



Monthly Mexico Meat Market Report

Supply and Price Situation for Domestic and Traded Beef

March 22nd, 2018



Prepared for Meat and Livestock Australia

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Monthly update

- USDA did not make any significant adjustments to Mexican production forecasts for 2018. According to the latest data, the cattle inventory on January 1, 2018 was forecast at 16.584 million head, 0.6% higher than a year ago but still down 10.5% compared to five years ago.
- The beef cow herd in Mexico is currently estimated at 7.5 million head, 2.7% higher than a year ago. Strong beef and cattle prices in the US have bolstered export income and have encouraged expansion in the industry. Feed costs have declined in recent years, further stimulating growth. The Mexican beef cow herd is now 11% higher than it was five years ago. Naturally the larger beef cow inventory has resulted in an increase in the Mexican calf crop. The calf crop for 2017 was estimated at 7.485 million head and the calf crop for 2018 is now forecast at 7.7 million head, 13.1% higher than just five years ago. The increase in the calf crop implies robust growth in both beef and feeder cattle exports to the United States.
- Mexico beef production continues to expand, reflecting the steady increase in the calf crop and a large inventory of both fed and non-fed cattle. February Federal Inspected beef production in Mexico was estimated at 158,493 MT (carcass wt.), 3% higher than a year ago and the largest February production on record. Year to date beef production in Mexico is up 2.65% vs. the same period a year ago. USDA is currently forecasting beef production in Mexico to increase by 1.8% y/y in 2018. We think that forecast is low and production will likely expand between 2.2% and 2.5% for the year.
- Average steer price in Jalisco on March 22, 2017 was 43 peso per kilogram while the average dressed cow price was 31 peso per kilogram. This year, the average steer price was 46.75 peso, 8.1% higher than a year ago. The average cow price is currently quoted at 28.5 peso per kilogram, 8% lower than a year ago.

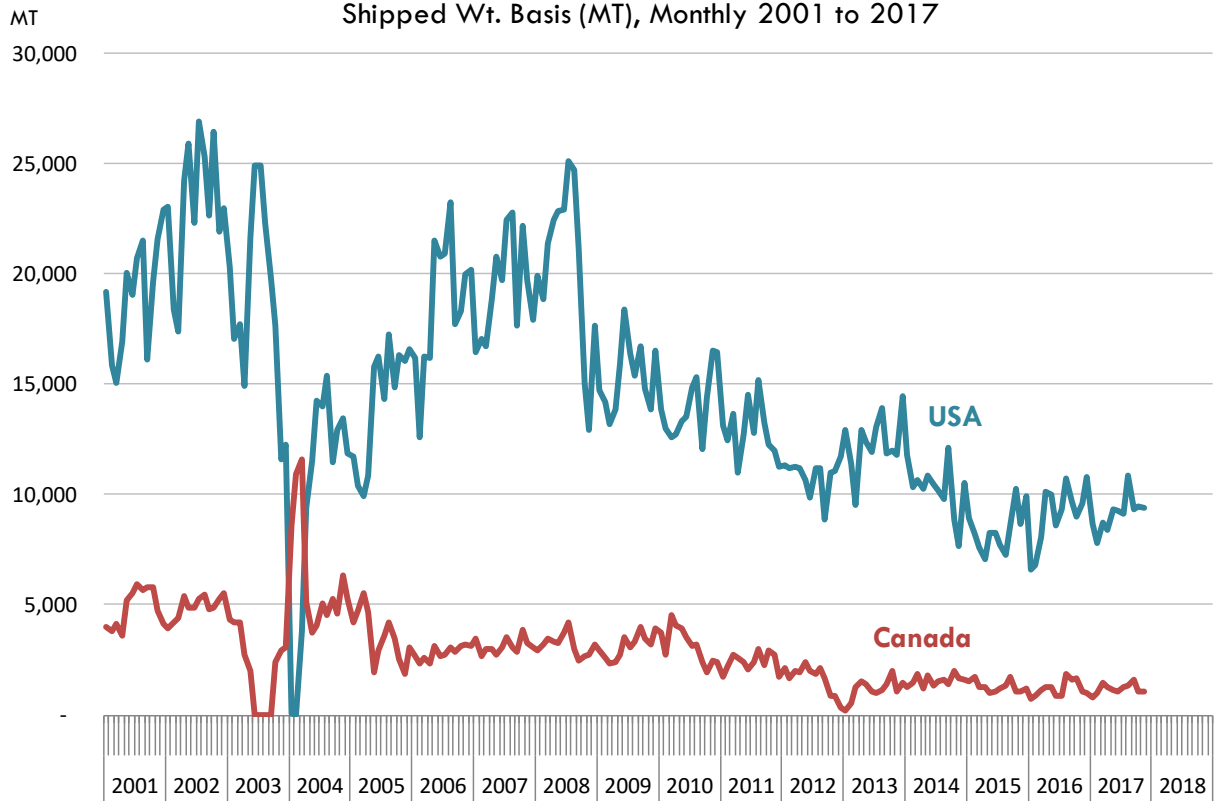
Trade Summary

Mexico Beef Imports

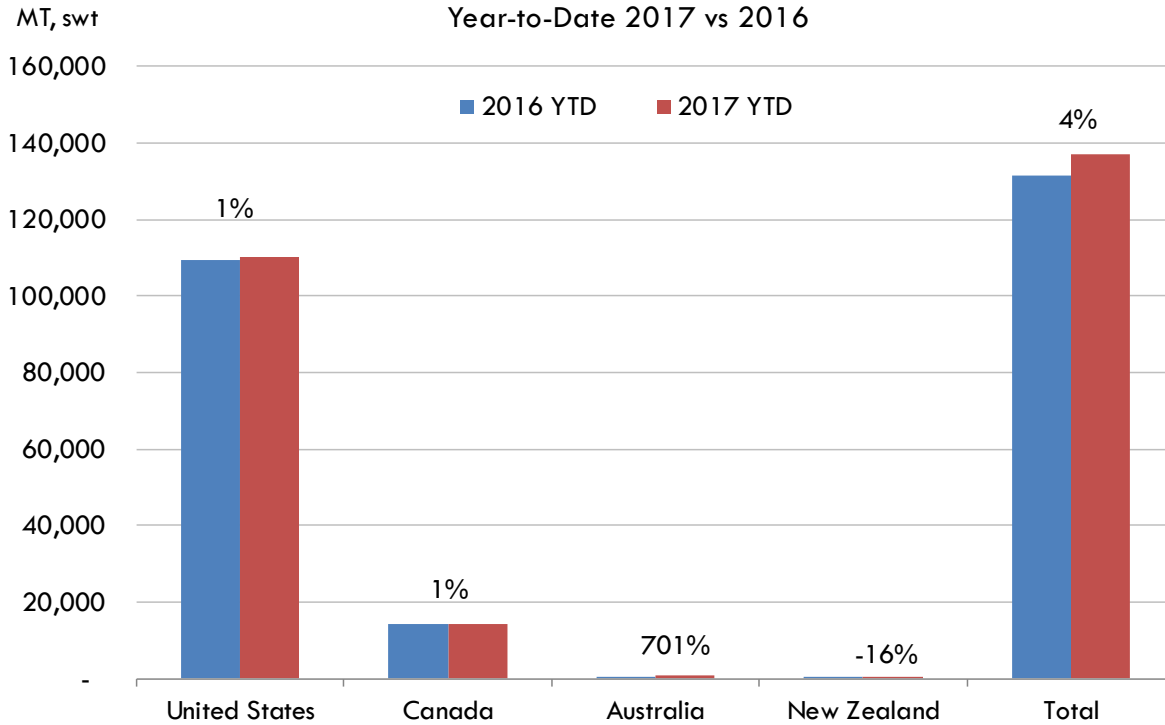
Shipped Wt. Basis (Metric Ton), Annual and Monthly

	2016 YTD			2017 YTD		Vol. Ch.	% Ch.	Dec-16	Dec-17	Vol. Ch.	% Ch.
	2014	2015	2016	Jan - Dec	Jan - Dec						
Fresh/Chill	MT	MT	MT	MT	MT	MT		MT	MT	MT	
United States	118,963	95,607	99,150	99,150	101,870	2,720	3%	9,494	9,223	(271)	-3%
Canada	18,360	14,891	13,526	13,526	14,001	475	4%	964	1,131	167	17%
Australia	-	44	66	66	67	1	2%	-	22	22	N/A
New Zealand	-	-	-	-	-	-	N/A	-	-	-	N/A
Honduras	-	-	-	-	-	-	N/A	-	-	-	N/A
Costa Rica	-	-	-	-	-	-	N/A	-	-	-	N/A
Uruguay	124	420	261	261	228	(33)	-12%	19	10	(9)	-49%
Chile	-	-	-	-	-	-	N/A	-	-	-	N/A
Nicaragua	172	4,093	6,657	6,657	10,155	3,498	53%	778	765	(13)	-2%
Panama	-	-	-	-	-	-	N/A	-	-	-	N/A
Other	3	43	-	-	4	4	N/A	-	0	0	N/A
Total	137,622	115,098	119,660	119,660	126,325	6,665	6%	11,255	11,151	(104)	-1%
Frozen											
United States	4,569	5,089	10,151	10,151	8,434	(1,717)	-17%	1,310	733	(577)	-44%
Canada	308	561	635	635	233	(402)	-63%	36	18	(18)	-49%
Australia	1,208	663	59	59	934	875	1483%	46	52	6	13%
New Zealand	586	484	432	432	361	(71)	-16%	48	-	(48)	N/A
Honduras	-	-	-	-	-	-	N/A	-	-	-	N/A
Costa Rica	-	-	-	-	-	-	N/A	-	-	-	N/A
Uruguay	-	84	-	-	20	20	N/A	-	-	-	N/A
Chile	-	9	13	13	-	(13)	N/A	-	-	-	N/A
Nicaragua	132	947	458	458	673	215	47%	38	119	81	212%
Panama	-	-	-	-	-	-	N/A	-	-	-	N/A
Other	-	2	3	3	162	159	5300%	-	-	-	N/A
Total	6,803	7,839	11,751	11,751	10,817	(934)	-8%	1,478	922	(556)	-38%
Fresh/Chilled & Frozen											
United States	123,532	100,696	109,301	109,301	110,304	1,003	1%	10,804	9,955	(849)	-8%
Canada	18,668	15,452	14,161	14,161	14,234	73	1%	1,000	1,149	149	15%
Australia	1,208	707	125	125	1,001	876	701%	46	74	28	61%
New Zealand	586	484	432	432	361	(71)	-16%	48	-	(48)	N/A
Honduras	-	-	-	-	-	-	N/A	-	-	-	N/A
Costa Rica	-	-	-	-	-	-	N/A	-	-	-	N/A
Uruguay	124	504	261	261	248	(13)	-5%	19	10	(9)	-49%
Chile	-	9	13	13	-	(13)	N/A	-	-	-	N/A
Nicaragua	304	5,040	7,115	7,115	10,828	3,713	52%	816	884	68	8%
Panama	-	-	-	-	-	-	N/A	-	-	-	N/A
Other	3	45	3	3	166	163	5432%	-	0	0	N/A
Total	144,425	122,937	131,411	131,411	137,142	5,731	4%	12,733	12,072	(661)	-5%

