Overview

- Global pork overview
- Macro update
- U.S. pork exports
- Global industry updates
  - Canada
  - Mexico
  - EU
  - Brazil
  - China
Global Overview
Pork continues to be most consumed meat in the world

Source: USDA FAS PSD Data
October 25, 2023
Global pork production flat, exports lower in 2023

Source: USDA FAS PSD Data

October 25, 2023
Top Pork Importing and Exporting Countries (2023)

**Top 5 Pork Importers**
- China: 23.6%
- Japan: 15.5%
- Mexico: 13.6%
- United Kingdom: 7.5%
- Korea, South: 7.3%

**Top 5 Pork Exporters**
- European Union: 31.5%
- United States: 30.2%
- Brazil: 14.3%
- Canada: 12.9%
- Mexico: 2.6%

Source: USDA FAS PSD Data
Macro Update
Domestic demand weaker, export demand stronger in 2023

Source: Kansas State University

October 25, 2023
Real consumer incomes declined in U.S. after pandemic

Source: St. Louis Federal Reserve

October 25, 2023
Consumer sentiment is stronger than 2022, but remains low

Source: University of Michigan Consumer Sentiment Index

October 25, 2023
Inflation easing, but high prices still a global concern

Source: OECD Economic Outlook, Interim Report September 2023
Consumer confidence showing signs of improvement
Financial conditions expected to limit global GDP growth

Real GDP Growth in Selected Countries

Source: International Monetary Fund

October 25, 2023
U.S. Pork Exports
U.S. pork exports gained momentum in first half of 2023

**U.S. Pork Exports (Carcass Weight)**

- **Mexico**: +8.1%, 36.7%
- **Japan**: +0.7%, 16.8%
- **China/Hong Kong**: +1.8%, 8.8%
- **South Korea**: +4.2%, 8.6%
- **Canada**: +10.0%, 7.9%
- **Dominican Republic**: +20.7%, 4.2%
- **Colombia**: -17.6%, 3.6%
- **Australia**: +68.9%, 3.0%
- **Rest of World**: +26.9%, 10.5%
- **TOTAL**: +8.1%, 100%

Source: USDA ERS Livestock and Meat International Trade Data

October 25, 2023
U.S. share of exports increased in many top markets

Source: Trade Data Monitor

October 25, 2023
Variety meat export volumes +20%, value +15% YTD

U.S. Pork Variety Meat Exports by Destination, 2023 YTD

- China/Hong Kong: 58%
- China: 58%
- USMCA: 30%
- ROW: 5%
- Philippines: 5%
- Japan: 1%
- South Korea: 1%
- Hong Kong: 0%

Source: USDA FAS GATS
October 25, 2023
Global Industry Updates
Canada
Reduced processing capacity driving contraction in Canada

Source: Statistics Canada, USDA FAS PSD Forecast

October 25, 2023
U.S. imports of Canadian sows increased for Jan-Sep
Mexico
Mexico production forecast reduced, imports up slightly

Source: USDA FAS Production, Supply, and Distribution
European Union
Declining EU production led to high prices in first half 2023
Import market share declining for EU in China

**China 0203 Pork Imports (2021)**

- EU: 58.7%
- Brazil: 13.3%
- Canada: 6.9%
- United States: 11.9%
- Chile: 3.8%
- United Kingdom: 2.6%
- Mexico: 2.1%
- Switzerland: 0.0%
- Argentina: 0.7%
- Costa Rica: 0.0%

**China 0203 Pork Imports (2023)**

- EU: 47.7%
- Brazil: 25.5%
- Canada: 8.8%
- United States: 8.3%
- Chile: 5.3%
- United Kingdom: 4.1%
- Mexico: 0.2%
- Switzerland: 0.1%
- Argentina: 0.7%
- Costa Rica: 0.0%

Source: Trade Data Monitor

Total YTD imports: 2.56 million MT

Total YTD imports: 1.05 million MT
Pork production expected to be record low for EU this year

Source: USDA FAS Production, Supply, and Distribution
EU forecasts declining pork production through 2032

Source: European Union, Medium Term Outlook January 2023
Brazil
Brazil and U.S. are most cost efficient in the world

Cost of Production in Selected Countries, 2021

Source: InterPIG, AHDB
Brazil gains share of export totals in its top markets

**Brazil Market Share in Top Destinations**

<table>
<thead>
<tr>
<th>Destination</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>China/Hong Kong</td>
<td>14%</td>
<td>25%</td>
<td>27%</td>
</tr>
<tr>
<td>Philippines</td>
<td>5%</td>
<td>18%</td>
<td>29%</td>
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<tr>
<td>Chile</td>
<td>29%</td>
<td>60%</td>
<td>77%</td>
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<tr>
<td>Singapore</td>
<td>44%</td>
<td>54%</td>
<td>65%</td>
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<tr>
<td>Uruguay</td>
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<td>60%</td>
<td>98%</td>
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<tr>
<td>Japan</td>
<td>1%</td>
<td>2%</td>
<td>3%</td>
</tr>
<tr>
<td>Georgia</td>
<td>44%</td>
<td>70%</td>
<td>84%</td>
</tr>
<tr>
<td>Argentina</td>
<td>99%</td>
<td>98%</td>
<td>100%</td>
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<tr>
<td>Mexico</td>
<td>0%</td>
<td>0%</td>
<td>1%</td>
</tr>
<tr>
<td>South Korea</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
</tr>
</tbody>
</table>

Source: Trade Data Monitor

October 25, 2023
China
China pork production higher in 2023 as imports stabilize
Low prices expected to drive reduced production in 2024

Source: USDA GAIN Report, MARA data

[Charts showing trends in live swine and pork prices from 2022 to 2023]
USDA World Pork Outlook
Looking Ahead: 2024 USDA Forecasts

• Global pork production largely unchanged
• Global pork trade to increase 2.2%
• U.S. pork exports +6.6% in 2023, +2.8% in 2024
• Factors to watch:
  • Easing inflation, regulations, production costs, and ASF spread/recovery
The global voice for the
U.S. pork industry