

Voluntary Report – Voluntary - Public Distribution

Date: April 10, 2023

Report Number: RP2023-0034

Report Name: Livestock and Poultry Update

Country: Philippines

Post: Manila

Report Category: Livestock and Products, Poultry and Products

Prepared By: Lary Abao

Approved By: Mark Hanzel

Report Highlights:

FAS Manila estimates beef production to increase slightly to 185,000 MT for 2023 because of efforts of commercial farms to increase production. Beef imports are expected to increase slightly to 260,000 MT in line with population growth. FAS Manila estimates 2023 pork production to be at 975,000 MT because of the latest African Swine Fever (ASF) outbreaks in Cebu, a major supplier to Metro Manila, and Maguindanao del Sur. Pork imports, meanwhile, are estimated to be down to 525,000 MT because of high pork prices in the international market and lower demand. FAS Manila estimates 2023 chicken production to increase to almost 1.48 million MT while the 2023 chicken imports forecast is expected to increase to 520,000 MT based on increasing demand (especially with ASF cases in pigs and bird flu in layers).

Executive Summary

FAS Manila estimates beef production to increase slightly for 2023 compared to the previous marketing year because of efforts of commercial farms to increase production. Beef imports are expected to increase slightly because of population growth. FAS Manila estimates 2023 pork production will increase from 2022 but still be lower compared to 2021 because of the latest outbreaks of African Swine Fever (ASF) in Cebu, a major supplier to Metro Manila, and in Maguindanao del Sur. Cebu Province was confirmed to have ASF on March 7, 2023 while BARMM was even hit by ASF on March 27, 2023. Because of this, only the National Capital Region (NCR) does not have ASF outbreaks. Pork imports, meanwhile, are estimated to be lower because of high pork prices in the international market and lower demand. FAS Manila estimates 2023 chicken production and chicken imports to increase based on shifting demand from pork and eggs, which were hit with African Swine Fever (ASF) and Highly Pathogenic Avian Influenza (HPAI), respectively.

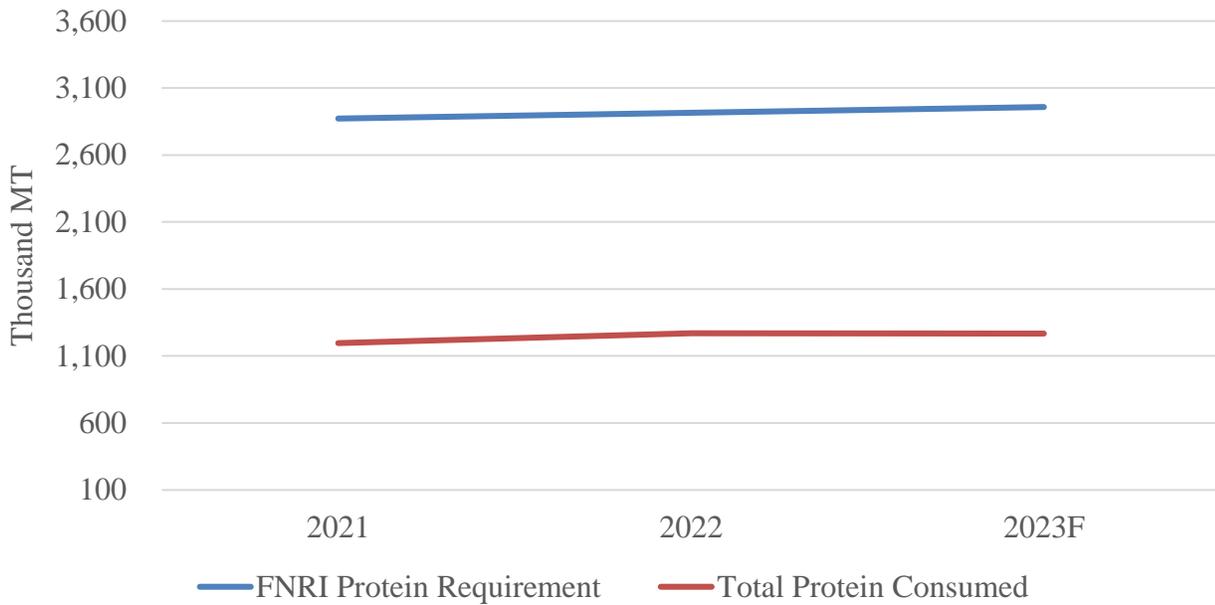
Table 1 presents livestock and poultry production from 2021 to 2023. Only 1 percent growth is expected in 2023 because of the challenges of ASF and HPAI. The decline in egg production because of HPAI will incentivize broiler producers to increase production since broiler meat is an alternative source of less expensive protein. Expect aquaculture to also take advantage of the opportunity.

Commodity	2021	2022	2023F	%Δ
Total	3,004	3,070	3,092	1
Pork (CWE)	1,000	925	975	5
Chicken	1,343	1,437	1,480	3
Chicken Eggs	661	708	637	-10

Sources: FAS Manila (pork and chicken); Philippine Statistics Authority (PSA) data for eggs

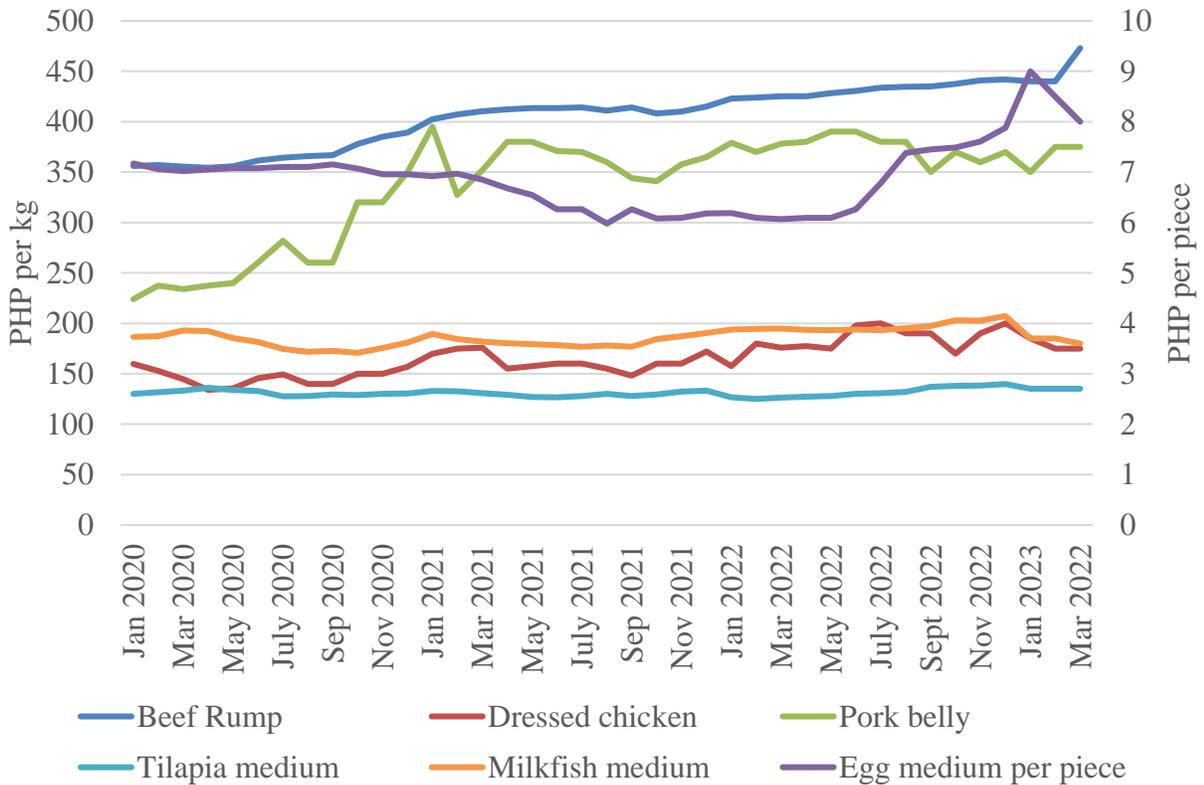
Based on Figure 1, there is a severe protein deficit in the Philippines. The Department of Science and Technology-Food and Nutrition Research Institute (FNRI) protein requirement was calculated using a 71 grams of protein daily requirement for male adults (19 to 59 years old) multiplied by the Philippine population. The total protein requirement was calculated using human consumption in the PSD multiplied by the protein conversion.