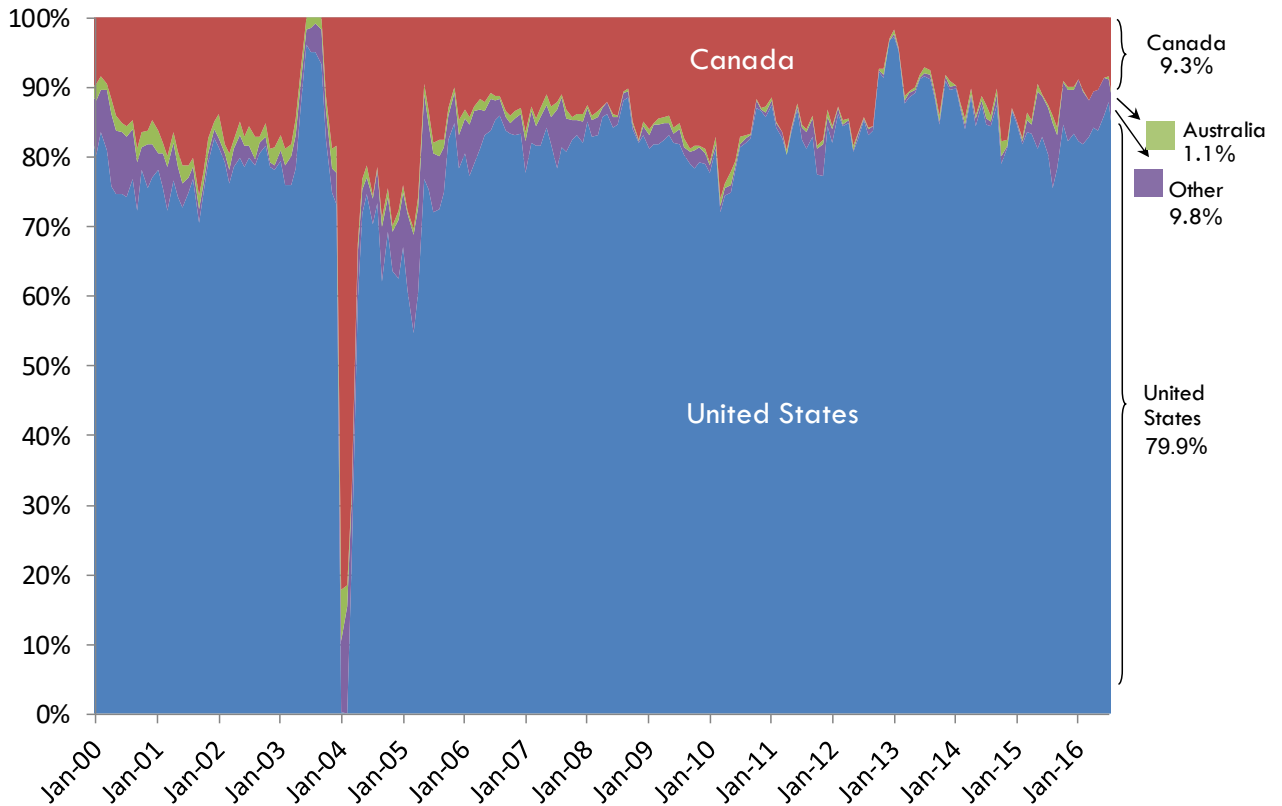
Mexico Beef Imports from US and Canada Shipped Wt. Basis (MT), Monthly 2001 to 2017



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

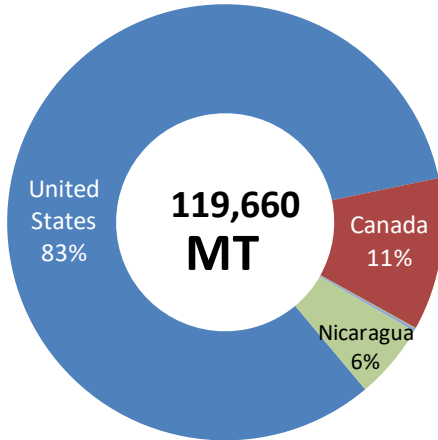


Mexican Beef Imports by Country Share of Total Imports (% as June 2017)

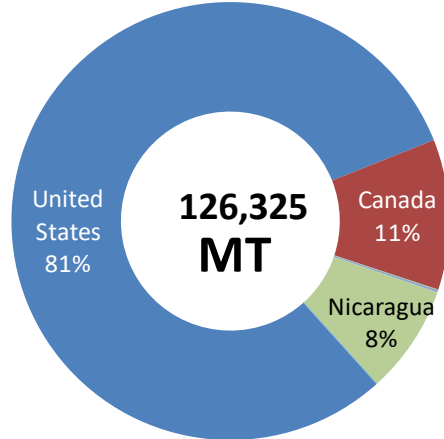


Share of Mexican Beef Imports 2016 vs. 2017, Year-to-Date

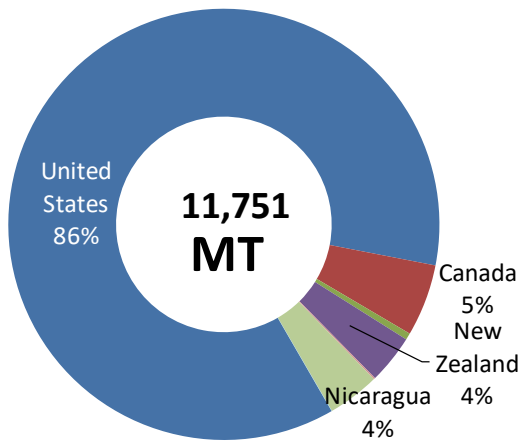
Fresh/Chilled Imports YTD, 2016



Fresh/Chilled Imports YTD, 2017

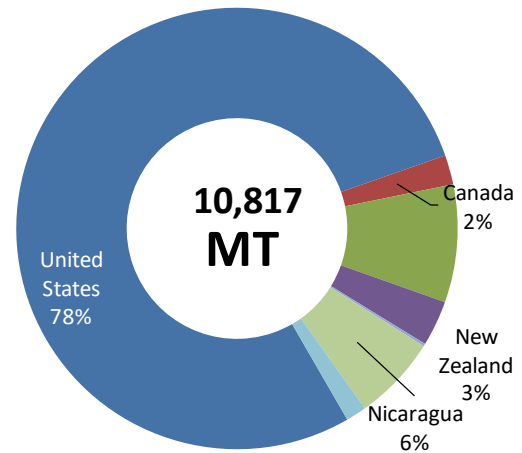


Frozen Imports YTD, 2016



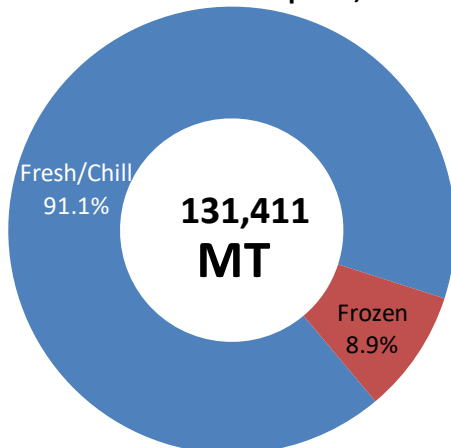
Other shares of frozen includes Chile and Nicaragua makes up 4.0%

Frozen Imports YTD, 2017

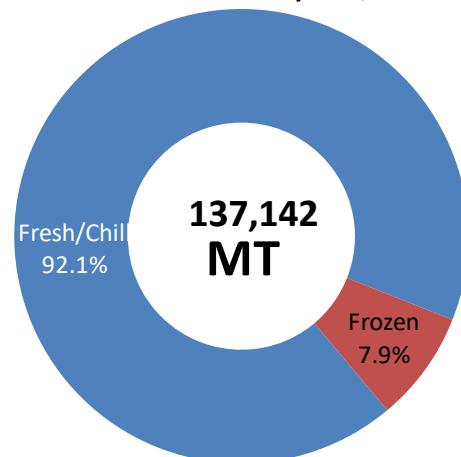


Other shares of frozen include Australia and Chile and makes up 10.3%

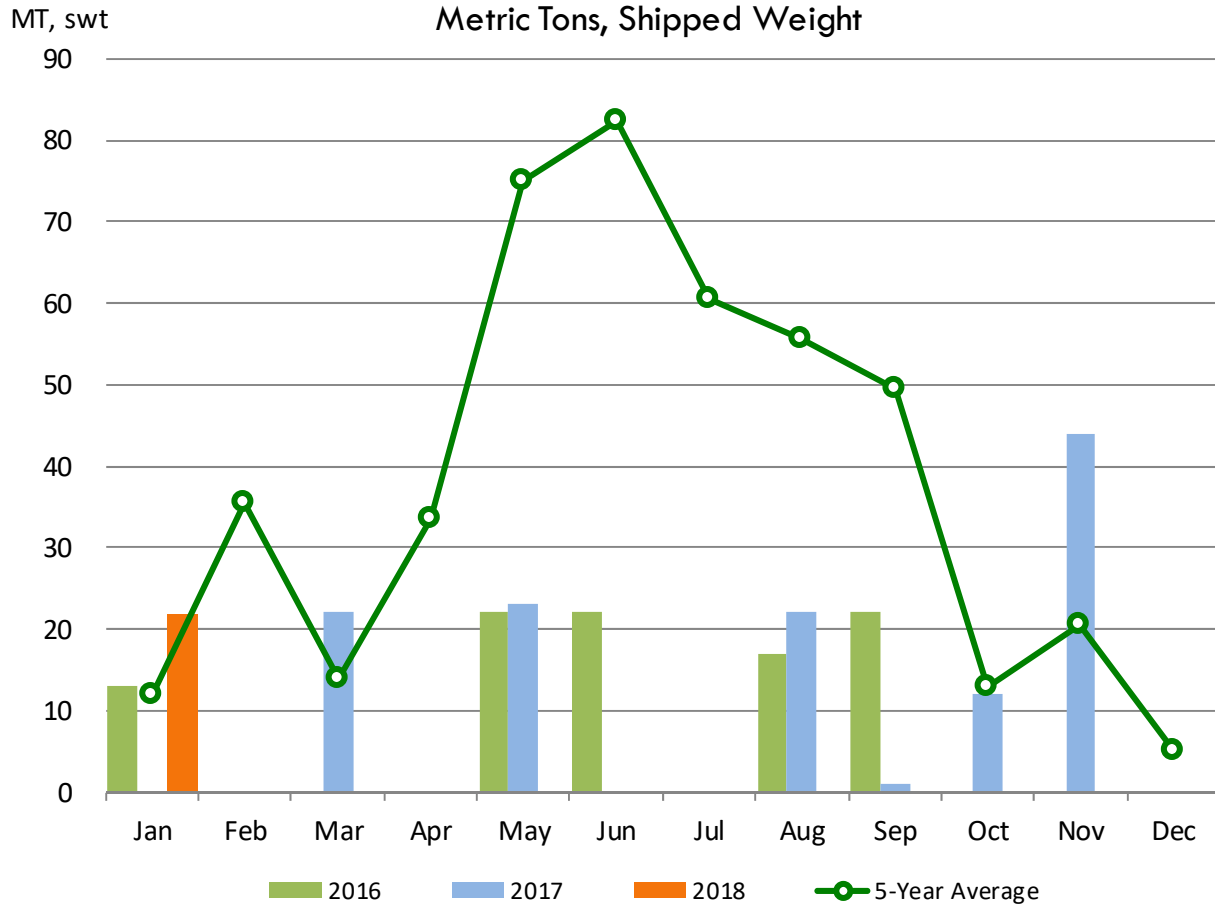
Fresh vs Frozen Beef Imports, 2016 YTD



Fresh vs Frozen Beef Imports, 2017 YTD



Australian Beef Exports to Mexico Metric Tons, Shipped Weight



	2015	2016	2017	2018	5-Year Avg	2018 vs 2017	2018 vs 5 Yr Avg
Jan-18	47	13	0	22	12	N/A	83%
Feb-18	81	0	0	0	35		
Mar-18	25	0	22		14		
Apr-18	58	0	0		33		
May-18	40	22	23		75		
Jun-18	108	22	0		82		
Jul-18	137	0	0		60		
Aug-18	83	17	22		56		
Sep-18	68	22	1		49		
Oct-18	12	0	12		13		
Nov-18	34	0	44		21		
Dec-18	0	0	0		5		

