

Global Beef Quarterly Q2 2023

The Changing Face of the Argentine Beef Industry



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Global Outlook

Global supplies remain balanced while North American cattle prices climb to historic highs

Production remains in balance

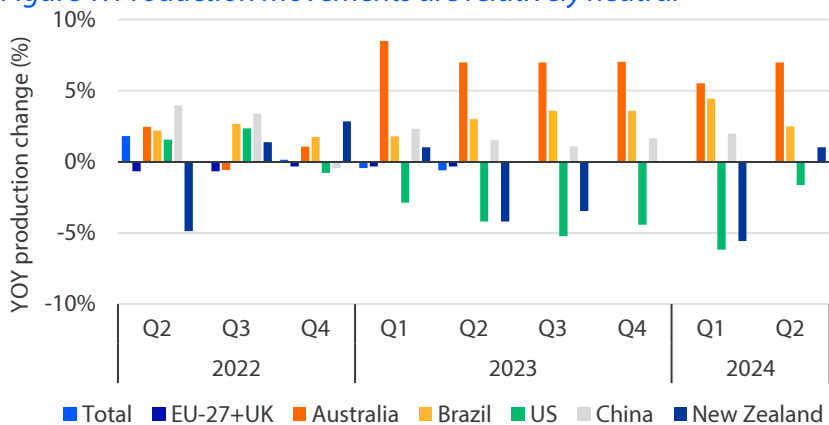
Global beef supply remains largely steady over the next 12 months, with the increases in Brazil (up 2%) and Australia (up 7%) offset by the declines in the US (down 2%) (see Figure 1). With production expanding, both Brazil and Australia are relying on an increase in export volumes given domestic consumption remains static or is declining. China has been a key destination market, and with Covid-19 lockdown measures removed in late 2022 this market was considered a growth opportunity. However, we expect Chinese imports to slow in Q2 and potentially decline in Q3 given the slow pace of market recovery.

Global news

South Korea confirmed cases of foot and mouth disease (FMD) on farms in a central province on May 11. Authorities have put in place biosecurity measures and ordered the cull of cattle.

The new trade agreement between Australia and the UK will come into force on

Figure 1: Production movements are relatively neutral*



*Note: Q2 2023-Q2 2024 are forecasts.

**Note: Over the Hook prices for Australian cattle are unavailable and therefore saleyard cattle prices have been used in this edition.

Source: Macrobond, AgriHQ, MLA, USDA, StatsNZ, Rabobank

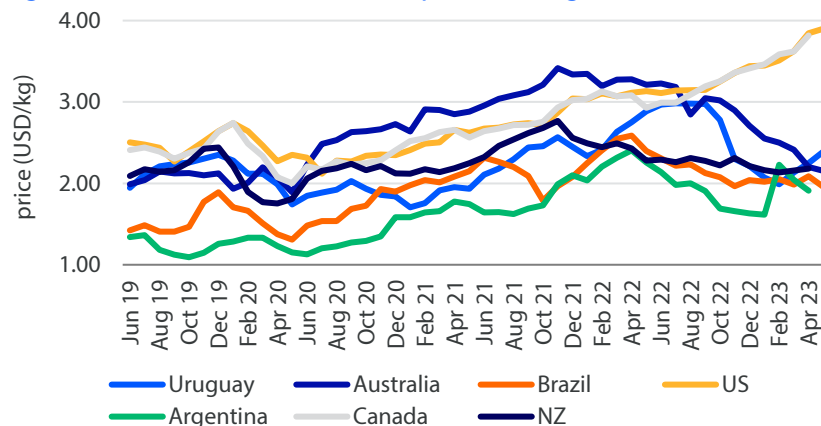
May 31. It provides Australia with a starting duty-free quota of 35,000 metric tons. As the UK imported only 1,102 metric tons swt of Australian beef in 2022, the new agreement is unlikely to change trade flows significantly.

Brazil was regranted access to the Chinese market in March after the temporary suspension due to an atypical case of bovine spongiform encephalopathy (BSE) just one month earlier in February. An atypical BSE case was recorded in the US in May, but due to established regionalization, it should not affect exports.

US and Canada diverge from most other cattle markets

Declining production volumes and firm demand have seen cattle prices in the US and Canada push into new record territories. This stands in contrast to other beef producing and exporting countries, which have declining or steady cattle prices (see Figure 2). This spread is the largest in the history of Rabobank's index. We expect it will start to impact trade flows, with a redistribution away from the more expensive US product to cheaper Australian and Brazilian product.

Figure 2: US and Canadian cattle prices diverge from others**



Global Beef Markets Summary

United States [click here for more](#)

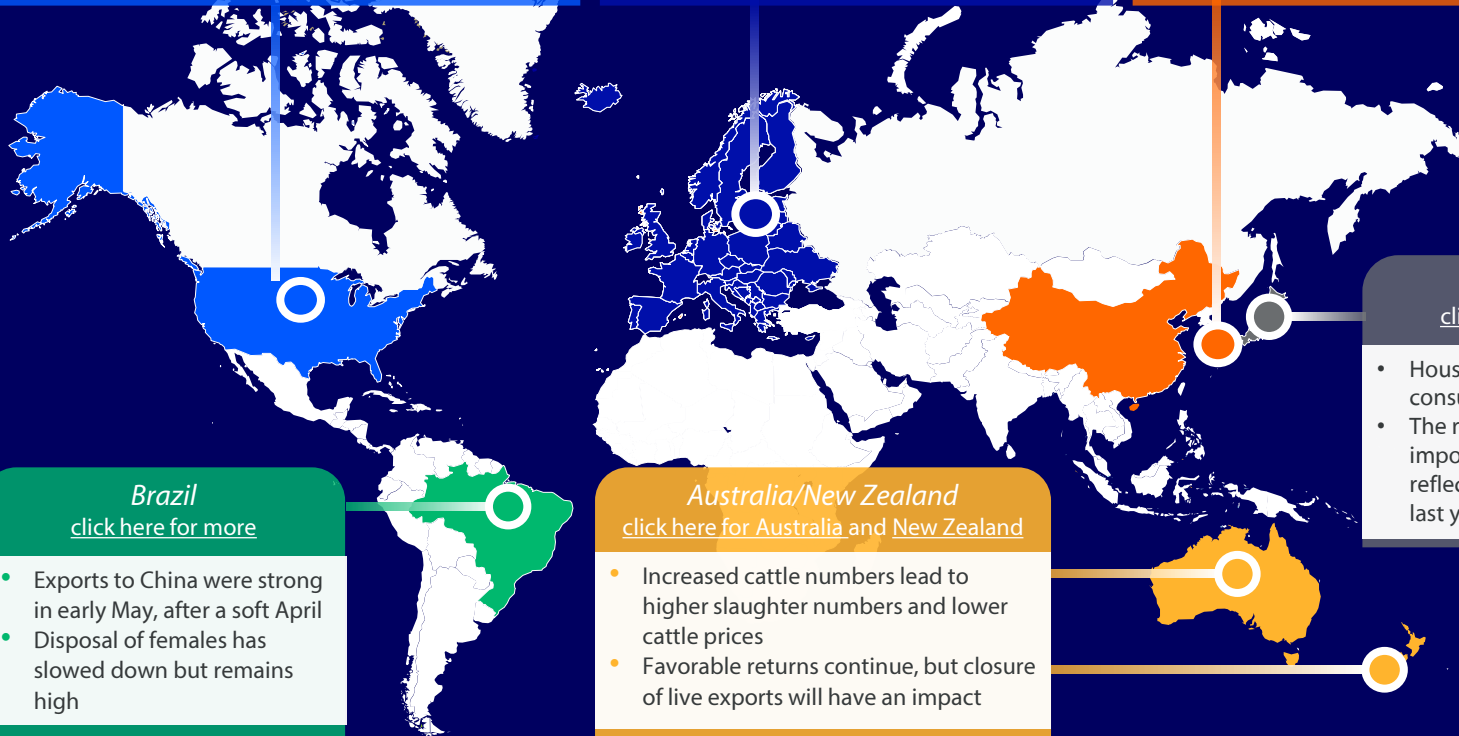
- Production declines are prevalent across the market
- Wholesale beef prices near-record highs, but retail has largely spared consumers from price increases
- Drought is still a concern in major cow-calf producing regions and herd liquidation continues

