

MEATS

MARKET OUTLOOK SUMMARY



MARCH/2022












MEATS: PRODUCER PRICE CHANGES

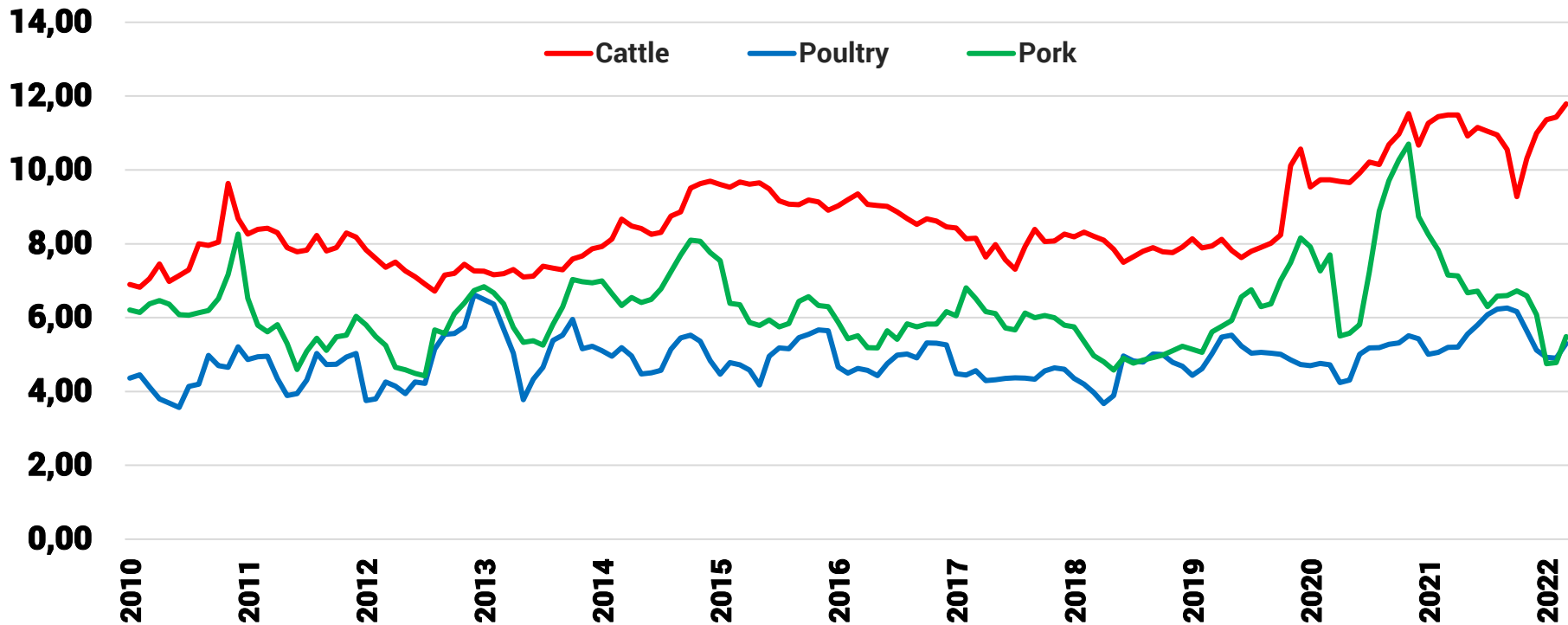
PERIOD	CATTLE	POULTRY	PORK
LAST 30 DAYS	3,1%	8,2%	14,9%
YEAR TO DATE 2022	9,4%	5,7%	-7,9%
LAST 12 MONTHS	14,1%	13,5%	-14,6%



MEATS: MARKET SUMMARY BY SEGMENT

PROTEIN	PRODUCER	WHOLESALE
		
		
		