Figure 1: Total Protein vs. FNRI Protein Requirement



Source: FNRI, PSA, USDA-FAS Manila

Figure 2. Protein Source Prices, Jan 2020 to Mar 2023



Source: PSA for beef and eggs prices; DA-AMAS for pork and dressed chicken prices

BEEF

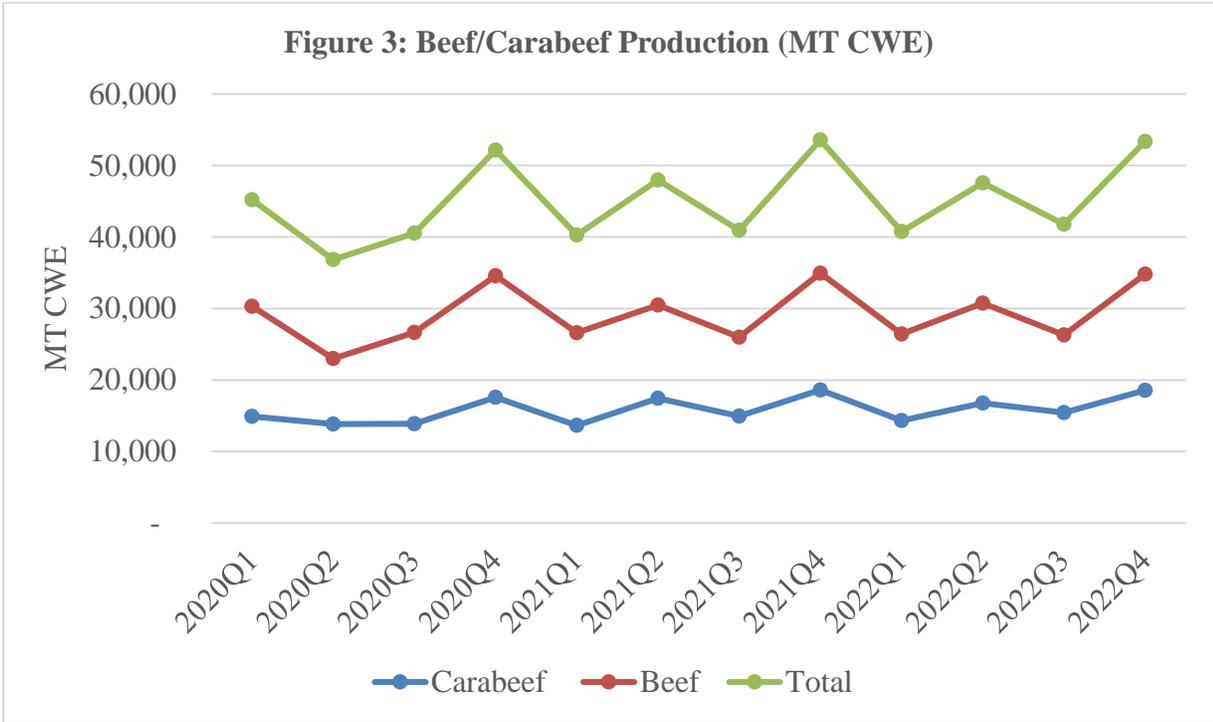
Table 2: Meat, Beef and Veal Market Year Begins	2021		2022		2023	
	Jan 2021		Jan 2022		Jan 2023	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Philippines						
Slaughter (Reference) (1000 HEAD)	0	0	0	0	0	0
Beginning Stocks (1000 MT CWE)	0	0	0	0	0	0
Production (1000 MT CWE)	205	183	202	183	210	185
Total Imports (1000 MT CWE)	221	221	225	256	225	260
Total Supply (1000 MT CWE)	426	404	427	439	435	445
Total Exports (1000 MT CWE)	2	2	1	1	1	1
Human Dom. Cons. (1000 MT CWE)	424	402	426	438	434	444
Other Use, Losses (1000 MT CWE)	0	0	0	0	0	0
Total Dom. Cons. (1000 MT CWE)	424	402	426	438	434	444
Ending Stocks (1000 MT CWE)	0	0	0	0	0	0
Total Distribution (1000 MT CWE)	426	404	427	439	435	445
(1000 HEAD) ,(1000 MT CWE)						

Production

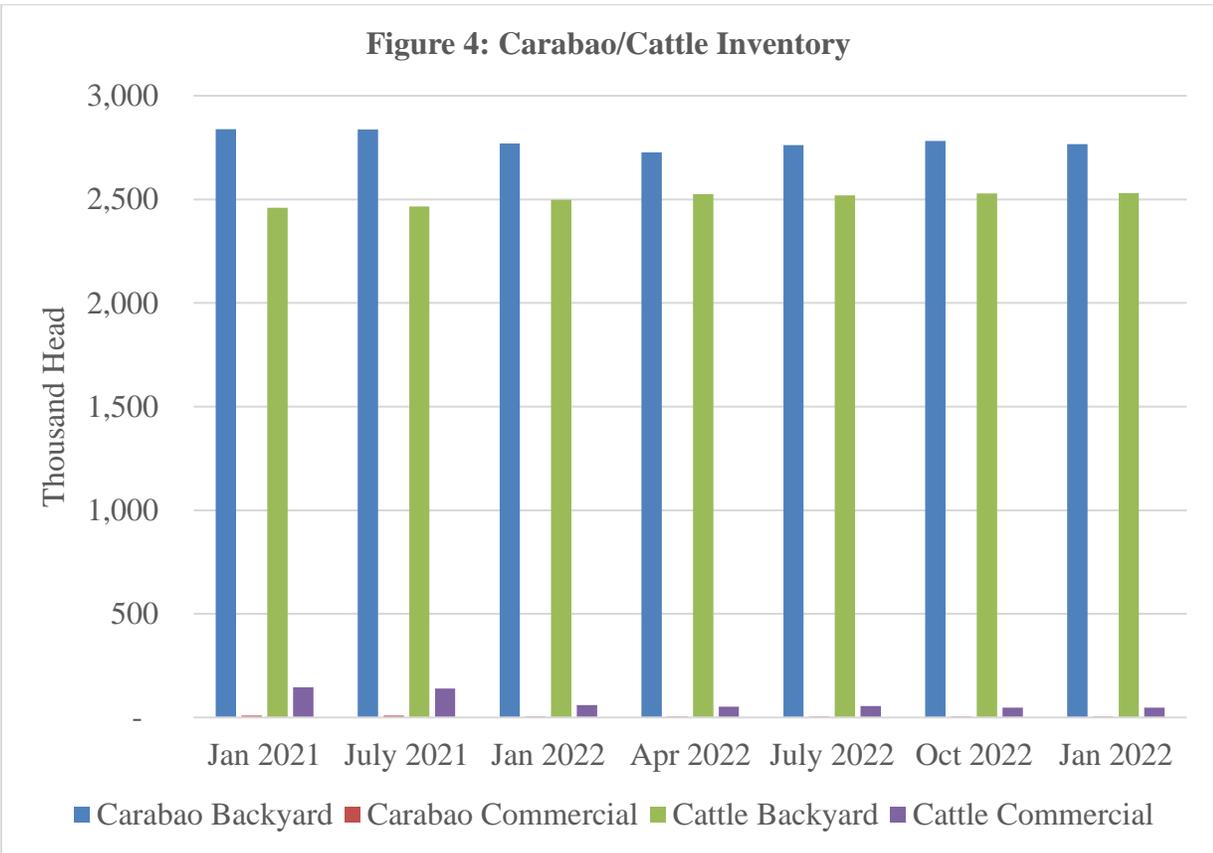
FAS Manila forecasts 2023 beef production to increase slightly in 2023 as compared to 2022 because of the limited expansion of the commercial sector. In the Philippines, the cattle commercial sector inventory comprises only 2 percent while the cattle backyard sector comprises 98 percent according to the Philippine Statistics Authority (PSA) data.