Europe [click here for more](#)

- Supply of cows for slaughter expected to expand as dairy prices are correcting
- Higher supply puts downward pressure on beef prices, but prices are expected to trend well above the five-year average

China [click here for more](#)

- Beef prices are starting to soften
- Beef supply will pressure the market due to the slow recovery since China reopened in late 2022
- Beef imports may slow later in Q2 and in the coming quarters



Brazil [click here for more](#)

- Exports to China were strong in early May, after a soft April
- Disposal of females has slowed down but remains high

Australia/New Zealand [click here for Australia and New Zealand](#)

- Increased cattle numbers lead to higher slaughter numbers and lower cattle prices
- Favorable returns continue, but closure of live exports will have an impact

Japan [click here for more](#)

- Household beef consumption declined
- The recent increase in beef imports was more a reflection of lower volumes last year

Source: Rabobank 2023

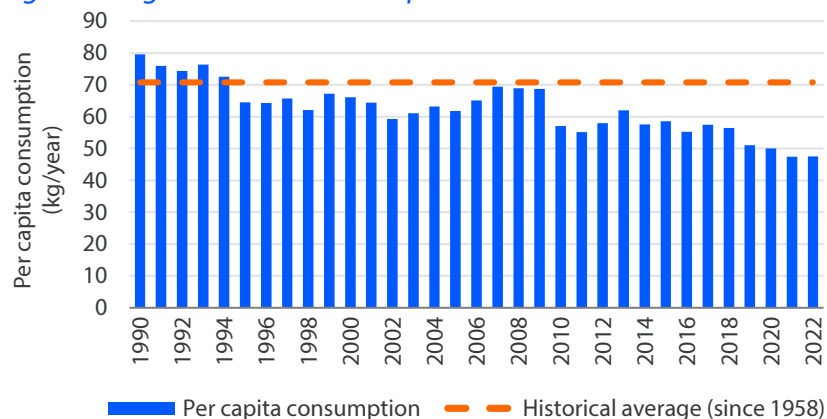
Feature Article | The Changing Face of the Argentine Beef Industry

Local factors add to global challenges

Argentina remains one of the largest producers, consumers and exporters of beef in the world. However, in addition to the issues faced by many other countries, Argentina has two particular challenges that distinguish it from other regions and that will shape the Argentine beef industry over the coming years: the economic crisis that has intensified in recent years; and the presidential elections in October 2023.

Argentina's beef consumption has been slowly declining over the last 30 years and reached its lowest level – 47.5kg/person/year – in 2022 (see Figure 3). While several factors have contributed to this, the rising cost of beef is a leading cause. Retail beef prices in Argentina have increased more than 35% (in USD) since January 2019 – short ribs were selling for USD 8.30/kg in January 2023 compared to USD 6.11/kg in January 2019. Beef consumption in Argentina has a powerful cultural connection, and rising prices and declining consumption have become a focus of government policy. In an effort to curb rising inflation and limit rising beef prices, export restrictions were put in place in June 2021. However, with the

Figure 3: Argentine beef consumption has fallen to historic lows



Source: INDEC, Rabobank 2023

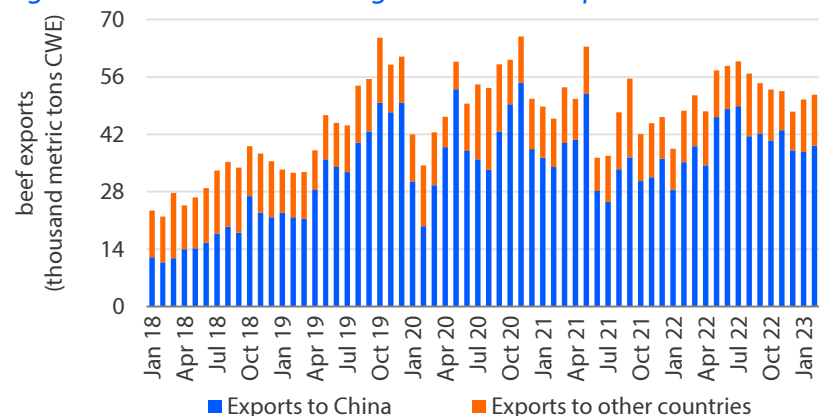
temporary closure of food service and further deterioration in economic conditions through the pandemic, inflation remains high and restrictions on beef exports have been extended until the end of 2023.

Exports becoming a stronger force for Argentina

Despite export taxes and the suspension of select exports (bone-in and boneless ribs, topside, shoulder and thin flank) until December 31, 2023, beef exports have increased to record levels. The 14.4% increase in exports in 2022 resulted in a new record in volume and value terms. A combination of increased Chinese demand and currency devaluation (leading to greater competitiveness), together with a reduction in domestic consumption has seen structural changes in the industry, with more Argentine beef being directed into the export market.

From 2010 to 2019, exports represented on average around 10% of total beef production. From 2020 to 2022, this share has more than doubled to 26%. China remains the dominant market for Argentina, with 77.6% of beef shipments sent to China in 2022, and we expect this to continue (see Figure 4).

Figure 4: China dominates Argentina's beef exports



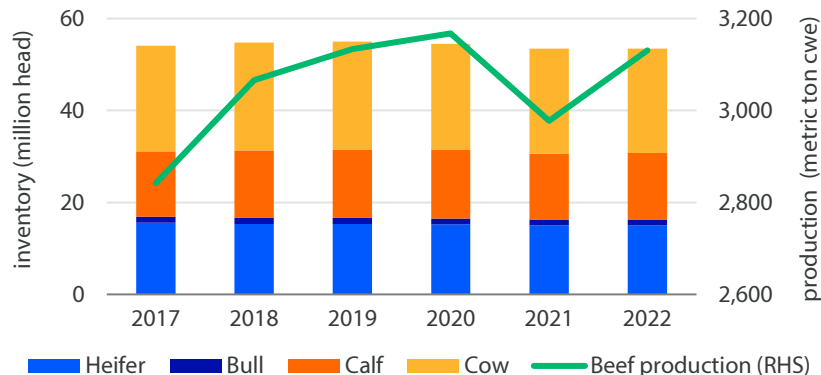
Feature Article | The Changing Face of the Argentine Beef Industry

Exports to China and seasonal conditions reshaping the industry

Increased exports to China have encouraged the culling of less productive/older cows, and the national cow inventory has dropped 3% since 2018 (see Figure 5). This drop in female stocks has driven up calf prices and boosted margins for cow-calf operations. The increased culling of cows has also seen the average age of the breeding herd drop and productivity increase. The improved margins of cow-calf operators will stimulate the retention of females and it is expected to reduce the availability of slaughter weight heifers on offer this year, which may result in a slight drop in production.

