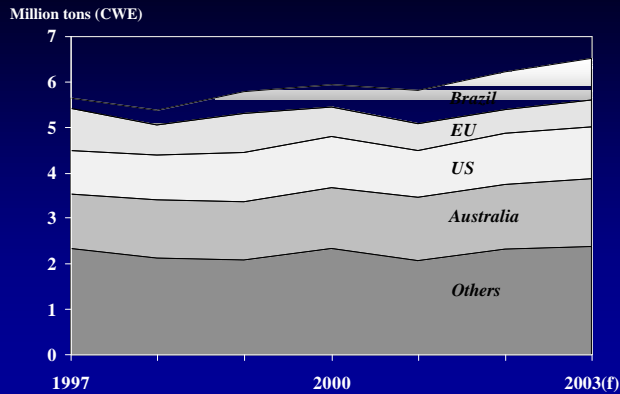


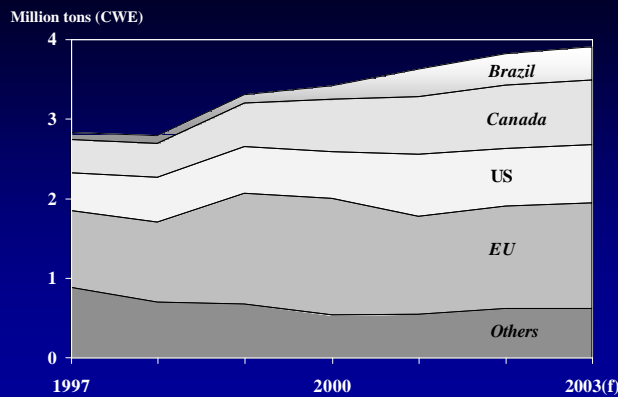


# Livestock and Poultry: World Markets and Trade

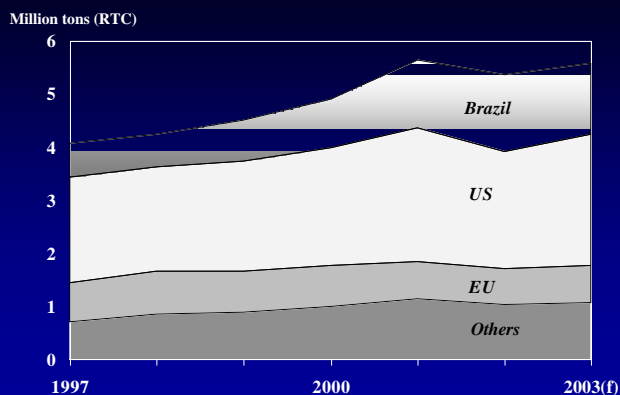
## Top Competitor



## Pork Exports Continue to Grow, As Brazil and Canada Expand Rapidly



## Broiler Meat Exports Recover After Russia Lifts Trade Restrictions



## Record Meat Trade Forecast for 2003

Total meat (beef, pork, broiler and turkey) trade, as measured by exports, is forecast to reach a record of 16.7 million tons in 2003. With few exceptions, leading exporters are expected to maintain their share of the world market, where import demand is concentrated in a handful of highly competitive markets.

Brazil's emergence as a significant exporter of beef, pork and poultry can be largely explained by its success in the Russian market. Rising incomes in Russia have spurred an increase in meat consumption during the first half of 2002. With the recent agreement on veterinary certification for U.S. poultry exports to Russia, the outlook for U.S. broiler exports appears promising.

U.S. meat exports (beef, pork, broiler and turkey) are forecast to increase 7.7 percent to a record of 4.6 million tons in 2003. Japan, the largest market for U.S. beef and pork, is expected to continue its gradual recovery from the 2001 BSE crisis. While Japanese consumers regain confidence, however, the imposition of safeguard tariffs on beef could constrain some of the prospects for growth in beef imports. Mexican demand for U.S. meat is expected to grow as tariffs under NAFTA are scheduled for elimination in 2003. Global competition in all three commodities will likely intensify as the EU and the recently approved accession countries streamline production to accommodate tightening environmental standards. At the same time, Australia's increased beef production and limited opportunities for increased exports to the U.S. will place downward pressure on beef prices in other major export markets.