

MEATS










MARKET SUMMARY OUTLOOK FOR 2020



MARCH/2020

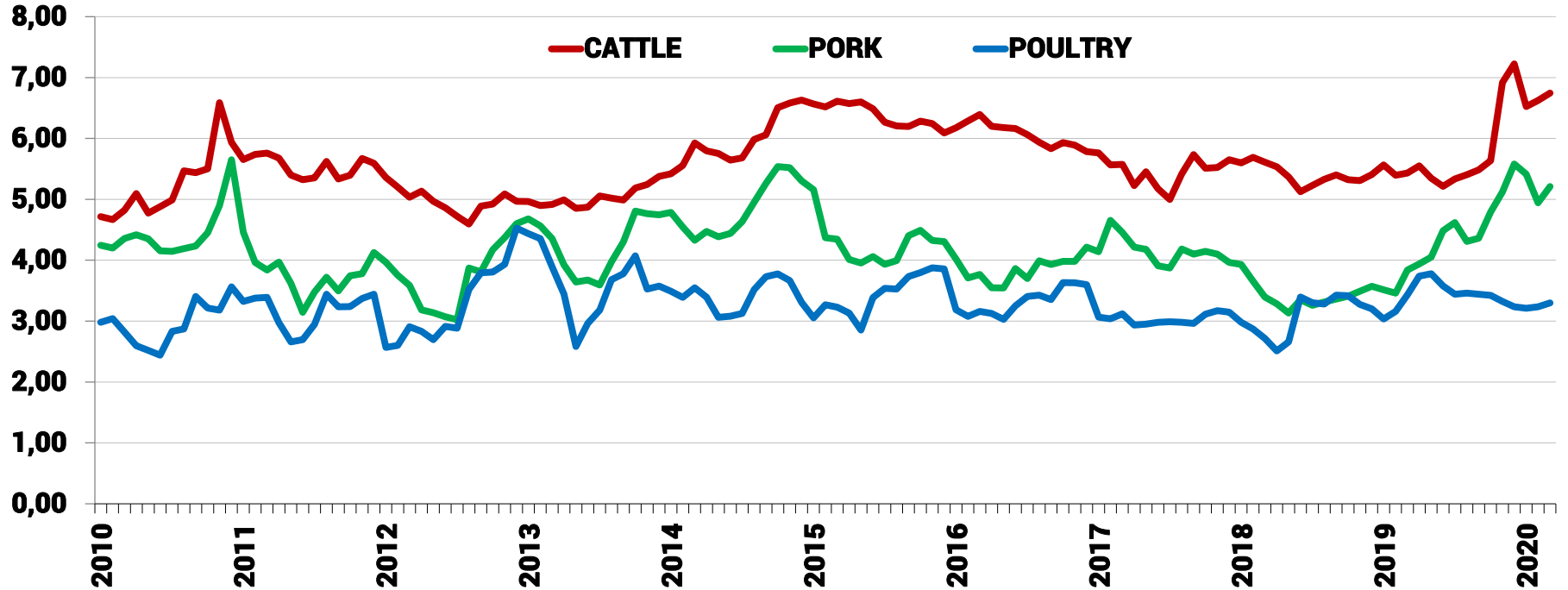


MEATS: MARKET SUMMARY BY SEGMENT

PROTEIN	PRODUCER	WHOLESALE
		
		
		



