



Export Bulletin



DENMARK

Market

There are in general ample supplies of pig meat available in the markets compared to demand, so there is a pause in price increases. This is particularly the case in Germany and Poland.

Prices for pork legs remain unchanged in most markets.

Prices for shoulders and production meat are slightly increasing, but this is partly because of lower sales.

Sales are going well in the bacon markets even after price increases beginning of April.

Now that Lent is ending in Russia, sales are increasing slightly.

The marketing situation in other third country markets remains unchanged.

(Sources, Danish Meat Association, Danish Crown, Tican)

General

Danish Crown Closes down Plant

Due to the present crisis in the pig meat sector, Danish Crown now wants to close a pig abattoir at Skive and a cutting plant at Hurup, possibly also close an abattoir at Vojens,. During past four years the slaughterhouse group has constantly lost market shares, and at the same time still more farmers export their live pigs or sell them for slaughter to other Danish slaughterhouses. The closing down of abattoirs and cutting plants is primarily due to the fact that production at Danish Crown in 2007 took a backlash in connection with two major slaughterhouse fires. The closing down of the slaughterhouse at Skive will affect 450 jobs, and should the slaughterhouse at Vojens also close it will affect another 370 jobs.

The plants at Skive and Hurup are going to be closed by the end of June this year.

(Sources, Danish Crown, Landbrugsavisen, Jyllands Posten)

Collection of protest signatures against tethered Sows

The Society for the Prevention of cruelty to Animals has started the collection of protest signatures to achieve a ban on the tethering of sows.

The campaign has just started and will run until October this year, when the collected signatures will be handed over to the Minister of Justice, informs the Society for the Prevention of cruelty to Animals.

The collection of signatures will be followed by a huge campaign "Let the Sows loose" which, according to the Society for the Prevention of cruelty to Animals, should put a strong focus on the welfare problems attached to Danish sows.

The campaign will include TV spots and advertisements in the large newspapers.

According to the present legislation and until the end of 2012 it is allowed to place sows in stalls during the entire period of gestation, i.e. from four weeks after being impregnated. As from 1st January 2013 they must not be tethered during this period. However, they can still be placed in stalls in the farrowing units or in rutting sties. This means that the sows will be in stalls from approximately four to five weeks in the farrowing units and the usual four weeks in the rutting stable. Yet there is no legislation as to when it may be forbidden to tether the sows in the farrowing and the rutting stables. Within just 24 hours 10,000 Danes signed up to give their support of this cause, informs the organisation.

(Source, Landbrugsavisen)

Scientists are going to film Pigs during long Transports

We know too little about how the long hauls are affecting slaughter pigs. Therefore, a team of scientists from the Farm Science Faculty at Aarhus University will have cameras installed in lorries transporting pigs in order to watch how they are behaving, informs the Faculty.

Among other things the scientists will watch whether the slaughter pigs are fighting each other, sleeping or playing while they are on the lorries. According to the present regulations the pigs must be transported for no longer than 24 hours at a time. Then they must be unloaded from the lorries and placed in a so-called resting station for at least 24 hours. The ethologists will look into the question whether these are optimum conditions for the pigs.

The project is a joint venture between the Farm Science Faculty, the Slaughterhouse Research Institute and the SPF Company. The Pig Levy Fund will finance this project.

(Source, Landbrugsavisen)

Danish Slaughterhouses - payments for Week 15

Slaughterhouse	Danish Crown	Tican
Slaughter pigs (67.0 –81.9 kg Danish Crown and (67.0 - 80.9 kg Tican) Difference from last week	Euro 1.240* + 0.027	Euro 1.200 + 0.027
Sows (Above 129.9 kg) Difference from last week	Euro 0.920* + 0.027	Euro 0.854 + 0.027
Boars (Above 109.9 kg) Difference from last week	Euro 0.787* + 0.027	Euro 0.720 + 0.027

A change in payments according to meat percentage and payments for transport to the Danish Crown slaughterhouses have had the impact that the quotes increased by Euro 0.040 for slaughter pigs and by Euro 0.067 for sows and boars. Accordingly the Danish Crown quotes are higher than the ones from Tican.



FRANCE

The Easter Monday public holiday caused a slight imbalance between supply and the demand for live pigs, which last week resulted in a very small reduction in the 56 TMP quote (down 0.3 cents). The market for pork cuts was again calm, which particularly was due to the effects of the end of the month. Sales were not buoyant, but overall they were transacted on the basis of stable prices.

