



Monthly Mexico Meat Market Report

Supply and Price Situation for Domestic and Traded Beef

February 27, 2017



Prepared for Meat and Livestock Australia

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table of contents

market update

trade summary

- total mexico beef imports.....	6
- beef imports from australia.....	10
- total mexico beef exports.....	11
- mexican beef trade deficit.....	14
- imports of mexican feeder cattle.....	15

mexican economy

- exchange rates.....	18
- economic indicators.....	19
- inflation.....	20

pricing summary

- feeder steer prices - export to u.s.....	23
- mexican beef trim and cut prices.....	24

supply summary

- beef supply, exports and use.....	30
- cattle inventory.....	32

Market Update

Production Update

Mexico beef production in January was estimated by SIAP at 153,153 MT (carcass weight basis), 1.6% higher than a year ago. The two top producing states in January were Veracruz, with 19,452 MT or 12.7% of national production and Jalisco, with 18,424 MT or 12% of national production. The pace of production in these two states was not the same in January. Veracruz production was down 2% from a year ago while production in Jalisco was 6.9% higher than last year. Mexican beef production has increased in recent years in order to fill robust domestic and export demand. In 2016, reported beef production was 1.879 million MT, 3% higher than what it was in 2014.

Higher prices in the US market and a weaker peso have continued to stimulate beef exports to the US. Also this year we have seen a significant increase in the number of Mexican feeder cattle going to the US. US imports of Mexican feeder cattle through the first six weeks of this year are up 42% compared to the same period a year ago.

Trade Summary

The latest export/import data for Mexico is for the month of November 2016. It shows that beef imports in November 2016 were

11,696 MT, up 11% or 1,201 MT compared to a year ago. Most beef imported into Mexico comes from the US and it is in fresh/chilled form. Fresh and chilled imports from the United States were up 8% or 612 MT. Frozen imports from the US in November were 1,114 MT, 356 MT higher than the previous year. During the Jan-Nov period, imports of fresh/frozen beef from the US were up 3,316 MT, 4% higher than a year ago. Imports of frozen beef, while still a fraction of chilled beef, more than doubled compared to the previous year and accounted for half of the overall growth in beef imports.

Exports of Mexican beef in November were 14,330 MT, 3,670 MT (+34%) higher than a year ago. Exports of chilled/fresh beef to the US in November were 13,108 MT, up 32% from a year ago. The US represents the bulk of Mexican beef shipments and it is mostly in fresh/chilled form. For the Jan-Nov period fresh beef exports to the US market were 140,172 MT, 14% higher than the previous year. Total Mexican beef exports during the reference period were 153,661 MT, 14% higher than the previous year. Japan was the second largest market for Mexican beef in 2016, accounting for 4% of shipments.

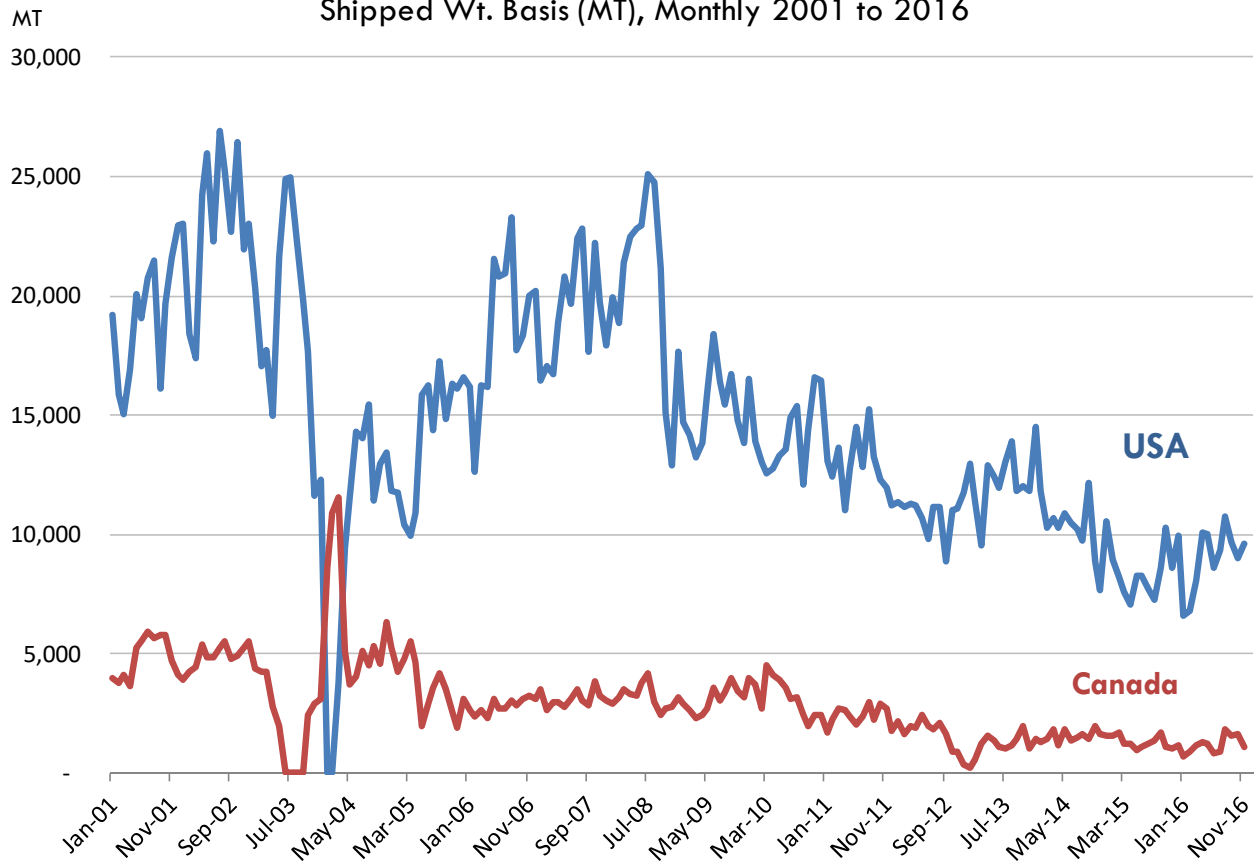
Trade Summary

Mexico Beef Imports

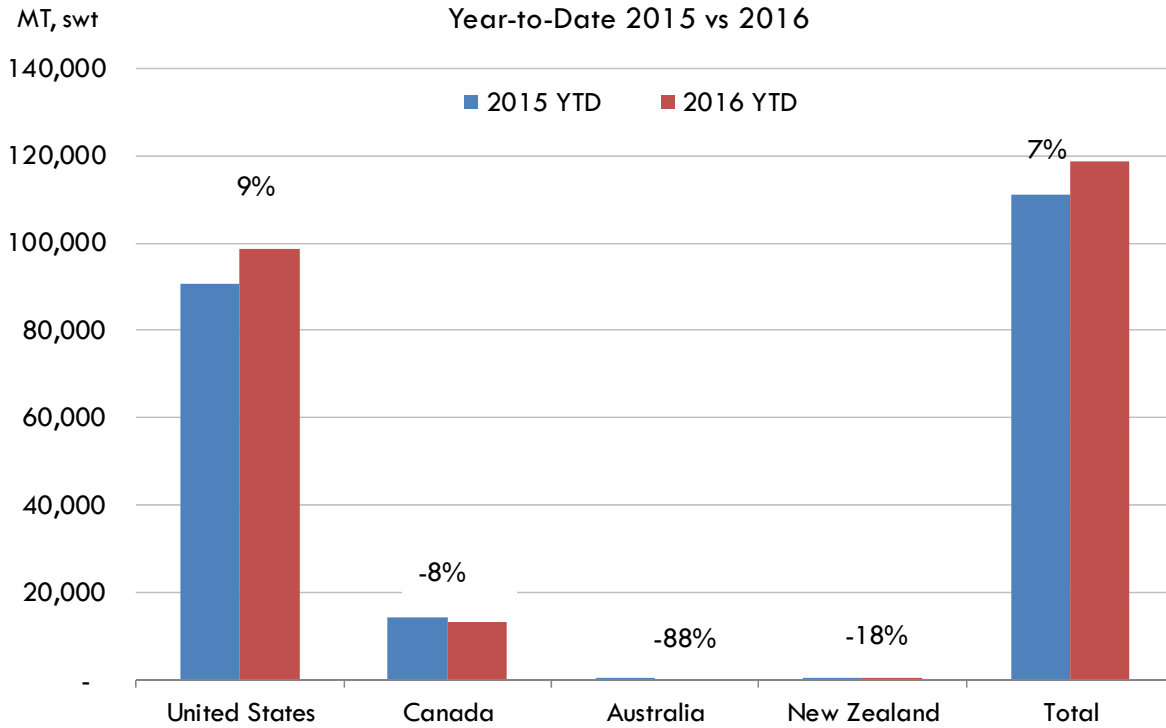
Shipped Wt. Basis (Metric Ton), Annual and Monthly

				2015 YTD		2016 YTD					
	2013	2014	2015	Jan - Nov	Jan - Nov	Vol. Ch.	% Ch.	Nov-15	Nov-16	Vol. Ch.	% Ch.
Fresh/Chill	MT	MT	MT	MT	MT	MT		MT	MT	MT	
United States	144,723	118,963	95,607	86,340	89,656	3,316	4%	7,879	8,491	612	8%
Canada	13,835	18,360	14,891	13,751	12,562	(1,189)	-9%	981	1,009	28	3%
Australia	-	-	44	22	66	44	200%	22	-	(22)	N/A
New Zealand	-	-	-	-	-	-	N/A	-	-	-	N/A
Honduras	-	-	-	-	-	-	N/A	-	-	-	N/A
Costa Rica	-	-	-	-	-	-	N/A	-	-	-	N/A
Uruguay	50	124	420	391	242	(149)	-38%	49	20	(29)	-59%
Chile	-	-	-	-	-	-	N/A	-	-	-	N/A
Nicaragua	-	172	4,093	3,545	5,879	2,334	66%	624	920	296	47%
Panama	-	-	-	-	-	-	N/A	-	-	-	N/A
Other	14	3	43	43	-	(43)	N/A	1	-	(1)	N/A
Total	158,622	137,622	115,098	104,092	108,405	4,313	4%	9,556	10,439	883	9%
Frozen											
United States	3,508	4,569	5,089	4,415	8,841	4,426	100%	758	1,114	356	47%
Canada	280	308	561	509	599	90	18%	71	55	(16)	-23%
Australia	896	1,208	663	638	13	(625)	-98%	13	-	(13)	N/A
New Zealand	546	586	484	471	384	(87)	-18%	-	-	-	N/A
Honduras	-	-	-	-	-	-	N/A	-	-	-	N/A
Costa Rica	-	-	-	-	-	-	N/A	-	-	-	N/A
Uruguay	-	-	84	42	-	(42)	N/A	21	-	(21)	N/A
Chile	42	-	9	9	13	4	44%	4	-	(4)	N/A
Nicaragua	24	132	947	832	420	(412)	-50%	72	88	16	22%
Panama	-	-	-	-	-	-	N/A	-	-	-	N/A
Other	51	-	2	4	3	(1)	-25%	-	-	-	N/A
Total	5,347	6,803	7,839	6,920	10,273	3,353	48%	939	1,257	318	34%
Fresh/Chilled & Frozen											
United States	148,231	123,532	100,696	90,755	98,497	7,742	9%	8,637	9,605	968	11%
Canada	14,115	18,668	15,452	14,260	13,161	(1,099)	-8%	1,052	1,064	12	1%
Australia	896	1,208	707	660	79	(581)	-88%	35	-	(35)	N/A
New Zealand	546	586	484	471	384	(87)	-18%	-	-	-	N/A
Honduras	-	-	-	-	-	-	N/A	-	-	-	N/A
Costa Rica	-	-	-	-	-	-	N/A	-	-	-	N/A
Uruguay	50	124	504	433	242	(191)	-44%	70	20	(50)	-71%
Chile	42	-	9	9	13	4	44%	4	-	(4)	N/A
Nicaragua	24	304	5,040	4,377	6,299	1,922	44%	696	1,008	312	45%
Panama	-	-	-	-	-	-	N/A	-	-	-	N/A
Other	65	3	45	47	3	(44)	-94%	1	-	(1)	N/A
Total	163,969	144,425	122,937	111,012	118,678	7,666	7%	10,495	11,696	1,201	11%

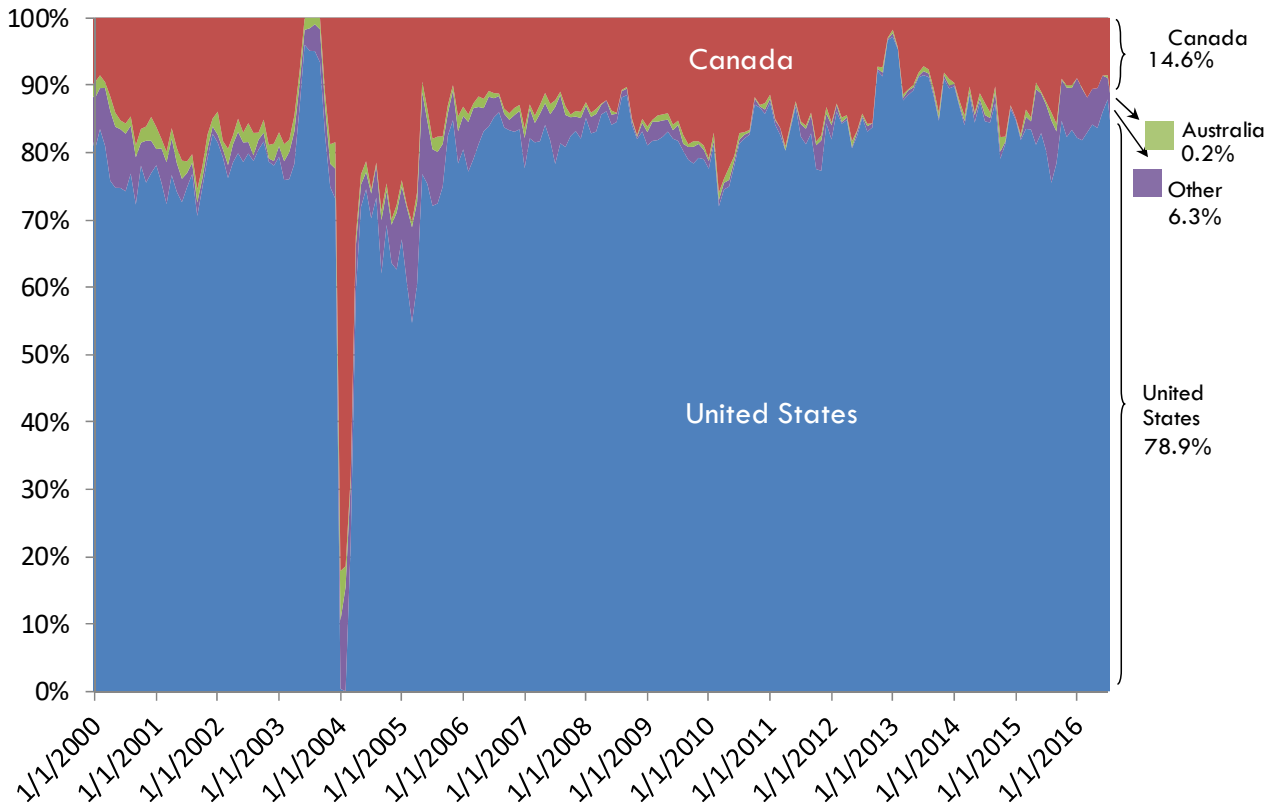
Mexico Beef Imports from US and Canada Shipped Wt. Basis (MT), Monthly 2001 to 2016



