

MEATS

MARKET OUTLOOK SUMMARY



APRIL/2021












MEATS: PRODUCER PRICE CHANGES

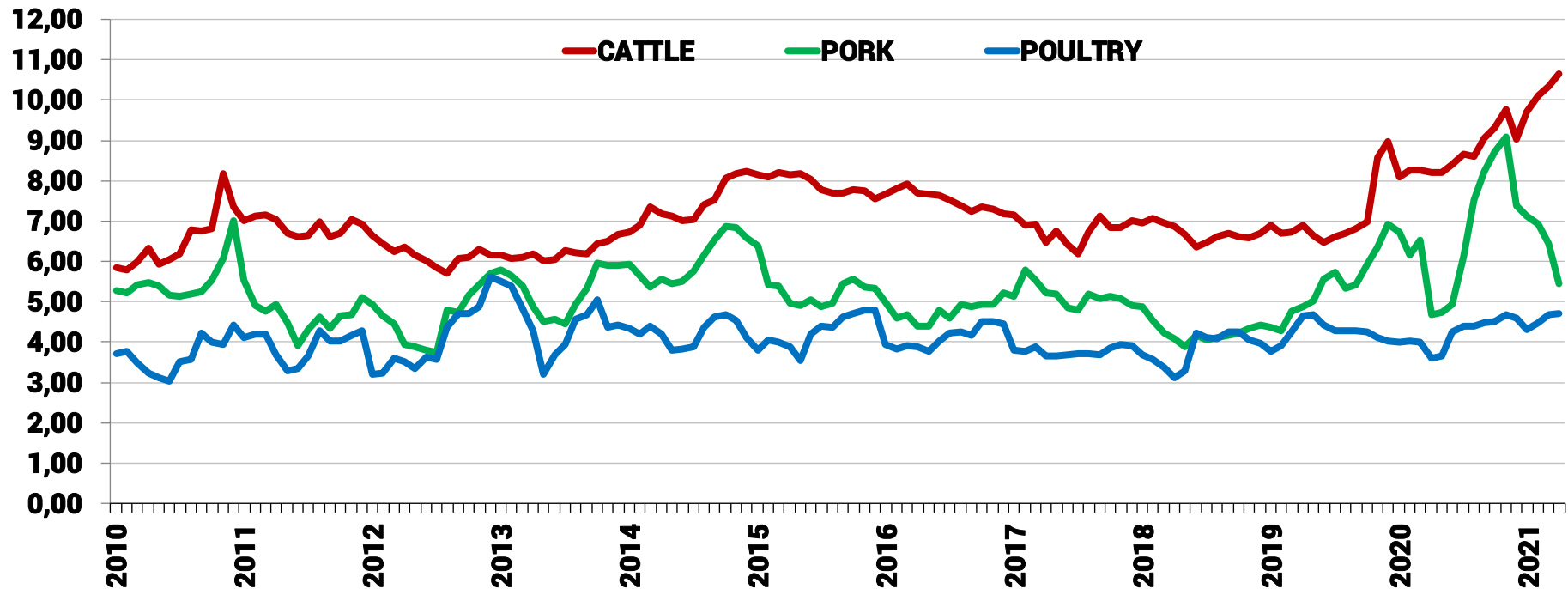
PERIOD	CATTLE	POULTRY	PORK
LAST 30 DAYS	3,1%	0,6%	-15,2%
YEAR TO DATE 2021	19,9%	4,0%	-25,0%
LAST 12 MONTHS	59,7%	61,0%	43,8%



MEATS: MARKET SUMMARY BY SEGMENT

PROTEIN	PRODUCER	WHOLESALE
		
		
		

