



REPORT OF BEEF IMPORTS FOR JUNE 2024 YTD TRADE

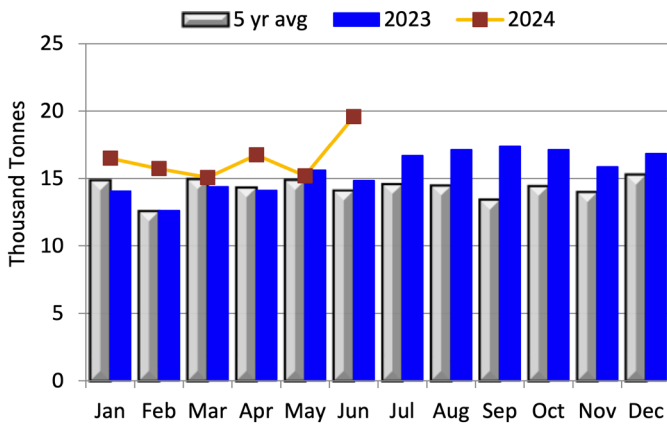
CANADIAN BEEF TRADE REPORT OF JUNE 2024

From January to June 2024, year-to-date (YTD) beef imports were up 15% in volume and 25% in value from last year at 89,830 tonnes and \$777 million.

Beef imports declined from the U.S. (-3%), Mexico (-4%) and Brazil (-21%), and increased from Australia (+159%), New Zealand (+67%), Uruguay (+10%), EU (+8%), U.K. (+202%), Chile (+57%) and Argentina (+5,630%).

Federal Inspected slaughter in June 2024 was down 25% from May 2024 and down 13% from June 2023.

Canadian Monthly Beef and Veal Imports



Source: Statistics Canada

International Suppliers

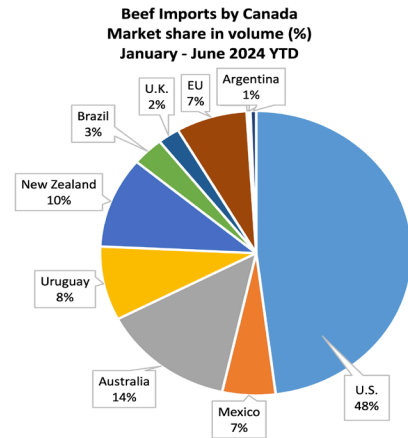
The market share of North American suppliers participating in the Canada-U.S. Mexico Agreement (CUSMA) has declined for the first six months of the year.

The market share of imports from the U.S. was down in volume from 57% in the first half of 2023 to 48% during the same period of 2024.

YTD imports of U.S. beef were down 3% in volume and up 14% in value to 47,432 tonnes valued at \$624 million. The average price per kilogram increased 18% from \$11.14/kg to \$13.15/kg.

The market share of imports from Mexico was down in volume from 7% in the first half of 2023 to 6% during the same period in 2024.

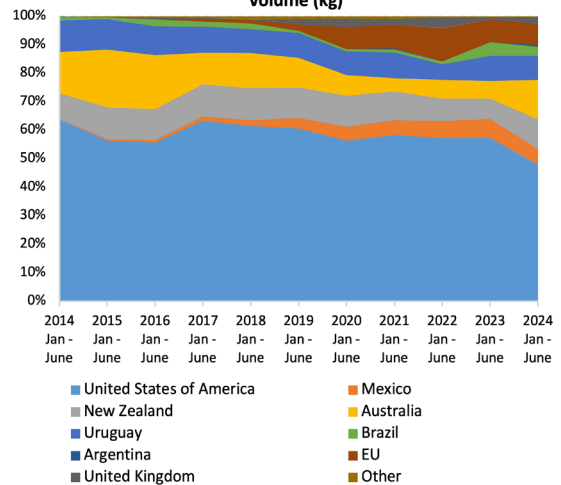
YTD imports of Mexican beef were down 4% in volume but up 3.5% in value to 5,437 tonnes valued at \$71 million. The average price per kilogram increased 8% from \$12.13 to \$13.10.



Source: Statistics Canada

The market share of non-CUSMA countries has risen from 36% in the first half 2023 to 46% during the same period in 2024.

