

CANADIAN BEEF TRADE



REPORT FOR JULY 2020 YTD TRADE

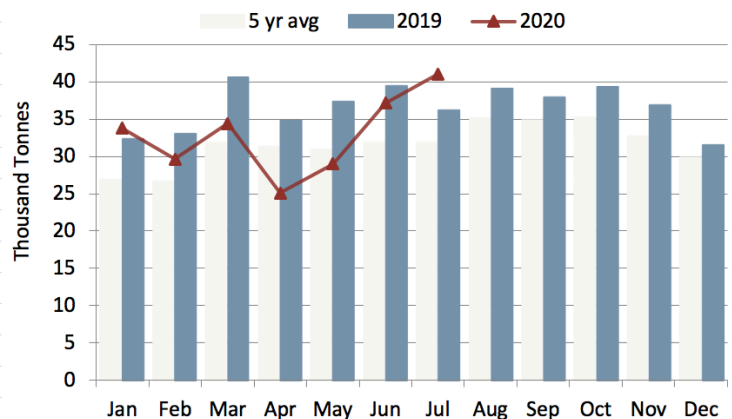
Canadian Beef Export Trends



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Canadian beef exports July 2020 were 41,021 tonnes valued at \$286 Million up 13% in volume and up 15% in value from July 2019. Federally inspected slaughter numbers were up 2.8% from July 2019 showing the first positive year over year slaughter numbers since March. Monthly exports continue to grow and were up 10.5% from June into July. As the retail and food service economy further re-open in the coming months it is expected that beef demand will strengthen. Year to date, January through July 2020 beef exports at 230,000 tonnes valued at \$1.8 billion were down 9% in volume and 2% in value from the same period in 2019.