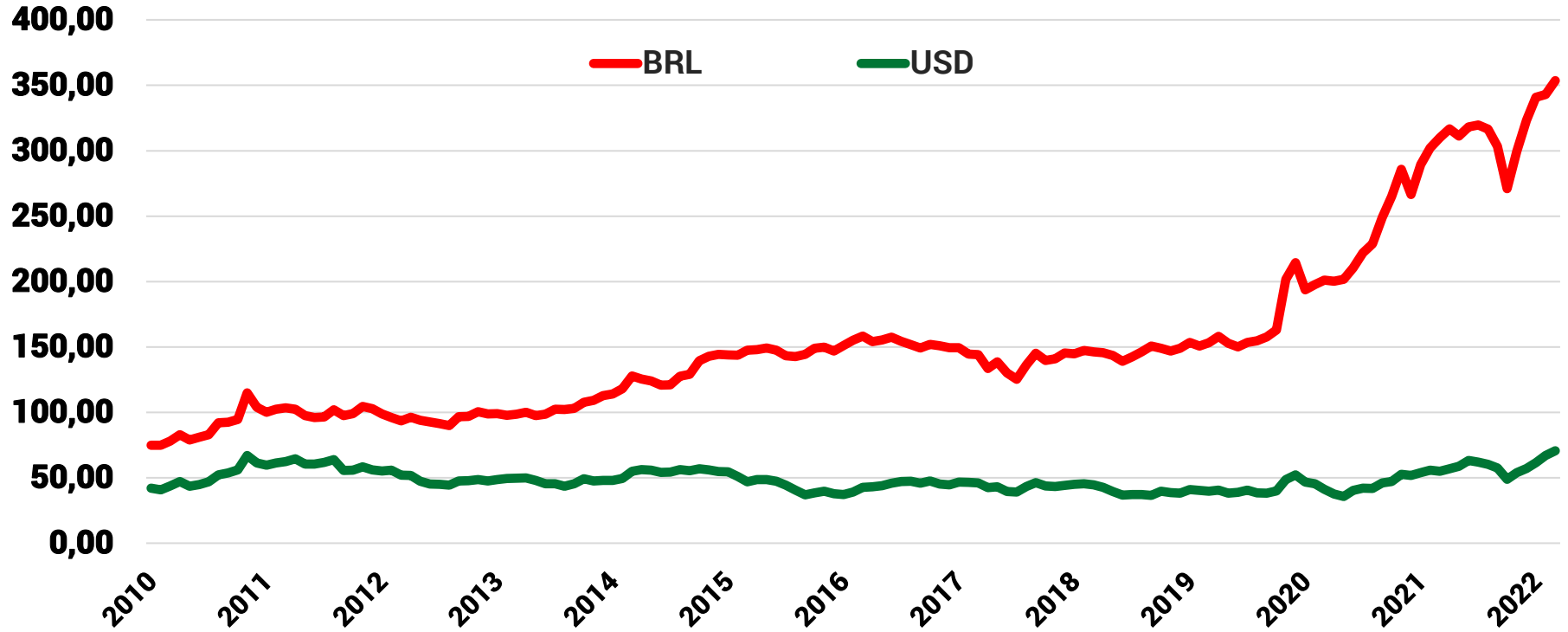
MEATS: PRODUCER PRICES IN BRAZIL - R\$/KG CARCASS (LIVE) INFLATION-ADJUSTED BY IGP-DI



- Live cattle prices are firm, quoted in São Paulo at an average of R\$ 353.59, accumulating a rise of 3.1% in 30 days and 14.1% in 12 months.
- Live cattle prices remain strong, given the low availability of finished cattle and heated external demand.
- Industries are finding it difficult to obtain greater offers of cattle in the Center-North regions of the country, with greater availability of cattle, but few offers of lots, given the increase in the price differential between foreign and domestic markets.
- In the 1st quarter of 2022, total Brazilian beef exports (fresh and processed) totaled 299.6 thousand tonnes, an expressive 43.1% above the amount shipped in the same period of the previous year.
- China, Brazil's main buyer, purchased 140.9 thousand tonnes in the first two months of the year (47% of the total) compared to 119.0 thousand tonnes in 2021 (47% of the total), but exports also grew in other markets, such as the United States, Egypt, Israel, Chile, Philippines, United Arab Emirates, Italy and Russia.
- Demand for domestic consumption is at a standstill, due to tight supply, the economic crisis in the country and strong wholesale prices.



