

# MEATS










## MARKET OUTLOOK SUMMARY



DECEMBER/2020



# MEATS: MARKET SUMMARY BY SEGMENT

PROTEIN	PRODUCER	WHOLESALE
		
		
		

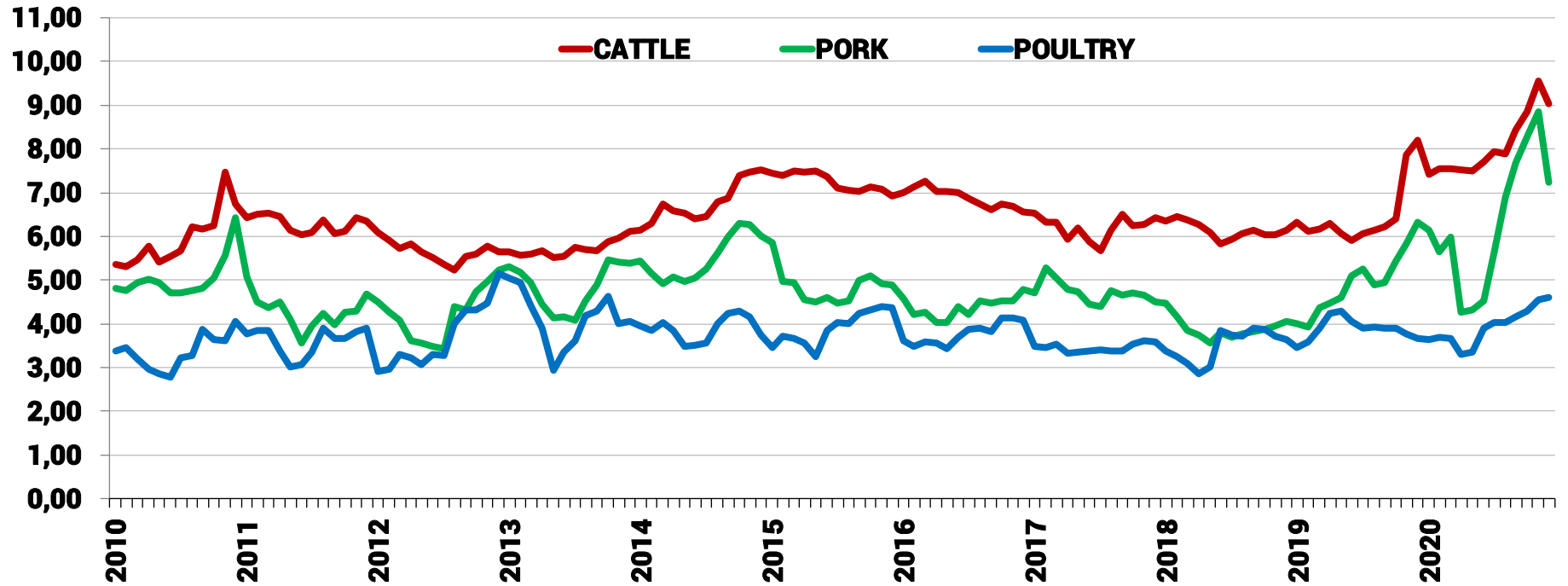


## MEATS: PRODUCER PRICE CHANGES

PERIOD	CATTLE	POULTRY	PORK
LAST 30 DAYS	-5,3%	1,1%	-18,2%
YEAR TO DATE 2020	39,7%	44,7%	34,9%
LAST 12 MONTHS	26,3%	43,8%	31,0%



