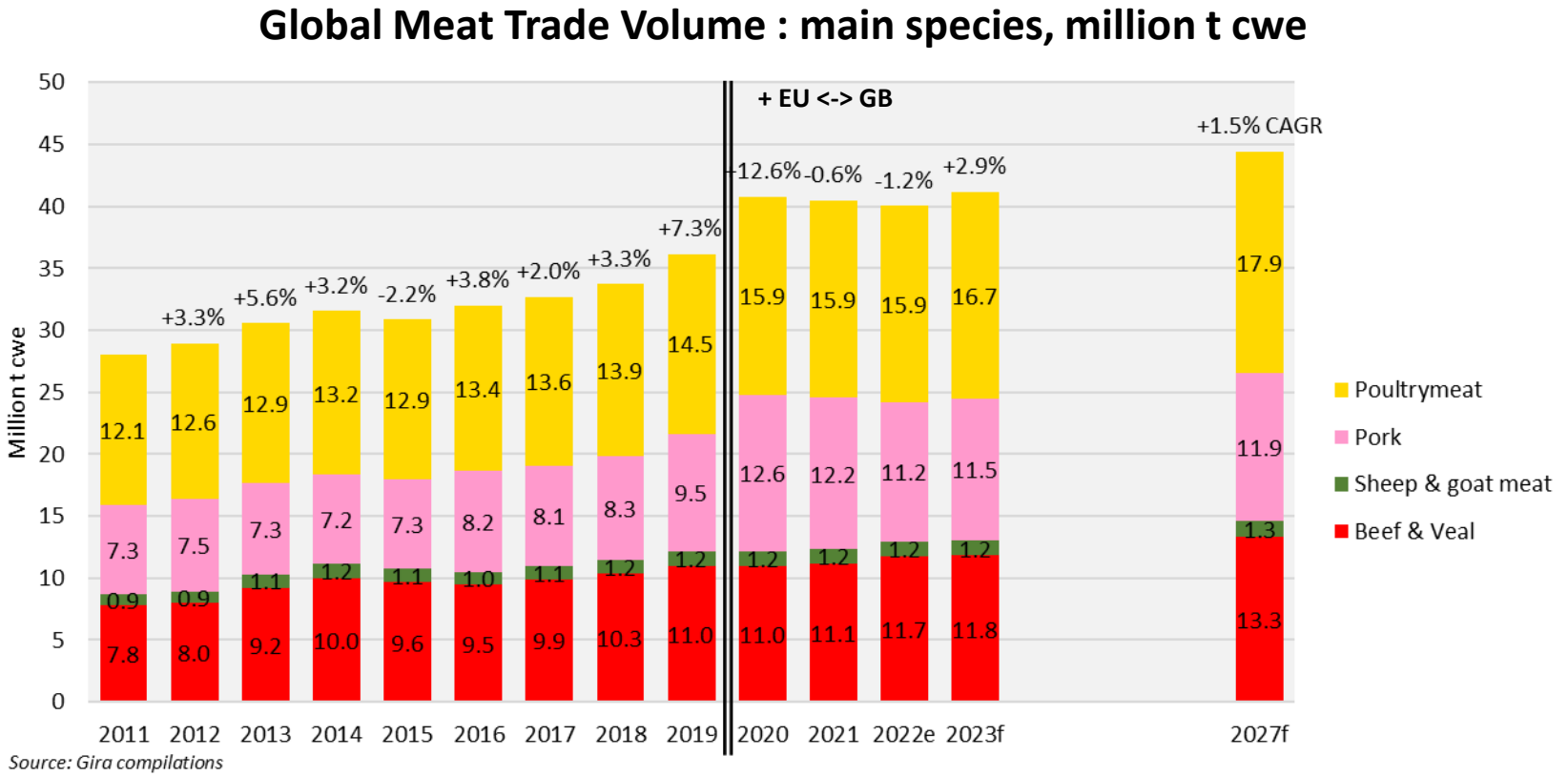
World meat trade volumes, 2011-23f & 27f

'22 further decline… weaker demand in CN and others… '23 recovery?



