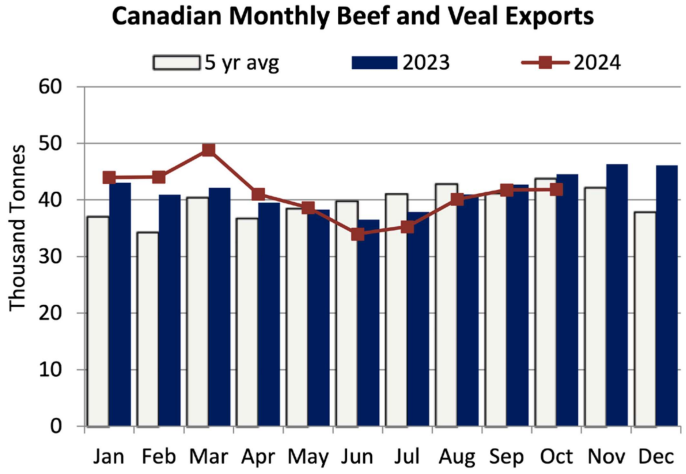
REPORT FOR OCTOBER 2024 YTD TRADE

Beef Exports in October 2024

In October 2024, Canadian beef export volumes were down 6% from last year and down 4% from the five-year average for October. From January to October 2024 beef exports were up 1% in volume but down 2% in value from last year.

Year-to-date, export volumes increased to the U.S. (+1%), Southeast Asia excluding Taiwan (+6%), South Korea (+7%), Taiwan (+35%), and MENA (+67%), but declined to Japan (-3%), Hong Kong and Macau (-35%), Mexico (-7%), and the EU (-48%). There were no exports to China or the U.K.

Federally inspected slaughter in October 2024 was up 18% from October 2023 at 288,051 head, and up 22% from September 2024.

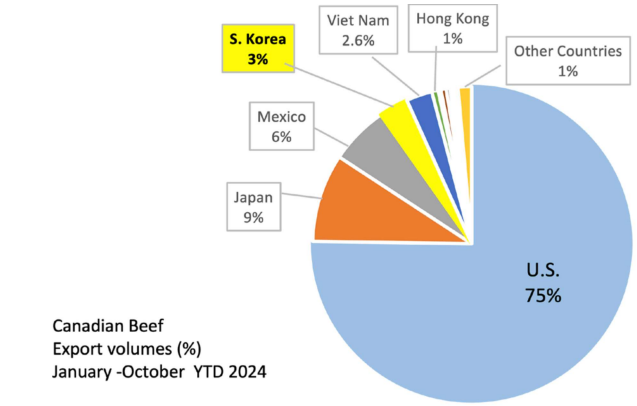


Source: Statistics Canada

Exports to South Korea

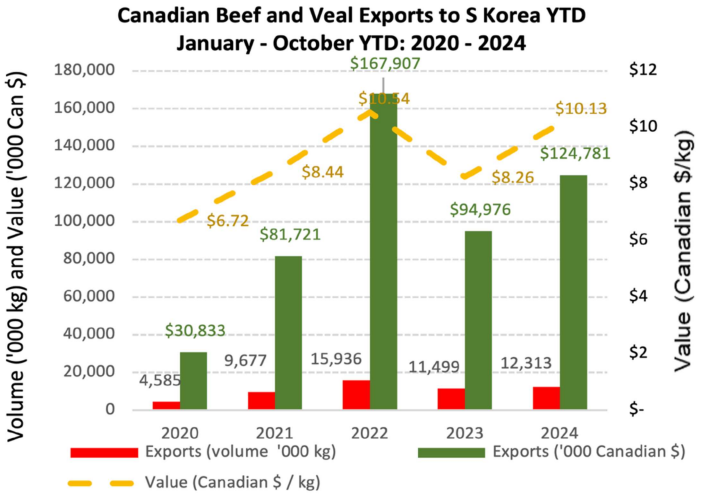
South Korea is Canada's fourth largest export market after the U.S., Japan and Mexico with a 3% share of Canada's total export volumes. From January to October 2024 (YTD), beef exports to South Korea were up 7% in volume at 12,313 tonnes, and up 31% in value at $125 million.

