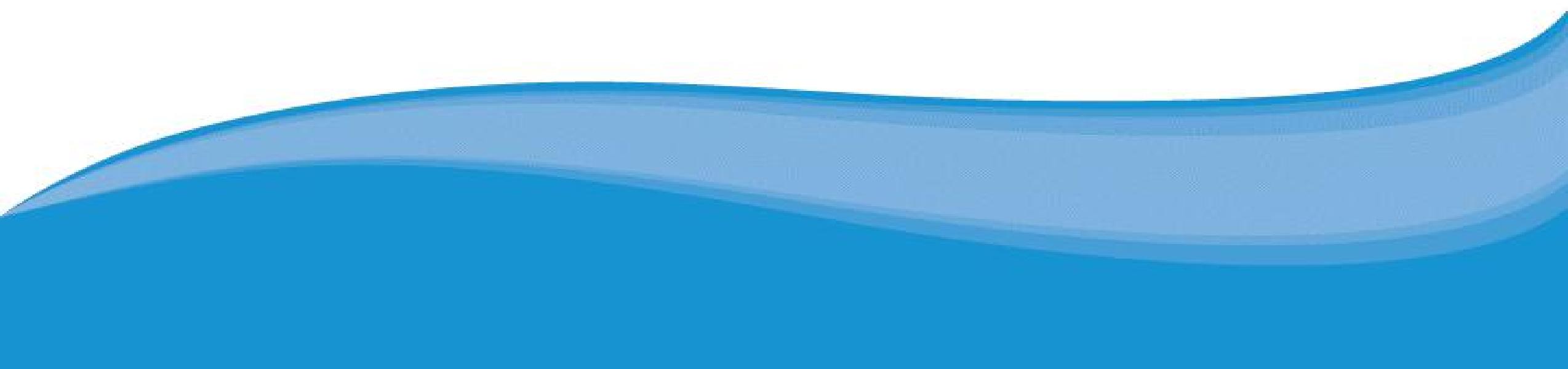


Pig Meat Market Issues in the UK and beyond

Mick Sloyan, Strategy Director Pork



What shall we talk about

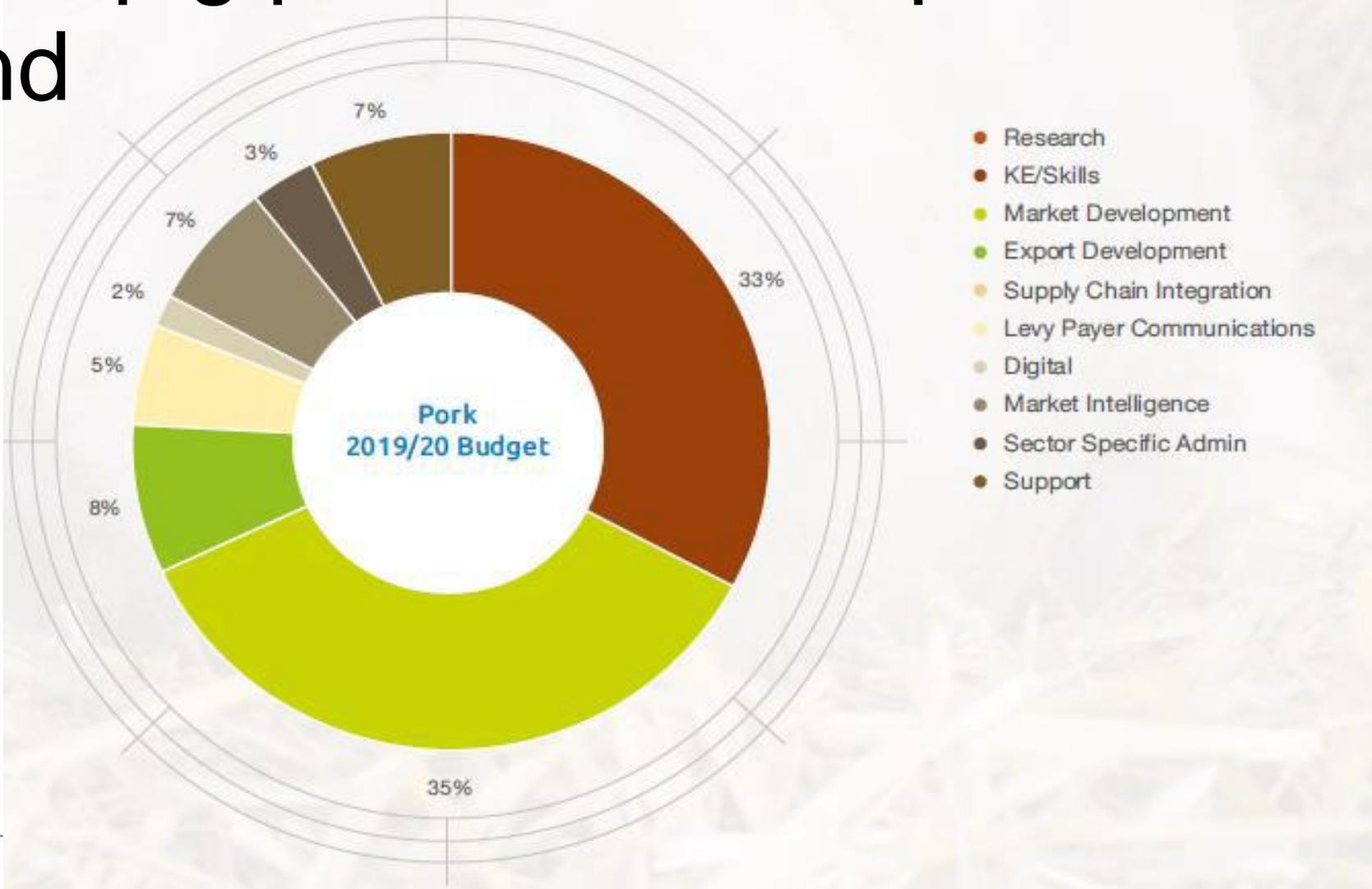
- A bit of background about AHDB Pork
- Pork consumption challenges
- The growth of exports and the role of China
- The threat of disease
- Changing global politics
- Animal extremism moving mainstream
- Antimicrobial Resistance and the role of livestock

