

# Beefenomics: Cattle Market Update

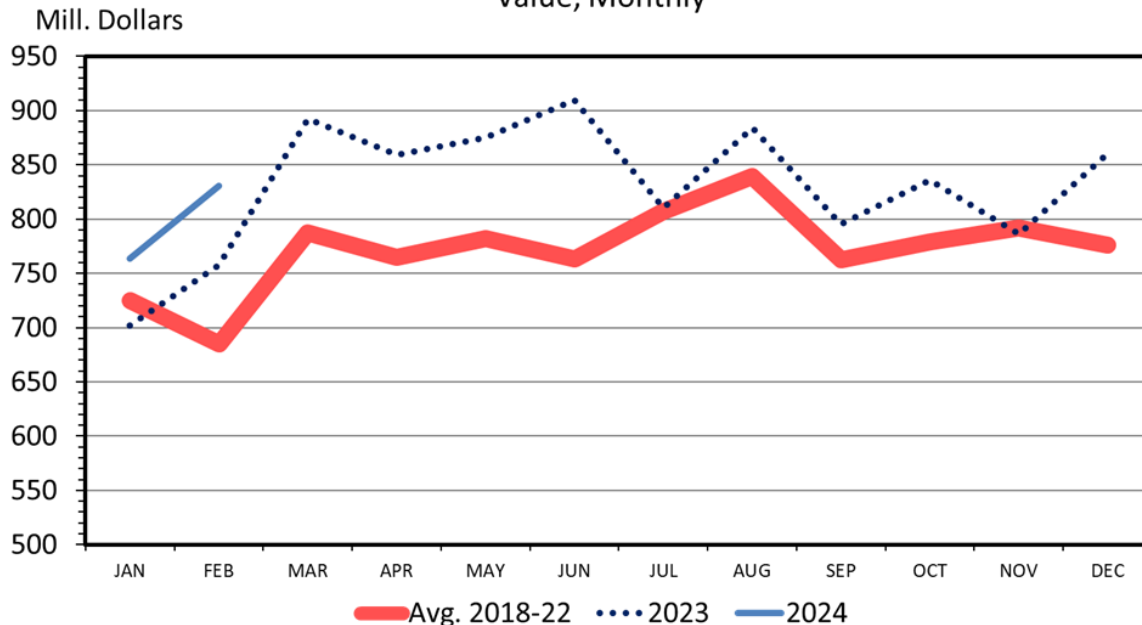
## Beef Trade Update

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### US BEEF AND BEEF PRODUCT EXPORTS

Value, Monthly



Data Source: USDA-FAS, Author Calculations

Livestock Marketing Information Center

Total U.S. beef production is projected to be around 6.5% smaller compared to 2022 and 2% smaller compared to 2023. Smaller supplies have pronounced implications for U.S. beef trade. With lower production, exports are expected to decline, and imports are expected to increase.

April projections from USDA suggest that exports could be down around 8% compared to 2023 at a little over 2.8 billion pounds. In contrast to lower export volumes, export values are higher than year-ago values according to the USDA thanks to higher prices. Export values in January and February (adjusted for the extra day) were up, approximately 9 and 6 percent year-over-year, respectively. This suggests that international consumers are willing and able to purchase high-priced U.S. beef.

Meanwhile, USDA's April forecasts suggest imports will be up by over 10% year-over-year at approximately 4.2 billion pounds. These imports are mostly lean beef trimmings that go into ground beef production. These imports will help slow price increases for those beef product categories. However, cuts for middle meats (e.g., steaks, ribs, and roasts) may still see prices climb without significant imports. Amid extremely high beef prices, these imports may provide the U.S. consumer with budget friendly options this year.

This trade picture helps reduce some of the risk that consumer hesitancy or financial health could weigh on beef demand this year. In Georgia, this relatively strong trade picture translates into continued strong feeder calf and cattle prices when combined with tight supplies. Overall, prices should remain above where they were in 2023.

**April 2024**