

# USDA INTERNATIONAL MEAT REVIEW

## Livestock & Grain Market News Branch

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### OCEANIA

#### Australia Beef & Veal Exports for June 2009

(Metric Tons)	Jun 2009	YTD 2009	YTD 2008	YTD Change
U.S.	21,746	146,727	99,443	47.5%
Japan	32,102	178,710	180,382	-0.9%
S. Korea	10,647	49,930	64,126	-22.1%
Indonesia	3,859	21,015	15,945	31.8%
All Others	14,041	68,029	94,264	-27.8%
<b>Total Beef</b>	<b>82,395</b>	<b>464,411</b>	<b>454,160</b>	<b>2.3%</b>

Source: Department of Agriculture, Fisheries, and Forestry

2008. During the first half of 2009, Australia's beef exports to Japan were nearly 1.0 percent less than a year ago, amounting to 178,710 MT. Japan was the largest beef export market for Australia with 38.5 percent of the total. Australia's beef exports to the U.S. during June fell 8.6 percent from May to 21,746 MT. However, this was 34.5 percent more than June 2008. First half beef exports to the U.S. equaled 146,727 MT, 47.5 percent above last year. During June, Australia exported 10,647 MT of beef to South Korea. This was up 33.9 percent over the previous month and was up 19.4 percent over June 2008. Total year-to-date beef exports to South Korea were 22.1 percent lower than a year ago, amounting to 49,930 MT. Australia's beef exports to Indonesia during the first half of 2009 totaled 21,015 MT, which was 31.8 percent higher than last year. Overall, during the first half of 2009, Australia's beef and veal exports totaled 464,411 MT, 2.3 percent more than the same period a year ago.

Australia's lamb exports during June fell 10.7 percent from May to 12,692 MT. However, this was 23.3 percent higher than June 2008. During June, Australia exported 2,980 MT of lamb to the U.S. This was down 8.8 percent from the previous month but was up 22.1 percent over June 2008. During the first half of 2009, Australia exported 20,525 MT of lamb to the U.S., which was 7.0 percent greater than a year ago. The U.S. was the largest lamb export market for Australia with 24.7 percent of the total. Lamb exports to the Middle East during June equaled 3,078 MT. Although this was 9.4 percent lower than the previous month, it was 49.9 percent higher than June 2008. Total year-to-date lamb exports to the Middle East were 42.1 percent above last year, amounting to 17,034 MT. Year-to-date lamb exports to China totaled 7,256 MT, 12.8 percent lower than last year. Overall, during the first half of the year, Australia exported 82,007 MT of lamb, which was 5.5 percent greater than the corresponding period a year ago. In the meantime, Australia's mutton exports during June fell 21.8 percent from the previous month to 9,108 MT. Also, this was 87.6 percent lower than June 2008. During June, Australia exported 4,499 MT of mutton to the Middle East. This was down 20.6 percent from May and was down 84.1 percent from June 2008. During the first half of the year, Australia's mutton exports to the Middle East equaled 28,384 MT, which was 6.0 percent less than last year. Nonetheless, the Middle East was Australia's main mutton export market with 38.7 percent of the total. Mutton exports to the U.S. during June experienced a single month record low with 269 MT. This was down 68.7 percent from the previous month and was down 94.9 percent from June 2008. Total year-to-date mutton exports to the U.S. were 27.1 percent less than last year, amounting to 5,254 MT. Overall, Australia's mutton exports during the first half of 2009 equaled 73,417 MT, which was 13.8 percent less than the same period a year ago. Additional red meat statistics for Australia can be found on the DAFF website at <http://www.daff.gov.au/>.

