

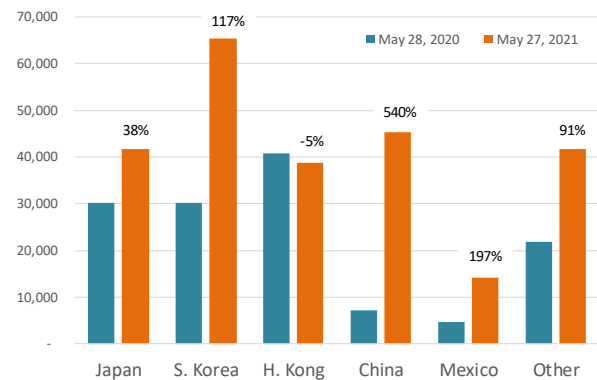
The weekly export data released by USDA on Friday showed lower sales and shipments for both beef and pork. However, it is too early to say if this represents just turnaround in export demand. Moreover, it is important to also keep in mind the amount of product currently sold to export markets, orders that will need to be filled by future production. Below is a brief recap of the latest export information

**Beef:** US beef exports slowed down considerably last week, in large part due to sharply lower sales to China. Chinese buyers were very active in the two weeks after Argentina announced it would suspend export shipments for 30 days. There is now talk of Argentine government talking to producers in order to find a resolution. **Net sales to China were just 189 MT after Chinese buyers bought about 9,000 MT/week the previous two weeks.** High prices appear to be taking a toll on sales to other markets as well. Net sales to Japan were 4,041 MT, down 30% from the average of the previous four weeks and net sales to S. Korea were 2,456 MT, down 33% from the previous four weeks. Shipments also slowed down considerably and at 12,403 MT they were 34% lower than the average of the last four weeks. Sky high prices and limited availability is a major challenge for export buyers. Outstanding beef sales (product sold but not yet shipped) is currently 83% higher than the same period last year and 29% higher than the comparable week in 2019.

**Pork:** Both export sales and shipments were lower last week. **Pork export sales have slowed down in recent weeks, averaging around 30,000 MT/week, well below the pace earlier in the year.** Seasonal factors are at play here since supply availability tends to decline in Q2. Last week net pork export sales were 24,304 MT, 8.4% lower than the average of the previous four weeks. The slowdown in sales will eventually be reflected in lower shipments. However, this should not be a big surprise given high prices for pork in the US market and seasonally lower supplies during this time of year. One of the more negative numbers in the report were net sales to China at just 4,826 MT. Outstanding net sales to China are now 40,398 MT, representing a 3.4 week supply and 65% under last year. Shipments to China last week dropped under 10,000 MT. Lower hog prices in China and US pork trading at a premium to EU and Brazilian pork likely have impacted Chinese demand for US product. Mexico sales were robust at 13,886 MT and shipments were 13,532 MT. Mexico demand continues to underpin ham prices. Another major negative item in the report was trade with South Korea, which has slowed down to a trickle. Last week saw a cancellation of 1000 MT of product to this market. In the previous three weeks net sales to this market averaged 643 MT.

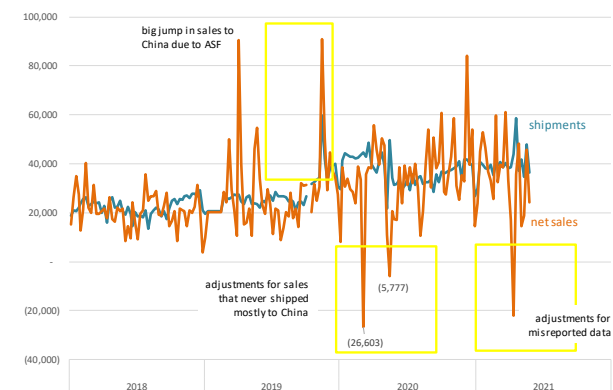
## Outstanding Beef Export Sales as of May 27 vs. Year Ago

Data in Metric Ton, Product Wt. Basis. Source: USDA-FAS. Analysis by Steiner Consulting



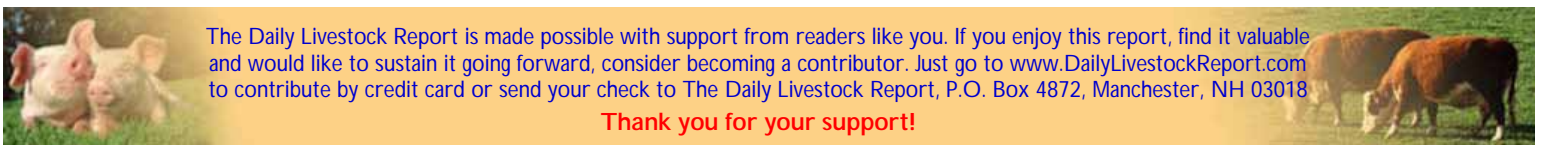
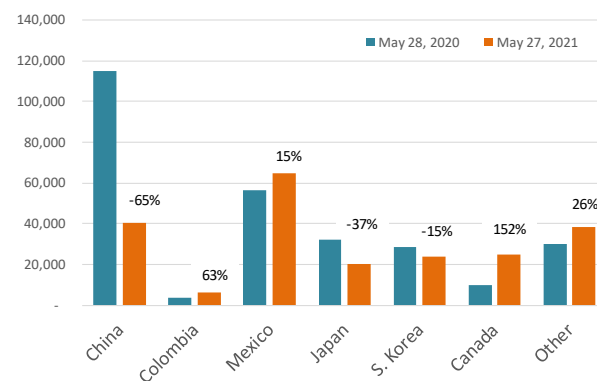
## Weekly Pork Export Shipments and Net Sales. All Markets. Thru 5/27

Source: USDA-FAS. Analysis by Steiner Consulting



## Outstanding Pork Export Sales as of May 27 vs. Year Ago

Data in Metric Ton, Product Wt. Basis. Source: USDA-FAS. Analysis by Steiner Consulting



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