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

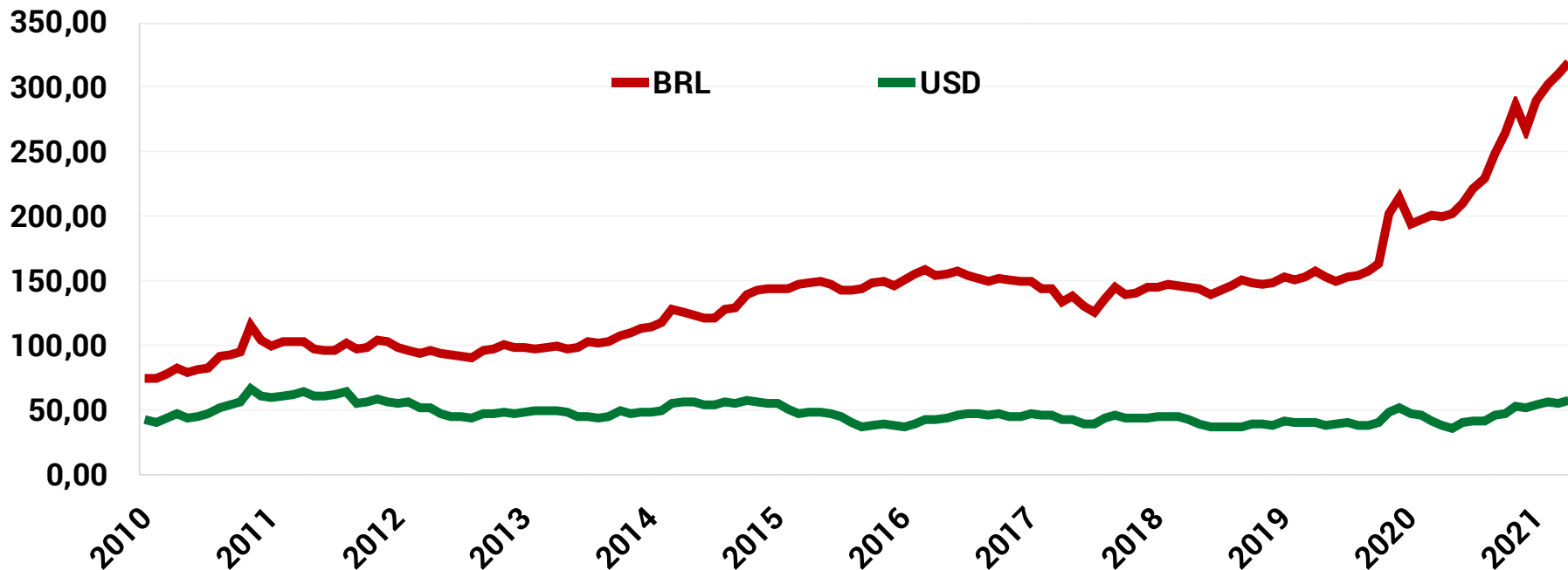


- Live cattle prices are on the rise, reaching record levels, quoted in São Paulo at R\$ 319.67 for 15kg on average, with increases of 3.1% in the last 30 days, 19.9% between January and the partial of April 2021 and 59.7% in 12 months.
- There's an accelerated rhythm at the physical market of live cattle, even without reaction of the domestic beef consumption, but with tight slaughter scales in most of the producing regions of the country.
- Industries try to put down pressure on prices, as the domestic market shows that it no longer has the capacity to absorb new readjustments.