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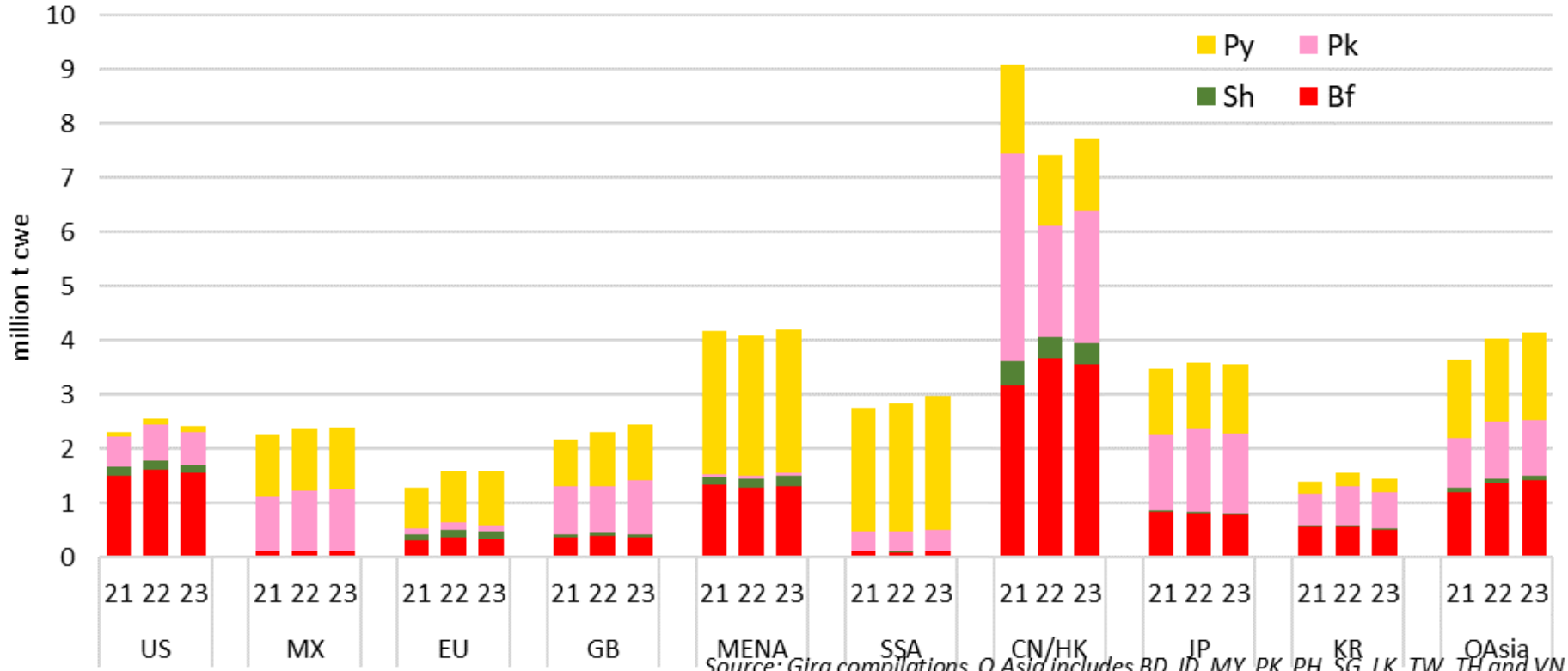
Key (>1mio t cwe in 22) export destinations, 2021-23f

CN by far the largest meat importer, but less than JP + KR + O.Asia



Source: Gira compilations. O.Asia includes BD, ID, MY, PK, PH, SG, LK, TW, TH and VN