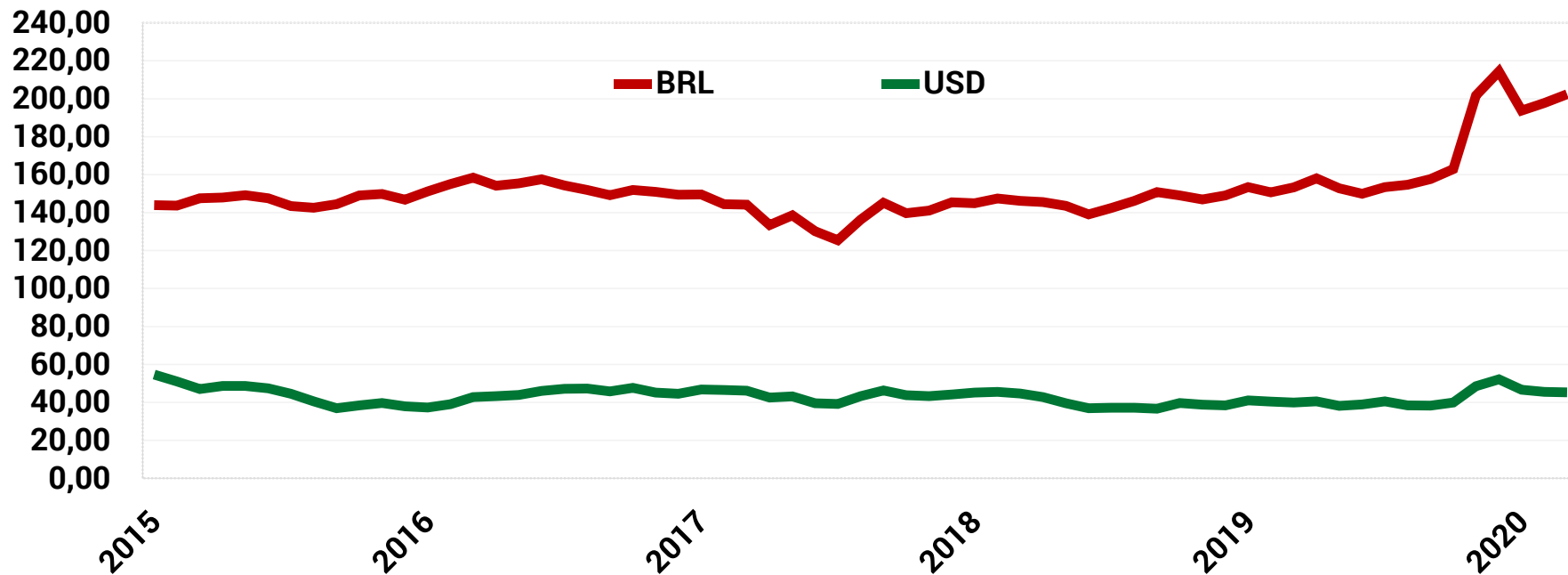
MEATS: PRODUCER PRICES IN BRAZIL - R\$/KG CARCASS (LIVE) INFLATION-ADJUSTED BY IGP-DI JAN/2020



- The prices of live cattle remain strong, although practically stable at producer regions, with good climatic conditions to hold cattle in pastures.
- In São Paulo state, the average price of live cattle has increased 2.4% in the last 30 days, a nominal increase of 32.0% in 12 months.
- The short-term trend, with the payment of wages at the beginning of March, is towards a higher consumption of beef and a greater demand from slaughterhouses, supporting cattle prices, but further price increases should be limited by the decline in exports.
- In February, Brazilian exports of fresh beef decreased 4.2% in relation to the same month of the previous year, reaching 115.4 thousand tons. However, revenue increased 14.1%, due to average price increase, which rose to US\$ 4,469.20 / ton in February, compared to US\$ 3,751.50 in Feb/2019.
- In the first two months of 2020, beef exports grew 4.4%, reaching 227.6 thousand tons, compared to 217.9 thousand tons in the first two months of 2019.
- At São Paulo's wholesale market, prices are falling, with the castrated ox carcass quoted at R\$ 12.63 / Kg, down 5.1% in 30 days (R\$ 13.31 / Kg), but still an 23.3% increase in the last 12 months (R\$ 10.24 per Kg).