CATTLE: PRODUCER PRICES PER 15 Kg SÃO PAULO



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

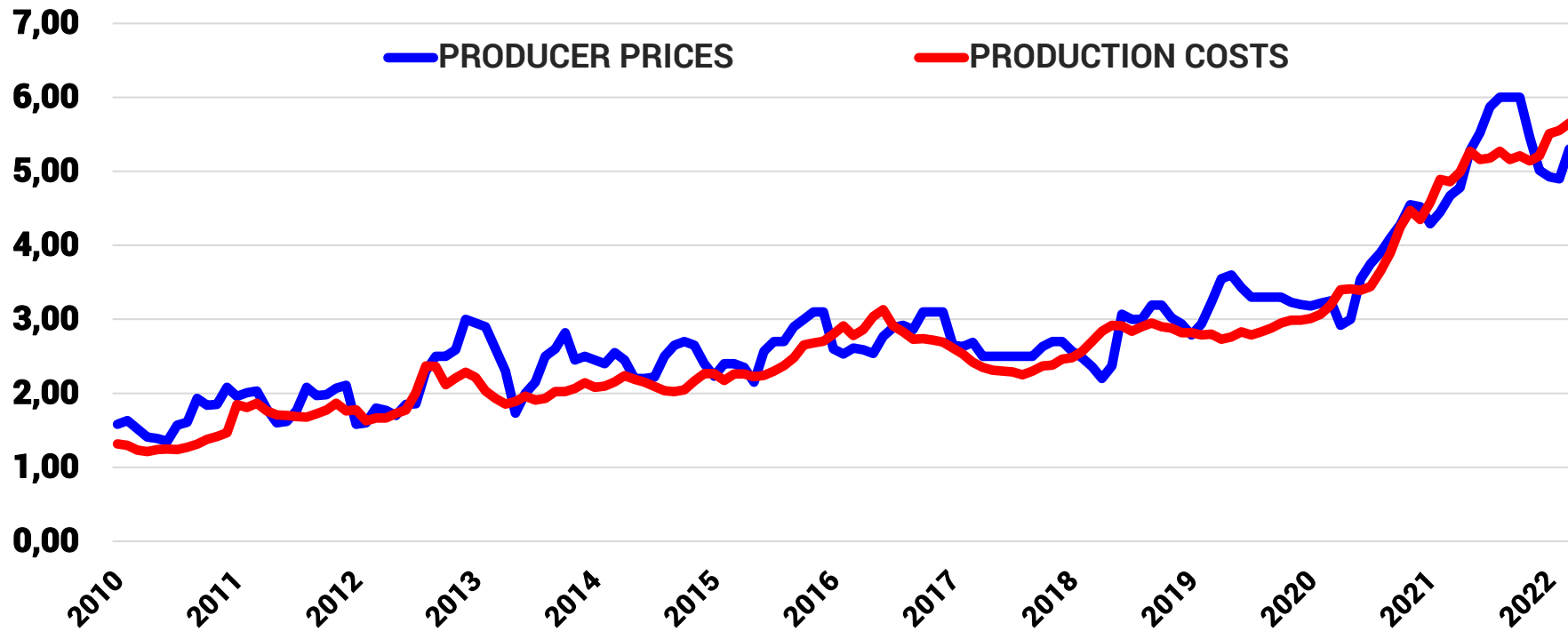


- Live chicken prices are on the rise, with an average of R\$5.30 in São Paulo, accumulating a gain of 8.2% in the last 30 days and 13.5% in the last 12 months.
- In the wholesale of São Paulo, the average price of chicken meat is R\$ 6.83/Kg, a significant increase of 10.3% in the last 30 days.
- The high stocks of chicken meat, which reduced liquidity in the sector in the first two months of this year, putting pressure on wholesale prices, are beginning to be sold with more intensity, boosting prices, a movement that should continue in the short and medium terms.
- In January and February, total exports of chicken meat (fresh and processed) reached 657.0 thousand tonnes, a robust 11.0% above the amount shipped in the same period of the previous year.
- The decline in Ukrainian chicken meat exports opens a gap that can be filled by meatpackers in Brazil, with chances of acceleration in negotiations to remove suspensions from Brazilian units embargoed by Europeans since 2018, since the European Union is one of the Ukraine's main buyers of animal protein.
- With production costs on the rise, the bias is bullish for live chicken and chicken meat prices.



