



# Monthly Mexico Meat Market Report

Supply and Price Situation for Domestic and Traded Beef

April 24, 2017



Prepared for Meat and Livestock Australia

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## Market Update

### Production Update

Mexico beef production in March was estimated by SIAP at 152,759 MT (carcass weight basis), 0.8% lower than the previous month but still 2.8% higher than a year ago. While 32 different states contribute to national production, the year over year increase in production can be attributed to a number of key regions. Jalisco accounts for about 12% of Mexican beef production and March data showed output in the state increased 4% compared to the previous year. Veracruz production at 20,390 MT was 13% of the national total but output there registered a 1% decline. The biggest growth in production in March came from Sal Luis Potosi. Output for the month of March was 9,808 MT, up 24% from a year ago and accounting for almost 40% of the growth in national beef supplies for the month. Production in Durango was 7,903 MT, up 20% and contributing about 30% of the national growth in beef production.

In addition to slaughtering more cattle in domestic establishments, Mexican cattle producers also continue to ship more feeder cattle into the US due to both a favorable exchange rate and robust calf prices in the US market. Mexican cow-calf producers shipped 396,620 head of feeder cattle into the US through April 15, 60,027 head (+18%) more than the same period a year ago.

## Trade Summary

The latest export/import data for Mexico is for the month of January 2017. The report shows that Mexican beef imports in January 2017 were 10,343 MT, 2,336 MT (+29%) compared to a year ago. Most beef imported into Mexico continued to come from the US and the bulk of it is in fresh/chilled form. Imports of chilled US beef in January were 7,857 MT, up 2,110 MT (+37%) compared to a year ago and accounting for almost all of the increase in Mexican beef imports. Imports of chilled/fresh beef from Canada for the month were 758 MT, 114 MT (+18%) more than the previous year. Frozen beef imports also are coming from the US and Canada at this time while imports from Australia and New Zealand are minimal. Imports of frozen beef from the US in January were 834 MT, about the same as a year ago. Imports from New Zealand and Australia were zero in January while frozen imports from Nicaragua were 36 MT compared to 85 MT in January 2016.

While Mexican beef imports were higher in January, the country remains a net beef exporter at this time. Exports of Mexican beef in January were 16,904 MT, 3,174 MT (+23%) higher than a year ago. Most Mexican beef exports are fresh/chilled, understandable given that the main destination is the United States. Exports of fresh/chilled beef to the US market in January were 14,164 MT, 18% higher than a year ago and accounting for about 84% of all Mexican beef shipments. Exports of fresh beef to Japan were 181 MT and exports of frozen beef to Japan were 291 MT. Mexico also shipped a small amount of beef to South Korea (164 MT) and Hong Kong (276 MT) but at this time the US is the primary destination for Mexican beef. There is ongoing worry in Mexico that changes to US tax policy could impact its ability to do business with the US.

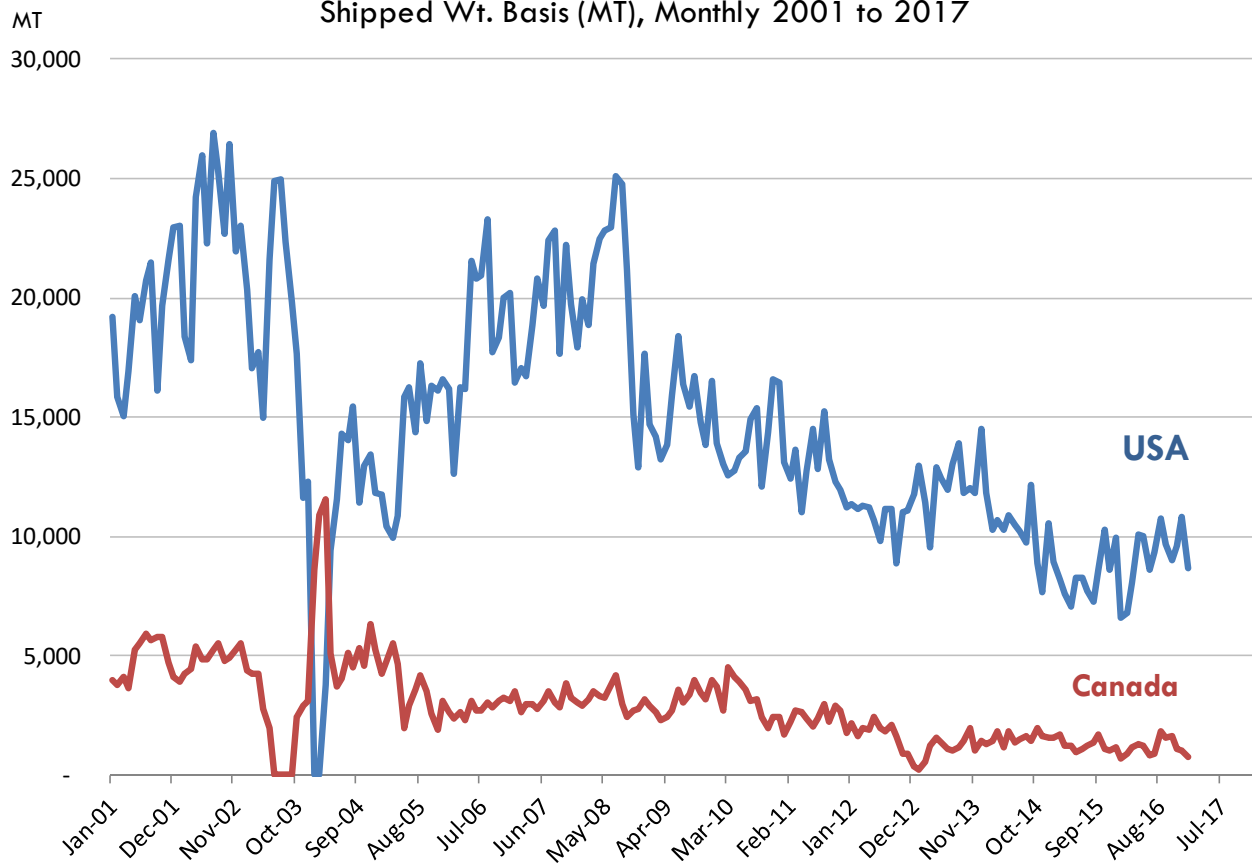
## Trade Summary

## Mexico Beef Imports

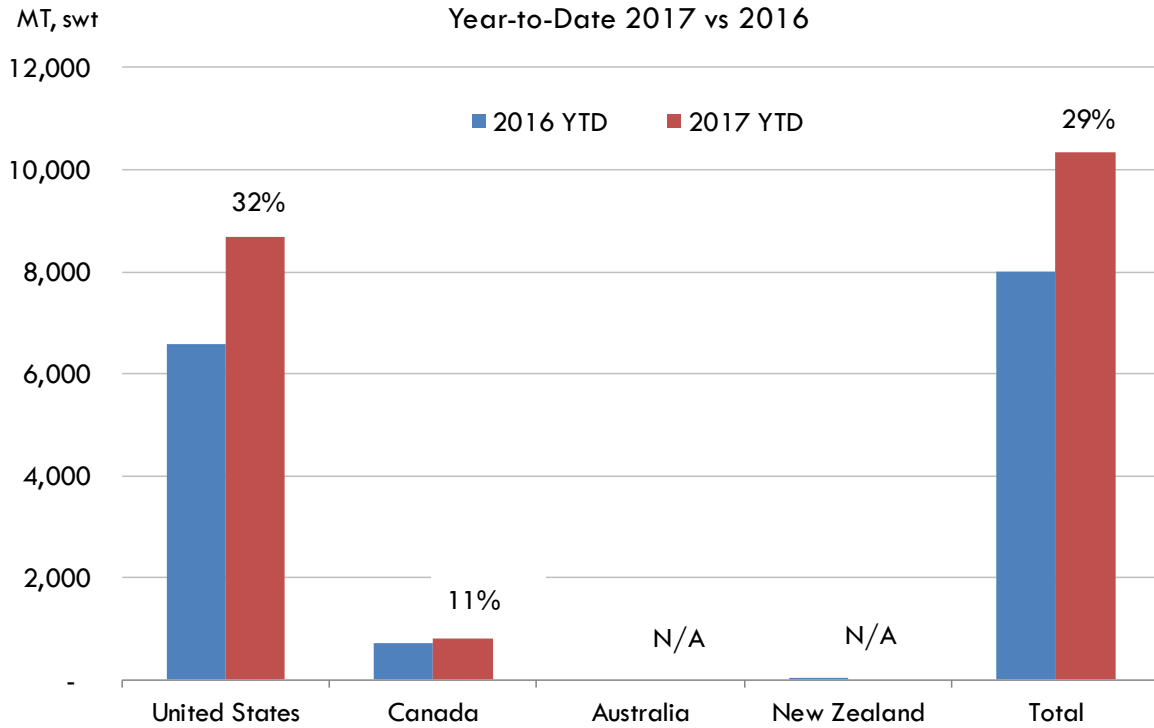
Shipped Wt. Basis (Metric Ton), Annual and Monthly

	2016 YTD			2017 YTD							
	2014	2015	2016	Jan - Jan	Jan - Jan	Vol. Ch.	% Ch.	Jan-16	Jan-17	Vol. Ch.	% Ch.
<b>Fresh/Chill</b>	MT	MT	MT	MT	MT	MT		MT	MT	MT	
United States	118,963	95,607	99,150	5,747	7,857	2,110	37%	5,747	7,857	2,110	37%
Canada	18,360	14,891	13,526	644	758	114	18%	644	758	114	18%
Australia	-	44	66	-	-	-	N/A	-	-	-	N/A
New Zealand	-	-	-	-	-	-	N/A	-	-	-	N/A
Honduras	-	-	-	-	-	-	N/A	-	-	-	N/A
Costa Rica	-	-	-	-	-	-	N/A	-	-	-	N/A
Uruguay	124	420	261	11	50	39	355%	11	50	39	355%
Chile	-	-	-	-	-	-	N/A	-	-	-	N/A
Nicaragua	172	4,093	6,657	589	771	182	31%	589	771	182	31%
Panama	-	-	-	-	-	-	N/A	-	-	-	N/A
Other	3	43	-	-	-	-	N/A	-	-	-	N/A
<b>Total</b>	<b>137,622</b>	<b>115,098</b>	<b>119,660</b>	<b>6,990</b>	<b>9,436</b>	<b>2,446</b>	<b>35%</b>	<b>6,990</b>	<b>9,436</b>	<b>2,446</b>	<b>35%</b>
<b>Frozen</b>											
United States	4,569	5,089	10,151	836	834	(2)	0%	836	834	(2)	0%
Canada	308	561	635	72	36	(36)	-50%	72	36	(36)	-50%
Australia	1,208	663	59	-	-	-	N/A	-	-	-	N/A
New Zealand	586	484	432	24	-	(24)	N/A	24	-	(24)	N/A
Honduras	-	-	-	-	-	-	N/A	-	-	-	N/A
Costa Rica	-	-	-	-	-	-	N/A	-	-	-	N/A
Uruguay	-	84	-	-	-	-	N/A	-	-	-	N/A
Chile	-	9	13	-	-	-	N/A	-	-	-	N/A
Nicaragua	132	947	458	85	36	(49)	-58%	85	36	(49)	-58%
Panama	-	-	-	-	-	-	N/A	-	-	-	N/A
Other	-	2	3	-	1	1	N/A	-	1	1	N/A
<b>Total</b>	<b>6,803</b>	<b>7,839</b>	<b>11,751</b>	<b>1,017</b>	<b>907</b>	<b>(110)</b>	<b>-11%</b>	<b>1,017</b>	<b>907</b>	<b>(110)</b>	<b>-11%</b>
<b>Fresh/Chilled &amp; Frozen</b>											
United States	123,532	100,696	109,301	6,583	8,691	2,108	32%	6,583	8,691	2,108	32%
Canada	18,668	15,452	14,161	716	794	78	11%	716	794	78	11%
Australia	1,208	707	125	-	-	-	N/A	-	-	-	N/A
New Zealand	586	484	432	24	-	(24)	N/A	24	-	(24)	N/A
Honduras	-	-	-	-	-	-	N/A	-	-	-	N/A
Costa Rica	-	-	-	-	-	-	N/A	-	-	-	N/A
Uruguay	124	504	261	11	50	39	355%	11	50	39	355%
Chile	-	9	13	-	-	-	N/A	-	-	-	N/A
Nicaragua	304	5,040	7,115	674	807	133	20%	674	807	133	20%
Panama	-	-	-	-	-	-	N/A	-	-	-	N/A
Other	3	45	3	-	1	1	N/A	-	1	1	N/A
<b>Total</b>	<b>144,425</b>	<b>122,937</b>	<b>131,411</b>	<b>8,007</b>	<b>10,343</b>	<b>2,336</b>	<b>29%</b>	<b>8,007</b>	<b>10,343</b>	<b>2,336</b>	<b>29%</b>

