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China - Peoples Republic of

Livestock and Products Annual

Annual Report

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Report Highlights:
FAS Beijing forecasts China's beef production in 2011 will continue to decline to 5.45 million metric tons in 2011, down two percent from the year before. Meanwhile, pork production will continue modest gains next year, rising to 51.5 MMT. Lower domestic beef production will encourage higher imports, with sales forecast to jump 20 percent to 30,000 MT in 2011. Pork imports are also forecast to rise fueled by robust Chinese pork demand. China's live cattle imports are expected to double in 2010 to 90,000 head and continue strong in 2011 due to rising demand from the dairy sector.

Executive Summary

FAS Beijing projects China's beef production will slide two percent to 5.45 MMT in 2011, due to comparatively poor farm returns for raising beef cattle in China. Lower domestic production will encourage higher imports, with beef imports forecast to reach 30,000 metric tons in 2011, up 20 percent from 2010. Beef import volumes could jump substantially depending on the results of China's ongoing negotiations with Canada and the United States to resume beef trade, banned since 2003 due to BSE.

China's pork production will continue modest growth, forecast at 51.5 million metric tons (MMT) in 2011. In several production areas this year, higher output by large-scale operators is more than offsetting reported losses among backyard operations, where many farmers have reduced herd size due to disease and low prices in the first half of the year. Strong domestic pork demand will support higher imports. Pork imports (including offals) could approach 1 million tons in 2010, and should continue strong in 2011. Not including offals, China's pork imports are forecast at 200,000 metric tons in 2010 and 210,000 metric tons in 2011.

China's live cattle imports will likely double to 90,000 head in 2010 as China's dairy industry continues to rebuild following the 2008 melamine scandal. High import levels will likely continue in 2011 as China aims to replace more than one million dairy cows that were eliminated from China's dairy herd in 2008 and 2009.

Cattle and Beef

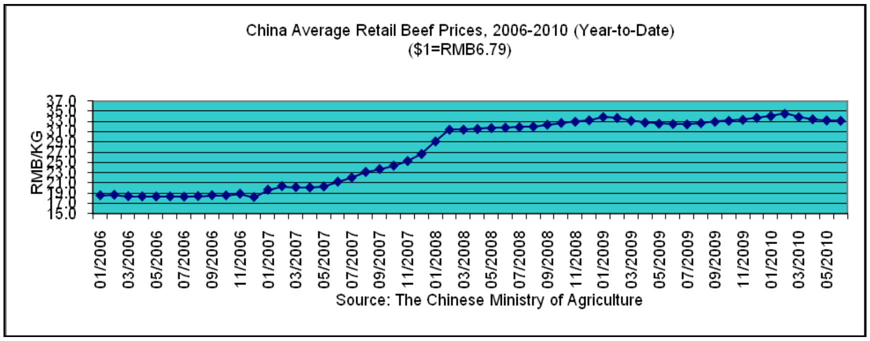
Beef Production Down in 2011

FAS Beijing (Post) forecasts China's beef production in 2011 will decrease two percent to 5.45 MMT from an estimated four percent decline in the previous year. Despite high beef prices, cattle supplies continue to slide due to comparatively poor farm returns, driving beef output downward.

The comparatively low returns for raising cattle compared to swine and poultry, longer production time, combined with continued high feed prices and other input costs will continue to dampen cattle farmer interest in expanding placement. Cattle farmers also point to the predominant cattle marketing pattern, where intermediaries do the bulk of the purchasing from backyard farmers and keep farm returns low, as a significant factor in low enthusiasm for raising cattle. Over-herding on grasslands is another long-run constraint. According to the Ministry of Agriculture (MOA), national over-herding (of all grass-fed animals) exceeded one-third of grasslands capacity in 2009. In main grassland areas, overherding was has high as 39 percent in Tibet, 38 percent in Gansu, and 35 percent in Xinjiang. Over-herding persists despite the Chinese government's investment of RMB2.4 billion ($ 350.5 million) in the last decade to try to improve China's grassland environment.

High Prices Continue to Limit Beef Consumption Growth

Post forecasts China's total beef consumption in 2011 will decrease two percent to 5.4 MMT. Consumption continues to be dampened by high beef prices. At over 32 yuan per kilogram, beef is considered pricey when compared to pork (49 percent higher) and broiler meat (59 percent higher). A strong preference for fresh meat also limits beef demand growth. Unlike pork, which is mainly produced in grain production areas near large cities, 25 percent of beef is frozen and transported from grassland areas in West China. High distribution costs and an unreliable cold chain in China are additional constraints.



U.S. and China Resume Discussions Regarding Market Access for U.S. Beef

On September 7-8, a technical delegation from the U.S. Department of Agriculture (USDA) and the U.S. Food and Drug Administration (FDA) resumed discussions with Chinese experts from AQSIQ and MOA toward a market reopening for U.S. beef. This represented the first bilateral dialogue on beef market access since 2007. China banned U.S. beef in December 2003 after a detection of BSE in the State of Washington. China officially lifted its ban on some U.S. beef in June 2006, but the two sides could not agree on import requirements and the scope of permitted products, thus preventing a market reopening.

Higher Beef and Live Cattle Imports Expected in 2011

While a tiny share of total consumption, China's beef imports will continue to rise, from 25,000 MT in 2010 to 30,000 MT in 2011 (carcass weight equivalent). Uruguay is now the largest supplier of beef to China, accounting for roughly half of total imports so far in 2010. Higher demand is being fueled by competitive pricing on Uruguayan muscle cuts. Chinese imports of beef could be significantly higher in 2011 depending on the results of ongoing negotiations to lift the ban on beef from Canada and the United States.

