

Risks of higher supply availability will keep prices under pressure

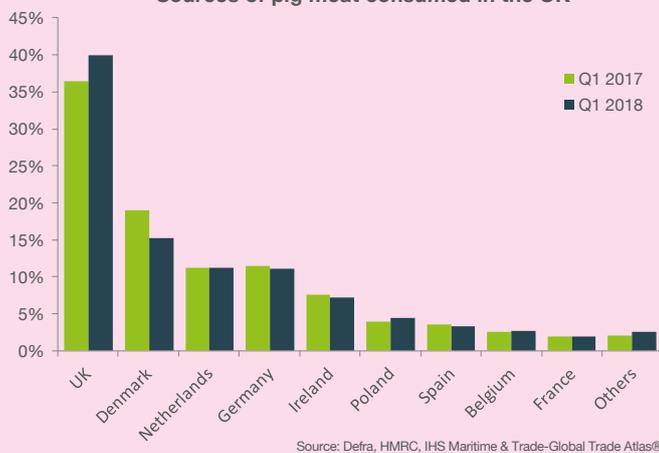
Domestic production was higher than anticipated during Q2, partly due to the earlier timing of Easter this year. Nonetheless, production growth is still expected to moderate in Q3 in light of the relatively difficult winter, but strong growth could return by the end of the year. However, there may be some slowdown in the rate of increase moving into 2019, with the current weather conditions limiting breeding herd performance.

Imports dropped significantly in Q1, but the gap between UK and EU pig prices widened during the second quarter, suggesting there may have been increased pressure on pig meat imports.

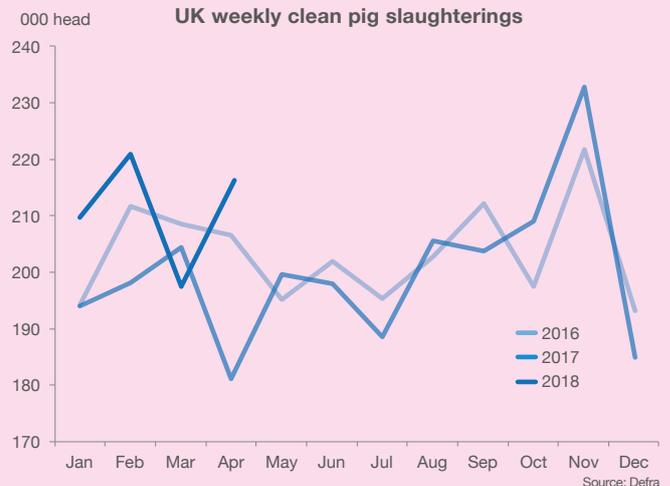
Meanwhile, despite a strong performance in Q1, initial estimates for Q2 exports suggest shipments slowed. The Chinese market has been more difficult than anticipated, and there is currently tough competition on the global pork market.

It may, therefore, be challenging to achieve the export growth forecast back in April for the rest of this year, so, supplies on the domestic market could be higher than anticipated. However, Kantar Worldpanel data suggests overall pig meat demand has been broadly stable. If this continues, further downward pressure may be felt on pig prices, especially in the last quarter of the year.

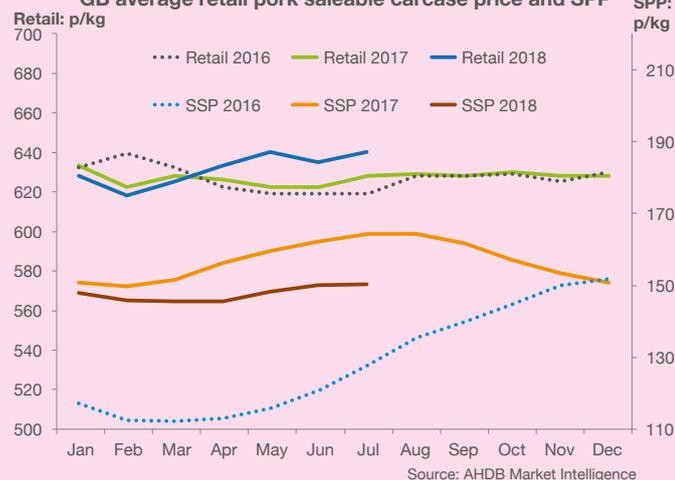
Sources of pig meat consumed in the UK



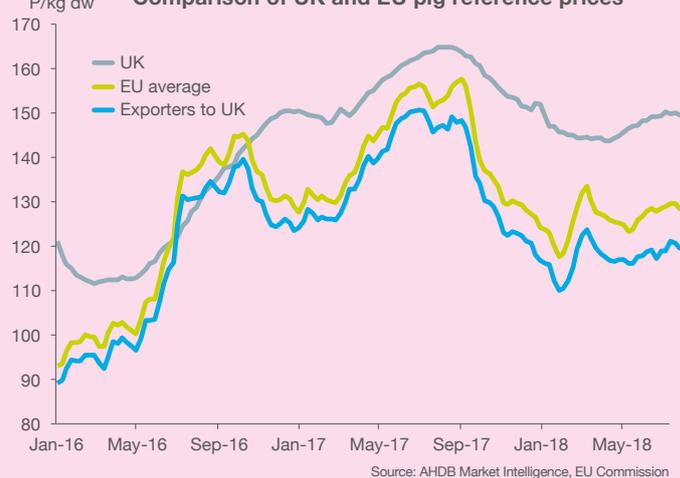
UK weekly clean pig slaughtering



GB average retail pork saleable carcass price and SPP



Comparison of UK and EU pig reference prices



Finding out how to retain more gilts

How many gilts from each intake actually make it through to parity three? It could be as little as 65 per cent of the original intake, though no one yet knows the exact numbers. That means a huge cost to a pig business if gilts are not retained long enough to pay back the cost of buying or rearing them.