Prices

Farmgate prices for cattle backyard operations have shown a slight decline while beef retail prices in the National Capital Region (NCR) have been slightly increasing due to increasing demand. There has been upward pressure on the prices of corned beef and beef loaf brands such that the Department of Trade and Industry issued increased Suggested Retail Prices (SRP) for most brands on February 8, 2023.

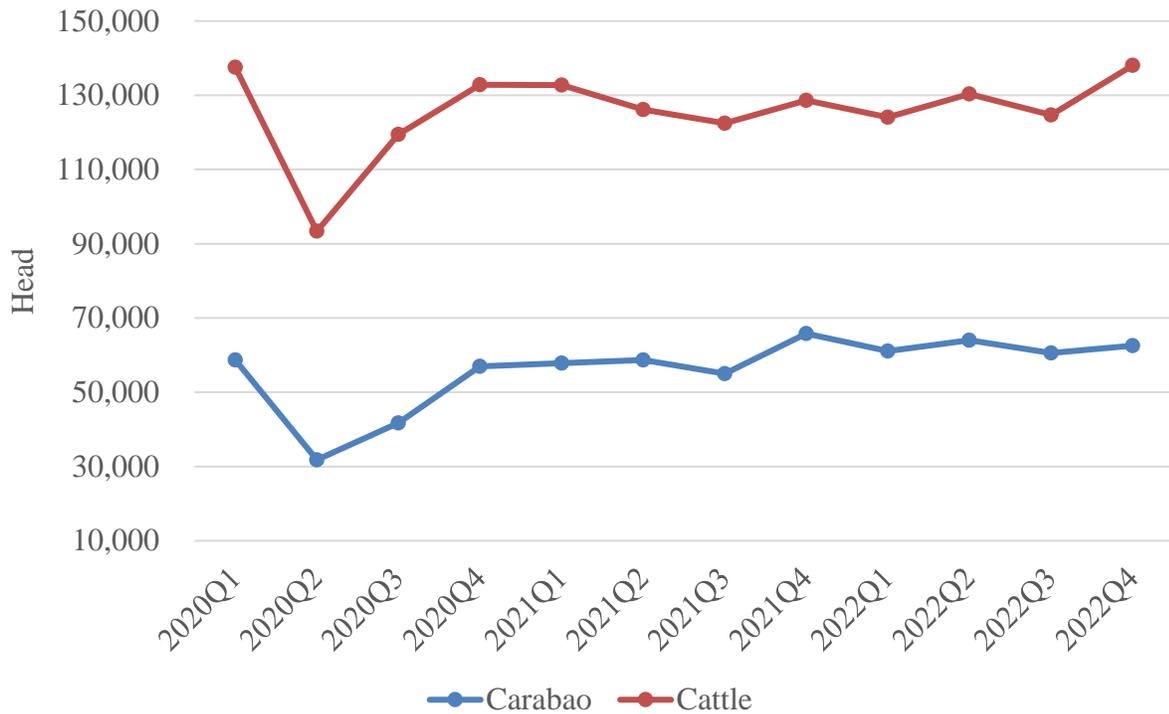


Source: Philippine Statistics Authority



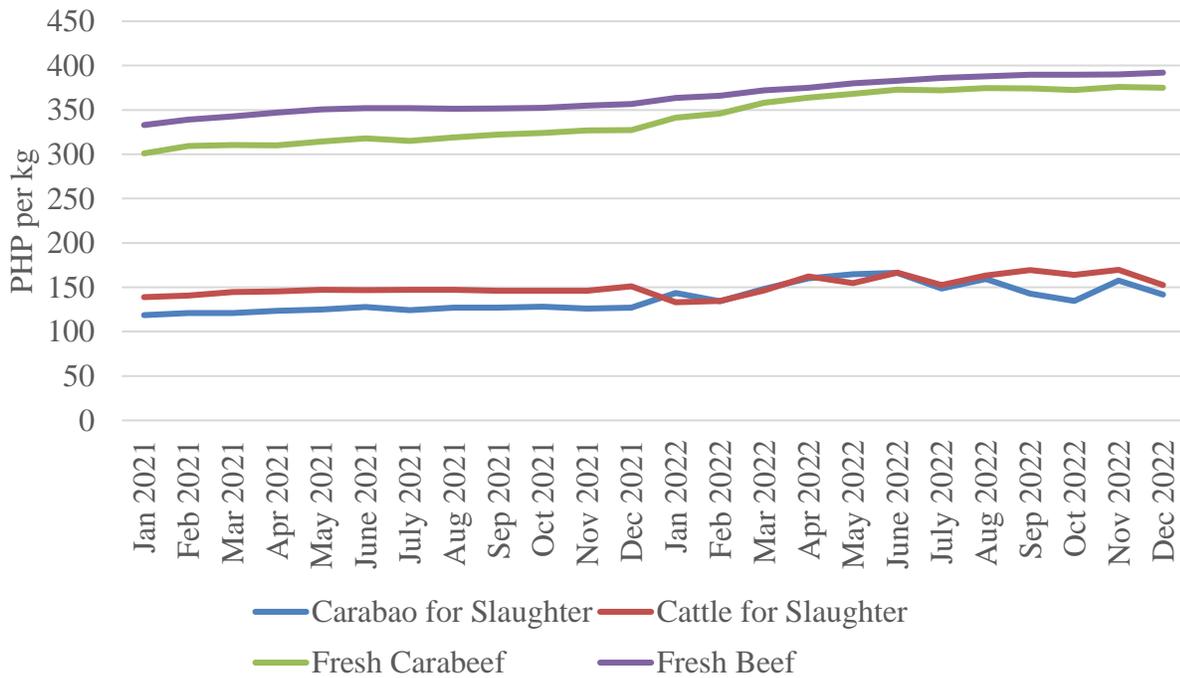
Source: Philippine Statistics Authority

Figure 5: Carabao/Cattle Slaughtered



Source: Philippine Statistics Authority

Figure 6: Cattle/Carabao Prices, Jan 2021 to Dec 2022



Source: Philippine Statistics Authority

Table 3: SRP on Corned Beef and Beef Loaf (in Pesos Per Unit)					
Canned Goods	8/29/21	1/27/22	5/11/22	8/12/22	2/8/23
Corned Beef Brands					
Argentina (150g)	32.75	34.75	34.75	34.75	35.75
Bingo (150g)	19.25	19.25	20.00	20.00	22.00
CDO (150g)	26.50	26.50	26.50	26.50	26.50
El Rancho – Supermarket (150g)	28.50	28.50	28.50	28.50	28.50
Star Corned Beef (150g)	31.00	31.00	31.00	31.00	34.00
Winner - Supermarket (150g)	30.75	30.75	30.75	30.75	30.75
Young’s Town’s Premium (150g)	30.25	30.25	31.25	31.25	34.25
Argentina (175g)	37.75	39.75	39.75	39.75	40.75
Ligo Premium – Luzon (175g)	35.80	35.80	35.80	35.80	35.80
Ligo Premium – Visayas to Mindanao (175g)	36.20	36.20	36.20	36.20	36.20
Beef Loaf Brands					
555	18.25	19.50	19.50	19.50	19.50
Argentina (150g)	17.75	19.00	20.00	21.22	22.00
Bingo (150g)	16.50	16.50	17.00	17.00	18.50
CDO (150g)	18.25	18.25	19.00	19.00	20.75
Purefoods (150g)	18.15	18.15	18.15	18.15	18.15
El Rancho – Supermarket (150g)	17.75	17.75	17.75	17.75	17.75
Argentina (175g)	20.25	21.75	22.75	24.13	25.00
Purefoods (200g)	24.90	24.90	24.90	24.90	24.90

Source: Department of Trade & Industry

Consumption

As the economy opens further (and with the increasing population), demand for beef is expected to increase. Fresh beef caters more to the affluent segment while canned goods are more for the lower income segment.