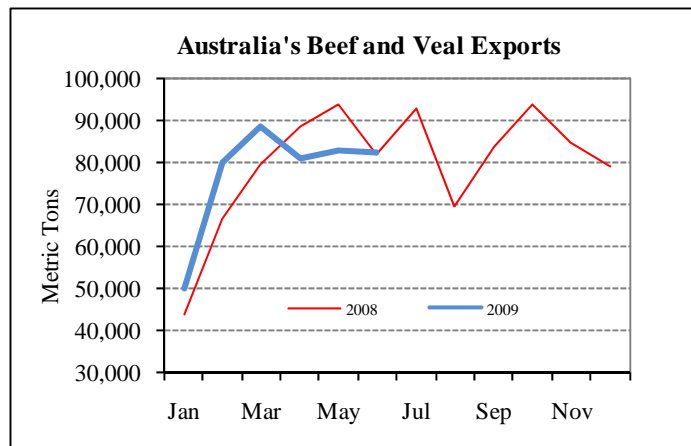
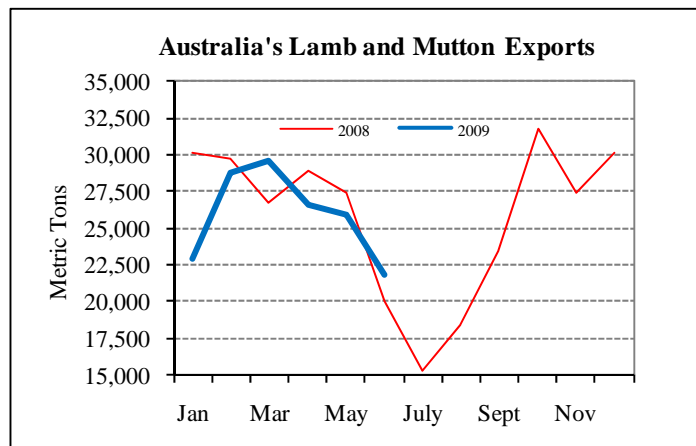
Recently, Australia's Department of Agriculture, Fisheries and Forestry (DAFF) published Australia's red meat export numbers for June 2009 and for the first half of 2009. According to the data, Australia's beef and veal exports during June rose 2.1 percent over the previous month to 82,395 MT. This was slightly higher than June 2008. More specifically, exports of frozen product totaled 61,365 MT, which accounted for 74.5 percent of the total. Exports of fresh, chilled product totaled 21,030 MT. During June, Australia exported 32,102 MT of beef to Japan. Although this was 5.6 percent lower than the previous month, it was 2.0 percent higher than June

#### Australia Lamb & Mutton Exports for June 2009

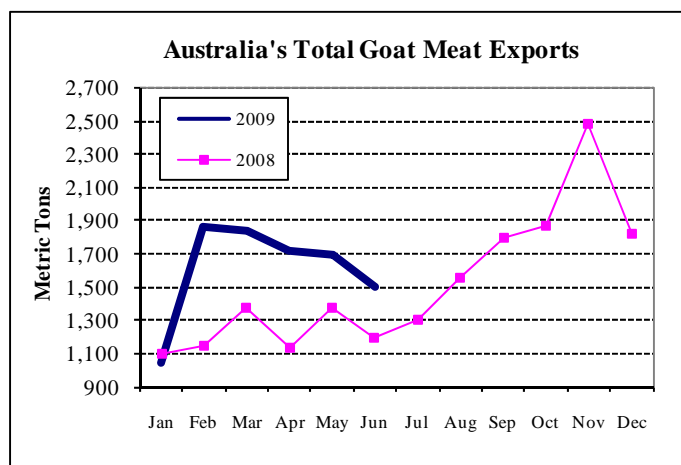
(Metric Tons)	Jun 2008	YTD 2009	YTD 2008	YTD Change
<i>Lamb Exports</i>				
U.S.	2,980	20,252	18,929	7.0%
Middle East	3,078	17,034	11,984	42.1%
E.U.	682	5,527	5,463	1.2%
China	927	7,256	8,323	-12.8%
All Others	5,025	31,938	33,045	-3.3%
<b>Total Lamb</b>	<b>12,692</b>	<b>82,007</b>	<b>77,744</b>	<b>5.5%</b>
<i>Mutton Exports</i>				
Middle East	4,499	28,384	30,183	-6.0%
U.S.	269	5,254	7,211	-27.1%
South Africa	82	3,485	5,859	-40.5%
Taiwan	542	4,058	4,472	-9.3%
All Others	3,716	32,236	37,398	-13.8%
<b>Total Mutton</b>	<b>9,108</b>	<b>73,417</b>	<b>85,123</b>	<b>-13.8%</b>

