



Export Bulletin

June 2010 – Week 24

English pork is now on sale in supermarkets in Dubai and labelled as such. Buyers comment that they are very happy with the quality of the product and want to use more. There are also opportunities for English bacon and sausages in the region. Some UAE emirates and Bahrain allow pork in special non-Muslim sections of supermarkets destined to the expatriate market. The large Philippino community has the highest consumption.



DENMARK

Market

On the European market, fresh legs are sold at slightly increasing prices. Also typical barbecue products such as collars, shoulders and trimmings are sold at slightly increasing prices. Other cuts are traded at a fairly unchanged price level. The situation is fine and stable both at the British bacon market and at the markets outside Europe. (Sources, Danish Crown, Tican, Danish Agriculture and Food Council)

Danish Meat Company at Vraa closing down

Danish Meat Company is closing down the slaughterhouse at Vraa, Northern Jutland, after just 10 weeks of operation. According to the CEO, the reason for the closure is the quote being too high. He says that weekly Danish Meat Company had an additional cost of € 120,000 by slaughtering 6,500 pigs compared to expected costs. The privately owned British company, Midland Bacon Company, which is the company behind this project, could not accept it. So, this time round the last pig has been slaughtered at Vraa. There is yet not taken any decision as to the future plans with the slaughterhouse. Danish Meat Company hired 50 employees in production and six in administration. (Source, TV2)

Increasing consumption of antibiotics in Denmark

New figures from the Danish Food administration are showing an increase in the consumption of antibiotics by 8.7 percent during the first quarter of 2010 compared to the same period last year. Meanwhile, the consumption of critical antibiotics, cephalosporines, fell by 5.6 percent measured on the consumption during the first quarter of 2010 and 2009. Science Centre for Pig Production is working on how to reduce the consumption of antibiotics through e.g. the SPF system and a new best practice manual, which will be published this year as part of a project aiming at finding possible solutions for reducing the consumption of antibiotics. At the same time, the Danish pig industry introduces a two-year voluntary stop for using antibiotics of the type cephalosporines, which are critically important for the treatment at hospitals. The stop should help curbing the occurrence of resistant bacteria. (Source, Landbrugsmagasinet)

New breeding methods will reduce mortality rate among suckling pigs

The agricultural industry expects to avoid stricter regulations on pig breeding by referring to an expected gradual decrease in the mortality rate among piglets. According to Nicolaj Nørgaard, the expectations are based on recent statistics from a new breeding programme among breeding stocks showing that since 2005 sows as an average had 2.1 percent more suckling pigs that survived more than the first five days. Half of the improvement is due to the fact that the sows give birth to more pigs, and the other half is due to a declining mortality rate. The improvement will appear as soon as pigs from the breeding stocks become more prevalent in the production stocks, informs Nicolaj Noergaard. He also says that it can be animal ethically responsible to breed more piglets on a sow than the sow has nipples for. Among other things, the additional piglets can be moved to another breast feeding sow without neither the piglets nor the nursing sow will suffer any harm. (Source, Ritzau)

Tulip opens new sausage plant

Tulip Ltd. reports that it has opened the world's most modern sausage plant at Bromborough. The plant was just inaugurated. From here, Tulip Ltd. will ensure a supply to meet a large proportion of the demand for the English breakfast sausages, Bangers, and as the British people annually consumes approximately 175,000 tonnes of sausages, it is a market with a huge potential. It was the CEO of TESCO, Sir Terry Leahy, who together with Danish Crown's deputy CEO, Carsten Jakobsen, officially opened the plant after a visit to see the production department. Besides the factory, there is also a new sausage academy (which was opened at the same time).

The plant has a capacity of 1,000 tonnes per week and it replaces the factory in Peckham in London, which has a capacity of 550 tonnes per week. (Source, Danish Crown)

Danish Slaughterhouses - payments Week 24

Slaughterhouse	Danish Crown	Tican
Slaughter pigs (70.0 - 86.9 kg)	Euro 1.389	Euro 1.389
Difference to last week	+0.027	+0.027
Sows (Above 129.9 kg)	Euro 0,895	Euro 0.895
Difference to last week	Unchanged	Unchanged
Boars (Above 109.9 kg)	Euro 0.761	Euro 0.761
Difference to last week	Unchanged	Unchanged



FRANCE

WHO?