However, the impact of a third consecutive year of La Niña has caused feed costs to rise and pasture quality and availability to decline. This has forced higher slaughter volumes for breeding cattle and has had a negative impact on the average weight and number of calves produced. Furthermore, poorer pasture supply has also increased the use of feedlots to finish cattle.

Figure 5: Drop in female stocks should impact supply in the short term



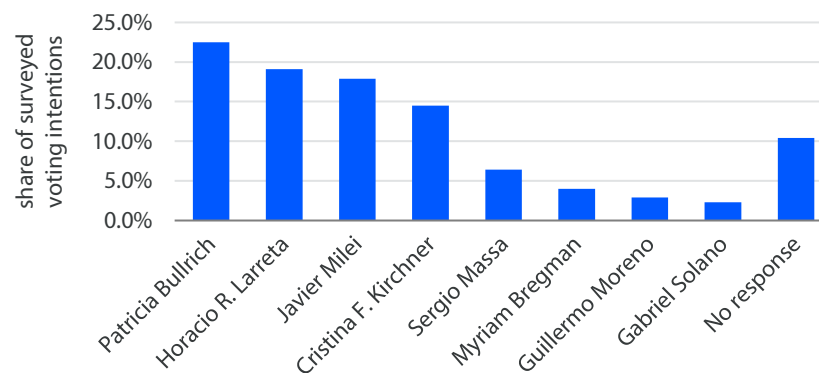
Source: INDEC, IPCVA, Synopsis, Rabobank 2023

Presidential election could reshape the industry

Argentina's presidential election is scheduled for October this year. The most recent poll (April) indicates the top three candidates are from opposition parties (see Figure 6). These parties support a freer market and the removal of protectionist measures such as export restrictions. The fourth-place candidate is from the same party as the current president and is expected to support the current government measures of market intervention, such as maintaining export restrictions.

Any future government will have the challenge of balancing the impacts of La Niña on the availability and cost of food, investments in infrastructure, and technology to improve efficiency and margins via cost reduction. While existing export restrictions have not reduced export volumes, removing these measures may actually lead to further increases in exports. Without an improvement in the purchasing power of the local population, domestic beef consumption will likely fall further, unless economic reforms lead to an appreciation of the Argentine peso, reducing the attractiveness of Argentine beef in the export market.

Figure 6: Opposition candidates lead the voting intentions 2023





Australia

Increased cattle numbers lead to higher slaughter volumes and lower cattle prices

Slaughter volumes lifting

Consecutive years of herd rebuilding are now starting to become evident through consistently higher weekly slaughter numbers (see Figure 7). Volumes increased in late 2022 and have been maintained through Q1 2023. Year-to-date (week 18) weekly slaughter numbers are up 22% on the same period last year. Rabobank estimates that national slaughter will be up 16% in 2023, and while these projected numbers lie within the current processing capacity, there remain pressures in the system. Most processors have been able to accommodate the increased volumes through better utilization of existing staff levels. However, it is believed that additional staff will be required to increase beyond the current volumes, and given the tight labor market and low availability of skilled workers, this would inhibit further slaughter increases.

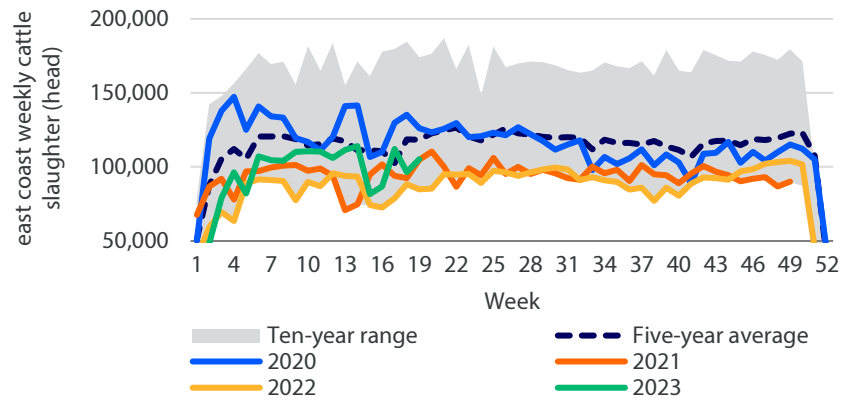
Producer demand drops leading to a drop in cattle prices

Herd rebuilding has also led to a drop in producer restocking activity. With many areas across Australia now believed to be close to normal breeding numbers – except some areas in Queensland and northern Australia – there is less urgency for cattle producers to buy more stock, and prices for young and replacement stock have declined accordingly. The Eastern Young cattle indicator was 43% lower in mid-May than it was at the same time last year (see Figure 8). Young replacement heifers have dropped 48% YOY to AUD 2.66/kg while heavy cattle have remained more resilient, dropping 35% to AUD 2.99/kg. We believe prices should level out at current values.

Cattle number on feed on the rise, but remain below last year

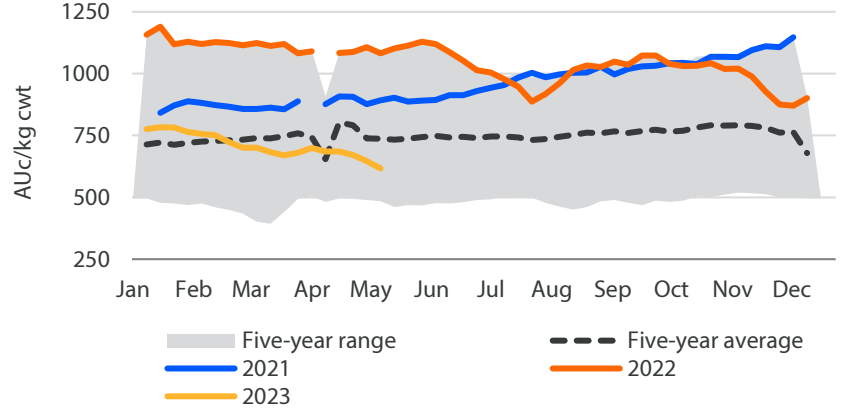
Feedlot data released in May show that Australia's number of cattle on feed rose 1% in Q1 from Q4 in 2022 to 1.16m head. Although down 9% on the same period last year, which was a record, it has pushed numbers up into the higher historical levels of cattle on feed. Grain prices remain high and with softer demand in markets such as Japan and South Korea we believe there remains some resistance in the feedlot market.

Figure 7: Weekly cattle slaughter numbers are up



Source: MLA, Rabobank 2023

Figure 8: Young replacement stock prices lower



Source: MLA, Rabobank 2023



Brazil

Normalization of shipments to China should positively impact live cattle prices

Exports remain under pressure, even with the resumption of exports to China

Despite the resumption of shipments to China at the end of March, Brazilian export data for April did not show a recovery in volumes (see Figure 9). Information suggesting cargo accumulation in Chinese ports awaiting release brought uncertainty and negatively impacted the demand for new batches. Sales to China registered their lowest monthly volume of the year at 40,900 metric tons in April, down 22% YTD.

However, the initial figures for exports in the first week of May show a significant increase – up 55% YOY – in the average daily shipment volume, rising from 6,900 metric tons to 10,700 metric tons. In the second week, the variation dropped to 20%, but still remains high year-on-year. With daily shipments returning to pre-suspension levels, May data should show a recovery in traded volumes.

