

Swine fever sends China's pork prices, imports soaring

July 19 2019, by Sébastien Ricci



Prices have risen by a fifth in June alone as African swine fever tears through China's huge pork industry

Pork prices have been sent soaring and herds devastated as African swine fever tears through China's massive pig-farming industry, forcing



the country to ramp up imports to satisfy demand—but analysts warn worse is yet to come.

More than 1.1 million pigs have been killed or culled so far as authorities scramble to contain a virus that has spread to neighbouring countries since the first cases emerged in August 2018 and for which there is no vaccine.

But the figure is widely believed to be much higher, as official data show China's pig herd totalled 347.6 million in the first half of the year, down 60 million from the same period last year. Pork prices soared by a fifth in June alone.

"The worst is yet to come," said Jan-Peter Van Ferneij, who monitors foreign markets at the French Pork Institute.

"For now it's the numbers (of pigs) that are falling. Then it will be production... and consumption will fall," he said.

But swine fever does not affect humans and butchers have been seeking to reassure consumers that their meat is safe in the country that produces and eats more pork than anywhere else in the world.

"Look at this blue stamp," a seller at the Sanyuanli market in Beijing told AFP, pointing to the seal from <u>health authorities</u> showing that the pork is safe.

"Here's the certificate that goes with it," she said.

Standing in front of pork chops and ribs, Feng Shuyue recalled that people were "scared" of buying the meat last year, when the epidemic spread across the country.



"Today people are not afraid at all ... because the (health) controls are very strict," Feng said.

New outbreaks

To meet demand, Beijing has increased pork imports, with shipments from the European Union rising 37 percent between January and April, according to European Commission figures.

Brazil has also become a big source of imports.

China is only importing frozen pork and the meat is going to larger cities, said Jan-Peter Van Ferneij, who monitors foreign markets at the French Pork Institute.

Prices, meanwhile, could go up as much as 40 percent in the next six months, according to a note by Nomura bank.

Authorities have sought to reassure the public.

Earlier this month, agriculture officials said production was "slowly recovering", with 44 new incidences of fever detected over the past seven months, compared with 99 from August to December last year.

But the malady is far from over. Another outbreak was reported on Wednesday in southwest Sichuan province, with 21 pigs infected in a farm of 102 pigs.

An April report by Dutch financial group Rabobank said African swine fever was now affecting up to 200 million pigs, and the expected 30 percent loss in pork production was almost a third larger than the annual US pork production.



Transporting animals across China has helped to spread the virus.

If trucks are not systematically disinfected, animals will come into contact with the disease as soon as they are transported, Van Ferneij said.

Preventing the proliferation of the virus is complicated because there are many small, family-run pig herds in China.

African swine fever is particularly hurting these smaller operators, said Wang Xiaoying, a professor at the Rural Development Institute of the Chinese Academy of Social Sciences.

Industrial producers are faring better "thanks to strict preventive measures", Wang said.

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