China's live cattle imports are forecast to double in 2010 to 90,000 head and continue strong in 2011. The gains are due to strong demand from dairy operators as China's dairy sector responds to high milk prices and gradually recovers from the nationwide melamine crisis in September 2008. The imports are needed to replace some of the more than one million dairy cows that were eliminated from China's dairy herd following the scandal. Australia and New Zealand will continue to dominate live cattle supplies to China as imports of North American cattle are banned due to BSE.

Live Cattle and Beef Exports to Hold Steady in 2011

China's live cattle exports are limited to nearby Hong Kong and Macau for fresh beef consumption. These exports are expected to be roughly unchanged from 2010 at just over 30,000 head. Beef exports are expected to rise 16 percent to 45,000 MT (CWE) in 2010, with higher sales to the Middle East, Japan, and Kyrgyzstan accounting for nearly all the gains. Export growth in 2011 will be limited by constraints to expanding China's beef production and high local prices.

China Officially Lifts Ban on Canadian Beef

On July 2, 2010, China announced it will lift its BSE ban on Canadian boneless beef derived from cattle under 30 months of age. Resumption in trade depends on finalizing technical conditions, certification requirements, and inspection of Canadian beef facilities. In tandem with this announcement, Canada indicated it would allow Chinese cooked poultry, a key export item for China. However, sales will be limited by Canada's quantitative restrictions on imported chicken.

China Officially Lifts Ban on Industry-Grade Bovine Tallow for BSE Countries

On July 30, 2010, AQSIQ and MOA jointly announced in their No. 73 Decree to lift China's ban on industry-grade bovine tallow from BSE countries on a condition that maximum insoluble impurity should be under 0.15 percent. Bovine tallow is an important material for the Chinese soap industry. Short domestic supplies due to shrinking domestic cattle slaughter helped encourage China's decision to allow tallow imports from BSE countries. Resumption in U.S. trade awaits an agreement on an export protocol. AQSIQ is currently evaluating a proposed protocol from the United States.

Chinese imports of tallow are expected to top $300 million in 2010. Australia and New Zealand account for nearly all these sales.

Swine and Pork

Pork Production Growing Steadily

FAS Beijing (Post) forecasts China's pork production in 2011 will increase over two percent to nearly 51.6 MMT from an estimate of 50 MMT in the previous year. In 2010, despite severe draughts in five provinces in Southwest China in the spring and floods across the country in the summer, large swine inventories in 2009 paved the way for increased slaughter and pork production in 2010. Continued strong economic growth in 2011 will support modest growth in pork demand and production gains.

While Post is projecting slightly higher production in 2011, output in early 2011 will likely be weaker than during the same period in 2010. Sow beginning stocks in 2011 are projected to decline for the first time in several years. The lower stocks are due to persistent low prices in the first half of 2010 combined with higher grain prices, animal disease, and China's 2010 decision to eliminate productive sow subsidies of RMB100 ($14.7) per animal. The ratio of hog to grain prices fell below six for much of 2010 resulting in some slaughter of sows among smaller backyard operators.

China Monthly Swine and Productive Sow Inventories, 2009-2010
(Year-to-Date, 1,000 Head)

2009	Total Swine	Productive Sows	Swine to Sow Ratio
January	456,160	50,100	10.98
February	445,940	49,870	11.18
March	448,610	49,420	11.02
April	454,890	49,220	10.82
May	453,250	48,800	10.77
June	447,200	48,300	10.80
July	450,060	48,060	10.68
August	458,160	48,160	10.51
September	465,160	48,400	10.41
October	469,210	48,750	10.39
November	465,900	48,700	10.45
December	469,834	49,100	10.45
2010			
January	455,000	48,700	10.70
February	443,300	48,900	11.03
March	441,300	48,400	10.97
April	436,000	47,600	10.92
May	433,700	47,000	10.84
June	436,700	46,800	10.72
July	440,000	46,300	10.52
August	458,160	48,160	10.51

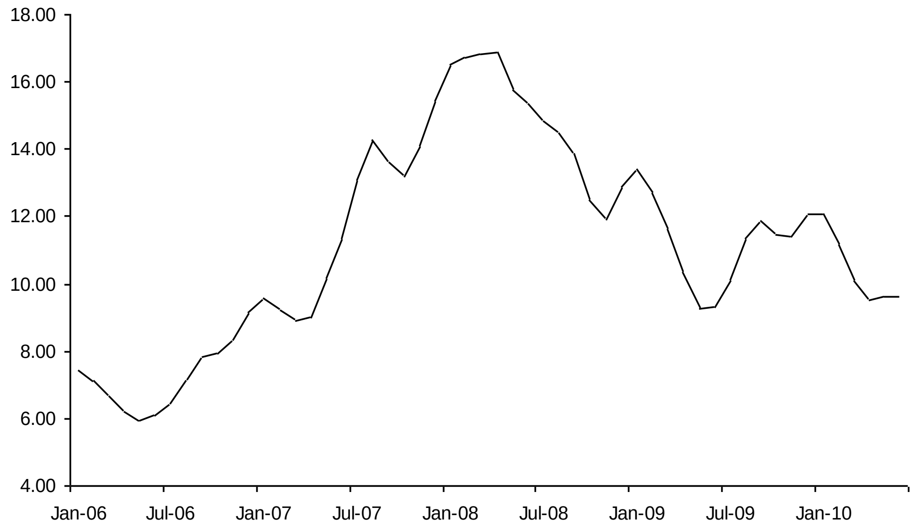
Source: The Ministry of Agriculture

Government Adds to Central Pork Reserves Following Low Prices in Early 2010

In the latter half of 2009, increases in China's productive sow subsidy, which increased from RMB 50/head to RMB 100/head in 2009, and continued private investment in production following high hog prices in 2007, led to strong upward pressure on hog inventories. Consequently, oversupply triggered hog price decreases in the first half of 2010.

