

# PORK Imports Report

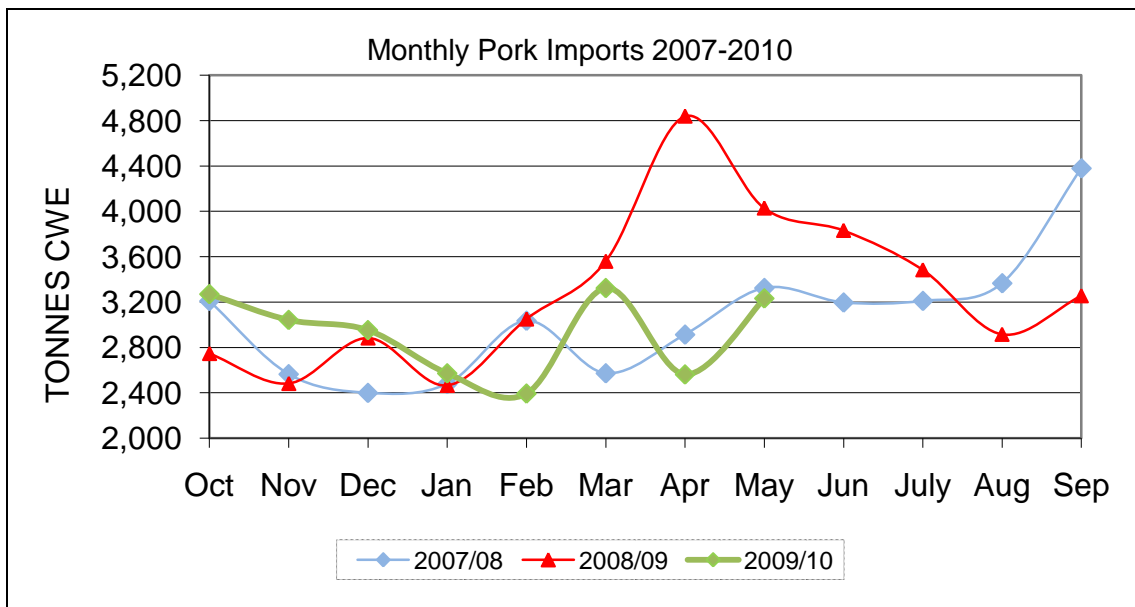


MAY 2010

## Summary - May 2010

The total volume of pork imported to New Zealand in May 2010 was **2,351 T (3,233 CWE)** **up 27.8 %** on last month and **down 21.1%** on the same month last year.

Currently, imports account for **43.7%** on an annual basis and **43.1% YTD** of the total supply of pork to the domestic market.

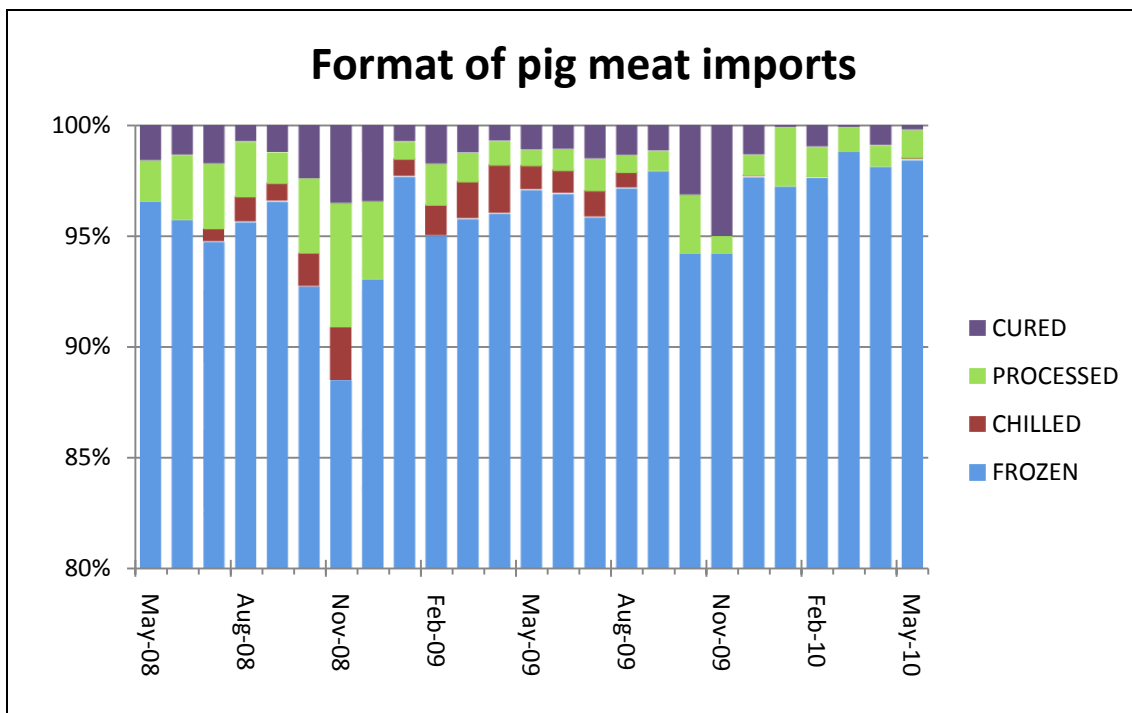


## Prices

The value of pork imported in May was \$ 10.901 M CIF, which equates to **\$4.64/kg**. This was **8c/kg higher** than last month and **59c/kg lower** than the same month last year.

