



US Imported Beef Market

A Weekly Update

Prepared Exclusively for [Meat & Livestock Australia - Sydney](#)

Volume 25, Issue 22

May 31, 2024

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Market Highlights for the Week:

- Imported beef trade balance has shifted significantly in 2024, with imports from North American sources about the same as last year but imports from Australia, New Zealand and South America registering double digit gains and thus grabbing a bigger share of the US imported beef market.
- US cow meat prices continue to trend higher. Since the start of the year the value of cutter cows is up 33% and, if seasonal trends hold, we could see another 5% gain in the next three months. The question is whether cow packers will be able to grab more value from grinding beef or see further margin compression.
- Chinese decision to lift ban on five Australian beef processing plants “coincidentally” came after US officials imposed wide ranging tariffs on Chinese EVs and other products. Chinese beef imports are down from US and up from Australia and that trend is likely to intensify in Q3.
- New Zealand slaughter likely peaked at the end of May. Lower slaughter in June and July tends to seasonally reduce supply availability in Q3, effectively making Australian beef the main game in town.

Imported Market Activity for the Week

Imported beef market was slow to develop but by the end of the week it appeared to be on a firmer footing than when it started. We are seeing a widening spread between extra lean product (95 and 90CL) and fattier grinding product. New Zealand production is likely past its peak and offerings for later in the summer are predictably limited. Talk of China lifting suspension of five Aus-

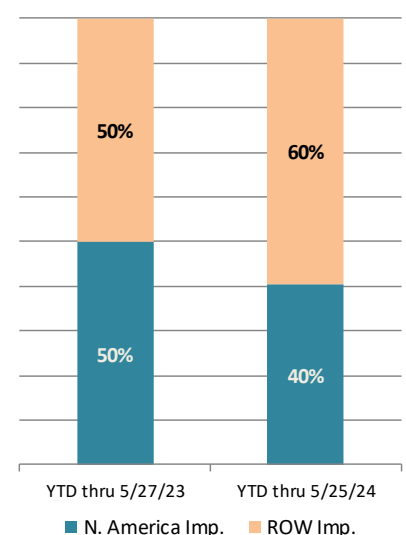
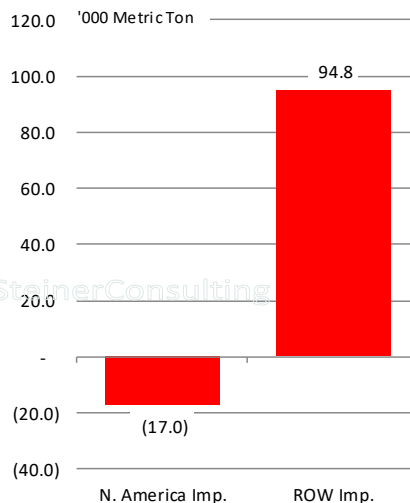
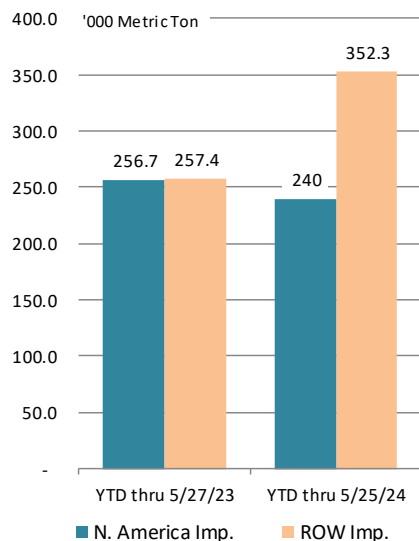
tralian processing plants was seen as supportive for prices, giving Australian suppliers more options and potentially limiting availability in the US in Q3. We discuss this in more detail on page 2. But at least psychologically it had some effect. Imported round cuts continue to be offered at steady money although with domestic fed cuts pulling back, some imported volume was offered at modestly lower prices to get orders on the books for later in the summer and early fall.

