

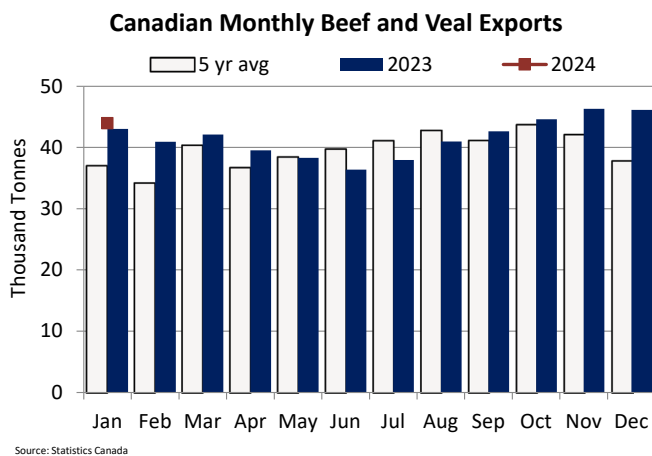
CANADIAN BEEF TRADE

BEEF EXPORTS IN JANUARY 2024 YTD TRADE

Canadian beef export volumes in January 2024 were up 2% from a year ago and up 19% from the five-year average. Beef export values in January were up 11% from last year and 44% from the five-year average.

Year-to-date export volumes increased to the U.S. (+8%), Mexico (+17%), and MENA (33%) but declined to Japan (-26%), Hong Kong and Macau (-38%), Southeast Asia excl. Taiwan (-8%), South Korea (-37%), and the EU (-39%). Exports to Taiwan were steady with January 2023. There were no exports to the U.K. or China.

In January 2024, federally inspected slaughter was up 34% from the previous month at 309,495 head, and up 21% from January 2023.



Exports to Mexico

Beef exports to Mexico in January 2024 were up 17% in volume at 3,261 tonnes and up 29% in value at \$31 million. Mexico is the third largest export market in volume after the U.S. and Japan with a 7% share of Canada's total export volumes.

The economy of Mexico has been improving after the difficult conditions of the pandemic years that affected the tourism, food service and retail sectors.

According to the Federal Reserve Bank of Dallas, Mexico first edged out Canada with bilateral trade between the neighbours in early 2023. By the end of 2023, the U.S. had bought US\$475 billion worth of Mexican goods, compared with US\$ 421 billion from Canada and US\$427 billion from China, which saw its number drop by 20% from 2022. ⁽¹⁾

A confluence of new factors has converged to create the economic surge in Mexico.

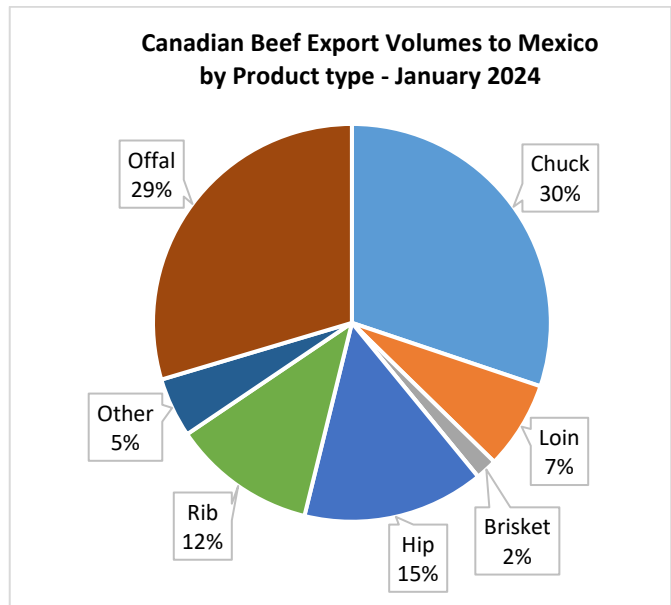
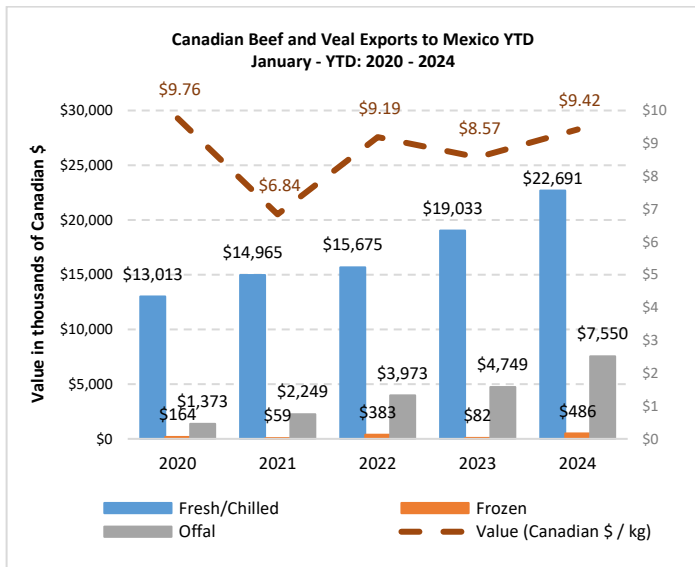
Mexico's tourism industry experienced record high numbers of employment during the last quarter of 2023, with 4.8 million direct jobs created. This represents a 4.7% increase compared to the same period in the previous year. The number of tourists arriving in Mexico from January to October 2023 increased by 11% compared to the previous year. International visitor revenue has surpassed pre-pandemic levels since 2022, reaching US\$25 billion in the first ten months of 2023.