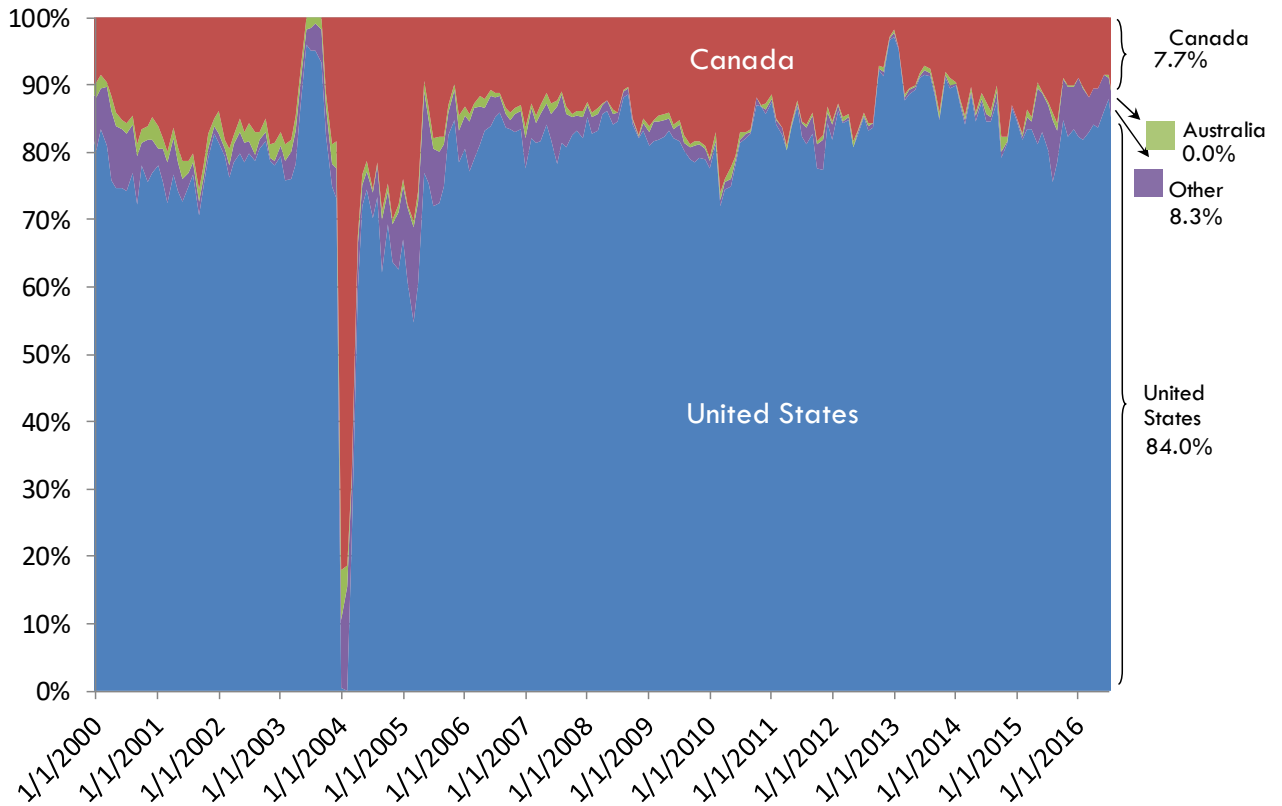
### Mexico Beef Imports from US and Canada Shipped Wt. Basis (MT), Monthly 2001 to 2017



### Mexican Fresh, Chilled & Frozen Beef Imports Year-to-Date 2017 vs 2016



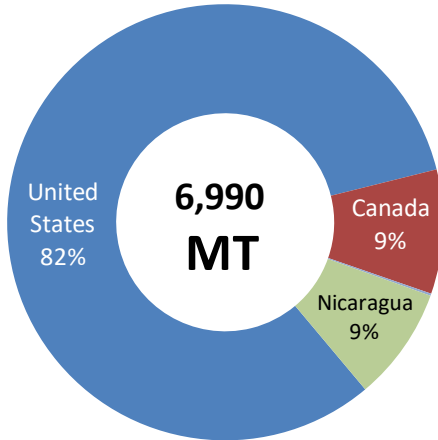
### Mexican Beef Imports by Country Share of Total Imports (% as of January 2017)



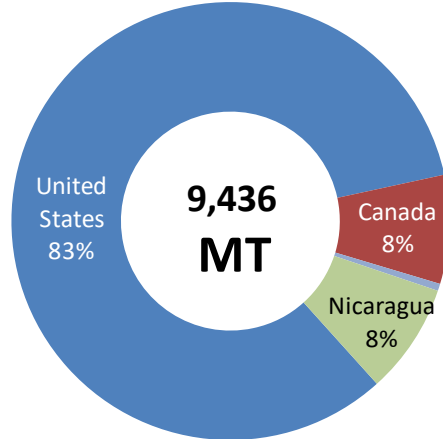


## Share of Mexican Beef Imports 2016 vs. 2017, Year-to-Date

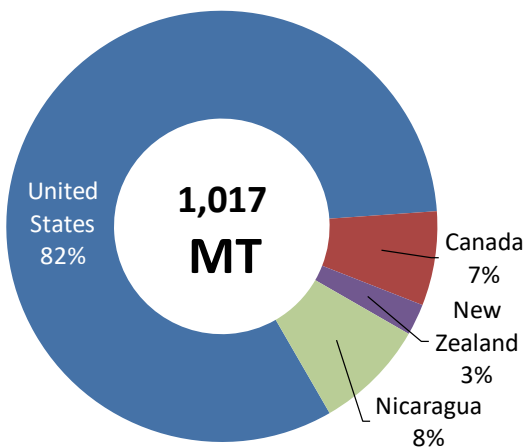
**Fresh/Chilled Imports YTD, 2016**



**Fresh/Chilled Imports YTD, 2017**

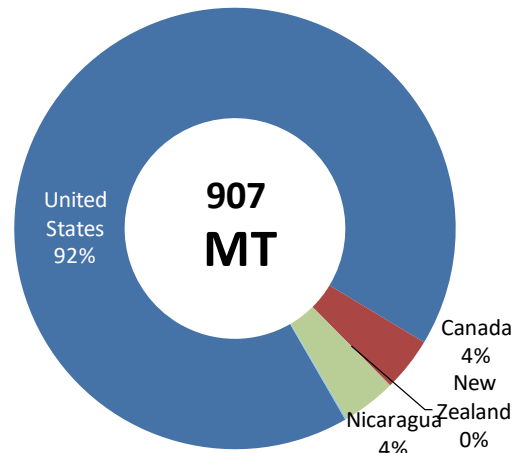


**Frozen Imports YTD, 2016**



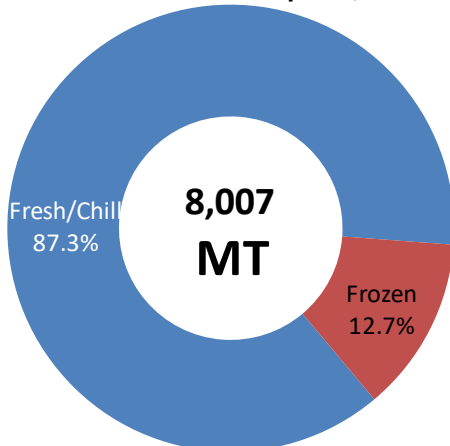
Other shares of frozen includes Chile and Nicaragua makes up 8.4%

