

Pigmeat & Poultry

Peter Duggan

8th Jan 2016

Growing the success of Irish food & horticulture

Bord Bia
Irish Food Board

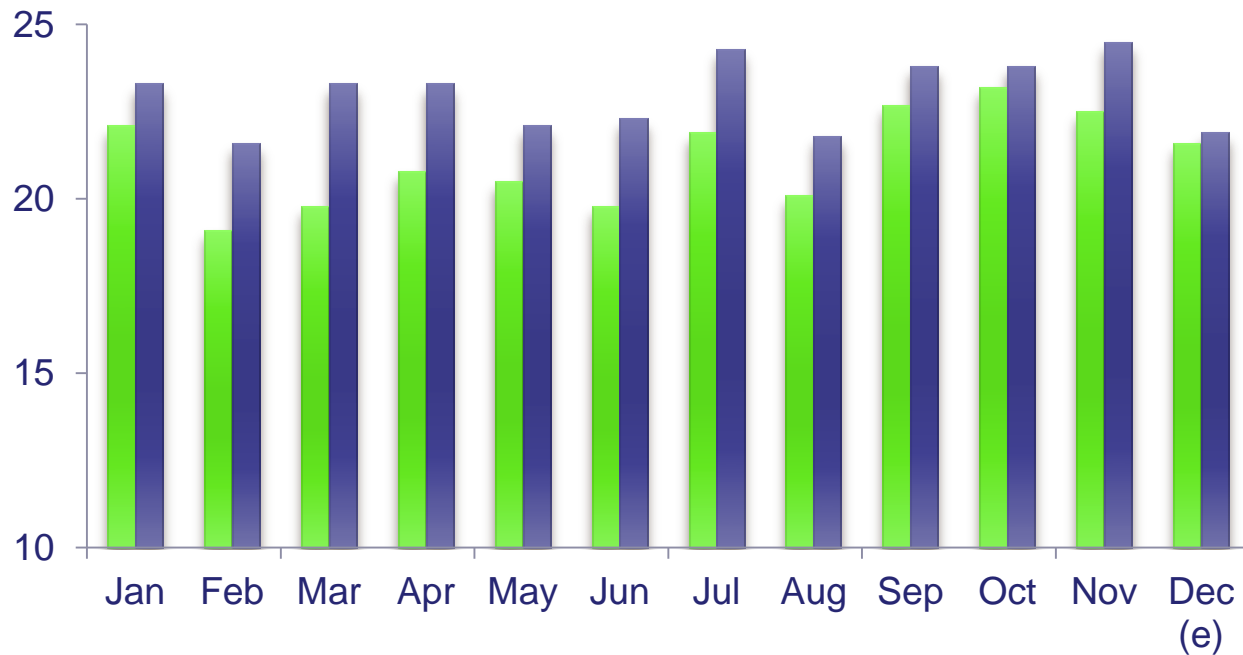
Pigmeat market update

Irish pig supplies 5% higher in 2015

	2014 (‘000 hd)	2015 (‘000 hd)	Difference (‘000 hd)	% Change
ROI	2,969	3,156	+ 187	+ 6.3%
NI	Higher breeding numbers Increased productivity			-4.0
Total	3,498	3,664	+166	+4.7%