Mexico Beef Exports

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

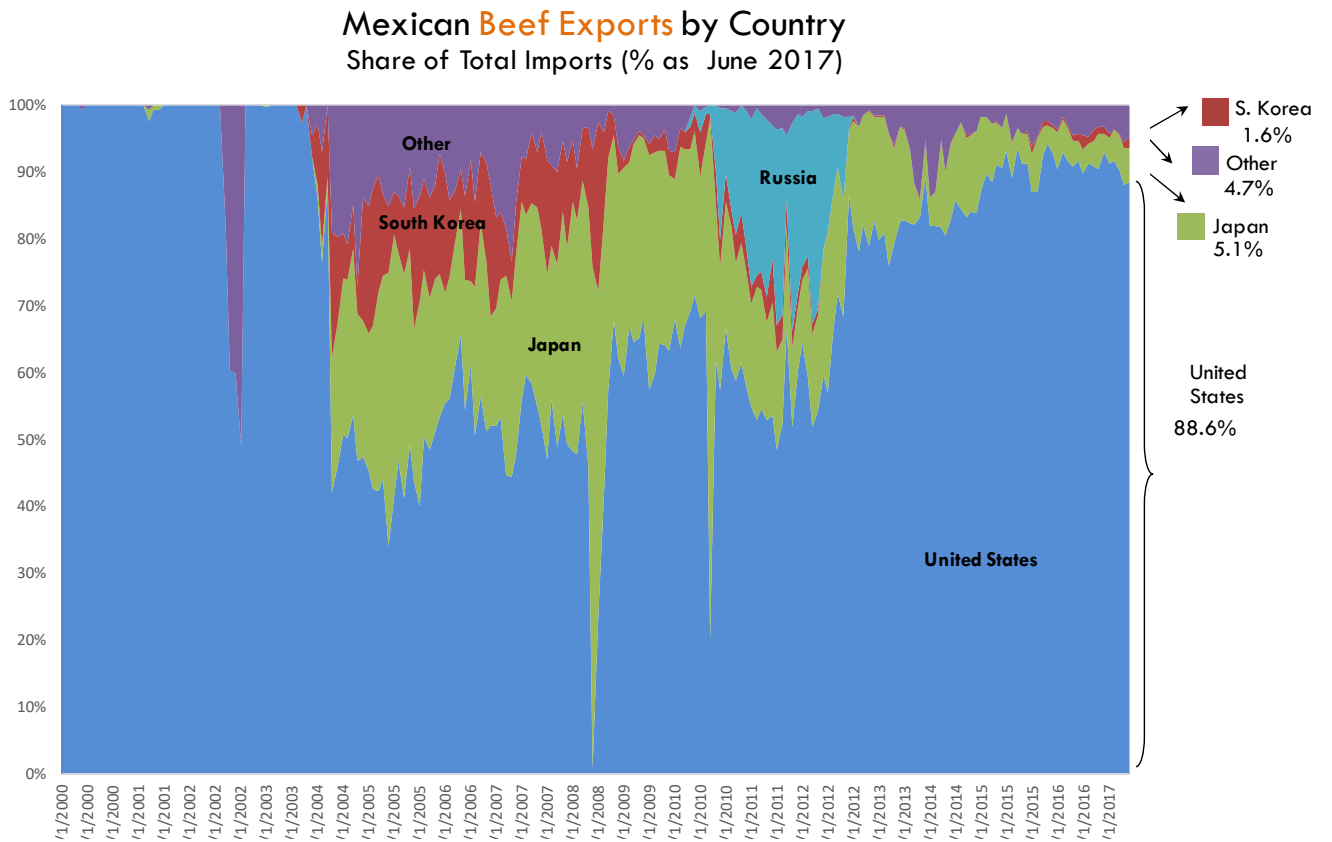
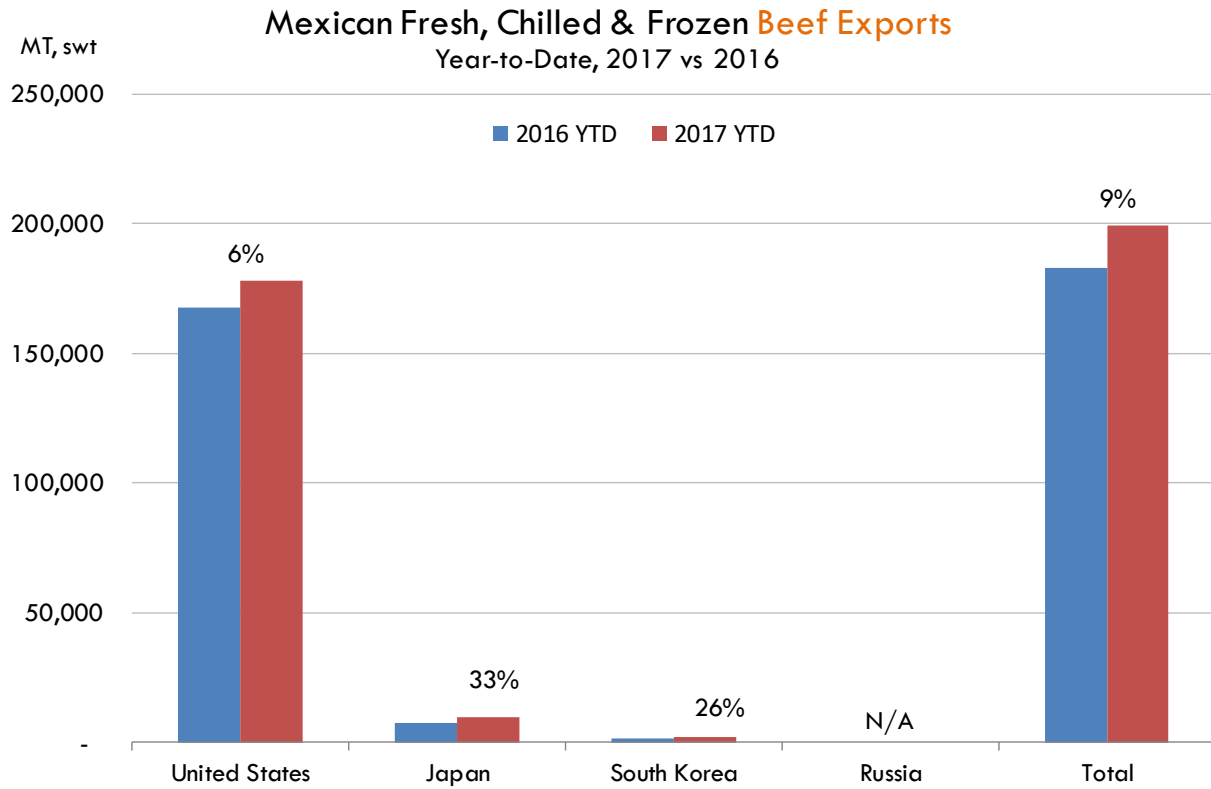
				2016 YTD	2017 YTD						
	2014	2015	2016	Jan - Dec	Jan - Dec	Vol. Ch.	% Ch.	Dec-16	Dec-17	Vol. Ch.	% Ch.
Fresh/Chill	MT	MT	MT	MT	MT	MT		MT	MT	MT	
United States	106,477	133,159	153,018	153,018	162,822	9,804	6%	12,846	12,401	(445)	-3%
Japan	2,918	2,767	2,310	2,310	2,261	(49)	-2%	224	281	57	25%
South Korea	-	-	-	-	-	-	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	1,418	1,563	145	10%	105	148	43	41%
Total	110,181	136,922	156,746	156,746	166,646	9,900	6%	13,175	12,829	(346)	-3%

Frozen

United States	8,066	12,080	14,611	14,611	15,279	668	5%	1,122	1,154	32	3%
Japan	9,896	7,451	5,086	5,086	7,588	2,502	49%	586	614	28	5%
South Korea	215	303	1,707	1,707	2,159	452	26%	176	499	323	183%
Puerto Rico	-	-	-	-	-	-	N/A	-	-	-	N/A
Costa Rica	-	274	395	395	-	(395)	N/A	-	-	-	N/A
Panama	352	240	25	25	169	144	577%	19	-	(19)	N/A
Angola	137	-	-	-	-	-	N/A	-	-	-	N/A
Russia	-	-	-	-	-	-	N/A	-	-	-	N/A
Hong Kong	7,344	3,711	3,513	3,513	5,876	2,363	67%	226	518	292	129%
Vietnam	654	72	-	-	-	-	N/A	-	-	-	N/A
Other	322	230	906	906	1,367	461	51%	139	85	(54)	-39%
Total	26,986	24,361	26,243	26,243	32,439	6,196	24%	2,268	2,870	602	27%

Fresh/Chilled & Frozen

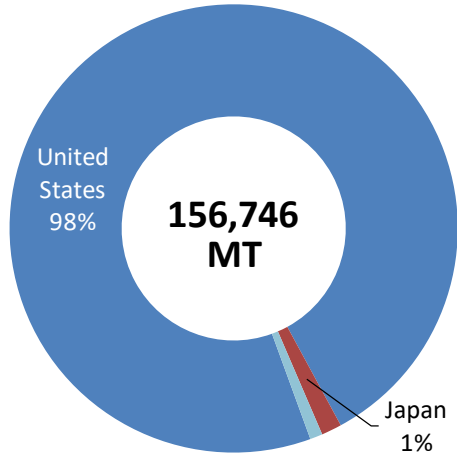
United States	114,543	145,239	167,629	167,629	178,101	10,472	6%	13,968	13,555	(413)	-3%
Japan	12,814	10,218	7,396	7,396	9,849	2,453	33%	810	895	85	10%
South Korea	215	303	1,707	1,707	2,159	452	26%	176	499	323	183%
Puerto Rico	-	-	-	-	-	-	N/A	-	-	-	N/A
Costa Rica	-	274	395	395	-	(395)	N/A	-	-	-	N/A
Panama	352	240	25	25	169	144	577%	19	-	(19)	N/A
Angola	137	-	-	-	-	-	N/A	-	-	-	N/A
Russia	-	-	-	-	-	-	N/A	-	-	-	N/A
Hong Kong	7,344	3,727	3,513	3,513	5,876	2,363	67%	226	518	292	129%
Vietnam	654	72	-	-	-	-	N/A	-	-	-	N/A
Other	1,108	1,210	2,324	2,324	2,929	605	26%	245	233	(12)	-5%
Total	137,167	161,283	182,989	182,989	199,084	16,095	9%	15,444	15,700	256	2%