Trade

FAS Manila forecasts 2023 beef imports to slightly increase in line with increasing demand for beef. While trade is down 20 percent for the first month, FAS Manila expects beef trade to recover for the next 11 months, per discussions with industry contacts. Noteworthy is the increase of US pork exports by 77 percent. Beef trade bans were lifted for [Brazil](#) (a major source of manufacturing grade beef), the [Netherlands](#), and [Spain](#).

Reporter	Calendar Year		January		
	2021	2022	2022	2023	%Δ
Total	221,380	255,804	16,897	13,447	-20
Brazil	63,178	83,886	7,119	3,995	-44
Australia	43,673	45,587	2,088	1,671	-20
India	57,312	66,447	4,570	5,864	28
EU 27	28,999	24,268	1,982	536	-73
United States	13,997	24,803	647	1,142	77
New Zealand	4,497	6,734	184	213	16
United Kingdom	6,726	2,258	262	-	-
Others	2,998	1,821	45	26	-42

Source: Trade Data Monitor, LLC

PORK

Production, Supply, and Distribution (PS&D)

Table 5: Meat, Swine Market Year Begins Philippines	2021		2022		2023	
	Jan 2021		Jan 2022		Jan 2023	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Slaughter (Ref.) (1000 HEAD)	0	0	0	0	0	0
Beginning Stocks (1000 MT CWE)	0	0	0	0	0	0
Production (1000 MT CWE)	1000	1000	925	925	1000	975
Total Imports (1000 MT CWE)	461	462	585	560	600	525
Total Supply (1000 MT CWE)	1461	1462	1510	1485	1600	1500
Total Exports (1000 MT CWE)	1	1	1	1	1	1
Hum. Dom. Cons. (1000 MT CWE)	1460	1461	1509	1484	1599	1499
Other Use, Losses (1000 MT CWE)	0	0	0	0	0	0
Total Dom. Cons. (1000 MT CWE)	1460	1461	1509	1484	1599	1499
Ending Stocks (1000 MT CWE)	0	0	0	0	0	0
Total Distribution (1000 MT CWE)	1461	1462	1510	1485	1600	1500
(1000 HEAD) (1000 MT CWE)						

Note: PSD numbers do not include pork offal, fat, and rind.

Production

FAS Manila forecasts 2023 pork production to be higher than 2022 although lower than 2021 because of a resurgence of ASF cases in Luzon and Mindanao. Recently, there were ASF outbreaks in Cebu province (a major supplier of pork to Metro Manila) on March 7, 2023, and in BARMM on March 27, 2023. This leaves NCR as the only region with no ASF. Post does not follow PSA data on pork production.

Figure 7: African Swine Fever Zoning Status as of March 27, 2023

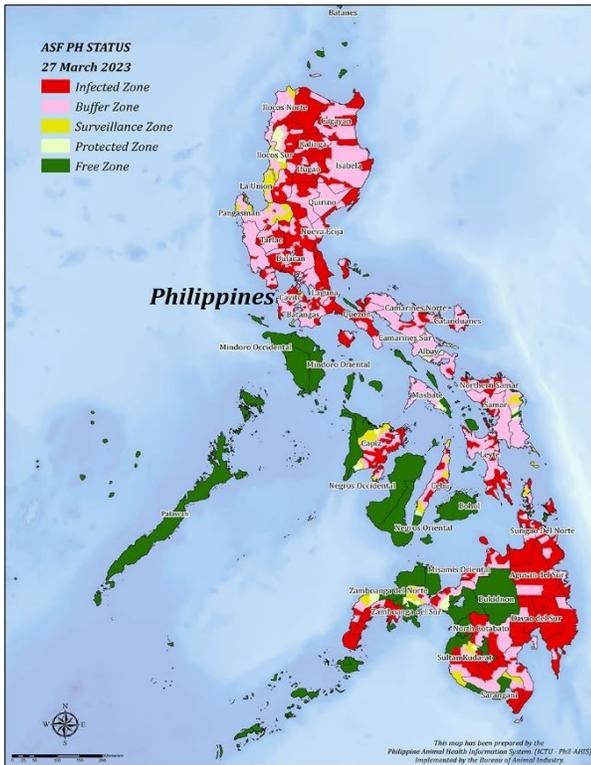


FIGURE 1. Map of the Philippines showing Zoning Status per City / Municipality

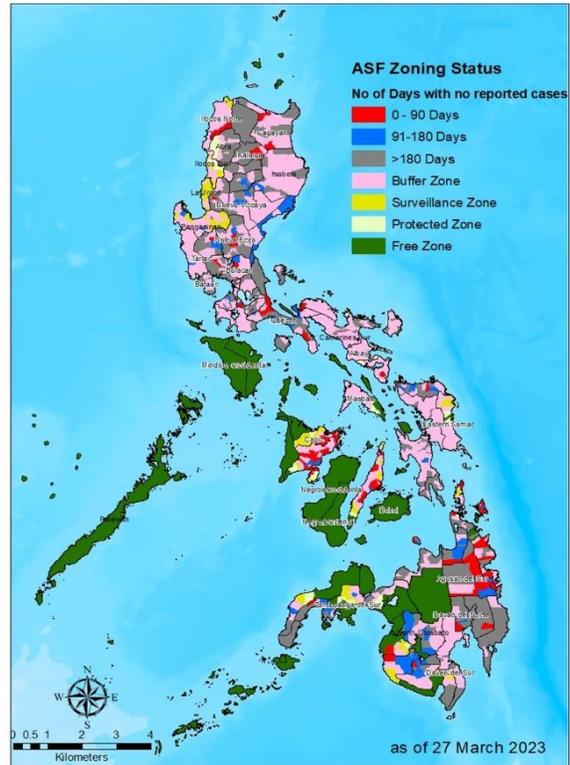
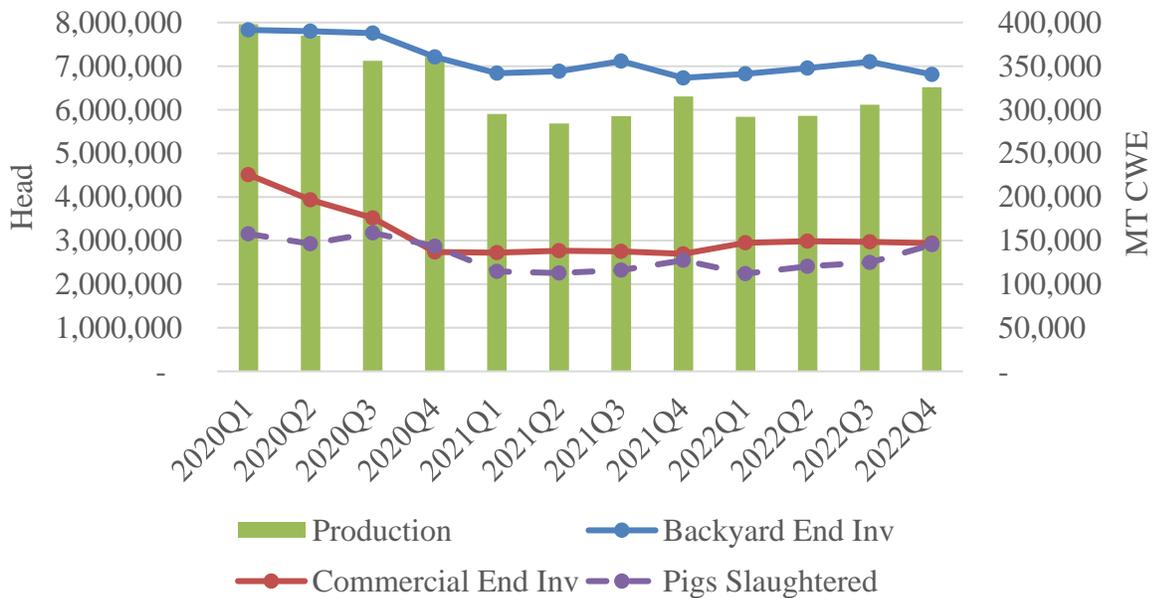


FIGURE 2. Map of the Philippines showing City / Municipality with no reported ASF case for ≤ 90 days (Red), 91 to 180 days (Blue) and ≥ 181 days (Grey).

