

While much of the attention recently has been on resurgent domestic protein demand, **export data for March suggests that a rebound in global demand is contributing to price inflation.** The charts to the right tell the story: exports of all three main proteins accelerated in March, adding to competition for raw material and fueling the price rally. Below are **highlights of the March trade data.**

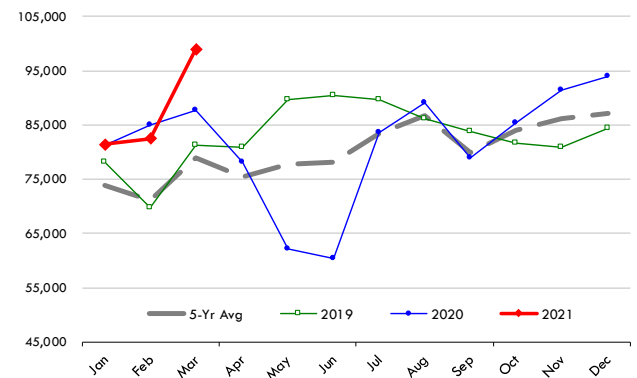
**Beef exports** were negatively impacted by weather events in February but then jumped 20% in March and were 13% higher than in March 2020. **This was the highest monthly export volume on record** but in line with what weekly export figures suggested. The key driver for the growth in US beef exports was China, something that we have noted repeatedly in this report. Total exports of fresh/frozen and cooked beef in March were 98,986 MT, 11,363 MT higher than the previous year (+13%). **Exports to China in March were 14,188 MT, 13,713 MT higher than a year ago.** Japan remains the top market for US beef, with exports in March pegged at 23,562 MT. This export volume was 13% lower than a year ago. Exports to S. Korea in March were 23,414 MT, 9% higher than a year ago. We think exports to both S. Korea and Japan will be even higher in March and combined with continued strong exports to China set the stage for another big export month in April. Exports to Mexico were 5% higher than last year, but lower than what we have seen in previous years due to sharply higher prices. Exports to Canada were down 13%, in part because more Canadian beef is staying in Canada but also because of the continued negative impact of COVID lockdowns on the food service business there.

We thought March **pork exports** would not match the levels we saw a year ago but strong exports to smaller markets in Asia tipped the scale. March US exports of fresh/frozen and cooked pork were 247,664 MT, **1.7% higher than a year ago and a new record monthly volume.** Last year the big jump in exports was driven by exports to one key market - China. China remains the top market for US pork, taking 59,168 MT of pork. However, this volume was 10,368 MT or 15% lower than a year ago. **The reduction in exports to China was more than offset by higher exports to Mexico, Japan and especially the Philippines.** African Swine Fever has significantly impacted domestic supplies in the Philippines and in April the Philippine government announced it would reduce the tariff of in-quota pork from 30% to 5% during Q2 and then 10% after that. Pork entering above the 404,210 MT quota would face a 15% tariff vs. 40% previously. In March, US pork export shipments to the Philippines were 11,736 MT, 9,741 MT higher than a year ago and offsetting much of the reduction in exports to China. April shipments to the Philippines are on track to be around 10,000 MT again but escalating pork prices may limit export volumes.

While **broiler exports** were lower than the extremely high levels established last year, **at 290,694 MT exports were 16% higher than in February and the third highest on record.** Exports to top markets were for the most part higher than the previous year but high pricing and limited supply of some products limited exports to smaller markets. Exports of fresh/frozen chicken to Cuba in March were 32,755 MT, more than double last year's levels while exports to China at 17,366 MT were up 30%. Mexico remains the top market for US chicken, with March export shipments pegged at 66,606 MT, 3% higher than the previous year.

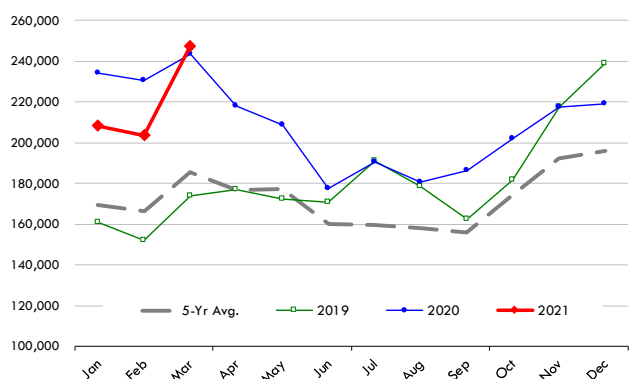
## Quantity of US Exports of Fr/Frz/Pres Beef & Veal: World Total

Source: USDA/FAS. Units: Metric Ton. Analysis by: Steiner Consulting (800.526.4612)



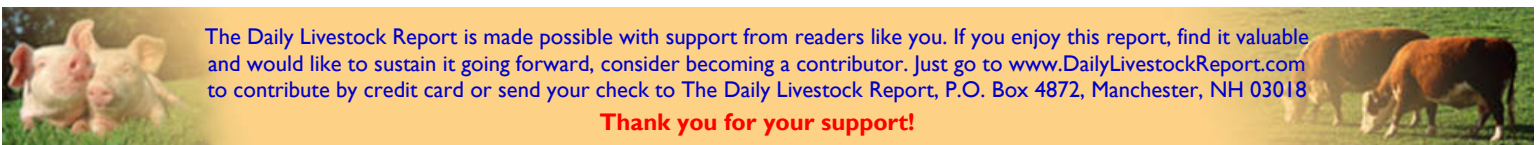
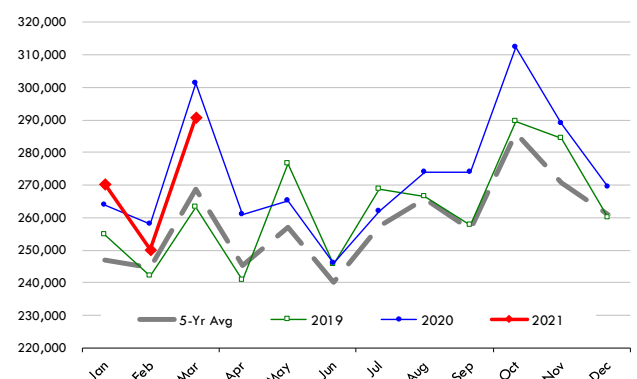
## Quantity of US Exports of Fr/Frz/Cooked Pork: World Total

Source: USDA/FAS. Units: Metric Ton. Analysis by: Steiner Consulting (800.526.4612)



## Quantity of US Exports of Fr/Frz Chicken: World Total

Source: USDA/FAS. Units: Metric Ton. Analysis by: Steiner Consulting (800.526.4612)



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