**Frozen Imports YTD, 2017**

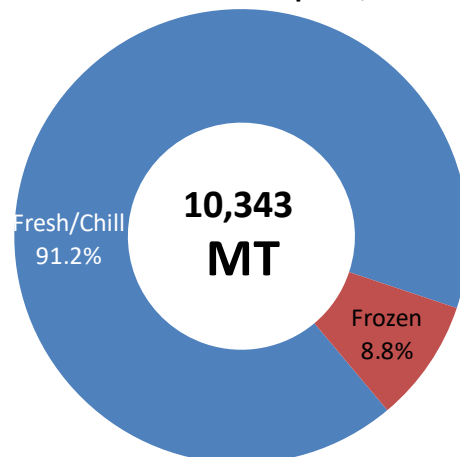


Other shares of frozen include Australia and Chile and makes up 0.1%

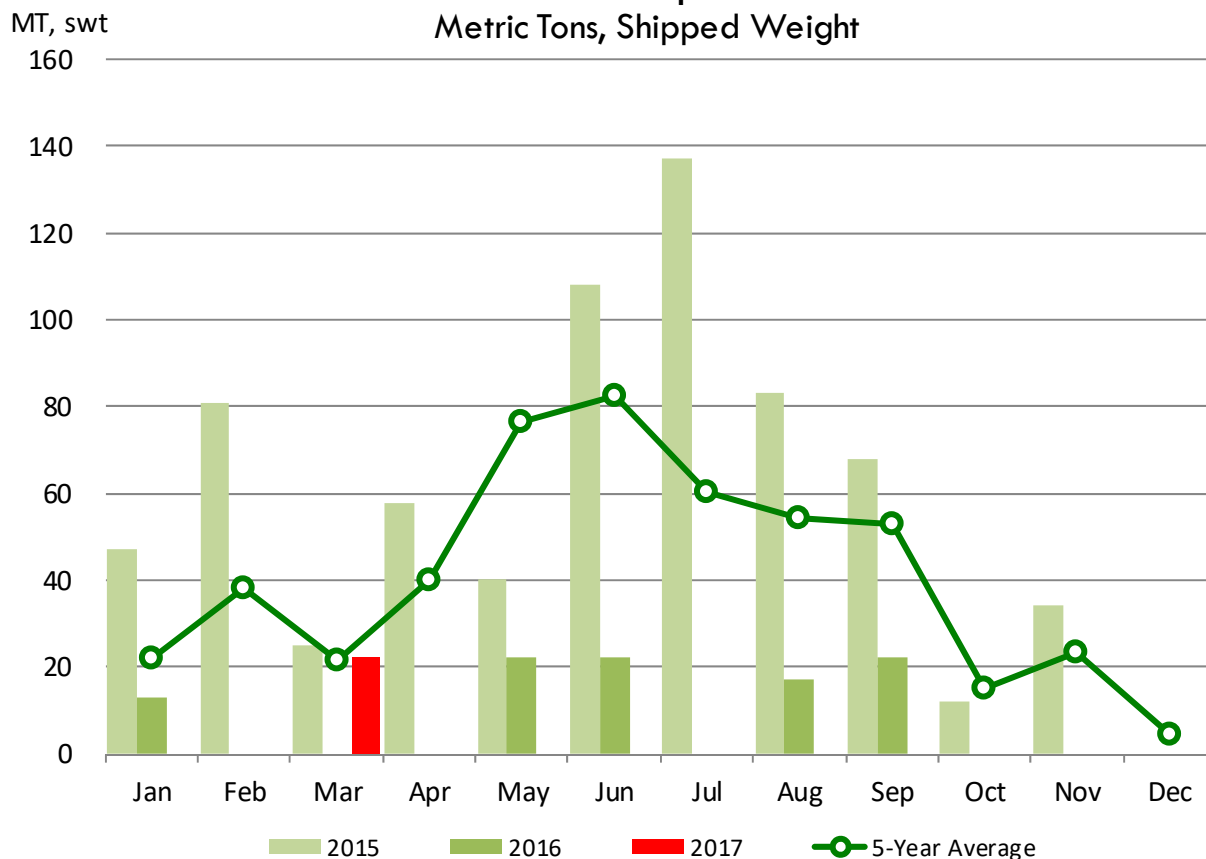
**Fresh vs Frozen Beef Imports, 2016 YTD**



**Fresh vs Frozen Beef Imports, 2017 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	22	21	N/A	3%
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

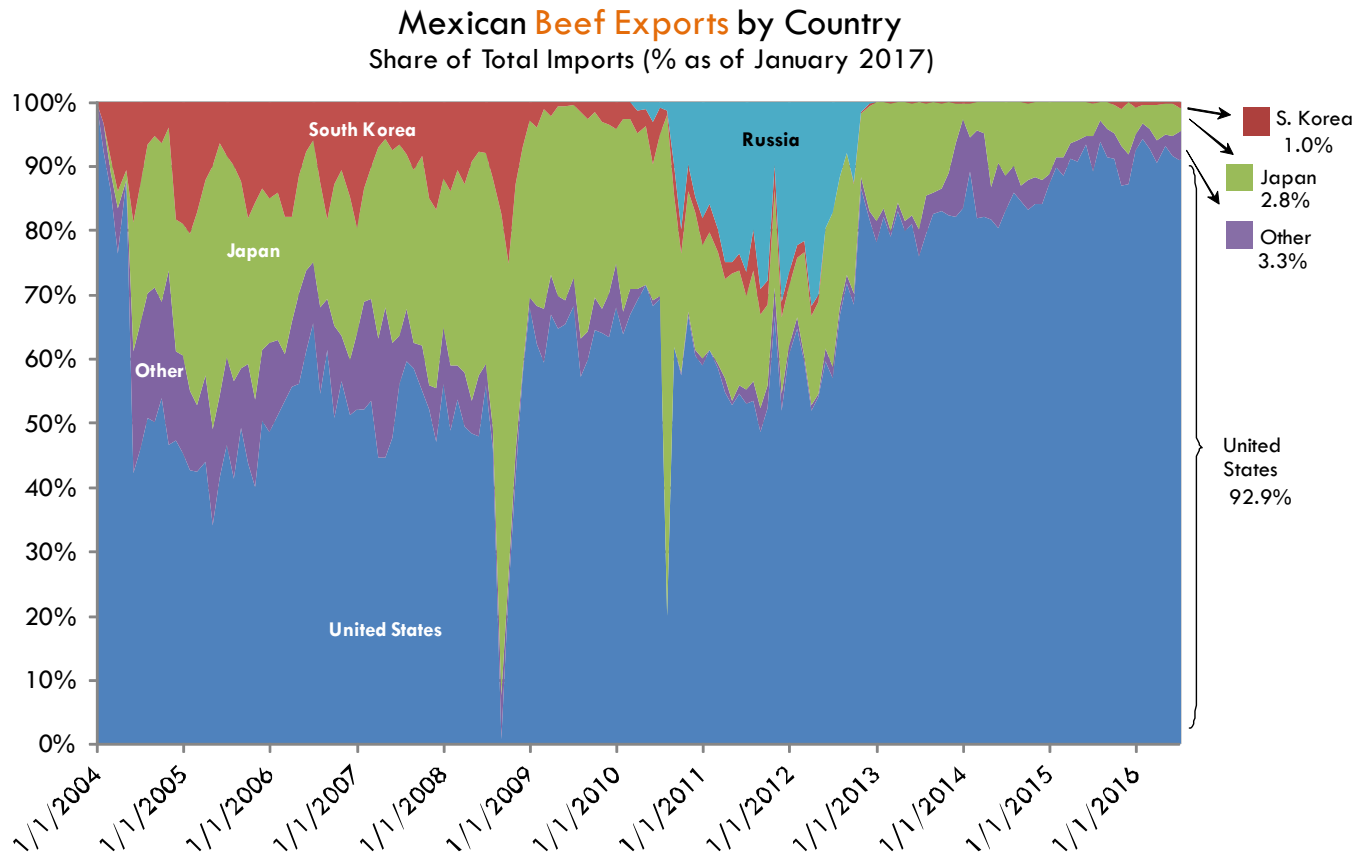
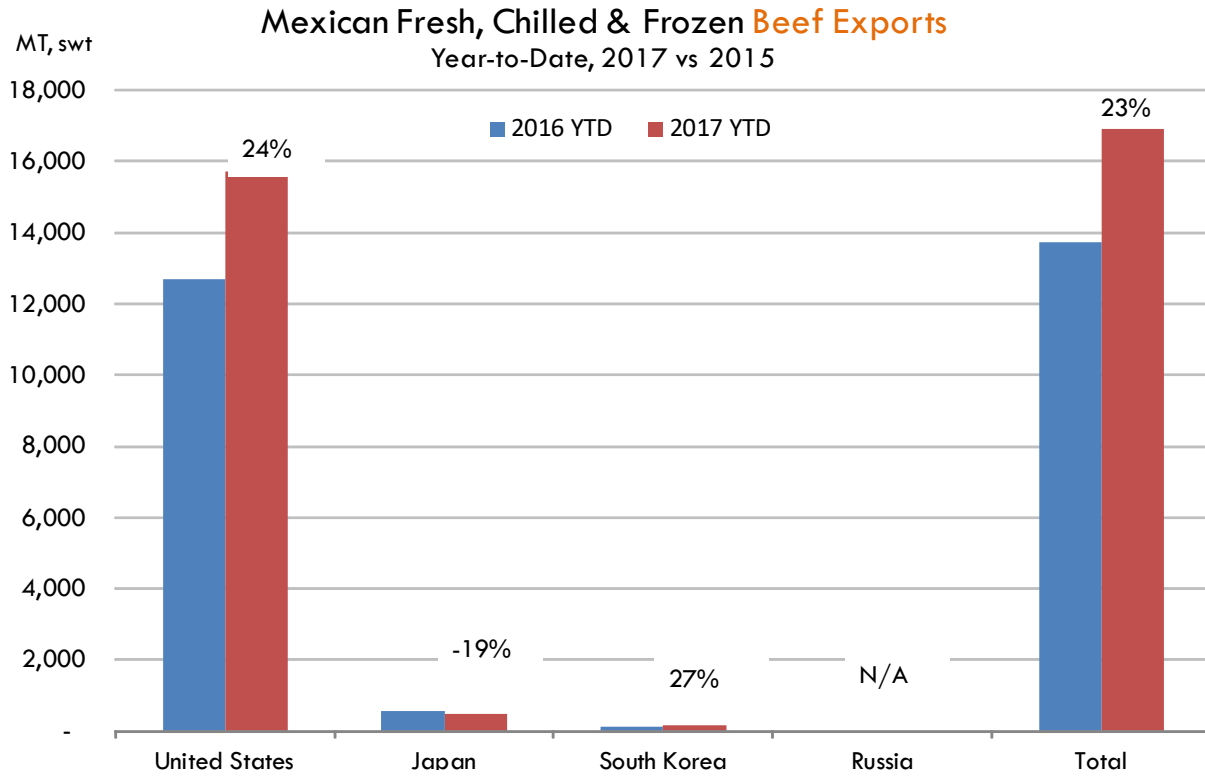
				2016 YTD	2017 YTD						
	2014	2015	2016	Jan - Jan	Jan - Jan	Vol. Ch.	% Ch.	Jan-16	Jan-17	Vol. Ch.	% Ch.
<b>Fresh/Chill</b>	MT	MT	MT	MT	MT	MT		MT	MT	MT	
United States	106,477	133,159	153,018	11,972	14,164	2,192	18%	11,972	14,164	2,192	18%
Japan	2,918	2,767	2,310	110	181	71	65%	110	181	71	65%
South Korea	-	-	-	-	-	-	N/A	-	-	-	N/A
Puerto Rico	-	-	-	-	-	-	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	-	-	-	-	N/A	-	-	-	N/A
Vietnam	-	-	-	-	-	-	N/A	-	-	-	N/A
Other	786	980	1,418	72	124	52	72%	72	124	52	72%
<b>Total</b>	<b>110,181</b>	<b>136,922</b>	<b>156,746</b>	<b>12,154</b>	<b>14,469</b>	<b>2,315</b>	<b>19%</b>	<b>12,154</b>	<b>14,469</b>	<b>2,315</b>	<b>19%</b>