AHDB's Purpose

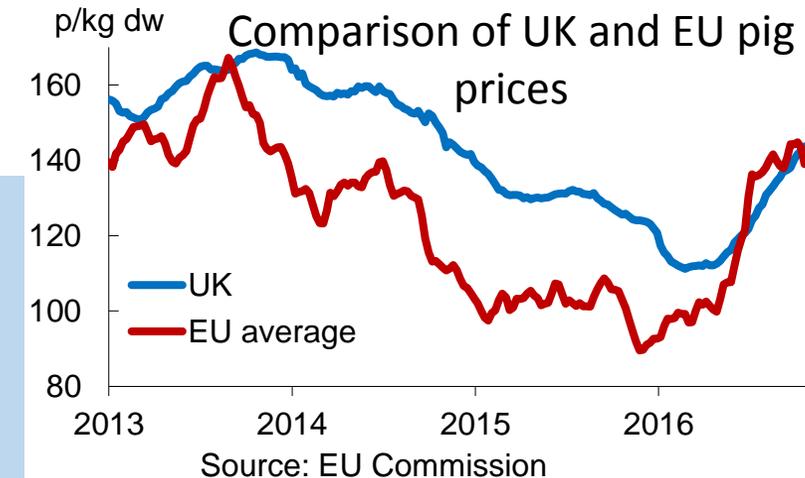
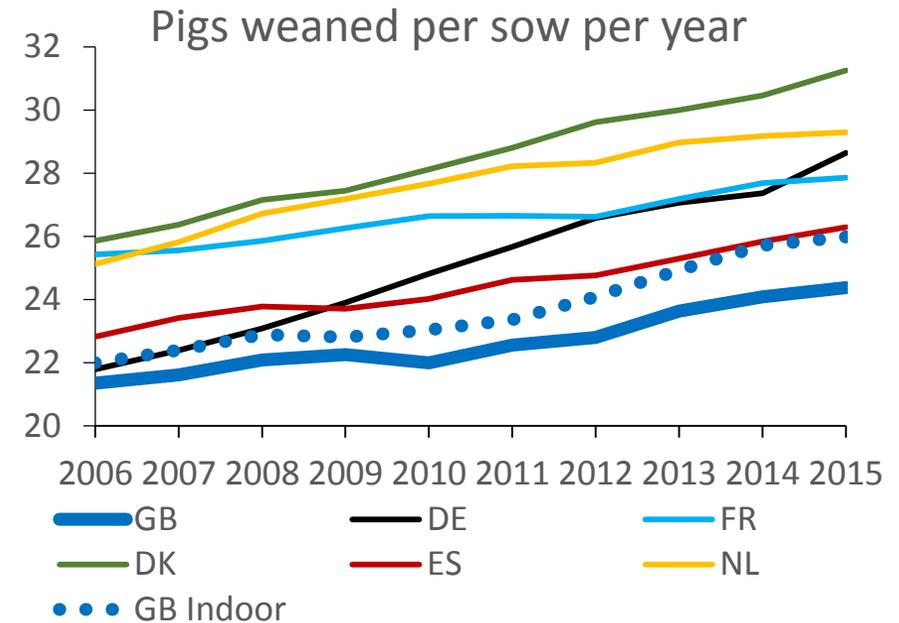
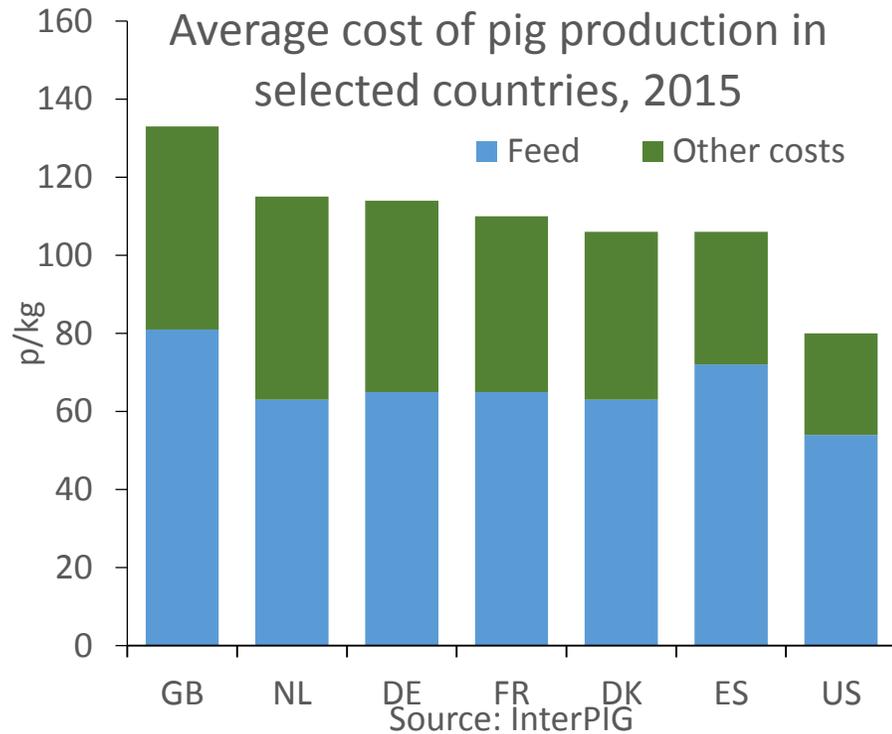
‘To inspire our farmers, growers and industry to succeed in a rapidly changing world’



AHDB Pork is a industry funded levy body working for pig producers and processors in England



International comparisons



- UK production costs higher than competitors, although weaker pound will have helped
- Productivity gains haven't been enough to close gap on other EU countries
- UK prices usually higher than EU average

