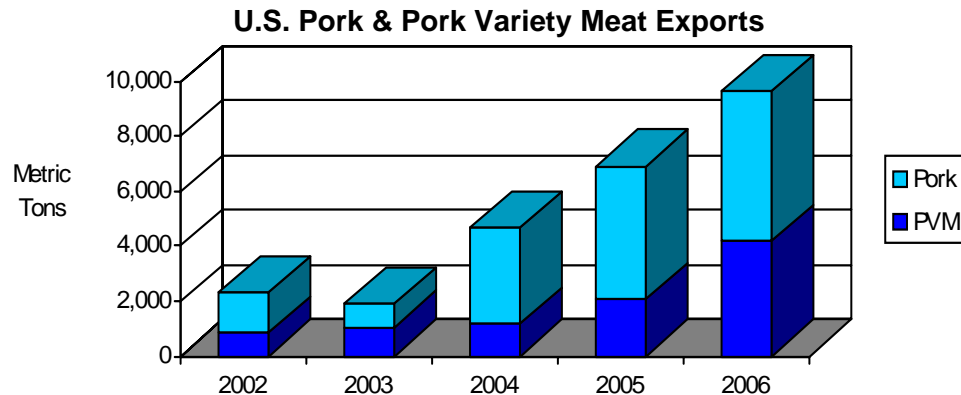




ASEAN Pork



Total imports of pork into the Association of Southeast Asian Nations (ASEAN) region were 200,946 metric tons (mt) in 2006 of which the U.S. had a 4 percent market share. The United States exported 9,663 mt of pork and pork variety meat worth almost \$18 million, an increase of 24 percent in volume and 38 percent in value over the previous year. Most of the U.S. pork muscle cuts were destined for the Philippines and Singapore, while the Philippines also imported the lion's share of U.S. pork variety meat. Australian pork dominates the ASEAN chilled pork market while Brazilian and Chinese pork takes the major share of the frozen pork import market. U.S. pork continues to face challenges due to the fallout from the lingering access issues for U.S. beef in major markets in the region. More specifically, importers who previously purchased U.S. pork in small lots for consolidation with U.S. beef into a container load, making the business of importing U.S. pork more viable, are finding it difficult to import container-size volumes and are now limiting themselves to loin cuts and ribs.

Key Market Parameters	Philippines	Singapore
Population	89,468,677	4,492,150
Per Capita GDP (PPP)	\$4,923	\$28,100
Per Capita Pork Consumption (2006)	12.9 kg	20 kg
Total Pork Imports (2006)	18,430 mt	75,084 mt
Total Pork Variety Meat (PVM) Imports (2006)	32,808 mt	7,582 mt
U.S. Share of Total Pork & PVM Import Market (2006)	11%	1%
Other Pork & PVM Suppliers & Market Shares (2006)	China 23% Canada 20% South Korea 9%	Brazil 30% Australia 30% China 17%
% of U.S. Pork Sales Through Trade Channels (2006)	Processing	15%
	HRI	80%
	Retail	5%
U.S. Pork & PVM Exports to ASEAN as a % of Total U.S. Pork & PVM Exports (2006)	< 1%	< 1%
Major U.S. Pork Export Items	Picnics	Loins Ribs Picnics
Top U.S. Pork Variety Meat Export Items	Skin Livers Neckbones	Maws Livers Jowls

Import and market share data is based on import data of the Philippines and Singapore and U.S. export data is from the U.S. Department of Commerce/Trade Census Bureau.

A number of factors are driving the growth in U.S. pork and pork variety meat exports to the region. Rising demand for processed meats has encouraged growth in the processing sector, particularly in Singapore and the Philippines, and thus low priced raw materials are in high demand.

Increased prices of Australian chilled pork have forced processors to switch to using imported frozen pork for raw materials, thereby providing an opportunity for U.S. pork. In Malaysia and Indonesia, ham and sausage manufacturers are faced with a short supply of fresh pork due to reduced hog farming since it is discouraged by Muslim government officials and they too are becoming dependent on imported frozen pork.

Meanwhile, as tourism flourishes and the number of upscale retail chains continues to rise, new product entry and expansion opportunities have opened up in the HRI and retail sectors. U.S. pork enjoys a positive quality reputation among consumers and the trade, allowing for successful promotion of high-quality U.S. Kurobuta pork and U.S. gourmet processed pork items. However, U.S. pork is still perceived as expensive and many buyers are only aware of U.S. pork in the form of ribs and loins and do not realize the United States can supply volumes of pork variety meat and manufacturing grade pork, as well as value cuts and under utilized cuts. It has become difficult to gain entry onto the menus of hotels and restaurants as pricey U.S. pork ribs have been replaced with lower-cost competing products from European and domestic pork. Additionally, U.S. pork has limited presence in the retail sector because it is normally imported frozen and pork at retail levels must be merchandised as fresh/chilled to capture its full potential. The availability of low-price Australian and domestic pork presents significant competition, and the slow turnover of U.S. high quality pork, because of higher price, affects shelf-life validity.

Long-term Strategy:

- Develop brand/image recognition for quality U.S. pork and processed pork in the region, and increase the presence of U.S. pork in target high-profile retail outlets..
- Position and maintain a strong presence in the ASEAN food service industry with cuts like ribs and loins and processed items like pre-cooked bacon, ham and sausages.
- Position U.S. pork as a significant supplier to the pork processing industry in the region, particularly in the Philippines, Vietnam and Singapore, with competitive boneless pork cuts and variety meats.
- Educate the retail sector in the region about the profit potential of defrosted U.S. frozen pork and processed pork products, and introduce U.S. finished pork products as a substitute for locally manufactured products in target ASEAN countries.

Export Forecasts:

Year	Value (\$)	Volume (mt)	U.S. Share of Imports	
			Value	Volume
2006	17,788,690	9,663	5%	4%
2007	19,780,000	10,400	6%	5%
2008	21,006,000	10,900	6%	5%
2009	22,198,500	11,500	6%	5%
2010	22,813,000	11,900	6%	5%
2011	23,796,000	12,400	6%	5%
2012	24,474,860	12,770	6%	5%
2013	25,209,100	13,150	6%	5%
2014	25,965,400	13,550	6%	5%

Sources: Data for 2006 is from U.S. Department of Commerce/ Trade Census Bureau; 2007-2014 are USMEF forecasts as of April 2007. Market share information for 2006 is based on World Trade Atlas data; 2007-2014 shares are USMEF estimates as of April 2006.