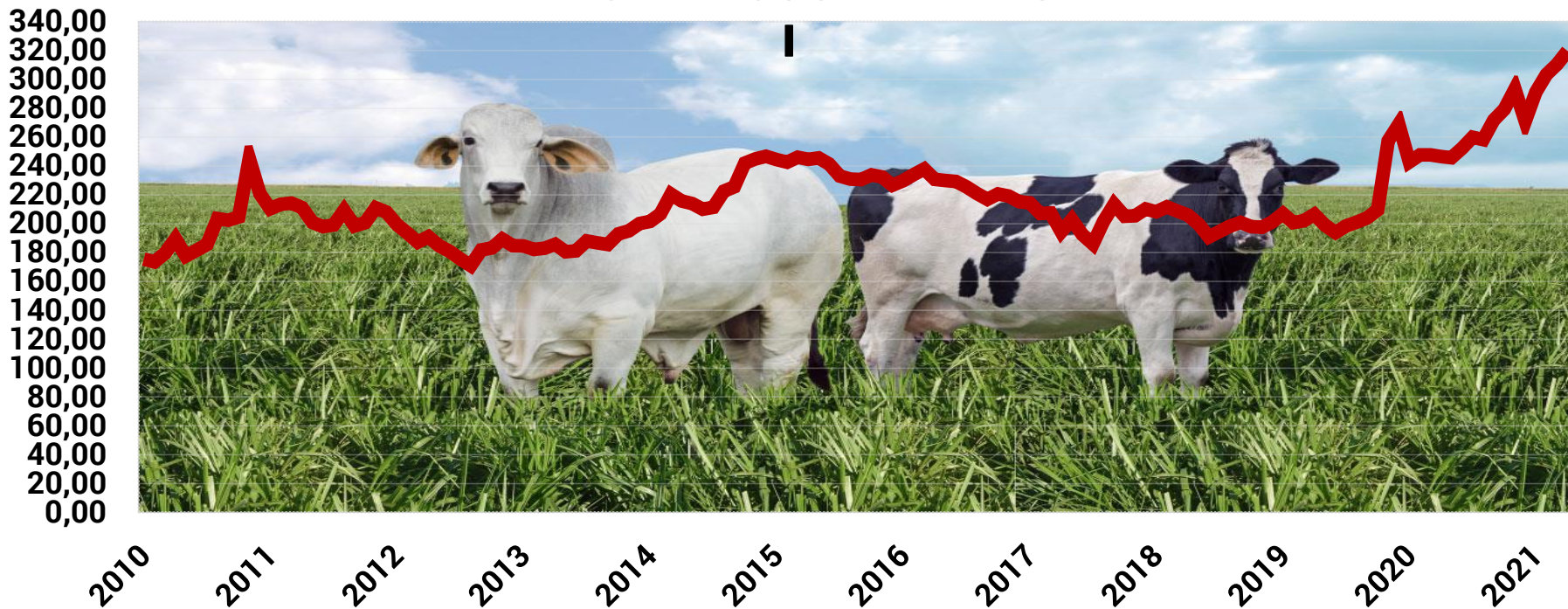
- In the first quarter of 2021, total Brazilian beef exports (fresh and processed) reached 343.3 thousand tonnes, with a slight decrease of 2.9% in comparison with the same period in 2020.
- With the scarcity of animals for slaughter and rising prices, some industries have moved away from business, reducing activities or even giving collective vacations (shutdown) to reduce costs.
- The situation is a little bit better for export-enabled slaughterhouses, which are responsible for a large part of the business, given the heated international demand and the growth in shipments volume and revenue in March / 2021.