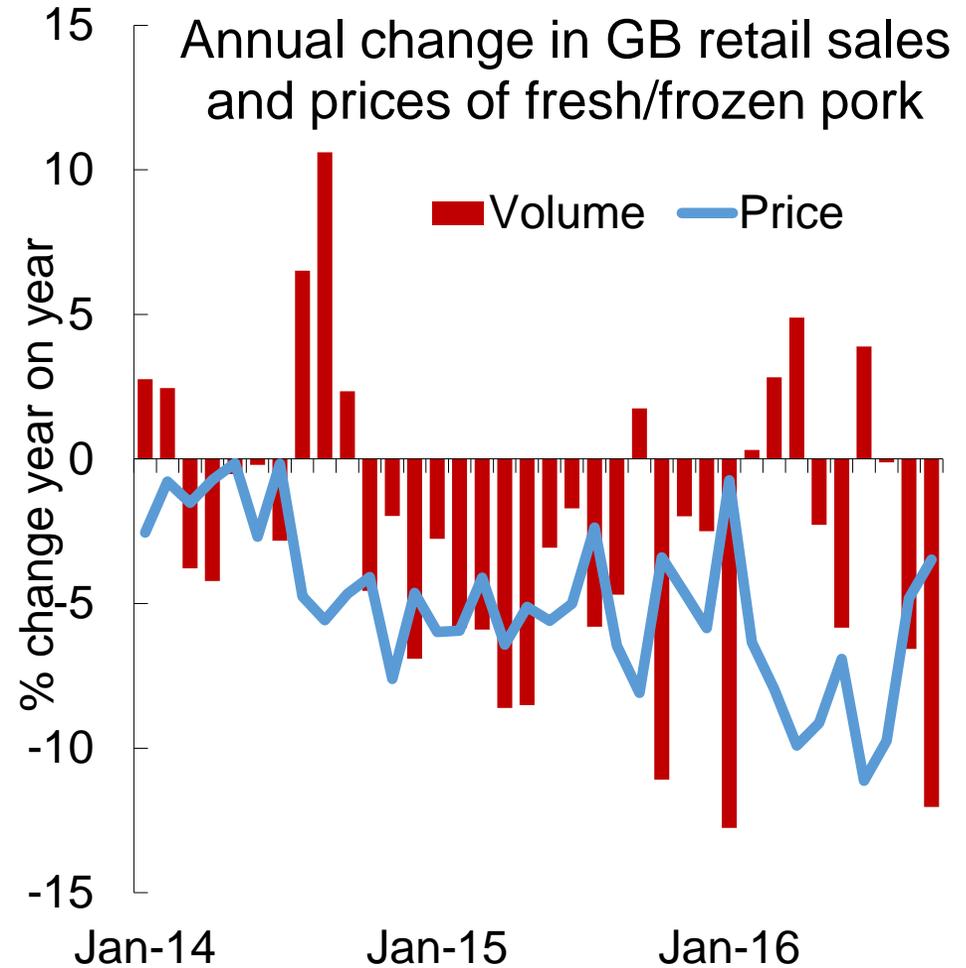
Note: the chart comparing UK and EU prices uses gross pig prices. To compare the net price received by producers, the UK price needs to be reduced by about 6p/kg relative to the EU average

British (+ other?) consumption challenge

Consumer perceptions of attributes

	Beef 	Pork 	Poultry 
Full of flavour	51%	32%	34%
Versatile	48%	32%	61%
Succulent	40%	26%	41%
Bland	4%	13%	13%

- Retail pork sales down despite falling prices
- Consumers view pork less favourably than other meats, like beef and chicken
- Pig meat poorly represented in growing convenience categories and struggling to fit in with busy modern lifestyles
- Health concerns adding to demand challenge



