



Danish Farmers
ABROAD
- på hjemmebane overalt ...

No. 103

News Extract no. 103



Content from these countries

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WORLD



USDA's August report on Black Sea Region: Another cut in the production forecast for wheat and an increase in that for corn

Source: Black Sea Grain, 13 August 2019

The forecast for global wheat output was reduced by another 3.4 MMT, to 768.1 MMT, mostly at the expense of the Black Sea region, as well as the EU and Turkey.

Russia. As expected, the wheat crop outlook was decreased again, this time by 1.2 MMT, to another market low of 73 MMT. At the same time, the export forecast was cut just by 0.5 MMT, to 34 MMT. In the opinion of UkrAgroConsult, if the wheat crop amounts to 73 MMT, exports hardly will exceed 31 MMT, especially in view of low opening stocks.

Corn: World production forecast was raised by another 3.1 MMT, to 1108.2 MMT, mostly at the expense of Ukraine.

USDA Estimates for Black Sea wheat and corn in 2019/20 (August 2019)

Wheat				Corn			
Production		Export		Production		Export	
19/20 (Aug)	19/20 (July)						
29.2 ↑	29.0	19.5 ↑	19.0	36.5 ↑	34.0	30.0 ↑	28.0
73.0 ↓	74.2	34.0 ↓	34.5	13.0 ↓	13.5	4.7 ↓	5.0
13.0 ↓	14.0	6.5 ↓	7.5	0.875	0.875	0.06	0.06



U.S. Signs Agreement Allowing More Beef Into EU

Source: The Wall Street Journal, 2 August 2019

Of the 45,000 tons of non-hormone treated beef allowed into the EU every year, the U.S. will now supply 35,000 tons

U.S. Trade Representative Robert Lighthizer signed the deal one day after the latest round of trade negotiations between the U.S. and China failed to reach an agreement. Mr. Trump responded with a threat to impose a 10% tariff next month on \$300 billion in Chinese goods. Many of Mr. Trump's top advisers opposed the move.



EU wheat exporters braced for upheaval as Saudi opens up market

Source: Daily Mail Online, 8 August 2019

Saudi Arabia's decision to adjust its wheat import requirements, opening the door to Black Sea grain, will cause major upheaval for some European Union exporters who may have to seek alternative markets, traders said.

Saudi state grain buyer SAGO said on Thursday it would relax its bug-damage specifications for wheat imports from its next tender.

Russia has sought access to Saudi Arabia's wheat market for some time as part of Moscow's bid to take market share from the EU and United States in wheat markets of the Middle East and North Africa.

Traders expect Russian wheat to move into the Saudi Arabian market on a substantial scale, with existing suppliers in the EU potentially facing a loss of business.

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Global mega pork producers

Source: Genesis August 2019

There are now 31 pork operations around the globe that can say they have 100,000 sows or more. Together, these 2019 Global Mega Producers own more than 9 million sows.

Pork is currently the global meat of choice, with more than 40% of the world's population feasting on the protein each year — but chicken and beef are not far behind. With the threat of foreign animal diseases affecting our pork supply chain, keeping these sow production numbers up is even more crucial for the global pork industry to meet consumer demands and maintain our edge over other proteins.

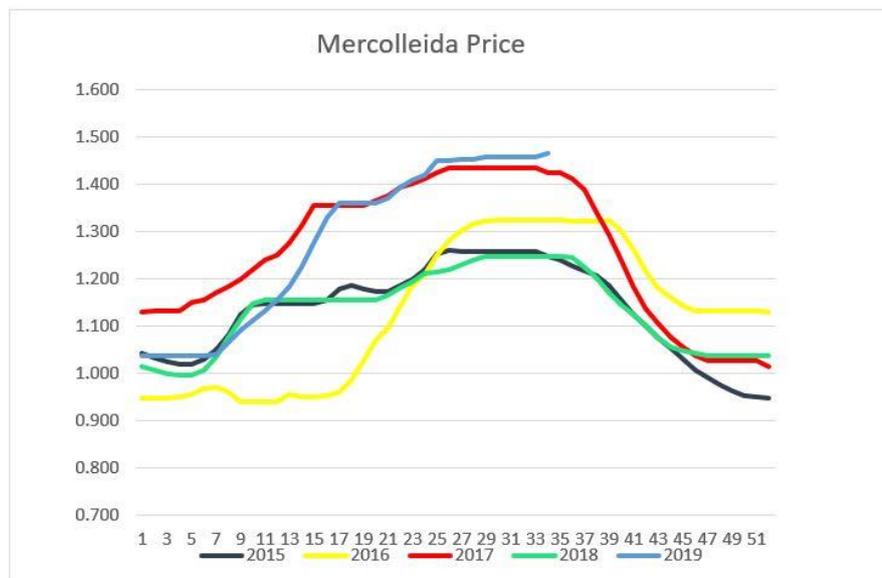
Find list over 31 world mega producers [here](#)