Mexican Fresh, Chilled & Frozen Beef Imports Year-to-Date 2015 vs 2016

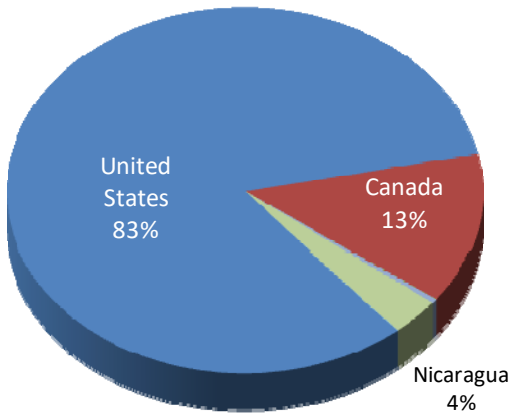


Mexican Beef Imports by Country Share of Total Imports (% as of November 2016)

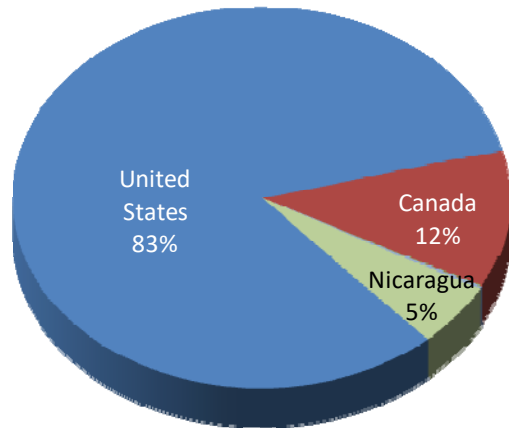


Share of Mexican Beef Imports 2015 vs. 2016, Year-to-Date

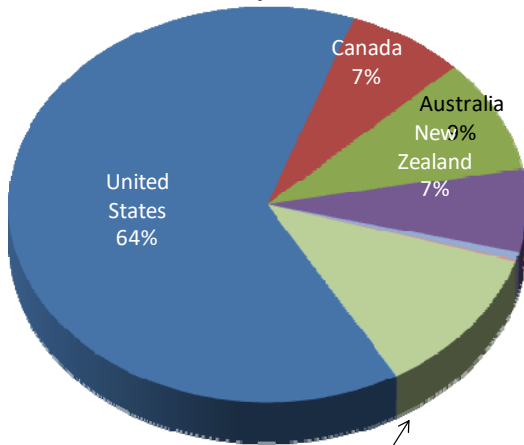
Fresh/Chilled Imports YTD, 2015



Fresh/Chilled Imports YTD, 2016

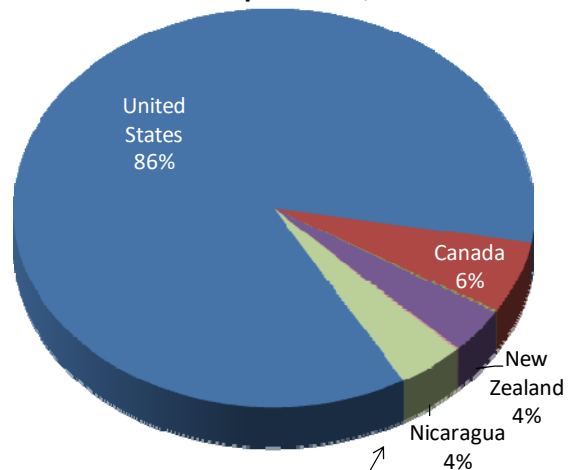


Frozen Imports YTD, 2015



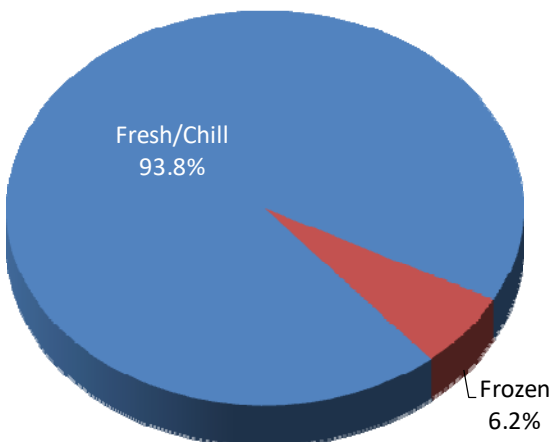
Other shares of frozen includes Chile and Nicaragua makes up 12.2

Frozen Imports YTD, 2016

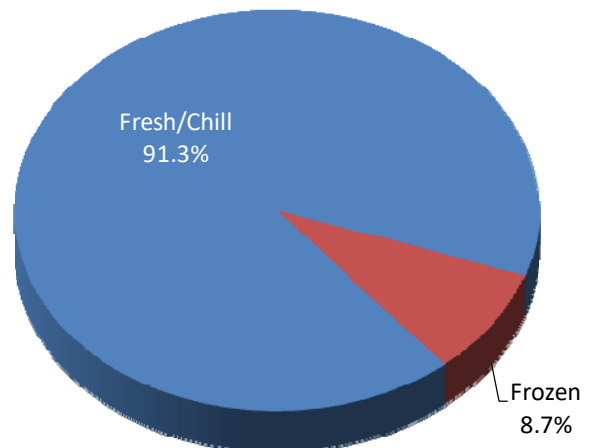


Other shares of frozen include Australia and Chile and makes up 0.3%

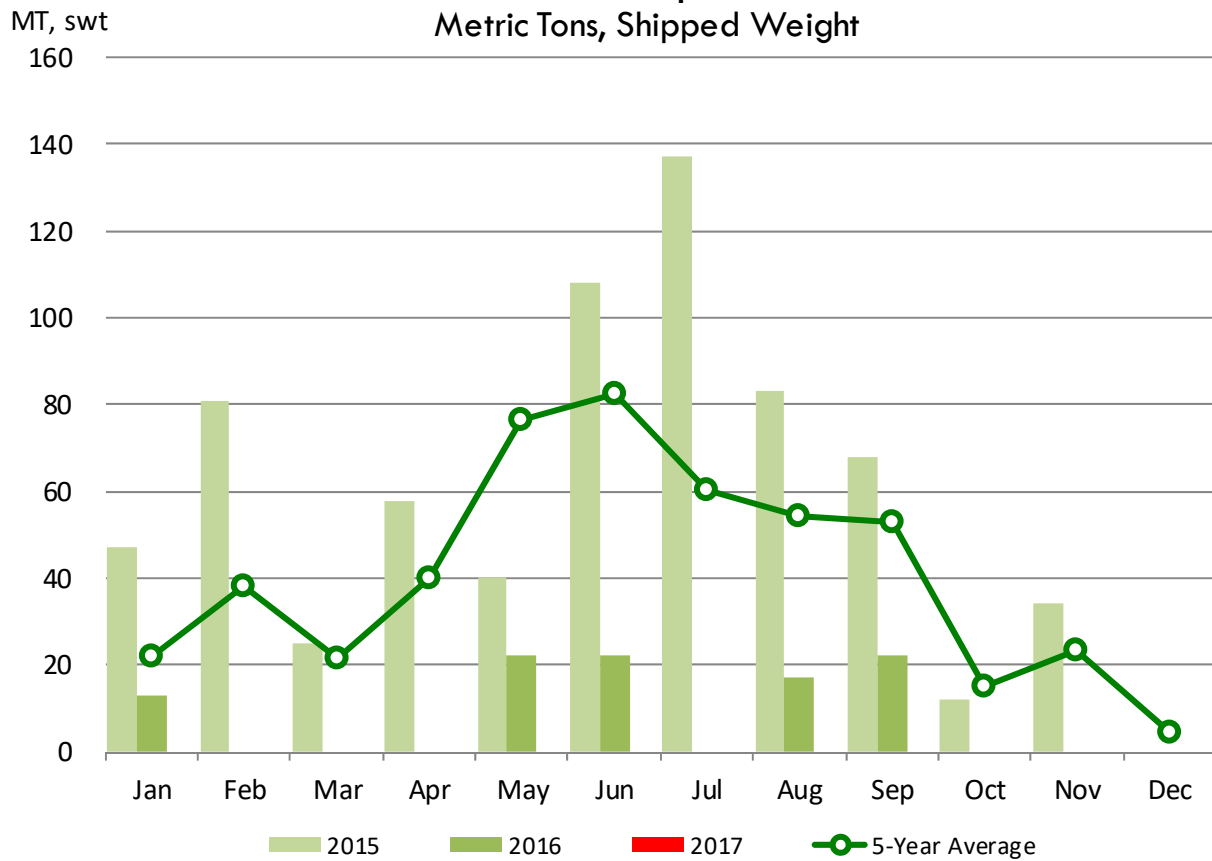
Fresh vs Frozen Beef Imports, 2015 YTD



Fresh vs Frozen Beef Imports, 2016 YTD



Australian Beef Exports to Mexico Metric Tons, Shipped Weight



	2014	2015	2016	2017	5-Year Avg	2016 vs 2015	2016 vs 5 Yr Avg
Jan-17	0	47	13	0	22		
Feb-17	74	81	0	0	38		
Mar-17	0	25	0	0	21		
Apr-17	59	58	0	0	40		
May-17	177	40	22	0	76		
Jun-17	139	108	22	0	82		
Jul-17	114	137	0	0	60		
Aug-17	154	83	17	0	54		
Sep-17	112	68	22	0	53		
Oct-17	16	12	0	0	15		
Nov-17	0	34	0	0	23		
Dec-17	25	0	0	0	4		