Source: Department of Agriculture, Fisheries, and Forestry

## OCEANIA (CONTINUED)



According to the most recent data from Australia's DAFF, Australia's goat meat exports during the second quarter of 2009 equaled 4,924 MT. This was 3.6 percent more than the previous quarter and was 32.7 percent more than a year ago. During the second quarter, Australia's goat meat exports to the U.S. fell 28.4 percent from the first quarter to 2,028 MT. This was also slightly lower than a year ago. Total goat meat exports to the U.S. during the first half of 2009 equaled 4,858 MT, which was 11.4 percent above a year ago. The U.S. was the primary goat meat export market for Australia with 50.2 percent of the total. Australia's goat meat exports to Taiwan during the second quarter equaled 779 MT. This was 10.5 percent lower than the previous quarter and was 17.4 percent lower than last year. Year-to-date goat meat exports to Taiwan were 16.4 percent more than last year, amounting to 1,649 MT. Goat meat exports to the Caribbean during the second quarter rose 47.0 percent over the previous quarter to 1,082 MT. Also, this was up 210.0 percent over a year ago. Total year-to-date goat meat exports to the Caribbean equaled 1,818 MT, 119.0 percent greater than last year. Overall, during the first half of 2009, Australia's goat meat exports totaled 9,678 MT, which was 31.9 percent more than the corresponding period a year ago. Further data is available on the DAFF website at <http://www.daff.gov.au/>.



Recently, the Australian Bureau of Agricultural and Resource Economics (ABARE) released the report, *The Value of the Red Meat Industry to Australia*. The report contains an analysis of the trends in Australia's red meat production and looks at the economic contribution of the industry to the total value of agricultural production and exports. The report also discusses factors affecting the industry such as drought, domestic and international demand, exchange rates, and barriers to trade. To view the entire report, visit the ABARE website at <http://www.abareconomics.com/>.

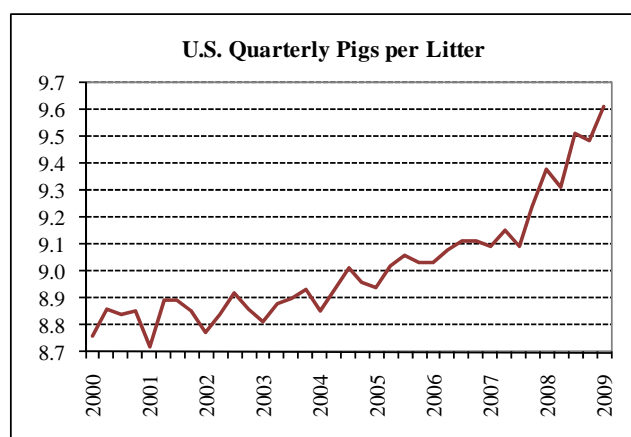
ABARE also recently published, *Australian Beef: Financial Performance of Beef Farms, 2006-07 to 2008-09*. According to the report, over the past decade, Australia's beef industry has seen a period of expansion, with producers reacting to higher prices by increasing cattle herds and production. However, poor weather conditions in recent years have slowed down the growth in cattle numbers. A slight improvement in conditions during 2008-09 is expected to result in a little improvement in beef cattle numbers. The report discusses the effect of the past two years of drought on the beef cattle industry in northern Australia and southern Australia.