CATTLE: PRODUCER PRICES PER 15 KG SÃO PAULO



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

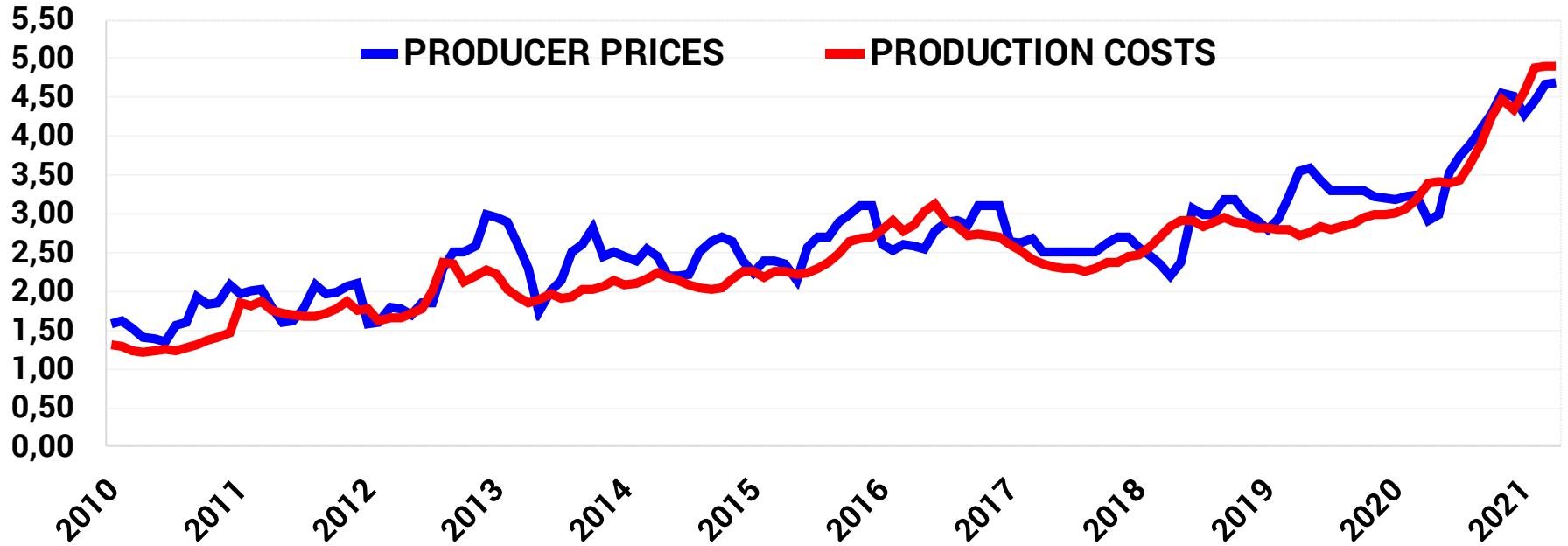


- Average live chicken prices registered a slight increase of 0.6% in the last 30 days, accumulating a nominal increase of 61.0% in the last 12 months.
- In the wholesale of São Paulo, the chicken meat average price is R \$ 6.20 / Kg, an 3.1% decrease in the last 30 days, but advances of 3.2% between January and April 2021 and 43.2% in 12 months.
- Smaller supply allowed more wholesale price stability in the past two weeks.
- In addition to the restricted supply, support also comes from heated exports in March and high price levels of substitute meat.

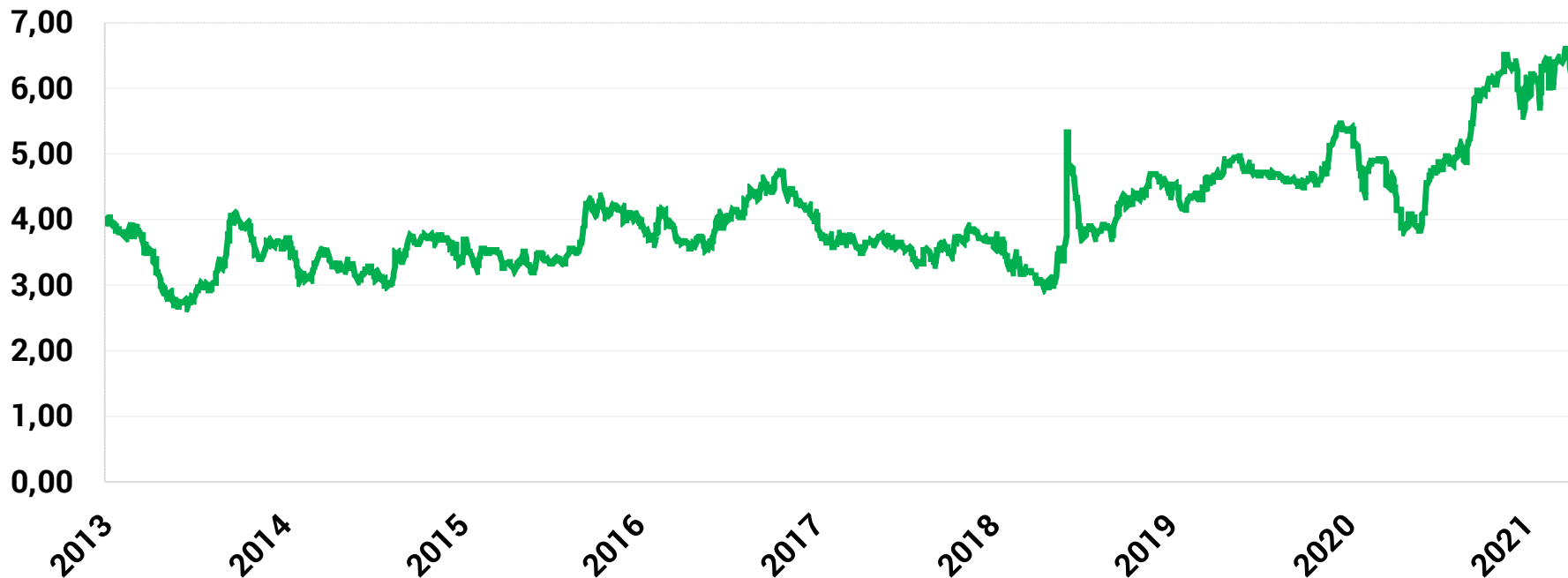
- However, the prices of raw materials for feed continue to increase and the producers' margins remain reduced or negative, because, even with a 43.2% rise in the whole chicken in 12 months, the cost of food increased 112% in this period.
- The production cost of live chicken accumulates a 12.9% increase in 2021 and 53.9% in 12 months.
- In the first quarter of 2021, total exports of chicken meat (fresh and processed) reached 959.2 thousand tonnes, similar to the same period in 2020.
- In March, however, total chicken meat exports grew 12.0% compared to the same month last year.