Source: Australian Government, Department of Agriculture, Fisheries and Forestry

Mexico Beef Exports

Shipped Wt. Basis (Metric Ton), Annual and Monthly

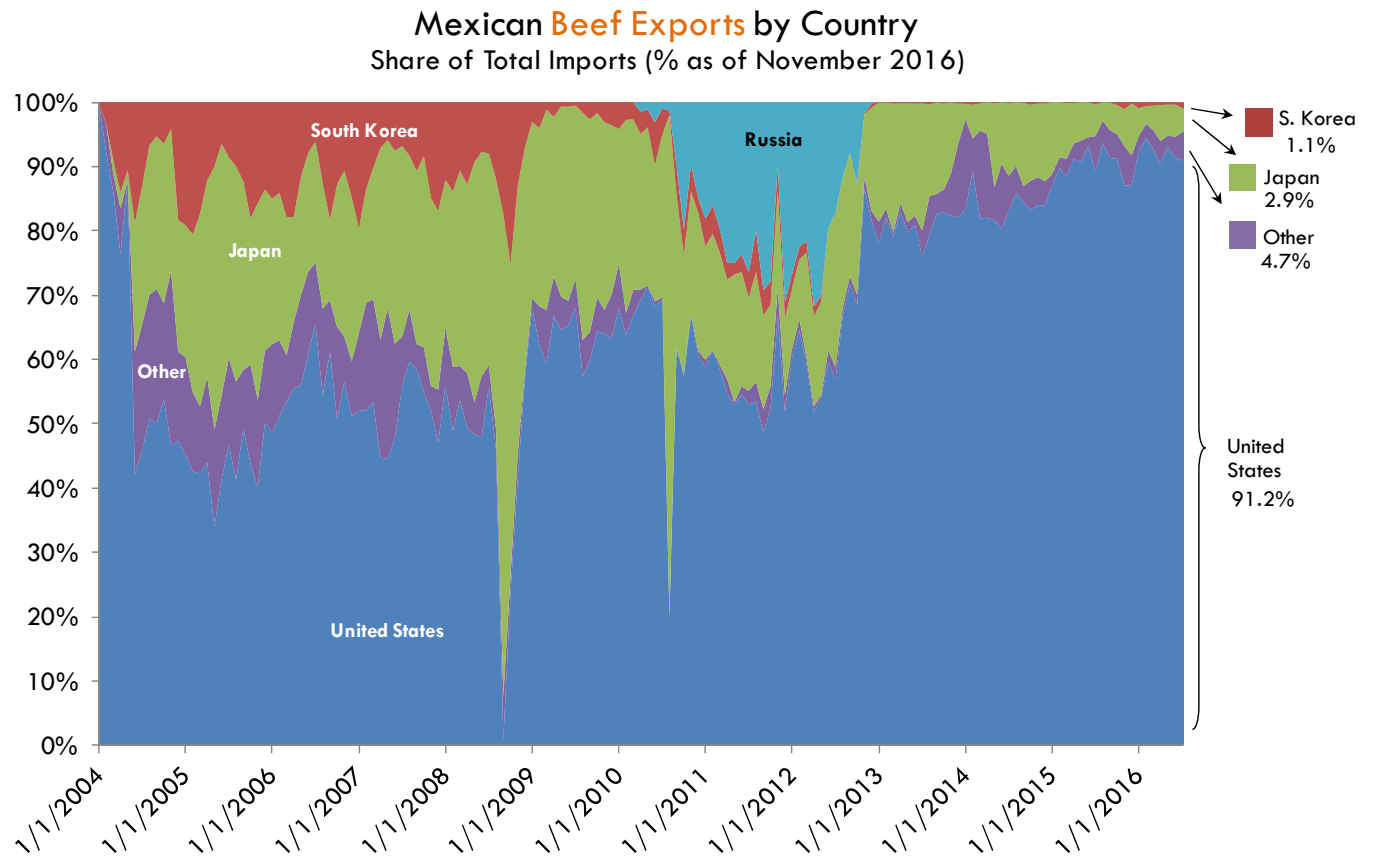
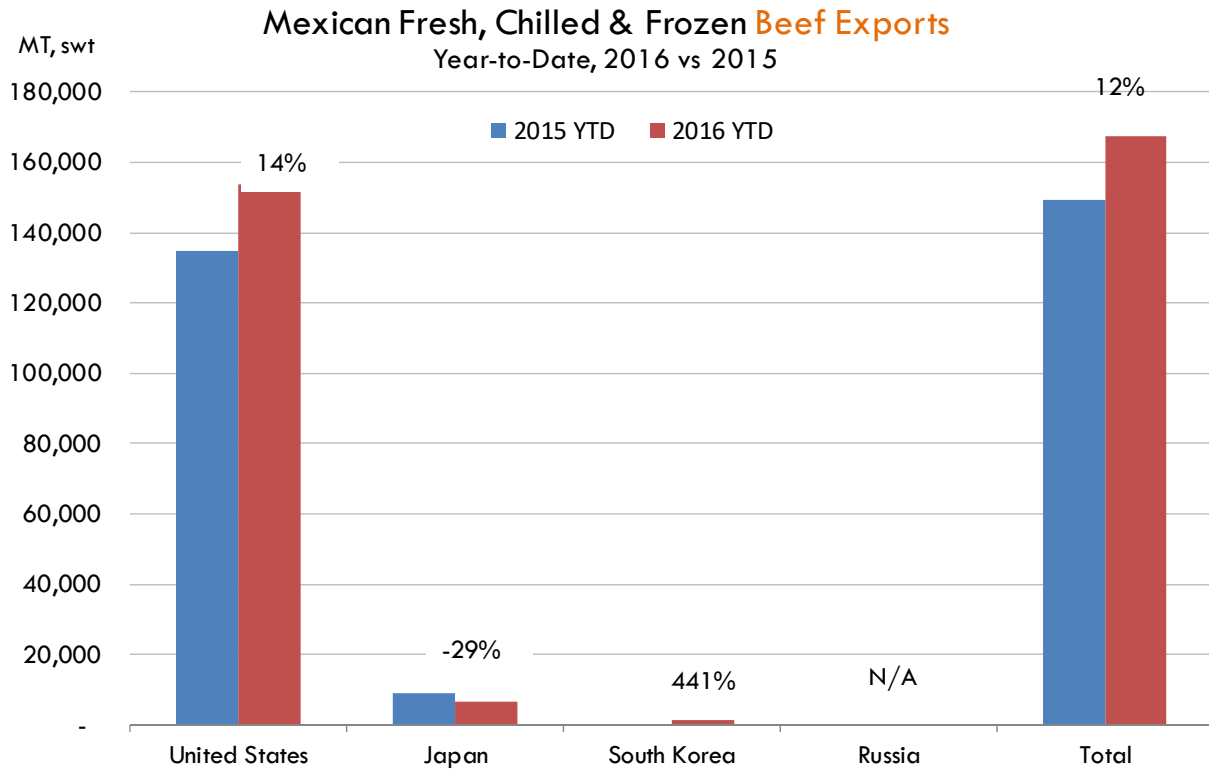
				2015 YTD		2016 YTD					
	2013	2014	2015	Jan - Nov	Jan - Nov	Vol. Ch.	% Ch.	Nov-15	Nov-16	Vol. Ch.	% Ch.
Fresh/Chill	MT	MT	MT	MT	MT	MT		MT	MT	MT	
United States	84,892	106,477	133,159	123,394	140,172	16,778	14%	9,933	13,108	3,175	32%
Japan	2,323	2,918	2,767	2,345	2,086	(259)	-11%	248	241	(7)	-3%
South Korea	-	-	-	-	-	-	N/A	-	-	-	N/A
Puerto Rico	50	-	-	-	-	-	N/A	-	-	-	N/A
Costa Rica	-	-	-	-	-	-	N/A	-	-	-	N/A
Panama	-	-	-	-	-	-	N/A	-	-	-	N/A
Angola	-	-	-	-	-	-	N/A	-	-	-	N/A
Russia	-	-	-	-	-	-	N/A	-	-	-	N/A
Hong Kong	-	-	16	16	-	(16)	N/A	-	-	-	N/A
Vietnam	21	-	-	-	-	-	N/A	-	-	-	N/A
Other	4	786	980	880	1,313	433	49%	106	116	10	9%
Total	87,290	110,181	136,922	126,635	143,571	16,936	13%	10,287	13,465	3,178	31%

Frozen

United States	9,546	8,066	12,080	11,234	13,489	2,255	20%	727	1,222	495	68%
Japan	16,164	9,896	7,451	6,891	4,500	(2,391)	-35%	456	348	(108)	-24%
South Korea	163	215	303	283	1,531	1,248	441%	131	251	120	92%
Puerto Rico	-	-	-	-	-	-	N/A	-	-	-	N/A
Costa Rica	-	-	274	219	395	176	80%	183	-	(183)	N/A
Panama	470	352	240	168	6	(162)	-96%	24	1	(23)	-96%
Angola	916	137	-	-	-	-	N/A	-	-	-	N/A
Russia	-	-	-	-	-	-	N/A	-	-	-	N/A
Hong Kong	409	7,344	3,711	3,429	3,287	(142)	-4%	279	306	27	10%
Vietnam	2,147	654	72	72	-	(72)	N/A	-	-	-	N/A
Other	95	322	230	176	767	591	336%	163	160	(3)	-2%
Total	29,910	26,986	24,361	22,472	23,975	1,503	7%	1,963	2,288	325	17%

Fresh/Chilled & Frozen

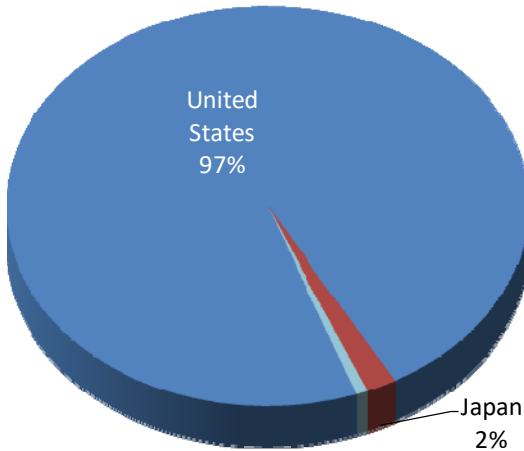
United States	94,438	114,543	145,239	134,628	153,661	19,033	14%	10,660	14,330	3,670	34%
Japan	18,487	12,814	10,218	9,236	6,586	(2,650)	-29%	704	589	(115)	-16%
South Korea	163	215	303	283	1,531	1,248	441%	131	251	120	92%
Puerto Rico	50	-	-	-	-	-	N/A	-	-	-	N/A
Costa Rica	-	-	274	219	395	176	80%	183	-	(183)	N/A
Panama	470	352	240	168	6	(162)	-96%	24	1	(23)	-96%
Angola	916	137	-	-	-	-	N/A	-	-	-	N/A
Russia	-	-	-	-	-	-	N/A	-	-	-	N/A
Hong Kong	409	7,344	3,727	3,445	3,287	(158)	-5%	279	306	27	10%
Vietnam	2,168	654	72	72	-	(72)	N/A	-	-	-	N/A
Other	99	1,108	1,210	1,056	2,080	1,024	97%	270	276	6	2%
Total	117,200	137,167	161,283	149,107	167,546	18,439	12%	12,251	15,753	3,502	29%



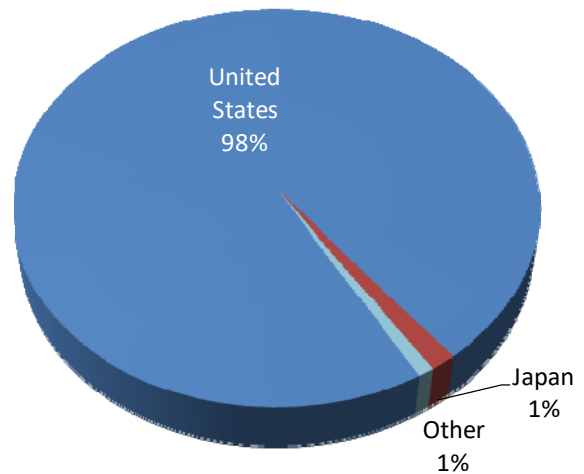
Shares of Mexican Beef Exports

2015 vs. 2016, Year-to-Date

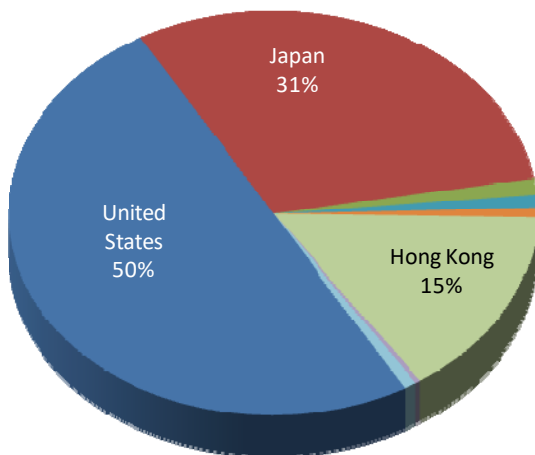
Fresh/Chilled Exports YTD, 2015



Fresh/Chilled Exports YTD, 2016

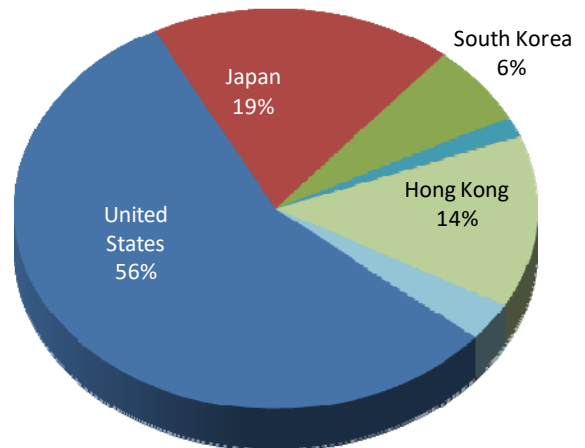


Frozen Exports YTD, 2015



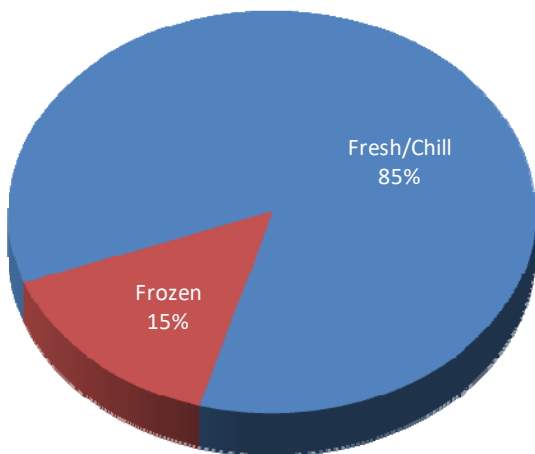
Other shares of frozen includes Panama, South Korea, and Vietnam and makes up 3.1%

Frozen Exports YTD, 2016

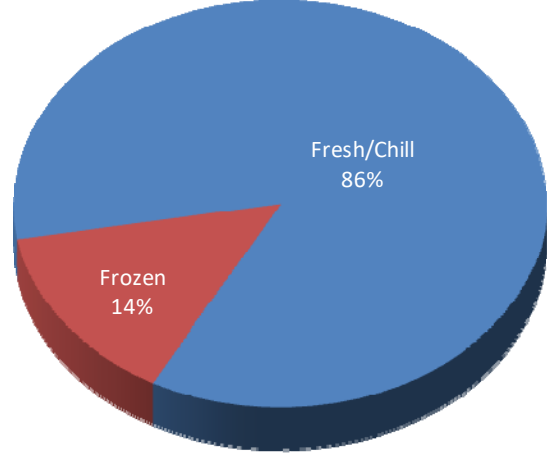


Other shares of frozen include Costa Rica, Panama and other and make up 4.9%

Fresh vs Frozen Beef Exports, 2015 YTD

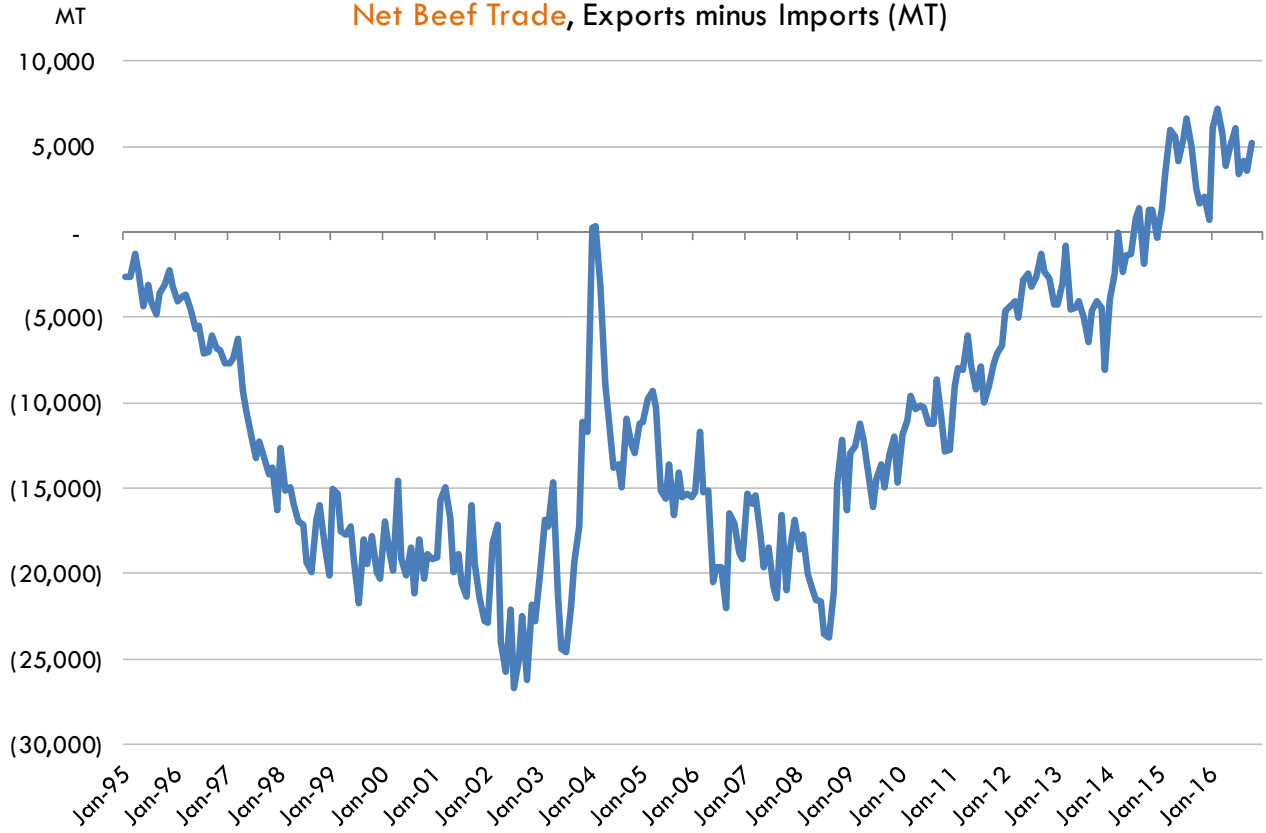


Fresh vs Frozen Beef Exports, 2016 YTD



Mexico Beef Trade Deficit/Surplus with the US

Net Beef Trade, Exports minus Imports (MT)