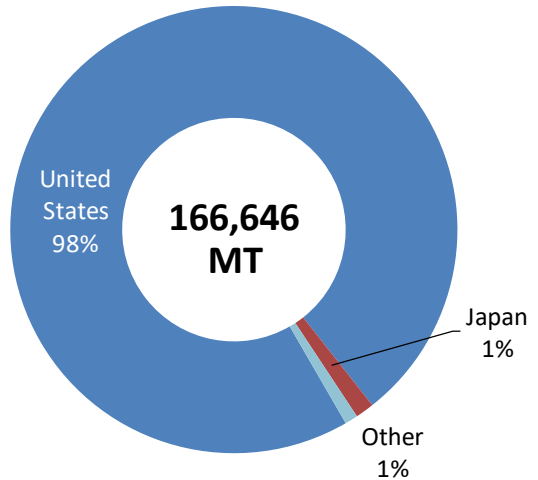
Shares of Mexican Beef Exports

2016 vs. 2017, Year-to-Date

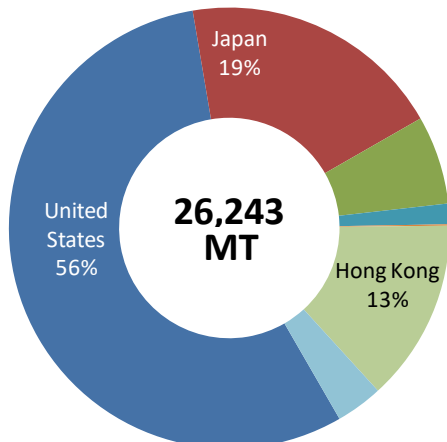
Fresh/Chilled Exports YTD, 2016



Fresh/Chilled Exports YTD, 2017

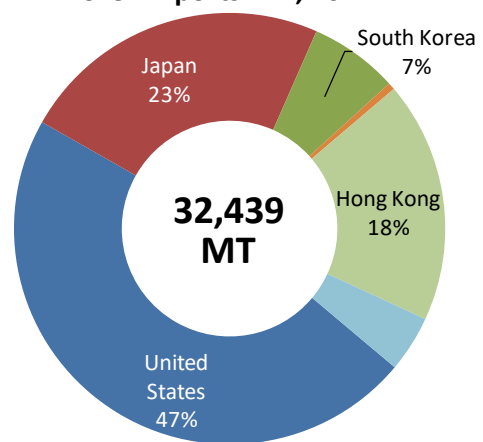


Frozen Exports YTD, 2016



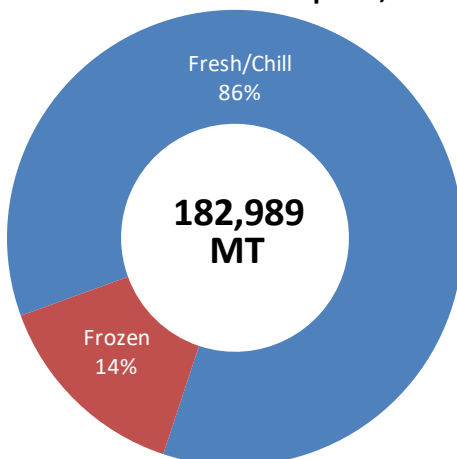
Other shares of frozen includes Panama, South Korea, and Vietnam and makes up 10.1%

Frozen Exports YTD, 2017

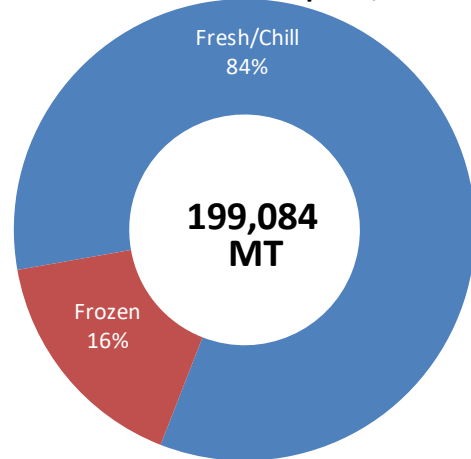


Other shares of frozen include Costa Rica, Panama and other and make up 4.7%

Fresh vs Frozen Beef Exports, 2016 YTD

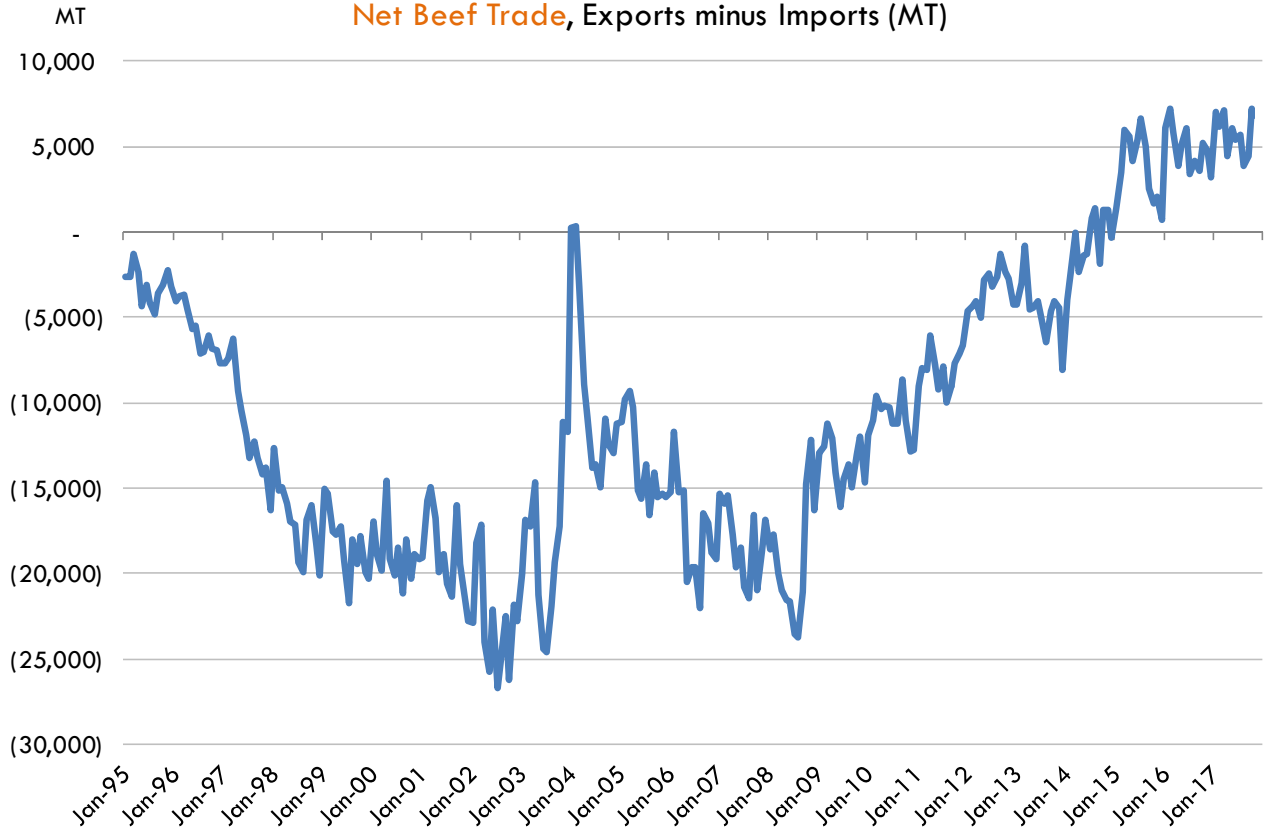


Fresh vs Frozen Beef Exports, 2017 YTD



Mexico Beef Trade Deficit/Surplus with the US

Net Beef Trade, Exports minus Imports (MT)



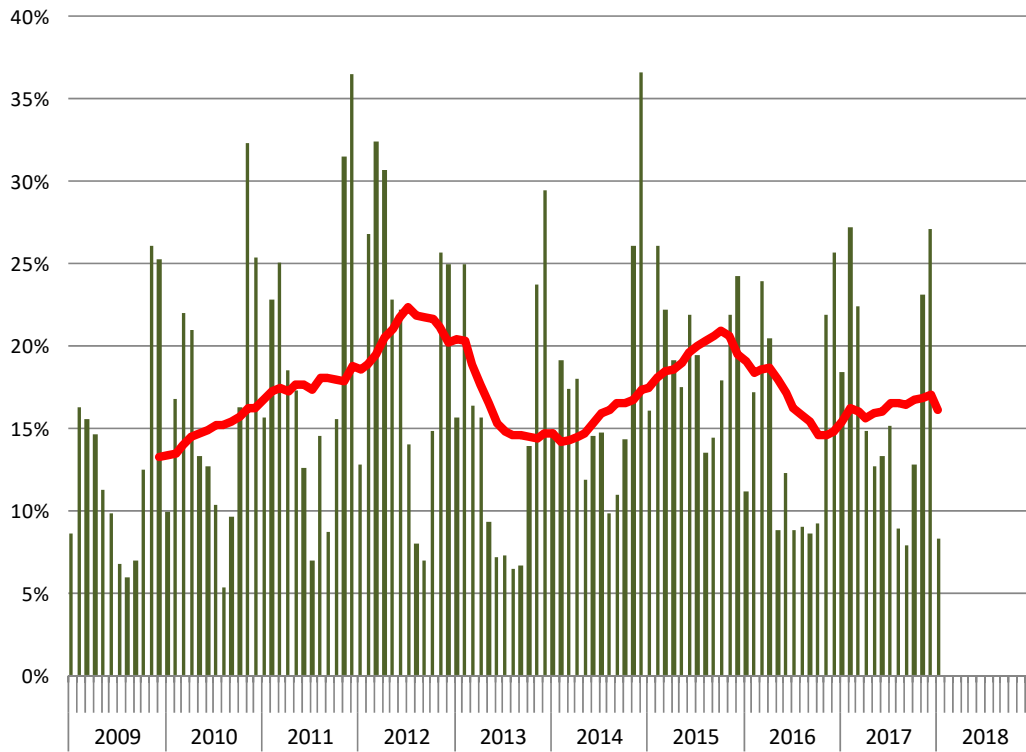
Imports Of Mexican Feeder Cattle As % Of US Cattle Placements
US Monthly Imports, USDA

	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-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	1,853	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	1,730	514	8%	26%
Jan-17	75,095	11,900	86,995	1,928	472	5%	18%
Feb-17	101,700	16,342	118,042	1,638	435	7%	27%
Mar-17	115,436	22,979	138,415	2,061	618	7%	22%
Apr-17	79,178	13,500	92,678	1,782	624	5%	15%
May-17	90,654	12,942	103,596	2,049	817	5%	13%
Jun-17	61,417	15,326	76,743	1,714	579	4%	13%
Jul-17	59,588	11,955	71,543	1,567	473	5%	15%
Aug-17	37,962	7,175	45,137	1,879	509	2%	9%
Sep-17	39,818	6,084	45,902	2,092	579	2%	8%
Oct-17	70,516	13,041	83,557	2,320	652	4%	13%
Nov-17	114,343	34,701	149,044	2,028	645	7%	23%
Dec-17	121,844	27,420	149,264	1,725	551	9%	27%
Jan-18	38,415	6,645	45,060	1,999	543	2%	8%
Feb-18							
Mar-18							
Apr-18							
May-18							
Jun-18							
Jul-18							
Aug-18							
Sep-18							
Oct-18							
Nov-18							
Dec-18							