Increased exports to China should favor live cattle prices. With the improving demand for Chinese standard cattle, the bonus for this type of animal should regain strength and lift prices. The feedlot season begins in June and profit margins are expected to be better than the previous year. Production costs continue to fall for beef finishing, with calf prices in April down 11% YOY and feed prices down 12%. As a result, we expect an increase in the volume of cattle in feedlots, of which most are destined for the export market.

Disposal of females should lose strength but remain high

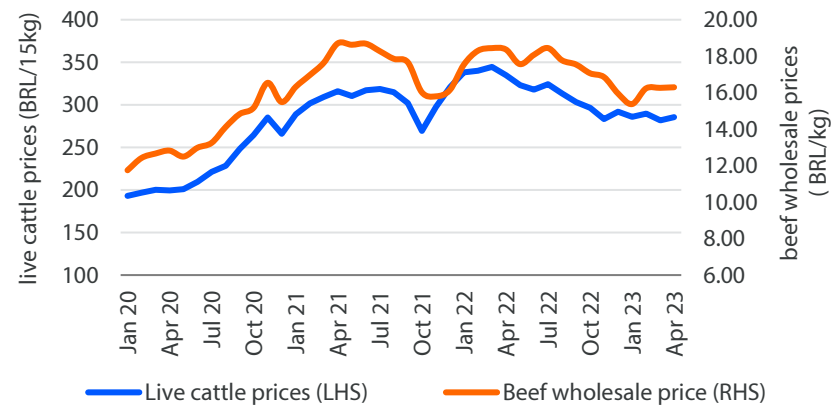
According to industry contacts, the proportion of females in total slaughter in March 2023 should have surpassed 42%, but it declined in April, even with the seasonal drop in rainfall. Still, it was not enough to reduce the negative pressure on live cattle prices (see Figure 10). The larger stock of males compared to the previous year encouraged the use of feedlot systems and should lead to an increase in supply and downward pressure on domestic beef prices. However, the domestic market remains under pressure, with declining consumer purchasing power leading to a reduction in beef demand despite lower prices compared to 2022. We expect per capita consumption to decline again this year.

Figure 9: Shipments to China still not normalized



Source: Secex, Rabobank 2023

Figure 10: Cattle and beef prices lower YOY



Source: Cepea, Rabobank 2023



Canada

Record-high prices are supported by lower supplies and stronger beef exports

Cattle prices continue an impressive and historic rally

Prices for all classes of cattle are setting new record highs in 2023 (see Figure 11). Relative to the Alberta market, 550lb steers have rallied 30% since the October 2022 lows to CAD 345/cwt. Prices for 850lb steers have improved 18% since stalling in December 2022, trading at CAD 270/cwt. Alberta fed steers are trading at CAD 231/cwt, which is a 25% increase since the end of 2022. The stronger price trend – especially over the last five months – is likely a reflection of lower supplies, elevated feedstuff prices, and stronger exports to the US and Mexico.

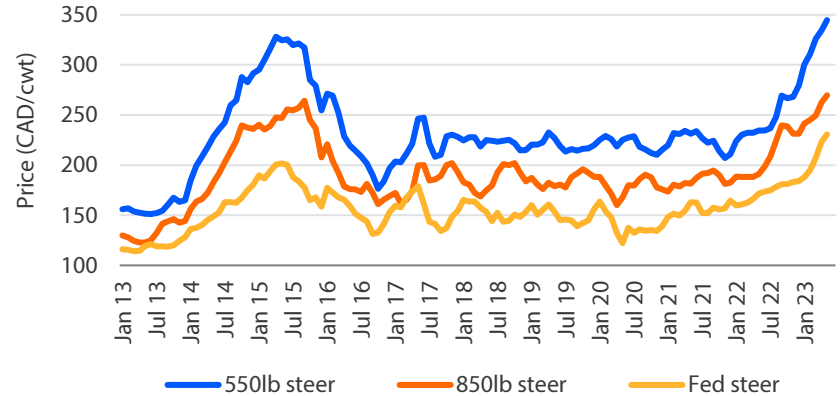
Perspective is important for future production

Statistics Canada released its cattle inventory numbers for January 1, 2023, since the last [Beef Quarterly](#), and the data tells a similar story as the US cowherd liquidation – the biggest declines in beef production are still years away. Year-to-date beef production is down 4% – reflecting the year-on-year reductions to the January 1 cattle on feed supply (down 3%) and feeder cattle and calf supply outside of feedyards (down 2%). Carcass weights are also trending 3% lower over the last four weeks. Production is expected to continue trending lower through the end of the year. However, larger shortfalls are coming over the next few years as the Canadian beef cowherd experienced its largest year-on-year reduction (down 3%) since 2015.

North American trade partners lead beef exports higher

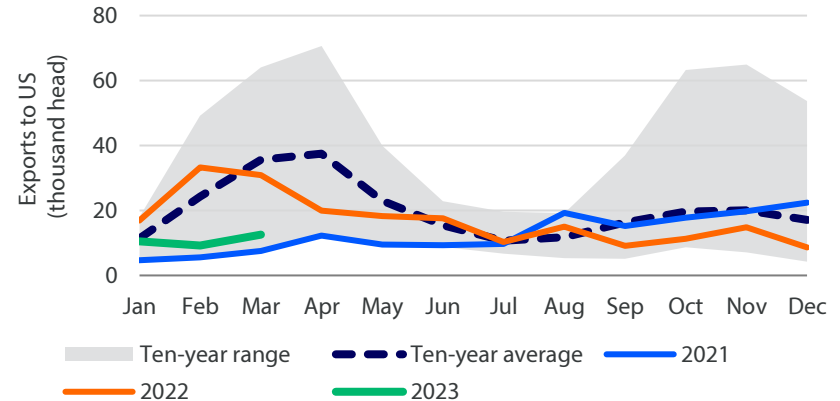
First quarter beef exports increased 6% compared to 2022, but that only tells part of the story. US shipments are up 5,800 metric tons (7%) to start the year, and that market represents roughly 70% of Canadian beef exports. Furthermore, Mexico was a stronger buyer with a 3,300 metric tons increase (up 32%) compared to last year. Conversely, cattle exports to the US have been softer. While US slaughter cattle exports in the first quarter were nearly identical to year-ago levels, feeder cattle and calf exports are near the record lows of 2021 – declining 48,800 head (60%) compared to last year and 20,400 head (38%) against the five-year average (see Figure 12).

Figure 11: Prices for all classes of cattle push to new highs



Source: CanFax, Rabobank 2023

Figure 12: Feeder cattle and calf exports to US rival 2021 lows



Source: USDA, Rabobank 2023



China

Imports expected to soften despite strong start

Local beef prices start to soften

Retail beef prices saw a small decline in April, to CNY 86/kg, down 0.8% MOM and 0.3% YOY. In comparison, retail pork and chicken prices increased 6% YOY, but from a very low starting point. Since reopening after Covid at the end of 2022, market demand has been slowly recovering. A surge in domestic tourism – leading to a 129% YOY increase in travel expenses – was seen in the week-long Golden Week holidays in early May. However, compared to pre-Covid levels, holiday consumption on a per capita basis is yet to fully recover to 2019 levels. We expect consumer markets to continue to gradually recover in the coming quarters.