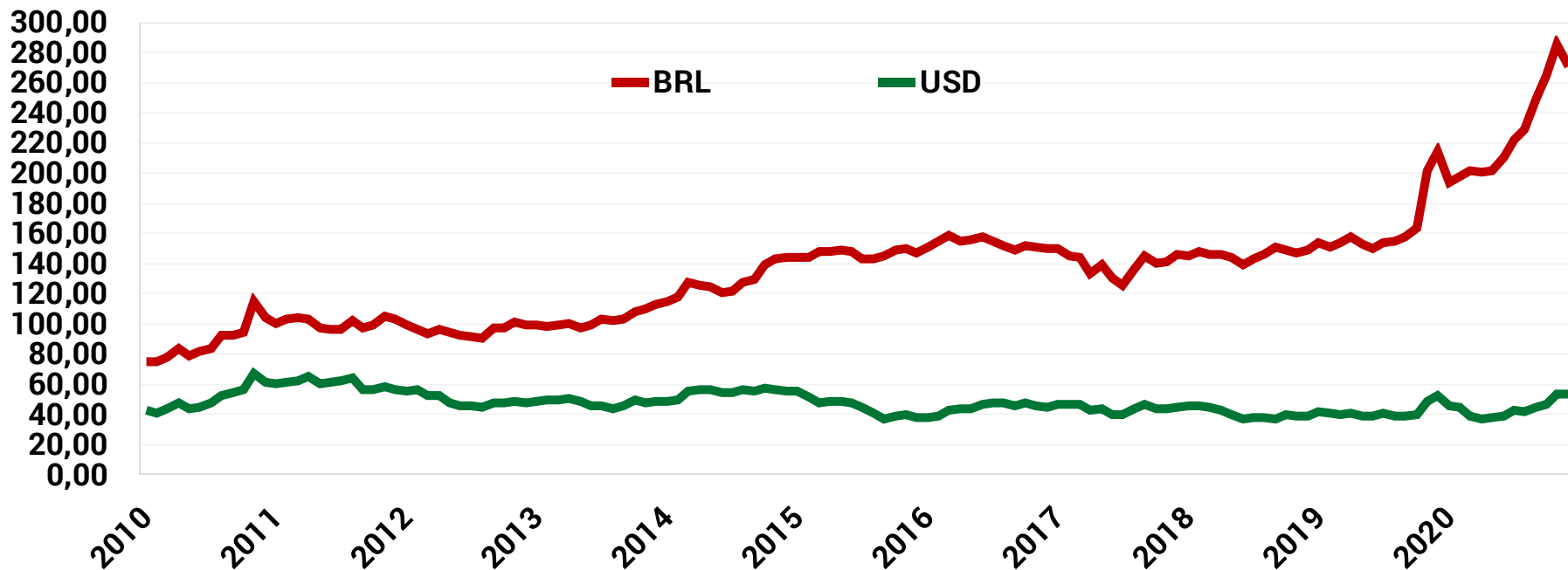
# MEATS: PRODUCER PRICES IN BRAZIL - R\$/KG CARCASS (LIVE) INFLATION-ADJUSTED BY IGP-DI



- There's a downward pressure on the prices of live cattle, with the average quoted at R\$ 270.70 at São Paulo, a decrease of 5.3% in the last 30 days, but still a 26.3% increase in 12 months.
- The fall in the price of live cattle in the main livestock regions of the country reflects the shortage of slaughterhouse industries in the market and the recent entry of new batches of finished cattle from confinement.
- The slaughterhouses are expected to reduce purchases in the coming weeks, reducing the demand for cattle, in view of the slaughter scales extended until the end of the year.
- The outlook is positive for domestic beef demand this month, but in January there is concern about the effects of the withdrawal of emergency aid from the federal government, which should reduce consumers income and favor cheaper proteins, such as chicken, that was already gaining more prominence.
- In São Paulo wholesale, the average spot price of the ox carcass is R\$ 17.02 / Kg, a 6.7% decrease compared to the R\$ 18.25 average from 30 days ago.
- From January to November of 2020, total Brazilian beef exports (fresh and processed) reached 1.582 MMT, 11.3% higher than the same period in 2019.