In 2023, domestic tourism in Mexico reached pre-pandemic levels, with 52.8 million domestic tourists arriving at hotels. ⁽²⁾



Photo credit: Canada Beef - Expo ANTAD Food Show Mexico 2024

According to statistics shared by the Mexican Meat Council (COMECARNE) in the Compendium of the Meat Industry of 2023, the meat sector in Mexico presented conditions that enabled an annual increase of 3.1% in the consumption of cut meat and a 2.2% increase in that of cold meats. For cut meat, 73.6% was covered with domestic production and the remaining 26.4% were sourced from imports. By protein types, chicken consumption represented the highest volume (4.6 million tonnes), followed by pork (2.7 million tonnes). Beef was in third place (2.0 million tonnes), accounting for 20% of total consumption. This translates to an availability of 15.6 kilograms of protein per capita. ⁽³⁾



Products to Mexico

Chuck at 983 tonnes valued at \$8.5 million were down 19% in volume and 5% in value January 2023. Chuck represented 30% of total volume in January 2024.

Offal at 965 tonnes valued at \$7.5 million were up 25% in volume and 59% in value from January 2023. Offal represented 29% of total volume.

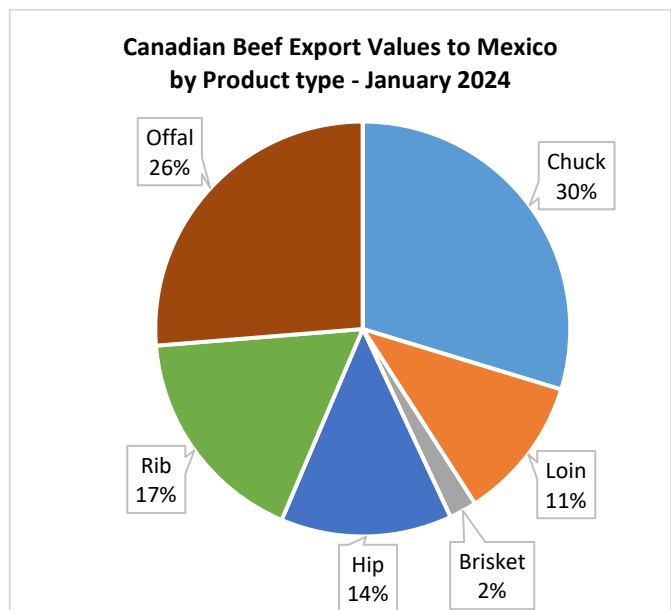
Hip at 482 tonnes valued at \$3.8 million were up 642% in volume and 681% in value from January 2023. Hip represented 15% of total volume.

Rib at 382 tonnes valued at \$5 million were up 28% in volume and 33% in value from January 2023. Rib represented 12% of total volume.

Loin at 233 tonnes valued at \$3.2 million was steady in volume (-0.74%) and went down 12% in value from January 2023. Loin represented 7% of total volume.

Other items (such as fresh and frozen beef trimmings) at 158 tonnes valued at \$2 million were down 18% in volume and 7.5% in value from January 2023. Other beef products represented 5% of the total volume.

Brisket at 57 tonnes valued at \$618 thousand were up 580% in volume and 752% in value from the same period 2023. Brisket represented 2% of total volume.



Sources:

- (1) Alcoba, N. [Politics and convenience drive Mexico to be US's top trading partner. Al Jazeera](#), February 13, 2024
- (2) McClain, J., [Mexico's Tourism Data Show a Slowdown](#), January 15, 2024
- (3) [Statistical Compendium 2023 – Consejo Mexicano de la Carne \(comecarne.org\)](#), 2024.