On March 12, 2010, the China National Reform and Development Commission (NDRC) warned of declining hog prices, and highlighted that the hog-to-grain price ratio was already below the government's critical point of 6.0 (5.09 on March 17). By the end of March, data from the Ministry of Agriculture showed that live hog, piglet, and pork prices had been decreasing for 12, 13, and 11 weeks, respectively. The rate of price decrease for the three commodities at this time was 19.7 (hog), 13.1 (piglet), and 12.5 percent (pork), and faster than the rate of decrease for the same period in 2009. By early April, Chinese hog prices had been declining for three months, and the hog to grain price ratio remained below the critical level for eight consecutive weeks.

National Average Monthly Hog Prices (yuan/kg)



Source: Ministry of Agriculture

In an effort to boost pork prices and encourage stable production, the central government implemented five rounds of purchases for central reserves, amounting to an estimated 170,000 MT. The first round began in April 2010, and covered only five provinces in Southwest China, where prices were particularly weak. Unlike the first round, the second round included reserves in every province. The final round was completed in July. Local governments also purchased reserves, though figures on the quantity of local reserves are unavailable.

Government Subsidies to Encourage Large-scale Pork Production Continue

In addition to boosting pork reserves, government efforts to maintain pork producer incentives include a central government subsidy of $366 million (RMB 2.5 million) to support large scale swine production for the 2010-2011 subsidy period. (The government subsidy period runs from one mid calendar year to the next.) Specifically, the subsidy is to encourage large producers to continue their exports to other provinces and to assist in large hog facility improvement, with the goal of encouraging more stable production in future. In addition to support for production standardization and large farm construction, in 2010 the government allocated $95 million (RMB 650 million) to subsidize high-quality breeding swine.

Meanwhile, due to sow oversupply in 2010, the government discontinued productive sow subsidies nationwide. However, local officials state that additional subsidies will continue, such as those for genetic improvement ($5.88 per sow annually) and for hog insurance ($8.82 per hog, after farmers pay the first $1.76). The government continues to provide all hog producers free vaccines against FMD, PRRS, and Swine Fever.

Chinese Hog Production Threatened by Continued Disease Pressure

Industry contacts predict that higher incidence of animal disease outbreaks in 2010 will likely contribute to lower swine beginning stocks in 2011 compared to 2010 in many areas. While the government has not officially acknowledged large disease outbreaks, producers in South and Southwest China informed Post of numerous serious incidences. The peak season for swine disease normally occurs between July and September, but by July producers were already describing 2010 as a high disease year. Outbreaks of FMD (Foot and Mouth Disease) began in the spring and continued through summer. The summer brought outbreaks of swine fever and swine blue ear disease (PRRS), the latter of which was particularly serious this year in Hunan, Jiangxi, Hubei, Guangxi, Guangdong, and Fujian. Fujian reportedly had numerous outbreaks of FMD and PRRS. However, all contacts reported these outbreaks were far less severe than the PRRS outbreak in 2007.

Multiple factors contribute to continued disease outbreaks. First, disease often goes underreported, as both farmers and local officials face a disincentive to report outbreaks. More outbreaks occur among backyard operations, and farmers receive less than full compensation for culled animals (as little as 60 percent of slaughter value). For example, in Guangxi, farmers with FMD-infected animals early this summer received just $51 USD per culled piglet and $74 USD per culled fattened hog while the average breakeven price in Guangxi at the time was reportedly $76/hog. Officials also face a disincentive to report disease because local governments generally do not budget for disease outbreaks, and instead must raise funds to compensate farmers for diseased animals.

According to some producers, unreliable vaccine efficacy may also contribute to ongoing cases of swine disease. There have been claims that the free vaccination provision by the government does not always ensure disease prevention. To distribute the vaccines, the government relies on grassroots providers who often have insufficient facilities for maintaining the cool environment needed for vaccine efficiency.

China's Official Plan for Swine and Pork Production

12th Five Year Plan for meat industry

According to China's 12th Five Year Plan to 2015, government and industry will promote the construction of large slaughterhouses and processing facilities in major animal producing areas in order to reduce inter-province animal transport and the spread of animal disease. The central government has designated 19 provinces for the primary development of the country's pork industry by the year 2015. Under the policy, the central government stresses the importance of industry transformation in three main areas: breeding, processing operations (manual to mechanized), and logistics (backyard to modern cold chain). To achieve the three transformations, to phase out "backward" processing facilities, and to crack down on illicit slaughter activities, the government has outlined certain detailed objectives as part of the 12th Five Year Plan. Objectives include decreasing the number of livestock slaughterhouses to 3,000 by 2015. Currently, China has 21,000 slaughter facilities, 90 percent of which are manual, small, or semi-mechanized. The government also asserts that by 2015, pork production should account for 61 percent (52.3 MMT) of total meat production. Over the next ten years, the government estimates swine production will grow by 20 MMT.

Consolidation in pork processing is already underway. Visits with producers in South China revealed that numerous cities already experienced decreases in number of local slaughter facilities.

Pork Imports Forecast to Rise, While Swine Imports Uncertain

China's imports of pork are rebounding strongly in 2010. So far this year, imports are up more than 50 percent through July compared to the same period last year to 468,000 metric tons. Offals continue to dominate China's pork imports, accounting for 68 percent of total shipments in 2009, which reached 578,000 metric tons. 2010 imports could approach one million tons as Chinese pork prices continue to rise in the second half of 2010. Excluding offals, China's pork imports in 2010 are expected to reach 200,000 metric tons (CWE), rising to 210,000 metric tons in 2011.