The gap between Canadian and US beef import duties is currently 8% until 2026, and will narrow to 5.3% in 2027 and 2.7% in 2028. The import duty rate is declining by 2.67% annually and the rate for Canadian beef will turn 0% from 2029. [1]



Source: Statistics Canada

On September 10, 2024, the South Korean government held a bipartisan meeting with agriculture industry organizations where it concluded that stores would continue holding large-scale discounts after the fall holiday. They also discussed lowering hanwoo's distribution prices, gradually expanding its online and direct transactions and broadening hanwoo exports. Hanwoo's wholesale prices were down 10 % this time in the fall versus the price in 2023, but the high distribution price, which accounts for about half the retail price, has made it difficult for consumers to get those cheaper prices. [2] A large share of Canadian beef exported to South Korea is frozen ribs, flank/plate, chuck and offal products. In October, the average value of Canadian beef exported to South Korea increased from $8.26/kg a year ago to $10.13/kg.

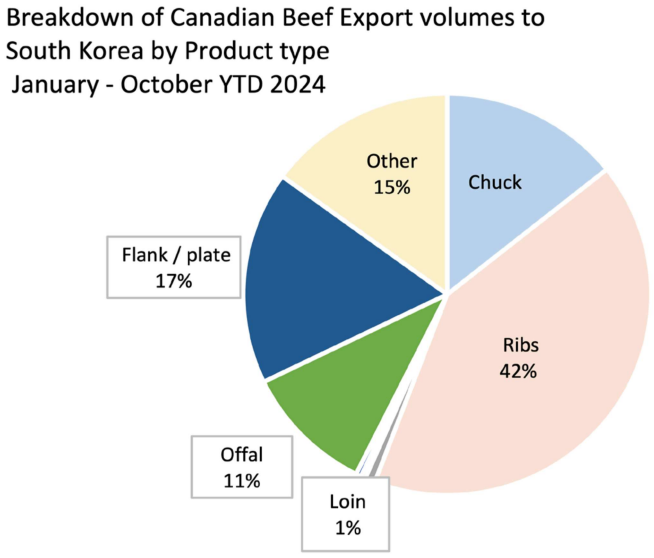


Source: Statistics Canada

CANADIAN BEEF TRADE

Photo credit: Canada Beef

Canadian Beef Exports to South Korea by product type January – October 2024



Source: Statistics Canada

Ribs: 5,107 tonnes valued at $61 million were up 14% in volume and up 60% in value from the same period of 2023. The ribs category represented 42% of the total volume. After the U.S., South Korea is the second largest importer of Canadian ribs.

Flank/plate: 2,117 tonnes valued at $19 million were up 126% in volume and up 189% in value from the same period of 2023. The flank/plate category corresponds to 17% of the total exported beef volume exported to South Korea.

Chuck: 1,761 tonnes valued at $33 million were up 44% in volume and down 16% in value from the same period of 2023. The chuck category represented 14% of the total beef volume exported to South Korea.

Offal: 1,286 tonnes valued at $9 million were up 37% in volume and up 25% value from the same period in 2023. Offal products represent 11% of the total beef volume exported to South Korea.

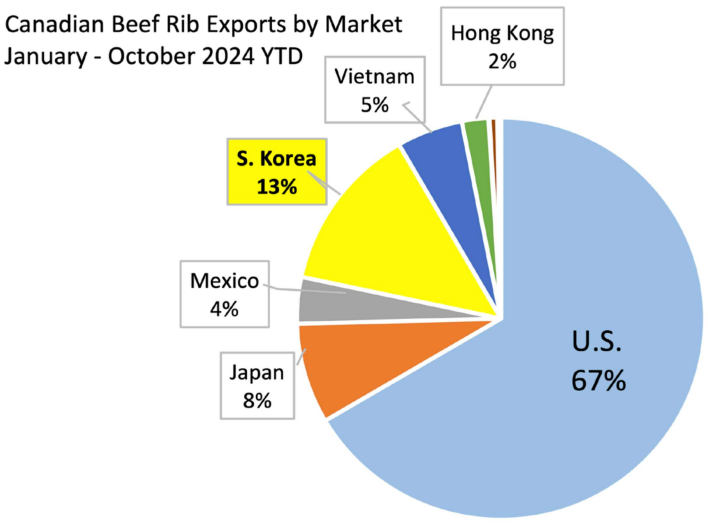
Other items: 1,845 tonnes valued at $733 thousand were down in 57% in volume and 78% in value versus the same period of 2023. Other beef products represented 15% of the total beef volume.