Source: Department of Agriculture-Bureau of Animal Industry

Figure 8: Pork Production, Slaughtered, and Inventory



Source: Philippine Statistics Authority

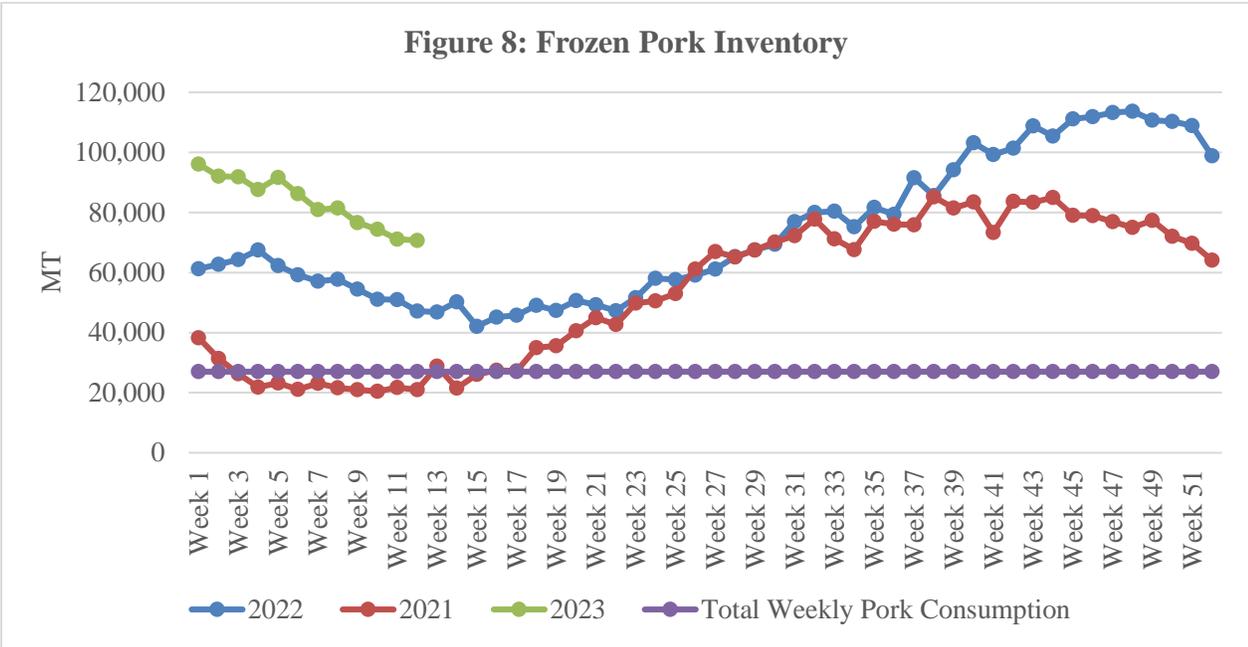
Table 6: Philippine Pork Production by Region , CWE MT			
Region	2021	2022	%Δ 2022/21
Philippines	1,187,305	1,215,983	2
CALABARZON	131,531	142,269	8
Central Luzon	73,348	92,331	26
Northern Mindanao	152,226	153,942	1
Central Visayas	146,128	160,399	10
Western Visayas	140,198	143,528	2
Davao Region	95,409	97,048	2
SOCCSKSARGEN	87,282	89,011	2
Bicol Region	69,449	70,351	1
Zamboanga Peninsula	59,603	67,480	13
MIMAROPA	64,197	64,528	1
Ilocos Region	40,362	37,144	-8
Cagayan Valley	27,769	22,437	-19
Eastern Visayas	54,700	35,749	-35
Caraga	21,900	17,275	-21
CAR	15,322	14,314	-7
BARMM	7,711	8,058	4
NCR	168	120	-29

Source: Philippine Statistics Authority, Department of Agriculture-Bureau of Animal Industry

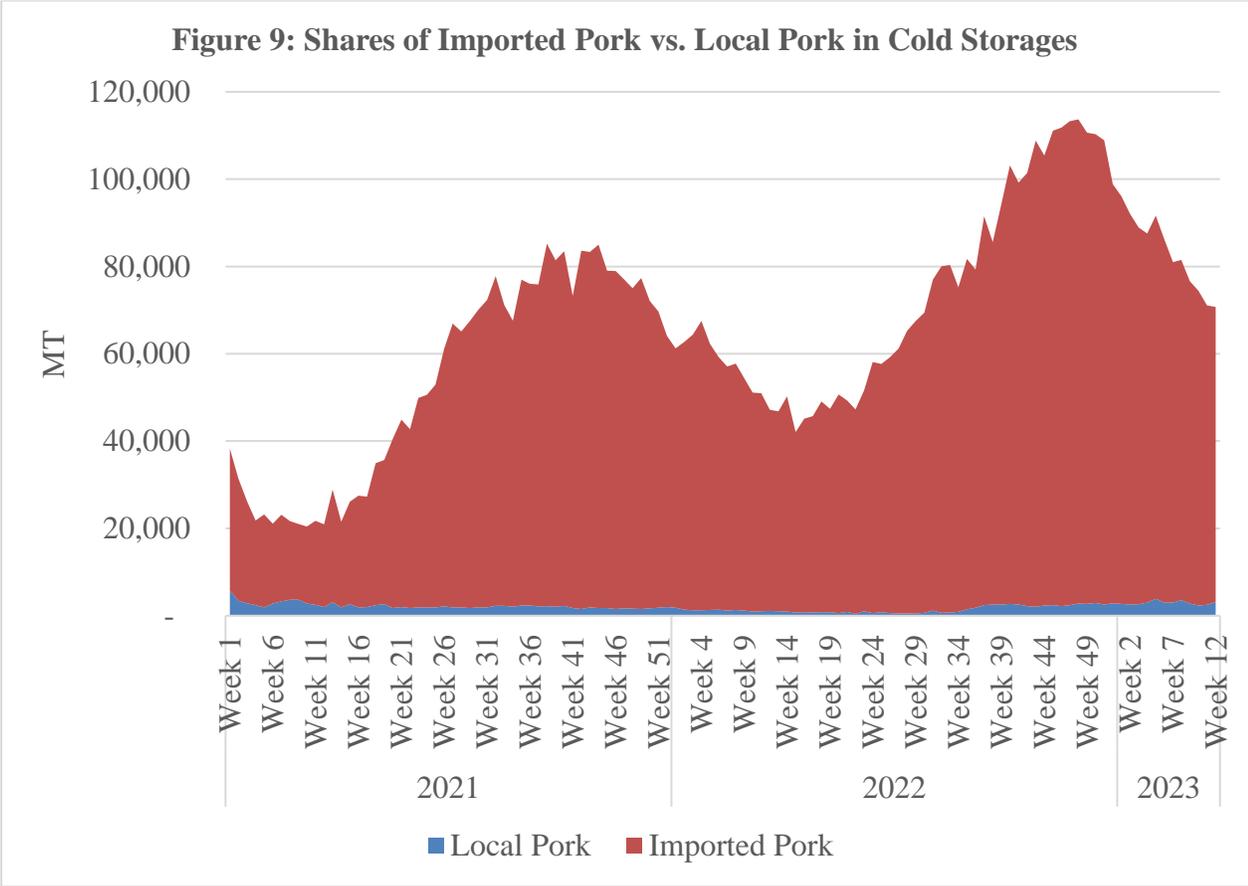
Note: NCR is the only region free from ASF; Live weight MT was converted to Carcass Weight MT using 70 percent dressing percentage.

Inventory

Frozen pork inventory in accredited cold storage facilities is declining for 2023, although it is still higher than the 2022 levels. According to industry contacts, some meat importers lost money last year when they imported a lot but were faced with lower demand. Food inflation affected the purchasing power of consumers.