In May 2010, the United States resumed pork exports to China after AQSIQ lifted it's A-H1N1 ban by agreeing that the U.S. animal health system met China's A-H1N1 requirements for pork. Following this market reopening, sales have been brisk, reaching 10,000 metric tons in the month of July, fueled by strong demand for U.S. pork offals.

While China lifted its ban on U.S. pork, trade in U.S. live swine has not resumed due to China's A-H1N1 pre-export testing requirements for live hogs. The United States accounted for well over half of China's swine imports prior to the A-H1N1 ban in May 2009, reaching more than 10,000 head in 2008. Overall, live swine imports are expected to remain low at just

2,000 head this year, with the EU and Canada accounting for all these sales. U.S. negotiations regarding China's A-H1N1 requirements for swine continue.

Both Swine and Pork Exports Increase

Post forecasts China's pork exports in 2011 will increase 12 percent to 280,000 MT due to stronger demand from traditional export markets. Hong Kong, Japan, and Kyrgyzstan are the top three export markets, accounting for nearly 75 percent of China's total exports. Nearly half are cooked pork products to Hong Kong and Japan.

China's live swine exports to Hong Kong and Macau for local fresh meat consumption will be roughly unchanged in 2011 at 1.8 million head. Growth is limited by slaughter capacity and flat demand in these markets.

Statistic Tables

Cattle PS&D Table

Animal Numbers, Cattle China	2009			2010			2011			
	Market Year Begin: Jan 2009			Market Year Begin: Jan 2010			Market Year Begin: Jan 2011			
	USDA Official	Old Post	New Post	USDA Official	Old Post	New Post	USDA Official	Old Post	New Post	
Total Cattle Beg. Stks	105,722	105,722	105,722	104,916	104,900	105,426			105,076	(1000 HEAD)
Dairy Cows Beg. Stocks	12,335	12,335	12,335	12,450	12,450	12,603			12,900	(1000 HEAD)
Beef Cows Beg. Stocks	48,000	48,000	48,000	46,500	46,500	47,000			46,480	(1000 HEAD)
Production (Calf Crop)	42,572	42,572	42,572	41,000	41,500	41,500			40,850	(1000 HEAD)
Intra-EU Imports	0	0	0	0	0	0			0	(1000 HEAD)
Other Imports	43	18	47	54	21	90			70	(1000 HEAD)
Total Imports	43	18	47	54	21	90			70	(1000 HEAD)
Total Supply	148,337	148,312	148,341	145,970	146,421	147,016			145,996	(1000 HEAD)
Intra EU Exports	0	0	0	0	0	0			0	(1000 HEAD)
Other Exports	29	30	33	27	28	32			31	(1000 HEAD)
Total Exports	29	30	33	27	28	32			31	(1000 HEAD)
Cow Slaughter	0	0	0	0	0	0			0	(1000 HEAD)
Calf Slaughter	0	0	0	0	0	0			0	(1000 HEAD)
Other Slaughter	42,382	42,382	42,382	40,929	40,744	40,808			40,076	(1000 HEAD)
Total Slaughter	42,382	42,382	42,382	40,929	40,744	40,808			40,076	(1000 HEAD)
Loss	1,010	1,000	500	1,112	1,000	1,100			1,000	(1000 HEAD)
Ending Inventories	104,916	104,900	105,426	103,902	104,649	105,076			104,889	(1000 HEAD)
Total Distribution	148,337	148,312	148,341	145,970	146,421	147,016			145,996	(1000 HEAD)
CY Imp. from U.S.	0	0	0	0	0	0				(1000 HEAD)
CY. Exp. to U.S.	0	0	0	0	0	0				(1000 HEAD)
Balance	0	0	0	0	0	0			0	(1000 HEAD)
Inventory Balance	-806	-822	-296	-1014	-251	-350			-187	(1000 HEAD)
Inventory Change	0	0	0	-1	-1	0			0	(PERCENT)
Cow Change	-3	0	0	-2	0	-1			0	(PERCENT)
Production Change	-6	-6	-3	-4	-3	-3			-2	(PERCENT)
Production to Cows	71	71	71	70	70	70			69	(PERCENT)
Trade Balance	-14	12	-14	-27	7	-58			-39	(1000 HEAD)
Slaughter to Inventory	40	40	40	39	39	39			38	(PERCENT)
TS=TD			0			0			0	

Beef PS&D Table

Meat, Beef and Veal China	2009			2010			2011		
	Market Year Begin: Jan 2009			Market Year Begin: Jan 2010			Market Year Begin: Jan 2011		
	USDA	Old	New Post	USDA	Old	New Post	USD	Old	New Post