Source: Kantar Worldpanel

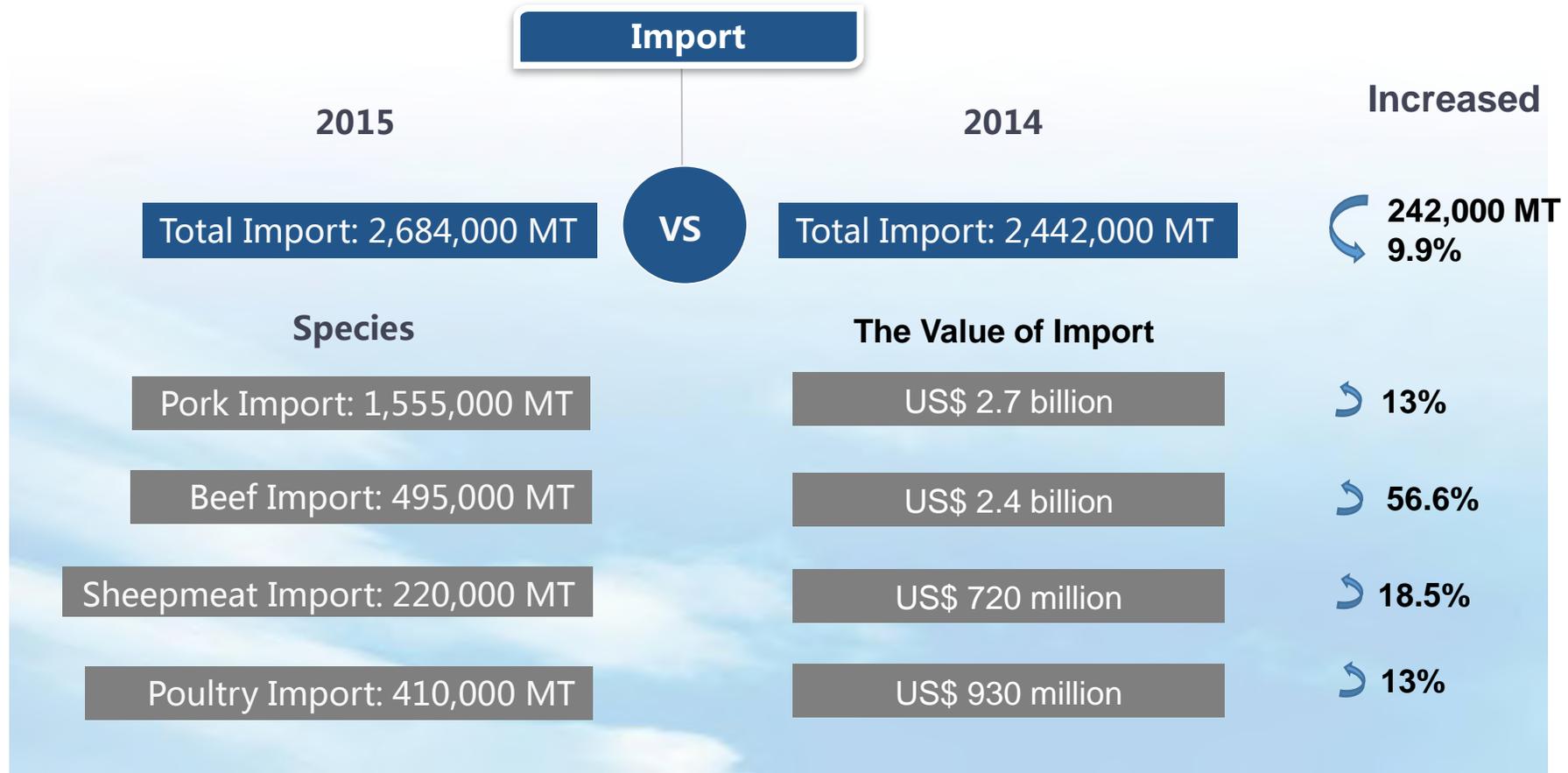
Export is big business



I. Overview of the Chinese Meat Production and Processing



4. Foreign Trade

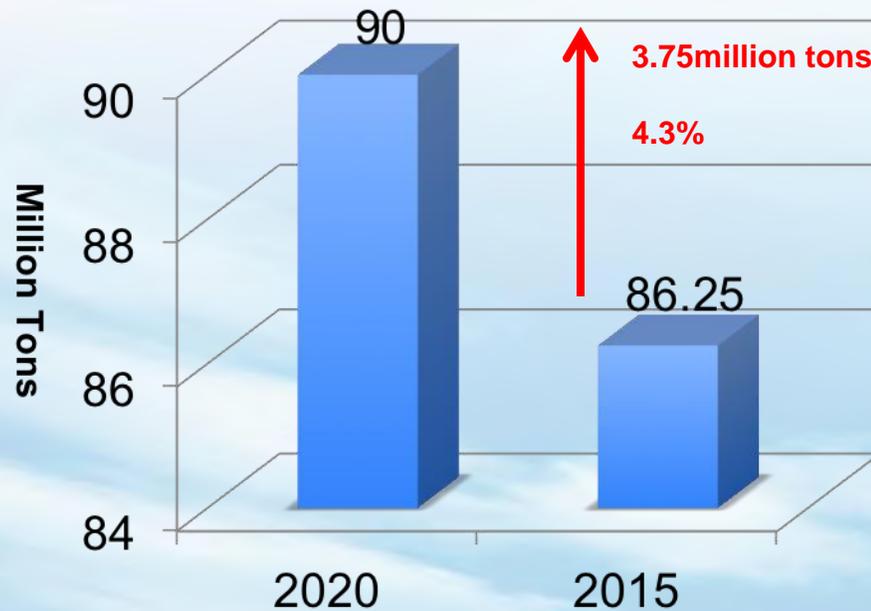