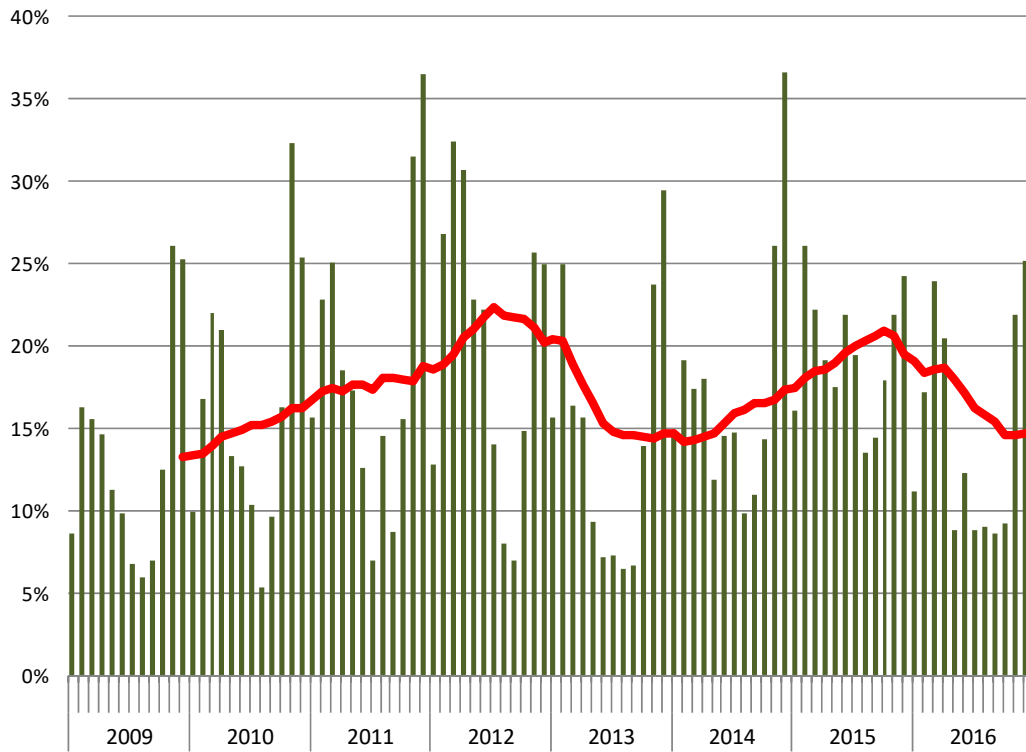
Imports Of Mexican Feeder Cattle As % Of US Cattle Placements
US Monthly Imports, USDA

	Male Calves	Female Calves	Total Feeders	US Placements	5-State Placements	Total Feeders as % US Total Placements	Total Feeders as % 5-State Placements
	.....head.....			.....1000 head.....			
Jan-13	63,397	18,087	81,484	1,790	521	5%	16%
Feb-13	88,966	21,908	110,874	1,376	445	8%	25%
Mar-13	89,918	20,256	110,174	1,808	675	6%	16%
Apr-13	73,952	15,826	89,778	1,669	574	5%	16%
May-13	59,254	10,325	69,579	1,951	745	4%	9%
Jun-13	34,914	5,157	40,071	1,469	557	3%	7%
Jul-13	36,316	5,746	42,062	1,634	575	3%	7%
Aug-13	31,905	4,394	36,299	1,727	565	2%	6%
Sep-13	36,575	3,833	40,408	1,926	605	2%	7%
Oct-13	78,601	14,455	93,056	2,303	668	4%	14%
Nov-13	99,432	28,254	127,686	1,785	538	7%	24%
Dec-13	117,041	29,935	146,976	1,577	500	9%	29%
Jan-14	68,144	13,205	81,349	1,943	553	4%	15%
Feb-14	79,651	19,408	99,059	1,587	519	6%	19%
Mar-14	86,044	18,915	104,959	1,736	605	6%	17%
Apr-14	79,291	18,834	98,125	1,540	546	6%	18%
May-14	67,306	18,041	85,347	1,808	721	5%	12%
Jun-14	56,036	12,557	68,593	1,393	472	5%	15%
Jul-14	59,027	15,181	74,208	1,496	504	5%	15%
Aug-14	39,841	11,452	51,293	1,659	521	3%	10%
Sep-14	50,895	10,846	61,741	1,949	563	3%	11%
Oct-14	76,898	16,994	93,892	2,271	655	4%	14%
Nov-14	102,274	32,813	135,087	1,720	518	8%	26%
Dec-14	128,798	31,517	160,315	1,465	438	11%	37%
Jan-15	65,541	13,765	79,306	1,712	494	5%	16%
Feb-15	88,922	13,689	102,611	1,491	394	7%	26%
Mar-15	106,368	15,114	121,482	1,740	549	7%	22%
Apr-15	82,353	11,856	94,209	1,482	492	6%	19%
May-15	95,388	13,687	109,075	1,642	623	7%	18%
Jun-15	93,814	12,665	106,479	1,412	486	8%	22%
Jul-15	81,528	9,368	90,896	1,491	467	6%	19%
Aug-15	60,653	6,670	67,323	1,572	497	4%	14%
Sep-15	73,111	6,038	79,149	1,884	548	4%	14%
Oct-15	91,742	12,418	104,160	2,211	582	5%	18%
Nov-15	82,519	11,841	94,360	1,523	432	6%	22%
Dec-15	93,412	8,615	102,027	1,449	422	7%	24%
Jan-16	48,256	4,225	52,481	1,723	469	3%	11%
Feb-16	77,032	6,592	83,624	1,652	488	5%	17%
Mar-16	124,486	15,034	139,520	1,830	583	8%	24%
Apr-16	103,279	12,158	115,437	1,588	566	7%	20%
May-16	57,200	4,724	61,924	1,815	701	3%	9%
Jun-16	56,736	4,288	61,024	1,464	499	4%	12%
Jul-16	37,400	4,255	41,655	1,522	471	3%	9%
Aug-16	42,237	3,225	45,462	1,838	507	2%	9%
Sep-16	39,260	3,854	43,114	1,863	499	2%	9%
Oct-16	48,678	3,456	52,134	2,114	568	2%	9%
Nov-16	99,722	13,230	112,952	1,774	517	6%	22%
Dec-16	119,091	12,511	131,602	1,740	524	8%	25%

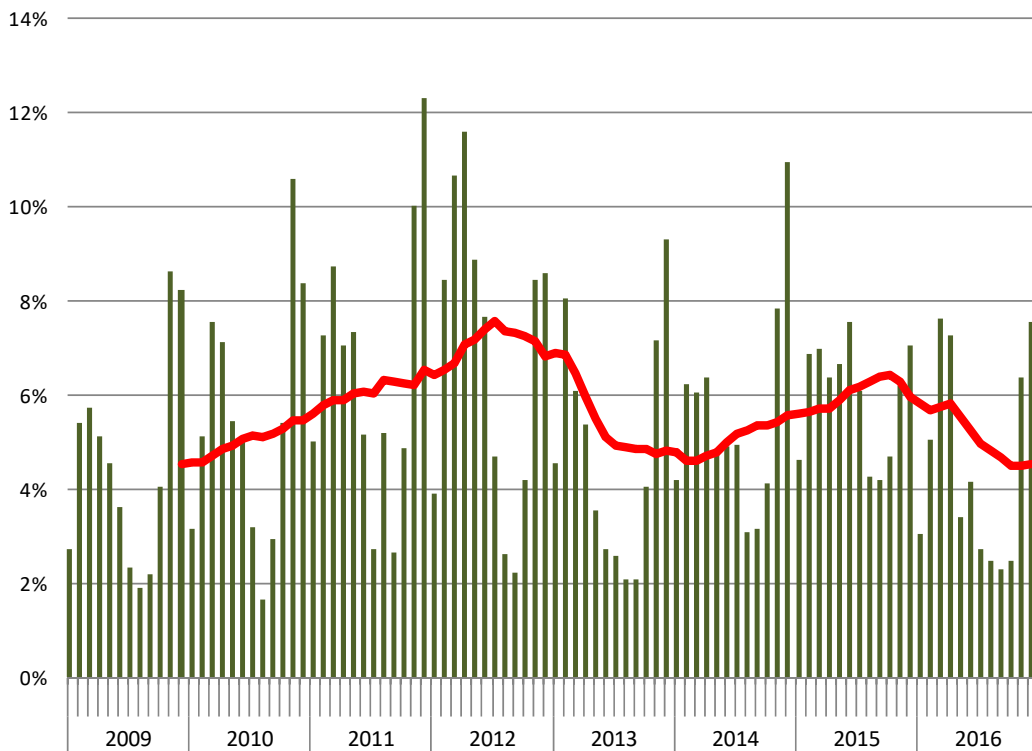
1. 5 states: California, Arizona, New Mexico, Texas and Oklahoma

Imports Of Mexican Feeder Cattle As % of Southern Placements

as % of Placements in 5 States (CA, AZ, NM, TX and OK)

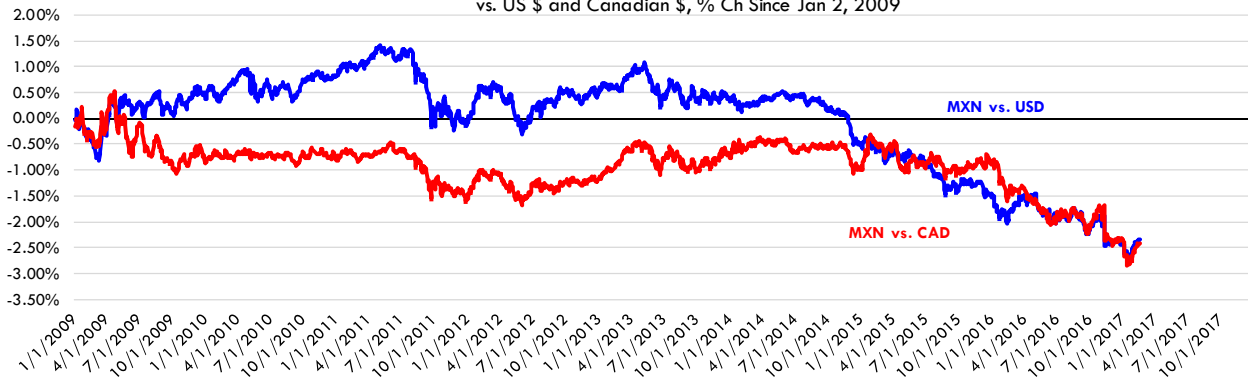


as % of All US Placements



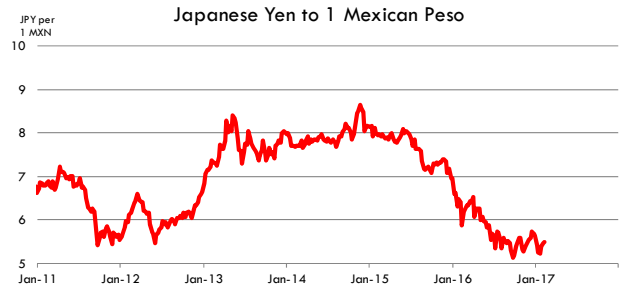
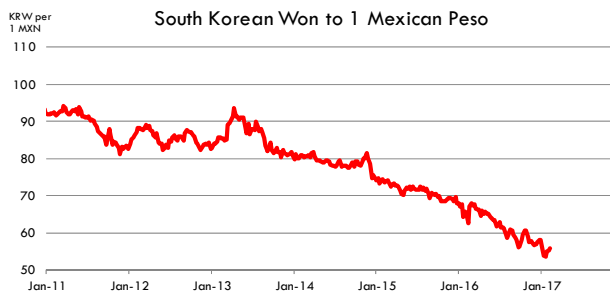
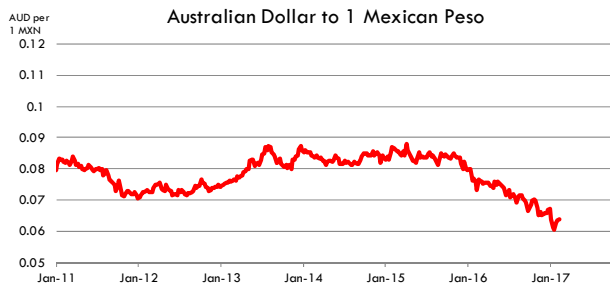
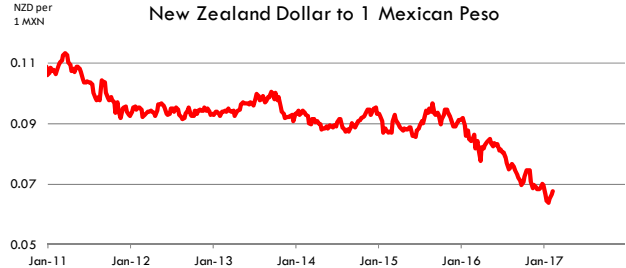
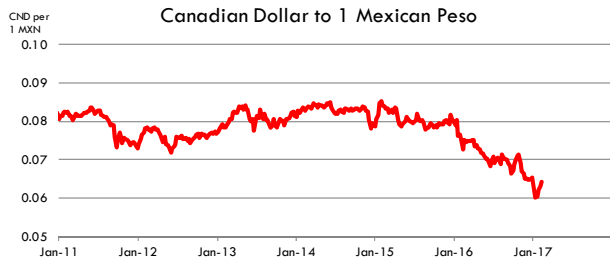
Mexican Economy

Appreciation/Depreciation of Mexican Peso
vs. US \$ and Canadian \$, % Ch Since Jan 2, 2009