Pork meat Market Report Europe and Spain

Source: Genesis, 20 August 2019

We are in the middle of August and we have the highest market price in the last five years. This rise began in mid-June and since a month ago when it reached 1,456€/kg of live weight (US 73.13¢/lb) has been unchanged until this, week when it reached 1,465€/kg liveweight (US 73.13¢/lb). We also observe higher prices in Denmark, Belgium, and Italy.



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Global Pork Prices

Source: Genesis, 28 August 2019

Genesis Global Market Report USA – August, 2019

			
Price as of August 28 , 2019			
	Domestic price (own currency)		US dollars (Liveweight/lb.)
USA (Iowa-Minnesota) [Weighted Avg.]	61.70	USD/100 lb. carcass	45.66 ¢
Canada (Ontario) [Base Price]	185.23	CAD/100 kg carcass	50.54 ¢
Mexico City	30.99	MXN/kg liveweight	70.08 ¢
Brazil (South Region)	4.14	BRL/kg liveweight	45.20 ¢
Russia	101.00	RUB/kg liveweight	68.64 ¢
China	25.95	CNY/kg liveweight	\$ 1.64
Spain	1.465	EUR/kg liveweight	73.63 ¢
France	1.635	EUR/kg carcass	69.08 ¢
United Kingdom	153.05	GBP/100 kg carcass	67.86 ¢
Vietnam (national average)	46,000	VND/kg liveweight	89.89 ¢
South Korea (national average)	4,906	KRW/kg carcass	\$ 1.41



Smithfield launches plant-based meat-like product line

Source: Agriculture & Food, week 34, 2019

Smithfield Foods has launched a range of meat-like products based on soy. The 8 new products are expected to go on sale in mid-September. The products, which include burger, meatballs, paté, etc., will be sold under the brand "Pure Farmland". Smithfield states that the products target "flexitarians" who want to reduce their meat consumption. With the series, Smithfield is on the heels of Tyson Foods and JBS, which have also launched plant-based meat-like products

EUROPE



Average size of agriculture in Latvia has grown

Source: Actus Newsletter Latvia, 13 August 2019

According to the Central Statistical Bureau of Latvia (CSB) statistical data collection "Latvian Agriculture", the average size of farm field in Latvia at the end of last year was 38.2 hectares, which is 8.7 hectares or 29% more than in 2010.

Land to be used for agriculture last year reached at average 25.6 hectares per one field farm, which is 6 hectares more than in 2010, when one farm field had at average 19.6 hectares agricultural land.

In the last 8 years the total area of agricultural land in the country has increased for about 132,400 hectares or 7.3%.

In the last year total volume of agricultural production - comparing in price, decreased by 11.2% compared to 2017, crop production - by 20.6%, but livestock production has remained at the previous year level.

At the end of 2018 in Latvia were 78 100 farm fields compared to 80 200 farm fields at the end of 2017.



Latvian agricultural forecasters expect crops good enough to recover after losses of 2018

Source: Baltic News Network, 28 August 2019

Cereal crops in Latvia in 2019 are expected to be very good as evidenced by wheat crops of up to six tonnes per hectare, showed the forecasts by plant cultivation specialists at the Latvian Rural Advisory and Training Centre.

In addition to the excellent wheat crops in Vidzeme region, another example is early potatoes with crops of up to 50 t/ha harvested in the Kurzeme region.

An expert added that in 2019 there will be enough bread, since the crops of winter wheat have produced grains of a very good quality in the regions of Zemgale, Kurzeme and Latgale.



Poland. Govt. estimates drought cost at EUR 250 mln

Source: Poland-in.com, 13 August 2019

The Polish government estimates that the losses caused by the drought by the end of July stood at PLN 1.1 billion (EUR 250 million).