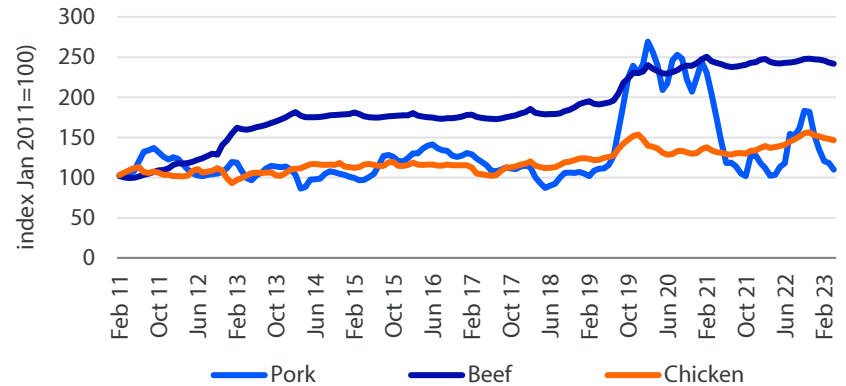
Beef prices have been more resilient than pork and poultry over the past decade (see Figure 13). However, in 2023 with the economy facing more challenges than in the past ten years, beef consumption may not follow the same trends as other staple foods. We expect beef consumption by low to middle-income groups to slow, or even decline in volume, as consumers choose to trade down. Middle to high-income groups are expected to continue consuming more high-quality beef, allowing the premium market to grow further. As a result, we expect that volume growth will slow down in 2023, but value growth will continue.

Local beef production is expected to rise in 2023, partially driven by dairy cow slaughter following sluggish milk prices. In Q1 2023, beef production increased 5% YOY. This will add further pressure on market prices.

Beef imports stay high, but may turn weak in Q2

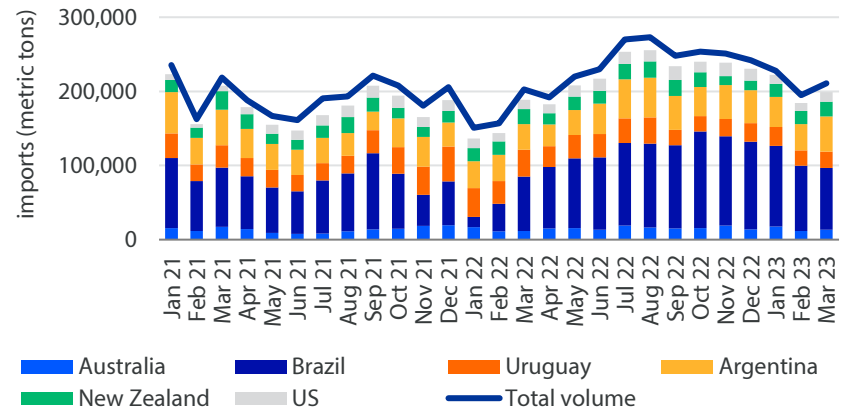
Beef imports increased 24% YOY in Q1, despite high inventories in the Chinese domestic market (see Figure 14). The strong import growth is partially attributed to the low import level in the same period of last year. Apart from Australia and Argentina (up 9% and 16% YOY, respectively), all other exporters saw a decline in shipments to China in Q1. We expect imports to slow in Q2 and likely decline in Q3, on a year-on-year basis, mainly due to slow market recovery in China.

Figure 13: Retail price of beef eases slightly



Source: MARA, Rabobank 2023

Figure 14: Beef imports up 24% YOY in Q1 2023



Source: MARA, China Customs, Rabobank 2023



Europe

Downward pressure on prices as supply expands and consumption suffers from high prices

Beef production in Europe is down, with a few exceptions

EU27+UK beef production was down 2.2% YTD in February 2023. In this period, the sharpest decline in production occurred in Italy, down 20% YTD, but production was also down 1% in Germany and 6% in Spain. France and the Netherlands recorded increased production, up 1% and 9% YTD, respectively. Production is expected to continue its structural decline in Q2 2023. However, the supply of cows for slaughter may improve given a declining milk price.

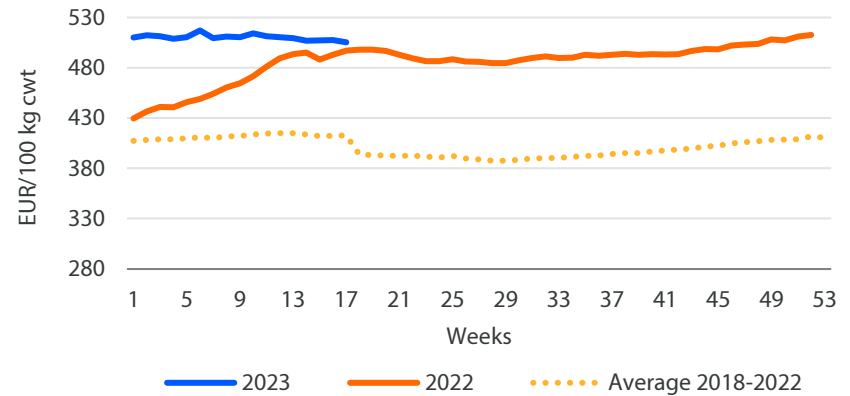
Trade pattern remains similar to 2022

Trade figures up to February show 2023 has continued the 2022 trend of declining exports and increasing imports. EU27+UK beef exports were down 22% YTD, while imports were up 6% YTD in February 2023. Contrary to the general trend, export volumes to Hong Kong tripled in February YOY, although the volumes remain quite small in a global context (3,000 metric tons). Irish beef exports to China have resumed after the BSE-related import ban was lifted at the beginning of 2023. The first shipment arrived in China in April. Imports started out strong in 2023, with higher volumes from Argentina (up 43% YTD to 8,000 metric tons) and the US, (up 42% YTD to 2,000 metric tons). Imports from Brazil declined 2% YTD (total YTD: 16,000 metric tons), but the country remained the number one beef supplier to Europe.

Downward pressure on beef prices

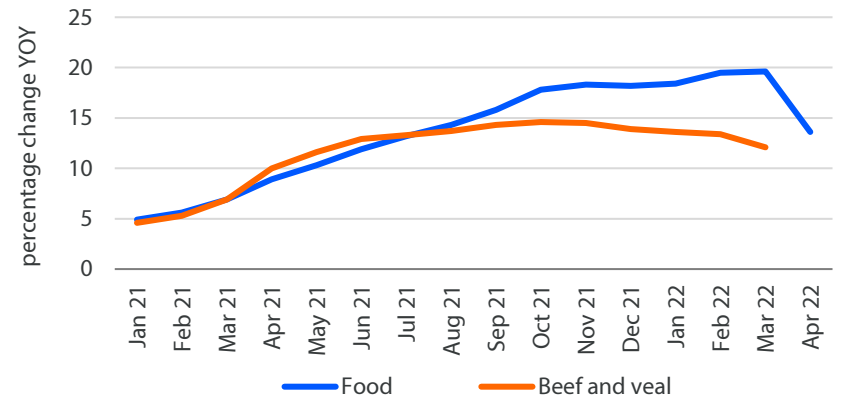
Beef carcass prices in the EU have been experiencing slight but gradual softening in recent weeks (see Figure 15). In week 17, the average EU beef carcass price was only marginally higher than in the same period last year, but is still 23% higher than the five-year average. The easing of carcass prices is likely driven by an expanding supply of cattle for slaughter as milk prices have been correcting, which is expected to result in higher slaughter rates. Beef consumption is expected to be under downward pressure as food inflation in the EU remains high, with food prices up 13.6% YOY in April 2023 (see Figure 16).