More imports
Fewer exports
↑

Fewer imports
More exports
↓

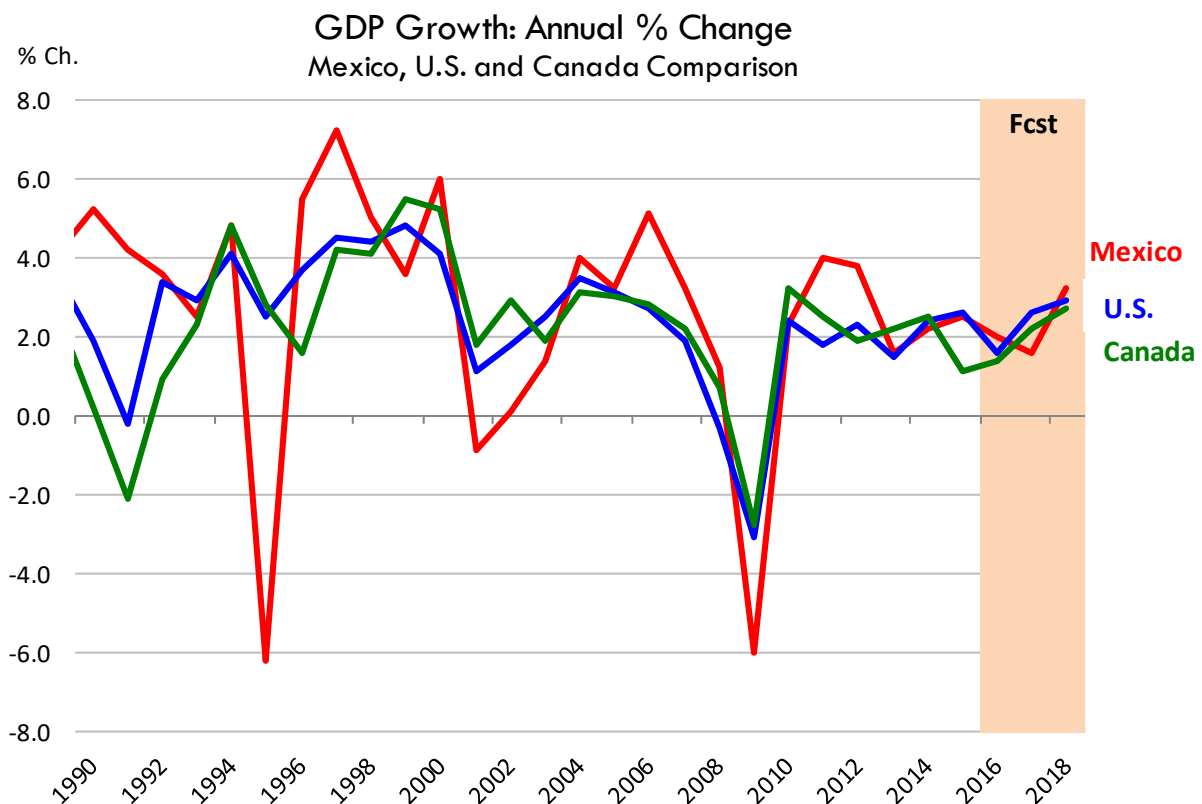


Economic Indicators: Mexico

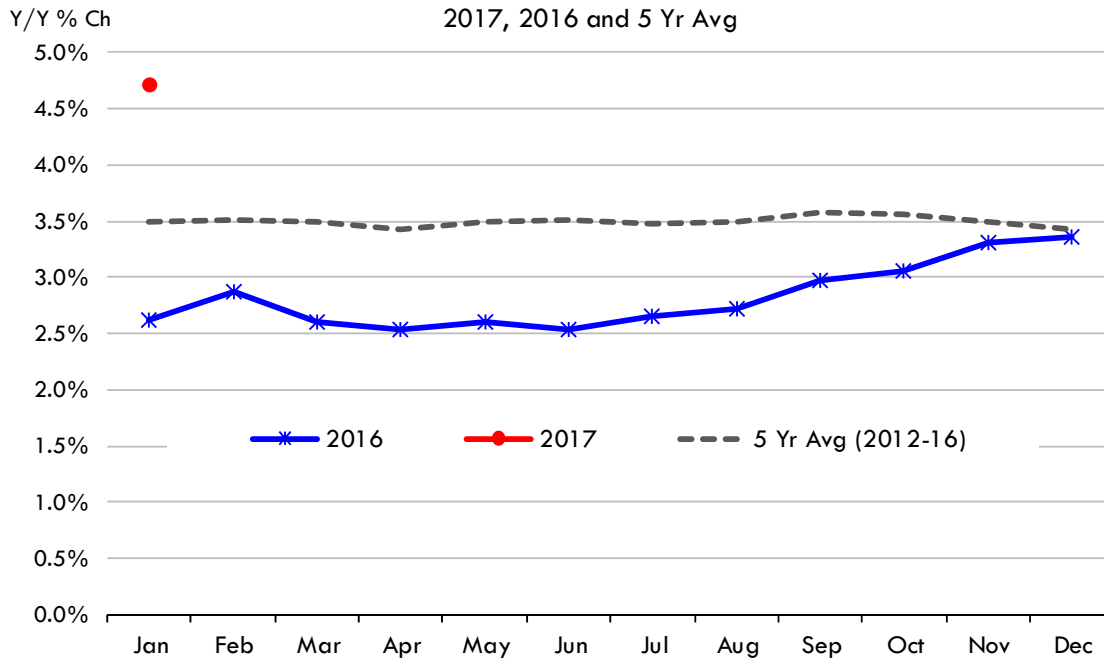
		2011	2012	2013	2014	2015	2016 ¹	2017 ¹
Real GDP, Annual Growth	Annual % Ch.	4.0	3.8	1.6	2.2	2.5	2.0	1.6
Inflation, general	Annual % Ch.	3.4	4.1	3.8	4.0	2.7	2.8	5.0
Inflation, food	Annual % Ch.	4.4	8.5	5.5	4.1	4.1	4.6	
Exchange Rate	MXN per USD	12.4	13.1	12.8	13.3	15.8	18.7	21.5
Unemployment Rate	%	5.2	5.0	4.9	4.8	4.4	3.9	4.1
Interest Rate, target	%	4.5	4.5	4.0	3.2	3.0	4.2	6.5
Consumer Confidence	Index = 2003	91.7	95.8	94.5	89.9	91.9	88.2	
Industrial Production	Annual % Ch.	3.9	2.5	-0.5	2.5	1.0	-0.2	-0.1

Sources: IMF, Bank of Mexico, OECD, Moody's/Economy.com

1. Moody's/Economy.com forecasts, latest update 2/6/2017

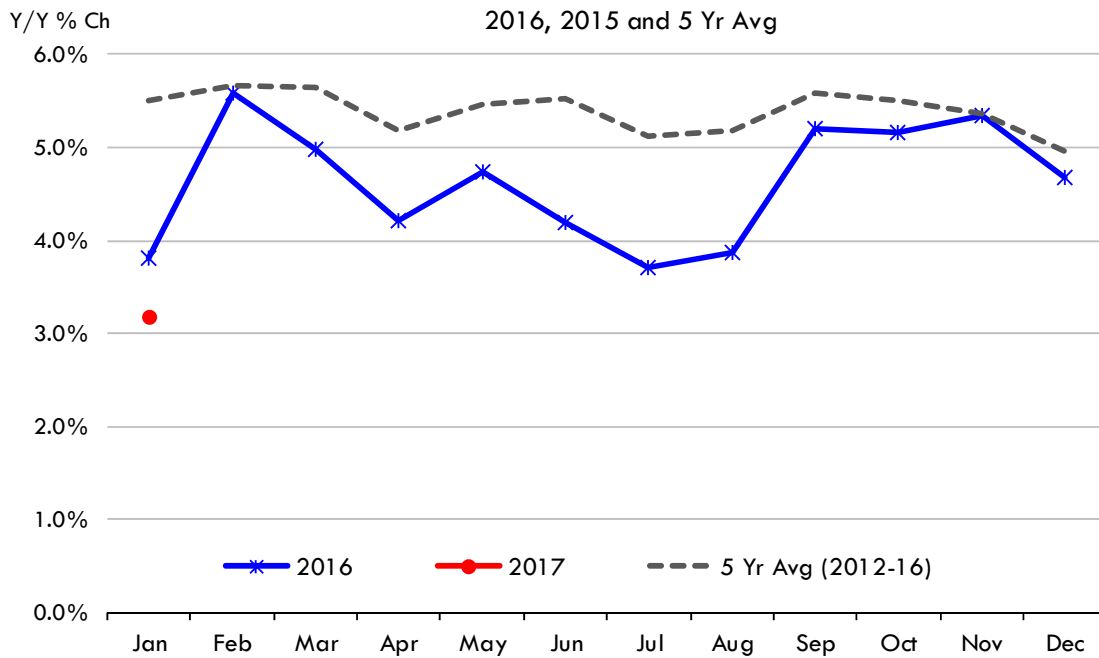


Inflation in Mexico: CPI 2017, 2016 and 5 Yr Avg



Jan-17	4.72%	Jan-16	2.61%	5-Yr Avg	3.49%
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Inflation in Mexico: Food CPI 2016, 2015 and 5 Yr Avg

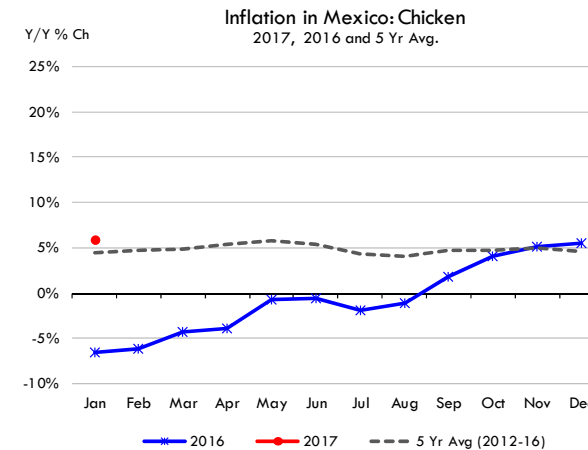
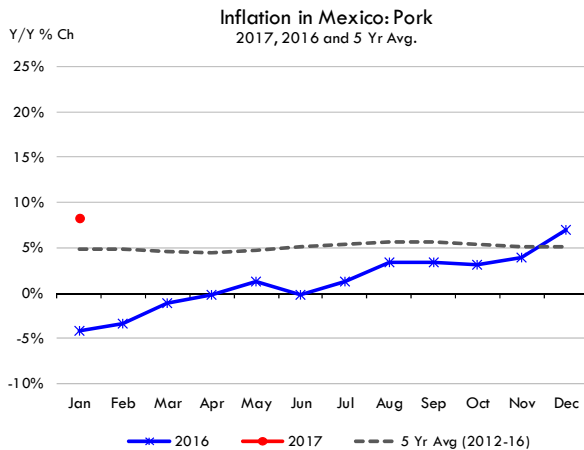
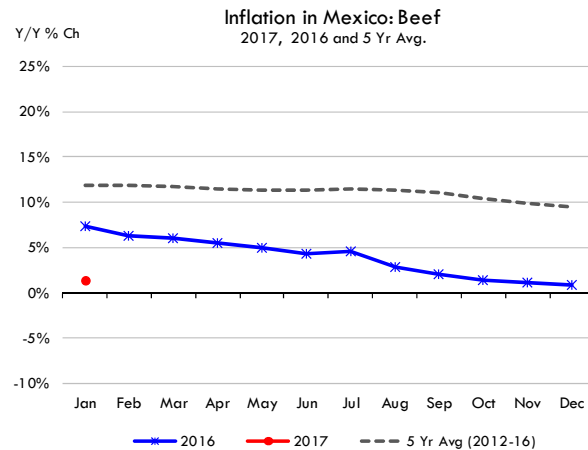
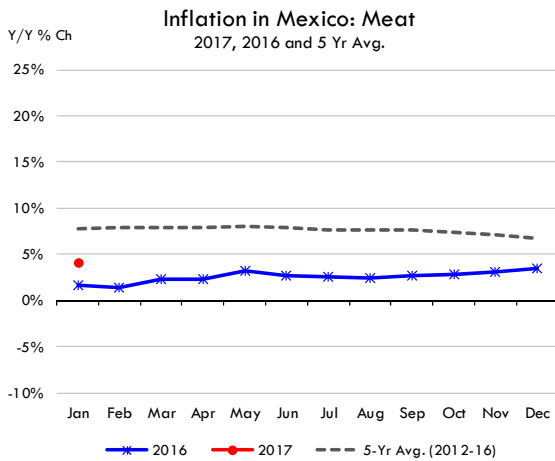
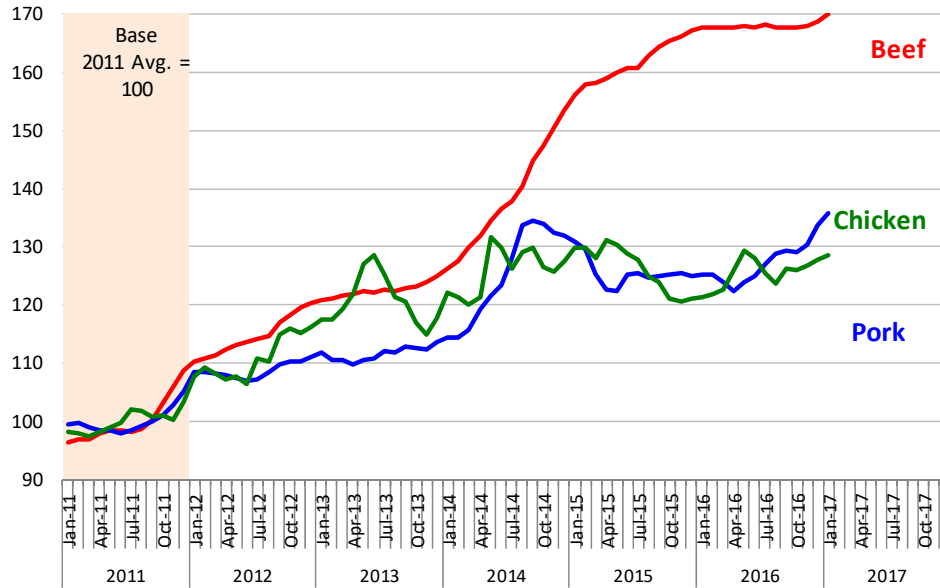


Jan-17	3.18%	Jan-16	3.81%	5-Yr Avg	5.51%
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Source: INEGI