# CATTLE: PRODUCER PRICES PER 15 KG SÃO PAULO



# CATTLE: SP PRODUCER PRICE - R\$/15KG INFLATION-ADJUSTED BY IGP-DI

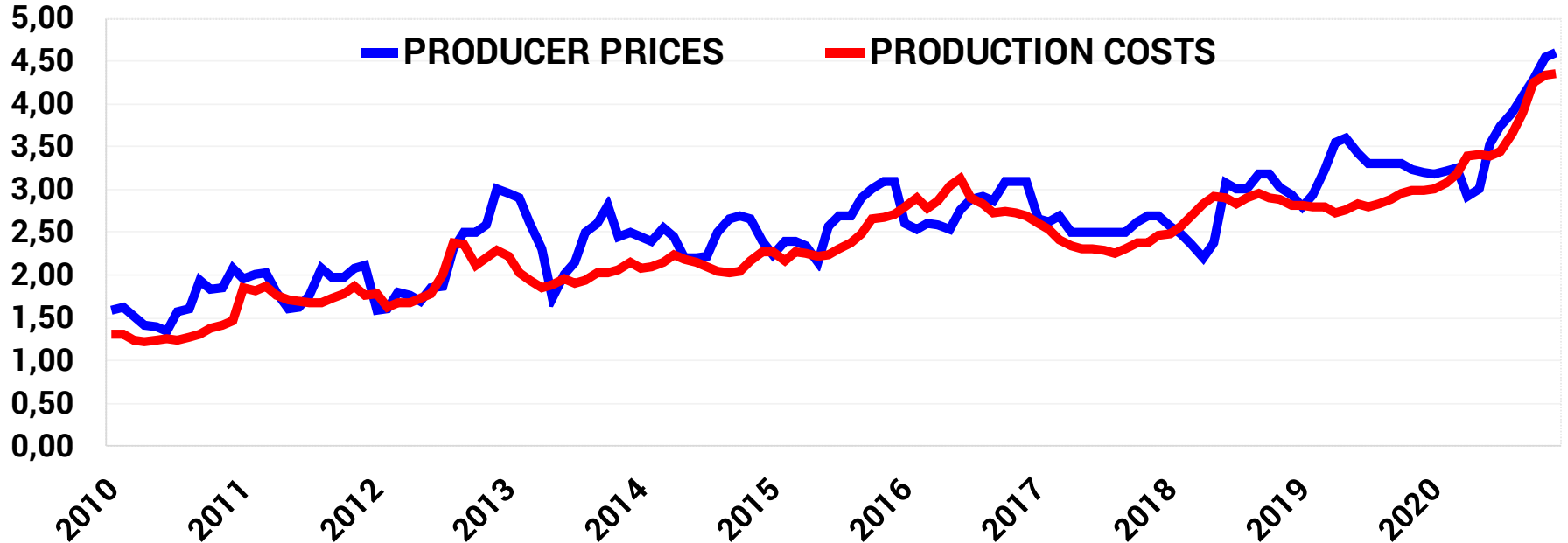


- Live chicken prices rose 1.1% in the last 30 days, accumulating a nominal increase of 43.8% in the last 12 months.
- In the wholesale of São Paulo, the chicken meat average price is R\$ 6.32 / Kg, an increase of 1.3% in the last 30 days and 17.0% in the last 12 months.
- Chicken meat exports grew 9.3% in November / 2020 compared to October / 2020, and 3.5% compared to November / 2019.
- The increase in shipments ended up helping the sector in maintaining its lean inventories throughout the month of November.
- With lower inventories and a larger supply and demand balance in the domestic market, prices gained greater support in domestic negotiations.
- At the beginning of the month, chicken meat prices rose again at the wholesale , but are stable in the second week of December.
- Total Brazilian chicken exports (fresh and processed meat) reached 3.587 MMT between January and November of 2020, volume 1% below the same period in 2019.
- The production cost accumulated a strong increase of 44.7% in 2020 and 45.7% in the last 12 months.