**Frozen**

United States	8,066	12,080	14,611	723	1,546	823	114%	723	1,546	823	114%
Japan	9,896	7,451	5,086	474	291	(183)	-39%	474	291	(183)	-39%
South Korea	215	303	1,707	129	164	35	27%	129	164	35	27%
Puerto Rico	-	-	-	-	-	-	N/A	-	-	-	N/A
Costa Rica	-	274	395	131	-	(131)	N/A	131	-	(131)	N/A
Panama	352	240	25	-	-	-	N/A	-	-	-	N/A
Angola	137	-	-	-	-	-	N/A	-	-	-	N/A
Russia	-	-	-	-	-	-	N/A	-	-	-	N/A
Hong Kong	7,344	3,711	3,513	100	276	176	176%	100	276	176	176%
Vietnam	654	72	-	-	-	-	N/A	-	-	-	N/A
Other	322	230	906	18	158	140	778%	18	158	140	778%
<b>Total</b>	<b>26,986</b>	<b>24,361</b>	<b>26,243</b>	<b>1,575</b>	<b>2,435</b>	<b>860</b>	<b>55%</b>	<b>1,575</b>	<b>2,435</b>	<b>860</b>	<b>55%</b>

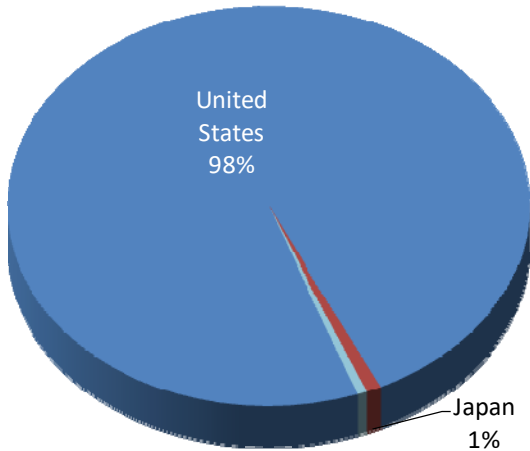
**Fresh/Chilled & Frozen**

United States	114,543	145,239	167,629	12,695	15,710	3,015	24%	12,695	15,710	3,015	24%
Japan	12,814	10,218	7,396	584	472	(112)	-19%	584	472	(112)	-19%
South Korea	215	303	1,707	129	164	35	27%	129	164	35	27%
Puerto Rico	-	-	-	-	-	-	N/A	-	-	-	N/A
Costa Rica	-	274	395	131	-	(131)	N/A	131	-	(131)	N/A
Panama	352	240	25	-	-	-	N/A	-	-	-	N/A
Angola	137	-	-	-	-	-	N/A	-	-	-	N/A
Russia	-	-	-	-	-	-	N/A	-	-	-	N/A
Hong Kong	7,344	3,727	3,513	100	276	176	176%	100	276	176	176%
Vietnam	654	72	-	-	-	-	N/A	-	-	-	N/A
Other	1,108	1,210	2,324	90	282	192	213%	91	282	191	210%
<b>Total</b>	<b>137,167</b>	<b>161,283</b>	<b>182,989</b>	<b>13,729</b>	<b>16,904</b>	<b>3,175</b>	<b>23%</b>	<b>13,730</b>	<b>16,904</b>	<b>3,174</b>	<b>23%</b>

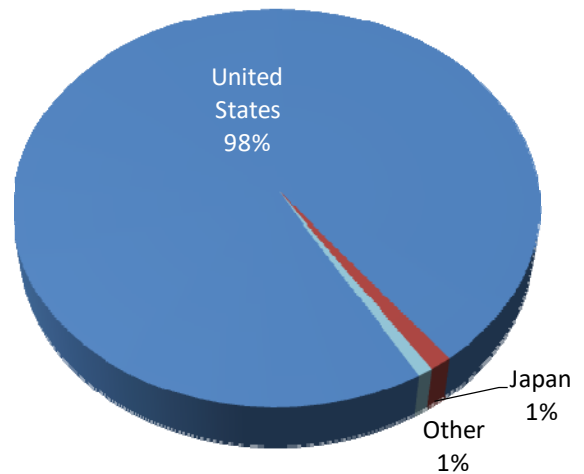


## Shares of Mexican Beef Exports 2016 vs. 2017, Year-to-Date

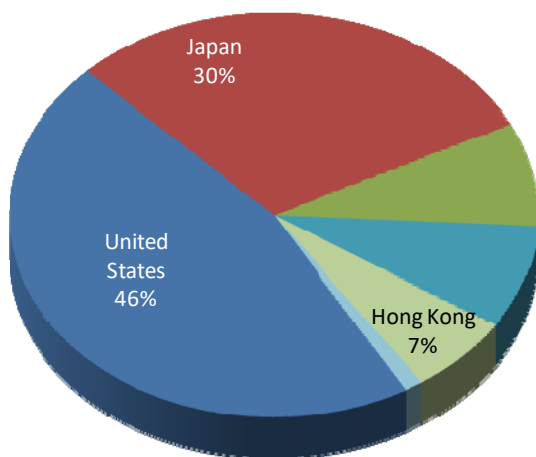
**Fresh/Chilled Exports YTD, 2016**



**Fresh/Chilled Exports YTD, 2017**

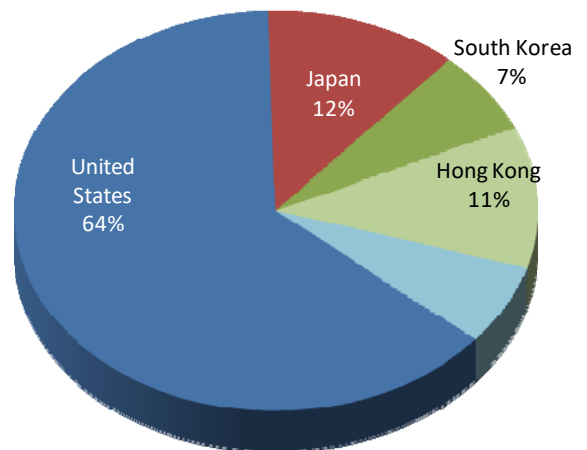


**Frozen Exports YTD, 2016**



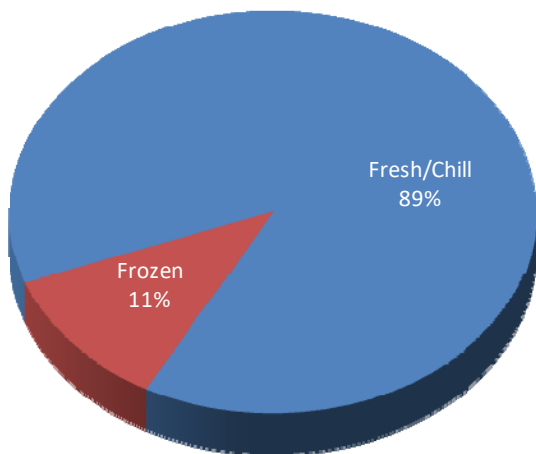
Other shares of frozen includes Panama, South Korea, and Vietnam and makes up 9.3%

**Frozen Exports YTD, 2017**

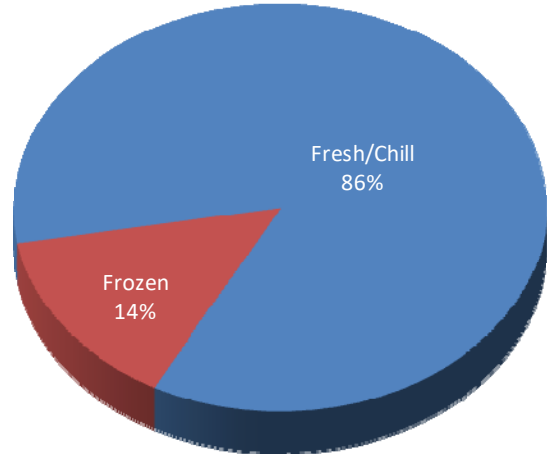


Other shares of frozen include Costa Rica, Panama and other and make up 6.5%

**Fresh vs Frozen Beef Exports, 2016 YTD**

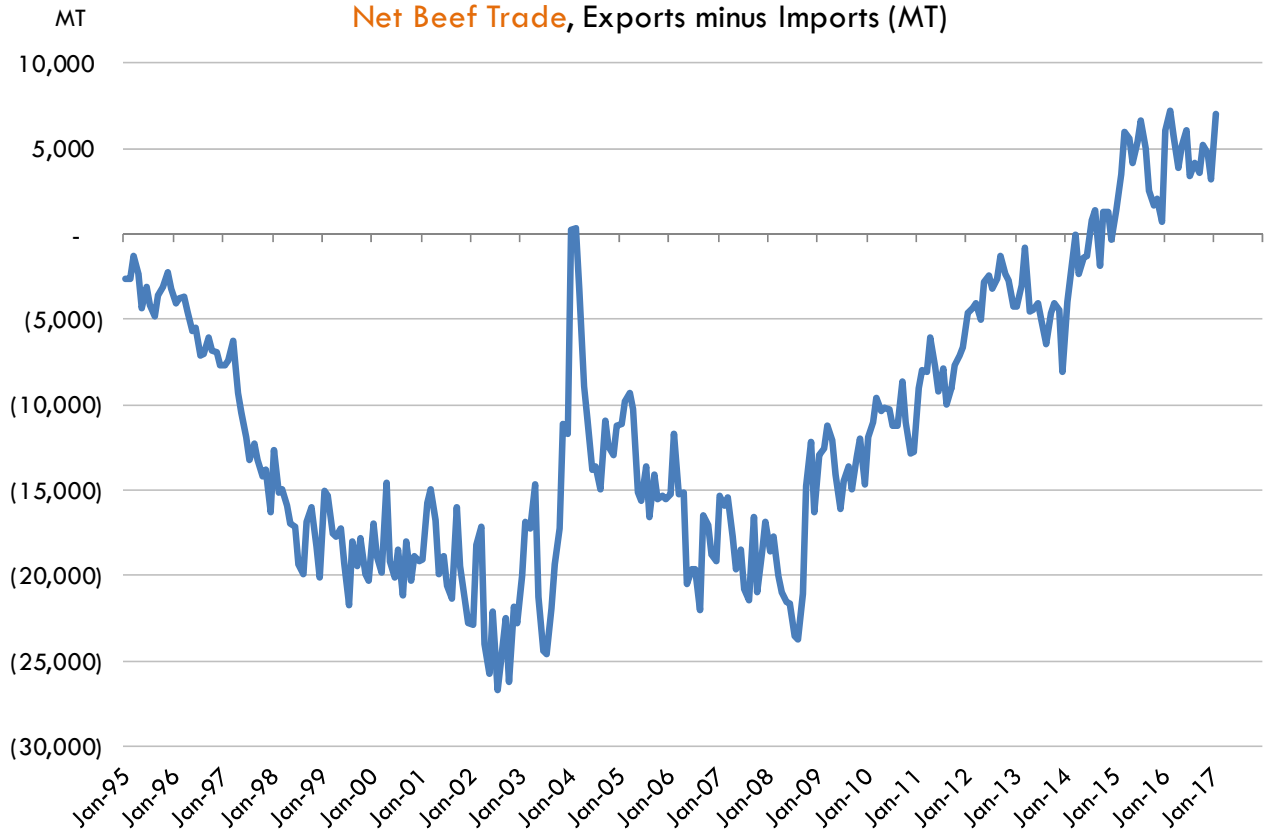


**Fresh vs Frozen Beef Exports, 2017 YTD**



### Mexico Beef Trade Deficit/Surplus with the US

Net Beef Trade, Exports minus Imports (MT)