According to the Polish government drought costs are estimated at around a quarter million EUR, however, the estimates are not final, and the summer is not yet over.

“In line with the situation on 31 July 2019, the agricultural drought in Poland has occurred in all monitored crops. It affects the crops: spring cereals, winter cereals, fruit bushes, strawberries, legumes, corn for grain, corn for silage, fruit trees, root vegetables, tobacco, sugar beet, potatoes and hops,” the government stated in a press release.

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The European Agricultural Fund
for Rural Development:
Europe investing in rural areas

Romanian farmers to receive EU funds of 1.25% of GDP this year

Source: Romanian-insider.com, 28 August 2019

The European funds transferred to Romanian farmers as direct payments (per-ha payment) and investments during 2017-2019 are approaching EUR 9 billion, with EUR 2.7 bln (1.25% of GDP) to be disbursed this year alone for agriculture and rural development.

The report was issued on the occasion of a EUR 176.4 million payment made on August 26 from the European Fund for Agriculture and Rural Development (EAFRD).

Through the two payment agencies, APIA and AFIR, Romania's agriculture received EUR 8.95 bln., the money going directly in the accounts of the Romanian farmers in the period 2017-2019.



Swine Fever Outbreaks Eat Away at Smithfield's Profit in Romania

Source: ZFEnglish -Oana Gavrilă, 7 August 2019

The Romanian division of Chinese-held Smithfield, the largest pork producer in Romania and globally, had a net profit of RON28 million in 2018, six times lower than in 2017. This is Smithfield Romania's lowest profit due to swine fever outbreaks that ravaged pig farms in Romania throughout 2018, putting pressure on local raw material that already accounted for a small part of local consumption.

Smithfield Romania's sales stood at RON868 million in 2018, down 6% on the year.

In 2017, the Chinese group that owns Smithfield consolidated its business in Romania by integrating slaughterhouse operator Smithfield Prod. Smithfield group has over 50 farms and produces over one million pigs for slaughter a year.

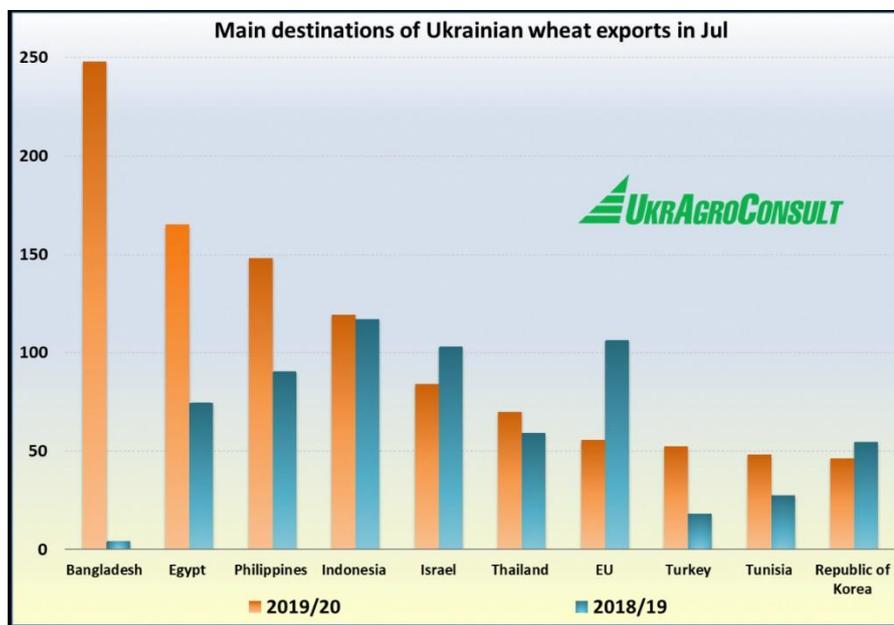
The group has also made a number of local acquisitions in recent years, taking over Elit and Vericom 2001 from entrepreneur Dorin Mateiu, and meat producer Maier Com.



Wheat exports from Ukraine: A record set at the season's start

Source: Black Sea Grain, 28 August 2019

Ukraine exported 1.3 MMT of wheat in July 2019/20 that is an all-time high for this month and up 35% from July 2018/19 (940.2 KMT).