Figure 15: EU average beef carcass price up 2% YOY



Source: Eurostat, Rabobank 2023

Figure 16: Food inflation in the EU remains high



Source: European Commission, Rabobank 2023

Japan

The slump in beef imports continues

Rise of beef imports during Q1 reflection of low 2022

Import volumes of beef declined 1.2% YOY in January 2023, but increased in February (up 0.6%) and March (up 8.5%). Imports increased 2.3% in Q1 2023 compared to the same period last year (see Figure 17). Chilled imports decreased (down 4.8%), while frozen products increased significantly (up 8.2%), reflecting the lower volumes of US product imported last year due to high local market prices. The overall increase in Q1 import volumes reflects the lower volumes in 2022 – which had declined 12.1% compared to Q1 2021 – rather than an improvement in import needs.

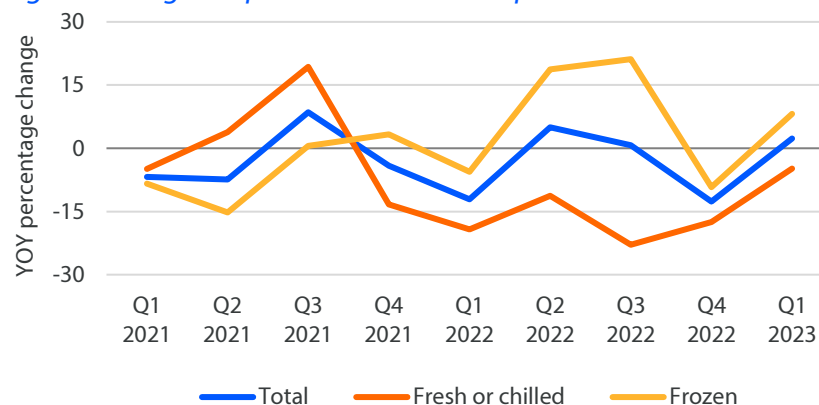
Household spending on beef, pork and chicken remains sluggish

Household spending on beef per capita in February 2023 dropped 3.0% YOY, which was also 9.3% lower than the five-year average for February. Spending on pork and chicken declined 2.8% and 4.8% respectively. A shift in household consumption from beef to pork and chicken was observed from 2H 2021, but this has now turned into a decline in total meat consumption. With incomes not rising, it will be difficult for meat consumption to recover and it is expected to remain sluggish. On the other hand, sales at BBQ restaurants, which account for some of the demand for meat in the foodservice sector, are above pre-pandemic levels. Demand from international visitors is expected to recover, but the increase in sales will be driven by price increases due to the rising cost of raw materials and utilities rather than a recovery in beef volumes.

Subdued consumption of imported beef is expected to continue for a long time due to stockpiling

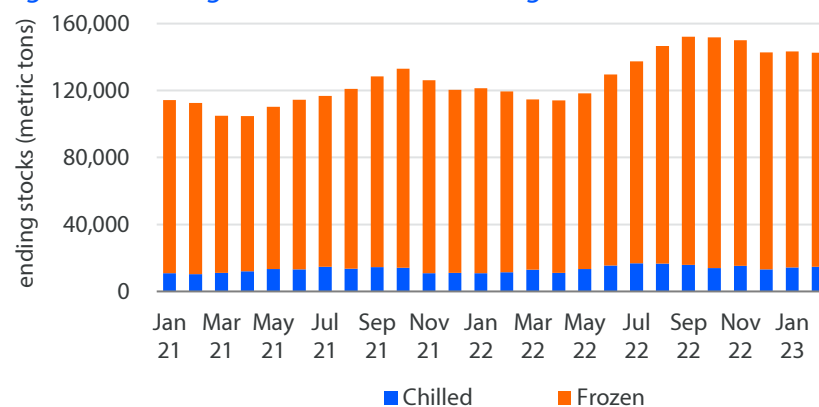
Estimated ending stocks of beef in February 2023 were 16.1% higher YOY, representing the 18th consecutive month of increases and continuing inventory backlogs (see Figure 18). As a slump in household meat consumption becomes apparent, the decline in consumption of imported beef is expected to be prolonged.

Figure 17: Slight improvement in beef imports



Source: Ministry of Finance, Nochuri, Rabobank 2023

Figure 18: Ending stocks of beef remain high



Source: ALIC, Nochuri, Rabobank 2023



Mexico

Record production finds a home as exports adjust from recent highs

Demand is below year-ago levels, but remains historically strong

Beef market movement has been steady but not exceptional in 2023, which was largely expected after 2022 saw record-high beef prices and production. Wholesale beef prices are 7% below year-ago levels to start the year, but the market remains at the second-highest level on record and 17% better than the five-year average for this time of the year. The Q2 price trend is largely seasonal, with steady-to-higher prices reported recently as rib and loin cuts increase in value. Domestic interest remains steady, and exports have recently improved after a relatively sluggish start.

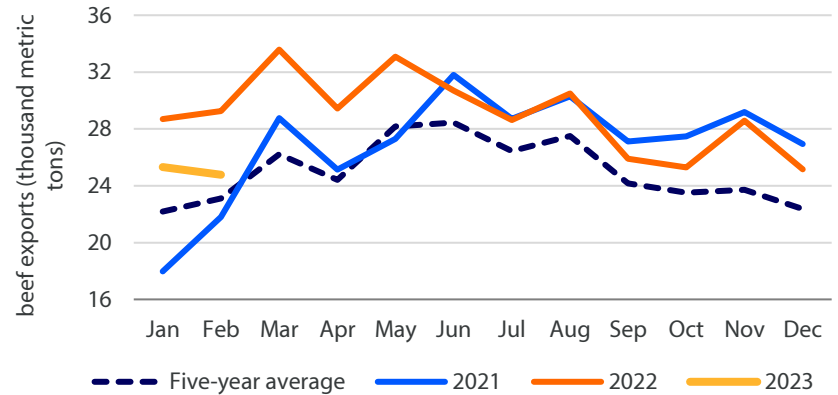
Exports remain below last year's record highs

Shipments in Q4 2022 were down 6% from a year ago, and beef exports in January and February 2023 continued that trend – ending 14% below year-ago levels (see Figure 19). Baseline effects are partially to blame for the slower pace. Beef export volumes set new monthly records from January to April 2022, and it had been a decade since the market experienced a stronger annual growth rate (29%). While last year's export growth was not sustainable, the relatively modest pace of shipments since September 2022 still represents the second largest export volume over that period. Beef exports to the US have slowed the most in early 2023 – down 10,500 metric tons (13%) through Q1, based on US-reported figures. However, Mexican cattle exports to the US have been steady in Q1, and up 76,900 head (32%) in February and March.

