

By Peter Crichton

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“We Can Work It Out” – The Beatles

At a time when the pig industry has been hit by the sledgehammer blow of COVID-9, producers throughout the world are doing what they can to keep the wheels turning and provide pig meat to put on the tables of a very troubled world.

It is however in most cases “business as usual”, but who knows for how long?

Currently the SPP is virtually static moving down by only 0.07p to stand at 163.15p.

Contract prices have stayed at similar levels with little movement in the range of weekly prices, which remain between 163p/kg at the top (thank you) and 155p/kg (boo!) in the nether regions.

After a busy week, seven days earlier when the headlines were full of reports of bare supermarket shelves and panic buyers, food supplies appear to have partially recovered and common sense has returned to some (but not all) of the population with reports that meat, fruit and veg was reasonably available providing one could pay for it.

Spot bacon prices have eased back from their firmer levels a week ago with reports of deals being agreed in and around 160p/kg, but with very little interest from spot buyers the majority of pigs have remained on contract.

A glance at the calendar indicates that Easter is only a couple of weeks away and this could be a challenging time if abattoirs are finding it difficult to have enough staff to deal with the processing of pig meat, but up to now they have managed pretty well to keep the show on the road, well done.

Cull sow prices have eased back in line with a slightly stronger pound, with most traded in the 118 – 124p/kg range according to load size and significant numbers are wanted for export.

Weaner prices have held a generally similar levels with the latest AHDB 7kg ex-farm average rising from £42.25/head to £42.57/head, but finishing space remains on the tight side.

Most 30kg spot weaners were changing hands (or trotters) between £57/head and £60/head according to contract specifications.

Feed ingredients have remained much dearer than they were two weeks ago with the latest UK futures price for feed wheat delivered in April of £168/t, with September looking even dearer at £176/t.

UK feed wheat traded on an ex farm spot basis has been reported to average £155.7/t, which represents a £5/t up on last week's values.

Barley prices are around £20/t lower than wheat with feed barley deals concluded at £141/t for April and £148/t for September.

Proteins have ended a rollercoaster week, but not to the advantage of the pig industry, with May Hi-pro soya valued at £369/t, which is almost £70/t above its level 4 weeks ago and June/October a shade easier at £339/t.

Probably the main positive news arises from China (for a change) is news of rising EU pig meat exports up by 27%[^] on a 12 month basis, although exports to many other potential destinations have declined.

As far as pig numbers are concerned, the latest UK census in December 2019 was up 2% on the same period last year, with English pig numbers at their highest level since 2007 and hopefully there will be enough people still on this planet to consume this level of pig meat or more.

An increase in the volumes of pig feed being produced is also flagging up that there are more animals to feed in the months ahead.

And finally, some abattoir operators are holding their breath that they will have enough staff to kill and process their throughputs and the same anxiety applies to the livestock haulage and refrigerated transport divisions, all of whom are a crucial part of the supply chain, but hopefully we can all work together in this dark tunnel and emerge at the other end.