**OCEANIA (CONTINUED)**

Additionally, ABARE released the report, *Australian Lamb: Financial Performance of Slaughter Lamb Producing Farms, 2006-07 to 2008-09*. According to the report, strong international demand and tight supplies of Australian lamb, due to drought conditions, have resulted in historically high lamb prices in Australia in 2007-08. In response to high prices, sheep producers have reduced the national sheep herd. Consequently, Australia's lamb slaughter in 2007-08 was 24.0 percent more than a decade earlier. The report focuses on slaughter lamb producers' capacity to continue to invest in the expansion of lamb production and productivity. To obtain both the beef and lamb reports, go to the ABARE website at <http://www.abareconomics.com/>.

**NORTH AMERICA**

On June 26, the USDA National Agricultural Statistics Service (NASS) released its quarterly *Hogs and Pigs* report. According to the numbers, the U.S. inventory of all hogs and pigs on June 1, 2009 totaled 66.08 million head. This was 1.1 percent higher than the previous quarter but was 2.0 percent less than a year ago. The breeding herd equaled 5.97 million head, which was slightly less than the previous quarter and was 2.7 percent less than last year. The number of market hogs and pigs was up 1.2 percent over the previous quarter but was down 1.9 percent from a year ago. More specifically, market hogs and pigs weighing less than 60 pounds totaled 21.67 million head, which was 1.0 percent higher than a year ago. Market hogs and pigs weighing 60 to 119 pounds were up 4.8 percent over last year, amounting to 15.01 million head. The number of market hogs and pigs weighing 120 to 179 pounds were down 1.2 percent from a year ago, amounting to 12.58 million head. Market hogs and pigs weighing more than 180 pounds were down 1.2 percent from a year ago, amounting to 10.85 million head.



Market hogs and pigs weighing 120 to 179 pounds were down 1.2 percent from a year ago, amounting to 12.58 million head. Market hogs and pigs weighing more than 180 pounds were down 1.2 percent from a year ago, amounting to 10.85 million head, which was nearly unchanged from a year ago. The number of sows farrowed during the March to May timeframe totaled 2.97 million head. This was 2.7 percent less than a year ago and accounted for 49.8 percent of the total breeding herd. During the same period, the pig crop totaled 28.55 million head, slightly less than a year ago. Pigs per litter totaled a record 9.61 head, compared to 9.38 a year ago. The largest hog producing state was Iowa with 19.60 million head. This was 1.0 percent more than last year and comprised 29.7 percent of the nation's herd. The number of hogs under contract owned by operations with over 5,000 head accounted for 46 percent of the total U.S. inventory, up from 41 percent last year. To obtain the complete report, visit the NASS website at <http://www.nass.usda.gov/>.

According to a recent update from CanFax, during 2008, Canada imported 169,000 MT of beef. This was 7.0 percent less than 2007 and well below the 1998-2002 annual average of 222,000 MT. Canada's total year-to-date beef imports during the first four month of 2009 were 14.0 percent higher than 2008. Beef imports from the U.S. were down 8.0 percent for the year. A relatively strong North American beef trimmings market and a decline in Canada's cow slaughter has led to an increase in non-NAFTA imports during 2009, which are up 62.0 percent for the first four months of the year. More specifically, beef imports from Uruguay were 148.0 percent higher for the year. Imports from Australia were up 43.0 percent, while imports from New Zealand were up 41.0 percent. CanFax expects beef imports during the second half of 2009 to continue to increase. Demand for trimmings continues to look strong, being supported by non-NAFTA imports, as consumers look for cheaper protein options. Additionally, Canada's domestic trimmings production is expected to be down in 2009 as domestic cow slaughter is set to remain well below 2008 levels. A stronger Canadian dollar is expected to allow for higher beef imports from the U.S. during the second half of 2009.

