

November 2022

Environmental Factors Continue to Impact Meat Market

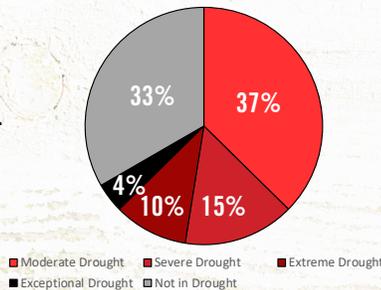
African Swine Fever Remains a Global Concern

ASF cases continue to emerge around the world. In Europe, a total of 453 outbreaks in domestic pigs across 12 countries were reported since the beginning of the year. Six countries in Asia have reported ASF outbreaks in domestic swine.

Drought Areas Expand

Areas experiencing drought expand across Midwestern states, affecting major crop areas in Iowa and Minnesota. Approximately 67% of corn production is within an area experiencing drought. Analysts expect corn prices to rise while soybean meal prices will drop in Q4.

Percent of Hogs Located in Drought Areas in the U.S.
Sourced by USDA as of November 22, 2022



Highly Pathogenic Avian Influenza's Impact on Turkey Production

While the number of commercial turkeys lost due to HPAI is down since Spring levels, depopulation continues and a total of 7.8 million head have been destroyed in the U.S. since the beginning of the year. Europe has warned of high avian flu risk this winter, and the U.K. is facing its largest ever HPAI outbreak. In recent weeks, HPAI depopulation has impacted harvest timing, leading to swings in harvest counts. Headcount shortfalls in ready-to-cook production have been amplified by lower average liveweights.

Historical Levels of Pork Exports

September pork exports hit the second largest volume in U.S. history, despite remaining relatively steady from 2021.

Cattle Harvest Remains Strong

Harvests are up 12,000 head from 2021, and weights are trending seasonally higher, expecting to peak in early December.

Strong harvest levels have beef production up 2% from last year.
- USDA

Pork Update

With the current fresh supply of pork belly, prices are expected to remain under pressure through the end of the year and into early 2023. Ham prices are expected to decline once secondary processing runs out of time ahead of the holidays and export volumes decrease by early December.

Beef Update

U.S. beef exports dropped below 2021 levels for the first time this year in September. A drop in shipments to China and South Korea were the largest contributors to the decline. Price for 90% beef trimmings is expected to increase later in the year as cow harvest starts to decline.

Poultry Update

Ready-to-cook broiler meat production is 7.6% higher than the comparable week of November 2021. Without a resurgence of demand, the market is struggling to find price traction. Egg sets and chick placements are above the previous year's levels as well. With breast meat freezer inventories up and decreased demand, boneless skinless breast meat price will struggle to increase.

Contact our team and ask how fully cooked meats can help your operation.

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