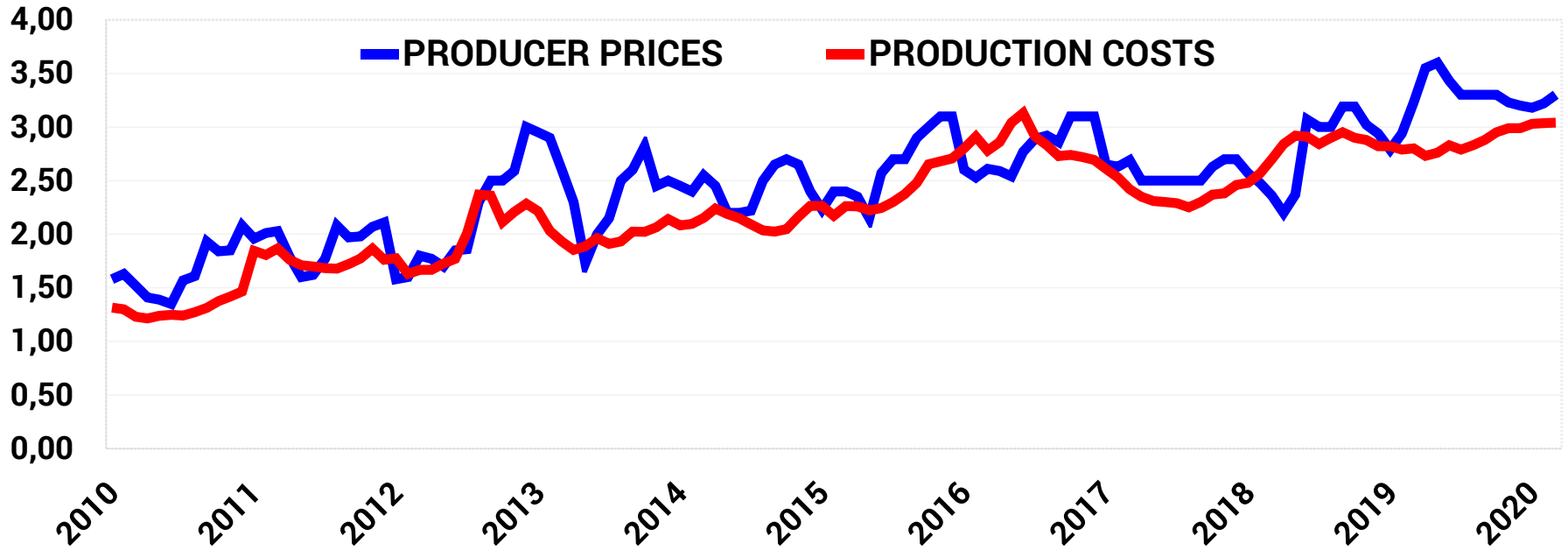
CATTLE: PRODUCER PRICES PER 15 KG SÃO PAULO



- Live chicken prices rose 2.5% in the last 30 days, after three consecutive months of decline, but accumulating a nominal increase of only 2.2% in 12 months.
- At the same period, its main inputs - soybean meal and corn - also registered appreciation, but less intense, which has increased the purchasing power of poultry farmers in the South / Southeast of the country in the last 30 days.
- The increases in live chicken inputs and prices contrast with the still weak demand for chicken meat in the Brazilian market, but are justified by the revitalization of exports.
- In the wholesale of São Paulo, chicken meat prices are also up, with the product quoted, on average, at R\$ 4.91 / kg, a sharp increase of 12.1% in 30 days and 13.7% in 12 months.
- In February, Brazilian exports of fresh chicken meat grew 12.1% in relation to the same month of the previous year, reaching 324.3 thousand tons.
- As a result, in the first two months of 2020 chicken meat exports registered a strong increase of 13.7%, reaching 625.9 thousand tons, against 550.5 thousand tons in the same period of 2019, driven by greater purchases from China, affected by African Swine Fever, Avian Flu and Coronavirus.