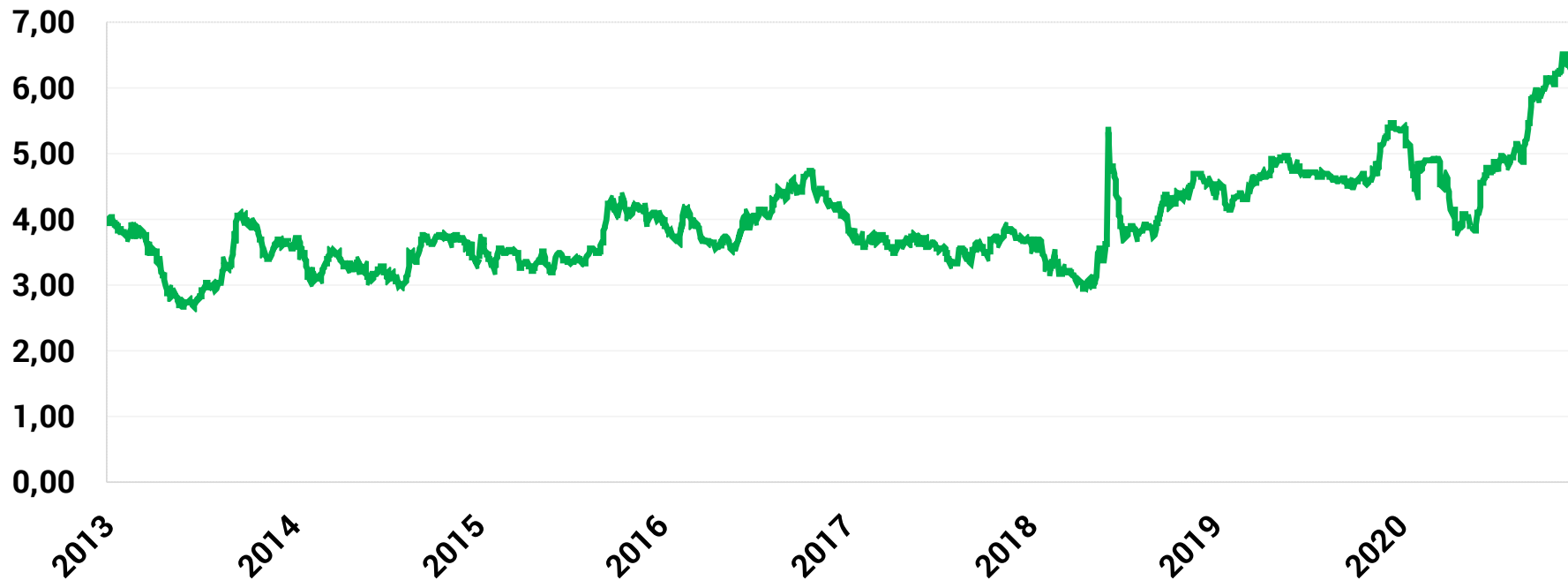




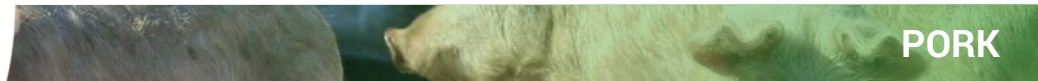
# POULTRY: PRODUCER PRICES X PRODUCTION COSTS BRAZIL SOUTH REGION - R\$/KG (LIVE)



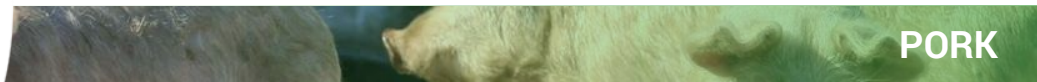
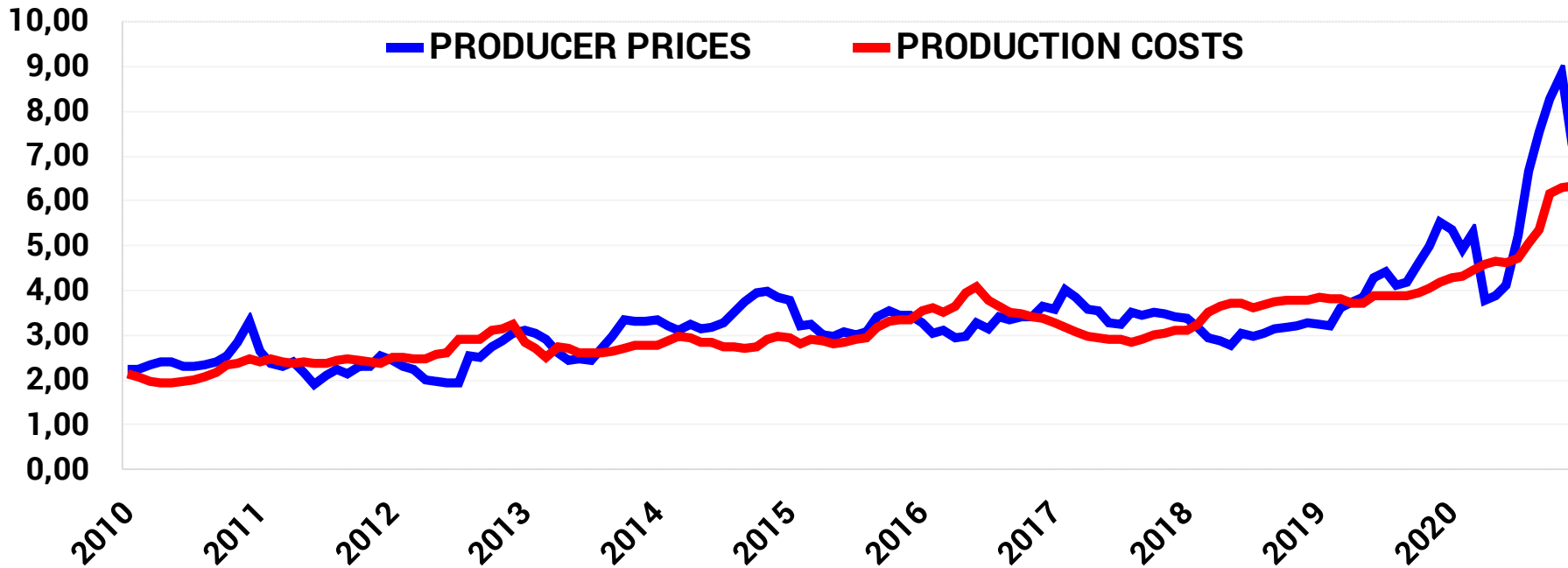
# CHICKEN MEAT: WHOLESALE PRICES SÃO PAULO - R\$/KG