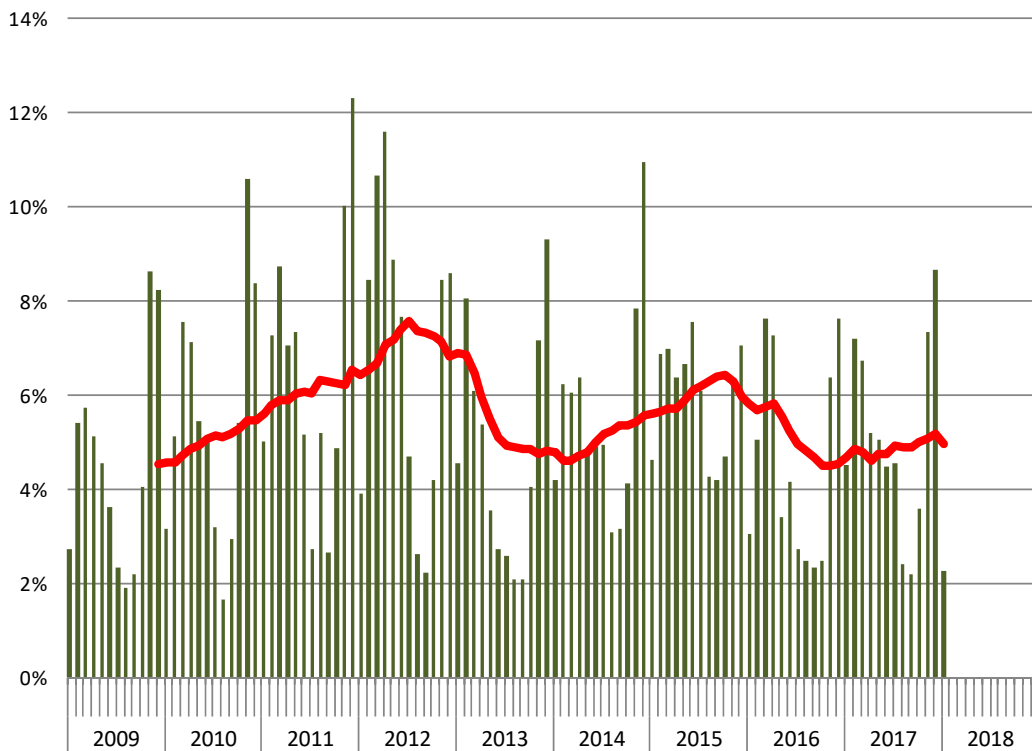
1. 5 states: California, Arizona, New Mexico, Texas and Oklahoma

Imports Of Mexican Feeder Cattle As % of Southern Placements

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

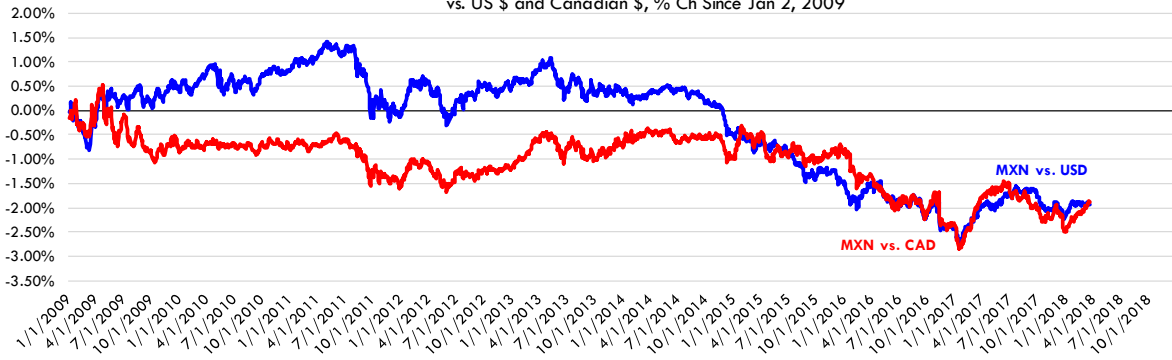


as % of All US Placements

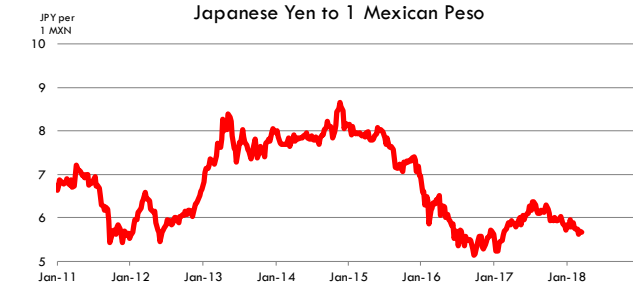
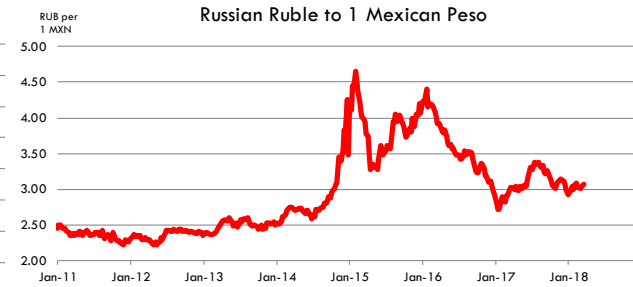
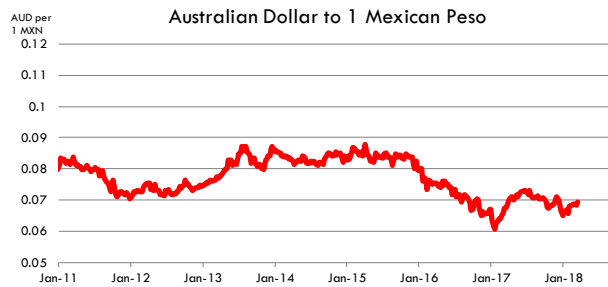
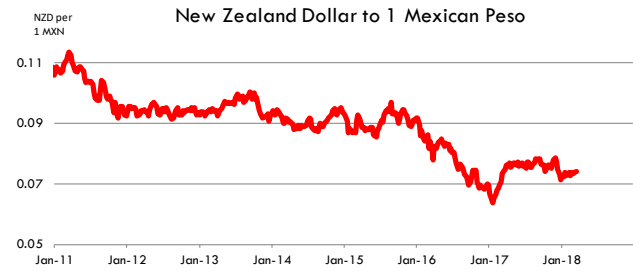
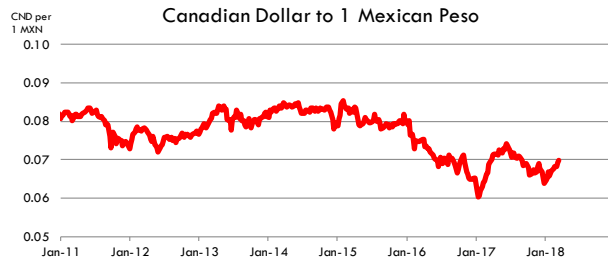


Mexican Economy

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



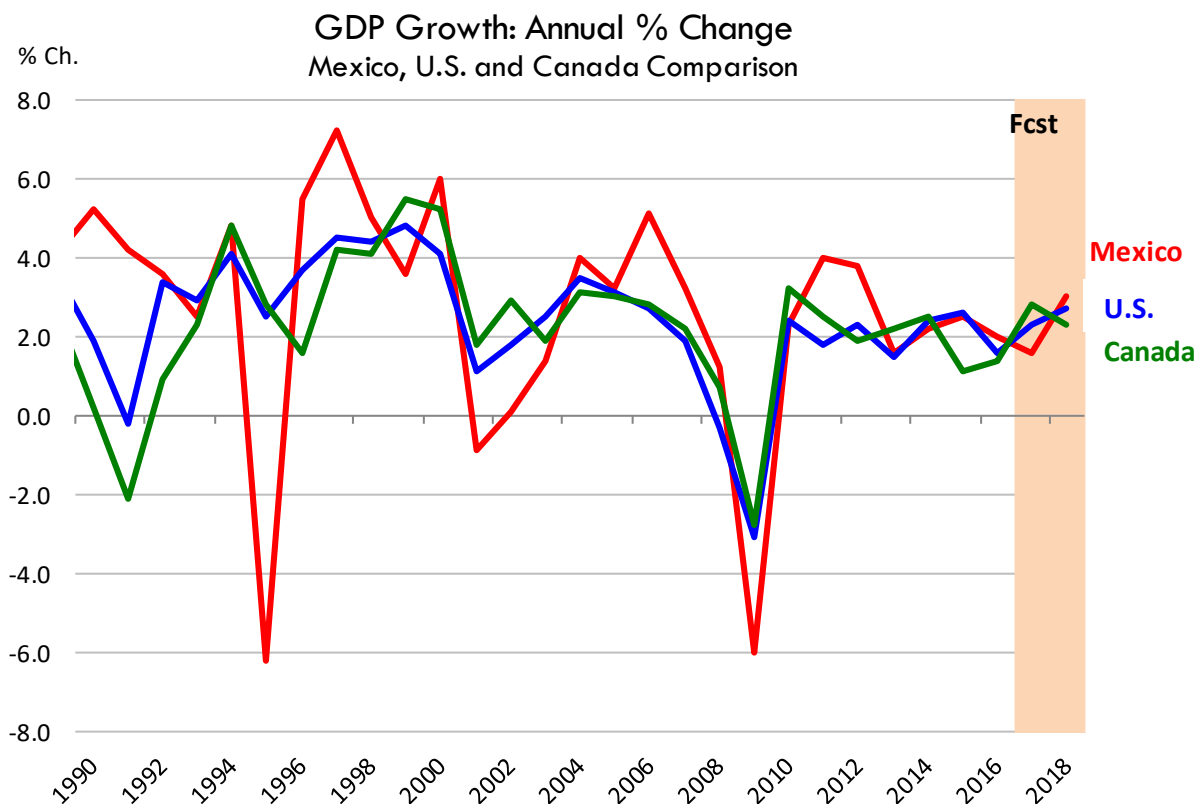
More imports
Fewer exports
↑
↓
Fewer imports
More exports



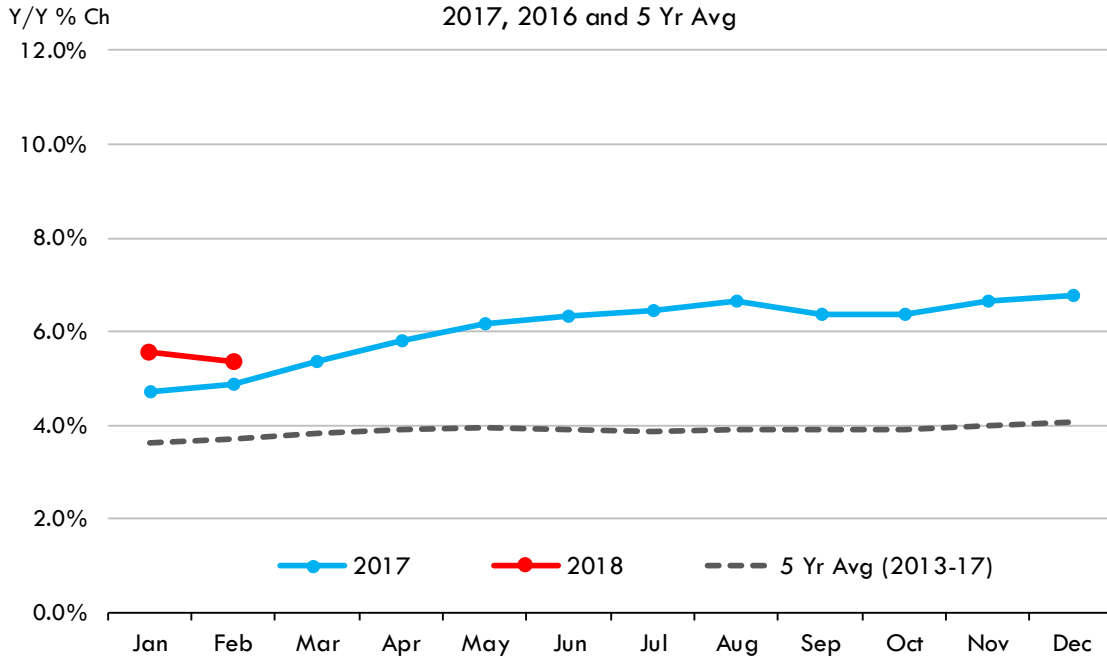
Economic Indicators: Mexico

		2011	2012	2013	2014	2015	2016	2017 ¹	2018 ¹
Real GDP, Annual Growth	Annual % Ch.	4.0	3.8	1.6	2.2	2.5	2.0	1.6	3.0
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	7.1	
Exchange Rate	MXN per USD	12.4	13.1	12.8	13.3	15.8	18.3	18.9	17.9
Unemployment Rate	%	5.2	5.0	4.9	4.8	4.3	3.9	3.7	4.0
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	84.2	
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 8/17/2017