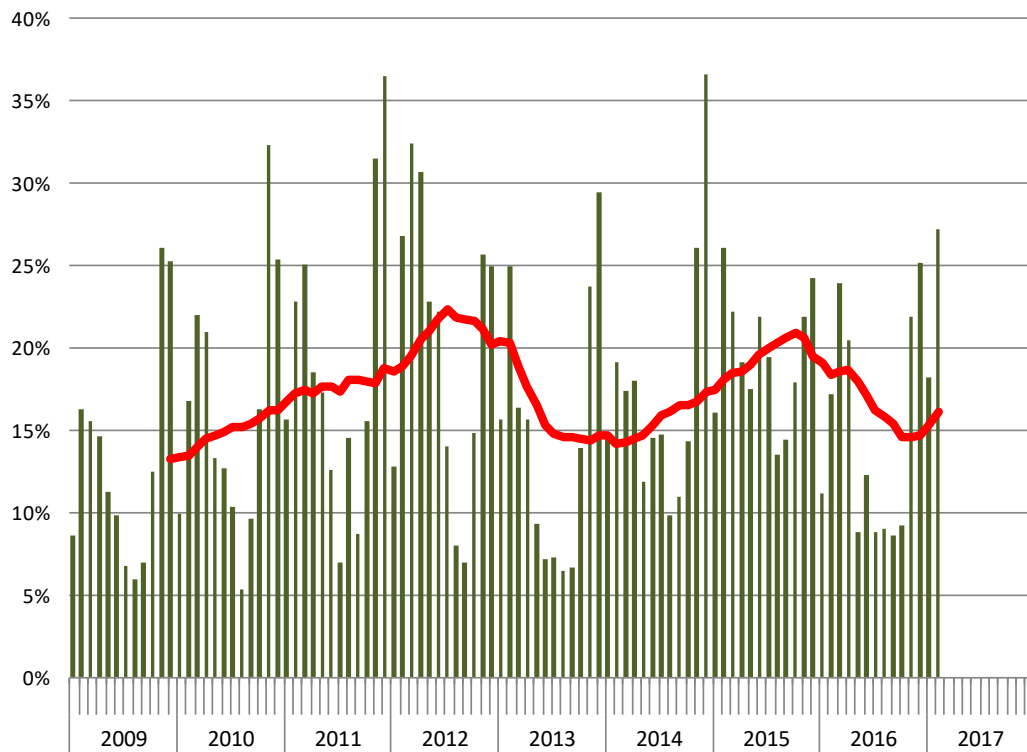
Imports Of Mexican Feeder Cattle As % Of US Cattle Placements  
US Monthly Imports, USDA

	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-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%
Jan-17	75,095	11,900	86,995	1,928	477	5%	18%
Feb-17	101,700	16,342	118,042	1,638	435	7%	27%
Mar-17							
Apr-17							
May-17							
Jun-17							
Jul-17							
Aug-17							
Sep-17							
Oct-17							
Nov-17							
Dec-17							

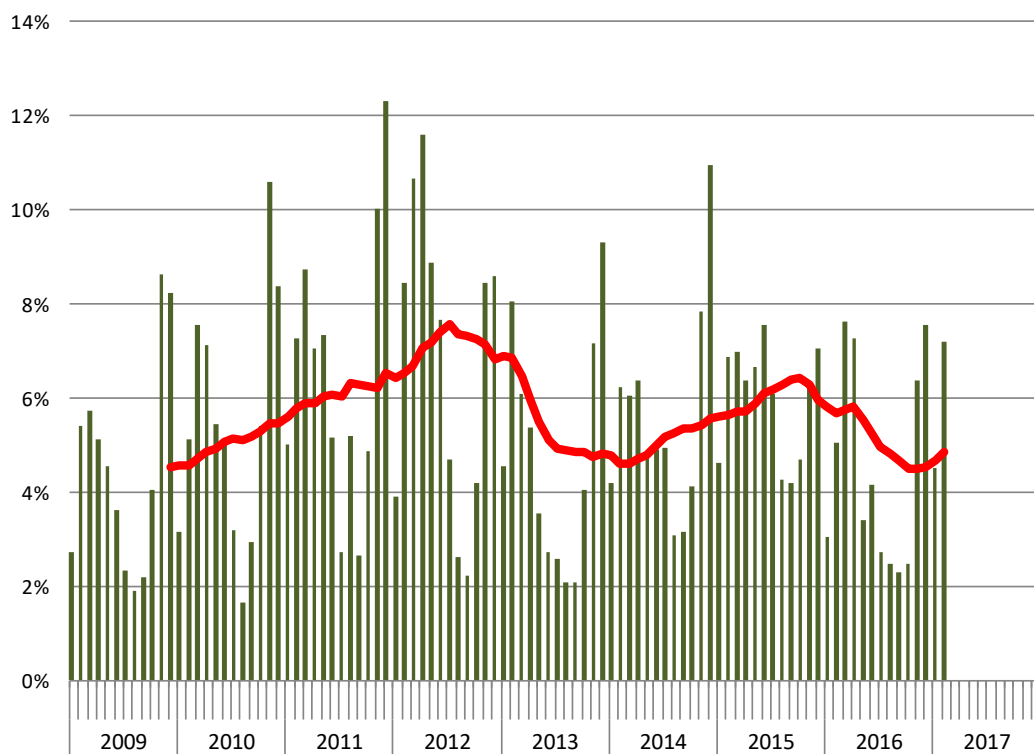
1. 5 states: California, Arizona, New Mexico, Texas and Oklahoma

### Imports Of Mexican Feeder Cattle As % of Southern Placements

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



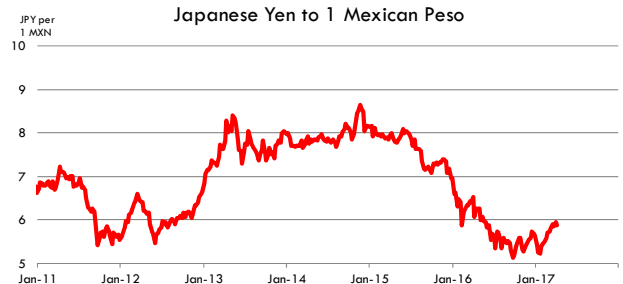
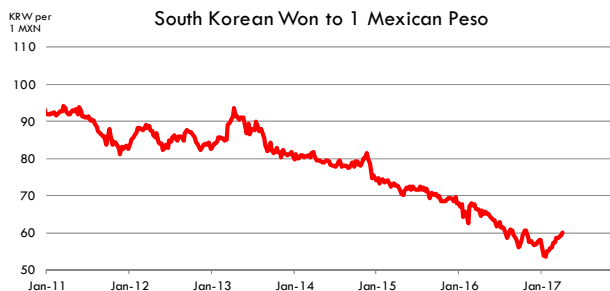
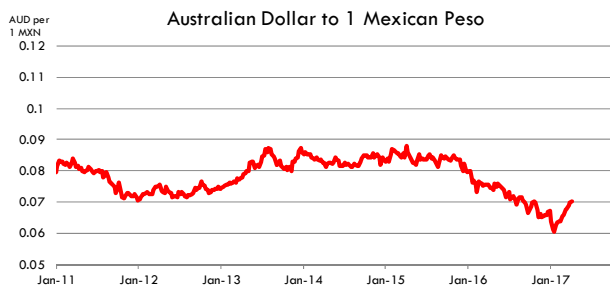
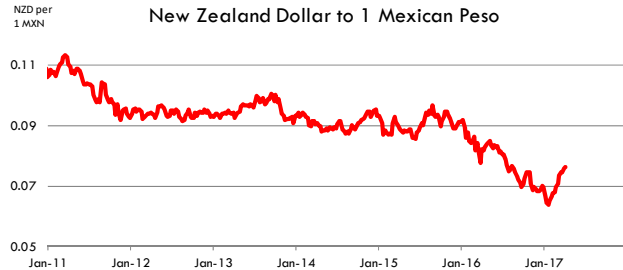
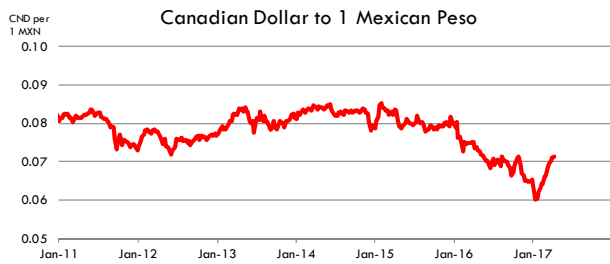
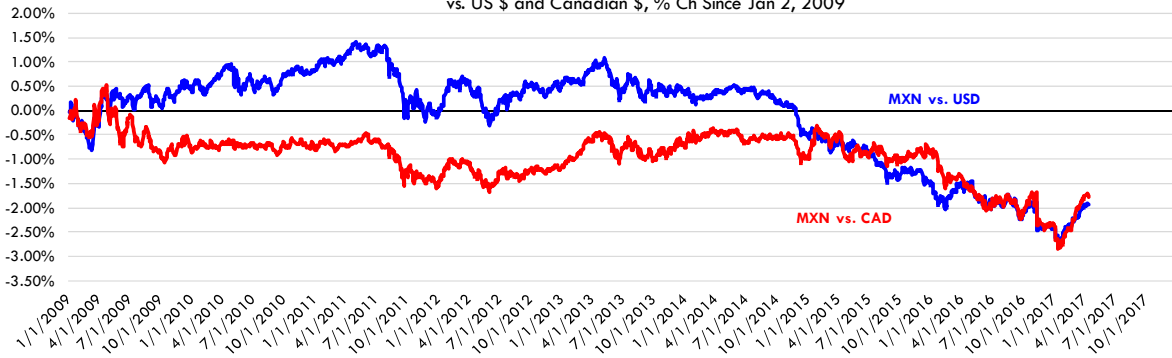
as % of All US Placements