	Official	Post		Official	Post		A Official	Post		
Slaughter (Reference)	42,382	42,382	42,382	40,929	40,264	40,808			40,075	(1000 HEAD)
Beginning Stocks	0	0	0	0	0	0			0	(1000 MT CWE)
Production	5,764	5,764	5,764	5,550	5,476	5,550			5,450	(1000 MT CWE)
Intra-EU Imports	0	0	0	0	0	0			0	(1000 MT CWE)
Other Imports	20	15	20	25	18	25			30	(1000 MT CWE)
Total Imports	20	15	20	25	18	25			30	(1000 MT CWE)
Total Supply	5,784	5,779	5,784	5,575	5,494	5,575			5,480	(1000 MT CWE)
Intra EU Exports	0	0	0	0	0	0			0	(1000 MT CWE)
Other Exports	38	33	38	28	25	45			46	(1000 MT CWE)
Total Exports	38	33	38	28	25	45			46	(1000 MT CWE)
Human Dom. Consumption	5,746	5,746	5,746	5,547	5,469	5,530			5,434	(1000 MT CWE)
Other Use, Losses	0	0	0	0	0	0			0	(1000 MT CWE)
Total Dom. Consumption	5,746	5,746	5,746	5,547	5,469	5,530			5,434	(1000 MT CWE)
Ending Stocks	0	0	0	0	0	0			0	(1000 MT CWE)
Total Distribution	5,784	5,779	5,784	5,575	5,494	5,575			5,480	(1000 MT CWE)
CY Imp. from U.S.	0	0	0	0	0	0			0	(1000 MT CWE)
CY. Exp. to U.S.	0	0	0	0	0	0			0	(1000 MT CWE)
Balance	0	0	0	0	0	0			0	(1000 MT CWE)
Inventory Balance	0	0	0	0	0	0			0	(1000 MT CWE)
Weights	136	136	136	136	136	136			136	(1000 MT CWE)
Production Change	-6	-6	-6	-4	-5	-4			-2	(PERCENT)
Import Change	233	88	233	25	20	25			20	(PERCENT)
Export Change	-34	-43	-34	-26	-24	18			2	(PERCENT)
Trade Balance	18	18	18	3	7	20			16	(1000 MT CWE)
Consumption Change	-5	-6	-5	-3	-5	-4			-2	(PERCENT)
Population	1,338,612,968	0	1,338,612,968	1,347,563,498	0	1,338,612,968			1,338,612,968	(PEOPLE)
Per Capita Consumption	4	0	4	4	0	4			4	(KG)
TS=TD			0			0			0	

Swine PS&D Table

Animal Numbers, Swine China	2009			2010			2011			
	Market Year Begin: Jan 2009			Market Year Begin: Jan 2010			Market Year Begin: Jan 2011			
	USDA Official	Old Post	New Post	USDA Official	Old Post	New Post	USDA Official	Old Post	New Post	
Total Beginning Stocks	462,913	462,913	462,913	469,000	485,005	469,960			468,507	(1000 HEAD)
Sow Beginning Stocks	50,100	50,100	48,788	49,100	49,800	49,100			49,000	(1000 HEAD)
Production (Pig Crop)	651,682	667,669	655,545	668,500	668,500	660,000			661,000	(1000 HEAD)
Intra-EU Imports	0	0	0	0	0	0			0	(1000 HEAD)
Other Imports	6	4	6	5	4	2			2	(1000 HEAD)
Total Imports	6	4	6	5	4	2			2	(1000 HEAD)
Total Supply	1,114,601	1,130,586	1,118,464	1,137,505	1,153,509	1,129,962			1,129,509	(1000 HEAD)
Intra EU Exports	0	0	0	0	0	0			0	(1000 HEAD)
Other Exports	1,602	1,700	1,733	1,660	1,740	1,760			1,800	(1000 HEAD)
Total Exports	1,602	1,700	1,733	1,660	1,740	1,760			1,800	(1000 HEAD)
Sow Slaughter	0	0	0	0	0	0			0	(1000 HEAD)
Other Slaughter	641,381	641,381	645,271	661,500	657,840	657,895			676,000	(1000 HEAD)
Total Slaughter	641,381	641,381	645,271	661,500	657,840	657,895			676,000	(1000 HEAD)
Loss	2,618	2,500	1,500	2,622	1,500	1,800			800	(1000 HEAD)
Ending Inventories	469,000	485,005	469,960	471,723	492,429	468,507			450,909	(1000 HEAD)
Total Distribution	1,114,601	1,130,586	1,118,464	1,137,505	1,153,509	1,129,962			1,129,509	(1000 HEAD)
CY Imp. from U.S.	2	2	4	0	2	0			0	(1000 HEAD)
CY. Exp. to U.S.	0	0	0	0	0	0			0	(1000 HEAD)
Balance	0	0	0	0	0	0			0	(1000 HEAD)
Inventory Balance	6087	22092	7047	2723	7424	-1453			-17598	(1000 HEAD)
Inventory Change	5	5	5	1	5	2			0	(PERCENT)
Sow Change	6	6	3	-2	-1	1			0	(PERCENT)
Production Change	2	5	3	3	0	1			0	(PERCENT)
Production to Sows	13	13	13.4	14	13	13.4			13.5	(PERCENT)
Trade Balance	1596	1696	1727	1655	1736	1758			1798	(1000 HEAD)
Slaughter to Inventory	139	139	139	141	136	140			144	(PERCENT)
TS=TD			0			0			0	

Pork PS&D Table

Meat, Swine China	2009			2010			2011			
	Market Year Begin: Jan 2009			Market Year Begin: Jan 2010			Market Year Begin: Jan 2011			
	USDA Official	Old Post	New Post	USDA Official	Old Post	New Post	USDA Official	Old Post	New Post	
Slaughter (Reference)	641,381	641,381	645,271	661,500	657,840	657,895			676,000	(1000 HEAD)
Beginning Stocks	0	0	0	120	120	120			170	(1000 MT CWE)
Production	48,890	48,500	48,905	50,600	50,300	50,000			51,500	(1000 MT CWE)
Intra-EU Imports	0	0	0	0	0	0			0	(1000 MT CWE)
Other Imports	194	150	182	200	120	200			210	(1000 MT CWE)
Total Imports	194	150	182	200	120	200			210	(1000 MT CWE)

