

INDUSTRY NEWS

China Livestock | Animal Health | Animal Nutrition

Feed production reached 145.39 million tonnes in the first half of 2024

The national feed production was 145.39 million tonnes in the first 6 months, with a YoY decrease of 4.1% from the same period of 2023, including 135.30 million tonnes compound feed, 3.3 million tonnes premix feed and 6.05 million tonnes concentrate feed.

Compound feed price for fattening pigs, layer and broiler was CNY 3.39 per kg, CNY 3.14 per kg and CNY 3.57 per kg, decrease 0.1%, 0.2% and 0.0% from the previous month.

Concentrate feed price for fattening pigs, layer and broiler was CNY 5.15 per kg, CNY 3.64 per kg and CNY 4.29/kg, decrease 0.1%, 0.7% and 0.1% from the previous month.

Premix feed price for fattening pigs, layer and broiler was CNY 4.79 per kg, CNY 4.62 per kg and CNY 5.24 per kg, increase 0.7% for layer feed, decrease 1.0% and 1.8% for pig feed and broiler feed from the previous month (Source: China Feed Industry Association, 16th July)

Net profit of both backyard pig farm and scaled pig farms increased sharply

At the end of June, the sow inventory was 40.38 million, down 6.0% year-on-year.

In the first half of the year, there were 363.95 million live pigs slaughtered nationwide, a year-on-year decrease of 11.53 million, a decrease of 3.1%; The pork production was 29.81 million tonnes, a year-on-year decrease of 510,000 tonnes, a decrease of 1.7%.

At the end of the second quarter, the national pig inventory was 415.33 million, a year-on-year decrease of 19.84 million, a decrease of 4.6%, and a month on month increase of 6.84 million, an increase of 1.7%

In June, the pig grain ratio was 7.47, with a month on month increase of 14% and a YoY increase of 47%. The cost per head of backyard and scaled pig farms was CNY 2,093 and CNY 1,998 respectively, with a YoY decrease of 6.0% and 7.2% respectively. The net profit per head of backyard and scaled pig farms was CNY 251 and CNY 174 respectively, with a month on month increase of 843% and 171% respectively. (Source: MARA, 24th July 2024)





Meat imports to China reach 3.3 millions tonnes in first 6 months

China imported 3.3 million tonnes of meat (including offal) in the first half year of 2024. The value was USD 6.97 billion, a YoY decrease of 13.4% in volume and 19.1% in value.

Pork imports were 1.11 million tonnes, with a value of USD 2.27 billion, a decrease on the previous year of 27.3% in volume and 40.9% in value.

Poultry meat imports were 189,292 tonnes, with a value of USD 559 million, a decrease on the previous year of 51.2% in volume and 40.7% in value.

Beef imports were 1.4 million tonnes, with a value of USD 6.88 billion, an increase on the previous of 17% in volume and 3.7% in value.

Lamb imports were 203,375 tonnes, with a value of USD 643 million, an decrease on the previous of 13% in volume and 36.3% in value. (Source: China Custom, 18th July, 2024)

Note: beef and pork includes offal

China plans measures to curb dairy, beef production as meat prices decline

China plans to implement measures to help dairy and beef producers limit production to prevent prices from falling further.



The prices of pork, beef, dairy and poultry are falling in the world's largest meat consumer as shoppers, grappling with a slowing economy, scale back on purchases.

This downturn in demand follows an increase in production by the livestock industry, especially pig farmers.

"The prices of beef and raw milk in the first half of the year fell by 12.1% and 12.5%, respectively, and beef cattle and dairy cow farmers are making losses," Wang Lejun, the agriculture ministry's Chief Animal Husbandry Officer said on a news release.

"For beef and dairy cows, we want to guide farms to optimize and adjust the herd structure, moderately eliminate old and low-yielding cows, and better match production development with market demand" he said.

China in March issued regulations to reduce the breeding sow population after an aggressive expansion by farms in the past two years triggered an oversupply of pork that led to companies booking heavy losses.

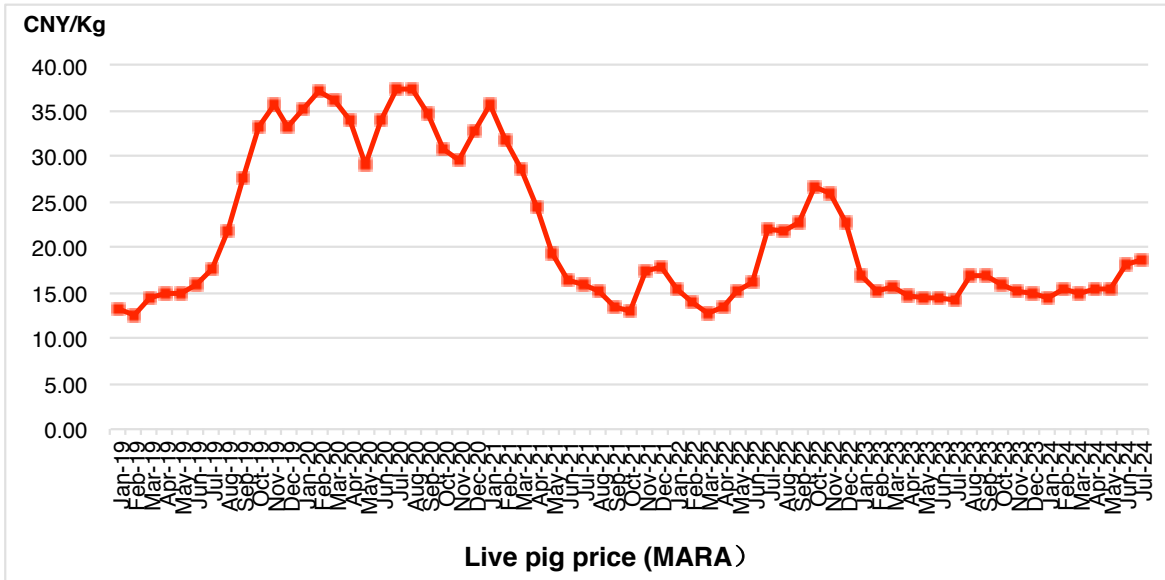
In June, it released regulations to control beef cattle production.

While the reduction in the size of the pig herd has helped prices to recover, beef and dairy prices are expected to remain low in the second half of the year, Wang said. (Source: MARA, 24th July 2024)



Live pig price in July 2024

China pig average pig prices in China was CNY 18.65/kg in July, which was 2.8% higher than the previous month and 31.2% higher than the same period last year.(Source: MARA, July 2024)



Chicken and egg price in July 2024

China chicken and egg average pig prices in China was CNY 23.60/kg and CNY10.54/kg in July, chicken price was 0.4% higher than the previous month and 0.2% higher than the same period of last year. Egg price was 3.7% higher than the previous month and 1.3% lower than the same period last year. (Source: MARA, July 2024)

