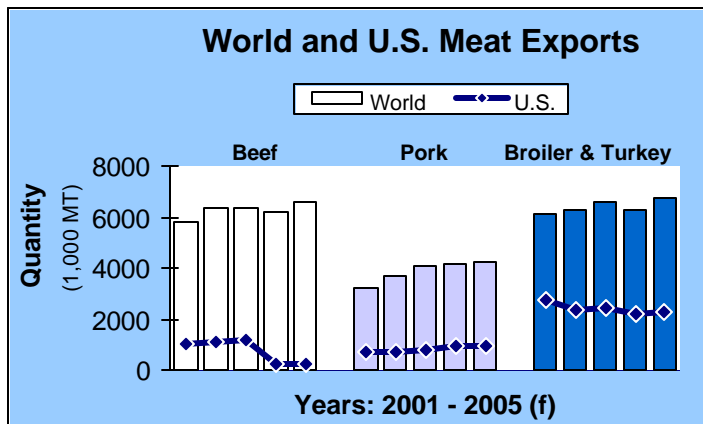




Livestock and Poultry: World Markets and Trade

World Meat Exports Forecast to Rise in 2005



Total meat (beef, pork, broiler meat and turkey) exports of leading world suppliers in 2005 are forecast at a record 17.6 million tons, up 5.4 percent from 2004. Brazil is expected to retain its position as the global leader in beef and broiler meat exports for the second year in a row. Chinese, U.S. and Canadian pork production and exports are also expected to rise to historical high levels.

U.S. total meat exports in 2005 are forecast at 3.5 million tons, up 6.4 percent from the previous year. Despite the increase in quantity, U.S. market share among major exporters is expected to remain unchanged at 20 percent in 2005. Strong growth continues to characterize U.S. pork exports in 2005, forecast to increase 2.2 percent to a record 959,000 tons, accounting for 23 percent of the trade among major exporters. U.S. beef and veal exports continue to be lower in 2004 and 2005 compared to average 2000 - 2003 levels due to import restrictions imposed by several key markets following the discovery of a single cow infected with bovine spongiform encephalopathy (BSE) in 2003. The United States' share of the major markets for broiler and turkey meat is forecast to remain steady at 34 percent in 2005 as exports are projected at nearly 2.3 million tons.

Beef exports by leading suppliers continue to set record levels, projected to reach nearly 6.6 million tons in 2005. In 2004 and 2005, Australia and New Zealand are expected to shift export volume to Japan, largely diverting trade from other markets. Two major suppliers, the United States and Canada are absent from Asian markets due to import bans related to BSE. Exports from South America are expected to continue to expand due to favorable economic conditions, investment, marketing efforts, and greater market access.

Pork exports are expected to set a record of 4.2 million tons, up 1 percent from 2004. China maintains its position as the world's largest pork producer and consumer while its exports are steadily rising. Major exporters continue to compete in the high value Japanese market, which, despite its safeguard and gate-price system, remains the world's largest pork importer. The EU-25 is the world's largest pork exporter. While only the more competitive EU exporters are likely to capitalize on external trade opportunities, intra-EU25 trade is expected to become more significant.

After having declined in 2004, broiler meat exports are forecast to return to their upward trend, reaching 6.2 million tons in 2005. Brazilian exports continue to expand, increasing 10 percent in 2005. Avian influenza and trade restrictions on broiler meat in 2004 have resulted in significant shifts in world broiler meat supply, greater emphasis on trade in cooked product in some markets, higher international prices, and shifts in market share between Brazil, China, Thailand, and the United States.