

INDUSTRY NEWS

China Livestock | Animal Health | Animal Nutrition

Feed production reached 26.5 million tonnes in July 2024

The national feed production was 26.5 million tonnes in the July, with a YoY decrease of 4.4% from the same period of 2023, including 24.84 million tonnes compound feed, 0.56 million tonnes premix feed and 0.99 million tonnes concentrate feed.

Compound feed price for fattening pigs, layer and broiler was CNY 3.37 per kg, CNY 3.13 per kg and CNY 3.55 per kg, decrease 0.7%, 0.3% and 0.7% from the previous month.

Concentrate feed price for fattening pigs, layer and broiler was CNY 5.09 per kg, CNY 3.58 per kg and CNY 4.22/kg, decrease 1%, 1.5% and 1.6% from the previous month.

Premix feed price for fattening pigs, layer and broiler was CNY 4.79 per kg, CNY 4.63 per kg and CNY 5.24 per kg, increase 0.1%, 0.2% and 0.1% from the previous month (Source: China Feed Industry Association, 19th August) 2024)

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

At the end of July, the sow inventory was 40.41 million, down 5.4% year-on-year.

In July, the scaled slaughter companies slaughtered 24.28 million pigs, a year-on-year decrease of 9.5%. In the first 7 months of this year, the scaled slaughter companies slaughtered 184.63 million pigs, a year-on-year decrease of 1.9%.

In July, the pig grain ratio was 7.57, with a month on month increase of 1.3% and a YoY increase of 52.6%. The cost per head of backyard and scaled pig farms was CNY 2,173 and CNY 2,030 respectively, with a YoY decrease of 2.3% and 4.3% respectively. The net profit per head of backyard and scaled pig farms was CNY 307 and CNY 538 respectively, with a month on month increase of 22.5% and 14.4% respectively. (Source: MARA, 24th August 2024)





Meat imports to China reach 3.83 millions tonnes in first 7 months

China imported 3.83 million tonnes of meat (including offal) in the first 7 months of 2024. The value was USD 13.38 billion, a YoY decrease of 14.5% in volume and 21.2% in value.

Pork imports were 1.3 million tonnes, with a value of USD 2.67 billion, a decrease on the previous year of 25.6% in volume and 38.8% in value.

Poultry meat imports were 230,640 tonnes, with a value of USD 670 million, a decrease on the previous year of 49.3% in volume and 39.6% in value.

Beef imports were 1.68 million tonnes, with a value of USD 8.0 billion, an increase on the previous of 8.7% in volume and decrease of 3.9% in value.

Lamb imports were 233,141 tonnes, with a value of USD 731 million, an decrease on the previous of 13.2% in volume and 37.1% in value. (Source: China Custom, 18th August, 2024)

Note: beef and pork includes offal

China's pig producers could see profit in Q3

China's pig prices are finally on the rise as the number of sows declines following a prolonged downturn in the industry, leading the possibility of the pig farms could make money in the third quarter.

Pig prices gained 9.1% in August from the previous month, according to data from MARA. Prices have managed to rise, even though the hot summer months are an off-season for pork consumption. Additionally, prices may be bolstered further as consumer demand increases and the weather changes.

The price of live hogs has risen significantly since June. The average price of a live pig had surged by 40% in August from the beginning of the year to CNY 20.35 per kilogram.

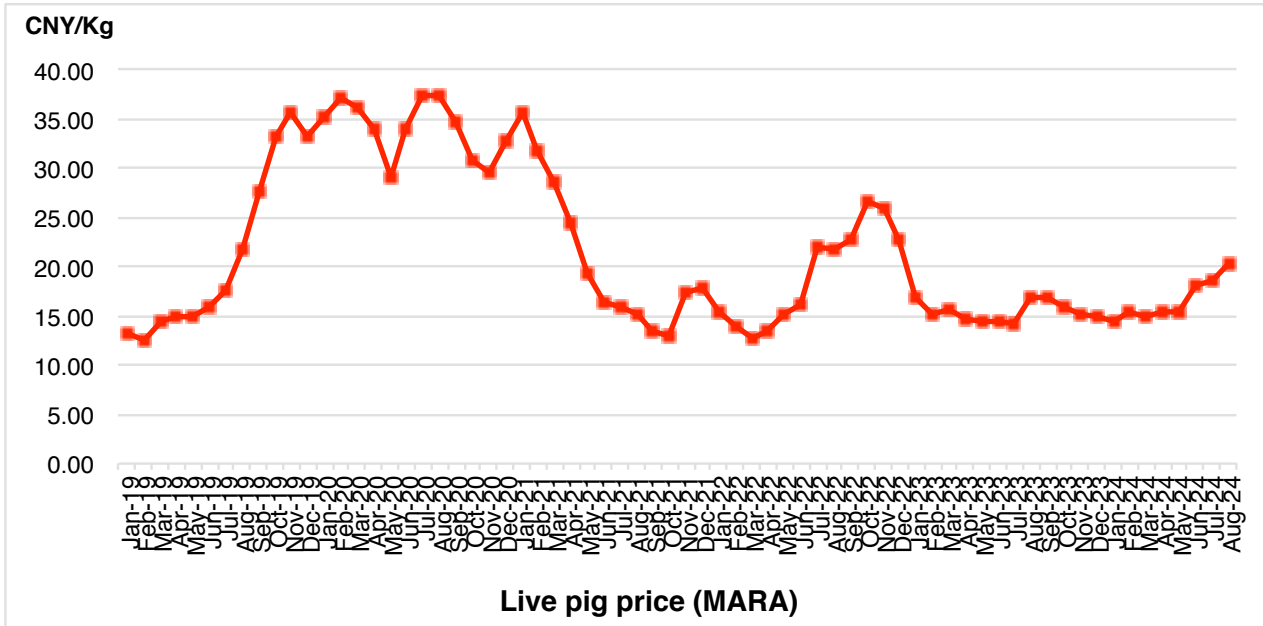
"The prices of beef and raw milk in the first half of the year fell by 12.1% and 12.5%, respectively, and beef cattle and dairy cow farmers are making losses," Wang Lejun, the agriculture ministry's Chief Animal Husbandry Officer said on a news release.

As pig prices recover faster than expected, the listed pig companies is expected to turn a profit in the third quarter and even for the year. As long as the price of live pig continues to rise in the second half, listed pig firms can easily make money and the amount of profit depends on the number of pigs they slaughter. (Source: MARA, 30th, August 2024)



Live pig price in August 2024

Average live pig prices in China was CNY 20.35/kg in August, which was 9.1% higher than the previous month and 20.3% higher than the same period last year. (Source: MARA, August 2024)



Chicken and egg price in August 2024

China chicken and egg average pig prices in China was CNY 23.80/kg and CNY11.07/kg in August, chicken price was 0.9% higher than the previous month and 0.7% lower than the same period of last year. Egg price was 5.0% higher than the previous month and 2.3% lower than the same period last year. (Source: MARA, August 2024)