Total Supply	49,084	48,650	49,087	50,920	50,540	50,320	51,880	(1000 MT CWE)
Intra EU Exports	0	0	0	0	0	0	0	(1000 MT CWE)
Other Exports	232	230	232	240	240	250	280	(1000 MT CWE)
Total Exports	232	230	232	240	240	250	280	(1000 MT CWE)
Human Dom. Consumption	48,732	48,300	48,735	50,560	50,180	49,900	51,430	(1000 MT CWE)
Other Use, Losses	0	0	0	0	0	0	0	(1000 MT CWE)
Total Dom. Consumption	48,732	48,300	48,735	50,560	50,180	49,900	51,430	(1000 MT CWE)
Ending Stocks	120	120	120	120	120	170	170	(1000 MT CWE)
Total Distribution	49,084	48,650	49,087	50,920	50,540	50,320	51,880	(1000 MT CWE)
CY Imp. from U.S.	100	100	100	80	80	80	84	(1000 MT CWE)
CY. Exp. to U.S.	0	0	0	0	0	0	0	(1000 MT CWE)
Balance	0	0	0	0	0	0	0	(1000 MT CWE)
Inventory Balance	120	120	120	0	0	50	0	(1000 MT CWE)
Weights	76	76	76	76	76	76	76	(1000 MT CWE)
Production Change	6	5	6	3	4	2	3	(PERCENT)
Import Change	-55	-66	-58	3	-20	10	5	(PERCENT)
Export Change	4	3	4	3	4	8	12	(PERCENT)
Trade Balance	38	80	50	40	120	50	70	(1000 MT CWE)
Consumption Change	5	4	5	4	4	2	3	(PERCENT)
Population	1,338,612,968		1,338,612,968	1,347,563,498		1,338,612,968	1,338,612,968	(PEOPLE)
Per Capita Consumption	36		36	38		37	38	(KG)
TS=TD			0			0	0	

Cattle and Beef Trade Matrices

China Live Cattle Imports by Reporting Countries Export Statistics 2008-2010 (Year-to-Date) (Number of Head)					
	Jan-Dec	Jan-Dec	Jan-Jul		Jan-Jul
	Quantity	Quantity	Quantity Comparison		% Change
Origin	2008	2009	2009	2010	2010/09
World	15,075	47,081	22,095	39,141	77.15
Australia	12,416	32,798	14,030	28,508	103.19
New Zealand	2,651	10,028	3,878	6,683	72.33
Uruguay	0	4,131	4131	3,948	0.00
Other	8	124	56	2	0.00

Source: GTA
HS Codes: 010210, 010290
Source: GTA
Note: As of 2009, China changed its live cattle imports and exports from the number of head to metric tons. This table uses exporting countries' reports in number of head.

China Direct Beef and Veal Imports, 2008-2010 (Year-to-Date) (Metric Tons)					
	Jan-Dec	Jan-Dec	Jan-Jul		Jan-Jul
	Quantity	Quantity	Quantity Comparison		% Change
Origin	2008	2009	2009	2010	2010/09
World	4,424	14,275	7,769	9,342	20.25
Uruguay	1,464	5,163	2,226	4,357	95.73
Australia	2,712	5,558	3,074	2,023	-34.19
New Zealand	173	2,505	1,076	1,543	43.40
Brazil	33	933	597	1,367	128.98
United States	0	0	0	0	0.00
Canada	0	0	0	0	0.00
Other	42	116	796	52	-93.47

HS Code: 020311, 020312, 020319, 020321, 020322, 020329, 021011 021012, 021019, 160241, 160242, and 160249 ,
Source: GTA China Statistics
Note: Hong Kong re-exports to Mainland China is in a separate table.

Hong Kong Beef and Veal Re-Exports to Mainland China, 2008-2010 (Year-to-Date) (Metric Tons)					
	Jan-Dec	Jan-Dec	Jan-Jul		Jan-Jul
	Quantity	Quantity	Quantity Comparison		% Change
Origin	2008	2009	2009	2010	2010/09
World	1,064	2,180	386	1,256	225.39
Brazil	754	1,457	183	725	296.17
United States	160	139	41	192	368.29
Argentina	28	326	76	77	0.00
Uruguay	-	24	0	56	0.00
Canada	25	25	0	40	0.00
New Zealand	47	0	0	31	0.00
Other	53	209	86	135	56.98

HS Code: 020110, 020120, 020130, 020210, 020220, 020230, 021020 and 160250

Source: WTA Hong Kong Census and Statistics Department

China Live Cattle Exports, 2008-2010 (Year-to-Date) (Number of Head)					
	Jan-Dec	Jan-Dec	Jan-Jul		Jan-Jul
	Quantity	Quantity	Quantity Comparison		% Change
Destination	2008	2009	2009	2010	2010/09
World	33,340	32,551	19,865	19,194	-3.38
Hong Kong	29,485	28,657	16,509	15,886	-3.77
Macau	2,946	3,838	3,356	3,308	-1.43
Mongolia	301	52	52	0	-100.00
Korea North	0	4	4	0	0.00
Uzbekistan	512	0	0	0	0.00
Other	96	0	0	0	0.00
HS Code: 010210, 010290					

Source: GTA China Statistics, and Hong Kong Census and Statistics Department
Note: As of 2009, China changed its live cattle imports and exports from number of head to metric tons. The Chinese industry's conversion is 4 live cattle for 1 MT. Post uses the industry's conversion if the importing countries' statistics in number of head are not available.