Beef Imports from N. America & ROW

YTD Change in Imports: 2024 minus 2023

Share of US Imports in 2023 and 2024

Source: USDA-AMS. '000 Metric Ton. Analysis by Steiner Consulting



ROW - Rest of the World

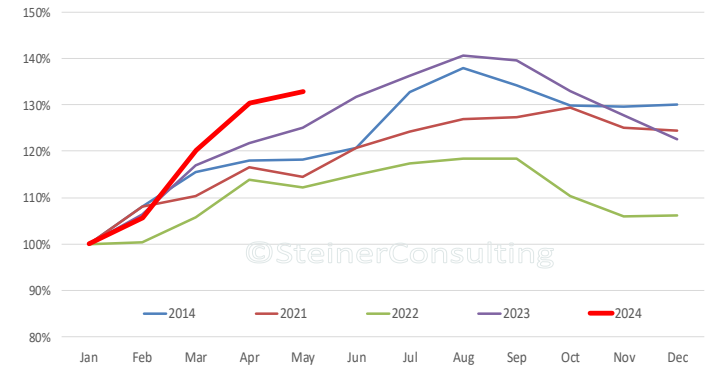
Market notes:

Australia main game in town this summer. We produced the charts shown on page 1 a few years ago to show the shift from Oceania origin to North America. At the time imports from Mexico and Canada were on the uptrend while Australia and New Zealand availability was down due to less supply and increased demand from China. The pendulum has now shifted, with imports from Australia, New Zealand and South American suppliers accounting for 60% of the imported supply. Year to date imports from these suppliers are up 94k MT, the bulk of this coming from Australia (+58k MT) while imports from New Zealand are up 10k MT YTD and imports from Uruguay up 15k MT. Brazil continues to get a lot of press as imports YTD are up 10k MT from last year but availability from this market is likely to remain limited in the second half of the year. The same can be said about New Zealand and Uruguay. Australia will be a much more significant supplier in Q3, something that we will highlight in our next report.

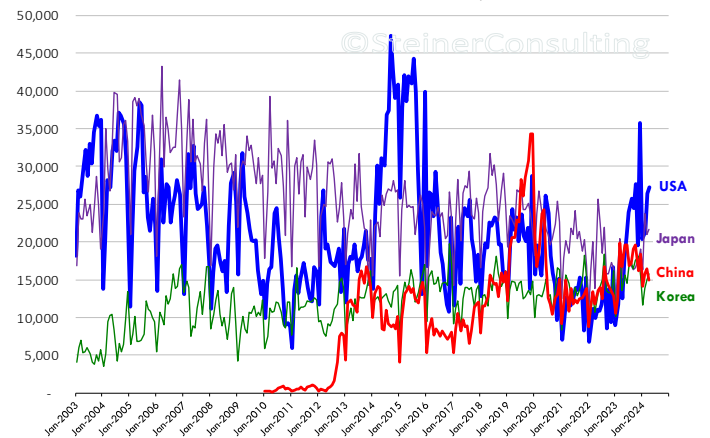
China opens the door to more Australian beef. On May 14, Washington introduced new tariffs on China, increasing duties on various products. These include semiconductors, solar cells, batteries, steel, aluminum, and medical supplies. Most notably, the U.S. imposed a 100 percent tariff on electric vehicles, blocking Chinese-made EVs from the American market. Not long after, Chinese officials found ractopamine in a beef shipment from a JBS plant in the US, delisting that plant and China lifted the suspension on five Australian beef plants. **We do not believe in coincidences, especially when it comes to Chinese trade decisions.** We expect that over time China will source more of its grain finished needs to Australia and away from the US market. In April, Chinese beef imports of Australian beef were 21,210 MT, up 12% from a year ago while imports of US beef were 13,664 MT, 7% lower y/y. Total Chinese beef imports in April were 224,401 MT, almost 42k MT (+23%) higher than a year ago. The bulk of the increase came from Brazil (+37k MT) and Argentina (+6k MT). The speculation in the market is that Chinese beef imports from Australia will increase later this summer and into the fall, replacing some of the product current sourced in the US. This is both a function