II. The Development trend and outlook for the 13th 5-year Plan (2016 to 2020) in the Chinese Meat Industry

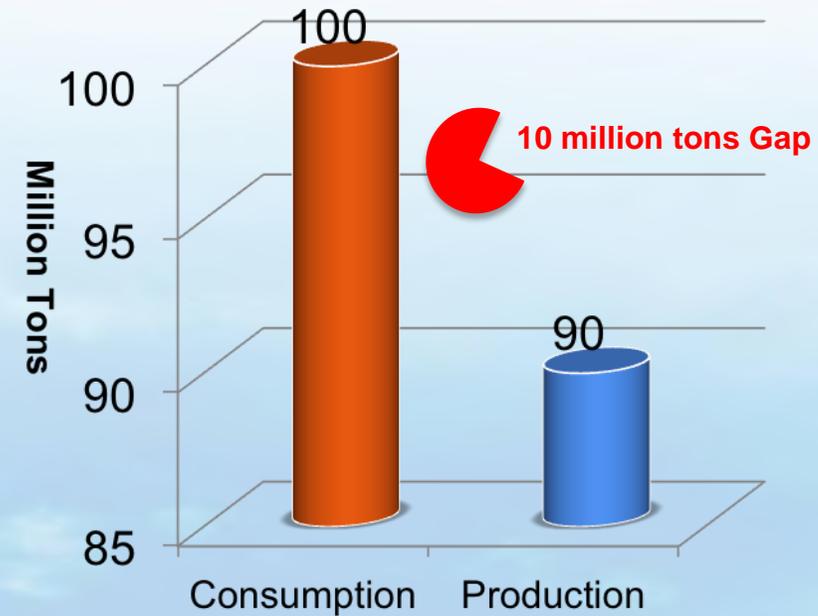


◆ Trend One: The Meat Supply Is Tight and Import Demand Is Increasing Significantly