Canadian Monthly Beef and Veal Exports



Source: Statistics Canada

Canadian Domestic Exports of Beef and Veal Products

July 2020

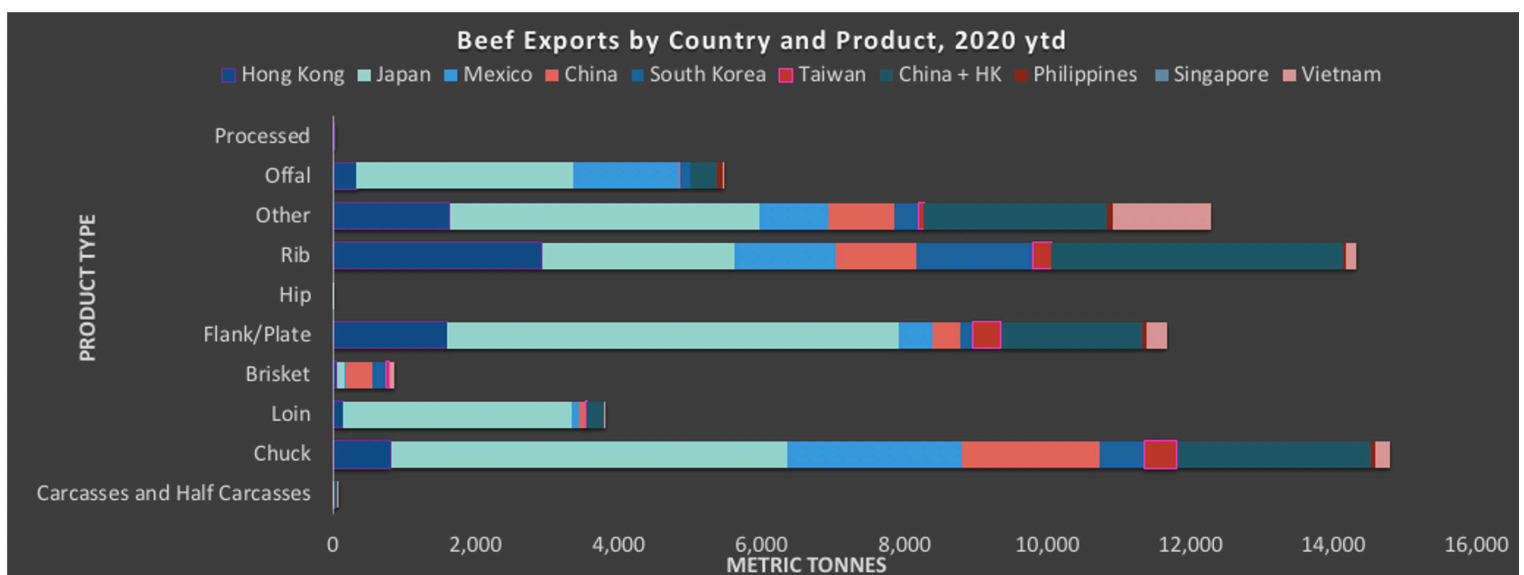
Country	Year \$ Change	Canadian \$ (000)		Rank	Year MT Change	Volume (MT)		Rank	Year \$/kg Change	Price (\$/kg)		Rank
		2019	2020			2019	2020			2019	2020	
United States	5.0%	1,316,081	1,381,383	1	-5.7%	182,105	171,647	1	11.4%	\$7.23	\$8.05	9
Japan	-4.6%	194,910	185,981	2	-8.0%	27,440	25,241	2	3.7%	\$7.10	\$7.37	11
Hong Kong	-28.5%	86,859	62,137	3	-11.6%	8,473	7,491	3	-19.1%	\$10.25	\$8.30	7
Mexico	-21.7%	69,188	54,190	4	-20.9%	8,676	6,864	4	-1.0%	\$7.97	\$7.89	10
China	-49.3%	98,412	49,863	5	-57.5%	11,475	4,877	5	19.2%	\$8.58	\$10.22	6
Korea, South	-13.3%	24,824	21,514	6	-4.7%	3,291	3,136	6	-9.0%	\$7.54	\$6.86	13
Vietnam	299.5%	2,980	11,907	7	415.6%	410	2,114	7	-22.5%	\$7.27	\$5.63	14
Taiwan	-13.2%	11,761	10,210	8	-8.1%	1,354	1,245	9	-5.6%	\$8.69	\$8.20	8
United Kingdom	12.1%	8,273	9,273	9	7.6%	686	738	10	4.2%	\$12.06	\$12.56	4
Saudi Arabia	56.5%	3,951	6,183	10	66.7%	291	485	11	-6.1%	\$13.57	\$12.74	3
Netherlands	66.3%	2,418	4,022	11	55.3%	108	168	13	7.1%	\$22.37	\$23.96	1
Italy	2221.5%	120	2,784	12	1866.6%	8	166	14	18.0%	\$14.24	\$16.82	2
Philippines	-50.9%	4,815	2,363	13	-76.1%	1,432	342	12	105.5%	\$3.36	\$6.91	12
Angola	-2.3%	1,660	1,622	14	-12.4%	1,706	1,495	8	11.5%	\$0.97	\$1.09	15
United Arab Emirates	-60.7%	3,779	1,484	15	-58.7%	335	138	15	-4.9%	\$11.29	\$10.74	5
Other	-37.1%	15,712	9,890		-36.8%	6,317	3,992		-0.4%	\$2.49	\$2.48	
Grand Total	-1.6%	1,841,964	1,813,322		-9.4%	253,773	230,001		8.6%	\$7.26	\$7.88	

Source: Statistics Canada and AAFC

The U.S. is a major beef producer, but relies on imports to meet the demand for certain items. For example, strong demand from the quick service industry, is why lean cuts such as chucks are in the top three primal categories for exports from Canada. The top primal categories for exports to the major markets so far in 2020 are consistent with 2019.

Cuts from the hip and loin primal show strong demand in Canada so there is little value found from exports to other countries. In 2019, the hip primal received only 9%, and the loin primal 17% of its value from exports. The flank/plate

The chart below represents the portion of primal exports that the top ten exporting countries hold. It should be noted that the “other” category represents all left over cuts that do not fit into a primal category so it will include the trim from all primals as well as other items not specified. Other primals that rely heavily on finding value in the export market include brisket and rib. In 2019, brisket found 50% of its value in the export market, and the rib primal found 36% of its value from exporting as well.



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Canadian Beef Exports by Primal Category (January to July 2020)

The top three primal categories for product exported (January to July 2020) from Canada to:

- The U.S. are Other (66,469 tonnes, 39%), Chuck (32,850 tonnes, 19%), and Loin (13,294 tonnes, 8%).
- Japan are Flank/Plate (6,321 tonne, 25%), Chuck (5,551 tonne, 22%), and Other (4,328 tonne, 17%).
- China + Hong Kong are Rib (4,064 tonne, 34%), Chuck (2,719 tonne, 23%), and Other (2,551 tonne, 21%).
- Mexico are Chuck (2,440 tonne, 36%), Offal (1,470 tonne, 21%), and Rib (1,408 tonne, 21%).
- South Korea are Rib (1,617 tonne, 52%), Chuck (636 tonne, 20%), and Other (334 tonne, 11%).