Mexico Price Inflation in Main Protein Groups

Reindexed with 2011 Avg. = 100



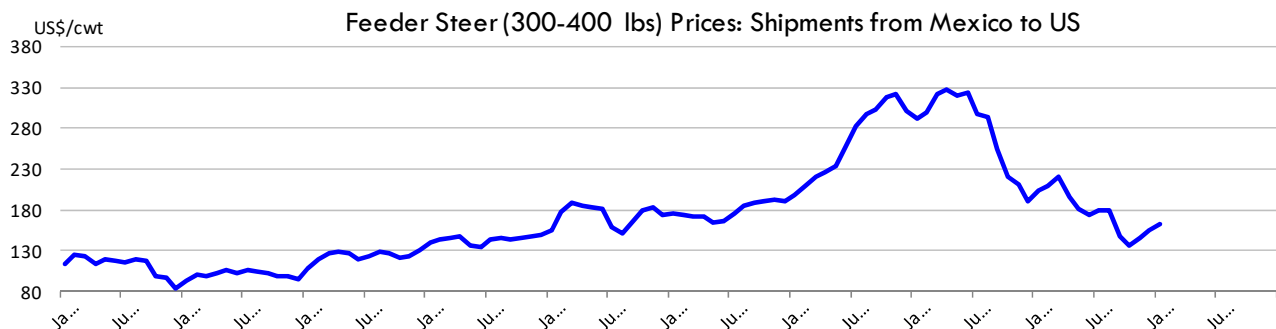
Source: INEGI

Pricing Summary

Feeder Cattle Shipments: Mexico to United States
Monthly Average Prices

	Feeder Steer				Feeder Heifers			
	300-400 lbs	y/y% ch	500-600 lbs	y/y% ch	300-400 lbs	y/y% ch	500-600 lbs	y/y% ch
	US\$/cwt		US\$/cwt		US\$/cwt		US\$/cwt	
Jan-14	198.75	13%	164.63	13%	167.67	11%	126.00	-3%
Feb-14	210.00	20%	174.13	24%	176.75	20%	156.75	24%
Mar-14	221.38	28%	186.13	32%	184.13	26%	164.13	34%
Apr-14	226.25	32%	188.25	34%	186.00	31%	166.00	36%
May-14	233.00	42%	194.40	45%	188.80	39%	168.80	46%
Jun-14	256.50	54%	216.50	60%	205.75	51%	185.75	59%
Jul-14	282.50	61%	237.25	68%	225.75	58%	205.75	68%
Aug-14	296.70	61%	245.70	61%	229.90	50%	209.90	58%
Sep-14	302.25	61%	248.88	54%	233.38	48%	213.38	55%
Oct-14	318.40	67%	260.40	64%	244.30	51%	224.30	58%
Nov-14	322.50	68%	260.75	64%	243.50	51%	223.50	58%
Dec-14	301.25	58%	231.88	48%	225.00	40%	205.00	45%
2014	264.12	48%	217.41	48%	209.24	40%	187.44	45%
Jan-15	291.67	47%	225.00	37%	211.67	26%	190.00	51%
Feb-15	300.00	43%	231.88	33%	214.38	21%	193.75	24%
Mar-15	322.50	46%	245.00	32%	230.63	25%	207.50	26%
Apr-15	326.88	44%	247.50	31%	231.88	25%	206.88	25%
May-15	320.50	38%	241.50	24%	228.80	21%	208.80	24%
Jun-15	324.13	26%	244.13	13%	233.13	13%	208.13	12%
Jul-15	296.50	5%	216.50	-9%	216.00	-4%	194.50	-5%
Aug-15	294.38	-1%	217.50	-11%	220.00	-4%	190.00	-9%
Sep-15	254.38	-16%	197.50	-21%	191.25	-18%	168.13	-21%
Oct-15	221.00	-31%	181.70	-30%	186.00	-24%	166.00	-26%
Nov-15	210.88	-35%	170.25	-35%	165.00	-32%	145.00	-35%
Dec-15	189.75	-37%	148.50	-36%	153.38	-32%	132.13	-36%
2015	279.38	6%	213.91	-2%	206.84	-1%	184.23	-2%
Jan-16	203.00	-30%	143.00	-36%	166.75	-21%	146.75	-23%
Feb-16	208.50	-31%	168.25	-27%	167.00	-22%	147.00	-24%
Mar-16	221.50	-31%	179.75	-27%	169.50	-27%	149.13	-28%
Apr-16	195.70	-40%	155.70	-37%	150.00	-35%	130.00	-37%
May-16	180.38	-44%	139.38	-42%	150.38	-34%	130.38	-38%
Jun-16	173.88	-46%	138.50	-43%	145.63	-38%	125.63	-40%
Jul-16	178.80	-40%	139.30	-36%	146.00	-32%	126.00	-35%
Aug-16	178.50	-39%	140.25	-36%	146.25	-34%	127.50	-33%
Sep-16	146.90	-42%	123.40	-38%	133.00	-30%	113.00	-33%
Oct-16	137.13	-38%	117.13	-36%	126.63	-32%	106.63	-36%
Nov-16	146.50	-31%	126.50	-26%	133.63	-19%	113.63	-22%
Dec-16	155.00	-18%	127.75	-14%	137.13	-11%	117.13	-11%
2016	177.15	-37%	141.58	-34%	147.66	-29%	127.73	-31%
Jan-17	163.00	-20%	133.00	-7%	144.17	-14%	124.17	-15%
Feb-17								
Mar-17								
Apr-17								
May-17								
Jun-17								
Jul-17								
Aug-17								
Sep-17								
Oct-17								
Nov-17								
Dec-17								
2017YTD	163.00		133.00		144.17		124.17	

*Price uses Medium and Large 1& 2 Feeder Steers and Fed Heifers; shipments to New Mexico and Texas



Mexican Beef Trim Prices vs. US Domestic and Imported Prices

	80% Trim							90% Trim					
Mexico.....		US.....			Mexico.....		US.....		
	MX (Pesos/kg)			US\$/lb	USDA ¹	Imported (YS) ²	MX (Pesos/kg)			US\$/lb	USDA ¹	Imported (YS) ²	
	low	high	avg.	Conv.	US\$/lb	US\$/lb		low	high	avg.	Conv.	US\$/lb	US\$/lb
2015													
Jan	60	- 64	62.0	1.92	2.52	2.29	62	- 67	64.5	1.99	3.02	2.57	
Feb	60	- 64	62.0	1.88	2.46	2.10	62	- 67	64.5	1.96	2.94	2.40	
Mar	60	- 64	62.0	1.84	2.42	1.94	62	- 67	64.5	1.91	2.95	2.35	
Apr	60	- 64	62.0	1.84	2.43	1.90	62	- 67	64.5	1.91	2.96	2.45	
May	60	- 64	62.0	1.85	2.37	1.76	64	- 68	66.0	1.97	2.97	2.35	
Jun	60	- 64	62.0	1.82	2.34	1.70	64	- 68	66.0	1.93	2.94	2.29	
Jul	58	- 63	60.8	1.73	2.29	1.78	63	- 67	64.8	1.85	2.91	2.41	
Aug	57	- 63	59.8	1.64	2.21	1.83	62	- 66	64.0	1.76	2.81	2.49	
Sep	56	- 62	58.8	1.59	2.08	1.73	63	- 67	65.0	1.75	2.73	2.41	
Oct	55	- 61	58.0	1.60	1.77	1.62	63	- 67	64.8	1.78	2.33	2.21	
Nov	56	- 61	58.3	1.55	1.66	1.62	61	- 67	64.1	1.75	2.14	2.05	
Dec	50	- 56	52.7	1.40	1.52	1.53	57	- 61	59.2	1.57	1.97	1.94	
2016													
Jan	48	- 55	51.4	1.30	1.58	1.49	56	- 63	59.5	1.50	2.01	1.89	
Feb	47	- 55	50.8	1.25	1.63	1.54	56	- 63	59.3	1.46	2.10	2.06	
Mar	49	- 55	51.9	1.34	1.70	1.58	55	- 63	58.8	1.51	2.18	2.07	
Apr	52	- 60	56.0	1.45	1.69	1.58	54	- 60	56.8	1.48	2.19	2.02	
May	63	- 74	68.5	1.71	1.65	1.64	49	- 55	52.0	1.30	2.18	2.07	
Jun	50	- 55	52.5	1.27	1.69	1.67	55	- 61	58.0	1.40	2.18	2.09	
Jul	50	- 56	53.0	1.30	1.68	1.77	55	- 61	58.1	1.42	2.17	2.16	
Aug	51	- 57	54.3	1.34	1.65	1.76	56	- 62	58.9	1.45	2.15	2.11	
Sep	54	- 61	57.7	1.36	1.58	1.75	60	- 64	62.0	1.46	2.05	2.04	
Oct	54	- 62	57.8	1.38	1.50	1.70	60	- 64	61.9	1.48	1.93	2.00	
Nov	53	- 61	57.0	1.28	1.53	1.74	60	- 63	61.5	1.38	1.93	2.15	
Dec	56	- 61	58.4	1.29	1.47	1.70	60	- 63	61.5	1.36	1.92	2.08	
2017													
Jan	57	- 61	59.0	1.27	1.58	1.70	60	- 63	61.5	1.32	2.03	2.07	
Feb													
Mar													
Apr													
May													
Jun													
Jul													
Aug													
Sep													
Oct													
Nov													
Dec													

Source: Urner Barry. 1. 81% Boneless Beef, National Fresh; 2. YS Imported Aust/NZ Mixed Trimmings 80%, EC 7:45; 3. 90% Boneless Beef, National, Fresh; 4. YS Imported Aust/NZ Blend Cow 90% EC 7:45

Mexican Beef Prices vs. US Market Prices

	Beef Carcass (100, 1)					Bnls Ribeye, Lip-On (112A, 3)					Shoulder Clod (114, 1)				
	.....Mexico.....			US		.....Mexico.....			US		.....Mexico.....			US	
	MX (Pesos/kg)		US\$/lb	USDA ¹	Conv.	MX (Pesos/kg)		US\$/lb	USDA ²	Conv.	MX (Pesos/kg)		US\$/lb	USDA ³	Conv.
low	high	avg.	US\$/lb	low		high	avg.	US\$/lb	low		high	avg.	US\$/lb		
2015															
Jan	63	- 67	64.9	2.00	2.62	118	- 134	126.0	3.89	3.61	88	- 95	91.6	2.83	2.78
Feb	63	- 67	65.0	1.98	2.55	118	- 133	125.5	3.81	3.33	86	- 93	89.5	2.72	2.71
Mar	63	- 67	65.0	1.93	2.57	118	- 133	125.5	3.72	4.13	86	- 89	87.4	2.59	2.66
Apr	63	- 67	65.0	1.93	2.60	118	- 133	125.5	3.72	4.81	82	- 88	85.2	2.53	2.47
May	64	- 60	61.8	1.96	2.54	127	- 142	134.5	4.02	5.19	82	- 88	84.9	2.53	2.47
Jun	64	- 68	66.0	1.93	2.45	130	- 145	137.5	4.02	5.28	84	- 88	86.0	2.52	2.66
Jul	64	- 68	66.2	1.88	2.37	130	- 145	137.5	3.91	5.08	86	- 90	88.2	2.51	2.65
Aug	67	- 70	68.0	1.87	2.35	134	- 157	145.4	3.99	5.41	89	- 93	90.8	2.49	2.50
Sep	67	- 70	68.3	1.84	2.16	135	- 159	146.8	3.96	5.21	91	- 92	91.8	2.45	2.33
Oct	66	- 69	67.5	1.86	1.99	135	- 155	145.0	3.99	4.27	85	- 90	87.1	2.40	2.09
Nov	66	- 69	67.5	1.84	2.02	133	- 149	140.6	3.83	4.25	80	- 87	83.5	2.27	1.97
Dec	66	- 69	67.5	1.79	1.91	130	- 145	137.5	3.64	3.49	74	- 81	77.5	2.05	1.93
2016															
Jan	66	- 69	67.5	1.70	2.10	130	- 145	137.5	3.47	3.86	84	- 91	87.3	2.20	2.55
Feb	66	- 69	67.5	1.66	2.09	130	- 145	137.5	3.38	3.85	90	- 95	92.1	2.27	2.14
Mar	66	- 69	67.5	1.74	2.17	130	- 145	137.5	3.54	4.63	83	- 89	85.9	2.21	1.96
Apr	65	- 69	67.1	1.74	2.11	130	- 145	137.5	3.57	4.23	77	- 85	81.1	2.11	1.96
May	64	- 69	66.5	1.66	2.00	130	- 145	137.5	3.42	4.02	75	- 83	79.1	1.97	1.96
Jun	64	- 69	66.5	1.61	1.98	130	- 145	137.5	3.33	4.84	75	- 83	79.0	1.91	1.88
Jul	64	- 69	66.5	1.63	1.89	130	- 145	137.5	3.37	4.99	76	- 82	79.2	1.94	1.85
Aug	64	- 69	66.5	1.64	1.85	130	- 145	137.5	3.38	4.98	78	- 82	79.9	1.97	1.87
Sep	63	- 67	65.3	1.54	1.69	130	- 145	137.5	3.24	4.20	78	- 83	80.3	1.89	1.87
Oct	63	- 67	65.0	1.56	1.58	130	- 145	137.5	3.29	4.06	79	- 84	81.4	1.95	1.85
Nov	63	- 67	65.0	1.46	1.66	130	- 145	137.5	3.08	3.17	80	- 84	81.6	1.83	1.78
Dec	62	- 66	64.0	1.42	1.76	130	- 145	137.5	3.03	3.17	80	- 84	82.0	1.81	1.87
2017															
Jan	63	- 67	64.6	1.39	1.90	131	- 145	138.1	2.96	2.89	87	- 91	88.8	1.90	1.88
Feb															
Mar															
Apr															
May															
Jun															
Jul															
Aug															
Sep															
Oct															
Nov															
Dec															

Source: Urner Barry. 1. Five Area Direct Average Dressed Steer; 2. Boner/Breaker 112A Rib, ribeye roll-lip-on, 8-dn lbs; 3. Choice 114 1 Chuck Shoulder Clod