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Beef

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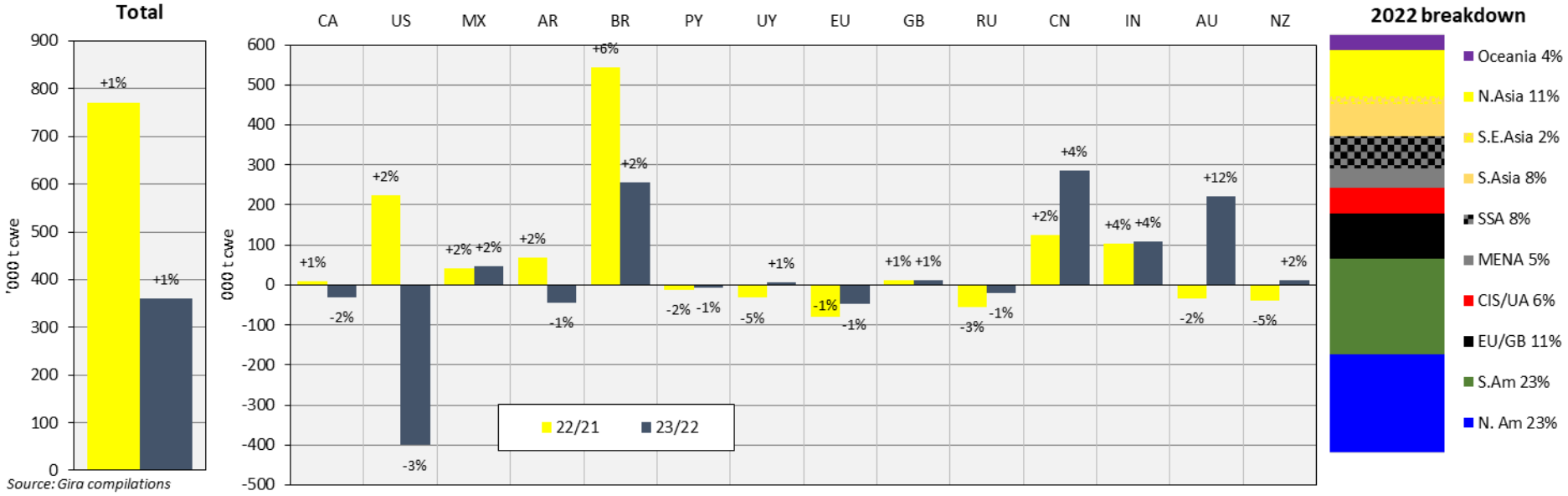
Beef & veal net production changes, 2022e-23f

BR main contributor to the 2022 and 2023 production increases



- 2022 growth in line with long-term trend
  - Dominated by BR and US
  - Few reductions: smaller S.Am countries, EU, CIS/UA, AU & NZ
- 2023 significant US reduction partly offsetting BR, CN and AU gains

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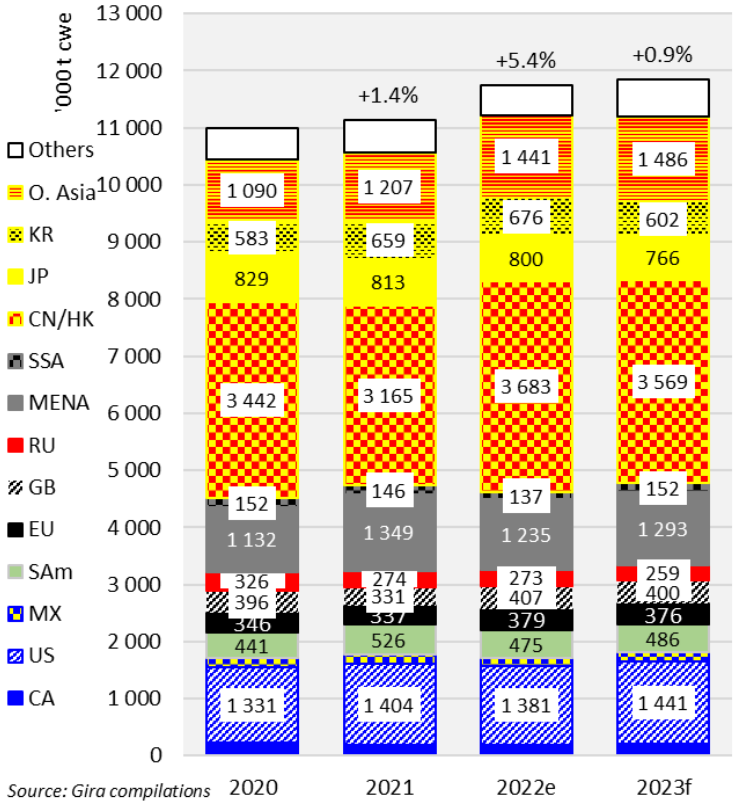
World beef & veal importers, 2020-23f

Asian import 'pull', especially that of China

Beef & Veal importers: and ….