January Indexed Change in 90% Lean Cutter Cow Price

January Price = 100%. Data source: USDA-AMS. Analysis by Steiner Consulting

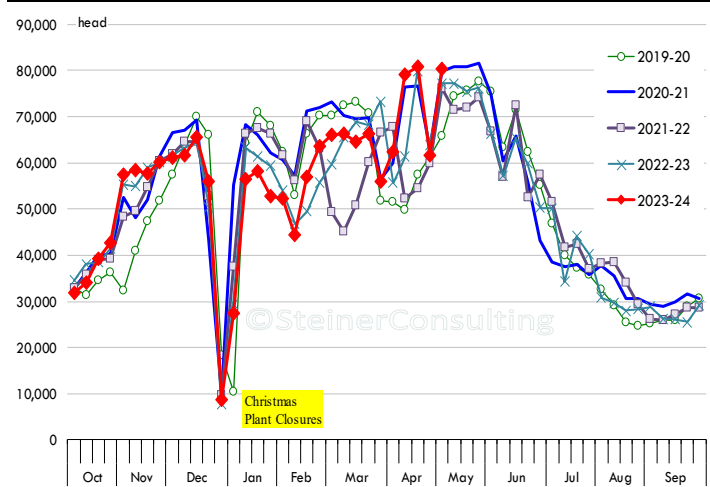


AUSTRALIAN MONTHLY BEEF EXPORTS, METRIC TONS



New Zealand Weekly Cattle Slaughter

Based on Oct - Sep Marketing Year. Source: New Zealand Meat Board. Analysis by Steiner Consulting



of government policy but also price, as tight US supply make Australian product more competitive. Lifting the suspension on five Australian plants simply make more product eligible for shipment to China.

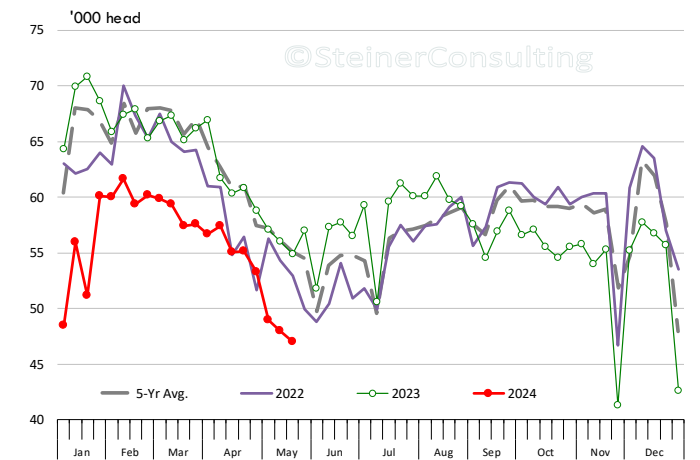
New Zealand supply only down from here. Official statistics continue to be reported with a delay

but it is not much of a stretch to project June and July supply. In the four weeks ending May 4 total cattle slaughter averaged near **76k head/week, 7% higher than the same period a year ago.** Bull slaughter during this period averaged 7.2k head/week, 6% lower than a year ago. Seasonally bull slaughter moves higher into June, last year it was as high as 11,712 in the second week of that month but then declines under 2k head/week into the winter months. The big increase in slaughter during April, May and early June comes from more cows coming to market. Cow slaughter goes from 15% of slaughter in December and January to near 60% of slaughter in May. During the reference period, cow slaughter averaged near 42k head/week, 4% higher than a year ago. Slaughter will head lower in late June and July, significantly limiting availability of New Zealand grinding beef in Q3.