## Mexican Economy

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

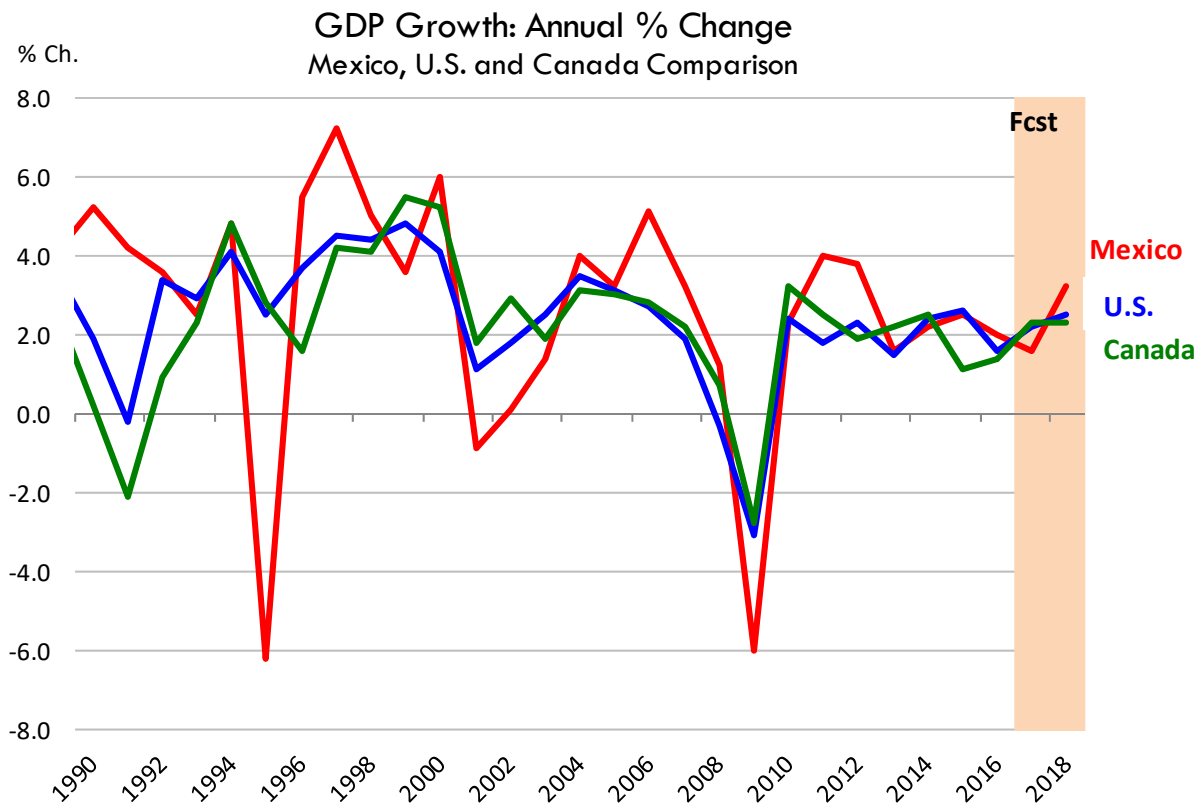


### Economic Indicators: Mexico

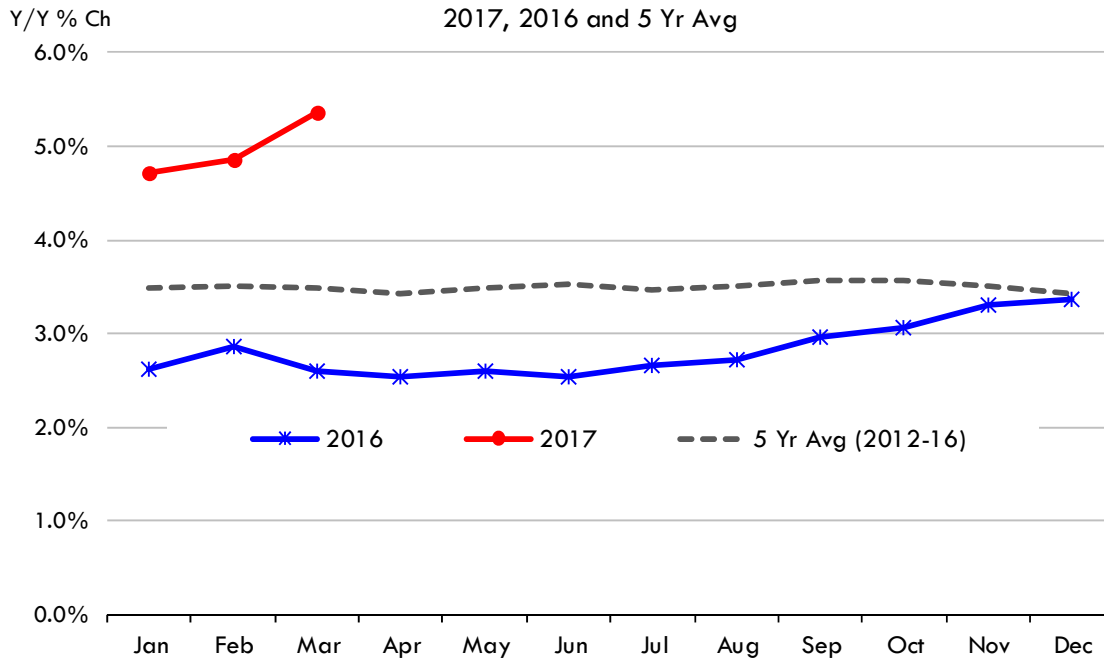
		2011	2012	2013	2014	2015	2016	2017 <sup>1</sup>	2018 <sup>1</sup>
Real GDP, Annual Growth	Annual % Ch.	4.0	3.8	1.6	2.2	2.5	2.0	1.6	3.2
Inflation, general	Annual % Ch.	3.4	4.1	3.8	4.0	2.7	2.8	4.2	
Inflation, food	Annual % Ch.	4.4	8.5	5.5	4.1	4.1	4.6	3.1	
Exchange Rate	MXN per USD	12.4	13.1	12.8	13.3	15.8	18.3	18.1	17.4
Unemployment Rate	%	5.2	5.0	4.9	4.8	4.3	3.9	3.9	4.1
Interest Rate, target	%	4.5	4.5	4.0	3.2	3.0	4.0	5.0	4.4
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	2.0	3.0

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

1. Moody's/Economy.com forecasts, latest update 3/17/2017

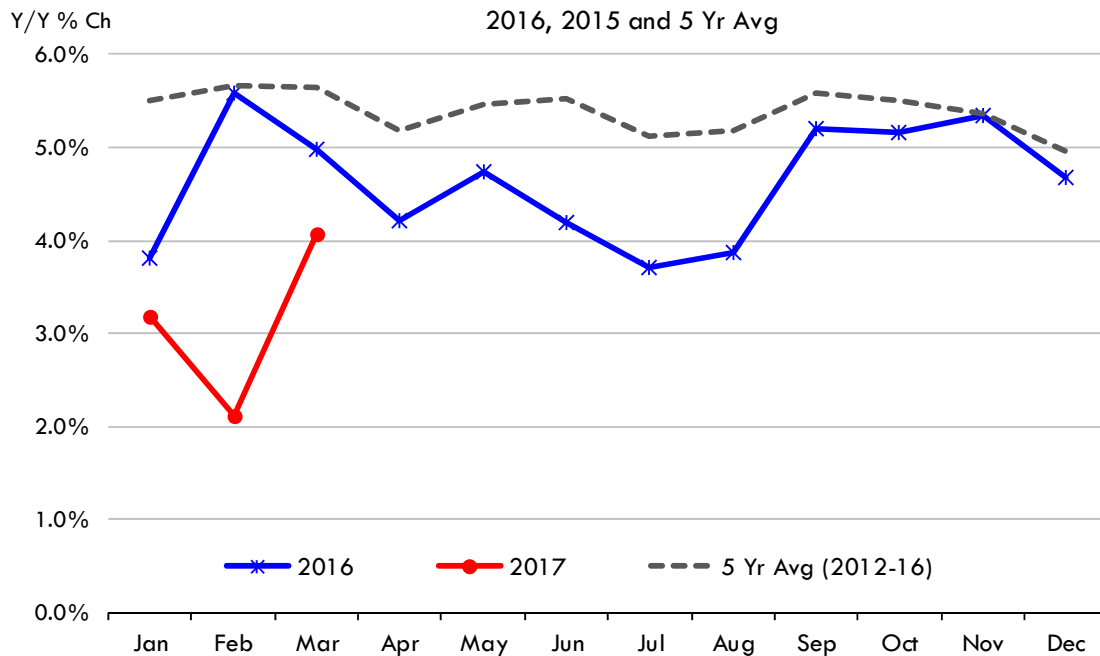


### Inflation in Mexico: CPI 2017, 2016 and 5 Yr Avg



Mar-17	5.35%	Mar-16	2.60%	5-Yr Avg	3.50%
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### Inflation in Mexico: Food CPI 2016, 2015 and 5 Yr Avg

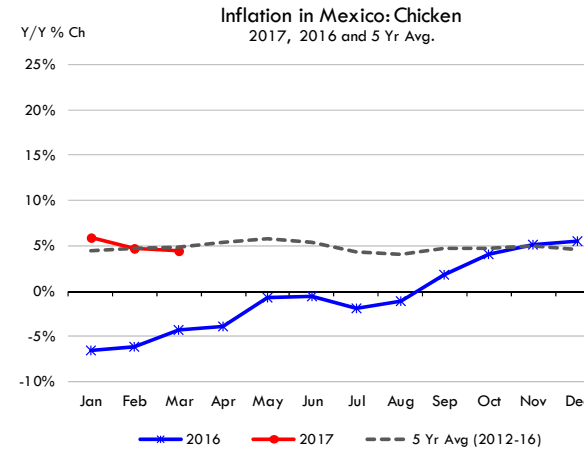
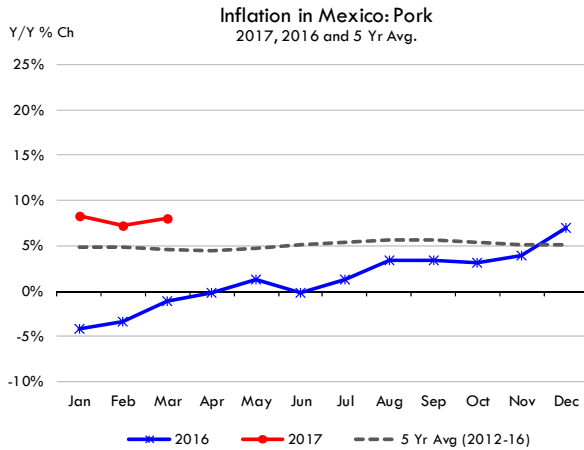
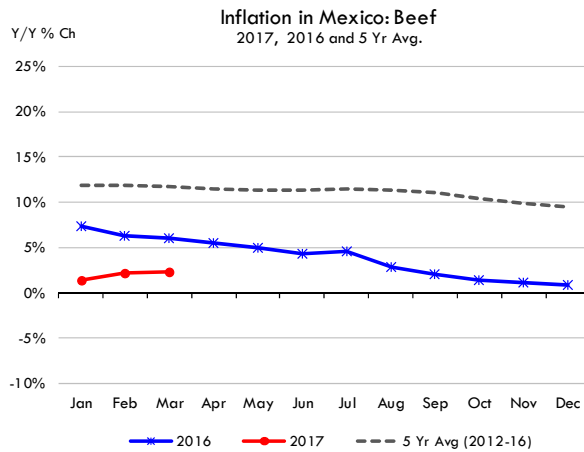
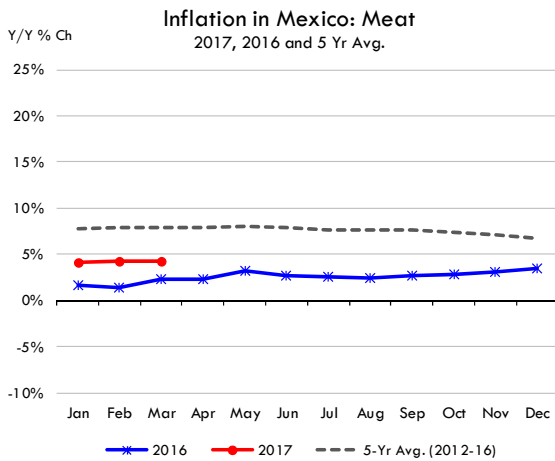
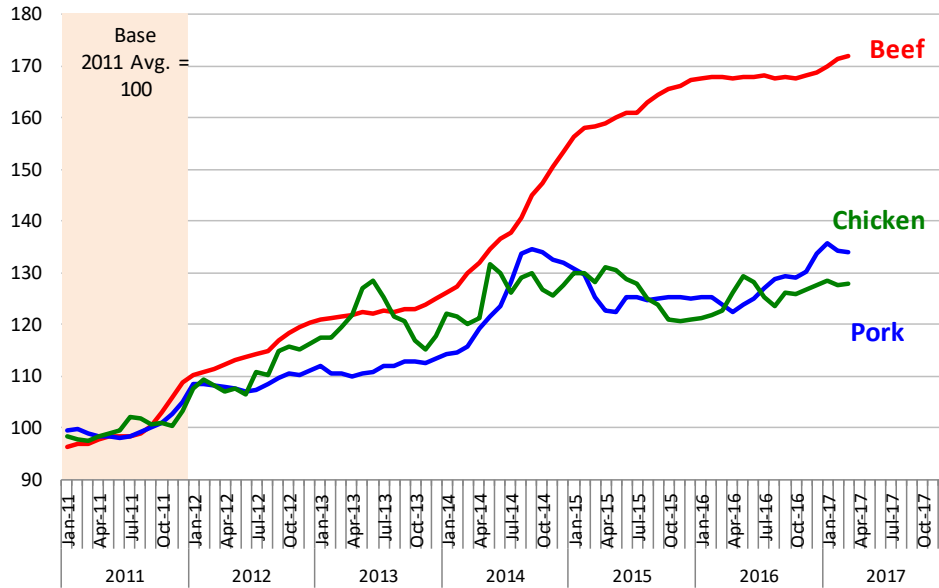


