



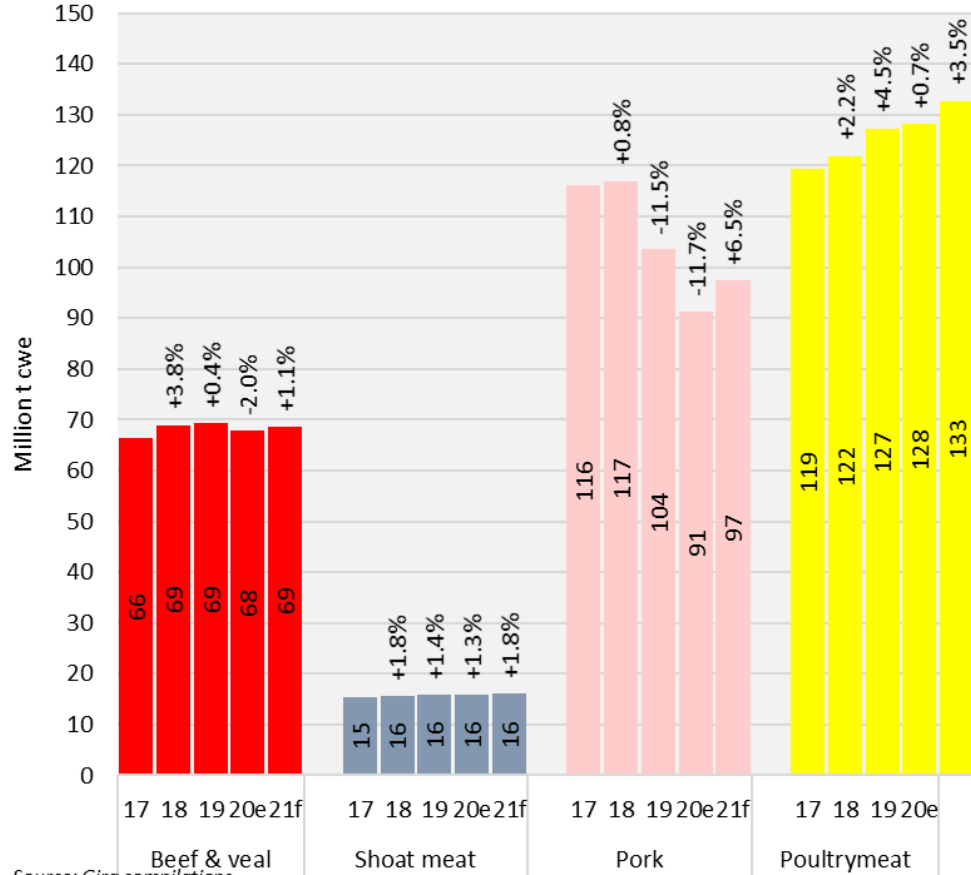
Impact and Outlook of ASF on Global Pigmeat Supply

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2020-21 global meat market characteristics: production

C-19 compounds ASF to reduce 2020 production.