Who represent 31 000 direct jobs in Brittany?

Who has been dealing with environmental issues for over 15 years?

Who produce quality meat near your house?

The answer is largely visible on most roads of Brittany until 21st June:
www.eleveursdeporcsbreton.com or " www.brittanypigproducers.com "

The objective of this campaign targeted to the general public is clearly to demonstrate the role of the pig meat industry in the local and regional economy and social development of the west of France. The local porcine committee of Brittany together with the union of groups of producers, want to talk sustainability to the public. They claim that the 7 000 pig producers in Brittany have invested in sustainability for over 15 years and they wish to invite the general public to consult their site to find objective information about the role of their industry. The site is very simple and very clear it states some key points to answer the 3 questions with good illustrations and explanations.

Bignon Viande (SBV)

The organic charcuterie manufacturer located in Louvigne du Désert in Brittany (35) are about to invest half a million € in their factory. 75% owned by Bio Direct group of producers, SBV had a turnover of € 1.5 million in 2009.

Pigs

While all Europe opted for firmness, our quotation lost 0,1 centime yesterday in Plérin. According to "Marché du Porc Breton" (MPB) it's really "a provocation" for the upstream of the industry. Offers are still measured, demand is regular and slaughtering is going well. In this context and with the bad weather, the week-end will be synonymous with the status quo even a small rise in prices.

Piglets

No big change is expected in the short term.

Prices continue to increase, gaining 3,7 centimes in 25 kg and 69,7 centimes for 8kg.

Cuts

A third week of the month is often not very favourable for household consumption, the progressive closing of school and factory canteens due to the summer holidays are elements unfavourable to encouraging retailers to resupply. They make their purchases only according to their quasi immediate needs. Sales of meat are regular and prices are stable.

For more information, please contact AHDB France on 00 33 1 60 71 04 49

**GERMANY**

The meat trade is lacking impulses. Pork trade was damped on the wholesale markets. Many buyers are not willing to pay more so that mainly abattoirs and boners benefited from increased prices. Small producers are trying to lower production to avoid pressure to sell as well as to minimise losses in the meat business. For hams, loins and bellies slightly increased prices could be achieved. Prices for collars varied depending on region. Demand for cuts and pigs differ. At

the middle of June there is still demand for pigs for slaughter while the demand for cuts is normal to quiet. Between the end of April and mid of June prices for pigs E-classification have risen from 1.32 Euro/kg to 1.52 Euro/kg which is a weekly increase of 3 Cents/kg. (Source, AMI)

Animal welfare

D & S meat have formed a research group in order to optimise animal welfare aspects at slaughter. Main topic at the group's second meeting was the question of how to ensure all pigs are entirely bled before scalding. The group has recommended the installation of a weighing system at bleeding which, according to D & S MD Herbert Dreckmann will now be implemented.



THE NETHERLANDS

Hypor good results

The Pigure group (Hypor, Varkens KI Nederland) registered a profit of € 400,000 in 2009 following a loss of € 2.7 m. in 2008. The organisation had to restructure its activities in Canada and Italy but generated strong sales in Russia, Brazil and China. Hypor has also launched a new Halothane negative Piétrain boar called DB77 (Agrarisch Dagblad).



BELGIUM

AI in Flanders

There are 37 AI centres in Flanders with an average 54 boars per centre for a total of 1,989 boars (1,761 for boar lines and 228 for sow lines). Some 90% of Flanders sows use AI. Most of the male lines boars are of course Piétrain (Agrarisch Dagblad).

**RUSSIA****Pig complex Uralskiy to work at full capacity in Q3**

Pig complex Uralskiy is planning to run at full capacity starting from Q3 2010 reports Deputy Director General. The indices of Q1 made 85-90% of projected quarter output. In Q3 the output should reach 100% which is 25,000 tons of meat in live weight. **For reference:** The Uralskiy CJSC Pig Complex is one of the biggest companies in the Ural farming sector. The complex is designed to grow around 210,000 market pigs. CJSC Pig Complex Uralskiy is an associated company of CJSC Siberian Agrarian Holding Group of Companies (SAHO) – one of the Russian Federation's fastest growing agro-industrial companies.