Beef production and cattle prices continue to advance

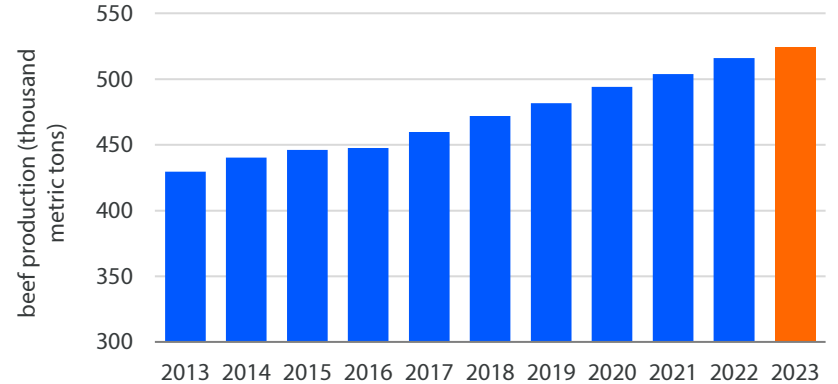
Despite the slower export pace, beef production remains ample. Q1 2023 volumes are up 7,700 metric tons (2%) compared to last year – consistent with Rabobank's forecast of record-high 2023 production (see Figure 20). Pasture conditions and potential herd liquidation remain a factor to watch, with major cattle-producing regions in the central and eastern states experiencing moderate to extreme drought. Yet, cattle prices remain near year-ago levels. Export quality feeder cattle are averaging MXN 59/kg through early May, which is 2% stronger than last year.

Figure 19: Exports continue year-on-year declines from fall 2022



Source: Trade Data Monitor, Rabobank 2023

Figure 20: Production continues its record-high pace in Q1



Source: SIAP, Rabobank 2023



New Zealand

Favorable beef returns locally, but loss of live export to impact some farmers

Elevated returns expected to continue

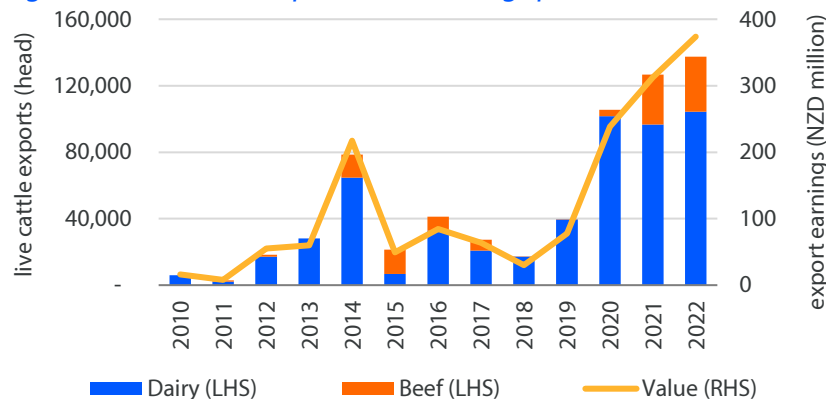
The transition to more settled autumn weather conditions has been welcomed by farmers across New Zealand after the devastating weather events in January and February. The widespread damage to fences, roads and key infrastructure will take months to repair.

Beef production for Q1 2023 lifted 1% YOY. The increase in production was underpinned by dairy farmers sending cull cows for processing earlier than usual due to tightening margins. Overall, beef exports in Q1 2023 were 2% higher year-on-year, with exports to China and the US both lifting 8%. However, earnings across all key markets were back significantly on year-ago prices, with total returns back 15% YOY. The AgriHQ North Island bull price rebounded in Q1, supported by strong US demand and China's reopening. Farmgate beef prices are expected to remain firm through winter off the back of tightening global supplies. High Chinese beef inventories and the possible dampening of US consumer demand are downside risks.

The end of the live cattle export for New Zealand

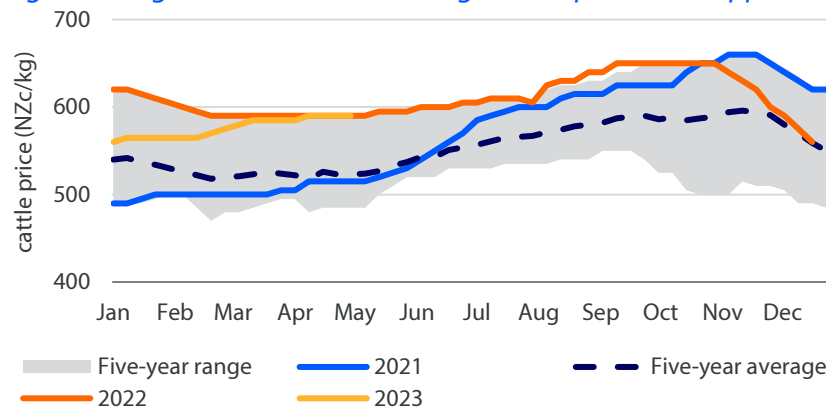
A total ban on live cattle exports came into effect on April 30, 2023. New Zealand exported 137,500 head of cattle in 2022, delivering NZD 374m in returns. Dairy heifers dominated New Zealand live cattle exports – accounting for 76% of all cattle exported in 2022. We believe, a two-year transition period has allowed farmers to adapt and, although it will have an impact, we do not expect a significant increase in beef production. Approximately 33,000 head were exported in 2022. Assuming these cattle were redistributed to the domestic market, that would represent an additional 9,500 metric tons of beef production – only 0.001% of total 2022 production volumes. The challenge for the dairy industry is what to do with the well-bred heifers that would have been exported. Sexed semen helps to some extent – it allows farmers to produce more bull calves that can be reared and enter beef production systems. However, high calf rearing costs and regulatory uncertainty are creating challenges for both dairy and beef farmers. More calves may end up being processed as bobby veal.

Figure 21: Cattle live exports and earnings peaked in 2022



Source: StatisticsNZ, Rabobank 2023

Figure 22: AgriHQ North Island farmgate bull price well supported



Source: AgriHQ, Rabobank 2023

United States

Solid domestic beef demand supports prices as global trade activity slows

Domestic beef demand is exceeding expectations

The USDA comprehensive boxed beef cutout has pushed to more than USD 3.05/lb during early May. Ignoring the pandemic-related price volatility of 2020 and 2021, recent prices are a new all-time high under more normal market conditions. Weekly US beef production is down 5% through April, and demand is also down 5%. However, wholesale beef demand remains the second largest of the last 30 years – only trailing 2022 (see Figure 23). Yet, retailers are shielding beef consumers from wholesale price increases so far. January to March prices are down USD 0.09/lb compared to last year – averaging USD 7.22/lb. Recently stronger wholesale prices should support higher trending beef meat case and menu prices going forward.

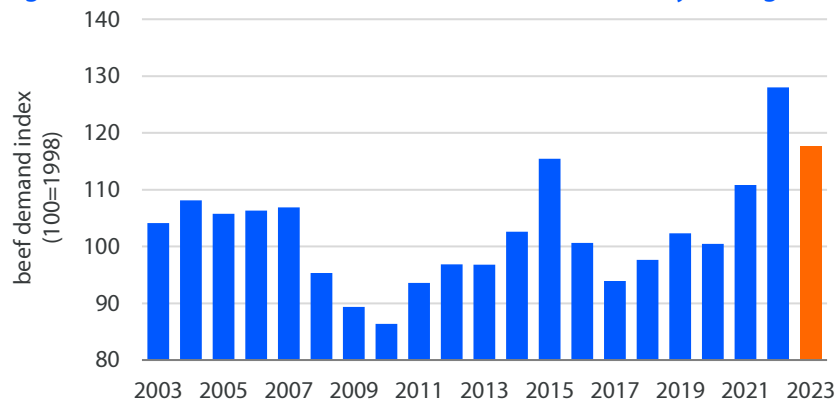
Supply adjustments continue from initial liquidation

Weekly cattle slaughter is down 21,300 head/week (3.3%) compared to last year from January to April. Steer and beef cow slaughter have contributed the most to the decline – down 13,100 and 8,700 head/week (4% and 12%), respectively. Heifer slaughter is maintaining year-ago levels near 199,000 head/week, while dairy cow slaughter is up 2,700 head/week (4%). Cattle carcass weights are averaging 14lbs (2%) below 2022 YTD. As a result, beef production is down 27m lbs/week (5%) through mid-May, which is consistent with earlier Rabobank forecasts.

