



REPORT FOR APRIL 2022 YTD TRADE

First Quarter Exports Strong and On Trend



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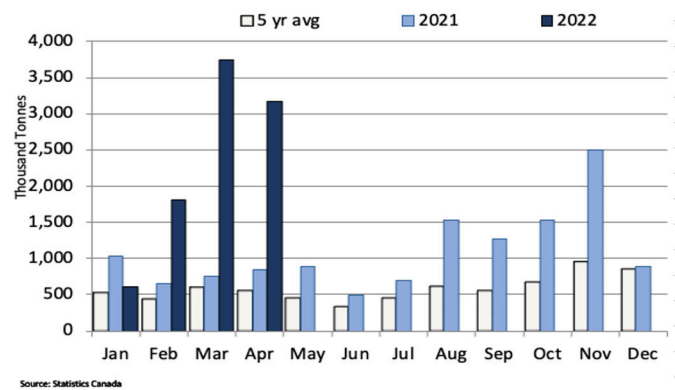
Canadian beef exports in April 2022 were 44,172 tonnes value at \$396 million up 6% in volume and up 20% in value from April 2021. Federally inspected slaughter numbers of 251,091 head were down 1% from April 2021. Trends over the last four months have been consistent with the first quarter of 2021 and the 5-year average. Monthly

exports continue to gain strength as we head into the summer months.

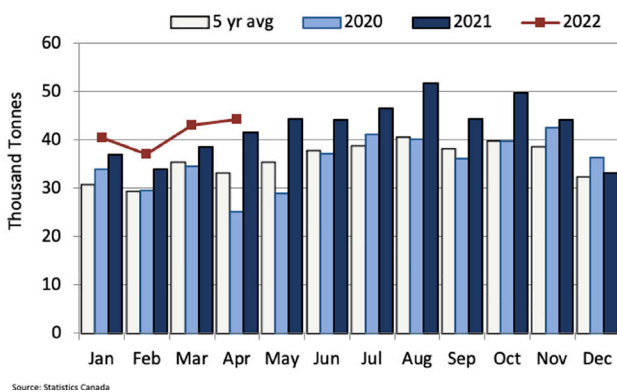
January to April 2022 beef exports were up 9% in volume and 34% in value from last year. Year-to-date export volumes increased to the U.S. (10%), Japan (19%), Taiwan (143%), the EU-27 (44%), South Korea (184%), MENA (22%), and South Korea (10%), but declined to Hong Kong and Macau (-61%), mainland China (-98%), and Southeast Asia (excl. Taiwan) (-2%). Since January, Canada had an import ban from China, but the fear of shortages in China gives hope for resumption of trade.

bounded strongly in February which brought the YTD volume to increase by over 100%. March and April then both saw record-high numbers of over 3,000 tonnes. Consequently, in the first four months, volumes of 9,333 tonnes valued at \$105 million are up 184% in volume and 360% in value from the same period in 2021. Exports to South Korea YTD now represent 5.7% of total exports, up 3.1% from the end of 2021.

Monthly Beef Exports to South Korea



Canadian Monthly Beef and Veal Exports



Exports to South Korea

Even though South Korea had banned Canadian beef imports from December of 2021 until January 19th, 2022, South Korea's imports in March and April saw a big spike from typical trends resulting in a large year-to-date increase from Canada. January volumes were down -41% from last year but re-

On January 1, 2022, the import tariff applied in South Korea to Canadian beef imports under the Canada-Korea Free Trade Agreement (CKFTA) fell to 18.6%. Under CKFTA, tariffs are reduced each year by 2.67%, with all tariffs and safeguard duties on Canadian beef products to be eliminated by 2030.

In the first two months of the year, COVID-19 cases were still very high, and restrictions were tight. By mid-April, many restrictions had lifted as daily case numbers had finally declined. Food service, catering and retail became fully open in April and there are high hopes sales will begin to recover as marketing programs can be run again. This recovery has already been seen in the export numbers so far. Canada Beef currently provides support for marketing and promotional products in South Korea to help build demand. These promotional events in supermarkets and food services have sparked interest among Korean consumers to cook high-quality red meat at home. Currently, South Korea consumes 1.4% of the world's beef.

Other big suppliers to South Korea include the U.S. whose exports to Korea are up 6% in volume (95,513 tonnes) and



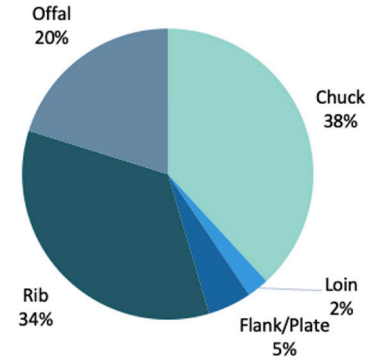
Australia whose exports to South Korea of 47,510 tonnes were down 6% year to date, as their total exports are down 8% year over year as well.

Chuck and Rib continue to follow trends driven by traditional foodservice demand and remain the top two primals exported to South Korea, but Chuck has gained a share over rib. Canadian beef isn't carried in any major retail stores as they mostly sell locally grown Korean, U.S. or Australian beef. The beef that is imported from Canada is consumed at galbi (grilled short rib) restaurants and/or galbi-tang (short/back rib soup) restaurants.

Exports by Primal to South Korea YTD

- **Chuck** cuts at 3,561 tonnes valued at \$43.7 million were up 177% in volume and up 418% in value. Chuck cuts represent 38% of total volume to South Korea.
- **Ribs** cuts at 3,211 tonnes valued at \$37.8 million were up 111% in volume and up 251% in value from the same period in 2021. Rib cuts represent 34% of total volume.
- **Offal** cuts at 1,883 tonnes valued at \$14.7 million were down 20% in volume and up 2,132% in value from the same period in 2021. Offal cuts represent 20% of South Korea.
- **Flank/Plate** cuts at 452 tonnes valued at \$6.4 million were up 654% in volume and up 1,083% in value. Flank/Plate cuts represent 5% of total volume to South Korea.
- **Loin** cuts at 224 tonnes valued at \$2.3 million were up as there were zero exports of Loin to South Korea in 2021. Loin cuts represent 2% of total volume to South Korea.
- **Brisket** and Other cuts were down 100% since there has been zero product exported in 2022.
- There were zero **hip** cuts in 2022.

Canadian Beef Export Volumes to South Korea by Product Type 2022 ytd



Canadian Beef Export Values to South Korea by Product Type 2022 ytd