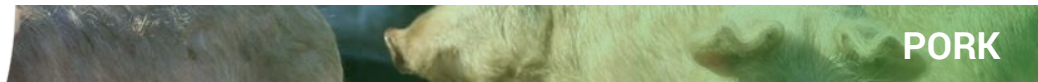
POULTRY: PRODUCER PRICES X PRODUCTION COSTS BRAZIL SOUTH REGION - R\$/KG (LIVE)



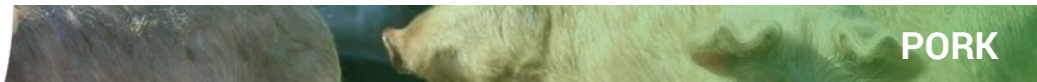
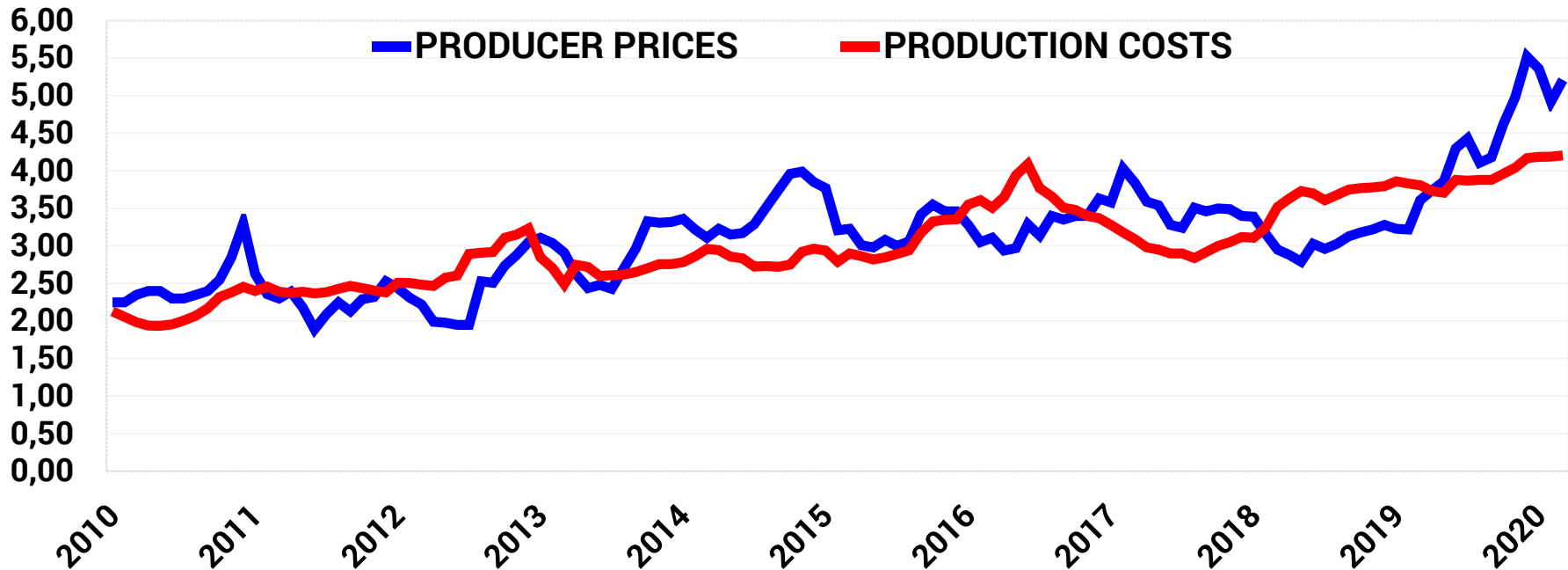
CHICKEN MEAT: WHOLESALE PRICES SÃO PAULO - R\$/KG