Irish pig production 9% higher at 276,000 tns

'000 tonnes



Source : CSO

■ 2014 ■ 2015



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Carcase weight
4% higher

Output to show little change in 2016



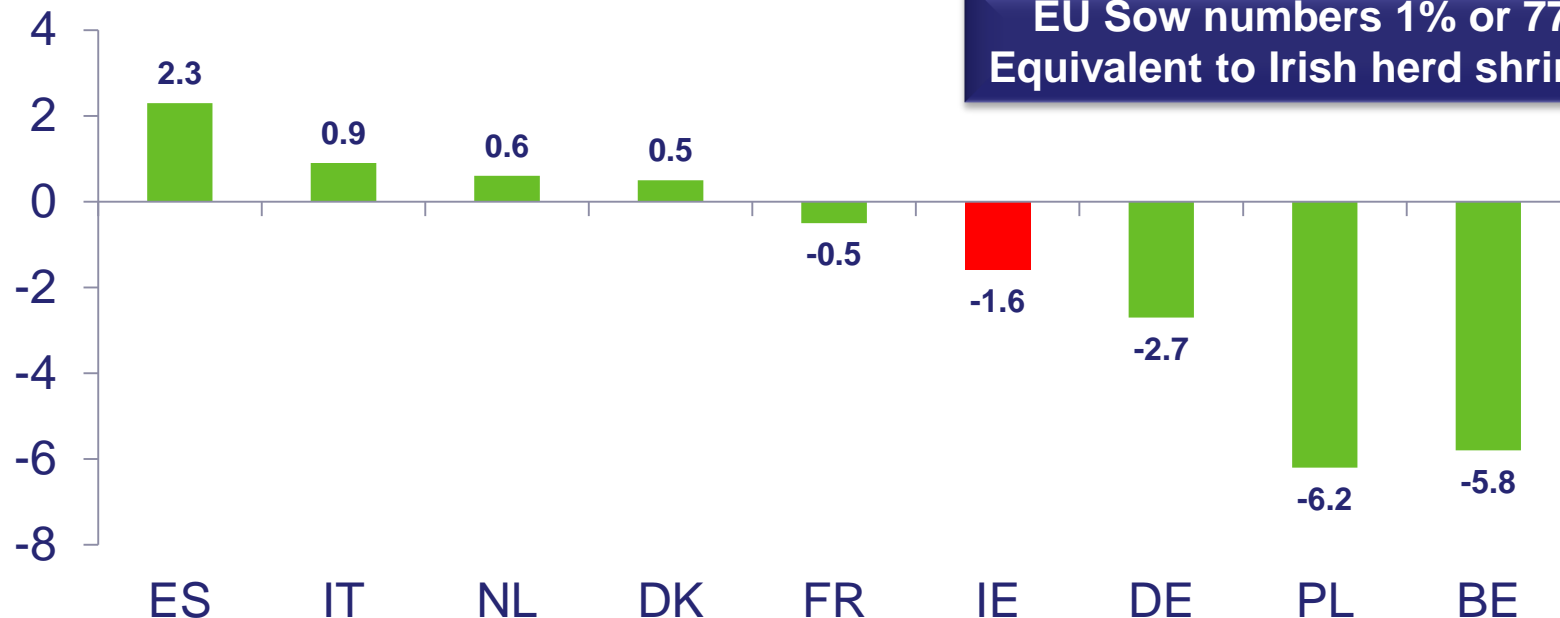
Decline in the breeding herd



Offset by some further advancement in productivity levels

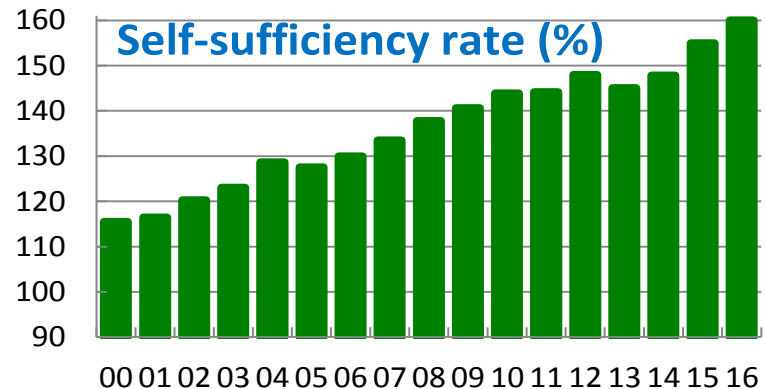
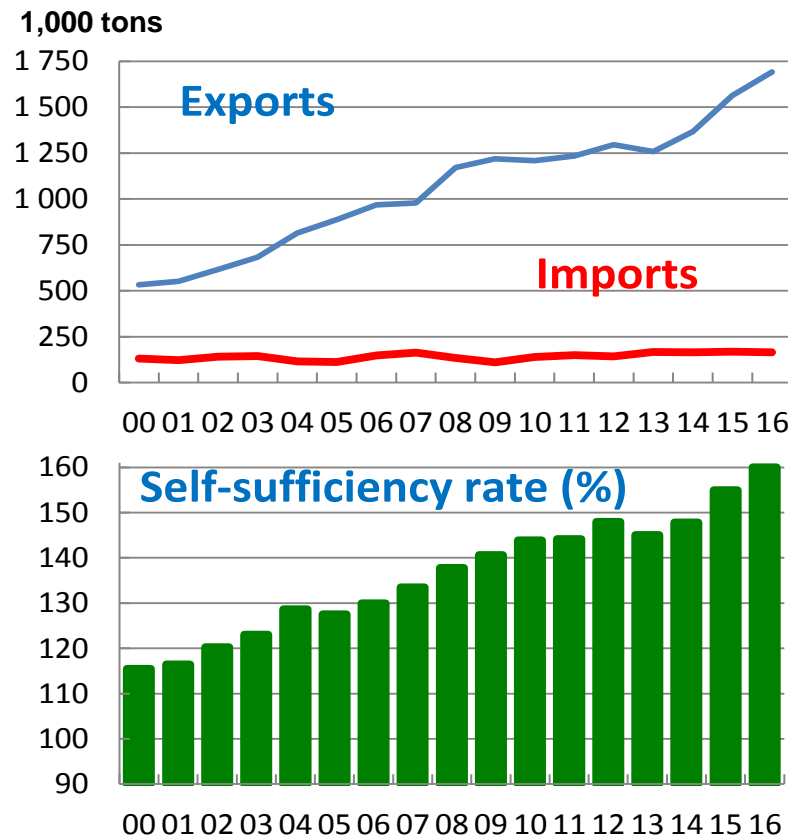
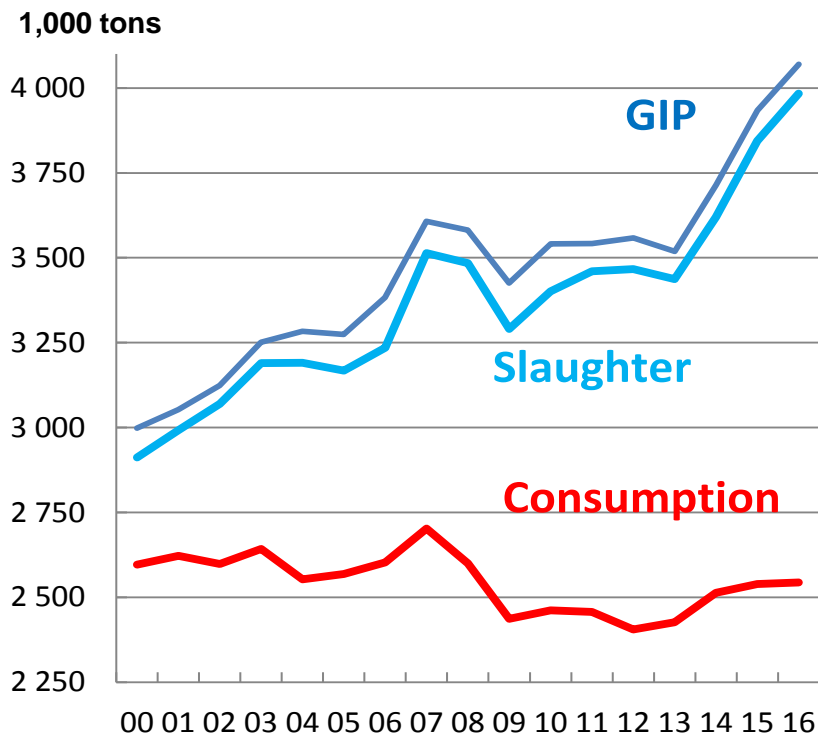
EU Breeding Sows, May/June Census