Prospects

This week will be the beginning of a new month. Although the calm spell may continue in the markets for pork cuts for a few more days, a good number of meat traders think that a recovery in consumption will happen by the end of this week. This would particularly allow traders to continue their efforts to upgrade selling prices. This is all the more important since prices for live animals are forecasted to rapidly return to fluidity in the wake of the announcement that the number of pigs available for slaughter is modest.

“Les Marchés” – report 01.04.08

Pigs

Prospects for firm prices for live pigs.

Pigs

This week, everything will depend on the abattoir demands for slaughter pigs. If the expected recovery in consumption is confirmed, a return to rising prices at Plérin is likely since available pigs for slaughter are now modest. In addition, the recent increase in German quotes appears to be an encouraging factor for French farmers.

Young pigs (Weaners)

Price firmness has continued in the weaner markets. In general, prices have in France continued to recover. For the rest of the European Union prices have, depending upon the particular country, wavered between stability and increase. The FNP - FNCBV indices for Week 13 rose once again by 6.1 cents for 25 kilo piglets to remain at 1.845 euros / kilo and by 1.12 euros to 31.170 euros / head for the 8 kilo ones.

Butchered meat (Primal cuts)

Although markets for pig meat were quiet last week, some recovery in activity is expected this week thanks to the beginning of a month. Nevertheless, sales may just about be steady on the very short term, giving consumers the time needed for returning to the shops, and for retailers to re-stock. In this context, prices could vary between being maintained or recovering.

“Les Marchés” – report 02.04.08

Pigs

A balanced market and stable prices for live animals.

Pigs

The 56 TMP quote remained almost stable at the beginning of the week, dropping only by 0.1 cents to remain at 1.279 euros / kilo. This change reflected a market in balance as currently seen in France and in neighbouring European countries, with the exception of Germany. According to the MPB (Marché du Porc Breton), "all European live pig traders have pronounced an imminent increase", particularly with the number of slaughter pigs expected to be quite modest. Changes in pig quotes will depend on changes in the consumption of pig meat, the prospects for which are for increases.

Young pigs (Weaners)

No movements, or almost none, seen on the French weaner markets. Prices have continued to increase in the majority of regions for both 25 kilo piglets and for weaned ones. No reversal in this trend is expected on the shorter terms.

Butchered meat (Primal cuts)

April has just started, which has given the abattoirs and cutting plants some hopes for a recovery in the consumption of pig meat. Although sales have been just about steady at the beginning of the week, they could become more buoyant in coming days. Therefore, price stability could give way for more firmness.

"Les Marchés" – report 03.04.08

Pig meat

Steady trade in primal cuts, but not more than that.

Pigs

At the beginning of the week farmers thought that quotes during second trading session at the MPB would return to firmness, since the number of pigs available for slaughter is modest and expected to be just about enough to satisfy abattoir demands during this period. However, no clear recovery in the pig meat trade has yet been seen, which could encourage the buying groups of live pigs to be cautious. In this context, prices could waver between stability and more firmness.

Young pigs (Weaners)

No change in French weaner markets. Sales have been steady to quick according to region both for 25 kilo piglets and for weaned ones. Prices have continued an upward trend.

Butchered meat (Primal cuts)

A recovery in the pig meat trade as hoped for at the beginning of the month is still being awaited. Without being catastrophic, trade in primal cuts has remained quiet, particularly in loins and hams. Other cuts have fared a little better, however without any euphoria.

Consequently, prices have been renewed. Increased activity in the market for pig meat can, however, not be excluded on the shorter terms.

“Les Marchés” – report 04.04.08

Pigs

Price stability persists at Plérin.

Pigs

Stability apparently marked the second trading session of the week at Plérin. In fact, the 56 TMP quote lost 0.7 cents to remain at 1.272 euros / kilo. This was not a dramatic reduction and it seems as if this was the committee's wish. It was clear that the number of pigs available for slaughter was slightly higher this Thursday at Plérin, because, according to the MPB, “some abattoirs were calling for a larger price reduction, taking into account their problems in obtaining price increases for pork cuts and pig meat products”. However, the markets were considered to be normal, and therefore did not justify any significant drop in prices.

Young pigs (Weaners): The weaner markets are steady. Trade is active, and sales steady. Prices rose for both categories of weaners.

Butchered meat (Primal cuts): The calm spell has continued in the markets for pig meat. Sales have not been very good, no matter which cut is considered. In addition, the abattoirs and cutting plants have struggled to exert pressure on prices in compensation for not obtaining a reduction in quotes for slaughter pigs as a consequence of farmers continuing to keep a balanced market.