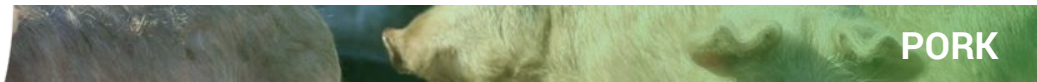
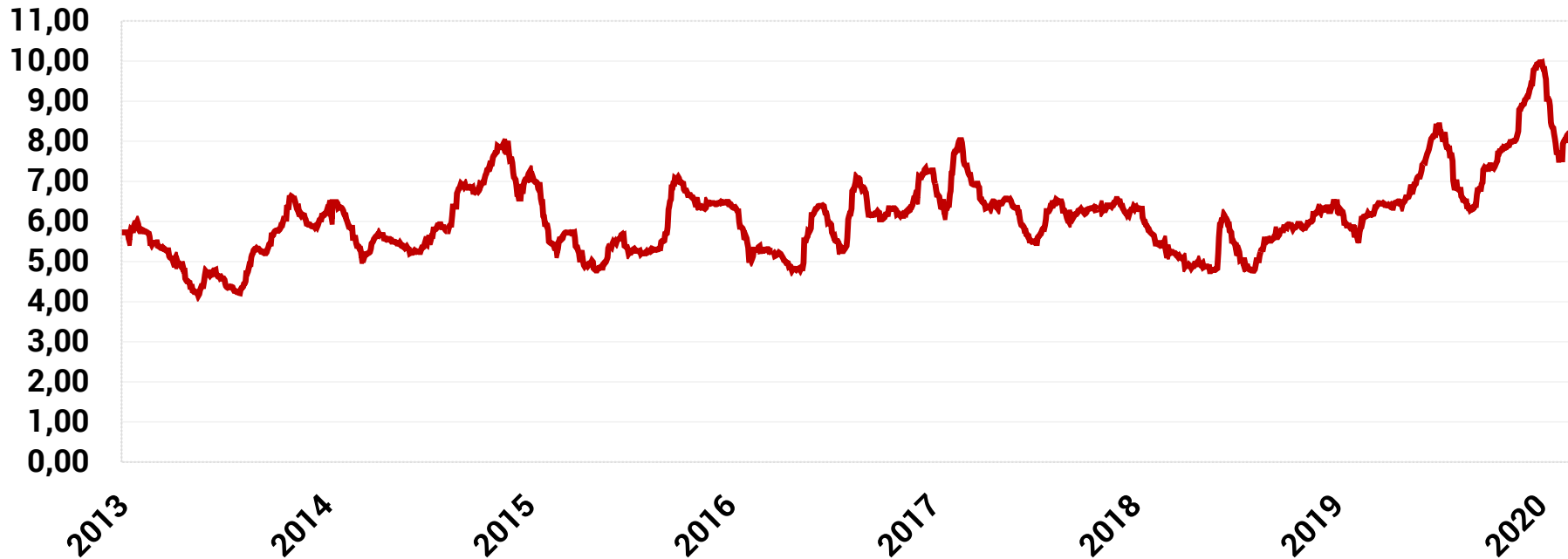
- The average prices of live hogs registered an 12.3% increase in the last 30 days, accumulating a steep nominal increase of 46.0% in the last 12 months.
- The lower supply of pigs at ideal slaughter weight continues to hold the values of live pigs in most of Brazil's producing regions, with slaughterhouses passing on the highs of live animals to pork in the last 30 days.
- In the wholesale of São Paulo, the pork carcass is quoted, on average, at R\$ 8.36 / Kg, with a strong increase of 8.4% in the last 30 days - surpassing the readjustment of live pigs - accumulating a nominal high of 35.5% in the last 12 months.
- In February, Brazilian exports of fresh pork increased 26.6% in comparison with the same month of 2019, reaching 58.1 thousand tons.
- In the first two months of 2020, Brazilian exports of fresh pork reached 117.4 thousand tons, a strong increase of 33.8% compared to the 87.8 thousand tons shipped in the same period of the previous year.
- Revenue from export sales reached U\$ 295.7 million in the first two months of 2020, a sharp increase of 69.3%, over the U\$ 174.6 million recorded in the first two months of last year, leveraged by the increase in the average price and by China's decreased swine herds, due to the African Swine Fever.



PORK: PRODUCER PRICES X PRODUCTION COSTS BRAZIL SOUTH REGION - R\$/KG (LIVE)



SWINE CARCASS: WHOLESALE PRICES SÃO PAULO - R\$/KG





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