US cow meat availability goes from bad to worse. Official slaughter statistics are reported with a two week lag but they show what many in the market feared, supply is only getting tighter. In the four weeks ending May 18, dairy cow slaughter was 197,244 head, almost 30 head (-13%) lower than a year ago. Beef cow slaughter during this period was 220,646 head, down 54k head (-20%) from a year ago. The shortfall in supply during late April and first three weeks of May has only gotten worse, compounded by the holiday shortened week. The result is another record high for 90CL boneless beef, trading as high as \$357/cwt last week.

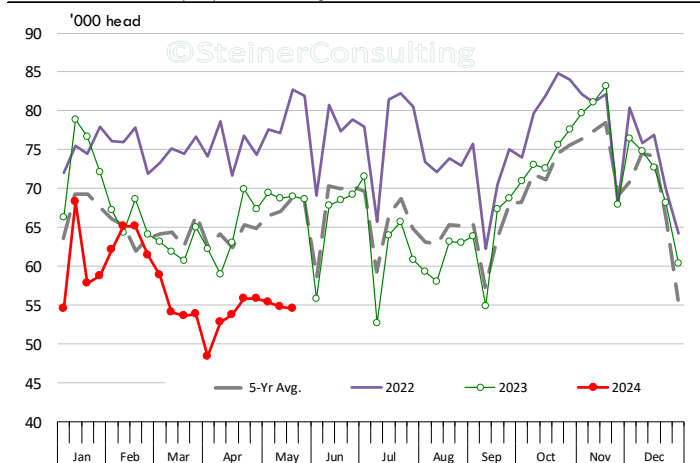
Weekly Dairy Cow Slaughter. 000 Head

Data source: USDA-NASS. Analysis by Steiner Consulting



Weekly Beef Cow Slaughter. 000 Head

Data source: USDA-NASS. Analysis by Steiner Consulting

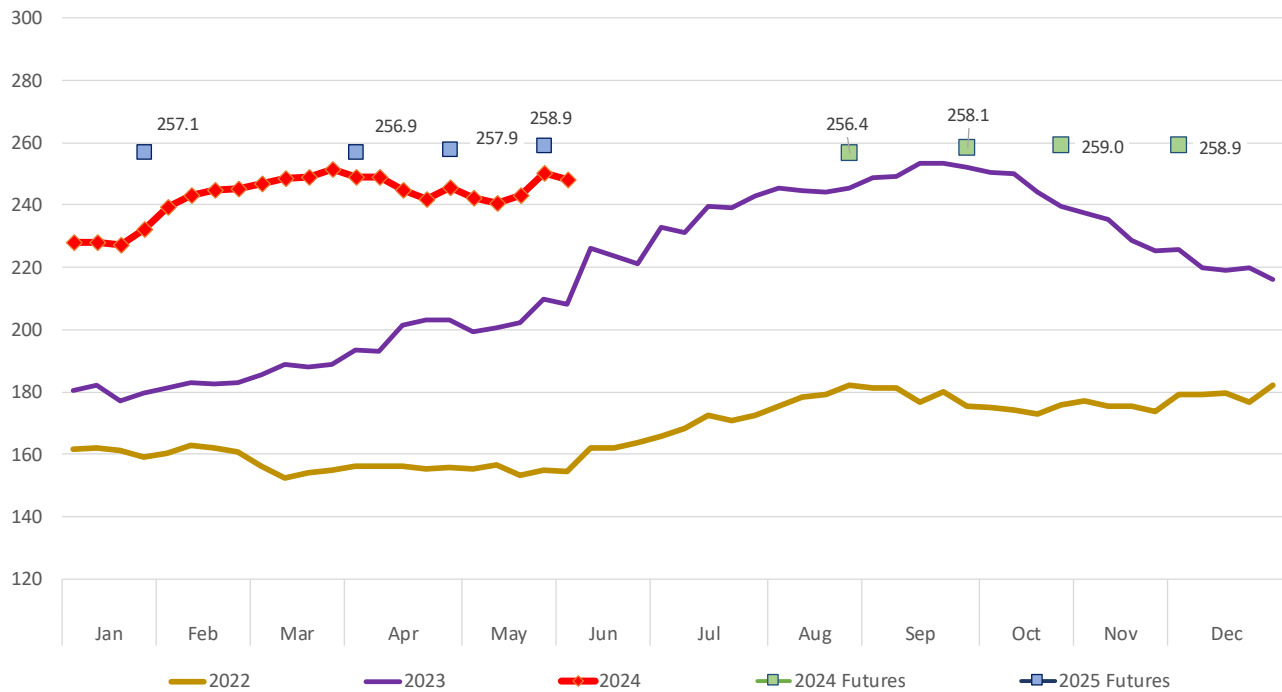


CME Cattle Feeder Index and US Cattle Markets

	Current Week	Prior Week	% CHANGE VS. WK AGO	Last Year	Change from Last Year
	30-May-24	23-May-24		1-Jun-23	
CME FEEDER CATTLE INDEX	248.24	250.14	-0.8%	208.04	19.3%
	31-May-24	24-May-24		2-Jun-23	
FED STEER (5-MKT AVG)	189.44	189.25	0.1%	179.64	5.5%
CUTTER COW CARCASS, NATIONAL, 90% LEAN, 350-400 LB. (carcass wt.)	232.00	229.50	1.1%	178.00	30.3%
BONER COW CARCASS, NATIONAL, 85% LEAN, 400-500 LB. (carcass wt.)	235.50	234.00	0.6%	184.00	28.0%