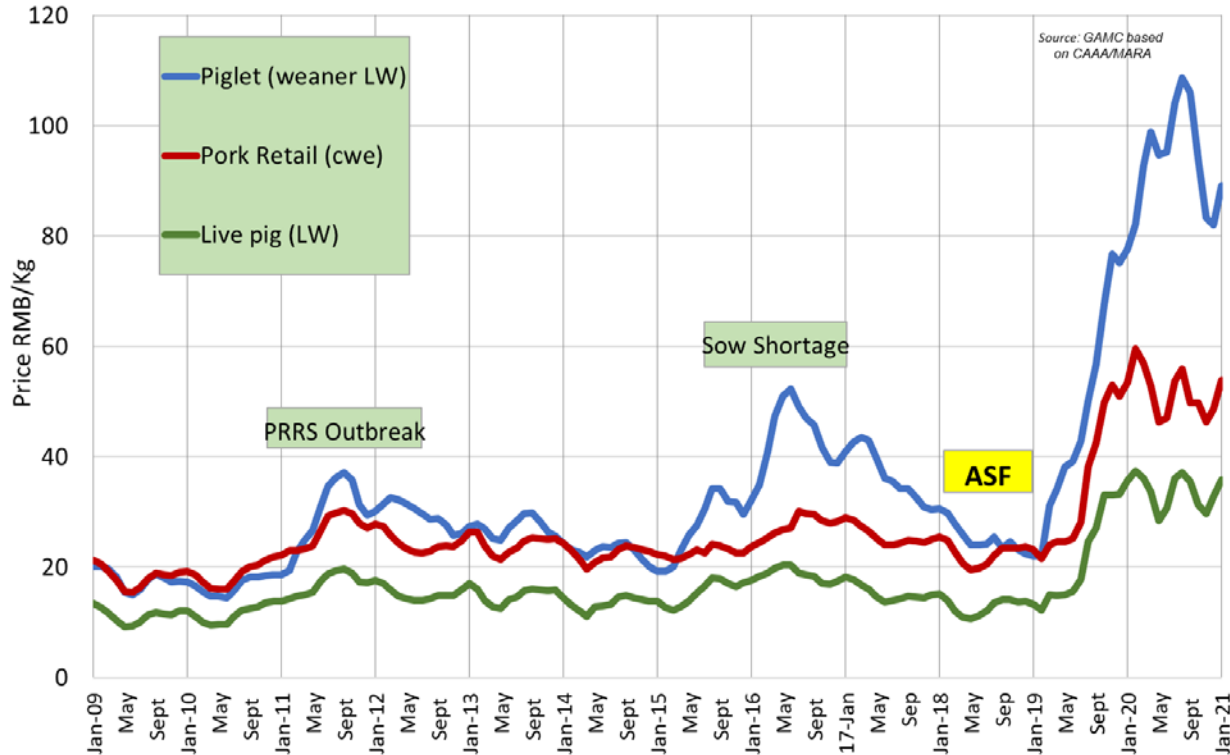
Source: Gira compilations

- ASF 'slams' pork production
 - 2019+20 drop as ASF spreads through Asia
 - 2021 rebuilding underway in CN + VN
- Poultry (mainly broiler) taking advantage of high pork prices
 - Strong growth in 2019 and plans, ... but:
 - Very disappointing 2020 as hit by C-19 impact
 - 2021f growth might be optimistic given unexpectedly high feed costs

China Pig Sector Prices

Despite volatility, prices stuck to record levels all 2020

Pig sector prices, Jan 2009-Jan 2021



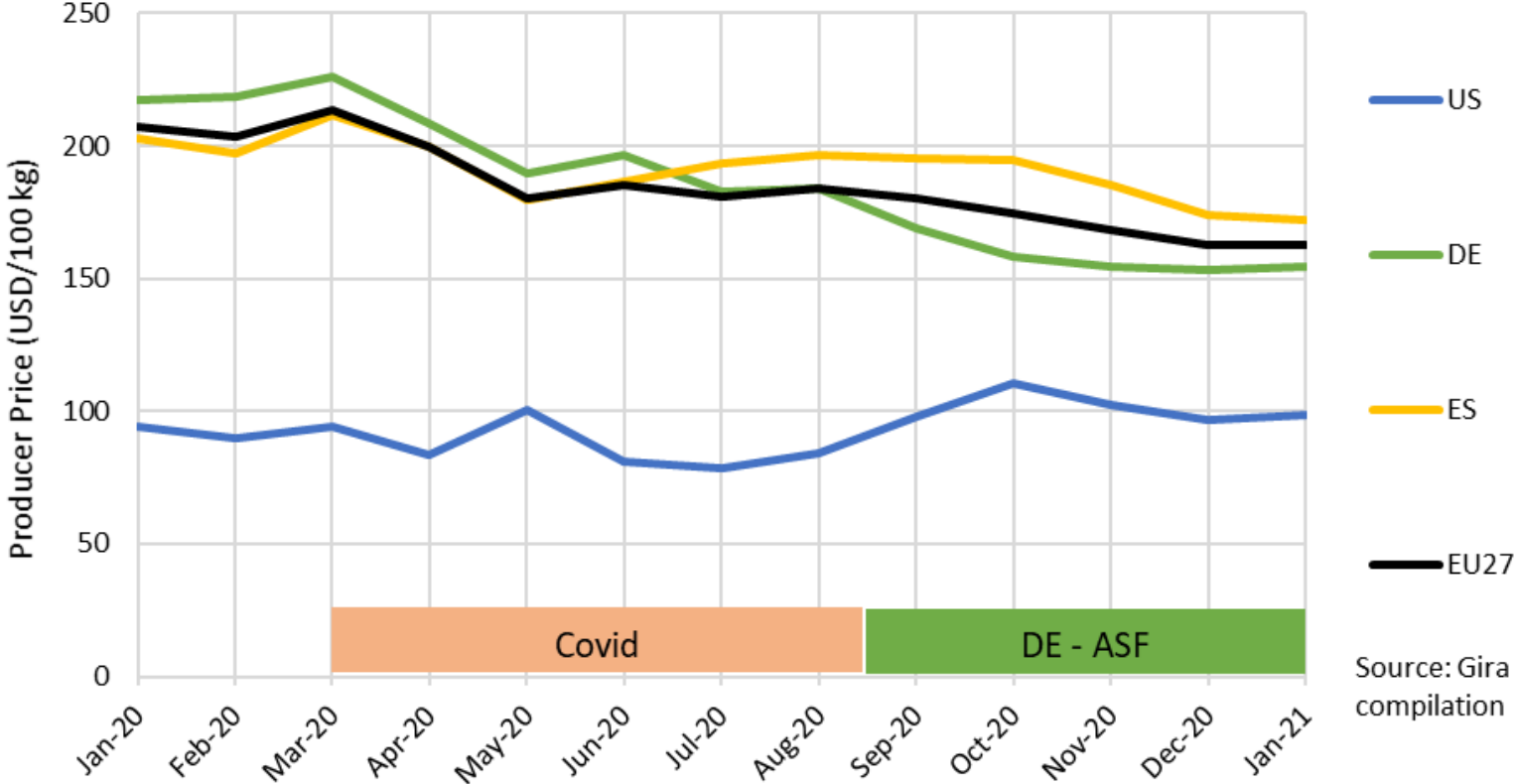
- ✓ Pigmeat sector prices showed some volatility in 2020, but **stuck to record levels** all through the year.
- ✓ Piglet prices reached an average of over **USD300 per head**.
- ✓ Retail and live prices fell on Covid problems, but returned to peaks when Covid receded.