China Beef and Veal Exports, 2008-2010 (Year-to-Date) (Metric Tons)					
	Jan-Dec	Jan-Dec	Jan-Jul		Jan-Jul
	Quantity	Quantity	Quantity Comparison		% Change
Destination	2008	2009	2009	2010	2010/09
World	41,594	27,183	14,346	19,979	39.27
Hong Kong	14,276	11,392	6,556	6,725	2.58
Japan	5,449	4,846	2,019	2,957	46.46
Kuwait	3,188	3,192	1,917	2,278	18.83
Kyrgyzstan	2,149	2,042	784	2,093	166.96
Jordan	4,414	2,019	1,140	1,972	72.98
Israel	568	417	0	1,431	0.00
Malaysia	1,837	995	592	834	40.88
Lebanon	996	191	83	617	643.37
Brunei	291	267	182	185	0.00
Angola	603	330	114	144	26.32
Korea North	180	85	75	140	86.67
Macau	248	223	116	134	15.52
Libya	618	0	0	25	0.00
Korea South	3,948	196	196	0	-100.00
Qatar	277	98	58	0	-100.00
United Arab Emirates	660	72	72	0	-100.00
Indonesia	15	27	27	0	-100.00
Other	1,877	791	415	444	6.99
HS Code: 020110, 020120, 020130, 020210, 020220, 020230, 021020 and 160250					
Source: GTA China Customs Statistics					

Swine and Pork Trade Matrices

China Swine Imports by Reporting Countries' Export Statistics, 2008-2010 (Year-to-Date) (Number of Head)					
	Jan-Dec	Jan-Dec	Jan-Jul		Jan-Jul
	Quantity	Quantity	Quantity Comparison		% Change
Origin	2008	2009	2009	2010	2010/09
World	11,613	5,750	2,216	1,507	-31.99
United States	7,086	4,249	1,901	807	-57.55
Denmark	126	156	0	479	0.00
France	0	1,345	315	284	-9.84
Canada	3,876	0	0	0	0.00
United Kingdom	525	0	0	0	0.00
Other	0	0	0	0	0.00
HS Code: 010310, 010391, 010392					
Source: GTA					
Note: As of 2009, China changed its swine imports and exports from the number of head to metric tons. This table uses exporting countries' reports in number of head.					

China Pork Imports by Reporting Countries' Export Statistics, 2008-2010 (Year-To-Date) (Metric Tons)					
	Jan-Dec	Jan-Dec	Jan-Jun		Jan-Jun
	Quantity	Quantity	Quantity Comparison		% Change
Origin	2008	2009	2009	2010	2010/09
World	158,780	67,026	38,542	24,365	-36.78
United States	112,964	17,134	16,359	3,538	-78.37
Canada	17,801	17,451	9,558	7,068	-26.05
Denmark	6,445	13,476	4,714	2,783	-40.96
France	13,315	7,795	3,826	3,317	-13.30
Spain	169	7,863	2,259	6,305	0.00
United Kingdom	2,398	1,761	1,166	841	-27.87
Taiwan	493	449	163	227	39.26
Belgium	558	103	77	99	28.57
Netherlands	1,052	83	55	54	-1.82
Ireland	2,727	25	0	24	0.00
Other	857	886	365	109	-70.14
HS Code: 020311, 020312, 020319, 020321, 020322, 020329, 021011 021012, 021019, 160241, 160242, and 160249 Source: GTA Note: Hong Kong re-exports to Mainland China is in a separate table.					

China Pork Imports by Reporting Countries' Export Statistics, 2008-2010 (Year-To-Date) (Metric Tons)					
	Jan-Dec	Jan-Dec	Jan-Jun		Jan-Jun
	Quantity	Quantity	Quantity Comparison		% Change
Origin	2008	2009	2009	2010	2010/09
World	158,780	67,026	38,542	24,365	-36.78
United States	112,964	17,134	16,359	3,538	-78.37
Canada	17,801	17,451	9,558	7,068	-26.05
Denmark	6,445	13,476	4,714	2,783	-40.96
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Belgium	558	103	77	99	28.57
Netherlands	1,052	83	55	54	-1.82
Ireland	2,727	25	0	24	0.00
Other	857	886	365	109	-70.14

HS Code: 020311, 020312, 020319, 020321, 020322, 020329, 021011 021012, 021019, 160241, 160242, and 160249
Source: GTA
Note: Hong Kong re-exports to Mainland China is in a separate table.

Hong Kong Pork Re-Exports to Mainland China, 2008-2010 (Year-to-Date) (Metric Tons)					
	Jan-Dec	Jan-Dec	Jan-Jul		Jan-Jul
	Quantity	Quantity	Quantity Comparison		% Change
Origin	2008	2009	2009	2010	2010/09
World	177,356	72,756	37,066	69,004	86.17
Germany	27,161	13,730	5,115	16,673	225.96
Spain	24,705	9,285	4,199	10,002	138.20
United States	33,483	11,474	8,928	7,854	-12.03
Canada	18,576	9,827	5,598	5,926	5.86
Demark	6,134	2,105	687	4,791	597.38
Italy	8,854	3,096	1,476	4,292	190.79
Netherlands	14,068	3,586	1,663	3,466	108.42
Poland	7,692	2,351	788	3,014	282.49
United Kingdom	4,116	3,035	1,574	2,291	45.55
Ireland	3,144	890	317	1,879	492.74
Brazil	8,272	5,046	2,405	1,864	-22.49
Hungary	2,596	459	212	1,799	748.58
France	4,045	3,076	2,014	1,710	-15.09
Belgium	3,733	818	184	1,099	497.28
Austria	982	274	102	435	326.47
Sweden	592	164	98	242	146.94
Australia	979	49	26	49	88.46
Chile	1,220	320	75	48	0.00
Other	7,004	3,171	1,605	1,570	-2.18

HS Code: 020311, 020312, 020319, 020321, 020322, 020329, 021011, 021012, 021019, 160241, 160242, and 160249
Source: WTA Hong Kong Census and Statistics Department

China Swine Exports, 2008-2010 (Year-to-Date) (Number of Head)					
	Jan-Dec	Jan-Dec	Jan-Jul		Jan-Jul
	Quantity	Quantity	Quantity Comparison		% Change
Destination	2008	2009	2009	2010	2010/09
World	1,645,257	1,733,342	982,365	1,017,833	3.61
Hong Kong	1,546,517	1,601,987	911,100	951,263	4.41
Macau	98,597	131,355	71,265	66,570	-6.59
Other	143	0	0	0	0.00

HS Code: 010310, 010391, 010392
Source: GTA China Statistics; GTA Hong Kong Census and Statistics Department
Note: As of 2009, China changed its swine imports and exports from the number of head to metric tons. The Chinese industry's conversion is15 swine for 1 MT.
Post uses the industry conversion if the importing countries' statistics in number of head are not available.