Source: Gira compilations

… their suppliers '000t cwe

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Sheepmeat

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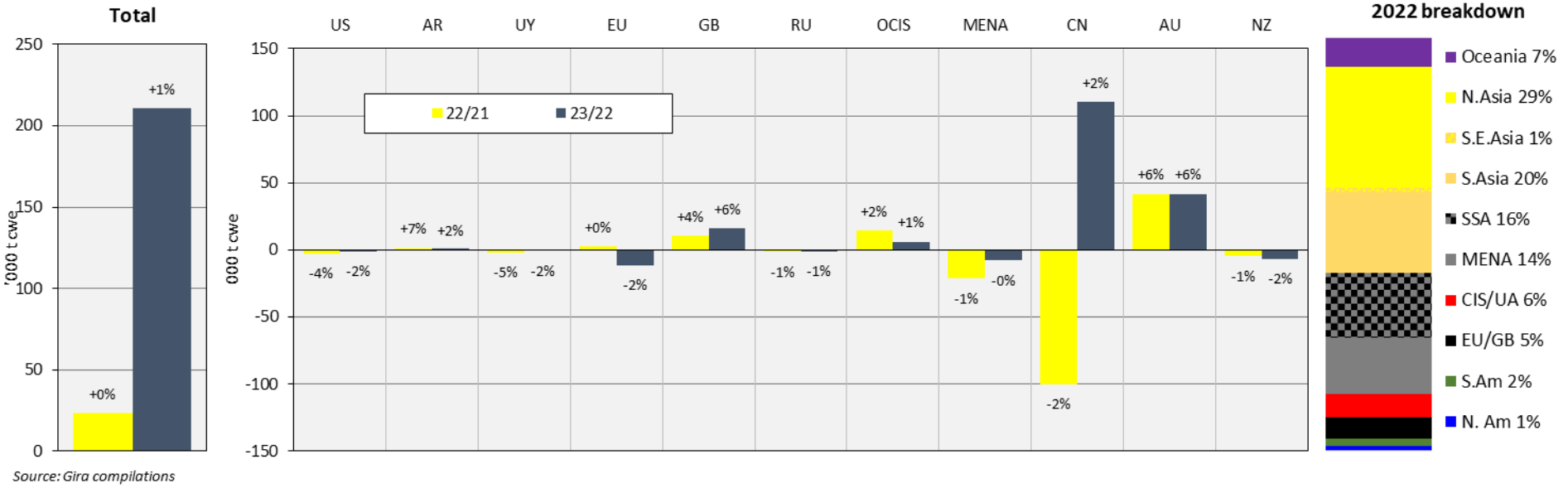
Shoat meat production changes, 2022e-23f

Outlook dominated by 23 CN growth; AU restock impact



Source: Gira compilations

- CN: short-term disruption but mid-term growth
- AU: flock reaches previous levels in 23 → offtake rate returning to normal level
- MENA: drop in live imports and cost challenge demand
- GB: 2021 carry-over drives current growth
- NZ: stable outlook reflecting little change in flock size

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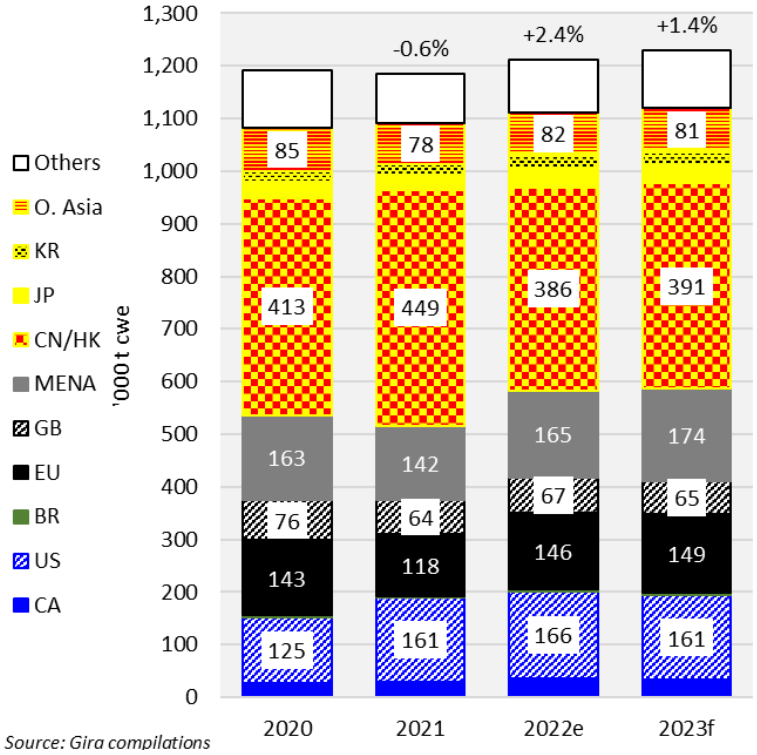
Shoat meat importers, 2020-23f

