

# INDUSTRY NEWS

China Livestock | Animal Health | Animal Nutrition

## China feed production reached 27.13 million tonnes in July

The national feed production was 27.13 million tonnes in July, with a YoY increase of 7.6% from the same period of 2022, including 25.25 million tonnes compound feed, 0.59 million tonnes premix feed and 1.18 million tonnes concentrate feed.

**Compound feed** price for fattening pigs, layer and broiler was 3.67 CNY/kg, 3.45 CNY/kg and 3.87 CNY/kg, increase 0.3%, 1.0% and 1.2% from June.

**Concentrate feed** price for fattening pigs, layer and broiler was 5.55CNY/kg, 3.97 CNY/kg and 4.63 CNY/kg, increase 1.0%, 1.4% and 1.5% from June

**Premix feed** price for fattening pigs, layer and broiler was 4.84 CNY/kg, 4.83 CNY/kg and 5.35CNY/kg, increase 0.8%, 4.2% and 0.5% from June (Source: China Feed Industry Association, 22<sup>nd</sup> August 2023)

## China's sow inventory shows slight decrease in July

At the end of July, the sow inventory was 42.71 million heads, with a YoY decrease of 0.6%.

In July, the scaled slaughterhouse slaughtered 26.84 million pigs, with a YoY increase of 26.7%.

In July, the pig grain ratio was 4.96, with a month on month decrease of 2.4% and a YoY decrease of 35.7%. The cost per head of backyard and scaled pig farms was CNY 2,223 and CNY 2,120 respectively, with a YoY increase of 6.0% and 4.6% respectively.

In June, the net profit per head of backyard and scaled pig farms was CNY -353 and CNY -191 respectively. (Source: MARA, 26<sup>th</sup> August 2023)

## China July soybean imports climb on feed demand

China imported 9.73 million tonnes of soybeans in July, up 23.5% from a year ago, customs data showed on Tuesday.



Soybean imports in the first seven months of 2023 reached 62.3 million tonnes, up 15% from a year earlier.

The increase was driven by higher demand for soybean meal, a protein-rich animal feed ingredient made from





## Meat imports to China reached 4.49 millions tonnes in the first 7 month of 2023

China imported 679,000 tonnes of meat(including offal) in July, with a value of 19.35 USD billion, a YoY increase of 5.6% in volume and decrease of 6.2 % in value.

**Pork (including offal)** imports were 220,000 tonnes, with a value of 3.68 USD billion, a YoY increase of 3.4% in volume and 10.6% in value.

**Poultry meat** imports were 67,145 tonnes, with a value of 1.20 USD billion, a YoY increase of 24.2% in volume and 37.5% in value.

**Beef** imports were 290,000 tonnes, with a value of USD 11.38 billion, a YoY increase of 9.2% in volume and a decrease of 12.0% in value.

**Lamb** imports were 34,782 tonnes, with a value of USD 1.08 billion, a YoY increase of 23.6% in volume and decrease 1.2% in value.

(Source: China Custom, 21<sup>st</sup> August, 2023)

soybeans, and for cooking oil.

Chinese hog farmers delayed the slaughter of pigs due to low pork prices, which in turn increased demand for animal feed.

The arrival of cargoes, after delays due to a late soybean harvest in Brazil and tightened customs inspections in China, contributed to the rise in July imports.

Crush margins in China have been positive since mid-June, with crushers in the key processing hub of Rizhao making CNY 277.67 for each tonne of soybean processed.(Source: China Customs, 9<sup>th</sup> August 2023)

## China lab-grown meat company CellX launched China's first pilot plant

Shanghai-based cell-grown meat start-up CellX launched China's first cultivated meat pilot factory, a significant breakthrough in the nation's quest for a sustainable source of animal protein to feed its population.

The factory can produce 'a couple of tonnes' of cultivated meat a year. The next facility, for commercial production, is expected to be constructed by 2025 and have capacity to produce hundreds of tonnes of meat a year.

The offerings included lab-grown meat kebabs and tofu with minced lab-grown meat. CellX said each dish costs less than CNY100 to produce.

With Singapore and the U.S. leading the world in terms of regulatory approvals for the retail sale of lab-grown meat products, CellX will file applications in both countries this year with the aim to start selling its products, initially in restaurants, by 2025.

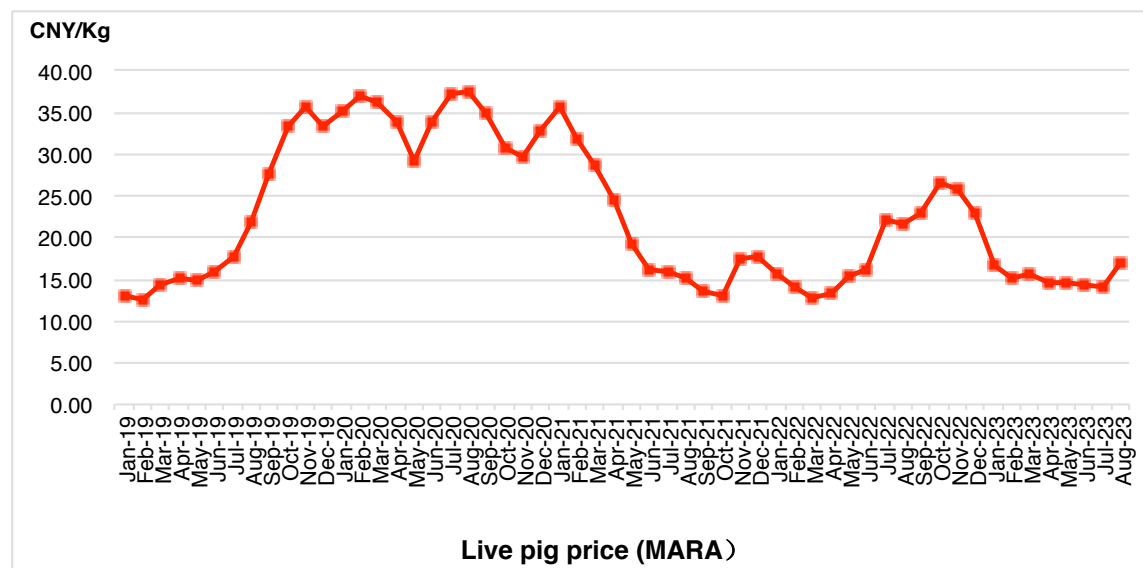
The cost of bioreactors, where the meat is grown, in China is significantly lower than in the U.S. or Europe, and the government has offered generous incentives to industry players since cultivated meat was included in the agriculture ministry's 14th five-year plan last year.

(Source: CellX News release, 9<sup>th</sup> August 2023)



## Live pig price in August 2023

China pig average pig prices in China was CNY 16.92 Kg in August, which was 19% higher than the previous month and 22% lower than the same period last year. This is the first increase of live pig price after 4 months of continuous decrease (Source: MARA, August 2023)



## Chicken and egg price in August 2023

China chicken and egg average pig prices in China was CNY 23.97 Kg and 11.33 in August, chicken price was 2% higher than the previous month and 1% lower than the same period last year. Egg price was 6% higher than the previous month and 2% lower than the same period last year. (Source: MARA, August 2023)