U.S. Quarterly Hogs & Pigs Inventory  
As of June 1, 2009

Class (1,000 head)	1-Jun-09	1-Mar-09	1-Jun-08
All Hogs & Pigs	66,079	65,369	67,400
Breeding	5,967	5,991	6,131
Market	60,112	59,378	61,269
Market Hogs & Pigs			
Under 60 lbs	21,673	21,458	22,197
60-119 lbs	15,008	14,326	15,321
120-179 lbs	12,584	12,732	12,892
180 lbs & Over	10,847	10,862	10,860

Source: USDA National Agricultural Statistics Service

**NORTH AMERICA (CONTINUED)**

According to recent data from the U.S. Customs and Border Protection (CBP), a division of the Department of Homeland Security, as of June 29, 2009, U.S. beef imports subject to a tariff rate quota (TRQ) equaled 397,554 MT. This was up 11.8 percent over a year ago. Beef imports from Canada were 4.4 percent lower than a year ago, totaling 125,078 MT. Beef imports from Canada do not fall under a TRQ. U.S. imports of beef from Australia equaled 136,081 MT, which was 48.3 percent more than a year ago. This filled 36.0 percent of the country's TRQ, compared to 24.3 percent a year ago. Imports of beef from New Zealand through June 29 totaled 100,896 MT, which was 2.3 percent above a year ago. This filled 47.3 percent of the TRQ, compared to 46.2 percent last year. Beef imports from Uruguay were 91.4 percent greater than a year ago, amounting to 9,136 MT. This filled 45.7 percent of the country's TRQ, up from 23.9 percent a year ago. Beef imports from Argentina remain banned due to concerns over foot-and-mouth disease (FMD). The weekly report is available on the CBP website at

[http://www.cbp.gov/xp/cgov/trade/trade\\_programs/textiles\\_and\\_quotas/commodity/](http://www.cbp.gov/xp/cgov/trade/trade_programs/textiles_and_quotas/commodity/).

2009 Tariff Rate Quota Status of U.S. Beef Imports  
As of June 29, 2009

(Metric Tons)	Annual Quota Level	2009 Imported Quantity	Percent of Quota Filled	2008 Imported Quantity
Argentina	20,000	0	0.0%	0
Australia	378,214	136,081	36.0%	91,765
Canada	No Quota	125,078	----	130,813
Japan	200	25	12.5%	65
Mexico	No Quota	10,933	----	8,318
New Zealand	213,402	100,896	47.3%	98,591
Uruguay	20,000	9,136	45.7%	4,773
Other Countries	64,805	15,405	23.8%	21,207
Total		397,554		355,532

Source: U.S. Customs and Border Protection

## TRADE AND PRODUCTION STATISTICS

### U.S. Actual Slaughter under Federal Inspection

(# Head)	W/E		YTD 2009	YTD 2008	Percent Change
	6/27/09	6/20/09			
Cattle	670,229	673,177	15,869,352	16,305,991	-2.7%
Calves	17,420	17,638	429,984	404,267	6.4%
Hogs	2,030,566	2,071,446	53,607,223	54,850,872	-2.3%
Sheep	40,951	42,155	1,094,249	1,161,736	-5.8%
Goats	12,923	12,847	301,688	297,372	1.5%

Source: USDA National Agricultural Statistics Service

[http://www.ams.usda.gov/mnreports/SJ\\_LS711.txt](http://www.ams.usda.gov/mnreports/SJ_LS711.txt)

### U.S. Red Meat Production

(Million lbs)	W/E		YTD 2009	YTD 2008	Percent Change
	6/27/09	6/20/09			
Beef	517.7	518.4	12,336	12,518	-1.5%
Calf & Veal	2.6	2.6	65	64	0.6%
Pork	406.6	418.3	10,921	11,099	-1.6%
Lamb/Mutton	2.8	3.0	79	83	-5.3%

Source: USDA National Agricultural Statistics Service

[http://www.ams.usda.gov/mnreports/SJ\\_LS711.txt](http://www.ams.usda.gov/mnreports/SJ_LS711.txt)