Global upward trend ← better AU supplies and GB access to EU



Source: Gira compilations

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Pork

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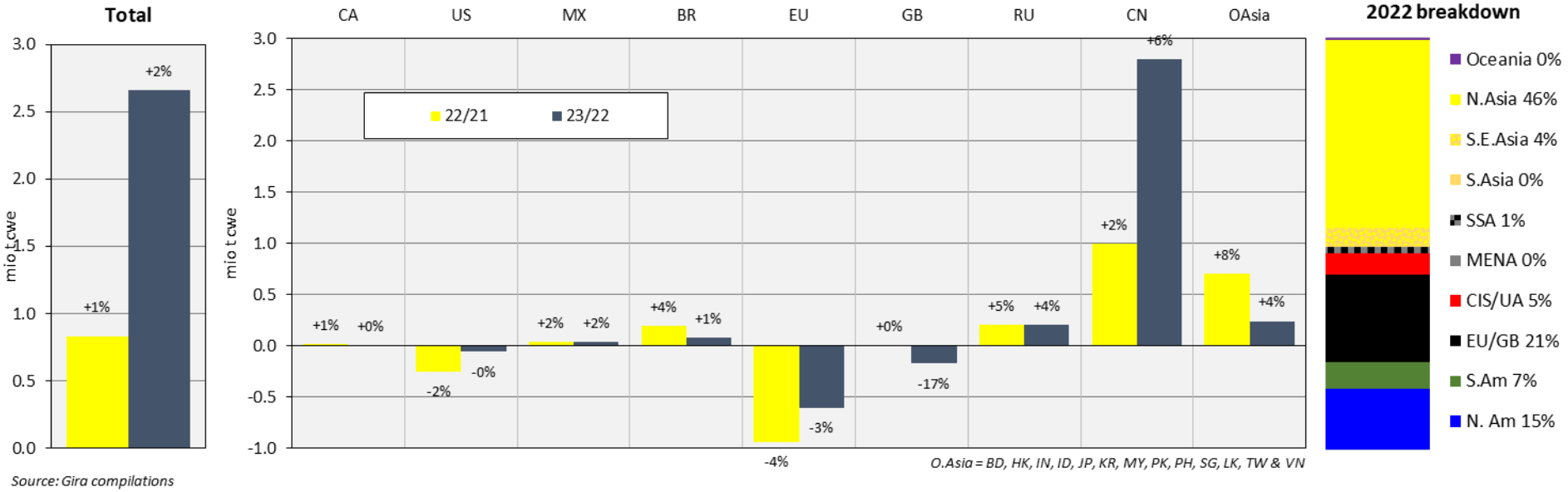
Pork net production changes, 2022e-23f-27f

Asia recovery (CN up to overproduction); tight US supplies; EU reduction



Source: Gira compilations

- Rapid CN 1H22 growth → overproduction, price crashing… roller coaster again → 23 high
- Rapid recovery in some SEA countries as well
- Tight supplies in US
- EU consequences of falling herd, with less offsetting through sow cullings

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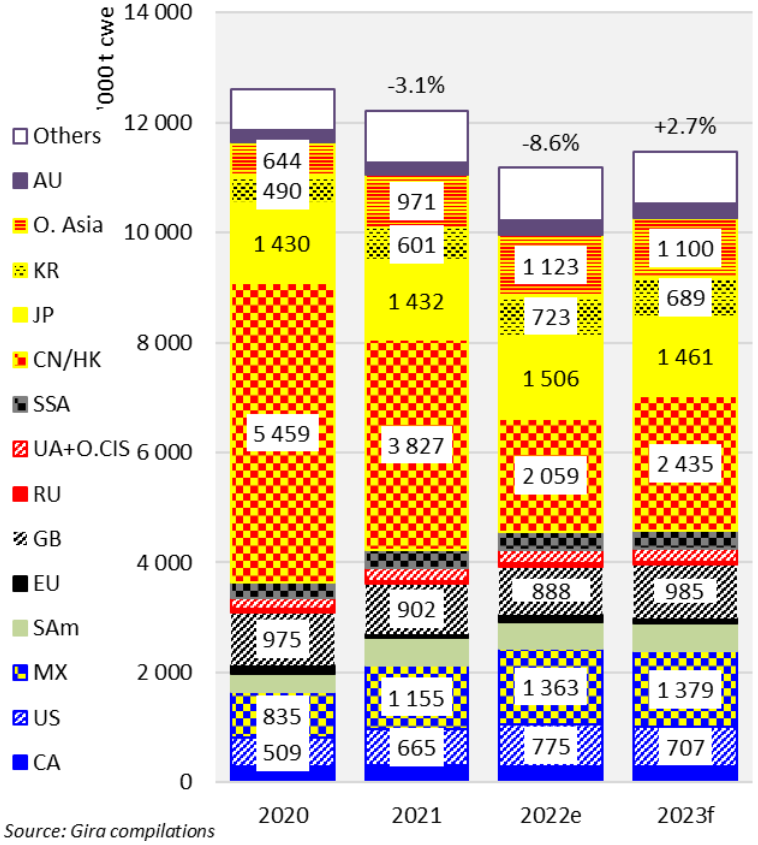
Global pork importers, 2020-23f