Market Share of Beef Imports into Canada period: January - June 2014 - 2024 volume (kg)



Source: Statistics Canada



Beef Imports from key regions for the Period: January-June 2023 / 2024

1. Oceania

Imports from **Australia** were up 159% in volume and up 126% in value to 13,660 tonnes valued at \$122 million. The average price per kilogram was down 13% from \$10.22 to \$8.63. The market share from Australia increased from 6% in 2023 to 14%.

Imports from **New Zealand** were up 67% in volume and up 74% in value to 10,221 tonnes and \$79 million. The average price per kilogram was up 4% from \$7.42 to \$7.74. The market share of beef from New Zealand increased from 7% to 10%.

2. South America

Imports from **Brazil** were down 21% in volume and down 18% in value to 3,235 tonnes and \$22 million. The average price was up 4% from \$6.42/kg to \$6.66/kg. The market share of Brazilian beef went down from 5% to 3%.

Imports from **Uruguay** were up 10% in volume and up 9% in value to 8,325 tonnes and \$51 million. The average price per kilogram was down 1% from \$6.22 to \$6.15. The market share of Uruguayan beef went down from 9% to 8%.

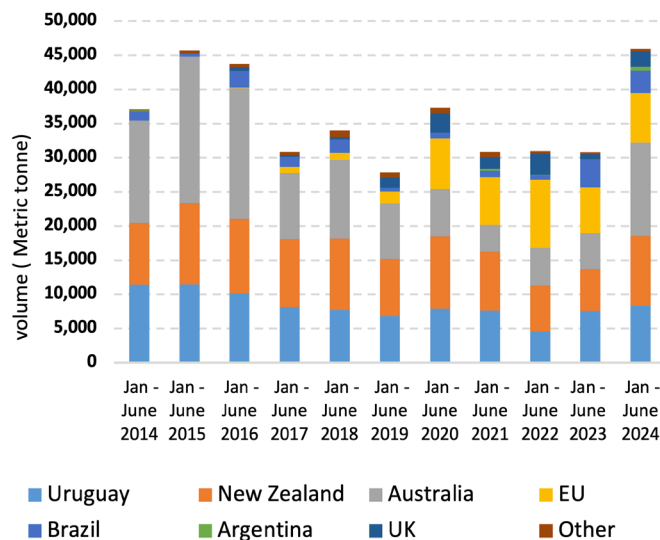
Imports from **Argentina** were up 5,627% in volume and up 2,341% in value to 592 tonnes and \$5 million. The average price per kilogram was down 57% from \$ 18.64 to \$7.94. The market share of Argentinian beef increased from 0.01% to 1% of total beef import volumes.

3. Europe

Imports from the **EU-27** were up 8% in volume and up 26% in value to 7,279 tonnes and \$53 million. The average price per kilogram was up (+17%) from \$6.18 to \$7.22. The market share of beef from the EU went down from 8% to 7%.

Imports from the **U. K.** were up 202% in volume and up 222% in value to 2,237 tonnes and \$18 million. The average price per kilogram increased 6.5% from \$7.76 to \$8.27. The market share from the U.K. increased from 1% to 2%.

Non-CUSMA Beef Imports by country
Beef imports for the period: January - June 2014 - 2024 YTD



Source: Statistics Canada

The recent Market Outlook and Analysis from Canfax 1 confirms that: "larger production volumes from Australian and South American beef have offset reductions in North America resulting in global beef production being higher in 2024".

The Brazil-China beef trade is the largest bilateral beef trade flow in the world. However, a softer demand from China will push South American suppliers to diversify their export markets.

Another interesting development is taking place in Argentina. Argentina's export restrictions on seven popular cuts were lifted, allowing beef exports to resume fully from January 1, 2024. Recently, the Government reduced the export tax from 9% to 6.75%.² This measure fulfils a promise that Argentinian president Javier Milei made to agricultural producers: "to promote sales to foreign markets, improve the level of income of producers and processors, favoring insertion in international markets", the decree published in the Official Gazette stated.

From a global beef trade perspective, shifts in trade flows from key suppliers are expected to continue, which might affect the volumes and values of beef imports during the second half of 2024.

Sources:

¹ Canfax, Weekly Market Outlook and Analysis, Vol.LIII ISSN 1201-382X, August 2, 2024.

² Debre, I., President Milei renews his vow to scrap export taxes as Argentina's powerful farmers get impatient | AP News, July 28, 2024.