BREAKER COW CARCASS, NATIONAL, 75% LEAN, 500+ (carcass wt.)	237.00	235.00	0.9%	183.50	29.2%
CUTTER COW CARCASS CUTOUT, 5-DAY MA, USDA	276.84	274.78	0.7%	224.87	23.1%

CME Feeder Cattle Index. Actual + Futures for 2024 and 2025

Source: CME. Analysis by Steiner Consulting



Source: Chicago Mercantile Exchange

TABLE 2 – IMPORTED BEEF PRICES, 7:45 DAYS, CIF

	Current Week		Prior Week		Change From Last Week	Last Year		Change From Last Year
	31-May-24		24-May-24			2-Jun-23		
<u>US East Coast Australian/NZ Lean, CIF</u>								
95 CL Bull, E. Coast	280.0	285.0	280.0	285.0	0.0	265.0	270.0	15.0
90 CL Blended Cow	270.0	271.0	270.0	273.0	-2.0	240.0	245.0	26.0
90 CL Shank		260.0		265.0	-5.0		245.0	15.0
85 CL Fores	261.0	265.0	265.0	266.0	-1.0	227.0	235.0	30.0
85 CL Chucks		UNQ		UNQ	N/A		UNQ	N/A
95 CL Bull, W. Coast	280.0	285.0	280.0	285.0	0.0	265.0	267.0	18.0
Uruguay CFH 90CL, E. Coast		UNQ		UNQ	N/A		UNQ	N/A
<u>US East Coast, Trimmings, CIF</u>								
85 CL Trimmings	261.0	263.0	264.0	265.0	-2.0	225.0	234.0	29.0
80 CL Trimmings		230.0	230.0	232.0	-2.0	208.0	209.0	21.0
75 CL Trimmings		UNQ		UNQ	N/A	200.0	202.0	N/A
65 CL Trimmings		UNQ		UNQ	N/A		UNQ	N/A
<u>US East Coast Australian Cuts, CIF</u>								
Cap Off Steer Insides	330.0	340.0		340.0	0.0	300.0	305.0	35.0
Steer Insides 14/18		UNQ		UNQ	N/A		UNQ	N/A
Steer Flats		300.0	300.0	305.0	-5.0		280.0	20.0
Steer Knuckles	290.0	295.0		295.0	0.0		UNQ	N/A