2 yeas of decline… sharper than expected



Source: Gira compilations

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China

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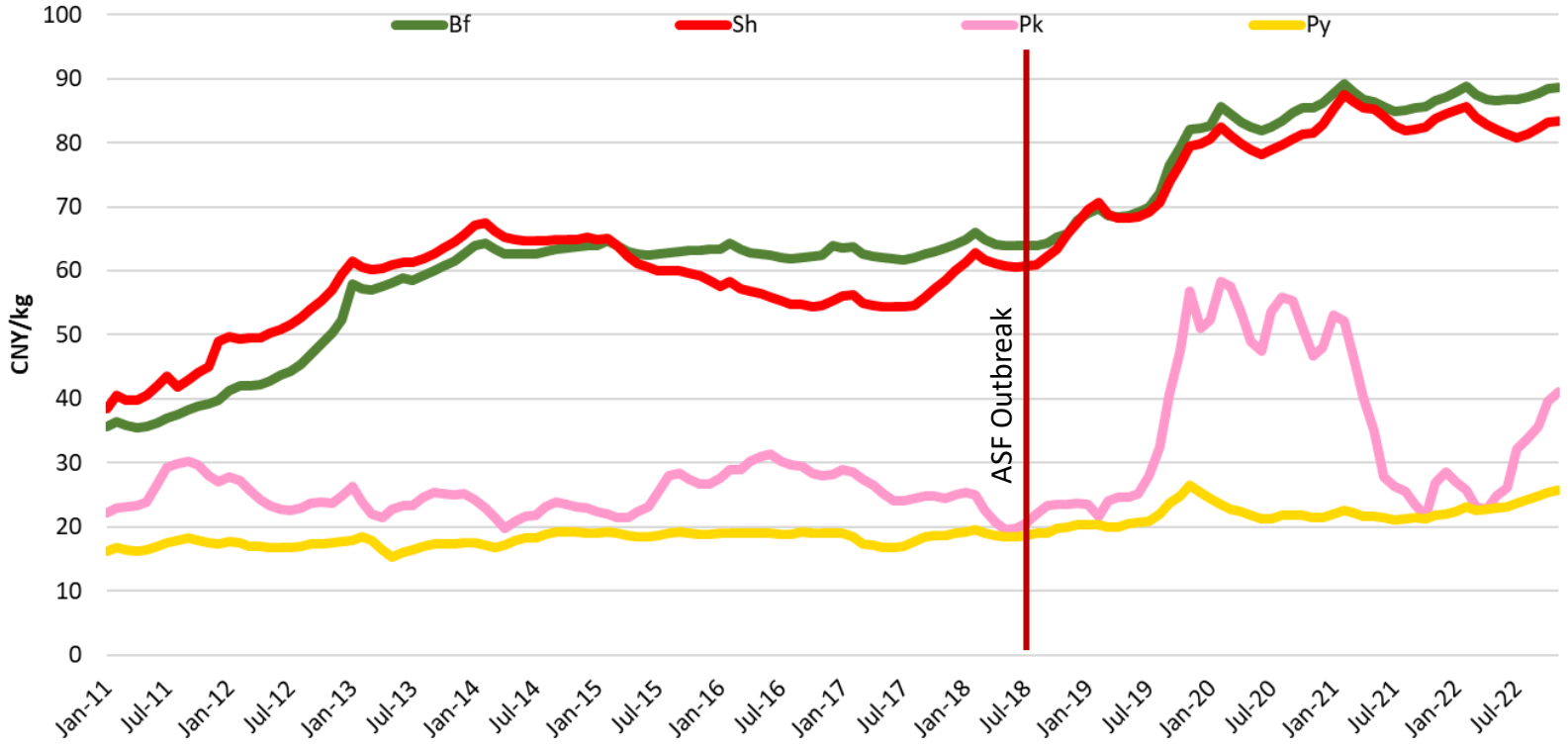
Meat Prices