Total Meat Production 2020 VS. 2015



Gap between Production and Estimated Consumption in 2020



It's been a funny old year





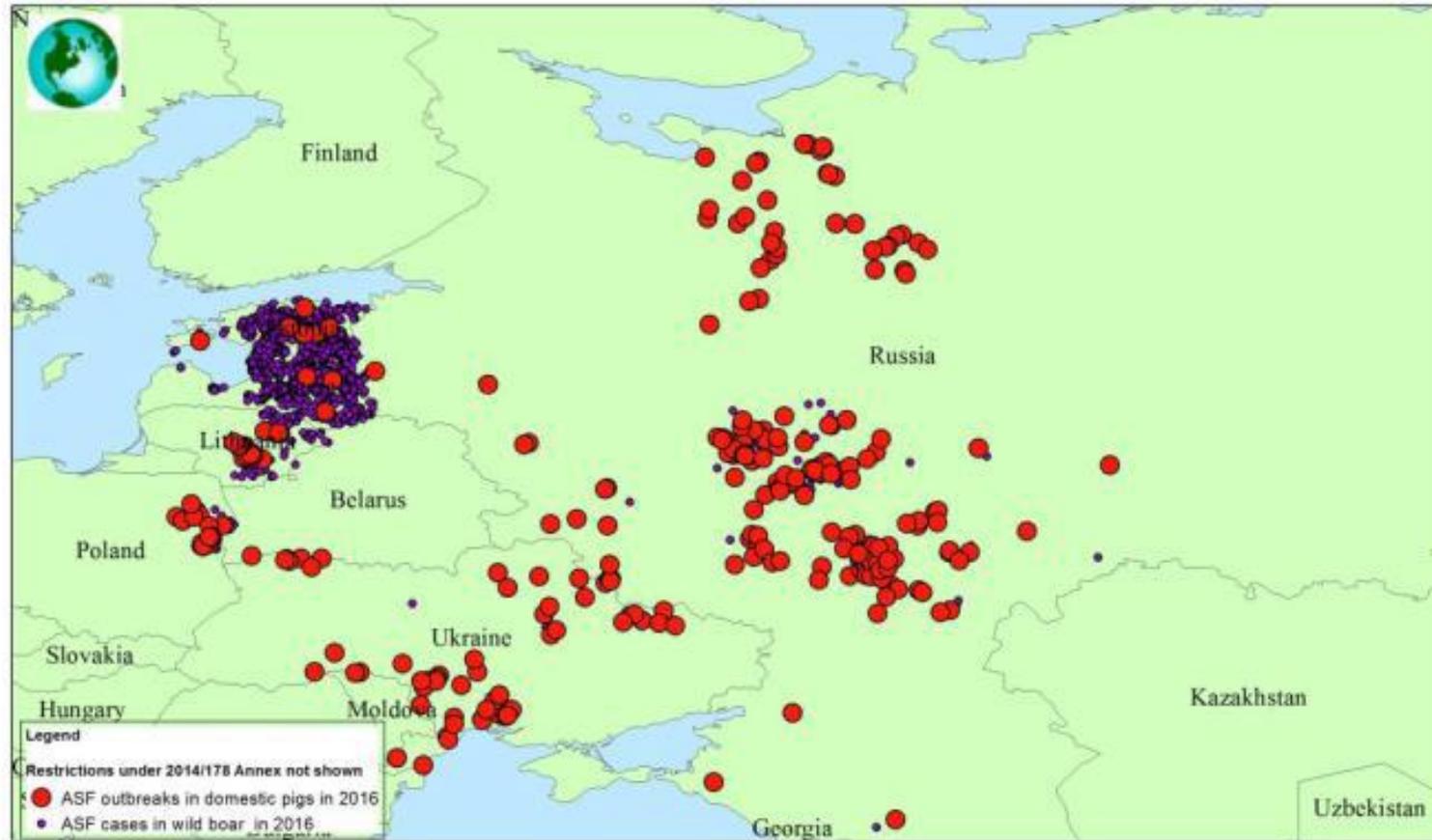
Making sense of the issues
Helping the industry navigate the best path
through Brexit

<http://www.ahdb.org.uk/news/EUReferendum>

Animal Extremism



But it will be lost if we import ASF



Map showing ASF outbreaks
Eastern European Union countries

Animal &
Plant Health
Agency

Map prepared by IDM Date Prepared 31/10/2016

Department
for Environment,
Food & Rural Affairs

Actual Scale 1:17,000,000

0 70 140 280 420 560
Km

Antimicrobial Resistance

- UN declaration in September 2016 on the need to tackle Antimicrobial Resistance. All 193 member countries support the declaration
- UK Government seeking to take a global lead along with USA and Australia
- UK government accepted the recommendations of the O'Neill report and will introduce usage targets for agriculture this year and individual sectors from 2018
- Government is working with industry through RUMA
- Moving from antibiotics to antimicrobials

Thank You



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