TABLE 3 – IMPORTED BEEF PRICES, 7:45 DAYS, US WAREHOUSE

	Current Week		Prior Week		Change From Last Week	Last Year		Change From Last Year
	31-May-24	24-May-24				2-Jun-23		
<u>US East Coast Australian/NZ Lean, FOB US Port</u>								
95 CL Bull, E. Coast	294.0	295.0	294.0	295.0	0.0	270.0	274.0	21.0
90 CL Blended Cow	279.0	280.0	280.0	281.0	-1.0	250.0	253.0	27.0
90 CL Shank		270.0	270.0	275.0	-5.0	255.0	257.0	13.0
85 CL Fores	271.0	272.0	274.0	275.0	-3.0	235.0	240.0	32.0
85 CL Chucks		UNQ		UNQ	N/A		UNQ	N/A
95 CL Bull, W. Coast	292.0	294.0	292.0	294.0	0.0	272.0	273.0	21.0
Uruguay CFH 90CL, E. Coast		UNQ		UNQ	N/A		UNQ	N/A
<u>US East Coast, Trimmings, FOB US Port</u>								
85 CL Trimmings		270.0		274.0	-4.0	235.0	238.0	32.0
80 CL Trimmings	235.0	238.0	238.0	239.0	-1.0		223.0	15.0
75 CL Trimmings		UNQ		UNQ	N/A	210.0	212.0	N/A
65 CL Trimmings		UNQ		UNQ	N/A		UNQ	N/A
<u>US East Coast Australian Cuts, FOB US Port</u>								
Cap Off Steer Insides	350.0	355.0	355.0	360.0	-5.0		330.0	25.0
Steer Insides 14/18		UNQ		UNQ	N/A		UNQ	N/A
Steer Flats	310.0	315.0	310.0	315.0	0.0	295.0	300.0	15.0
Steer Knuckles		305.0		305.0	0.0		310.0	-5.0

TABLE 4 – US DOMESTIC BEEF AND CATTLE PRICES

	Current Week			Prior Week			Change From Last Week	Last Year			Change from Last Year
	Low	High	Wt.Avg	Low	High	Wt.Avg		Low	High	Wt.Avg	
	31-May-24			24-May-24				2-Jun-23			
<u>Domestic Cutouts</u>											
Choice Cutout	313.20			310.45			2.8	309.93			3.3
Select Cutout	301.71			301.72			0.0	290.93			10.8
<u>Domestic Lean Grinding Beef</u>											
90 CL Boneless	350.0	371.0	354.0	342.5	355.5	350.2	3.8	274.5	285.0	279.9	74.1
85 CL Beef Trimmings	317.0	341.0	326.4	317.0	341.0	326.4	0.0	245.0	266.0	257.7	68.7
50 CL Beef Trim	59.0	109.0	75.9	54.0	109.0	68.9	7.1	163.0	201.0	180.9	-105.0
<u>Domestic Pork Trim</u>											
42 CL Pork Trim	55.0	87.0	66.3	47.5	85.2	54.5	11.9	49.4	75.0	57.6	8.8
72 CL Pork Trim	91.2	111.8	95.7	87.5	114.8	93.8	1.9	60.1	89.9	69.8	25.9
<u>Point of Lean Values</u>											
90 CL Domestic	393.3			389.1			4.2	311.0			82.3
50 CL Beef Trimming	151.9			137.8			14.1	361.9			-210.0
42 CL Pork Trim	157.9			129.7			28.2	137.0			20.9
72 CL Pork Trim	132.9			130.3			2.7	97.0			36.0
<u>National Direct Fed Steer (5-day accum. wt. avg. price)</u>	189.44			189.25			0.2	179.64			9.8