Mexican Beef Prices vs. US Market Prices

	Chuck Roll, Neck Off (116A, 3)					Chuck Tender (116B, 1)					Chuck Short Rib (130, 1)				
	.....Mexico.....			US		.....Mexico.....			US		.....Mexico.....			US	
	MX (Pesos/kg)			US\$/lb	USDA ¹	MX (Pesos/kg)			US\$/lb	USDA ²	MX (Pesos/kg)			US\$/lb	USDA
	low	high	avg.	Conv.	US\$/lb	low	high	avg.	Conv.	US\$/lb	low	high	avg.	Conv.	US\$/lb
2015															
Jan	94	- 101	97.6	3.01	3.19	74	- 79	76.5	2.36	3.26	65	- 78	71.5	2.21	
Feb	95	- 100	97.1	2.95	3.03	76	- 81	78.5		3.14	65	- 78	71.5	2.17	
Mar	92	- 98	95.1	2.82	3.16	76	- 81	78.5		3.04	65	- 78	71.5	2.12	
Apr	94	- 100	96.6	2.87	3.16	76	- 81	78.5	2.33	2.77	65	- 78	71.5	2.12	
May	96	- 102	99.0	2.96	3.00	79	- 88	83.4	2.49	2.76	65	- 78	71.5	2.13	
Jun	98	- 103	100.3	2.94	2.96	80	- 90	85.0	2.49	2.99	65	- 78	71.5	2.10	
Jul	98	- 103	100.5	2.86	3.04	80	- 90	85.0	2.42	3.01	65	- 78	71.5	2.04	
Aug	98	- 104	101.0	2.77	3.18	80	- 90	85.0	2.33	3.03	65	- 72	68.5	1.88	
Sep	99	- 105	101.9	2.75	3.08	80	- 90	85.0	2.29	2.78	65	- 72	68.5	1.85	
Oct	99	- 104	101.5	2.79	3.04	80	- 90	85.0	2.34	2.62	65	- 72	68.5	1.89	
Nov	98	- 104	100.9	2.75	2.96	80	- 90	85.0	2.32	2.16	65	- 72	68.5	1.87	
Dec	93	- 102	97.5	2.58	2.74	80	- 90	85.0	2.25	1.98	65	- 72	68.5	1.82	
2016															
Jan	99	- 105	102.0	2.58	3.26	80	- 90	85.0	2.15	2.60	65	- 72	68.5	1.73	
Feb	99	- 107	103.0	2.53	2.99	80	- 90	85.0	2.09	2.79	65	- 72	68.5	1.69	
Mar	97	- 102	99.4	2.56	2.68	80	- 90	85.0	2.19	2.45	65	- 72	68.5	1.77	
Apr	96	- 102	99.2	2.58	2.58	80	- 90	85.0	2.21	2.07	65	- 72	68.5	1.78	
May	98	- 104	100.9	2.51	2.46	80	- 90	85.0	2.12	2.16	65	- 72	68.5	1.70	
Jun	94	- 100	96.8	2.34	2.45	80	- 90	85.0	2.06	2.01	65	- 72	68.5	1.66	
Jul	93	- 98	95.5	2.34	2.42	80	- 90	85.0	2.08	2.01	65	- 72	68.5	1.68	
Aug	93	- 99	96.3	2.37	2.44	80	- 90	85.0	2.09	2.08	65	- 72	68.5	1.69	
Sep	92	- 96	94.0	2.22	2.58	80	- 90	85.0	2.00	2.10	65	- 72	68.5	1.61	
Oct	92	- 98	94.6	2.26	3.10	80	- 90	85.0	2.03	2.02	65	- 72	68.5	1.64	
Nov	95	- 99	97.1	2.17	2.70	80	- 90	85.0	1.91	1.96	65	- 72	68.5	1.53	
Dec	96	- 102	99.1	2.19	2.58	80	- 90	85.0	1.88	2.03	65	- 72	68.5	1.52	
2017															
Jan	98	- 104	100.9	2.16	2.64	81	- 89	85.0	1.82	2.26	71	- 81	75.8	1.62	
Feb															
Mar															
Apr															
May															
Jun															
Jul															
Aug															
Sep															
Oct															
Nov															
Dec															

Source: Urner Barry. 1. Choice 116A 3 Chuck Roll 1x1 neck/off; 2. Choice 116B 1 Chuck Chuck tender

Mexican Beef Prices vs. US Market Prices

	Knuckle, Pld (167A, 4)					Top Round, Cap Off (169A, 3)					Outside Round (171B, 3)				
Mexico.....			US	Mexico.....			US	Mexico.....			US	
	MX (Pesos/kg)		US\$/lb	USDA ¹	Conv.	MX (Pesos/kg)		US\$/lb	YS ²	Conv.	MX (Pesos/kg)		US\$/lb	USDA ³	
low	high	avg.	low	high		avg.	low	high	avg.		low	high	avg.		
2015															
Jan	95	- 98	96.4	2.98	3.26	94	- 97	95.0	2.94	3.98				3.17	
Feb	95	- 98	96.3	2.93	2.97	93	- 97	94.9	2.89	3.89				2.85	
Mar	94	- 90	91.8	2.83	3.22	89	- 94	91.5	2.71	3.90				2.84	
Apr	96	- 99	97.4	2.89	3.27	90	- 96	93.3	2.76	3.81				2.57	
May	98	- 102	99.8	2.98	3.05	96	- 99	97.5	2.91	4.01				2.62	
Jun	97	- 101	98.9	2.89	2.82	96	- 99	97.5	2.86	3.97				2.81	
Jul	97	- 101	99.1	2.82	2.95	95	- 99	97.1	2.77	3.98				2.73	
Aug	99	- 103	100.6	2.76	2.99	97	- 101	99.0	2.72	4.12				2.69	
Sep	101	- 106	103.4	2.79	2.79	100	- 104	102.2	2.76	3.63				2.56	
Oct	96	- 101	98.4	2.71	2.60	95	- 100	97.8	2.69	3.22				2.36	
Nov	92	- 98	94.9	2.58	2.34	90	- 97	93.4	2.53	3.15				2.27	
Dec	85	- 91	88.0	2.33	2.12	83	- 89	85.7	2.27	2.87				2.34	
2016															
Jan	91	- 94	92.4	2.33	2.96	89	- 93	90.8	2.29	3.61				3.00	
Feb	95	- 98	96.3	2.93	2.97	93	- 97	94.9	2.89	3.89				2.85	
Mar	94	- 90	91.8	2.83	3.22	89	- 94	91.5	2.71	3.90				2.84	
Apr	96	- 99	97.4	2.89	3.27	90	- 96	93.3	2.76	3.81				2.57	
May	98	- 102	99.8	2.98	3.05	96	- 99	97.5	2.91	4.01				2.62	
Jun	97	- 101	98.9	2.89	2.82	96	- 99	97.5	2.86	3.97				2.81	
Jul	97	- 101	99.1	2.82	2.95	95	- 99	97.1	2.77	3.98				2.73	
Aug	99	- 103	100.6	2.76	2.99	97	- 101	99.0	2.72	4.12				2.69	
Sep	101	- 106	103.4	2.79	2.79	100	- 104	102.2	2.76	3.63				2.56	
Oct	96	- 101	98.4	2.71	2.60	95	- 100	97.8	2.69	3.22				2.36	
Nov	92	- 98	94.9	2.58	2.34	90	- 97	93.4	2.53	3.15				2.27	
Dec	85	- 91	88.0	2.33	2.12	83	- 89	85.7	2.27	2.87				2.34	
2017															
Jan	93	- 98	95.6	2.05	2.35	91	- 94	92.5	1.98	3.02				2.26	
Feb															
Mar															
Apr															
May															
Jun															
Jul															
Aug															
Sep															
Oct															
Nov															
Dec															

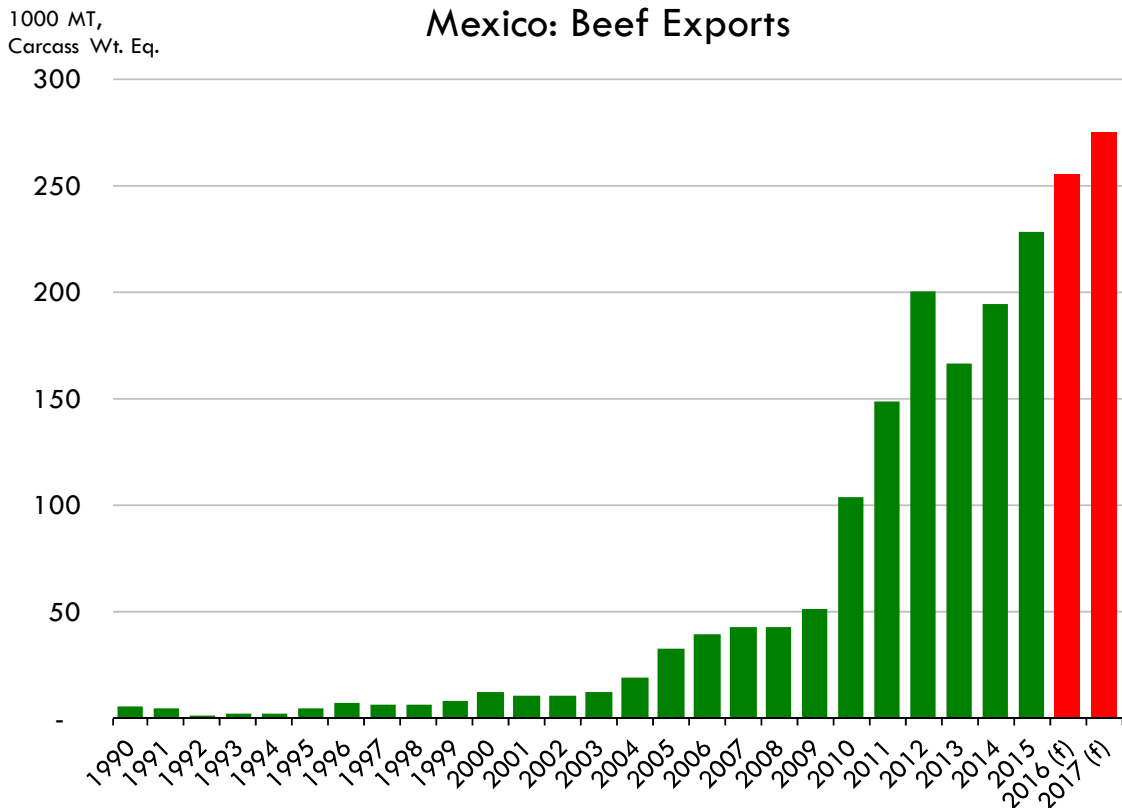
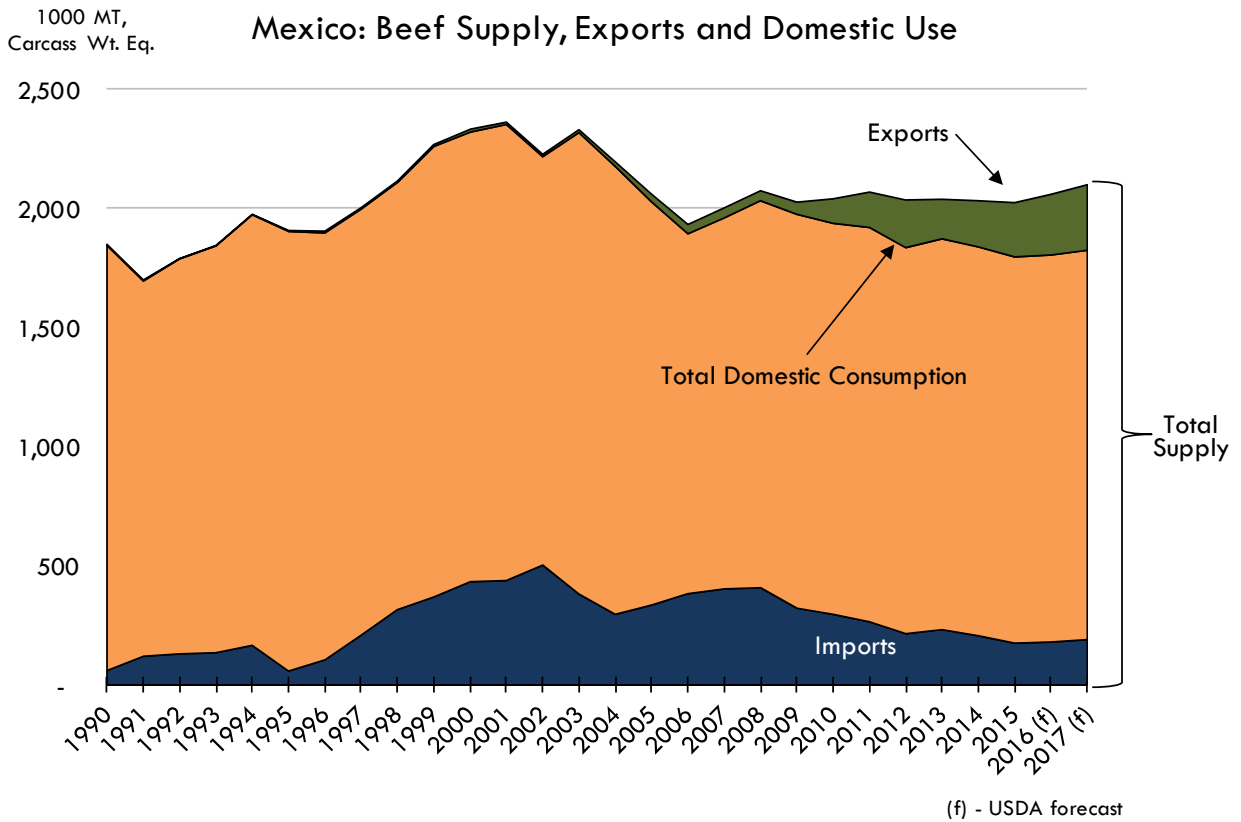
Source: Urner Barry. 1. Choice 167A 4 Round Knuckle Peeled; 2. YS 169A 5 Inside Round, Cap-Off Choice-(TL); 3. Choice 171B 3 Round outside round

Mexican Beef Prices vs. US Market Prices

	Eye of Round (171C, 3)				Tenderloin, Full, Defatted (189A, 4)						
	.....Mexico.....			US	.....Mexico.....			US			
	MX (Pesos/kg)		US\$/lb	USDA ¹	MX (Pesos/kg)		US\$/lb	YS ²	US\$/lb		
	low	high	avg.	Conv.	US\$/lb	low	high	avg.	Conv.	US\$/lb	
2015											
Jan					3.49	200	-	225	212.5	6.56	10.10
Feb					3.32	185	-	225	205.0	6.23	10.10
Mar					3.09	180	-	225	202.5	6.00	10.20
Apr					2.77	180	-	225	202.5	6.01	10.74
May					2.71	190	-	235	212.5	6.34	10.50
Jun					2.81	200	-	245	222.5	6.51	10.50
Jul					2.92	200	-	245	222.5	6.33	10.50
Aug					3.05	200	-	245	222.5	6.11	10.65
Sep					3.04	200	-	245	222.5	6.00	10.48
Oct					2.95	215	-	249	231.9	6.38	10.25
Nov					2.69	220	-	250	235.0	6.41	10.30
Dec					2.50	223	-	264	243.5	6.45	10.07
2016											
Jan					2.81	225	-	270	247.5	6.25	9.58
Feb					2.60	240	-	265	252.5	6.21	8.90
Mar					2.40	240	-	260	250.0	6.44	9.10
Apr					2.48	240	-	260	250.0	6.49	8.58
May					2.49	240	-	260	250.0	6.22	8.00
Jun					2.14	240	-	260	250.0	6.05	8.08
Jul					1.98	241	-	260	250.5	6.13	8.45
Aug					2.05	245	-	260	252.5	6.21	8.80
Sep					2.13	245	-	260	252.5	5.95	8.80
Oct					2.31	245	-	260	252.5	6.04	8.55
Nov					2.37	245	-	260	252.5	5.65	8.00
Dec					2.57	249	-	268	258.5	5.42	8.00
2017											
Jan					2.73	250	-	273	261.3	5.60	8.00
Feb											
Mar											
Apr											
May											
Jun											
Jul											
Aug											
Sep											
Oct											
Nov											
Dec											