Mar-17	4.06%	Mar-16	4.97%	5-Yr Avg	5.64%
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Source: INEGI

### Mexico Price Inflation in Main Protein Groups

Reindexed with 2011 Avg. = 100



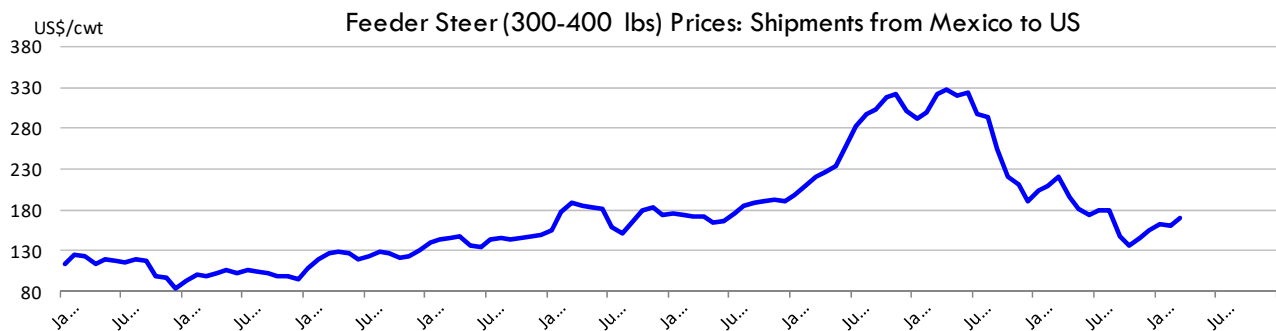
Source: INEGI

## 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	161.25	-23%	131.63	-22%	140.13	-16%	120.13	-18%
Mar-17	169.60	-23%	139.00	-23%	143.30	-15%	123.30	-17%
Apr-17								
May-17								
Jun-17								
Jul-17								
Aug-17								
Sep-17								
Oct-17								
Nov-17								
Dec-17								
2017YTD	164.62		134.54		142.53		122.53	

\*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 <sup>1</sup>	Imported (YS) <sup>2</sup>	MX (Pesos/kg)			US\$/lb	USDA <sup>1</sup>	Imported (YS) <sup>2</sup>	
	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	57	- 61	58.5	1.31	1.64	1.73	60	- 63	61.5	1.38	2.09	2.15	
Mar	56	- 60	58.0	1.37	1.71	1.75	60	- 64	61.9	1.47	2.15	2.20	
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 <sup>1</sup>	Conv.	MX (Pesos/kg)		US\$/lb	USDA <sup>2</sup>	Conv.	MX (Pesos/kg)		US\$/lb	USDA <sup>3</sup>	Conv.
low	high	avg.	low	high		avg.	low	high	avg.		low	high	avg.		
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	65	- 70	67.6	1.52	1.91	135	- 145	140.0	3.13	3.03	89	- 94	91.1	2.04	1.91
Mar	66	- 70	68.0	1.61	2.03	137	- 147	142.0	3.36	3.34	88	- 91	89.4	2.12	1.96
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 <sup>1</sup>	MX (Pesos/kg)			US\$/lb	USDA <sup>2</sup>	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	100	- 105	102.5	2.29	2.39	80	- 90	85.0	1.91	2.41	79	- 90	84.5	1.90	
Mar	98	- 101	99.4	2.35	2.31	80	- 90	85.0	1.98	2.46	79	- 90	84.5	2.00	
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 <sup>1</sup>	Conv.	MX (Pesos/kg)		US\$/lb	YS <sup>2</sup>	Conv.	MX (Pesos/kg)		US\$/lb	USDA <sup>3</sup>	
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	2.36	91	- 94	92.5	1.98	3.02				2.26	
Feb	99	- 103	101.1	2.26	2.33	94	- 98	96.0	2.15	2.96				2.07	
Mar	99	- 104	101.6	2.41	2.40	96	- 101	98.4	2.33	2.95				2.19	
Apr															
May															
Jun															
Jul															
Aug															
Sep															
Oct															
Nov															
Dec															

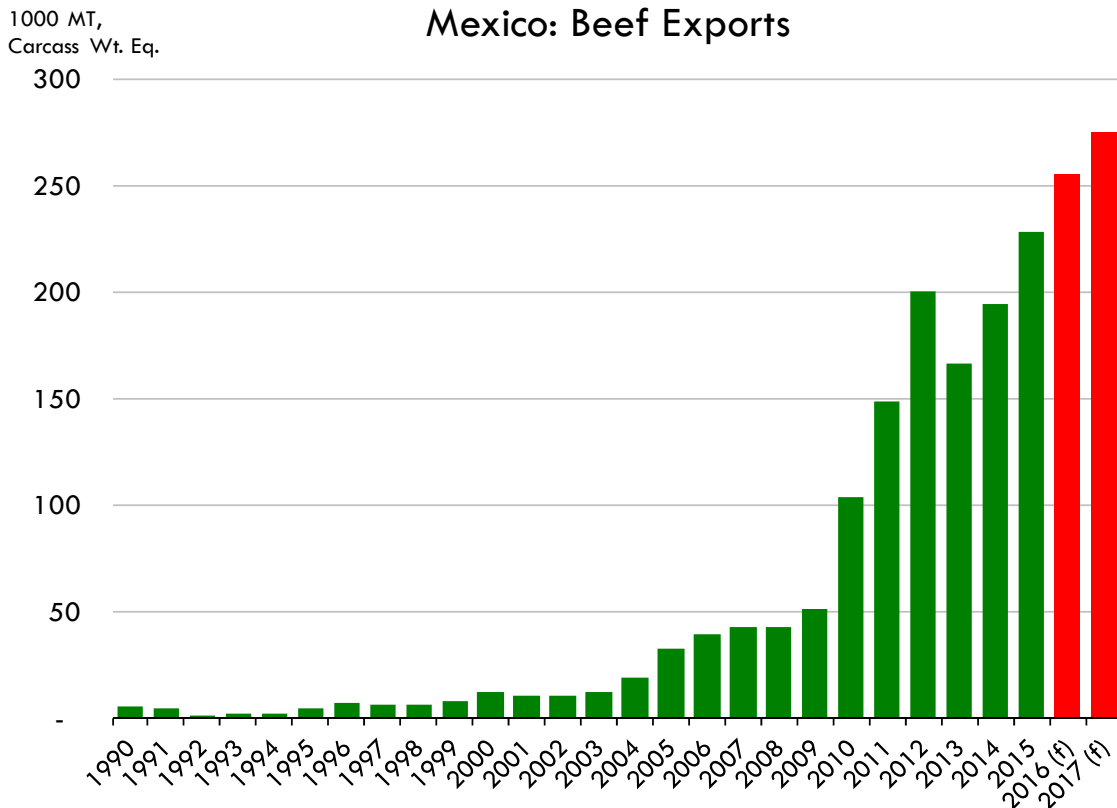
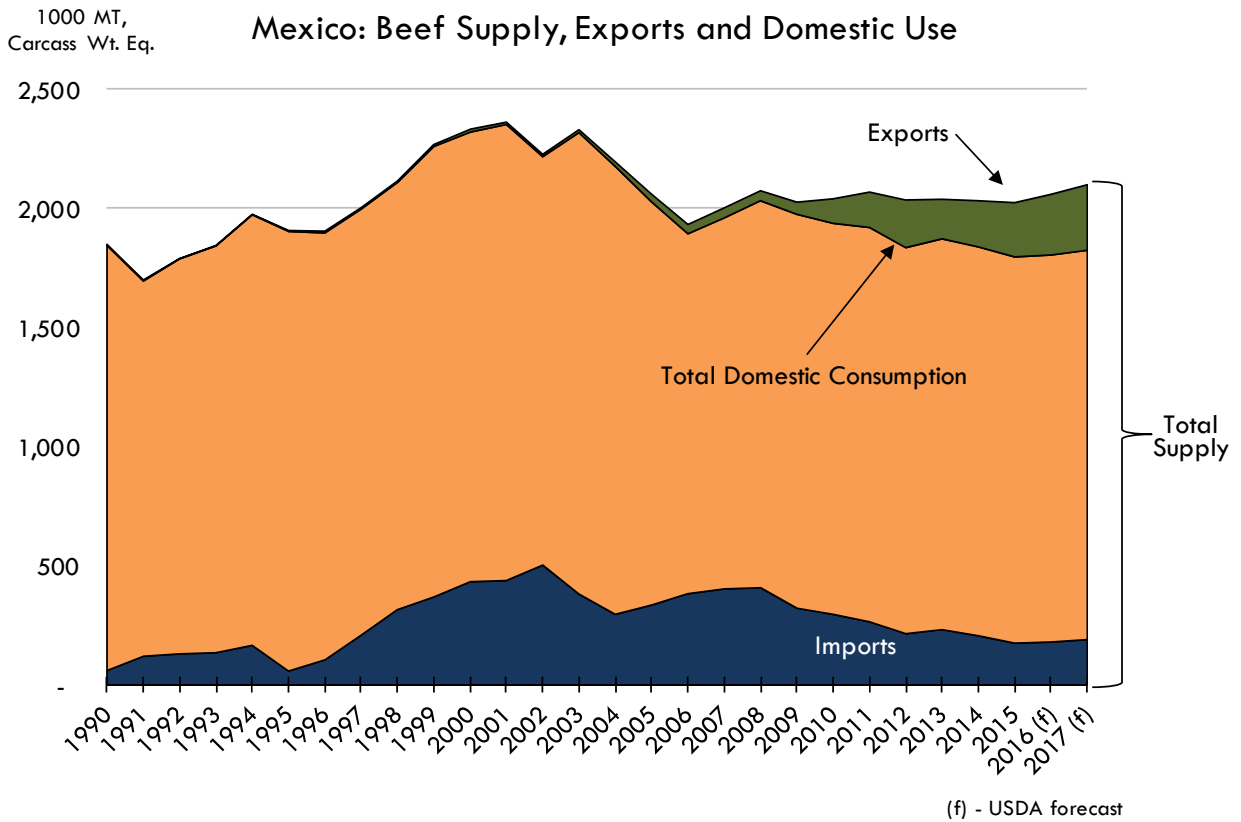
Source: Urner Barry. 1. Choice 167A 4 Round Knuckle Peeled; 2. YS 169A 5 Inside Round, Cap-Off Choice-(TL); 3. Choice 171B 3 Round outside round