US beef trade activity slows in Q1

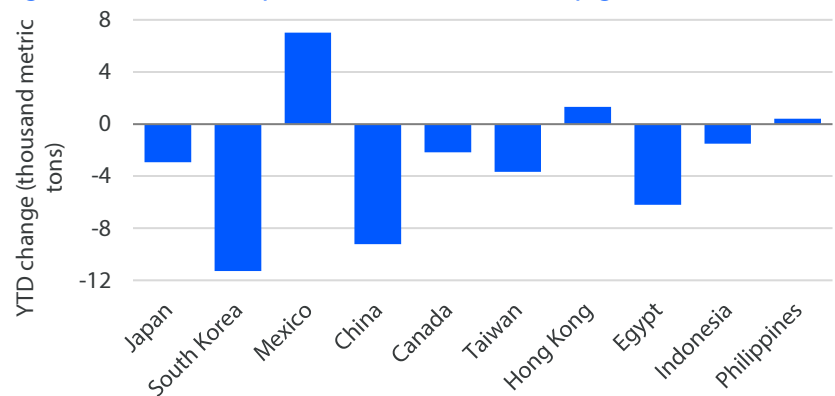
Weaker US beef exports were expected going into 2023, largely due to domestic production declines. However, stronger US prices and a softer global economy contributed to a 7% decline in Q1 export volumes. The larger-than-expected fall is led by declines of 14% and 15% in China and South Korea, respectively, accounting for 74% of the year-to-date fall (see Figure 24). Among the top five US beef export destinations, only Mexico shows an increase in Q1 (14%). US beef imports were stronger in January and February, but a 12% YOY decline in March has pulled Q1 volumes down 3% compared to last year. Brazil and Mexico show the largest year-to-date reductions, down 12% and 13%, respectively.

Figure 23: Wholesale beef demand remains historically strong



Source: USDA, BLS, US Census Bureau, Kansas State University, Rabobank 2023

Figure 24: Q1 beef exports are in decline for top global markets



Source: Trade Data Monitor, Rabobank 2023

Global Outlook: Macroeconomic Dashboard

Figure 25: FX forecast over the next 12 months

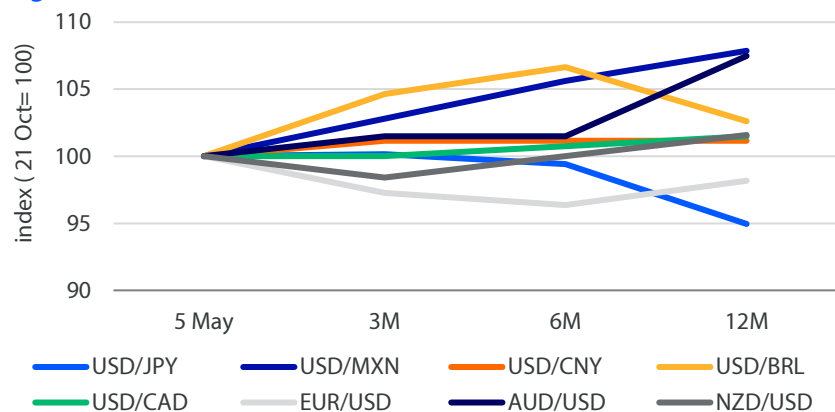


Figure 26: GDP growth in most countries expected to slow

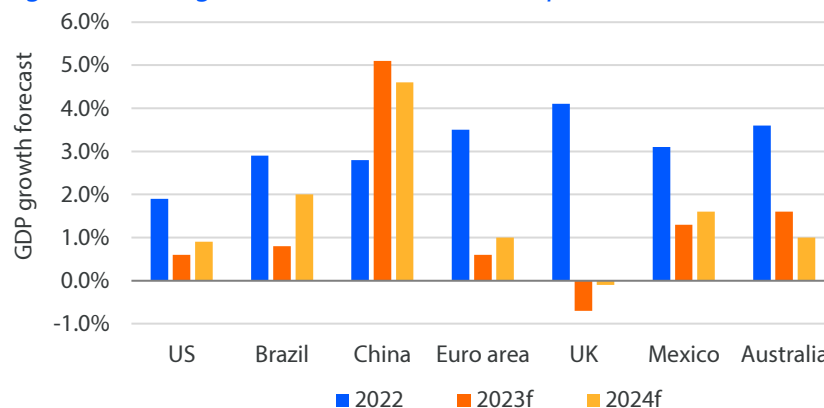


Figure 27: Chilled container costs continue to slowly ease

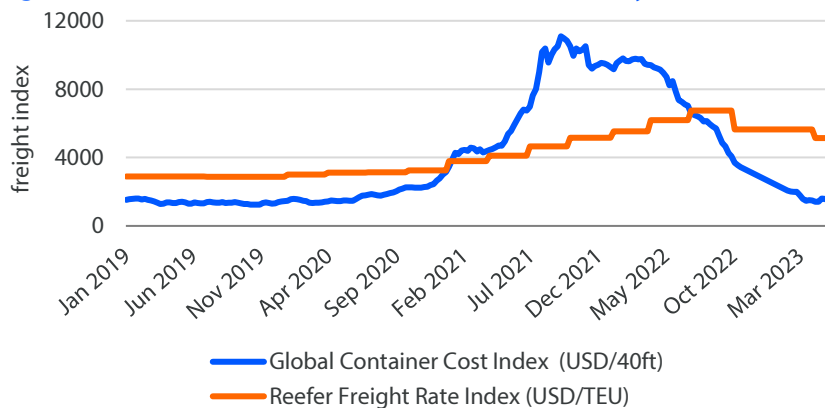
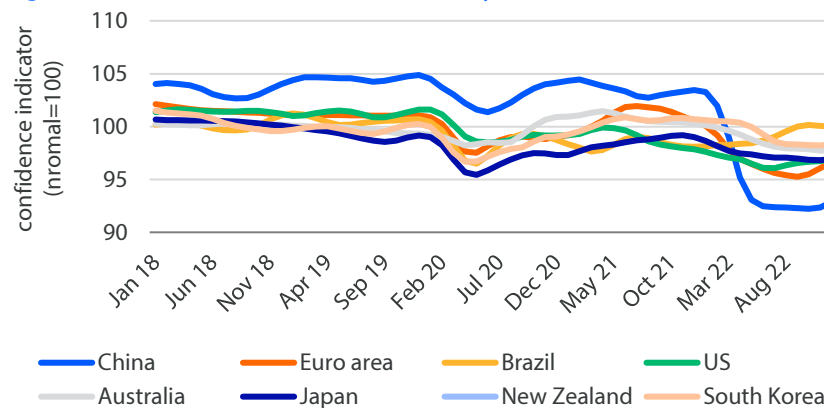


Figure 28: Consumer confidence steady in most markets



Source: OECD MEI, Consumer Opinion Surveys, Confidence Indicators, Composite Indicators, OECD Indicator, Normal=100, SA, Index, Drewry, Freightos, Rabobank 2023

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Global Beef Quarterly

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