TABLE 5 – FUTURES AND SLAUGHTER INFORMATION

Futures Contracts	Current Week	Prior Week	Change From Last		Last Year	Change From	
			Week	Week		Last Year	Last Year
	31-May-24	24-May-24			2-Jun-23		
<u>Live Cattle Futures</u>							
June '24	181.550	183.700	↓	-2.15	176.425	↑	5.13
August '24	178.450	181.125	↓	-2.67	172.900	↑	5.55
October '24	180.800	183.950	↓	-3.15	176.000	↑	4.80
December '24	184.650	187.700	↓	-3.05	179.175	↑	5.47
<u>Feeder Cattle Futures</u>							
August '24	256.400	260.225	↓	-3.83	241.900	↑	14.50
September '24	258.125	261.750	↓	-3.63	245.000	↑	13.13
October '24	258.975	262.550	↓	-3.57	247.000	↑	11.98
November '24	258.850	262.200	↓	-3.35	247.800	↑	11.05
<u>Corn Futures</u>							
July '24	446.250	464.750	↓	-18.50	609.000	↓	-162.75
September '24	454.000	474.500	↓	-20.50	535.500	↓	-81.50
December '24	467.000	488.250	↓	-21.25	541.250	↓	-74.25
March '25	479.500	500.250	↓	-20.75	550.000	↓	-70.50
<u>Ch Wheat Futures</u>							
July '24	678 1/2	697 1/4	↓	-18.75	619	↑	59.50
September '24	699 1/2	717 1/2	↓	-18.00	632 1/4	↑	67.25
December '24	723 1/2	739 1/4	↓	-15.75	652	↑	71.50
March '25	740 1/4	754 1/2	↓	-14.25	713 1/2	↑	26.75

Slaughter Information	7 Days Ending	7 Days Ending	Change From Last		7 Days Ending	Change From	
			Week	Week		Last Year	Last Year
	1-Jun-24	25-May-24			3-Jun-23		
<u>Total Cattle Slaughter</u>	540,000	607,000	↓	-67,000	568,400	↓	-28,400
	18-May-24	11-May-24			20-May-23		
Total Cow Slaughter	101,627	102,750	↓	-1,123	123,900	↓	-22,273
Dairy Cow Slaughter	47,031	47,977	↓	-946	54,900	↓	-7,869
Beef Cow Slaughter	54,596	54,773	↓	-177	69,000	↓	-14,404

TABLE 7 - US BEEF IMPORTS

(Source: USDA/AMS)

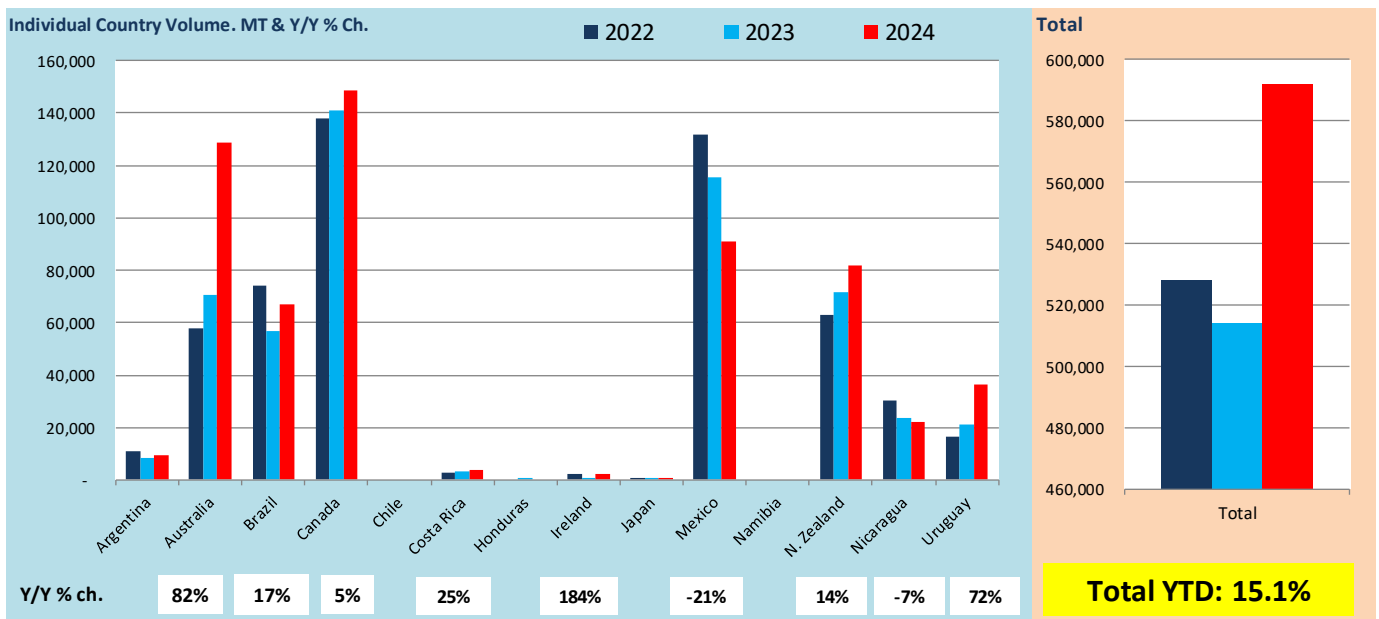
YTD Imported Fresh/Frz Beef Passed for Entry in the US