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



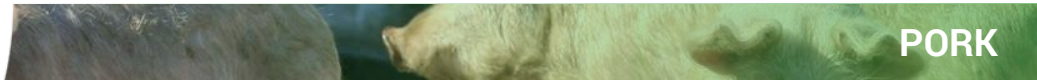
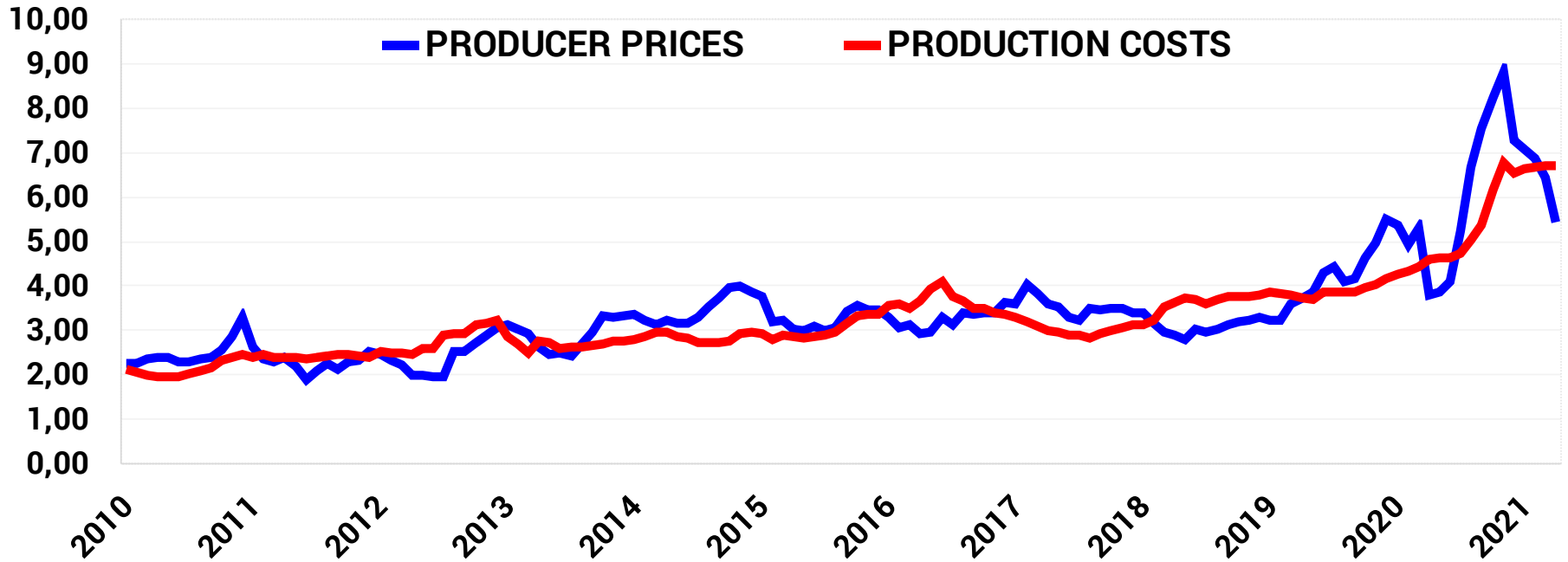
CHICKEN MEAT: WHOLESALE PRICES SÃO PAULO - R\$/KG