POULTRY: PRODUCER PRICES X PRODUCTION COSTS

BRAZIL SOUTH REGION - R\$/KG (LIVE)



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

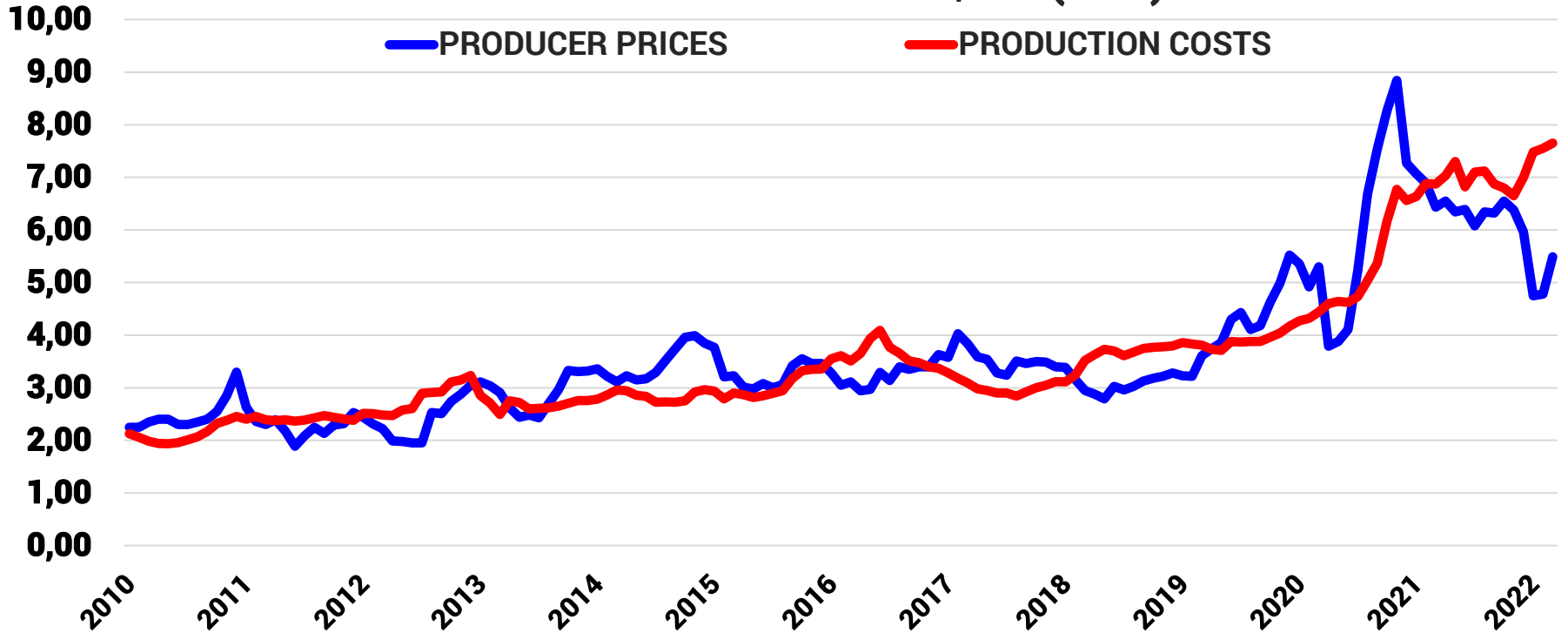


- The average prices of live hogs are on the rise, with an expressive advance of 14.9% in the last 30 days, but still accumulating a strong decrease of 14.6% in the last 12 months.
- In the wholesale of São Paulo, the average price of pork carcass is R\$ 8.97/Kg, with a strong increase of 12.0% in the last 30 days, but still accumulating a decrease of 8.6% in the last 12 months.
- With the war between Russia and Ukraine, the trend is for new highs in the production costs of live pigs, continuing to negatively impact the recovery of the sector's margins, already negative since March last year.
- In January and February 2022, total pork exports (fresh and processed) reached 131.9 thousand tons, 3.6% above the amount shipped in the same period of the previous year.
- In recent years, Brazilian pork exports to Russia and Ukraine have been negligible in terms of volume.
- However, the quota established by Russia, of 100 thousand tonnes for this 1st half year, is equivalent to about 10% of what was exported in 2021. Besides, the logistics limitations due to the conflict in the region, accompanied by other internal economic upheavals, must make it difficult to carry out shipments from Brazil to Russia.