week 21	5/27/2023	5/25/2024		
Argentina	8,431	9,279	848	10.1%
Australia	70,838	128,884	58,046	81.9%
Brazil	56,952	66,881	9,929	17.4%
Canada	141,130	148,656	7,526	5.3%
Chile	-	-	-	
Costa Rica	3,161	3,943	782	24.7%
France	-	-	-	
Honduras	19	-	(19)	-100.0%
Ireland	803	2,278	1,475	183.7%
Japan	723	684	(39)	-5.4%
Mexico	115,575	91,023	(24,552)	-21.2%
Namibia	-	-	-	
Netherlands	-	-	-	
New Zealand	71,613	81,960	10,347	14.4%
Nicaragua	23,777	22,003	(1,774)	-7.5%
Spain	-	-	-	
Uruguay	21,097	36,354	15,257	72.3%
Total	514,140	591,943	77,803	15.1%

Source: AMS - USDA

US Fresh/Frozen Beef Imports. Metric Ton. Data Source: USDA/Agricultural Marketing Service

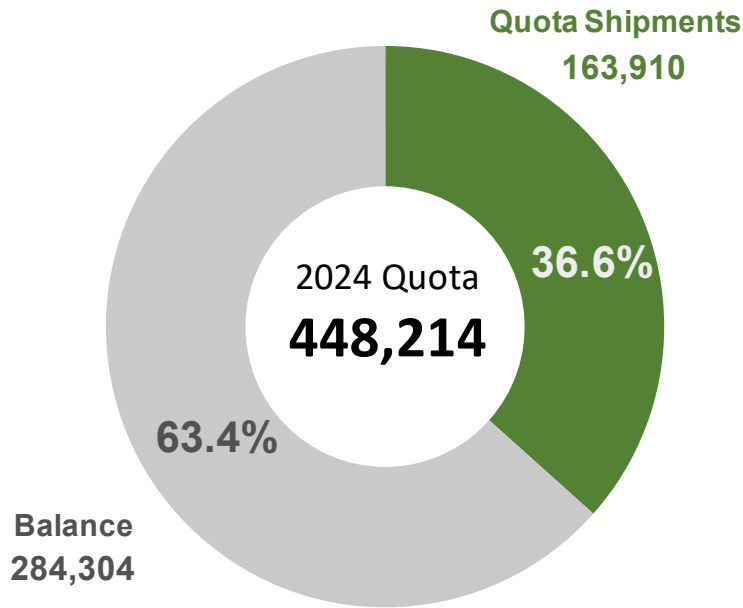
Imports as of May 25, 2024



Australian Beef Quota Position

30-May-24

Metric Ton. Australian Department of Agriculture Statistics



Australia still has a quota in place even though beef no longer faces a quota based tariff. The over quota product is now subject to a safeguard duty. Due to this DAFF continues to report volume shipped against quota.

USA Quota Entries through Week Ending May 29. Metric Ton

Data source: US Customs. Analysis by Steiner Consulting