% change 2015 v's 2014



Source: Eurostat

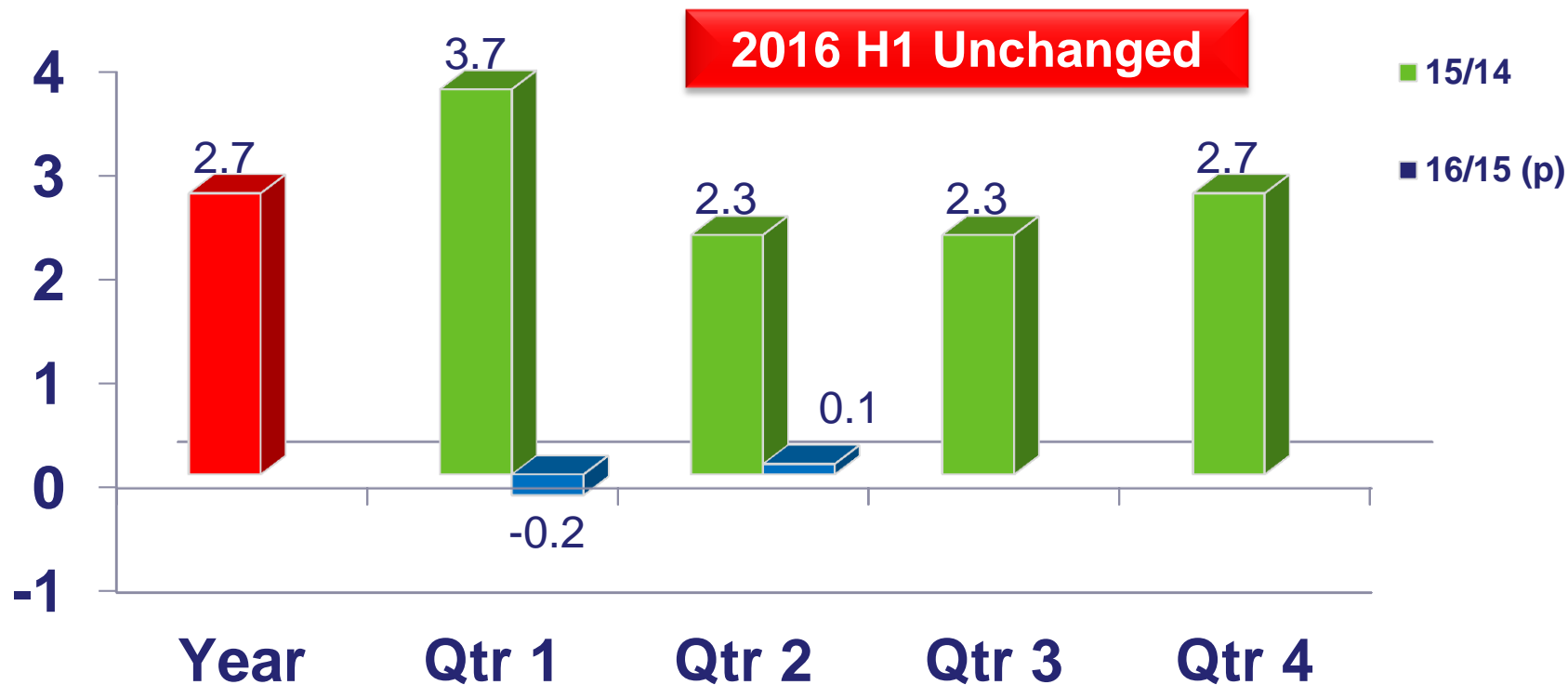
Spain on the way to being top EU producer



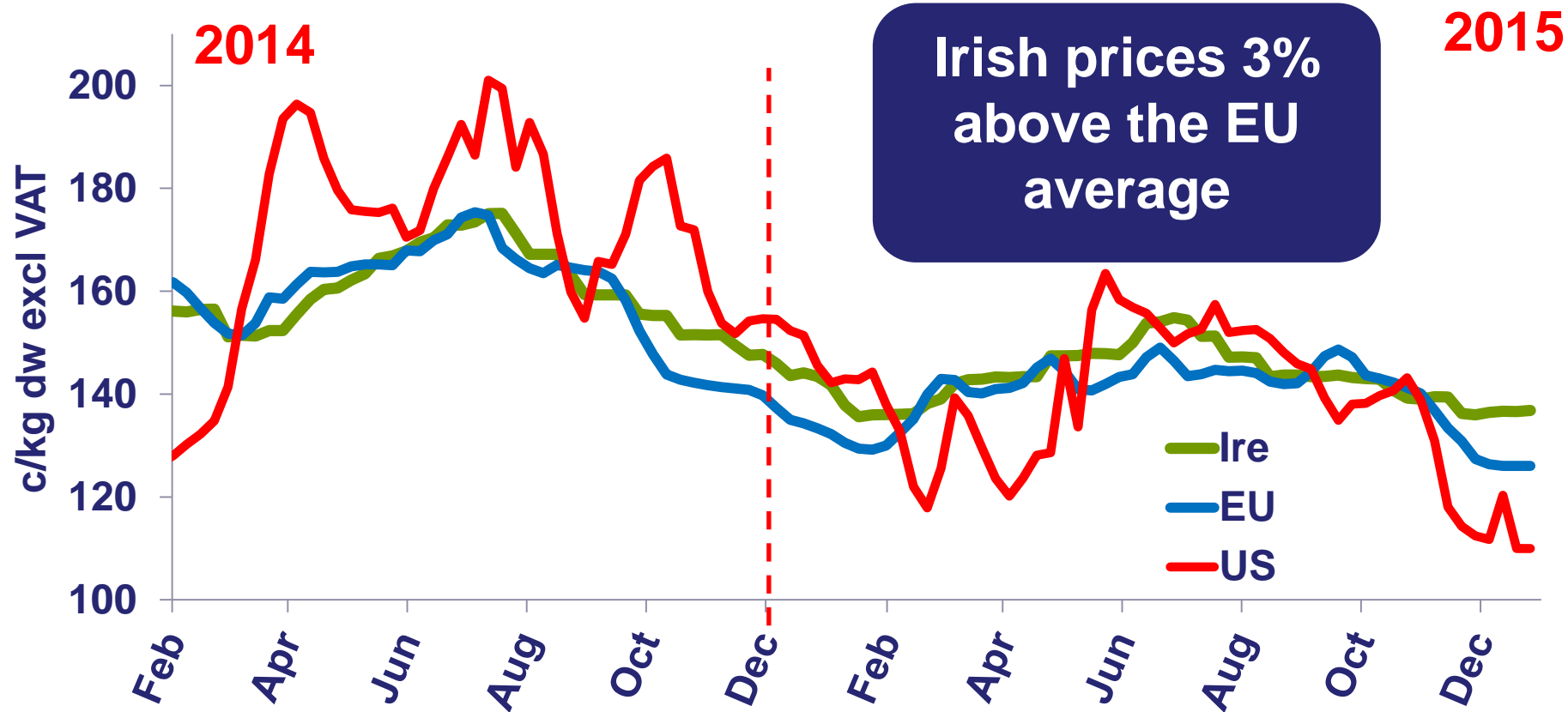
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EU GIP pigmeat production in 2016