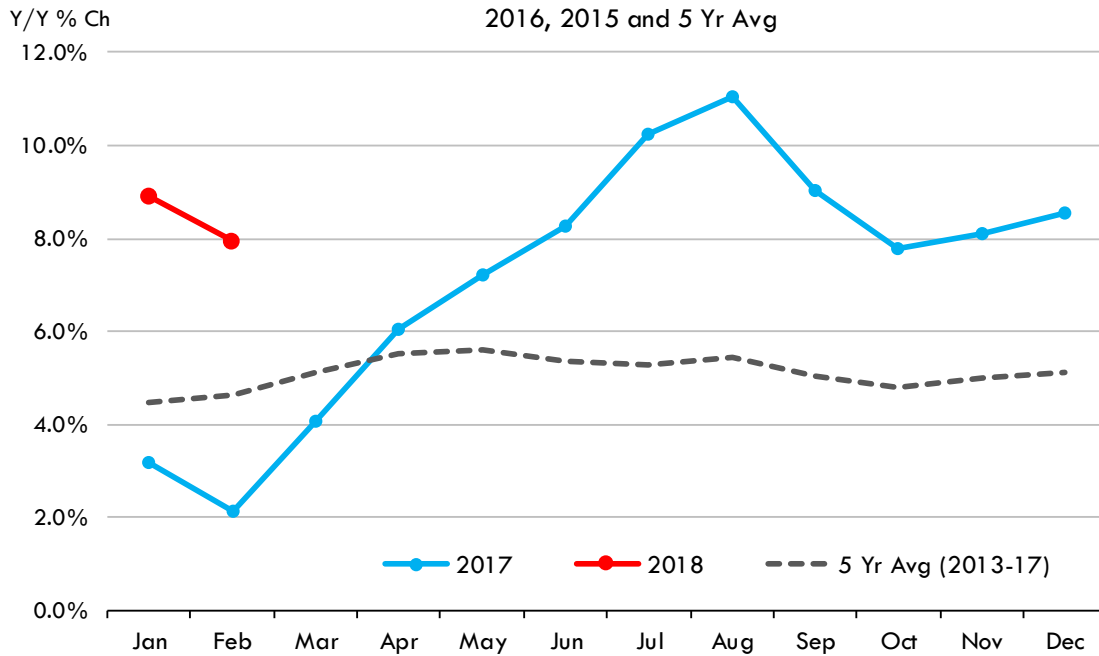


Inflation in Mexico: CPI 2017, 2016 and 5 Yr Avg



Nov-17	6.63%	Nov-16	3.31%	5-Yr Avg	3.50%
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Inflation in Mexico: Food CPI 2016, 2015 and 5 Yr Avg

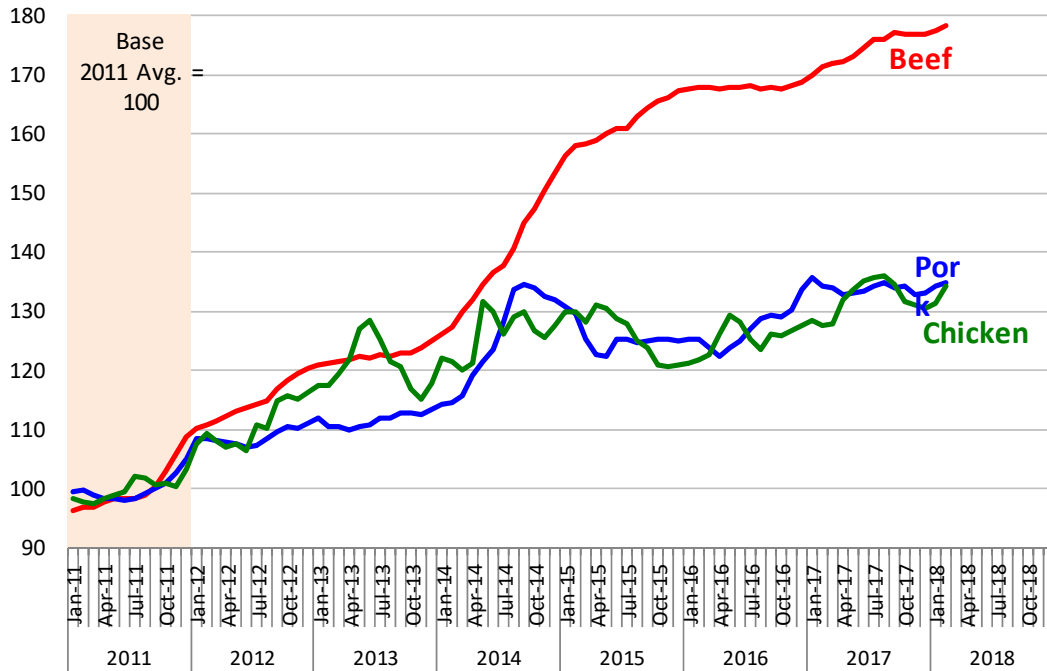


Nov-17	8.09%	Nov-16	5.34%	5-Yr Avg	5.37%
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Source: INEGI

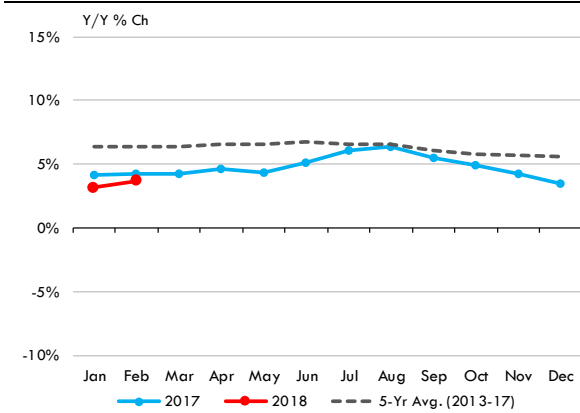
Mexico Price Inflation in Main Protein Groups

Reindexed with 2011 Avg. = 100



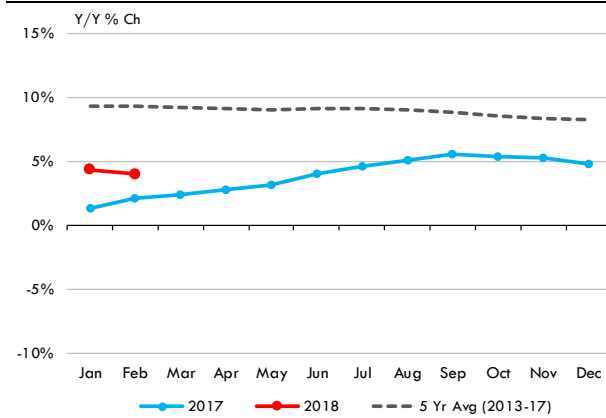
Mexico Consumer Price Inflation - **All Meat Products**

Source: INEGI



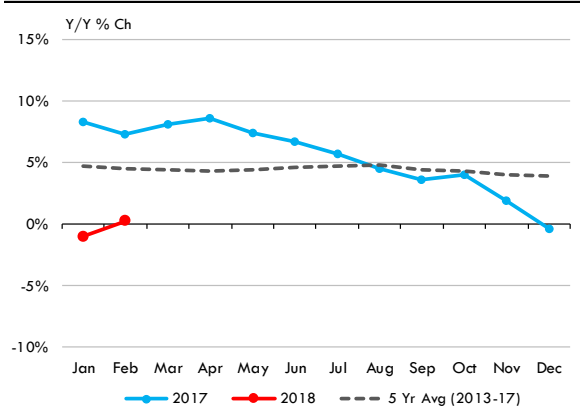
Mexico Consumer Price Inflation - **Beef**

Source: INEGI



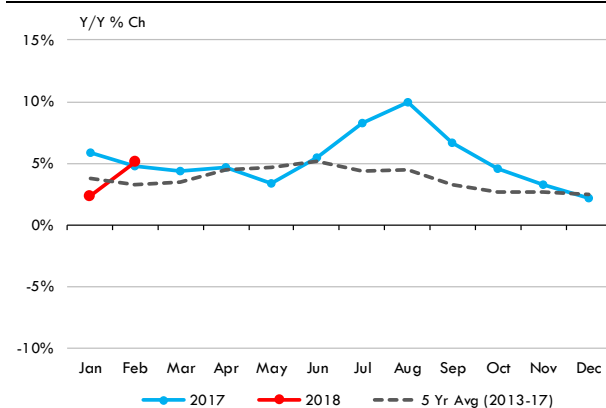
Mexico Consumer Price Inflation - **Pork**

Source: INEGI



Mexico Consumer Price Inflation - **Chicken**

Source: INEGI



Source: INEGI

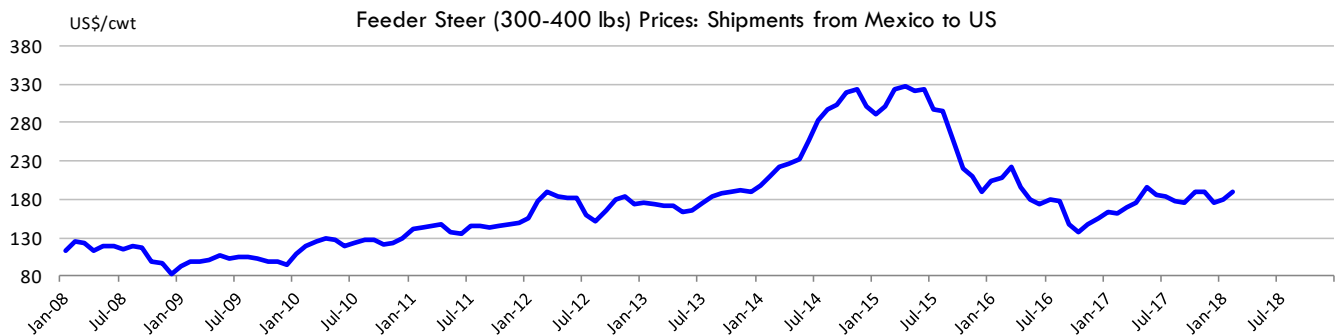
Pricing Summary

Average Price of Mexican Feeder Cattle Imported in the US

Source: USDA Agricultural Marketing Service

	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-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	176.00	-10%	144.13	-7%	150.13	0%	127.00	-2%
May-17	196.88	9%	156.88	13%	165.00	10%	125.00	-4%
Jun-17	186.00	7%	146.00	5%	154.50	6%	126.50	1%
Jul-17	183.50	3%	142.88	3%	151.25	4%	130.63	4%
Aug-17	177.25	-1%	141.00	1%	148.13	1%	128.13	0%
Sep-17	175.80	20%	153.30	24%	157.90	19%	137.90	22%
Oct-17	188.88	38%	156.63	34%	165.75	31%	145.75	37%
Nov-17	190.13	30%	155.63	23%	163.50	22%	143.50	26%
Dec-17	176.50	14%	142.00	11%	151.00	10%	131.00	12%
2017	178.73	1%	145.17	3%	152.90	4%	130.25	2%
Jan-18	180.50	11%	145.83	10%	151.17	5%	131.67	6%
Feb-18	190.33	18%	152.00	15%	161.17	15%	141.17	18%
Mar-18								
Apr-18								
May-18								
Jun-18								
Jul-18								
Aug-18								
Sep-18								
Oct-18								
Nov-18								
Dec-18								
2018YTD	180.50		145.83		151.17		131.67	