**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 <sup>1</sup>	MX (Pesos/kg)		US\$/lb	YS <sup>2</sup>	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					2.36	251	- 280	265.6	5.95	8.00
Mar					2.20	255	- 280	267.5	6.34	8.00
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)

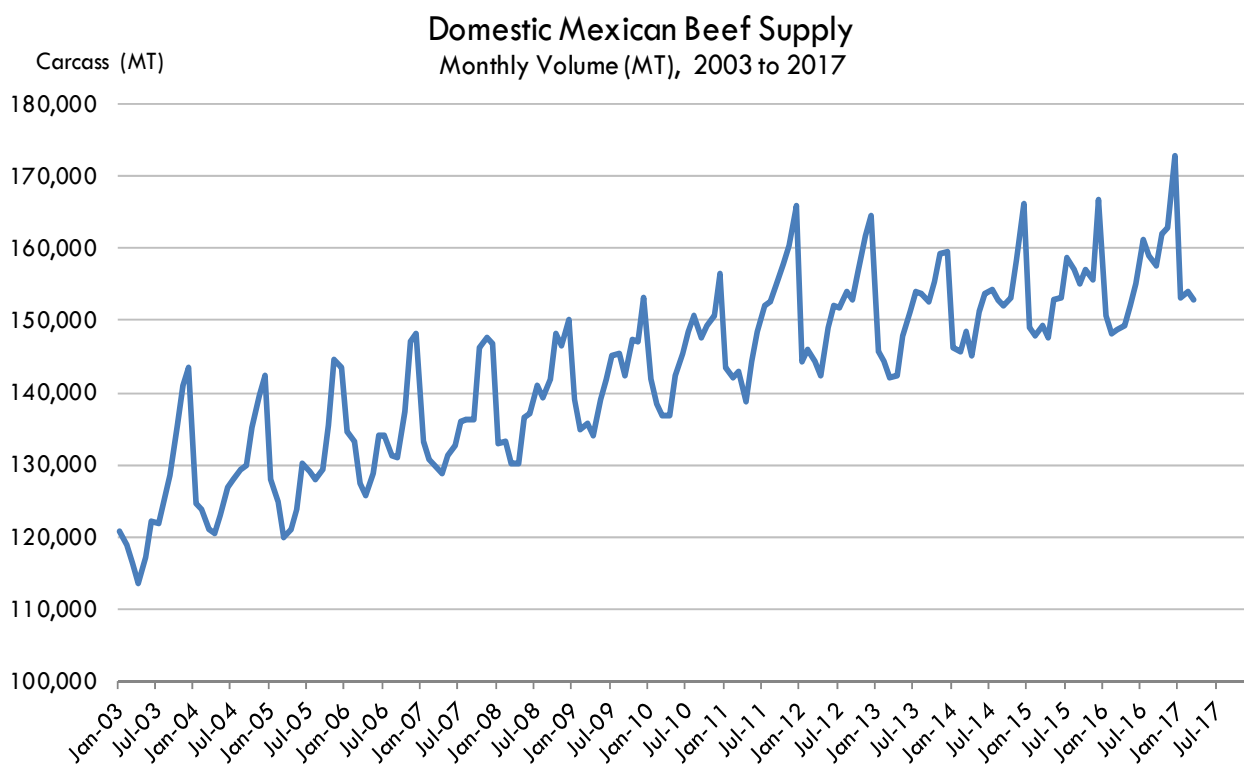
## Supply Summary



### 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	153,926	146,450	4%	5%
Mar	144,233	142,022	148,330	149,220	148,643	152,759	146,490	3%	4%
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



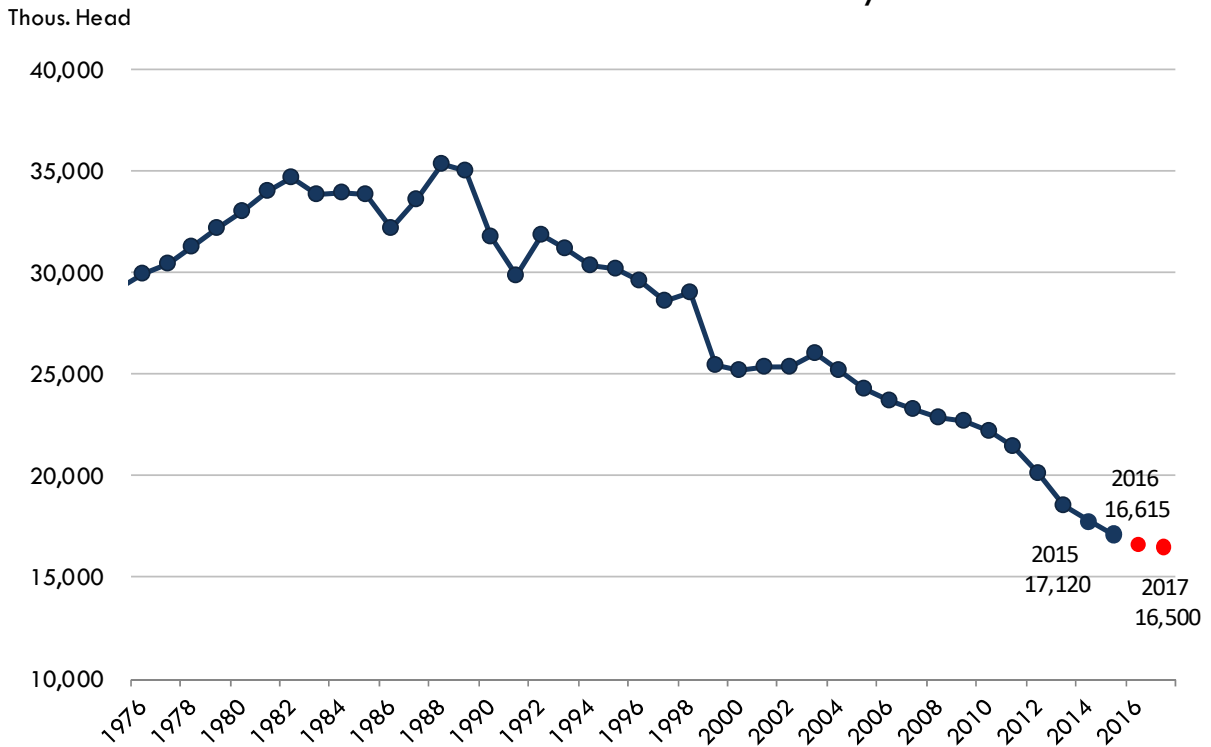
## Mexican Cattle Inventory, Slaughter and Exports

	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

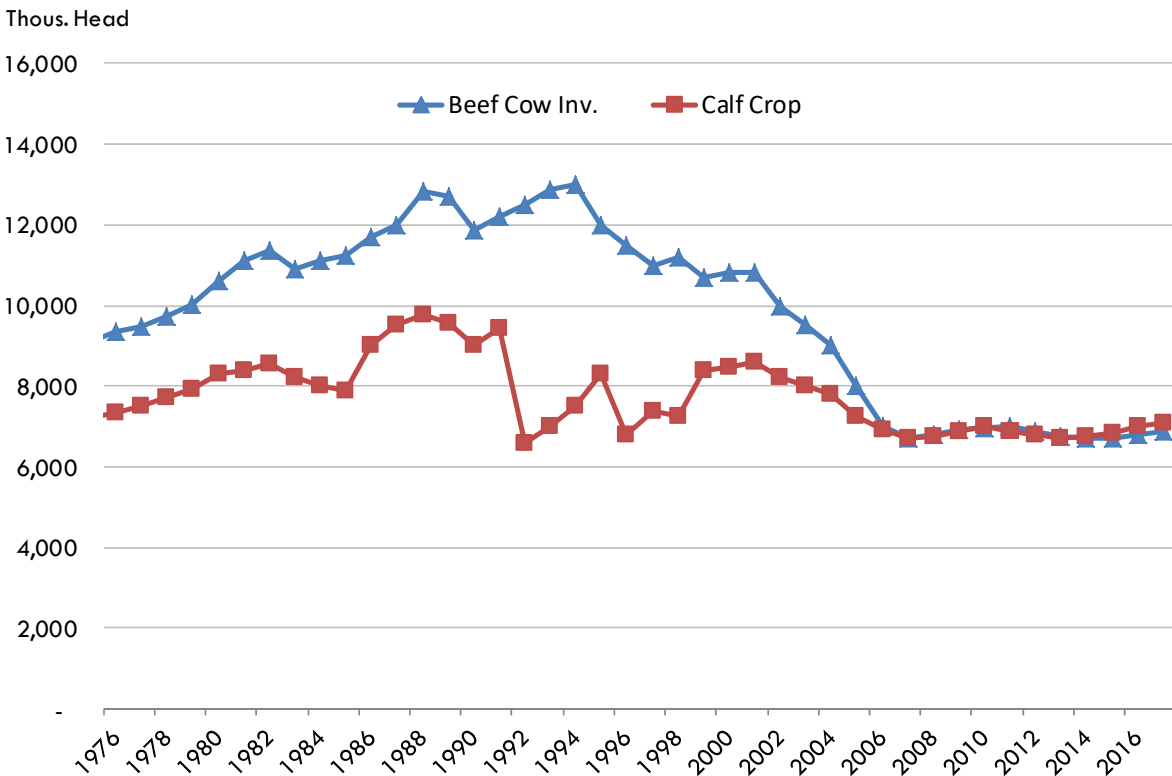
Source: USDA



### Total Mexican Cattle Inventory



### Mexican Beef Cow Inventory and Calf Crop



Source: USDA