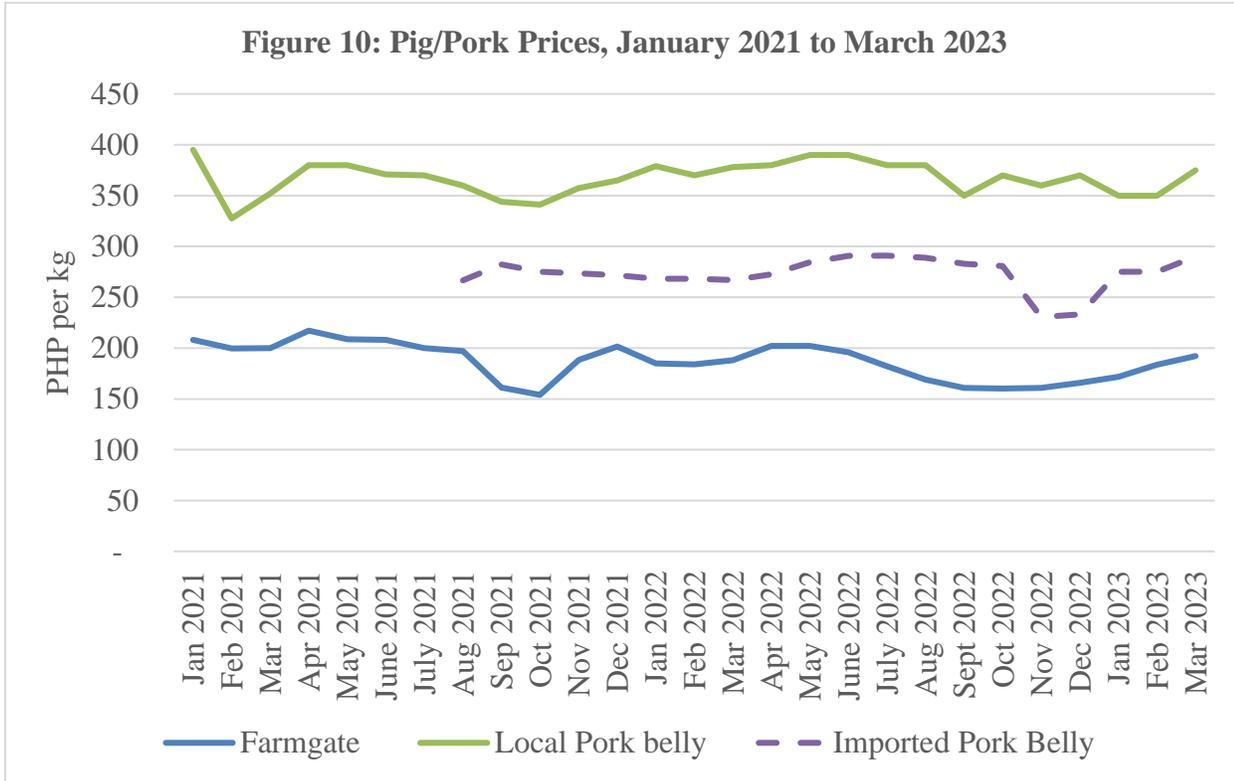
Source: Department of Agriculture-National Meat Inspection Service
 Note: Pork includes fresh, chilled, and frozen pork.



Source: Department of Agriculture-National Meat Inspection Service

Prices

Local pork belly prices have increased since the declaration of ASF outbreaks in Cebu and Maguindanao del Sur in March 2023. Imported pork prices, meanwhile, are still significantly below the local pork prices, which makes it competitive.



Source: DA-AMAS (Metro Manila retail prices); ProPork (farm gate prices)

Table 7: SRP on Luncheon Meat and Meat Loaf (in Pesos Per Unit)					
Canned Goods	8/29/21	1/27/22	5/11/22	8/12/22	2/8/23
Luncheon Meat Brands					
CDO Chinese Style (165g)	34.25	34.25	35.50	35.50	39.00
Purefoods Chinese Style (165g)	32.50	32.50	33.50	33.50	33.50
Meat Loaf Brands					
555 (150g)	18.25	19.50	19.50	19.50	19.50
Argentina (150g)	18.75	20.25	21.25	22.54	23.75
CDO (150g)	18.25	18.25	19.00	19.00	20.75
Gusto (150g)	16.50	16.50	16.50	16.50	16.50
Winner - Supermarket (150g)	18.00	18.00	18.00	18.00	18.00
Argentina (170g)	20.25	21.75	22.75	24.13	25.25

Source: Department of Trade & Industry

Consumption

FAS Manila forecasts 2023 pork consumption to be lower because of the effect of food inflation, which leaves little purchasing power for pork.

Trade

FAS Manila forecasts 2023 pork imports to be lower because of high prices of pork in the international market and lower domestic demand. President Ferdinand Marcos signed [Executive Order \(EO\) No. 10, Series of 2022](#) on December 29, 2022, which extends lower pork tariff rates until December 31, 2023.

Table 8: Global Pork Exports to the Philippines					
Metric Tons Carcass Weight Equivalent					
Reporter	Calendar Year		January		
	2021	2022	2022	2023	%Δ
Total	461,759	559,777	39,454	20,447	-48
European Union	196,640	258,605	18,887	9492	-50
Canada	124,148	141,253	11,587	3982	-66
United States	80,254	36,622	1,625	2044	26
Brazil	37,064	92,026	5,317	3168	-40
United Kingdom	16,842	21,083	1,776	1161	-35
Australia	4,364	5,320	79	147	86
South Korea	1,570	2,708	177	369	108
Chile	317	1,777	-	75	-
Others	560	383	6	9	50

Source: Trade Data Monitor, LLC

CHICKEN

Production, Supply, and Distribution (PSD)

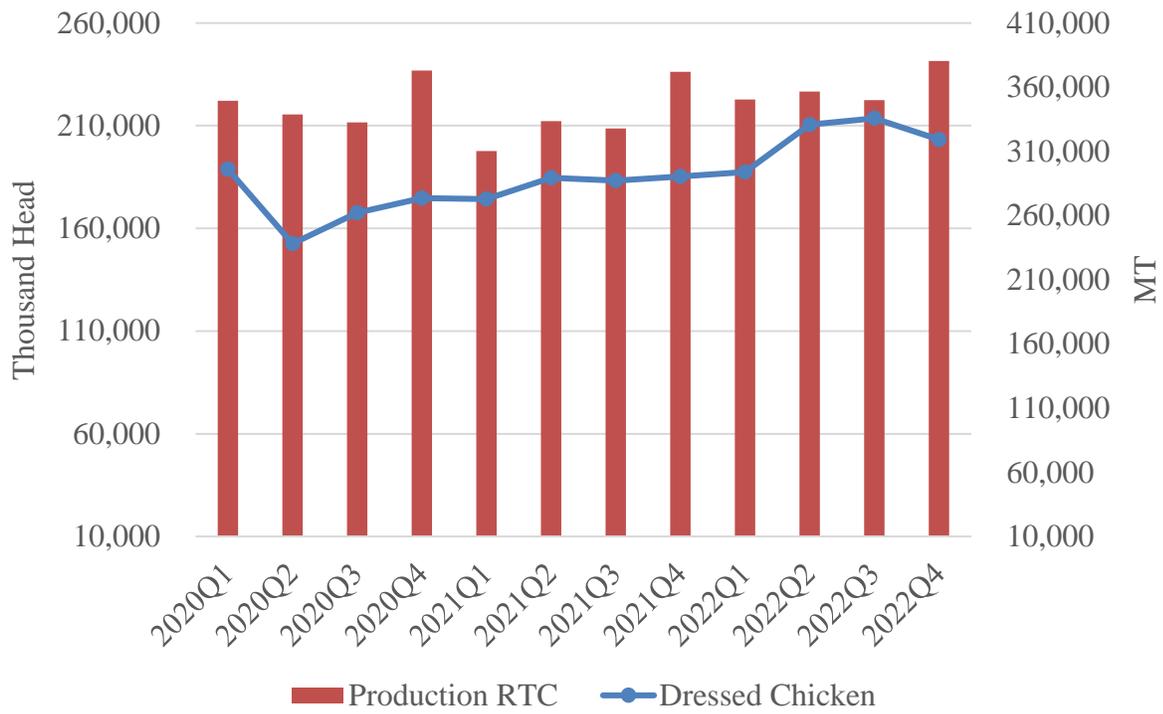
Table 9: Meat, Chicken Market Year Begins Philippines	2021		2022		2023	
	Jan 2021		Jan 2022		Jan 2023	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Beginning Stocks (1000 MT)	0	0	0	0	0	0
Production (1000 MT)	1343	1343	1300	1437	1360	1475
Total Imports (1000 MT)	437	437	495	497	480	520
Total Supply (1000 MT)	1780	1780	1795	1934	1840	1995
Total Exports (1000 MT)	0	0	0	0	0	0
Human Consumption (1000 MT)	1780	1780	1795	1934	1840	1995
Other Use, Losses (1000 MT)	0	0	0	0	0	0
Total Dom. Cons. (1000 MT)	1780	1780	1795	1934	1840	1995
Total Use (1000 MT)	1780	1780	1795	1934	1840	1995
Ending Stocks (1000 MT)	0	0	0	0	0	0
Total Distribution (1000 MT)	1780	1780	1795	1934	1840	1995
(1000 MT)						

Note: PSD includes skins and mechanically deboned meat.