GERMANY

General

Even with the weak dollar, German exports increased in February by 9 per cent reaching €84.6 billion. Exports to non-EU countries increased by 13.5 per cent compared to the 5.6 per cent increase to EU countries. Imports in February grew by 7 per cent to € 67.7 billion. (Spiegel on-line, April 9th, 2008)

Meat

The market for pre-packed cooked meat/sausages grew in 2007 by 2.4 per cent or 20,000 tonnes. “Brühwurst” is according to latest Nielsen data the most popular type of sausages. The category is worth € 5.661 billion in retail (€ 5.316 billion in 2006). Volume increased to 856,700 tonnes (836,300 tonnes in 2006). (afz, April 9th, 2008)

Vion has launched a new product under the brand name Vion Gourmet: Party-Salamis in 4 flavours – chilli, pistachio, cheese and classic. (LZ, April 4th, 2008)



In 2007, in an average supermarket of over 200 square metres, 461 kilos of sausage/cooked meat products were sold per week.

(afz, April 9th, 2008)

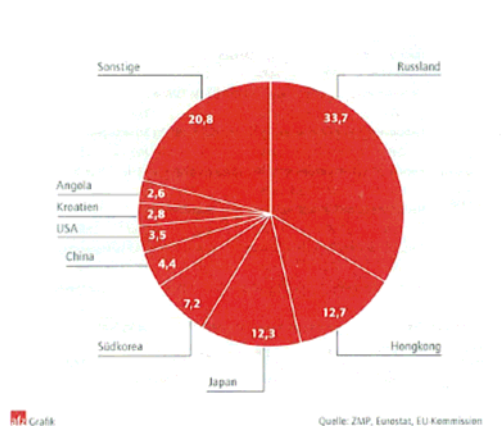
(DENMARK) Danish Crown will close its slaughterhouse in Skive and its cutting plant in Hurup.

(afz, April 9th, 2008)

(AUSTRIA) Austrian pig breeders have increased the number of their slaughter pigs over recent years. During 12 months up to early December 2007, the number increased by 4.7 per cent to 3.29 million pigs. There was particular growth (+ 9.5 per cent) in slaughter pigs in weight classification 50-80 kilos.

(afz, April 9th, 2008)

EU pig meat production amounted in 2007 to a record high of 229 million tonnes, which is 8 per cent higher than self-sufficiency. Total exports were 1.9 million tonnes, 7 per cent less than in 2006. Exports to Russia counting for 33.7 per cent of all non-EU sales, make it EU's largest trading partner followed by Hungary and Japan. (afz, April 9th, 2008)



**EU Pigmeat Export to non EU Countries
Share of EU-27 in percent in 2007**

Retail

Growth in German food retail during first two months of 2008 continues. It is led by the discounters, which on average, according to GfK, increased the turnover by + 8.3 per cent

(Lidl + 10.9 per cent, Aldi + 9.4 per cent). This is of course mainly due to price increases as a consequence of the higher general inflation rate currently at about 3 per cent, with inflation rate for food nearer to 7 per cent. Turnover increase in superstores were + 4.6 per cent and in supermarkets + 2.3 per cent.
(LZ, April 4th, 2008)



SPAIN

Market

Prices at Mercolleida remain unchanged at € 1.18 /kg. The general feeling is that this is a pause in a rise towards € 1.25 /kg, a price that should be achieved before the summer. Prices could even move higher if the reduction of production in the EU tightens supplies significantly.

News

Elena Espinosa has been reappointed as Minister of Agriculture in the new Zapatero cabinet. She is generally well regarded by the industry and colleagues. However, the Ministry has changed to "Ministry of the Environment, Rural and Marine Spheres" roughly translated. New priorities include climate change and above all, the management of water resources, a very difficult dossier in Spain that will test fully the Ministry. Unlike the UK, the new Ministry is maintaining a high level of resources with agriculture, fishing and food.
(Source: www.mapa.es 14.04.08)

The crisis in the livestock sector due to the rise of costs of production is taking different forms. In Galicia, the local Government is meeting the producers' association to analyse the situation; in Madrid, hundreds of Castilian farmers demonstrated outside the Ministry of Agriculture, an even supported by 38 local associations and cooperatives.
(Source: www.agroprofesional.com)

AVA, the Singaporean veterinary authorities have given the green lights to the importation of pork products from Spain. The Spanish authorities had started negotiations in 2005. Interestingly, plants will need to be individually approved. For memory, Spain exported 736,000 tonnes of pig meat in 2007 (+11%) worth € 1.35 bn.
(Source: www.mapa.es 11.04.08)

The UK pig campaign "save our bacon" (*salva nuestro beicon*) has been noted in the Spanish press.