Impact of ASF on Global Pig Producer Prices

Dependant on impact on supply and trade.



Producer Pig Prices - Monthly

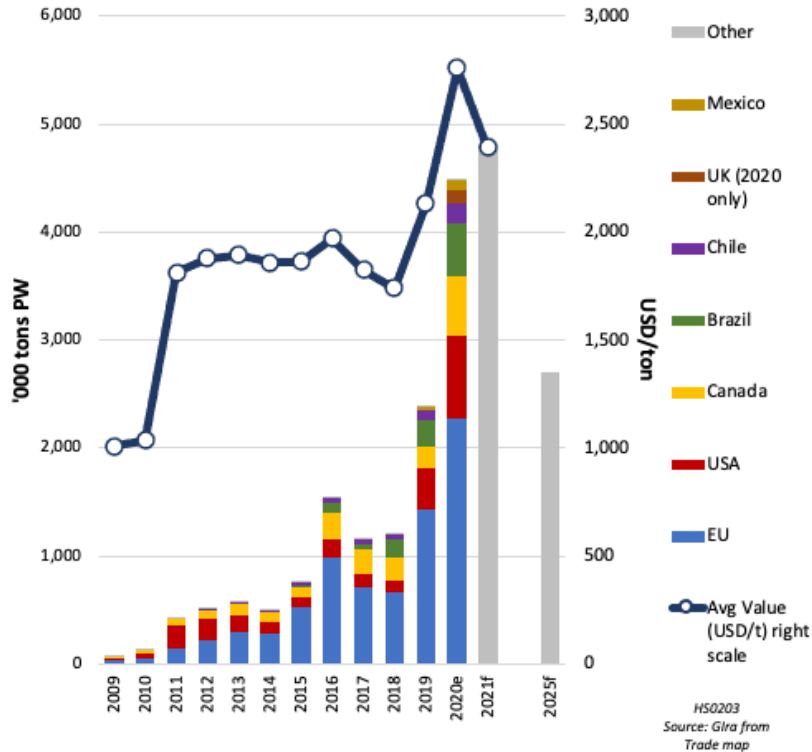


Source: Gira compilation

China Pigmeat Import Surge

Massive imports failed to fill the gap!