China Pork Exports, 2008-2010 (Year-to-Date) (Metric Tons)					
	Jan-Dec	Jan-Dec	Jan-Jul		Jan-Jul
	Quantity	Quantity	Quantity Comparison		% Change
Destination	2008	2009	2009	2010	2010/09
World	170,999	178,509	98,998	114,352	15.51
Hong Kong	87,396	97,533	56,645	62,016	9.48
Japan	43,016	40,060	21,430	22,900	6.86
Kyrgyzstan	8,437	8,734	4,510	5,648	25.23
Philippines	3,541	6,421	2,641	4,612	74.63
Malaysia	7,142	5,576	2,599	4,059	56.18
Singapore	4,494	7,397	4,872	3,291	-32.45
Macau	4,622	4,984	2,752	3,278	19.11
Ukraine	0	475	0	2,000	#DIV/0!
Albania	519	1,671	547	1,700	210.79
Indonesia	2,097	1,559	713	684	-4.07
Angola	61	278	193	78	-59.59
Korea North	2,214	25	25	76	204.00
Korea South	465	351	242	55	-77.27
Lebanon	636	69	35	49	40.00
Vietnam	1,985	98	91	4	-95.60
Russia	71	71	0	0	0.00
Other	4,303	3,682	3,455	4,504	30.36

HS Code: 020311, 020312, 020319, 020321, 020322, 020329, 021011 021012, 1021019, 60241, 160242 and 160249
Source: GTA China Customs Statistics

Price Tables

China Retail Beef Prices on Average, 2006-2010 (Year-to-Date)						
(RMB/KG, $1=RMB6.79)						
	2006	2007	2008	2009	2010	% Change 2010/09
January	18.55	19.64	29.11	33.90	34.08	0.53
February	18.65	20.35	31.40	33.72	34.54	2.43
March	18.37	20.14	31.42	33.13	33.86	2.20
April	18.33	20.07	31.55	32.81	33.45	1.95
May	18.31	20.28	31.73	32.60	33.24	1.96
June	18.32	21.21	31.82	32.53	33.16	1.94
July	18.27	22.02	31.92	32.46	33.30	2.59
August	18.40	23.13	32.02	32.70		
September	18.57	23.69	32.39	32.96		
October	18.54	24.36	32.74	33.15		
November	18.86	25.27	32.98	33.35		
December	18.21	26.65	33.25	33.73		
Source: The Ministry of Agriculture						

China Retail Pork Prices On Average, 2006-2010 (Year-to-Date)						
(RMB/KG, $1=RMB6.79)						
MONTH	2006	2007	2008	2009	2010	% Change 2010/09
January	12.43	14.91	25.53	21.25	19.31	-9.13
February	12.18	14.97	26.08	20.62	18.67	-9.46
March	11.65	14.50	25.56	19.30	17.32	-10.26
April	11.13	14.39	25.68	17.60	16.21	-7.90
May	10.71	15.86	24.71	15.68	16.09	2.61
June	10.58	17.74	24.10	15.46	16.04	3.75
July	11.06	20.77	23.58	16.27	17.54	7.81
August	12.01	22.95	23.18	17.94		
September	12.82	22.10	22.59	18.97		
October	12.99	21.15	20.86	18.71		
November	13.35	22.35	19.46	18.47		
December	14.40	24.05	20.34	19.11		
Source: The Ministry of Agriculture						

China Retail Piglet Prices On Average 2006-2010 (Year-to-Date)						
(RMB/KG, $1=RMB6.79)						
MONTH	2006	2007	2008	2009	2010	% Change 2010/09
January	9.24	12.12	29.66	20.06	17.41	-13.21
February	9.48	12.26	30.62	20.11	16.60	-17.45
March	8.85	12.68	35.29	19.75	15.61	-20.96
April	7.82	13.31	38.23	18.27	14.74	-19.32
May	6.98	15.09	36.11	15.41	14.77	-4.15
June	6.84	17.17	34.55	15.08	14.39	-4.58
July	7.05	20.11	33.01	15.88	15.77	-0.69
August	8.31	24.09	30.94	17.74		
September	9.60	23.70	28.55	18.78		
October	9.85	22.62	23.44	18.14		
November	10.25	23.84	20.02	17.39		
December	11.44	26.21	19.42	17.55		
Source: The Ministry of Agriculture						

China Retail Industry Feed Prices for Fattening Swine On Average						
2006-2010 (RMB/KG, $1 = RMB 6.79)						
MONTH	2006	2007	2008	2009	2010	% Change 2010/09
January	1.84	1.98	2.51	2.50	2.69	7.60
February	1.83	1.98	2.55	2.48	2.68	8.06
March	1.83	2.03	2.55	2.46	2.68	8.94
April	1.82	2.01	2.60	2.46	2.69	9.35
May	1.84	2.05	2.60	2.45	2.72	11.02
June	1.86	2.07	2.65	2.48	2.73	10.08
July	1.87	2.11	2.73	2.53	2.73	7.91
August	1.92	2.17	2.73	2.57		
September	1.88	2.24	2.71	2.62		
October	1.90	2.23	2.71	2.62		
November	1.90	2.33	2.57	2.64		
December	1.96	2.42	2.50	2.68		
Source: The Ministry of Agriculture						