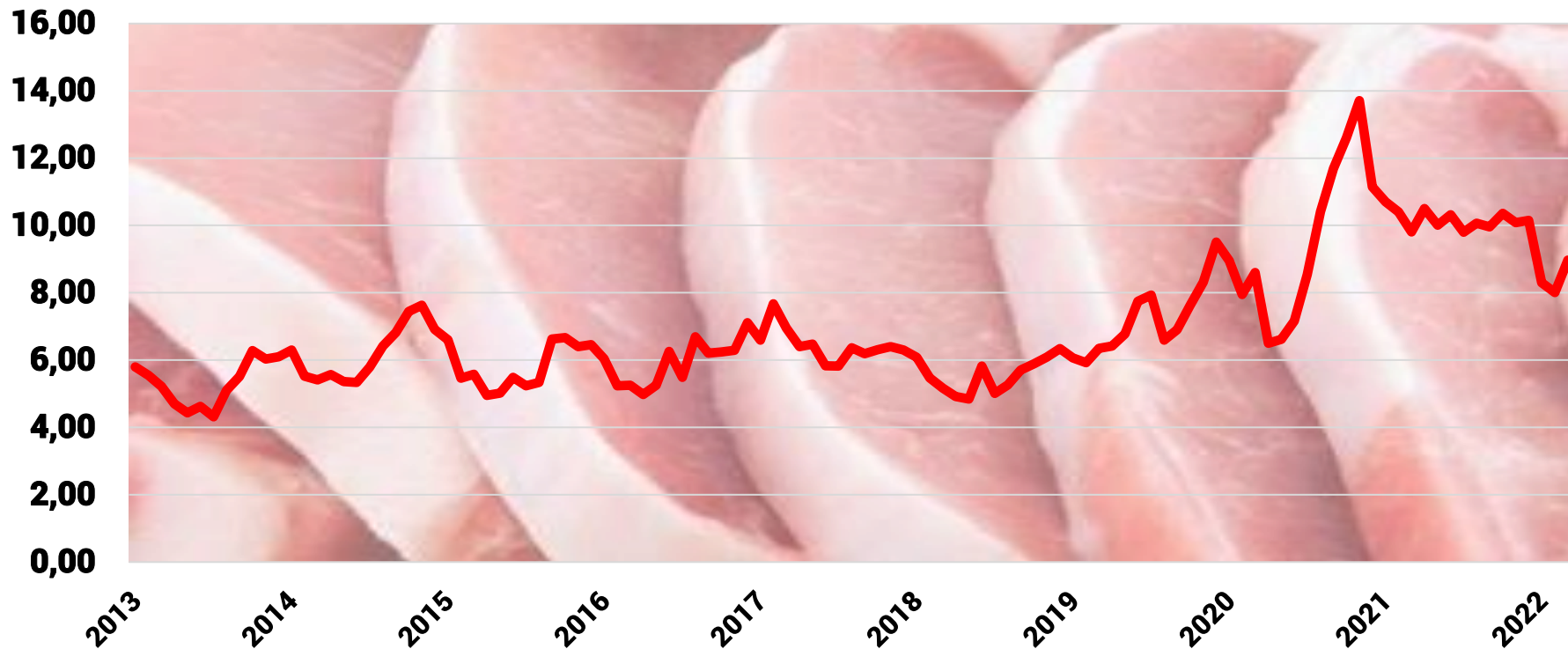


PORK: PRODUCER PRICES X PRODUCTION COSTS

BRAZIL SOUTH REGION - R\$/KG (LIVE)



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





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