% change on previous year



Pig prices moved downwards during 2015



US pig herd at record level

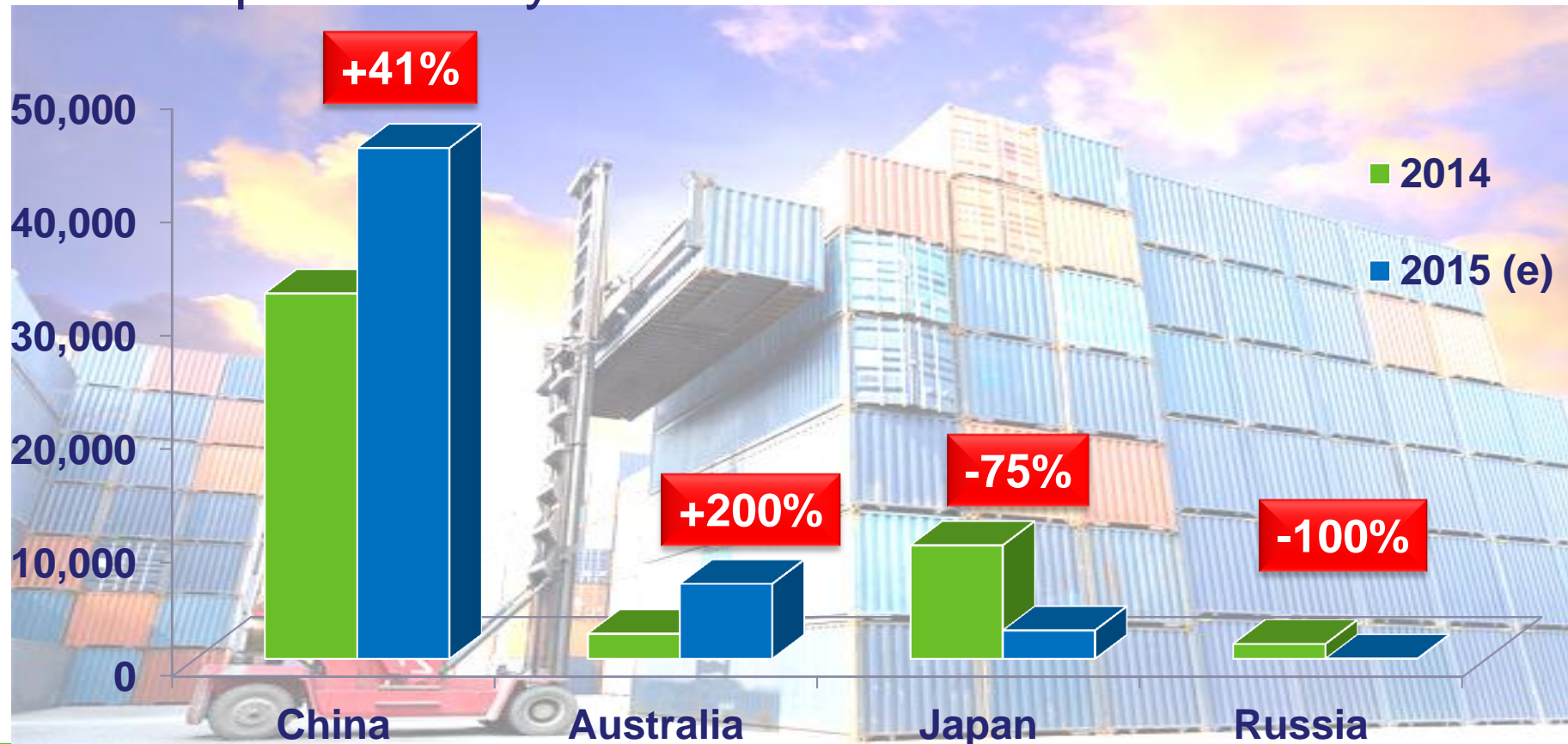
US hog inventory, 1st December

	2014 '000 head	2015 '000 head	% Change
Breeding pigs	5,939	6,002	+1%
Slaughter pigs	61,838	62,297	+1%
Total pigs	67,777	68,299	+1%

Irish exports, '000 tonnes cwe

	2014	2015 (f)	% Change
Total	212	229	+8%
UK	86	91	+6%
Continental EU	48	57	+19%
International	78	81	+4%

Irish exports to key International markets



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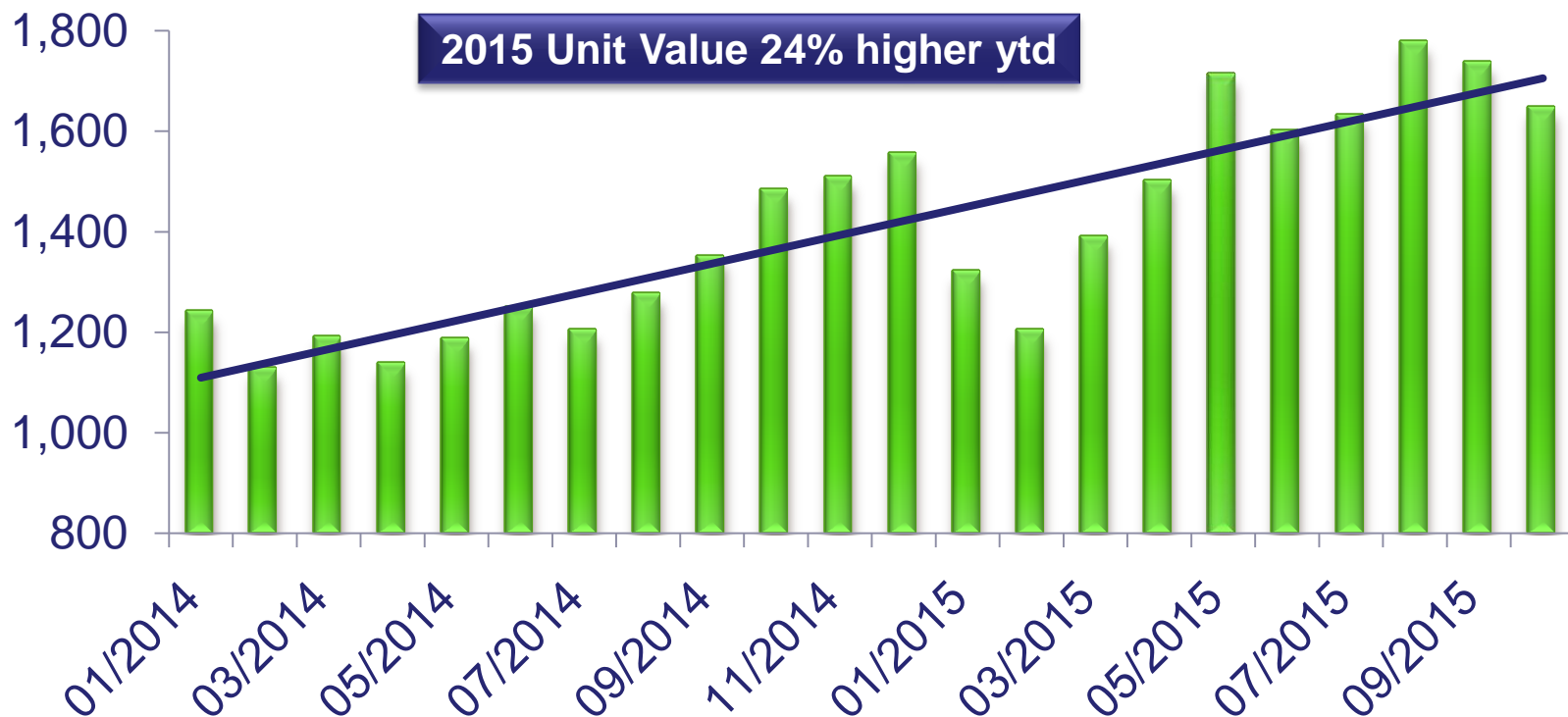
23% drop in Chinese sow herd since 2013