*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	US\$/lb	low	high	avg.	Conv.	US\$/lb	US\$/lb
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	2.03	
May	63	- 74	68.5	1.71	1.65	1.64	49	- 55	52.0	1.30	2.18	2.06	
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	2.12	
Sep	54	- 61	57.7	1.36	1.58	1.75	60	- 64	62.0	1.46	2.05	2.05	
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	2.09	
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	2.19	
Apr	56	- 60	58.0	1.41	1.73	1.77	60	- 64	62.0	1.50	2.18	2.21	
May	58	- 62	59.9	1.47	1.81	1.90	63	- 66	64.4	1.58	2.24	2.28	
Jun	58	- 63	60.6	1.51	1.90	1.94	64	- 68	66.1	1.65	2.30	2.30	
Jul	61	- 66	63.4	1.62	1.85	1.93	65	- 69	67.0	1.71	2.33	2.29	
Aug	62	- 66	64.0	1.64	1.81	1.87	65	- 69	67.0	1.72	2.33	2.20	
Sep	62	- 66	64.0	1.63	1.75	1.82	65	- 70	67.3	1.71	2.25	2.14	
Oct	62	- 66	64.0	1.53	1.69	1.81	65	- 70	67.4	1.62	2.16	2.16	
Nov	57	- 62	59.3	1.42	1.65	1.80	62	- 65	63.3	1.51	2.12	2.19	
Dec	56	- 61	58.5	1.38	1.63	1.76	61	- 65	63.0	1.49	2.11	2.15	
2017													
Jan	56	- 61	58.5	1.41	1.68	1.73	61	- 65	63.0	1.52	2.14	2.13	
Feb	56	- 61	58.5	1.42	1.73	1.74	61	- 65	63.0	1.53	2.16	2.19	
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	MX (Pesos/kg)			US\$/lb	USDA ²	MX (Pesos/kg)			US\$/lb	USDA ³
	low	high	avg.	Conv.	US\$/lb	low	high	avg.	Conv.	US\$/lb	low	high	avg.	Conv.	US\$/lb
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	66	- 70	68.0	1.65	2.04	145	- 155	150.0	3.64	3.52	87	- 90	88.5	2.15	1.95
May	66	- 70	68.0	1.65	2.16	149	- 170	159.4	3.86	4.23	91	- 94	92.6	2.24	2.19
Jun	66	- 70	68.0	1.70	2.07	150	- 175	162.5	4.05	4.66	90	- 94	91.9	2.29	2.20
Jul	66	- 70	68.0	1.74	1.89	146	- 171	158.8	4.06	4.20	86	- 91	88.0	2.25	2.02
Aug	66	- 70	68.0	1.74	1.80	145	- 175	160.0	4.09	4.15	82	- 86	83.6	2.14	1.91
Sep	66	- 70	68.0	1.73	1.67	145	- 180	162.5	4.14	4.13	77	- 83	80.4	2.05	2.02
Oct	66	- 70	68.0	1.63	1.74	145	- 180	162.5	3.90	3.41	76	- 82	78.8	1.89	1.94
Nov	66	- 70	68.0	1.63	1.89	145	- 180	162.5	3.89	3.43	75	- 82	78.5	1.88	1.91
Dec	66	- 70	68.0	1.60	1.89	145	- 176	160.5	3.79	3.16	78	- 82	80.0	1.89	1.93
2018															
Jan	66	- 70	68.0	1.64	1.95	145	- 176	160.6	3.87	3.01	83	- 85	83.5	2.01	2.02
Feb	66	- 70	68.0	1.66	2.02	145	- 180	162.5	3.96	3.19	85	- 88	86.5	2.11	2.12
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
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	96	- 99	97.3	2.36	2.43					2.23	94	- 101	97.5	2.37	
May	99	- 103	101.0	2.45	2.74					2.30	94	- 101	97.5	2.36	
Jun	100	- 104	102.2	2.55	2.65					2.31	94	- 101	97.5	2.43	
Jul	98	- 103	100.4	2.57	2.45					2.29	94	- 101	97.5	2.49	
Aug	95	- 101	97.6	2.50	2.53					2.32	94	- 101	97.5	2.49	
Sep	93	- 100	96.4	2.46	3.00					2.28	94	- 101	97.5	2.48	
Oct	97	- 101	99.0	2.37	3.11					2.23	94	- 101	97.5	2.34	
Nov	96	- 102	98.9	2.37	2.91					2.19	94	- 101	97.5	2.34	
Dec	98	- 103	100.5	2.37	2.76					2.08	94	- 101	97.5	2.30	
2018															
Jan	100	- 105	102.5	2.47	2.98					2.38	93	- 100	96.6	2.33	
Feb	100	- 105	102.5	2.50	3.07					2.28	90	- 98	94.0	2.29	
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	MX (Pesos/kg)			US\$/lb	YS ²	MX (Pesos/kg)			US\$/lb	USDA ³
	low	high	avg.	Conv.	US\$/lb	low	high	avg.	Conv.	US\$/lb	low	high	avg.	Conv.	US\$/lb
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	3.01					2.07
Mar	99	- 104	101.6	2.41	2.40	96	- 101	98.4	2.33	3.42					2.19
Apr	99	- 103	101.0	2.45	2.32	95	- 101	98.0	2.38	3.02					2.00
May	100	- 104	102.0	2.47	2.60	98	- 103	100.6	2.43	3.22					2.14
Jun	100	- 104	102.4	2.55	2.57	99	- 103	100.7	2.51	3.55					2.28
Jul	99	- 102	100.4	2.57	2.35	97	- 101	98.6	2.52	3.30					2.14
Aug	96	- 100	97.8	2.50	2.32	94	- 98	96.3	2.46	3.01					2.09
Sep	92	- 97	94.3	2.40	2.29	91	- 96	93.2	2.37	2.83					2.31
Oct	89	- 95	92.1	2.21	2.27	88	- 93	90.1	2.16	2.96					2.10
Nov	90	- 95	92.4	2.21	2.30	88	- 93	90.3	2.16	3.07					2.25
Dec	93	- 98	95.5	2.25	2.25	90	- 95	92.5	2.18	2.97					2.23
2018															
Jan	94	- 99	96.5	2.32	2.44	90	- 95	92.5	2.23	2.98					2.37
Feb	96	- 99	97.5	2.38	2.40	93	- 96	94.3	2.30	3.04					2.23
Mar															
Apr															
May															
Jun															
Jul															
Aug															
Sep															
Oct															
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Dec															

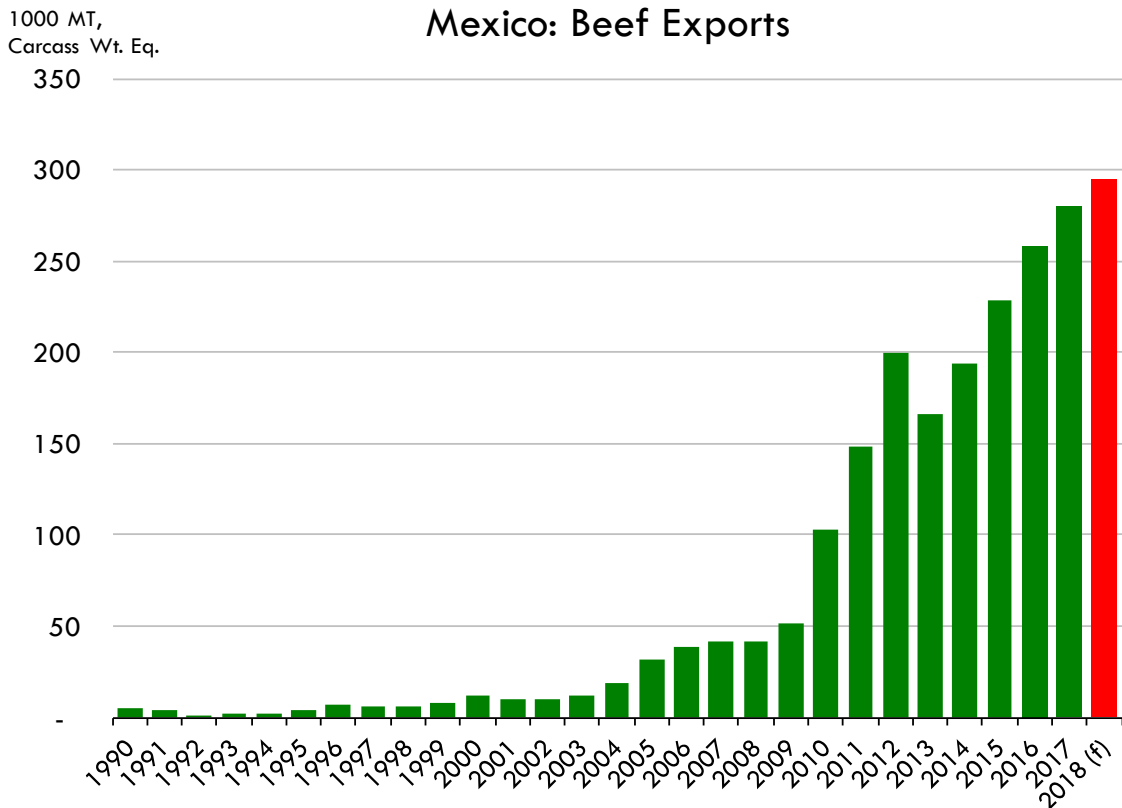
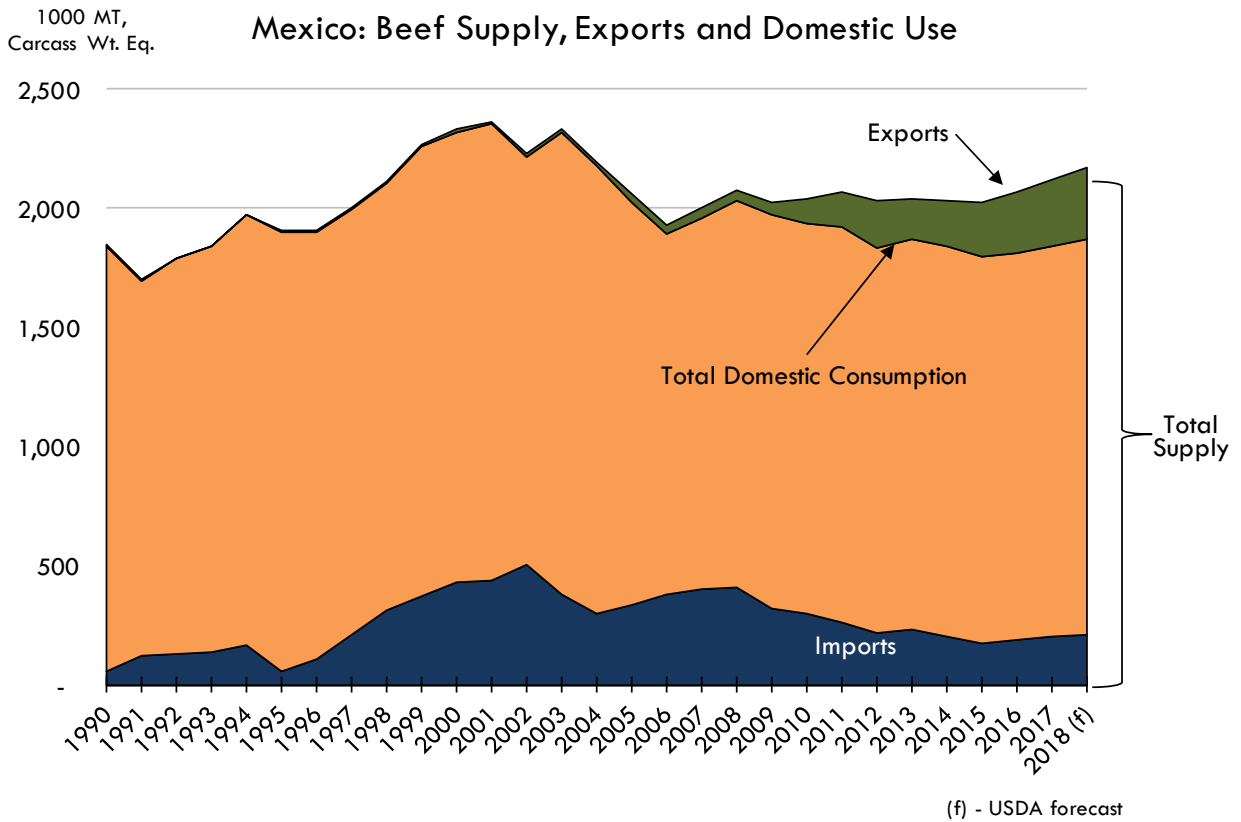
Source: Urner Barry. 1. Choice 167A 4 Round Knuckle Peeled; 2. YS 169A 5 Inside Round, Cap-Off Choice-(TL); 3. Choice 171B 3 Round outside round