PORTUGAL

The Chairman of the Portuguese Corn Producers' Association has called for a new approach from livestock producers in response to high cereal prices. It is clear that selection indices for pigs, for example, need to be reassessed.
(Source: www.agroportal.pt)



Slovenia

Slovenia's Statistics Office reports that the number of pigs at agricultural holdings in Slovenia at the end of December last year was 542,590 (-5.7%). The number of breeding pigs was 9.6 percent higher. However, the number of piglets weighing under 20 kilos decreased by 4.7 percent and piglets of 20-50 kilos by 9.4 per cent.



Croatia

Croatia's Central Bureau of Statistics reports that the number of pigs in Croatia in 2007 fell to 1.35 million (- 3% against 2006). The number of pigs of under 20 kilos was 362,000, a year-on-year fall of 9 percent, while the number of pigs over 20 kilos was 804,000, a year-on-year fall of 10 percent. The number of "sows, mated sows, gilts and mated gilts" in 2007 was 177,000.



UKRAINE

The Ukrainian Meat Association submitted a petition to the government asking to decrease the import duty for beef and pork (carcasses and half carcasses) down to Euro 0.3/kg (existing duty is 10% but no less than Euro 0.6/kg). The UMA is also initiating the decrease of the import duty for boned meat down to Euro 0.4/kg vs. existing Euro 1/kg.

For reference: the reason behind such actions is deficit of raw meat on the market caused by decreasing population of animals. During the past three months the purchasing prices for domestic meat doubled and have reached the levels of almost US \$ 2.8/kg of beef and US \$ 3/kg of pork (both in live weight). The domestic deficit in meat in Ukraine is around half a million tons per year. The Prime Minister recently mentioned that the government is planning to pass the draft law allowing a duty free imports of 350,00 t of meat. The Ministry of Agriculture reported that during 2007 Ukraine imported 207,000 t of meat and during 2008 Ukraine is forecast to import around 200,000 t of which 150,000 t is beef and 50,000 t is pork. As of March 1, 2008 Ukraine's cattle population showed 5,718,600 t which is 10.5% down from the corresponding indicator a year ago in 2007, pig population is now 6,702,400 heads which is 17.7% down.

Some members of the Communist Party and the BYT faction in the Ukrainian Parliament have proposed the introduction of a monthly pork import quota of 10,000 tonnes before Ukraine joins the World Trade Organisation (WTO), according to the Interfax news agency. The proposal is for a total monthly meat import quota of 20,000 tonnes. The parliament has registered the proposal as a draft law. The draft law mentions an import duty of up to 15 percent on pork. Companies with their own processing facilities would have the right to import pork.

Prices

Germany

Pork Prices ex-Hamburg Fleischgrossmarkt (Cuts from 75–85 kg pigs) Week commencing 7th April 2008			
	Cut Name	Closest Export Manual Code No.	Price Range (Euro / kg)
1.	Round cut leg	51121	2.15/2.35
2.	Leg (boneless, rindless max fat level 3mm)	51121	3.10/3.35
3.	Boneless Shoulder	56200	2.30/2.50
4.	Picnic Shoulder	56120	1.85/2.05
5.	Collar	56130	2.25/2.40
6.	Belly (bone in, ex-breast)	55100	1.95/2.25
7.	Sheet Boned Belly (rindless)	55210	1.50/1.75
8.	Jowl	50230	0.80/1.00
9.	Sow Carcasses	60100	-
10.	Half Pig Carcasses	R Classification	-

*unchanged from previous week

Spain

Barcelona Market Information: Prices for week commencing 7th April 2008		
Carcasses (secondary grade)	Euros / kg	1.546/1.552*
Gerona Loin Chops	Euros / kg	2.74/2.77*
Loin Eye Muscle	Euros / kg	4.13/4.16*
Spare Ribs	Euros / kg	2.39/2.42*
Fillets	Euros / kg	5.63/5.66*
Collar	Euros / kg	3.08/3.11*
Round Cut Legs	Euros / kg	2.48/2.51*
Cooked Ham	Euros / kg	2.16/2.19*
Rindless Picnic Shoulder	Euros / kg	1.50/1.53*
Belly	Euros / kg	1.78/1.81*
Smoked Belly with Spare Rib Section Cut Off	Euros / kg	2.21/2.24*
Shoulder Chap or Head Jowls	Euros / kg	0.80/0.83*
Back Fat, Rindless	Euros / kg	0.78/0.81

*unchanged from previous week