China Direct Pigmeat Imports, 2008-2024f



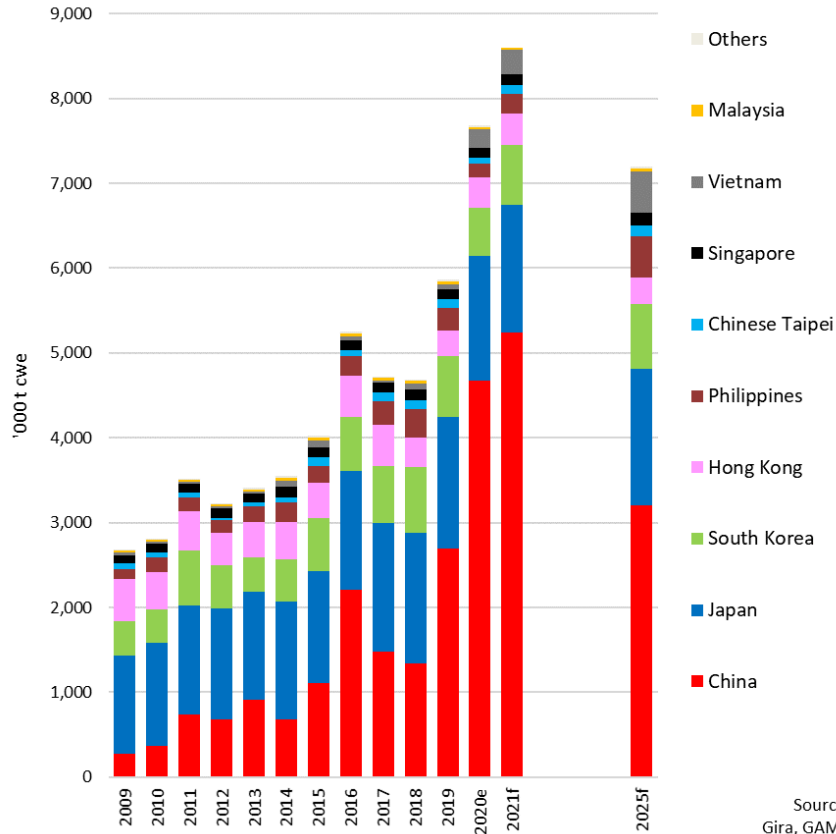
- China's imports double
- EU tops the chart: Even without Germany since Sept'20
 - Spain largest EU exporter.
- Pork shortage trumps politics!
 - Canada and USA
- New sources: Argentina, Russia, Costa Rica
- 2021: Huge 2020 imports did not fill the protein gap, which is still huge.
- Demand for imports remains in 2021
- ... fades by 2025

Asian Pigmeat Imports

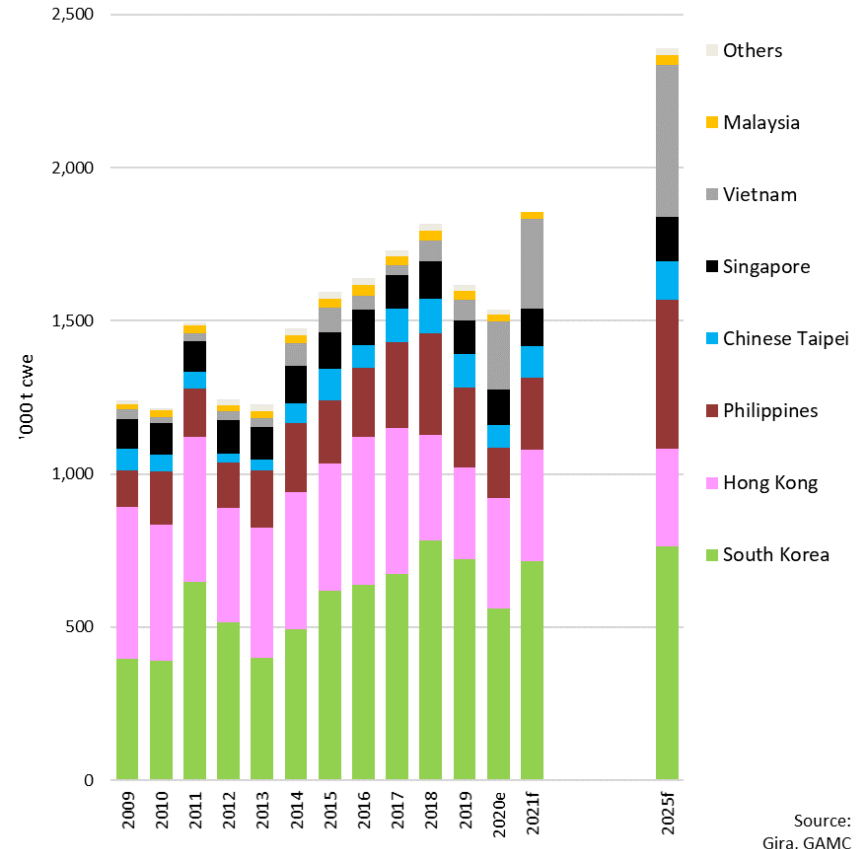
CN outbids other markets, compounded by Covid-19 in 2020



Pigmeat Imports by Country, 2009-2025f



Pigmeat Imports by Country (excl. CN & JP), 2009-2025f



Final Thoughts

A Difficult Year Globally

ASF supply stress was alleviated by Covid-19...



- Chinese buying priced lower income markets out. But Covid-19 impact on economies reduced demand, so shortage was not as apparent.
- China demand remains very strong, as pork supply short fall will last until 2025
 - All meats. Has a positive effect on global prices. Important in offsetting Covid impact.
 - Access gets increasingly complicated, can not take as granted, expect disruption.
- Other Asian markets need to rebuild supply, will be a mix of imports + production.
- ASF remains a major trade barrier, lack of process on implementing and lifting of bans adds uncertainty and cost to industry globally.

Thank you for your attention

Continuously evolving situation... and Gira support is ongoing:

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