

December 2022

Pork Exports and Beef Production End the Year with Strong Levels.

Elevated Prices of Major Protein Categories

All major protein categories – pork, beef, chicken, turkey – are experiencing elevated prices compared to 2021. While beef has experienced the smallest shift in price, turkey prices have skyrocketed due to lower production numbers from the Highly Pathogenic Avian Influenza outbreak.

African Swine Flu Cases Spread in Europe and Asia

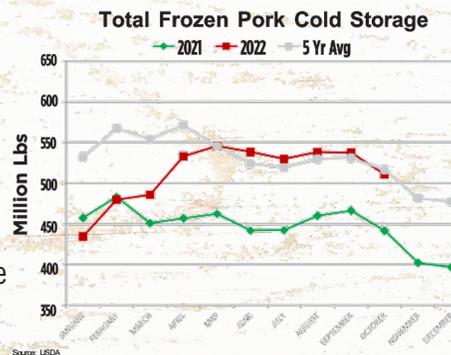
Multiple outbreaks were reported in European countries, with the number of cases rising over the previous month. ASF has also been reported in the Czech Republic after five years since the last case was detected. There have also been multiple outbreaks in domestic pigs in seven Asian countries.

Areas Experience Continued Drought

U.S. drought areas remain consistent with previous months, with approximately 67% of corn and soybean production within an area experiencing drought. Corn prices are expected to rise and soybean meal prices decline in the final quarter of 2022.

Pork Storage Maintains Historically Elevated Levels

Frozen pork cold storage was very high at the beginning of 2022, significantly stronger than 2021. This buildup of stock allowed more supplies to come to market during the second half of the year.



Highly Pathogenic Avian Influenza Impact

HPAI continues to impact U.S. turkey production – a total of 9.4 million heads have been destroyed in 2022. HPAI import bans did little to discourage global demand for U.S. turkey.

Year over year, there's been a \$283 increase per CWT in turkey meat.

Pork Update

October pork exports were 5% higher than September levels, with exports to Mexico up by almost 10%. However, demand in recent weeks has declined, predicting steadier export levels for the remainder of 2022. Pork production levels are following a seasonal trend, and weights are expected to increase through December before declining in early 2023.

Beef Update

Compared to 2021, cattle harvest is down 30,000 head in early December, but production is nearly 5% above previous year levels. U.S. beef exports in October were almost 10% above 2021 October exports. The countries receiving the largest amount of U.S. beef exports on a year-over-year basis are South Korea, China, and Vietnam.

Poultry Update

Ready-to-cook broiler meat production for the first week of December was reported 4.4% above the same 2021 period. With six-week RTC pounds of boneless, skinless chicken breast up 8% year over year, the market has experienced an oversupply and price drop. The spot price for tom breast meat finally dropped after several record-breaking trading prices.

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

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