



REPORT FOR DECEMBER 2021 YTD TRADE

While Ending on a Weak Note, 2021 Exports were Strong.



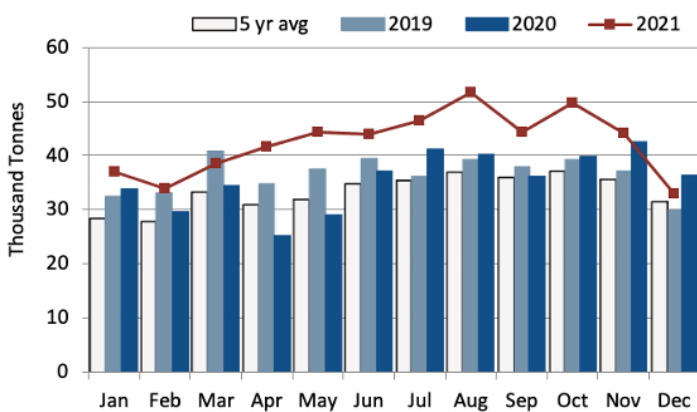
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Canadian beef exports in the month of December were 33,036 tonne valued at \$322 million, down 9% in volume and up 18% in value from December 2020. The 5-year average shows a downward trend of monthly exports in the last three months of the year; this trend was followed in 2021 after seeing strong exports the first three quarters of the year. While total December federally inspected slaughter was down 13.4% to 275,652 head, total 2021 slaughter was up 6.6% year over year at 3.25 million head.

In 2021, beef exports at 508,527 tonnes valued at \$4.6 billion were up 20% in volume and up 37% in value from last year. Outperforming the expectations of the USDA FAS that Canadian beef and veal exports would increase by 4% in 2021.

Beef export volumes from January to December increased to the U.S. (14%), Japan (32%), Mexico (54%), China (92%), SE Asia excluding Taiwan (103%), South Korea (93%), and the EU (65%); but declined to Hong Kong and Macau (-42%), Taiwan (-38%), and the UK (-54%).

Canadian Monthly Beef and Veal Exports



Source: Statistics Canada

North America

Strong demand remains in the United States as increases were seen in every primal category year over year. While the 14.3% increase in volume exported to the United States was strong,

Source: Statistics Canada and AAFC

the impressive benchmark seen was surpassing \$3 billion in exports to the U.S., up 32% year over year.

Mexico saw modest increases in primal cuts such as rib and chuck, but inspiring increases were seen in offal (+135%), brisket (+133%), and loin (+172%), however flank and plate saw a decrease of 59%. The value of these exports saw an even bigger increase as the average price per kg increased 16.9%.

Asia

After Covid-19 cases peaked in August, daily cases have greatly decreased but the economy is still cautious about reopening with social distancing restrictions in **Japan**. While in September, total beef distribution was reported 11.4% lower than year ago, 2021 exports to Japan were still up 31.8%. In October, Japan's beef imports were up 9% year over year, with Canadian exports to Japan up 36%. These trends continued through the rest of the fall showing strong demand from Japan. Cuts such as brisket (+1267%) and hip (+6886%) saw huge increases, while the loin (-35%) and flank/plate (-22%) decreased.

Exports to **China** were up 92% in volume and up 88% in value. Even though the number of Canadian suppliers is limited, exports to China have been strong through 2021, with increases above 30% for most primals, the exception being loins which decreased 66%. The weakest point of the year was the fall as beef prices were high in both China and Hong Kong making importers hesitant regarding future orders. The Hong Kong government however predicted steady economic growth as trade and consumption continues to resume. The top exporters to Hong Kong (U.S. and Brazil) also saw decreases in 2021, while Indian carabeef saw increases in market share. Canadian beef exports to Hong Kong were down 42% in volume and down 28% in value.