Price tracks in the market

China Meat Retail Prices, Jan 2011-Nov 2022



Source: Gira, based on MARA

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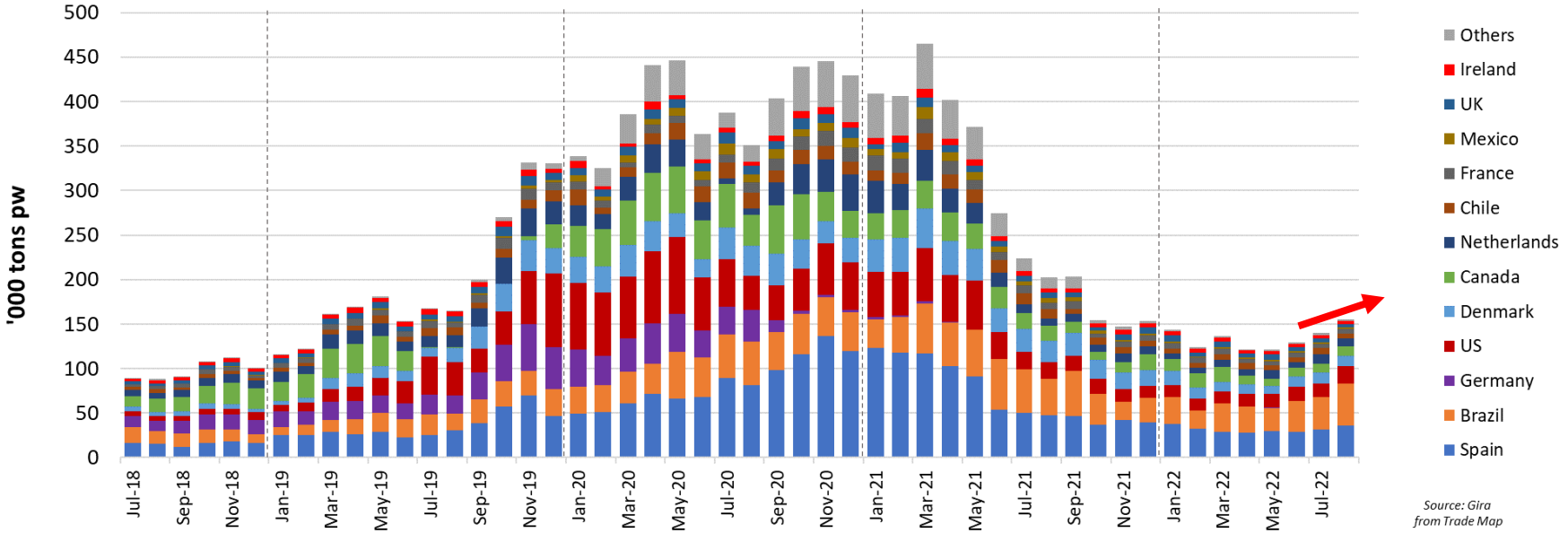
Imports

Demand for imports rises … but slowly

Monthly China Direct Pork Imports by Origin, 2018-August 2022



- Imports sank 74% from peak of 465,000 tons to 121,000 tons in April 2022
- With domestic prices rising, demand for imports improved – but not as much as the prices would indicate we should expect, due to Covid

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Final Thoughts

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Final Thoughts

2023 starts with European disposable income crunch

- Inflationary impact on production in 2022 is in part passed through to the consumer
- European consumers faced with high energy costs have reduced disposable incomes
  - Other markets are not as seriously impacted… although some demand
- EU27 production falls further in 2023: Beef (-1%) , Sheepmeat (-2%) and pork (-4%)
  - Increased chicken consumption
  - Increased meat imports
- Chinese imports increase in 2023 as Covid restrictions are finally eased
- Sustainability rises back up the priority list for governments, then consumers…

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Thank you for your attention

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