Ukraine increases export of poultry by 38 %

Source: Black Sea Grain, 10 July 2019

Ukraine in January-June 2019 increased exports of poultry by 38.4% compared to the same period of 2018, to 211,200 tonnes, the State Fiscal Service has reported. At the same time, according to its data, in monetary terms exports of these products increased by 27.5%, to \$307.15 million. Imports of poultry in January-June 2019 slightly fell, to 60,500 tonnes, in monetary terms decreased 4.7%, to \$24.4 million.

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The European Agricultural Fund
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EU-Ukraine Summit: EU provides additional support to Ukraine

Source: EU Commission, 8 July 2019

During the 21st EU-Ukraine Summit, EU Commissioner for European Neighbourhood Policy and Enlargement Negotiations EU and Ukrainian government signed 4 programmes, worth €109 million from the Commission's 2019 annual support package to Ukraine. The new EU support package will focus on decentralization, the fight against corruption, supporting civil society and technical cooperation for the facilitation of key reforms and the implementation of the Association Agreement and Deep and Comprehensive Free Trade Area.

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World Bank allocates Ukraine \$200 mln for ag. development project

Source: farmlandgrab.org, 27 August 2019

The World Bank and Ukraine signed an agreement to raise a loan in the amount of USD 200 million to Program-for-Results (PforR) on Accelerating Private Investment in Agriculture.

The program aims to increase agricultural sector competitiveness, diversification, and growth by enhancing the efficiency and targeting of sectoral support policies, improving transparency and efficiency of use in the state agricultural land, and improving agribusiness SMEs' access to export markets. All of these are key preconditions for the successful development of the agriculture sector.

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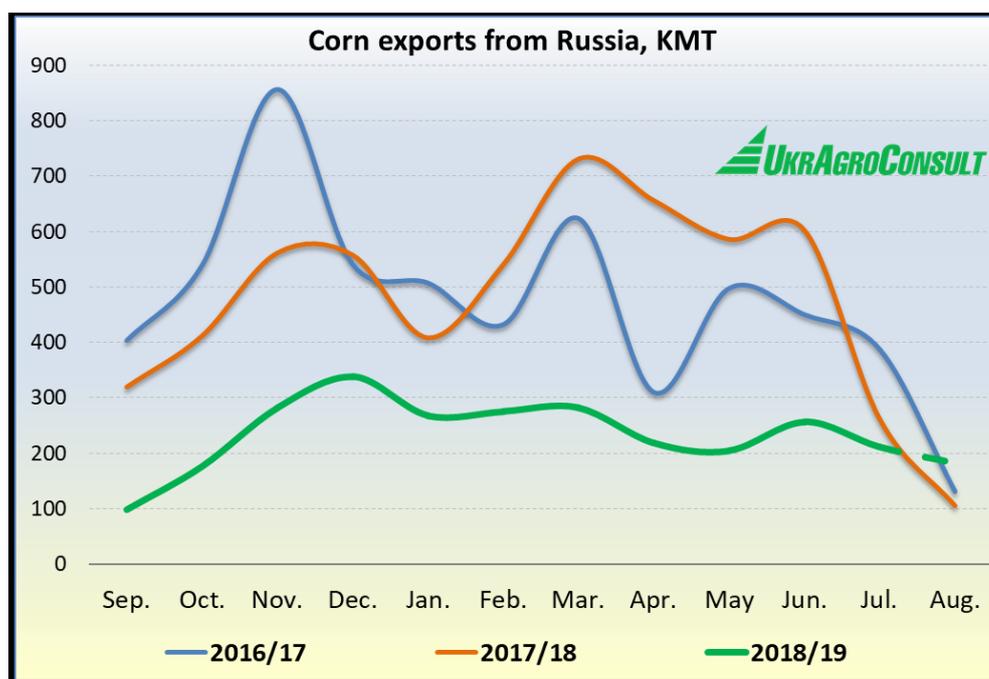
RUSSIA



Russia exporting half as much corn as last year

Source: Black Sea Grain, 28 August 2019

According to preliminary information, Russia exported 2.6 MMT of corn in September-July 2018/19 (down 54% from the same period in MY 2017/18, the lowest export volume since MY 2013/14).



ASIA



China allows barley imports from seven regions in Russia

Source: Daily Mail Online 1 August 2019

China has approved barley imports from Russia, the General Administration of Customs said in a statement on its website on Thursday.