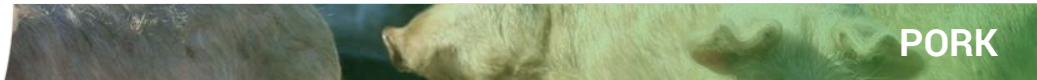
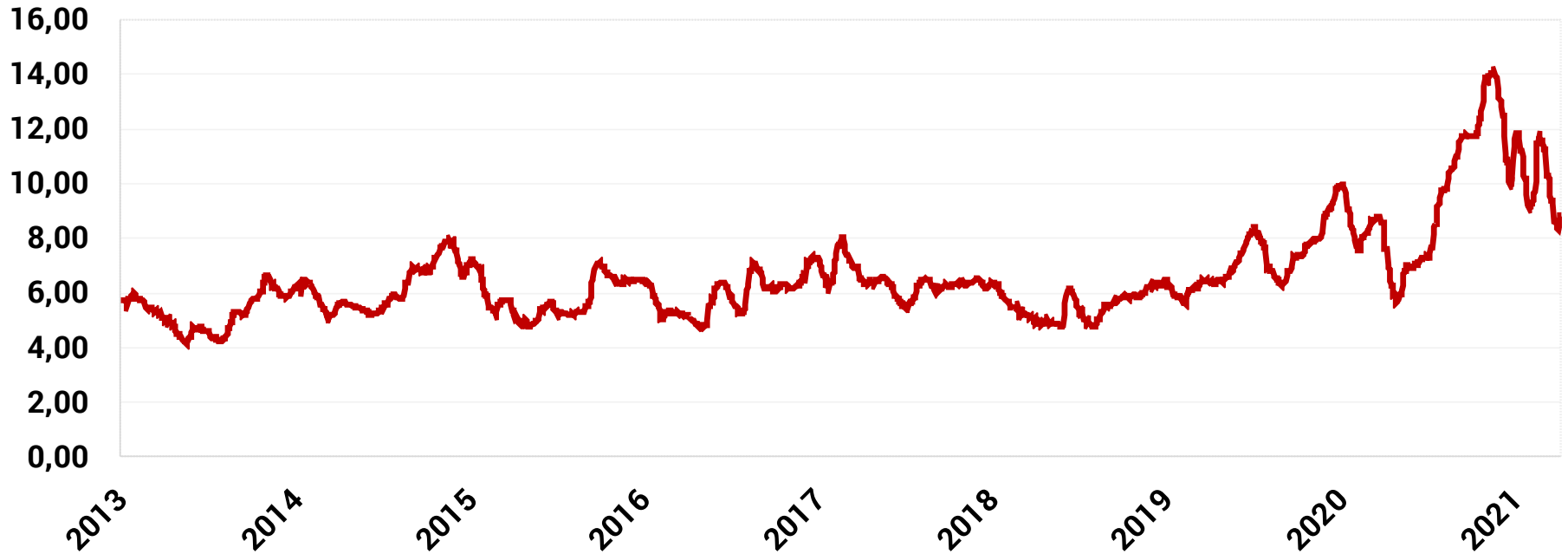
- The average prices of live hogs registered a decrease of 15.2% in the last 30 days, accumulating a decrease of 25.0% between January and the partial of April 2021, but with a nominal advance of 43.8% in the last 12 months and a recovery trend in the short term.
- In the wholesale of São Paulo, the average price of the pork carcass is R \$ 8.84 / Kg, with a decrease of 20.4% in the last 30 days and of 24.0% between January and the partial of April 2021 .
- In addition to the high level of food input prices, the weak performance of domestic pork sales and the devaluation of live pigs put producers on alert.
- This scenario is showing that this year will be, once again, challenging to the pig sector, since the production cost of live hogs accumulates an increase of 2.2% between January and April 2021 and of 51.0% in 12 months.
- In March / 2021, total pork exports (fresh and processed) reached a record of 96.8 thousand tonnes, 53% above the shipments of March / 2020.
- In the first quarter of 2021, total Brazilian pork exports (fresh and processed) reached 224.1 thousand tonnes, an expressive increase of 24.1% in comparison with the same period in 2020, driven by record shipments to China in these first months of the year.



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



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





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