Hog Herd, million head

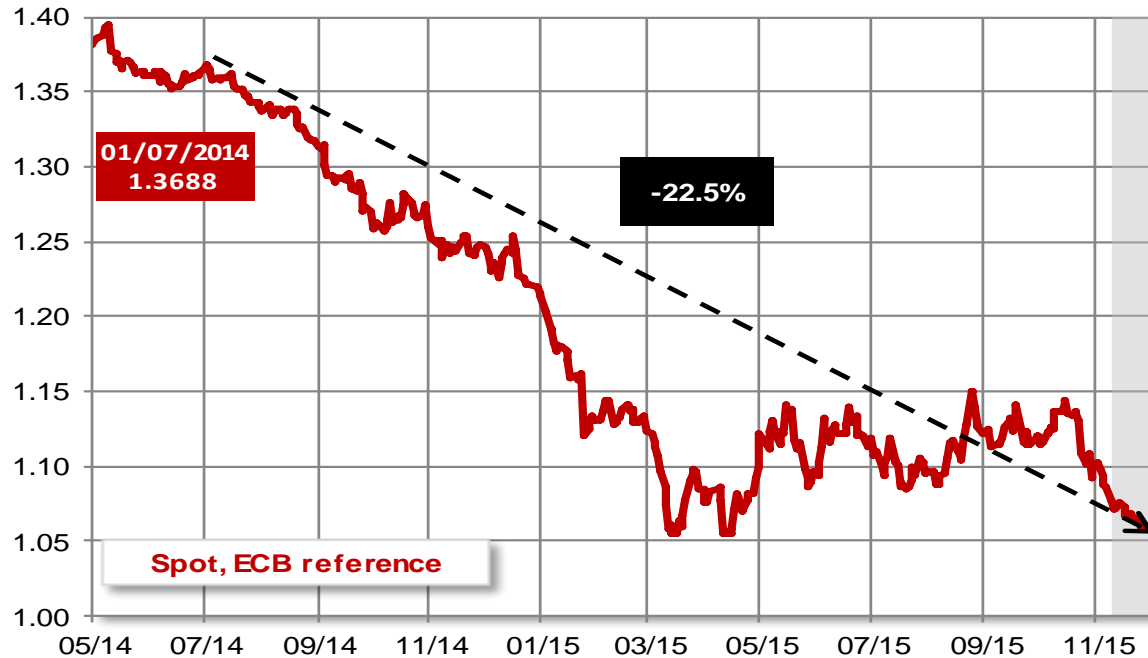


Value of Irish pigmeat exports to China increasing

€/tonne



Euro-Dollar exchange rate should benefit European exporters



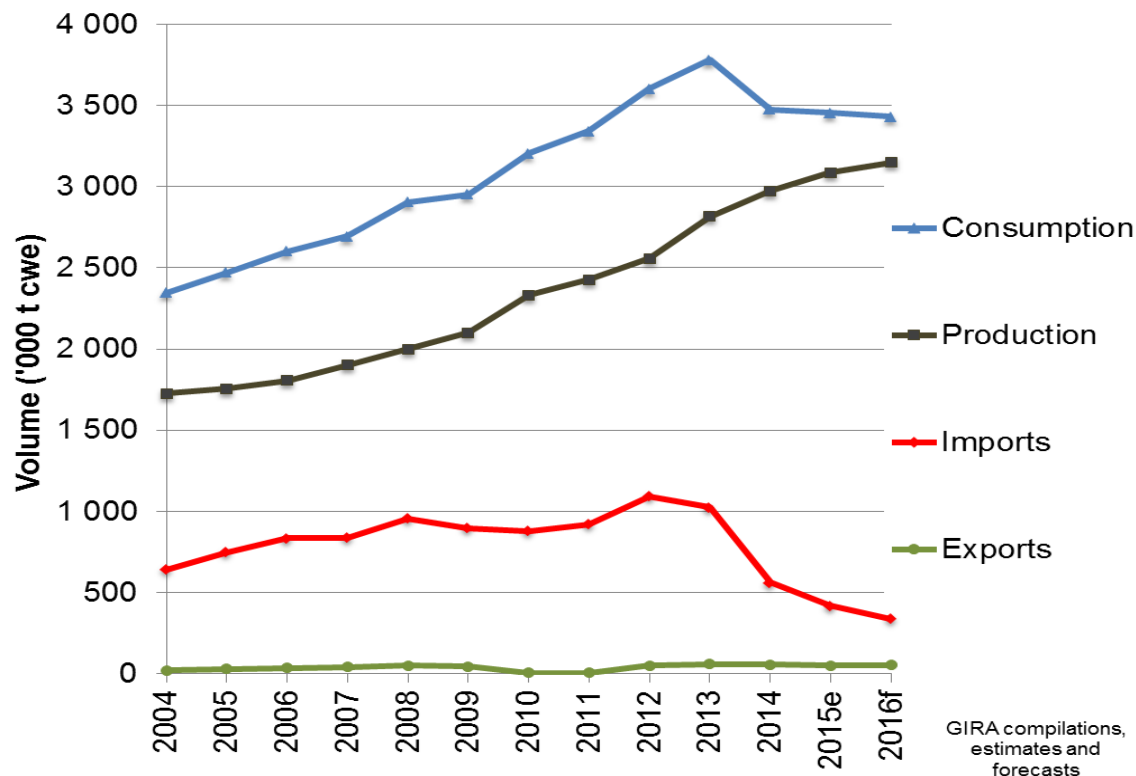
Total EU exports 6% higher

EU exports to China 34% higher

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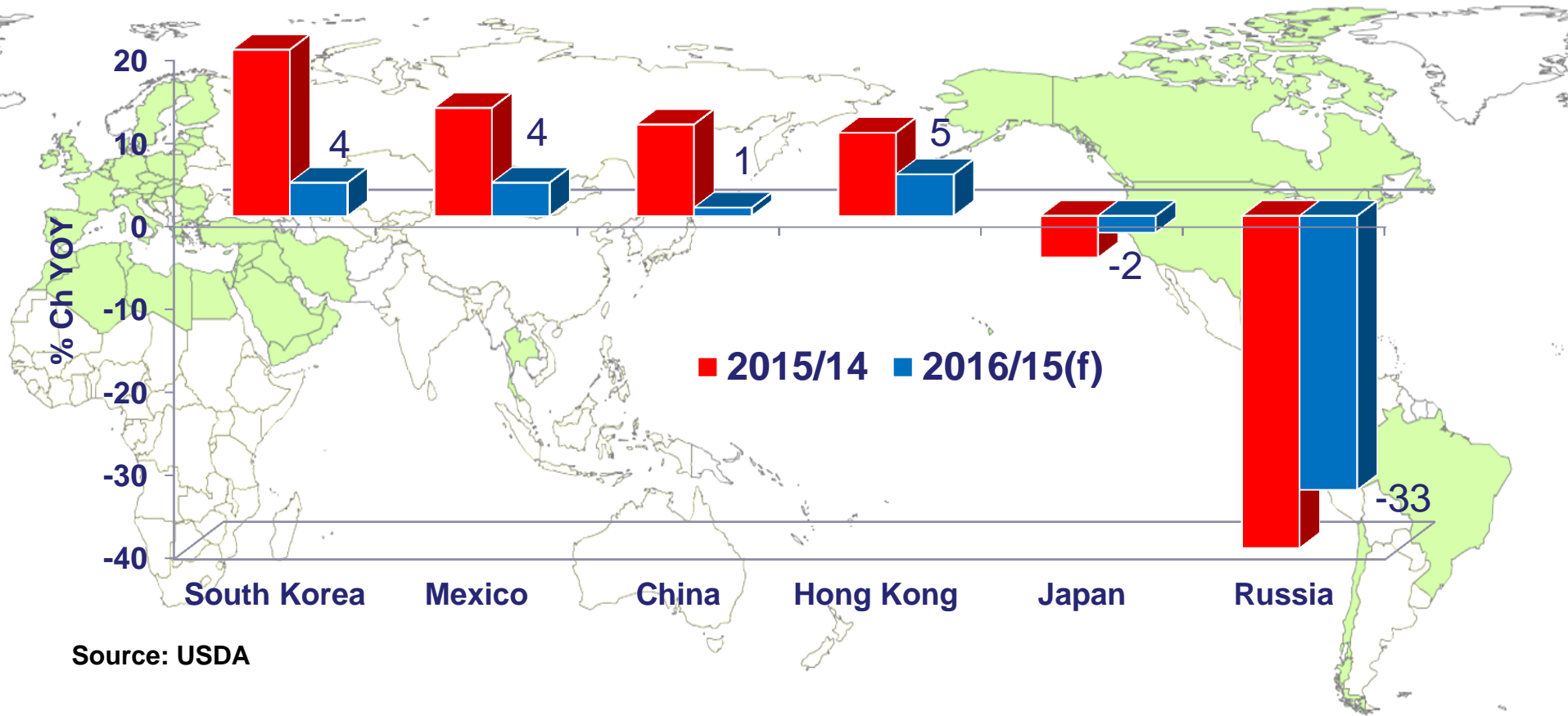
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Increase in Russian pork production forecast



- ✓ Industrial production to rise further
- ✓ High priced pigmeat products led to some fall in consumption
- ✓ A weak Ruble could lead to export opportunities