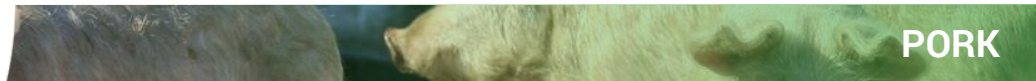
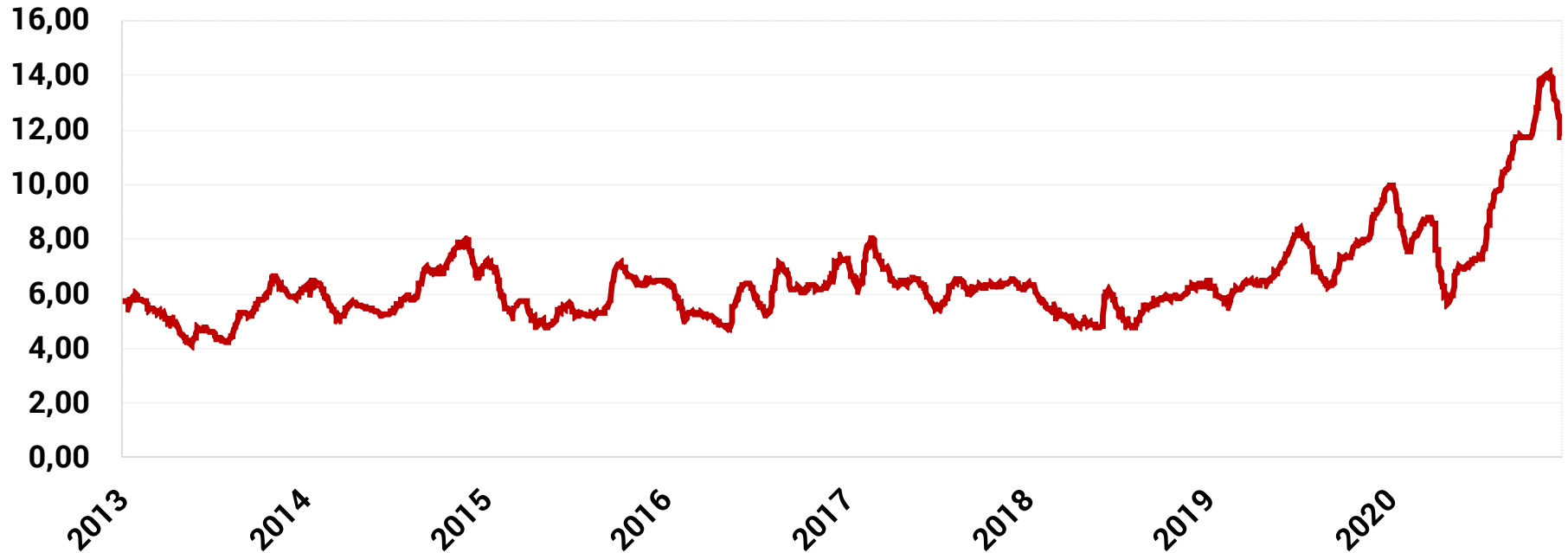
- Average prices for live hogs registered a strong decrease of 18.2% in the last 30 days, but still accumulate an increase of 31.0% in 12 months.
- In view of the lower demand from the wholesale sector, slaughterhouses are reducing the pace of purchase of new batches of live pigs for slaughter. Pig farmers, fearing even more severe price declines in the coming weeks, have increased the supply.
- In the wholesale of São Paulo, pork carcass is quoted, on average, at R\$ 11.75 / Kg, a strong decrease of 16.1% in the last 30 days, but still a 27.7% nominal increase in the last 12 months.
- In the domestic market, the lower demand for pork, due to high price levels, has limited liquidity and pressured quotations.
- The prices of the carcass and of the main cuts have registered less intense falls than the live pig.
- Between January and November 2020, total pork exports (fresh and processed) reached 829 thousand tonnes, 40.2% above the total shipped in the same period of 2019. This even already exceeded total exports of 2019, which were 657 thousand tonnes.
- The pork production cost accumulates a strong increase of 48.1% in 2020 and 51.7% in the last 12 months.



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



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





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