### Canadian Federally Inspected Slaughter

(# Head)	W/E		YTD 2009	YTD 2008	Percent Change
	6/27/09	6/20/09			
Cattle	64,920	69,014	1,513,914	1,537,669	-1.5%
Calves	3,889	4,521	118,399	123,626	-4.2%
Sheep	3,333	3,290	78,267	79,868	-2.0%
Hogs	372,503	401,130	9,987,048	9,780,266	2.1%

Source: Agriculture and Agri-Food Canada

[http://www.agr.gc.ca/redmeat/index\\_eng.htm](http://www.agr.gc.ca/redmeat/index_eng.htm)

### Canada Red Meat Production

(Million lbs)	W/E		YTD 2009	YTD 2008	Percent Change
	6/27/09	6/20/09			
Beef	50.7	54.1	1,182.7	1,218.2	-2.9%
Pork	78.3	85.3	2,105.3	2,105.3	0.0%

Source: CanFax

<http://www.canfax.ca/>

### U.S. Cattle Imports from Mexico

(# Head)	W/E		YTD 2009	YTD 2008	Percent Change
	6/27/09	6/20/09			
Feeder Cattle	6,565	11,171	429,459	355,370	20.8%

Source: USDA AMS Livestock & Grain Market News

[http://www.ams.usda.gov/mnreports/AL\\_LS625.txt](http://www.ams.usda.gov/mnreports/AL_LS625.txt)

### U.S. Livestock Exports to Mexico

(# Head)	W/E		YTD 2009	YTD 2008	Percent Change
	6/27/09	6/20/09			
Sltr Cattle	0	0	0	0	---
Sltr Hogs	0	0	0	72,602	-100.0%
Sltr Ewes	1,500	1,130	33,311	60,986	-45.4%
Sltr Lambs	0	0	0	0	---

Source: USDA AMS Livestock & Grain Market News

[http://www.ams.usda.gov/mnreports/AL\\_LS635.txt](http://www.ams.usda.gov/mnreports/AL_LS635.txt)

### Canadian Slaughter Cattle Average Prices

(U.S. \$/cwt)	W/E		Year Ago	Percent Change
	6/27/09	6/20/09		
Alberta Steers	\$75.70	\$76.40	\$89.15	-15.1%
Alberta Heifers	\$75.67	\$75.95	\$88.21	-14.2%
Alberta Cows	\$41.30	\$37.97	\$45.23	-8.7%
Ontario Steers	\$80.61	\$82.40	\$90.90	-11.3%
Ontario Heifers	\$81.12	\$80.60	\$89.55	-9.4%
Ontario Cows	\$46.91	\$45.42	\$55.26	-15.1%

Source: CanFax

[http://www.ams.usda.gov/mnreports/WA\\_LS718.txt](http://www.ams.usda.gov/mnreports/WA_LS718.txt)

### Canadian Feeder Cattle Average Prices

(U.S. \$/cwt)	W/E		Year Ago	Percent Change
	6/27/09	6/20/09		
<b>Alberta Steers</b>				
500-600	\$97.50	\$102.00	\$105.21	-7.3%
600-700	\$95.69	\$95.87	\$100.29	-4.6%
700-800	\$89.80	\$91.05	\$100.78	-10.9%
<b>Alberta Heifers</b>				
500-600	\$87.25	\$90.42	\$92.42	-5.6%
600-700	\$84.85	\$87.33	\$95.37	-11.0%
700-800	\$82.34	\$82.21	\$90.95	-9.5%
<b>Saskatchewan Steers</b>				
500-600	\$98.25	\$95.49	\$103.24	-4.8%
600-700	\$93.70	\$92.36	\$99.80	-6.1%
700-800	\$89.15	\$90.75	\$97.34	-8.4%
<b>Saskatchewan Heifers</b>				
500-600	\$90.73	\$91.19	\$93.41	-2.9%
600-700	\$85.84	\$87.44	\$89.97	-4.6%
700-800	\$83.89	\$81.28	\$84.07	-0.2%