Export to **Taiwan** saw a decrease of 37.6% in volume and down 23.4% in value Y/Y. All primal exports saw decreases in 2021 except for offal and hip which had no exports in 2020. The low exports to Taiwan this year were heavily influenced by the economic slow-down during the epidemic period in the first two quarters. Total imported Canadian beef volumes from June to October increased 97% compared to the first five months of 2021, when they were particularly low compared to normal vol-



REPORT FOR OCTOBER 2021 YTD TRADE

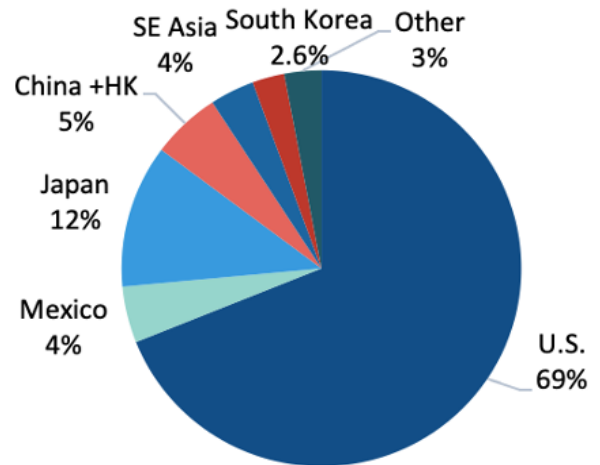
umes. To compare, US beef imports increased 25%, Australia 24% and New Zealand 12% during this period.

Even though **South Korea** is still struggling to control COVID-19 cases, re-opening plans are in the works and demand for Canadian beef remains strong. The most popular export to South Korea, chuck, was up 195% as well as the close second, rib, was up 71% YTD Y/Y. Less popular primals such as brisket (-64%), and offal (-20%) both saw decreases. In December, South Korea briefly suspended imports of Canadian beef after a confirmed BSE case, but the suspension was lifted shortly after in January.

2021 Exports by Country

- Exports to the **U.S.** at 353,952 tonne valued at \$3.25 billion were up 14.3% in volume and up 32% in value as the unit price increased 16% to \$9.21/kg in Jan-Dec 2021. The U.S. represented 69% of total beef export volumes in 2021.
- Exports to **Japan** at 59,482 tonne valued at \$447 million were up 31.8% in volume and up 47.2% in value as the unit price increased 11.7% to 7.53/kg in Jan-Dec 2021. Japan represented 11.7% of total beef export volumes in 2021.
- Exports to **mainland China and Hong Kong** at 28,252 tonne valued at \$269 million were up 14.8% in volume and up 27.4% in value as the unit price increased 11% to \$9.55/kg in Jan-Dec 2021. Mainland China and Hong Kong represented 5.6% of total beef exports volumes in 2021.
- Exports to **Mexico** at 23,395 tonne valued at \$191 million were up 54.4% in volume and 80.5% in value with the unit price increased 16.9% to \$8.19/kg in Jan-Dec 2021. Mexico represented 4.6% of total beef export volumes in 2021.
- Exports to **Southeast Asia (including Taiwan)** at 18,204 tonne valued at \$113 million were up 73.1% in volume and up 77.5% in value as the unit price increased 2.5% to \$6.26/kg in Jan-Dec 2021. Southeast Asia represented 3.6% of total beef exports volumes in 2021.
- Exports to **South Korea** at 13,065 tonne valued at \$118 million were up 93% in volume and up 164% in value as the unit price increased 37% to \$9.10/kg in Jan-Dec 2021. South Korea represented 2.6% of total beef exports in 2021.

Canadian Beef Export Volumes 2021



2020 Exports by Month

- **January** exports of 36,903 tonne valued at \$269 million were up 9% in volume and up 7% in value from 2020.
- **February** exports of 33,946 tonne valued at \$249 million were up 15% in volume and up 15% in value from 2020.
- **March** exports of 38,475 tonne valued at \$292 million were up 12% in volume and up 12% in value from 2020.
- **April** exports of 41,543 tonne valued at \$329 million were up 66% in volume and up 96% in value from 2020.
- **May** exports of 44,386 tonne valued at \$372 million were up 53% in volume and up 20% in value from 2020.
- **June** exports of 44,008 tonne valued at \$389 million were up 18% in volume and up 23% in value from 2020.
- **July** exports of 46,474 tonne valued at \$413 million were up 13% in volume and up 44% in value from 2020.
- **August** exports of 51,628 tonne valued at \$480 million were up 29% in volume and up 73% in value from 2020.
- **September** exports of 44,304 tonne valued at \$436 million were up 22% in volume and down 72% in value from 2020.
- **October** exports of 49,629 tonne valued at \$476 million were up 25% in volume and up 53% in value from 2020.
- **November** exports of 44,196 tonne valued at \$440 million were up 4% in volume and up 34% in value from 2020.
- **December** exports of 33,036 valued at \$322 million were down 9% in volume and up 18% in value from 2020.