Asia and Mexico to drive international trade for 2016



Source: USDA

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Mail Online: [Why red meat can be GOOD for your health: After days of dire cancer warnings, take comfort in this expert analysis](#)

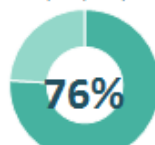
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Bord Bia IARC Research Findings

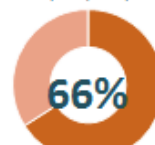
✓ Awareness



(n=1,010)



(n=2,103)



✓ Impact- Claim to

reduce consumption



Sausages



Bacon/
Rashers



Cooked
Sliced Ham
%

22% 20%



22% 22%



22% 20%



✓ Fruit/Veg, White meat and fish have benefited

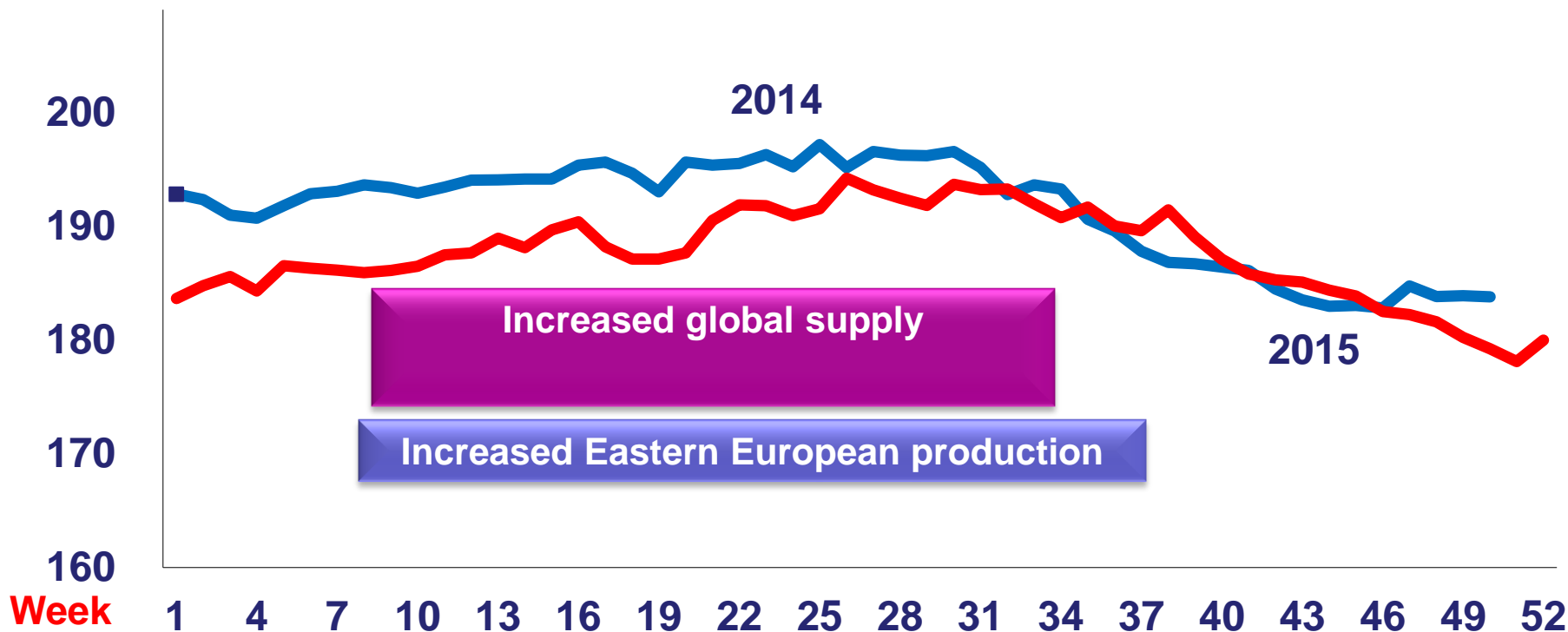
In summary....