Source: Urner Barry. 1. Choice 171C 3 Round eye of round; 2. YS 189A 4 Loin, Tenderloin, PSMO, Defat Dn No-Roll-(LTL)

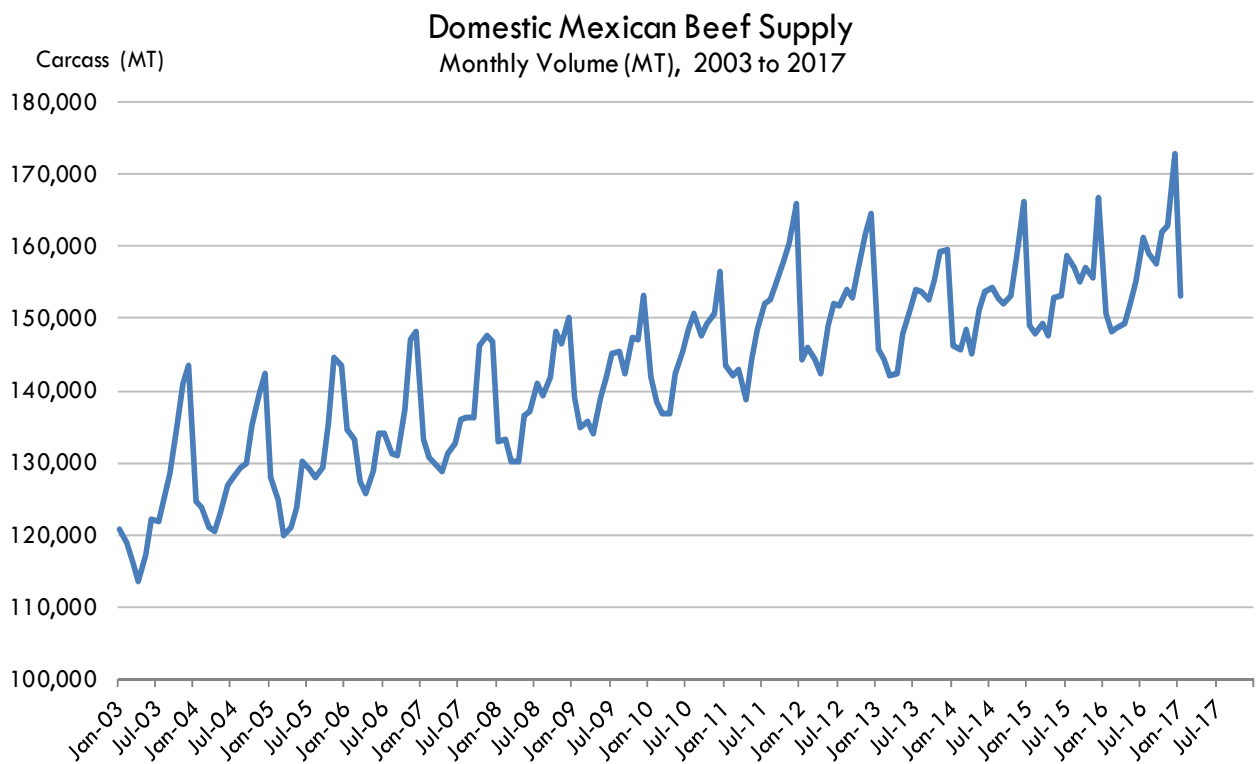
Supply Summary



Domestic Mexican Beef Supply Monthly Volume, Carcass (MT)

	2012	2013	2014	2015	2016	2017	5 Yr Avg	2017 vs. 2016	2017 vs. 5 Yr Avg
Jan	144,315	145,712	146,321	148,933	150,660	153,153	147,188	2%	4%
Feb	145,951	144,394	145,688	147,982	148,233		146,450		
Mar	144,233	142,022	148,330	149,220	148,643		146,490		
Apr	142,441	142,438	145,134	147,635	149,185		145,367		
May	149,051	147,979	151,130	152,926	152,182		150,654		
Jun	151,977	151,292	153,731	153,035	155,082		153,023		
Jul	151,770	154,110	154,363	158,825	161,072		156,028		
Aug	154,064	153,700	152,752	157,046	159,070		155,326		
Sep	152,958	152,485	152,085	155,077	157,602		154,041		
Oct	156,788	155,241	153,274	157,047	161,907		156,851		
Nov	161,798	159,270	158,456	155,598	162,794		159,583		
Dec	164,481	159,641	166,058	166,809	172,888		165,975		
Year	1,819,827	1,808,284	1,827,322	1,850,133	1,879,318		1,836,977		

Source: SAGARPA

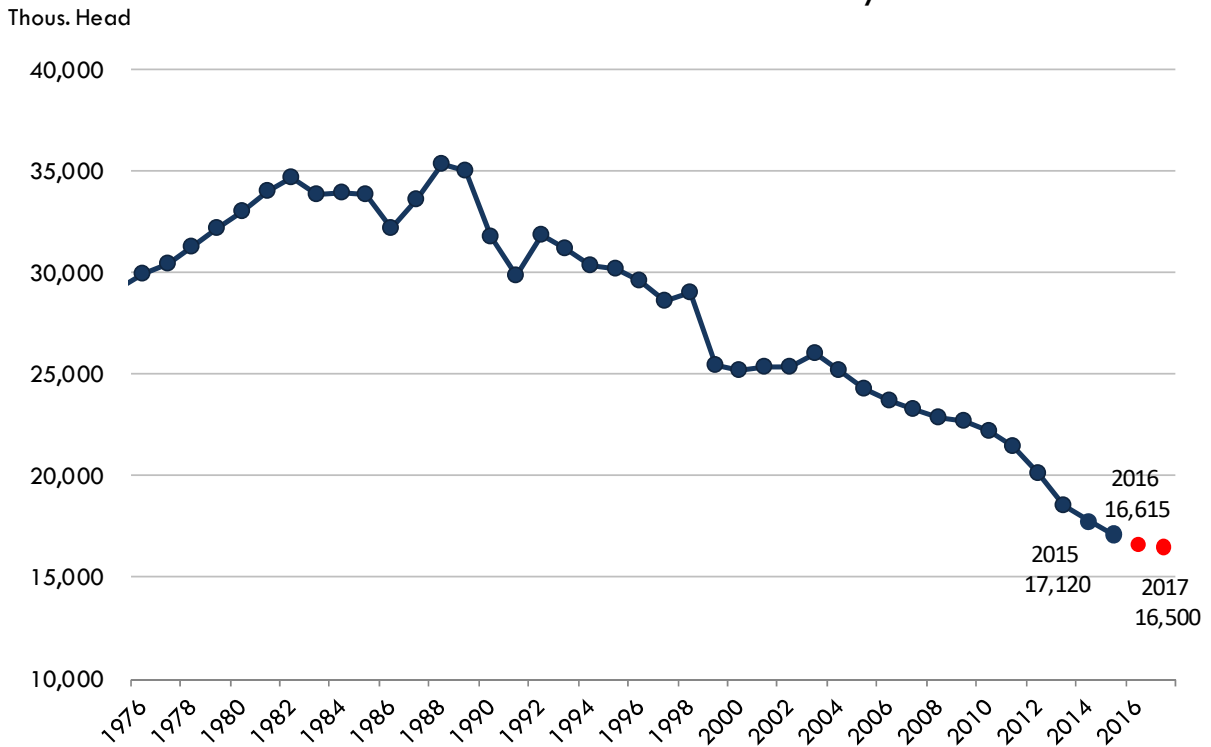


Mexican Cattle Inventory, Slaughter and Exports

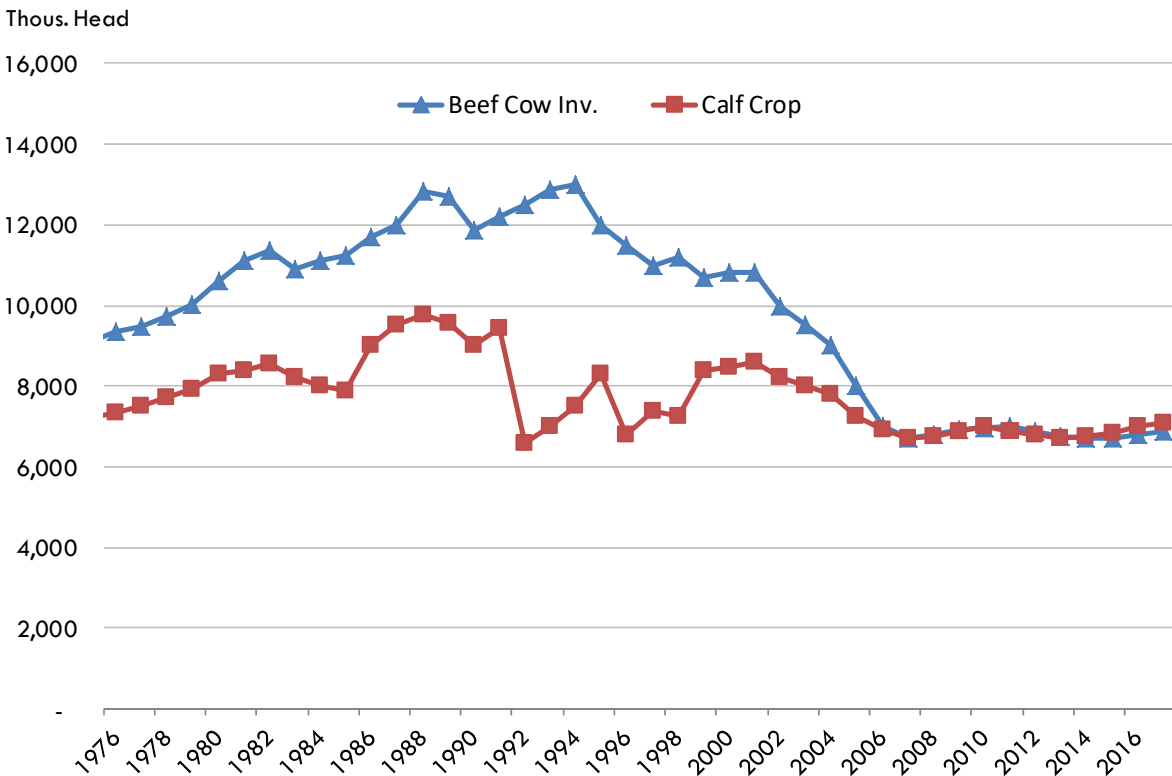
	Dairy Cow Inv.	Beef Cow Inv.	Calf Crop	Total Cattle Inventory	Cow Slaughter	Calf Slaughter	Total Cattle Slaughter	Total Exports
.....Thousand Head.....								
1975	2,338	9,108	7,195	29,200	1,285	1,225	5,580	200
1976	2,370	9,340	7,360	29,900	1,435	1,035	5,740	510
1977	2,460	9,470	7,490	30,410	1,300	940	5,210	550
1978	2,536	9,747	7,725	31,300	1,093	1,393	5,440	750
1979	2,597	10,016	7,930	32,150	1,156	1,473	5,750	600
1980	2,627	10,615	8,315	33,000	1,240	1,580	6,170	380
1981	2,340	11,113	8,400	34,000	1,330	1,695	6,620	300
1982	2,341	11,364	8,550	34,700	1,445	1,075	6,250	510
1983	2,272	10,920	8,233	33,873	1,984	1,088	6,400	650
1984	1,783	11,120	8,023	33,917	1,400	1,760	6,890	437
1985	1,643	11,235	7,885	33,853	1,575	2,055	7,900	477
1986	1,933	11,696	9,036	32,167	1,356	1,579	5,755	1,087
1987	2,116	11,979	9,514	33,603	1,378	1,605	5,837	1,200
1988	2,276	12,808	9,773	35,378	1,714	1,915	8,468	822
1989	2,050	12,720	9,569	34,999	2,802	1,930	10,702	874
1990	2,070	11,860	9,018	31,747	1,750	1,900	8,720	1,263
1991	2,090	12,210	9,450	29,847	1,610	1,720	7,450	1,035
1992	2,150	12,500	6,573	31,822	1,620	1,700	5,624	983
1993	2,250	12,850	7,000	31,158	1,620	1,700	6,074	1,297
1994	2,200	13,000	7,500	30,341	1,630	1,730	6,174	1,072
1995	2,000	12,000	8,300	30,151	1,750	1,700	6,928	1,658
1996	2,000	11,500	6,775	29,637	1,630	1,650	6,751	458
1997	2,000	11,000	7,400	28,601	1,700	1,700	6,104	667
1998	2,200	11,200	7,240	29,051	1,600	1,600	6,076	715
1999	2,200	10,700	8,400	25,425	1,500	425	6,975	1,036
2000	2,200	10,800	8,460	25,220	1,500	425	6,925	1,224
2001	2,350	10,800	8,600	25,328	1,900	425	7,075	1,142
2002	2,450	10,000	8,200	25,349	1,750	400	6,308	948
2003	2,550	9,500	8,000	26,011	1,725	400	7,025	1,240
2004	2,650	9,000	7,800	25,199	1,950	400	6,775	1,375
2005	2,750	8,000	7,275	24,309	1,850	375	6,150	1,259
2006	2,850	7,000	6,925	23,669	1,650	350	5,475	1,275
2007	2,966	6,711	6,732	23,316	1,452	337	5,690	1,089
2008	3,060	6,810	6,754	22,850	1,489	330	5,815	738
2009	3,157	6,909	6,875	22,666	1,519	325	5,897	980
2010	3,175	6,960	7,000	22,192	1,535	300	6,050	1,261
2011	3,185	7,000	6,900	21,456	1,600	300	6,347	1,435
2012	3,200	6,900	6,800	20,090	1,575	300	6,375	1,539
2013	3,200	6,750	6,700	18,521	1,450	300	6,200	1,045
2014	3,215	6,700	6,750	17,760	1,400	300	6,000	1,176
2015	3,250	6,700	6,850	17,120	1,350	275	5,975	1,213
2016 F	3,275	6,800	7,000	16,615	1,330	220	5,925	1,050
2017 F	3,275	6,900	7,100	16,500	1,300	230	5,910	1,000

Source: USDA

Total Mexican Cattle Inventory



Mexican Beef Cow Inventory and Calf Crop



Source: USDA