Production increase of pork carcass weight

A study conducted by the consulting company Inventica revealed that in 2009 the volume of Russian production of pigs was 2,169 tons the slaughter weight, which is 6.2% more compared with the previous year. Share of pork has stabilized at a level of 32.6%. The ratios of import in the share resources of raw meat showed a decrease. An import drop was observed in the pork segment by a maximum of 18.5% which resulted in an increase in import duties on non-quota pork (up to 75% but not less than 1.8 USD per kilo). Structurally these changes are reflected in a decline in the share of imports in the total resources of the market from 29% in 2008, to 23% in 2009. Continued adherence to policies aimed at import substitution may already reduce the share of imports of pork to the level of 14% in 2012, which will permit an increased domestic production of the product of up to 2,698 thousand tons in carcass weight. Achieving this level of production corresponds to the growth of the market of more than 24%.

New pig complex worth more than 95,000,000.00 USD

Agropromkomplektatsiya-Kursk Ltd began the construction of a farm for 52 thousand pigs in the village Gnezdilovo, reported the Administration of Kursk region. Annual capacity of the enterprise will be more than 11 thousand tons of pork in live weight. Construction of the complex is estimated at more than 95,000,000.00 USD. Starting this year, Agropromkomplektatsiya plans to run 4 investment projects in Kursk Region worth more than 240,000,000.00.

Agropromkomplektatsiya Ltd started doing business in this field in 2007. Last year the crop area of the company rose more than 300% and amounted to 9360 ha.

**UKRAINE**


Meat shortage

Today in Ukraine the shortage of meat is at least 1 million tons, reported the President of Ukraine, Viktor Yanukovich, at the exhibition "Agro-2010". According to the President, Ukraine produces about 4,5 thousand pigs per year which is not sufficient for the country. To remedy the situation it is necessary to build new pig complexes with new modern technologies. Large export of grain is not to the benefit of the livestock industry. Grain traders are lobbying their own interests and put it as a great achievement that Ukraine sells 20 million tons of grain per year. Nowhere in the world has a state sold raw materials without producing their own products as reports Viktor Yanukovich. According to the President, only 5 million tons of grain is designated for feed of cattle. When Ukraine officially purchases 400 thousand tons of meat it spends almost all the money it gets from the export of grain, President Yunukovich emphasized .

**CHINA**

Zhongpin growth plans

Chinese meat and food processing company Zhongpin said it will build a new processing plant and distribution centre in the eastern Jiangsu province city of Jiangyan. The company said it will invest about US\$63 m. the 220-acre plant. Construction is slated to begin in August. The company expects the first phase, which will focus on cold-storage for pork, to be completed in the third quarter of next year. A second phase for production of prepared pork products, is slated to be completed in the first quarter of 2012.

 Pork Prices Hamburg Market Week commencing 14 June 2010	
Cut Name	Price Range (Euros / kg)
Round cut leg	2.35/2.45
Leg (boneless, rindless max fat 3mm)	3.30/3.50
Boneless Shoulder	2.45/2.60
Picnic Shoulder	1.75/1.95
Collar	2.60/2.80
Belly (bone in, ex-breast)	1.75/1.95
Sheet Boned Belly (rindless)	1.70/1.85
Jowl	1.10/1.20
Half Pig Carcasses U-Class.	1.96/2.16

 Pork prices Barcelona Market Week Commencing 14 June 2010	
Cut Name	Price Range (Euro/Kg)
Carcases (secondary grade)	1,655/1,661
Gerona Loin Chops	2,38/2,41
Loin Eye Muscle	3,48/3,51
Spare Ribs	2,68/2,71
Fillets	5,78/5,81
Round Cut Legs	
Cooked Ham	
Rindless Picnic Shoulder	1,51/1,54
Belly	1,84/1,87
Smoked Belly with Spare Rib Section Cut off	2,27/2,30
Shoulder chap or Head Jowls	0,88/0,91
Back Fat, rindless	0,58/0,61