- ✓ Irish output set to stabilize during 2016
- ✓ Lower EU sow numbers will maintain EU output during 1H 2016
- ✓ A weak Euro will continue to make European exports more competitive
- ✓ Chinese sow herd now at its lowest level since 2009
- ✓ Russia getting closer to becoming self sufficient
- ✓ Asia and Mexico becoming increasingly reliant on imports
- ✓ Consumption affected after IARC report release

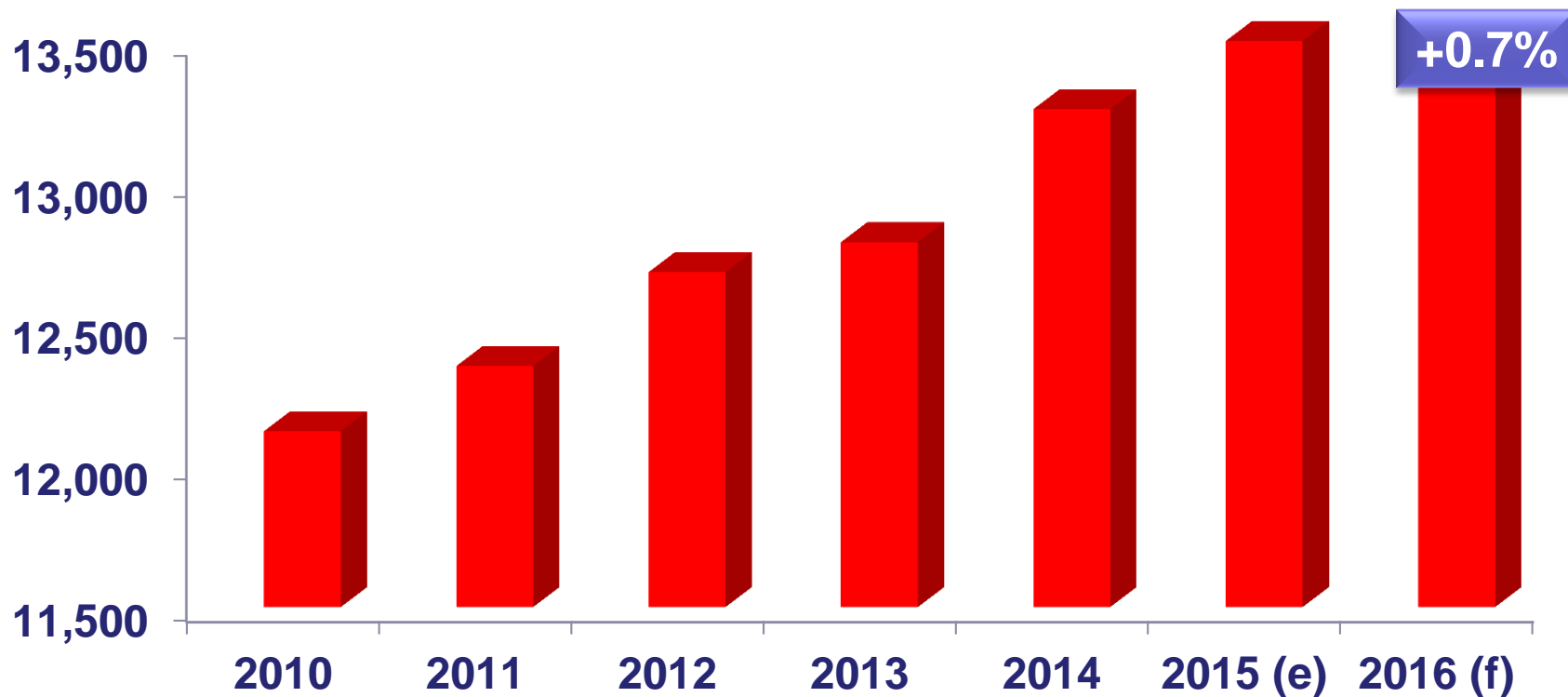
Poultry market update

EU broiler price 2% lower during 2015

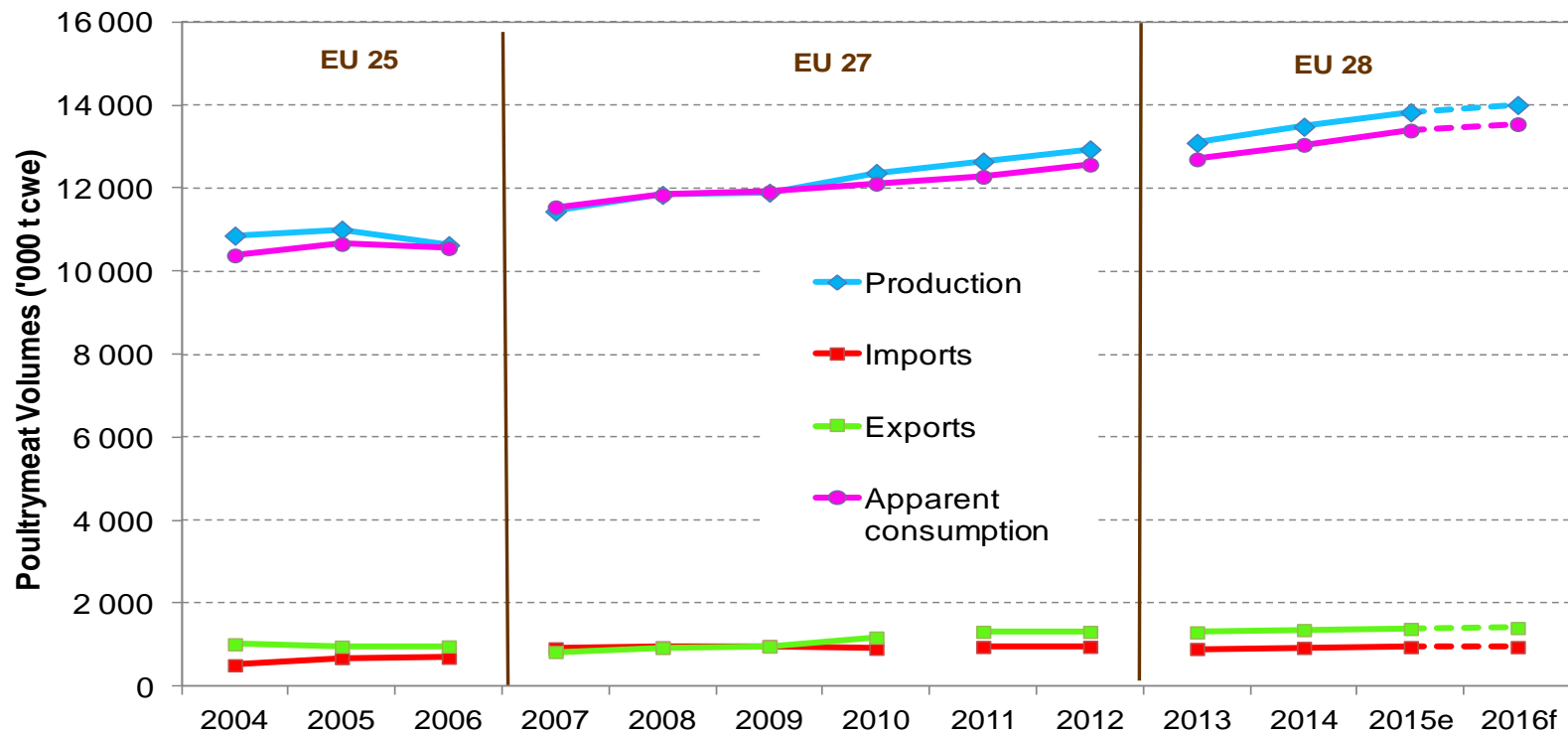
Cent/kg dw



EU poultry output, '000 tonnes



Growth in EU production and consumption forecast