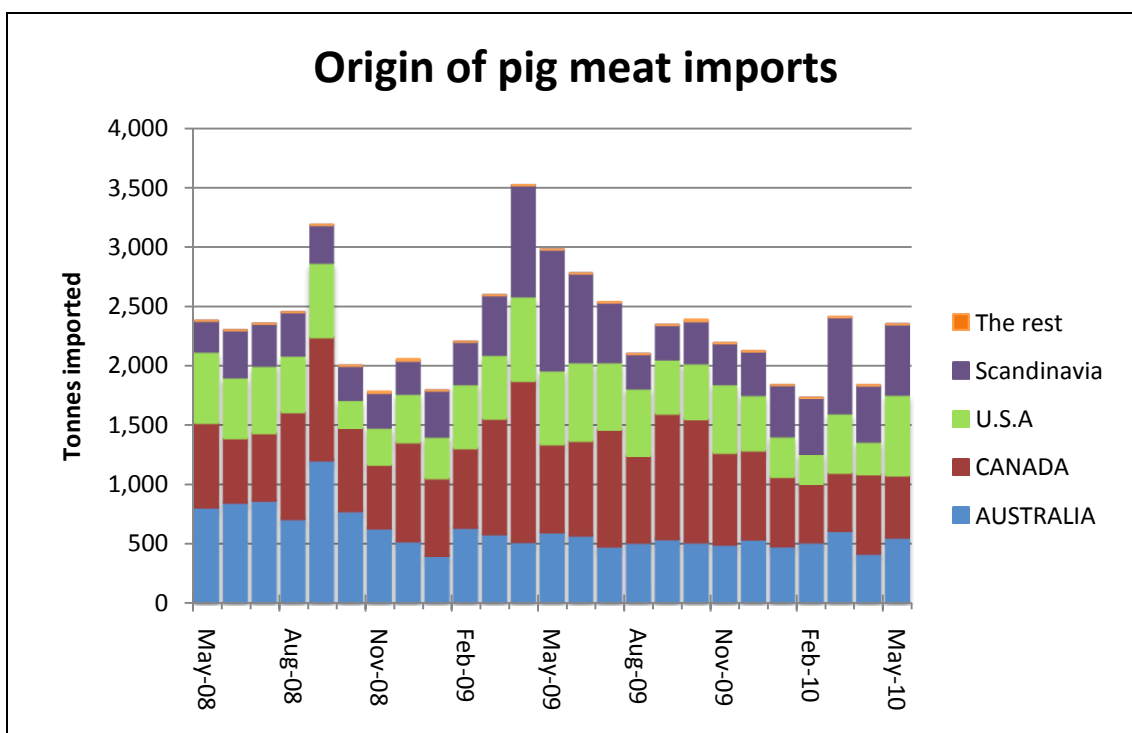
## Products

Frozen pork valued at \$4.47/kg accounted for 98% (CWE) of imports. 90% (CWE) of all pork imported was HTS code 0203.29.0019 (Frozen, other than meat bones and hocks) valued at \$4.61/kg. 2 T (2.4 CWE) of chilled pork was imported into New Zealand from Australia valued at \$9.67/kg



### Countries

Most pork (product weight) imported into New Zealand came from the USA (29%), Scandinavia (Finland, Denmark, Sweden) (25%), Australia (24%), and Canada (22%).



Data from Statistics New Zealand

### ***International Commentary***

The continued weakness of the Euro means Scandinavian pork is very competitively priced and cheap cuts have been reported on the NZ market. However, this influx is slowing and shoulders are “almost unavailable”.

North American prices are firm and stable at the moment with exchange rate fluctuations the main reason for price variation. US domestic demand is stronger than anticipated and the historical dip in prices for July 4 has not been seen. Russian demand continues to be strong and is slowly growing.

The recent announcement by President Obama that agreement has been reached to resume poultry exports to Russia is unlikely to impact on pork prices until late this year.

The North American breeding herd is down and US commentators expect the number of market pigs to fall further as the results of the Canadian sow buy-out work their way through production systems.

Australian farm gate schedules have continued to fall, with bacon weight pigs below AUD\$2.30/kg. As a result, bone-in leg and shoulder are available at \$3.20/kg and NZ markets have taken advantage. The bacon and food service markets have been hit the hardest but expect to see a few imported frozen pork roasts on the retail shelves.

### ***Chilled Pork Price Comparison (\$NZ/kg)***

<b>Australian</b>	<b>Apr 10</b>	<b>May 10</b>	<b>June 10</b>	<b>June-09*</b>
avg exchange rate	0.7682	0.8021	<b>0.8107</b>	
Boneless Shoulder	6.36	5.96	<b>5.93</b>	5.60 – 5.95
Boneless Middles (8-13mm fat)	6.06	5.37	<b>5.31</b>	7.20 – 7.40
Bellies	8.50	8.11	<b>8.03</b>	
<b>New Zealand</b>				
Shoulder(boneless)	7.15	7.15	<b>6.50</b>	7.30
Middle (boneless)	9.10	9.10	<b>7.50</b>	9.80
Bellies	9.50	9.50	<b>7.95</b>	

The Australian prices are calculated from the average of the Sydney weekly wholesale prices quoted in the Eyes and Ears from Australian Pork Ltd and the average monthly exchange rate from OzForex and 38c/kg is added as an estimate of the freight cost to Auckland.

\*Price quoted by industry sources.

**(Please Note: This report covers import statistics from 1-31 May 2010, import prices and commentary are at the time of publication)**