Production

FAS Manila forecasts 2023 chicken meat production to be higher to take advantage of ASF cases plaguing the pig sector. With the egg industry also taking a big hit from HPAI, chicken is the next available less expensive protein source. Small victories were recorded in provinces like [South Cotabato](#), [Quezon](#), and [Rizal](#), which were declared HPAI-free.

Figure 11: Dressed Chicken and Meat Production



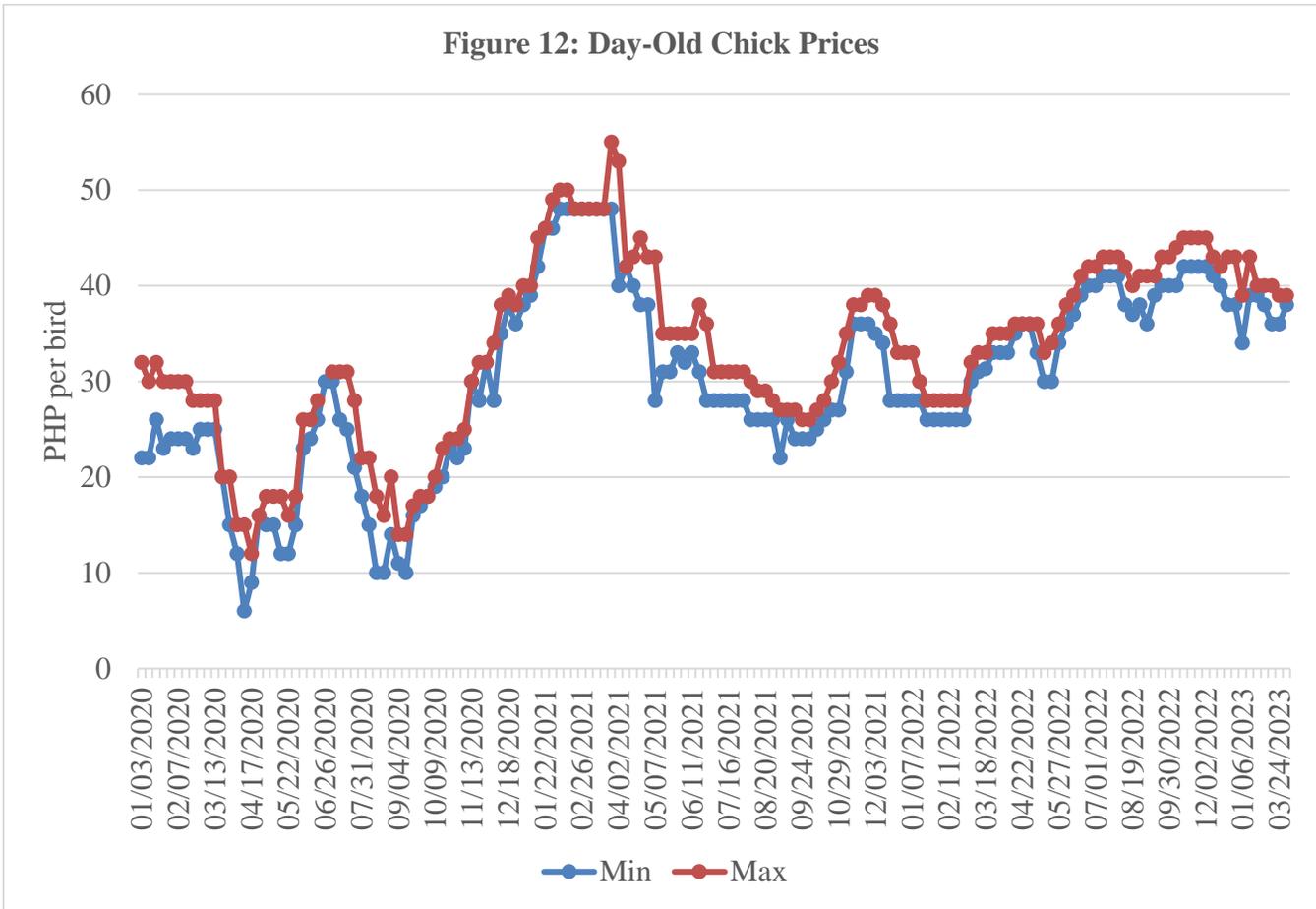
Source: Philippine Statistics Authority

Table 10: Philippine Chicken Production by Region, RTC MT			
Region	2021	2022	%Δ
Philippines	1,343,496	1,437,322	7
Central Luzon	457,281	500,404	9
CALABARZON	231,159	239,746	4
Northern Mindanao	125,622	136,402	9
Western Visayas	92,586	96,974	5
Central Visayas	76,508	81,979	7
Ilocos Region	58,736	66,722	14
SOCCSKSARGEN	58,545	71,336	22
Davao Region	54,089	59,047	9
Cagayan Valley	45,773	39,587	-14
Eastern Visayas	44,458	41,642	-6
Bicol Region	39,013	44,119	13
Zamboanga Peninsula	30,560	27,975	-8
Caraga	11,218	10,910	-3
MIMAROPA	8,830	10,267	16
CAR	4,554	4,958	9
BARMM	4,185	4,563	9
NCR	379	691	83

Source: Philippine Statistics Authority, Department of Agriculture-Bureau of Animal Industry

Note: Highlighted regions have at least one province with HPAI; Liveweight was converted to RTC using 77 percent dressing percentage.

Figure 12: Day-Old Chick Prices

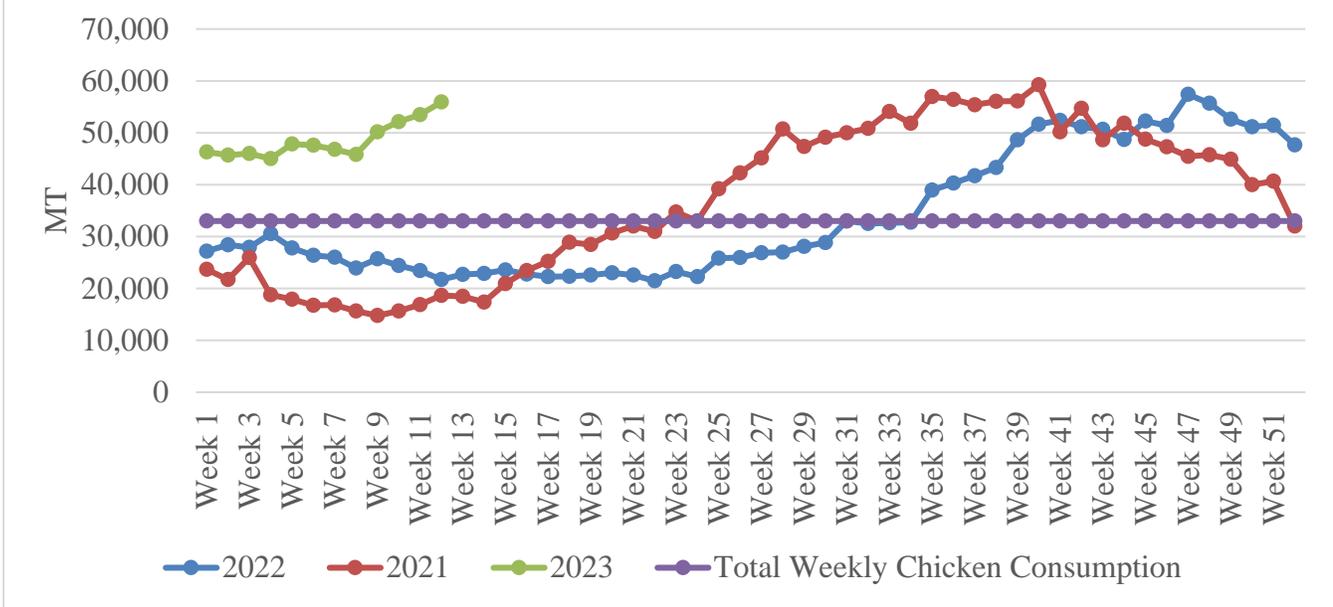


Source: United Broiler Raisers Association

Inventory

Frozen chicken meat in accredited cold storage facilities, excluding MDM, showed increasing inventory levels compared to the previous period in 2022. This shows that traders are taking advantage of the opportunity presented by the ASF challenge in pig production by importing more to fill the expected gap.

