United States
Department of
Agriculture

Foreign
Agricultural
Service

April 2010

Livestock and Poultry: World Markets and Trade

EXECUTIVE SUMMARY: Full Circular Release on April 16, 2010

2010 Trade Forecast Revision: Pork Higher; Beef and Broiler Meat Stable

World trade in beef remains virtually unchanged from the October forecast. Despite robust demand in most markets due to global economic recovery, tight exportable supplies continue to limit import growth. Stronger than expected economic recovery in Asia will bolster demand in key markets such as South Korea, Hong Kong and Japan – benefiting U.S. exports which are revised upward. U.S. imports are forecast lower, despite tighter domestic supplies, as Asian markets will likely bid aggressively for Oceania and Uruguayan product. Russian imports are raised on stronger demand and an expected higher quota exemption. Brazil, Paraguay, and Uruguay, will benefit from the Russian boost, as well as the continued forecast reduction in Argentine exports.

World trade in pork is raised slightly. Stronger demand from Asia, particularly China and Hong Kong, is expected in the second half of 2010 as economic conditions improve. Chinese imports will also be facilitated by the lifting of H1N1-related trade bans. Russian imports are revised upwards despite a lower tariff rate quota volume. High domestic prices spurred by tight supplies of animal protein are expected to encourage trade outside the quota. Greater exports from the EU and Brazil are expected as they are poised to take advantage of strong Asian and Russian demand. Some additional EU pork shipments will likely replace live swine exports. The United States will benefit from stronger Mexican demand, although tight domestic supplies and weaker demand from Japan and South Korea are expected to constrain overall export growth.

World trade in broiler meat remains fairly stable. The December announcement of an 18 percent decline in the Russian 2010 tariff rate quota (TRQ) volume resulted in a downward revision in its import forecast, which in October had been based on higher 2009 TRQ level. Import estimates for some smaller, non-traditional markets, particularly in the Middle East and Africa, are lower. Iraqi imports are revised upward despite expanding production. Higher EU exports are expected based on stronger demand in Asian and Middle Eastern markets. U.S. exports are lower based mainly on the 20 percent reduction of its Russian TRQ allocation to 600,000 tons and weaker demand from several other markets.

Note: Data in this document reflects the PSD (http://www.fas.usda.gov/psdonline) and WASDE release of April 9, 2010.

Approved by the World Agricultural Outlook Board/USDA

Summary:
Major Traders and U.S. Trade of Beef, Pork, and Poultry

	2005	2006	2007	2008	2009 (p)	2010 (f)	Percent Change 2009 to 2010
Production							
Beef and Veal /1	56,229	57,441	58,314	58,105	57,017	56,625	-0.7%
Pork /1	94,328	96,026	94,585	98,528	100,780	102,412	1.6%
Broiler and Turkey /2	68,062	69,292	73,434	76,817	76,795	78,910	2.8%
Total	218,619	222,759	226,333	233,450	234,592	237,947	1.4%
Consumption							
Beef and Veal /1	55,792	56,684	57,831	57,452	56,365	56,145	-0.4%
Pork /1	93,956	95,793	94,434	98,356	100,542	102,148	1.6%
Broiler & Turkey /2	67,343	69,082	73,100	75,862	75,981	78,153	2.9%
Total	217,091	221,559	225,365	231,670	232,888	236,446	1.5%
Imports							
Beef and Veal /1	6,800	6,815	7,160	6,870	6,616	6,718	1.5%
Pork /1	4,740	4,922	5,087	5,916	5,434	5,521	1.6%
Broiler and Turkey /2	6,705	6,846	7,561	8,268	7,975	8,016	0.5%
Total	18,245	18,583	19,808	21,054	20,025	20,255	1.1%
Exports							
Beef and Veal /1	7,314	7,502	7,570	7,489	7,267	7,257	-0.1%
Pork /1	5,006	5,225	5,162	6,149	5,656	5,881	4.0%
Broiler and Turkey /2	7,432	7,116	7,961	9,069	8,987	8,729	-2.9%
Total	19,752	19,843	20,693	22,707	21,910	21,867	-0.2%
U.S. Exports							
Beef and Veal /1	316	519	650	856	848	930	9.7%
Pork /1	1,209	1,359	1,425	2,117	1,872	1,978	5.7%
Broiler and Turkey /2	2,618	2,609	2,926	3,464	3,342	2,889	-13.6%
Total	4,143	4,487	5,001	6,437	6,062	5,797	-4.4%
U.S. Market Share (%) of Exports Among Major Traders							**Change in Market Share Points**
Beef and Veal /1	4%	7%	9%	11%	12%	13%	1%
Pork /1	24%	26%	28%	34%	33%	34%	1%
Broiler and Turkey /2	35%	37%	37%	38%	37%	33%	-4%
Combined	21%	23%	24%	28%	28%	27%	-1%

Source: USDA-FAS attache reports, official statistics, and results of office research.

(p) preliminary; **(f)** forecast

1/ 1,000 Metric Tons (Carcass Weight Equivalent)

2/ 1,000 Metric Tons (Ready to Cook Equivalent)

Note to Readers: Totals include only those countries that make up USDA's official PSD database are reported. This means totals do not encompass all production, consumption, and trade, but rather the sum of those countries reported in USDA's database, which represent the most important players in the world meat PSD situation. In an attempt to capture these major players, the list of countries reported changes periodically.