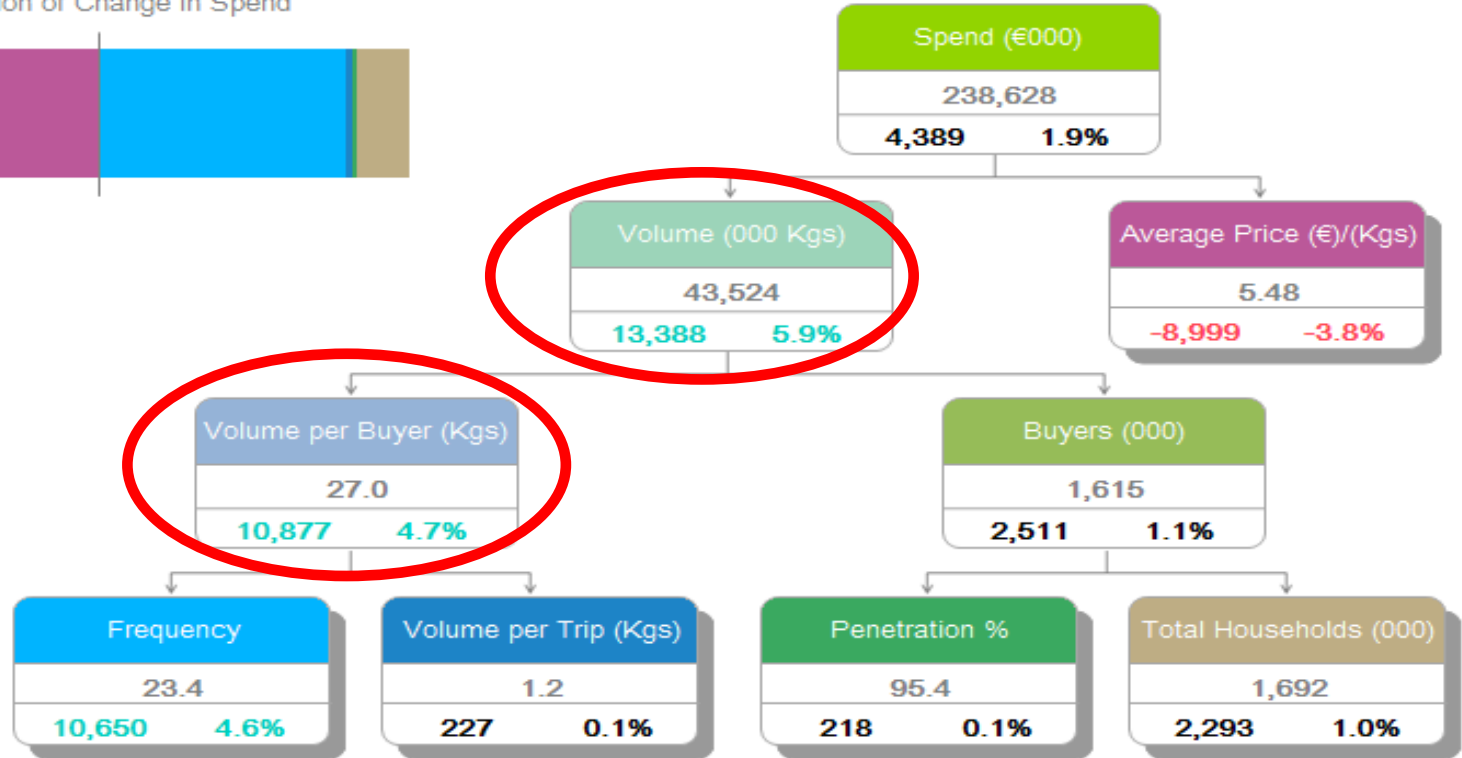
Source: Gira

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Irish poultry consumption, 52 w/e 6th Dec 2015

Attribution of Change in Spend



Summary

- ✓ Strong global supplies affected 2015 trade
- ✓ EU production and consumption to rise during 2016
- ✓ Avian Influenza remains unpredictable with the US and the EU most at risk
- ✓ Irish consumers purchasing the poultry category more frequently
- ✓ A better balanced global market should support industry prospects for 2016



Thank you

Peter Duggan

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