Source: CanFax

[http://www.ams.usda.gov/mnreports/WA\\_LS718.txt](http://www.ams.usda.gov/mnreports/WA_LS718.txt)

### Exchange Rates

U.S. \$ Converted to Major Currencies	W/E		Year Ago
	6/27/09	6/20/09	
Australian Dollar	1.24	1.24	1.04
Brazilian Real	1.94	1.97	1.60
Canadian Dollar	1.15	1.13	1.01
Euro	0.712	0.718	0.637
Japanese Yen	95.62	96.61	107.66
Mexican Peso	13.23	13.38	10.28
New Zealand Dollar	1.55	1.56	1.32
South Korean Won	1284.2	1270.5	1038.9

Source: OANDA

<http://www.oanda.com/converter/classic>

## TRADE AND PRODUCTION STATISTICS

### Australia's Cattle, Lamb & Sheep Slaughter

(# Head)	W/E	W/E	YTD	YTD	Percent Change
	6/27/09	6/20/09	2009	2008	
Cattle	135,139	134,401	3,397,022	3,219,781	5.5%
Calves	12,942	14,279	254,414	273,181	-6.9%
Lamb	290,749	306,541	8,470,544	7,959,560	6.4%
Sheep	126,387	130,859	3,952,629	3,814,094	3.6%

Source: National Livestock Reporting Service

### USDA Acreage

(1,000 Acres)	Jun 30, 2009	2008	Change
Corn	87,035	85,982	1.2%
Soybeans	77,483	75,718	2.3%
All Wheat	59,775	63,147	-5.3%

Source: USDA National Agricultural Statistics

<http://www.nass.usda.gov/>

### U.S. Prices for Mexico Feeder Cattle Imports

(U.S. \$/cwt, FOB)	W/E	W/E	Year Ago
	6/27/09	6/20/09	
<i>Feeder Steers, Medium &amp; Large, 1 &amp; 2</i>			
300-400 lbs	\$96-\$108	\$96-\$107	\$110-\$124
400-500 lbs	\$86-\$99	\$86-\$97	\$100-\$114
500-600 lbs	No Quote	No Quote	\$90-\$104
<i>Feeder Heifers, Medium &amp; Large 1 &amp; 2</i>			
400-500 lbs	\$78-\$88	No Quote	No Quote

Source: USDA AMS Livestock & Grain Market News

[http://www.ams.usda.gov/mnreports/AL\\_LS626.txt](http://www.ams.usda.gov/mnreports/AL_LS626.txt)

### Japan Monthly Livestock Slaughter

(# Head)	YTD		YTD	Percent Change
	Apr	2009		
Cattle	107,151	389,972	390,962	-0.3%
Hogs	1,424,336	5,582,159	5,354,276	4.3%

Source: Agriculture & Livestock Industries Corporation

[http://www.ams.usda.gov/mnreports/WA\\_LS660.txt](http://www.ams.usda.gov/mnreports/WA_LS660.txt)

### ADDITIONAL INFORMATION SOURCES INCLUDE:

- ❖ USDA, AMS, Livestock & Grain Market News Branch
- ❖ USDA, Animal & Plant Health Inspection Service (APHIS)
- ❖ USDA, Economic Research Service (ERS)
- ❖ USDA, Foreign Agricultural Service (FAS)
- ❖ USDA, National Agricultural Statistics Service (NASS)
- ❖ U. S. Meat Export Federation (USMEF)
- ❖ Agriculture and Agri-Food Canada
- ❖ Agriculture, Fisheries, and Forestry - Australia (AFFA)
- ❖ Agriculture and Livestock Industry Corporation (ALIC)
- ❖ CanFax Weekly Summary
- ❖ Korea International Trade Association (KITA)
- ❖ *Meat & Livestock Weekly* by Meat & Livestock Australia (MLA) and National Livestock Reporting Service
- ❖ News wire services

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