Through Gilt Watch, AHDB is leading a group of 30 independent producers aiming to find out exactly how many young sows are lost before they reach parity three – and why.

AHDB Knowledge Exchange Manager Angela Cliff said: “Importantly, we want to find out what is causing the losses within the management process – whether aspects of nutrition, breeding, service routine, health or something else.

“Of course, the range factors will be different on each farm. However, from the experience and data analysis of all the Gilt Watch members, we will identify the common, priority gilt management changes that can have a positive impact across the industry.”

Following an initial review of data and wide-ranging discussions about their gilt management routines, the areas that producers identified to focus on, include:

- Gilt rations
- Weighing at key stages of reproductive cycle
- Growth rates
- AI technique
- Recording heat

“The majority of changes are likely to be fairly simple and inexpensive – the key is in identifying which ones will help improve gilt retention and lifetime sow performance on each unit.”

Gilt Watch members are meeting again this month to discuss progress and next steps. Contact your knowledge exchange manager for help in reviewing gilt management and breeding herd performance or visit:

pork.ahdb.org.uk/pig-production/gilt-watch



Introducing Pat and Pippa

Two new members of staff recently joined AHDB Pork to complete the knowledge transfer (KT) and knowledge exchange (KE) teams.

Patrick Loten joins the KE team as the new KE manager for the South of England. He replaces Mike Shattock, who has returned to work on his family farm in South Africa. Patrick has over 40 years of experience working in the pig industry, predominantly with an outdoor focus, and has managed units with up to 2,500 sows.

Patrick said: “I’m looking forward to using my knowledge and experience to help other producers, as well as increasing my own understanding of other systems.”

Pippa Handley, KT manager, joins Ben Williams and Sam Crocker in the KT team. Pippa will be helping to bring innovative ideas to pig units across the country, working closely with the EU Pig Innovation Group and facilitating a precision pig programme.

Pippa has a background in production animal research management, having previously worked for ADAS as a senior research manager. More recently, Pippa worked with the Pig and Poultry research group at Nottingham Trent University.



Patrick Loten, KE manager



Pippa Handley, KT manager

Pig Health Scheme update

As many readers will be aware, in October 2017, the British Pig Health Scheme (BPHS) was halted temporarily. This enabled a full review of abattoirs to be carried out and our information on plants and key contacts to be brought up to date. The name of the scheme has also been updated and BPHS will now be known as the Pig Health Scheme.

We are excited to be relaunching the scheme this October and seeing the difference the changes will make, enabling producers to take full advantage of their reports and create healthier herds and profits. Look out for more details over the coming weeks.

Diary Dates

10 September – Small-scale producer meeting (Newbury)

12 September – Small-scale producer meeting (Worcestershire)

26 September – Succession – it’s not just about tax (Taunton)

8 October – Oxford Pig Club

15 October – Exeter Pig Club

16 October – Somerset Pig Club

17 October – Essex Pig Discussion Group

30 October – Salisbury Pig Club



Export team keeping busy

Following Defra's recent announcement, Taiwan will soon be open for UK pork shipments. This eagerly awaited announcement follows a collaborative approach where AHDB expertise played a pivotal role in achieving this latest success in opening a new market to the UK pork sector.

Taiwan has a population of nearly 24 million consumers and per capita meat consumption is one of the highest in Asia, with pork high on the list, consumption reported at 36 kg per person per year. Demand for imported, quality pork is increasing, which provides great opportunity for the UK pork sector. It is estimated the value to the UK to be in excess of £50m, based on current UK export capacity. As the market opens, AHDB will be hosting the UK's leading pork exporters in Taipei to further understand the market and host meetings between the key importers and distributors in the Taiwanese supply chain. The mission will also be a chance to look at where UK pork can be showcased and enable a strategic development plan to be finalised for our latest market.

Elsewhere in Asia, the export team will be busy over the coming months. While the trading environment for pork on the Chinese market is somewhat challenging, it is equally important that the UK sector continues to work to develop the market, in what is a

very competitive space. AHDB will host exporters at two trade shows over the autumn months. The first is solely focused on the meat sector, taking place in Beijing, the second being a specialist show dedicated to imported food in Shanghai. Both provide a great opportunity to continue to build on the UK's reputation as a reliable supplier of quality safe pork to this important market. High-quality pork, hams and sausages will be on display at a targeted event in Hong Kong, which attracts all the leading chefs catering to the all-important foodservice sector in the territory.

North America has been a strong market for the UK in the first half of 2018, shipments have increased by 23 per cent. AHDB continues to support pork exporters to further develop the opportunity across the pond. The high-end consumer market in Florida is one of our targets and a mission of exporters will be meeting leading market players at the Americas Food and Beverage show.

Last, but by no means least, is Mexico. Although the UK does not have access to one of the world's largest pork importers, it is very much on the radar. AHDB is again collaborating with Defra in their access ambitions, while exploring the supply chain in-market. AHDB Export is working closely with the Department of International Trade in Mexico and will be joining forces this month at the imminent Mexican Pork congress that takes place at the Centro Expositor in Puebla, Mexico.



Phil Hadley



Jonathan Eckley



Susanna Morris

**PICK
PORK**

The next wave of midweek meals TV adverts appear on screens this month. Read more about AHDB's successful campaign in this edition of Pig World.