Loin: 99 tonnes valued at $827 thousand were up 158% in volume and up 151 % in value from the same period of 2023. Loins represented 1% of the total volume.

Brisket: 52 tonnes valued at $627 thousand had a significant increase when compared to zero exports of Brisket in the same period of 2023.

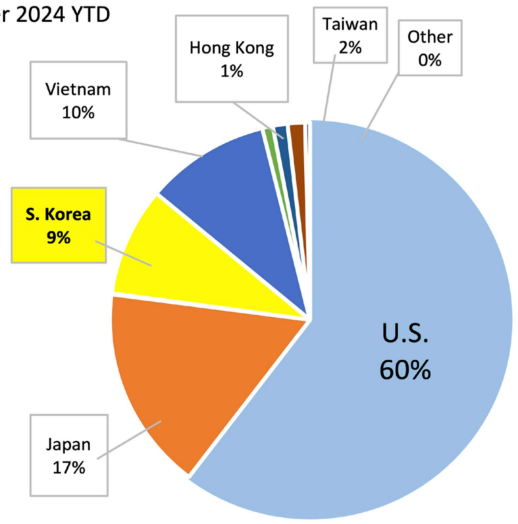
Hip/Round: 46 tonnes valued at $533 thousand had a significant increase when compared to zero exports of in the same period of 2023.

Photo credit: Canada Beef



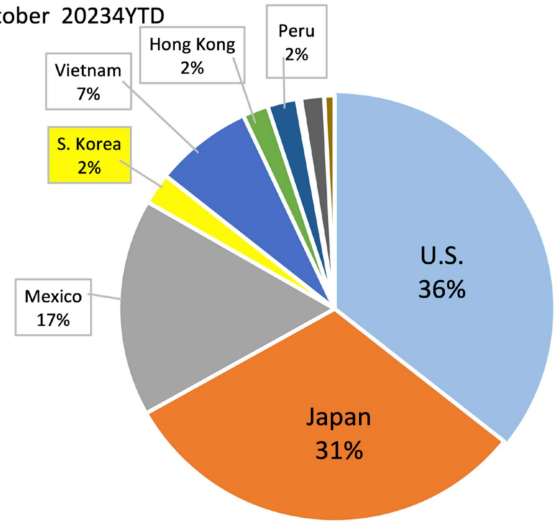
Source: Statistics Canada

Canadian Beef Flank & Plate Exports by Market
January - October 2024 YTD



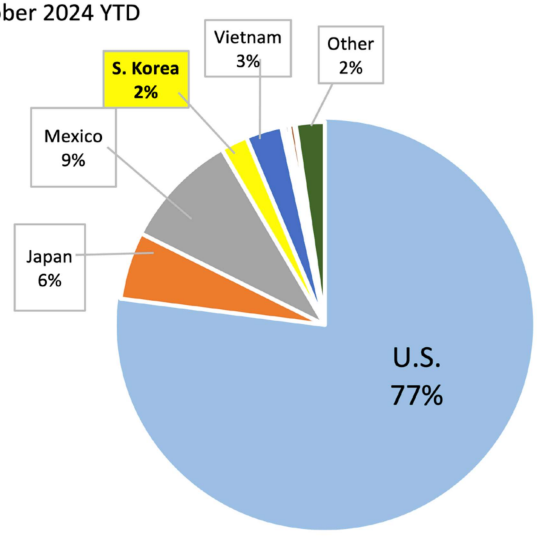
Source: Statistics Canada

Canadian Beef Offal Exports by Market
January - October 20234YTD



Source: Statistics Canada

Canadian Beef Chuck Exports by Market
January - October 2024 YTD



Source: Statistics Canada

References:

[1.] Canada Beef, Korea Beef Market Update, November 2024.

[2.] Lee, J., Government hangs hopes on Chuseok holiday to increase Hanwoo sales as industry struggles, Korea JoongAng Daily, September 17, 2024.