Figure 13: Frozen Chicken Meat Inventory (excluding MDM)

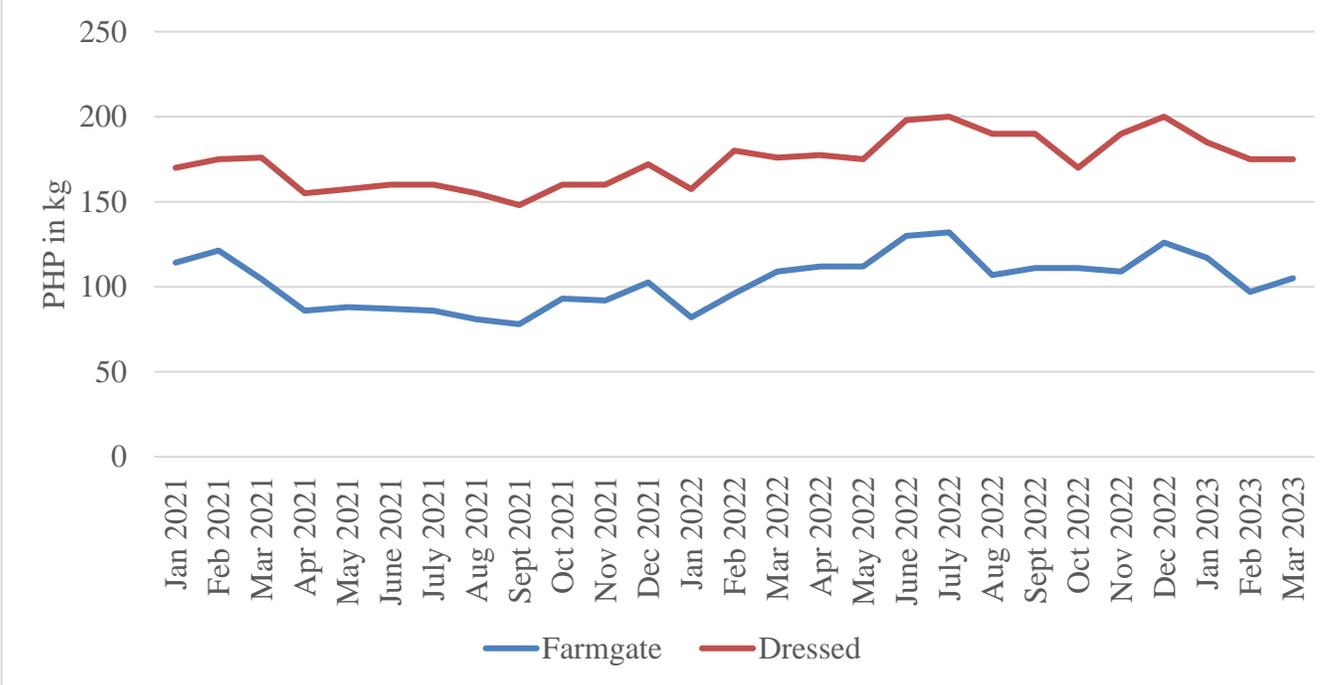


Source: Department of Agriculture-National Meat Inspection Service

Prices

Chicken prices have declined since December 2022, which is the cyclical nature of chicken consumption.

Figure 14: Chicken Prices, January 2021 to March 2023



Source: DA-AMAS (Metro Manila wholesale and retail prices); UBRA (farm gate prices)

Consumption

FAS Manila forecasts 2023 chicken consumption to increase in 2023 as compared to the previous year in line with population growth and the opportunities presented by ASF challenge in pigs and HPAI in layers.

Trade

FAS Manila forecasts 2023 chicken meat imports to increase to fill the gap not covered by local production. Imported chicken is still competitively priced as compared to the local chicken. As 60 percent of chicken imports are mechanically deboned meat (MDM), it helps that President Marcos signed [EO No. 13, Series of 2023](#), which maintains the 5 percent until December 31, 2024. This will help in cushioning the impact of food inflation as chicken traders will still import MDM regardless of high or low tariff rate.

DA has recently banned poultry imports from the following because of highly pathogenic avian influenza outbreaks: [Turkey](#) and [Hungary](#). Based on the recent trade data, US exports are down 25 percent.

Reporter	Calendar Year		January		
	2021	2022	2022	2023	%Δ
Total	436,965	497,421	25,880	30,156	17
United States	153,508	188,802	9811	7393	-25
Brazil	168,001	245,993	11425	18975	66
European Union	59,840	4,848	3	1	-67
Canada	29,507	12,111	1964	676	-66
China	10,233	11,909	493	1075	118
Chile	4,954	10,993	815	959	18
Turkey	5,329	6,383	728	324	-55
Australia	3,419	12,447	350	484	38
Others	2,174	3,935	291	269	-8

Source: Trade Data Monitor, LLC

Annexes:

Tables 12-14 are the meat importation data of the Department of Agriculture-Bureau of Animal Industry.

Table 12. Philippines Beef/Carabeef Imports (MT)					
Commodity	2021	2022	2022 (Jan)	2023 (Jan)	%Δ
Beef Total	158,717	186,154	13,473	12,513	7
Beef Cuts	98,787	108,835	8,868	8,521	-4
Choice Cuts	11,176	22,011	972	984	1
Fats	29,163	33,897	2,438	1,935	-21
Offals	19,591	21,410	1,195	1,073	-10
Buffalo Total	45,480	47,656	1,848	3,332	80
Buffalo Meat	5,399	2,491			-
Forequarter	33,298	36,191	1,680	2,912	73
Trimming	6,783	28		420	-
Offals		8,946			-

Source: Department of Agriculture-Bureau of Animal Industry

Table 13: Philippines Pork and Related Imports (MT)					
Pork	2021	2022	2022 (Jan)	2023 (Jan)	%Δ
Total	554,698	710,362	41,979	30,276	-28
Bellies	56,997	82,271	4,147	3,102	-25
Deboned	8,445	226	29	-	-
Fats	82,701	62,979	4,003	3,098	-23
Offals	183,731	217,547	17,717	13,461	-24
Pork Cuts	189,452	314,769	14,239	9,015	-37
Rind/Skin	31,694	28,307	1,666	1,395	-16
Whole Carcass	1,678	4,263	178	205	15

Source: Department of Agriculture-Bureau of Animal Industry

Table 14: Philippines Chicken Meat Imports MT)					
Chicken	2021	2022	2022 (Jan)	2023 (Jan)	%Δ
Total	404,712	411,070	28,402	30,335	7
Chicken Cuts	39,600	51,717	2,793	4,938	77
CLQ	113,404	102,686	5,494	9,459	72
Deboned	236,742	243,220	19,490	13,879	-29
Fats	7,347	7,549	110	1,453	1221
Offals	3,995	2,850	380	215	-43
Rind/Skin	3,624	3,048	135	391	190

Source: Department of Agriculture-Bureau of Animal Industry

Attachments:

No Attachments.