Barley exported to China must be produced in seven regions in Russia, including Novosibirsk and Kurgan, which are considered to be free of the fungal disease dwarf bunt that can infect winter wheat and barley crops, said the statement, dated July 29.

The grains should also be for crushing only, not used as seeds.

The decision follows China's approval of soybean imports from all parts of Russia and wheat imports from a seventh region in the federation, as the current trade dispute between China and the United States has curbed U.S. agricultural shipments.

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Poultry profits surge in China

Source: Poultry World, 21 August 2019

China's leading poultry company has seen first half year profits climb by more than 50%. Helping offset losses in the pig sector caused by ASF.

Wen Foodstuffs Group Co Ltd reported ultimo August that its first half net profit surged by 50,8% due to surging poultry demand.

The company said net profits for the first six months of the year had risen from 917 million yuan to 1.38 billion yuan (195,4 million Dollars) Revenue rose 20,3% to 30,4 billion yuan (30 billion Dollars).



New Hope completes the first of three pig farms in Vietnam

Source: Agriculture & Food, week 35, 2019

According to the Reuters Bureau, the big Chinese farming company New Hope Group has completed the construction of the first of three planned pig farms in Vietnam.

The finalized farm in Binh Phuoc province is scheduled to produce 300,000 pigs annually. The other two planned farms are located in the provinces of Thanh Hoa and Binh Dinh. Together, the three farms must produce more than 900,000 pigs a year.

New Hope's investments in Vietnam comes at the same time as the country is ravaged by African swine fever. The new investments in Vietnam were previously estimated at DKK 163.5 million. \$. The investment in pig production will complement New Hope's feed production in Vietnam, with sales of more than 700,000 tonnes of feed last year from eight companies. Construction of a new feed business in Binh Phuoc province is also planned.

New Hope has greatly expanded its pig slaughter and pig production in recent years and is one of China's largest pig producers. However, most of the company's earnings come from feed production

AFRICA



Zimbabwe Seeks \$331.5 Million to Deal with Drought, Cyclone

Source: Bloomberg, 6 August 2019

Zimbabwe is seeking \$331.5 million in humanitarian aid as the southern African nation battles the "twin shocks" of a sustained drought and a cyclone earlier this year.

U.S. intends to provide an additional \$45 million in food and cash transfers for those affected by hunger.

Local Government said the country needs 1 million metric tons of corn after adverse weather slashed its harvest.

The corn crop is expected to plummet 54% this year amid the drought and after Cyclone Idai damaged crops in some provinces in March, according to the Agriculture Ministry.

S. AMERICA**Brazil eagerly awaits surge in Asian demand for pig meat**

Source: Pig Progress, 21 August 2019

Brazil's pig industry is eagerly awaiting the foreseen surge in demand for pig meat from China. Currently, Brazil is not really feeling the effects of the African Swine Fever crisis in Eastern Asia yet. Although prices grew over the first 6 months of 2019 by 70%, in July the prices dropped again by 15.6%.

Exports to Asia mostly consolidated and only rose slightly this period. Data from the Government Exportation Secretary (Secex) show how Brazil's exports to China during this year's first 6 months have been relatively similar to 2018, rising marginally from 89,000 to 92,000 tonnes.

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**Brazil - Spectacular Increase in Pork Exports**

Source: CM Agritech Consulting, 9 August 2019

The Brazilian pork exports (considering all the products, fresh and processed) reached 63,600 tonnes in June, according to the data provided by the Brazilian Association of Animal Protein (ABPA). These figures entail an increase by 81% in comparison with the same period in 2018, when 35,000 tonnes were exported.

The increase is even greater in the case of the income. In total, the exports generated an income of USD137.7 million, a balance 111.9% greater than in June 2018, with USD64.9 million.

So far this year, the international sales of Brazilian pork have amounted 346,600 tonnes, a volume that exceeds by 24.5% the total amount exported in the first semester of 2018, with 278,300 tonnes.

The main destination of exports in 2019 has been China, with a share of 26.7%, that has increased its purchases by 30.7%, with a total of 91,200 tonnes in the first semester of 2019. In the same period, Russia has imported 26,100 tonnes (7.6% of the total). In South America, Uruguay and Chile received 21,200 tonnes (+ 17%) and 21,000 tonnes (+ 45%), respectively.