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	
	low	high	avg.	Conv.	US\$/lb	low	high	avg.	Conv.	US\$/lb	
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	8.62
Apr					2.10	255	-	280	267.5	6.49	8.80
May					2.22	255	-	280	267.5	6.48	9.84
Jun					2.33	257	-	284	270.5	6.75	9.38
Jul					2.27	260	-	290	275.0	7.03	9.20
Aug					2.27	260	-	290	275.0	7.03	9.06
Sep					2.39	260	-	290	275.0	7.00	8.83
Oct					2.72	260	-	286	273.1	6.55	8.65
Nov					2.45	260	-	285	272.5	6.53	9.10
Dec					2.30	260	-	285	272.5	6.43	9.13
2018											
Jan					2.46	260	-	285	272.5	6.56	9.00
Feb					2.36	260	-	280	270.0	6.58	9.30
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)

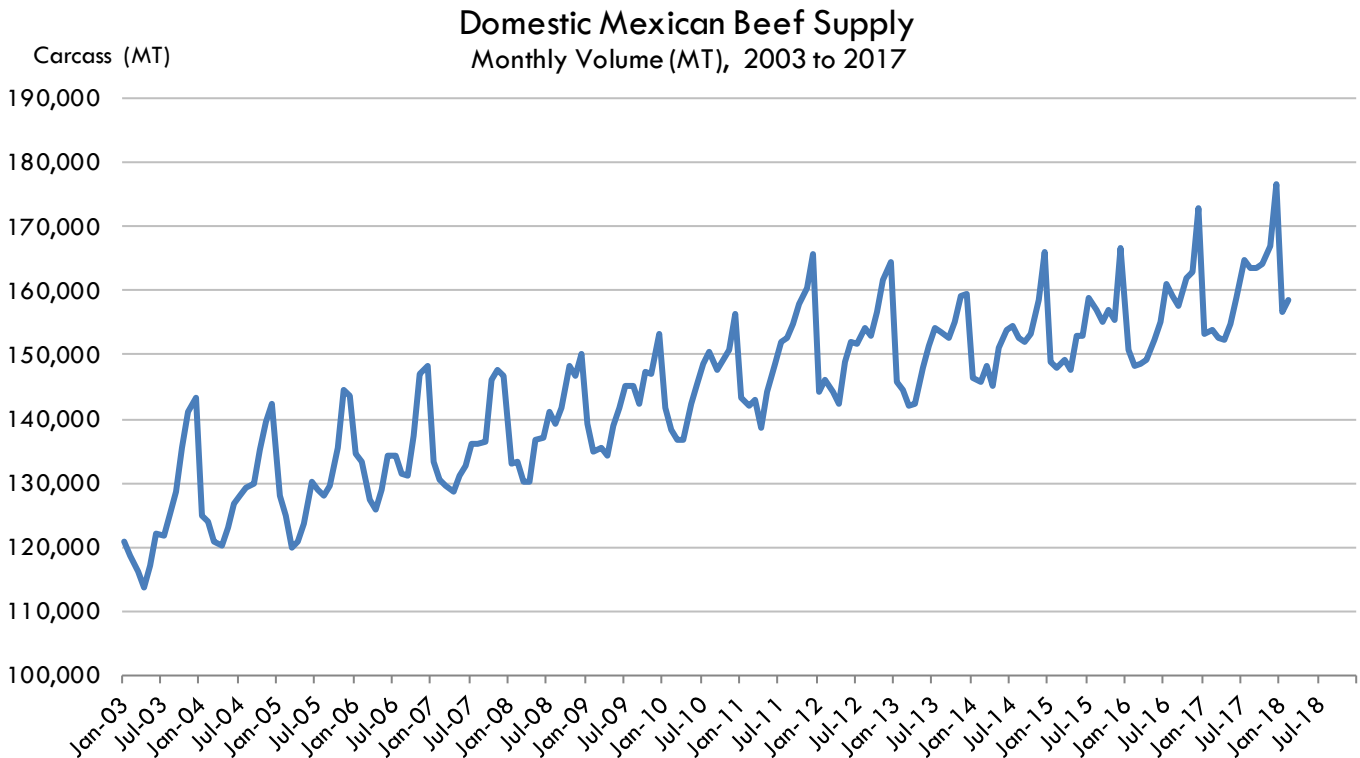
Supply Summary



Domestic Mexican Beef Supply Monthly Volume, Carcass (MT)

	2013	2014	2015	2016	2017	2018	5 Yr Avg	2017 vs. 2016	2017 vs. 5 Yr Avg
Jan	145,712	146,321	148,933	150,660	153,153	156,736	147,188	2%	4%
Feb	144,394	145,688	147,982	148,233	153,926	158,493	146,450	4%	5%
Mar	142,022	148,330	149,220	148,643	152,759		146,490	3%	4%
Apr	142,438	145,134	147,635	149,185	152,433		145,367	2%	5%
May	147,979	151,130	152,926	152,182	154,847		150,654	2%	3%
Jun	151,292	153,731	153,035	155,082	158,949		153,023	2%	4%
Jul	154,110	154,363	158,825	161,072	164,642		156,028	2%	6%
Aug	153,700	152,752	157,046	159,070	163,397		155,326	3%	5%
Sep	152,485	152,085	155,077	157,602	163,454		154,041	4%	6%
Oct	155,241	153,274	157,047	161,907	164,147		156,851	1%	5%
Nov	159,270	158,456	155,598	162,794	167,032		159,583	3%	5%
Dec	159,641	166,058	166,809	172,888	176,625		165,975	2%	6%
Year	1,808,284	1,827,322	1,850,133	1,879,318	1,925,364		1,836,977		

Source: SAGARPA



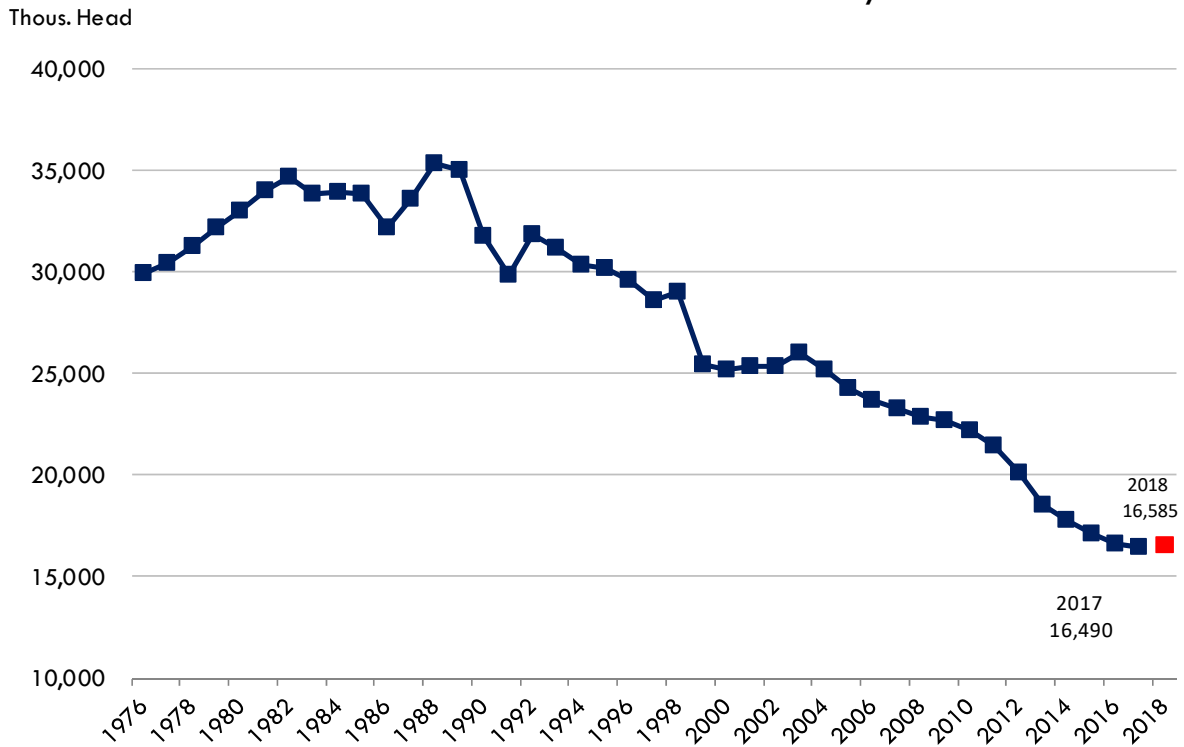
Mexican Cattle Inventory, Slaughter and Exports

	Dairy Cow Inv.	Beef Cow Inv.	Calf Crop	Total Cattle Inventory	Cow Slaughter	Calf Slaughter	Total Cattle Slaughter	Total Exports
	.....Thousand Head.....							
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	3,275	6,800	7,100	16,615	1,300	220	5,955	1,130
2017 F	3,350	7,300	7,425	16,490	1,300	230	6,010	1,200
2018 F	3,400	7,500	7,580	16,585	1,350	240	6,110	1,225

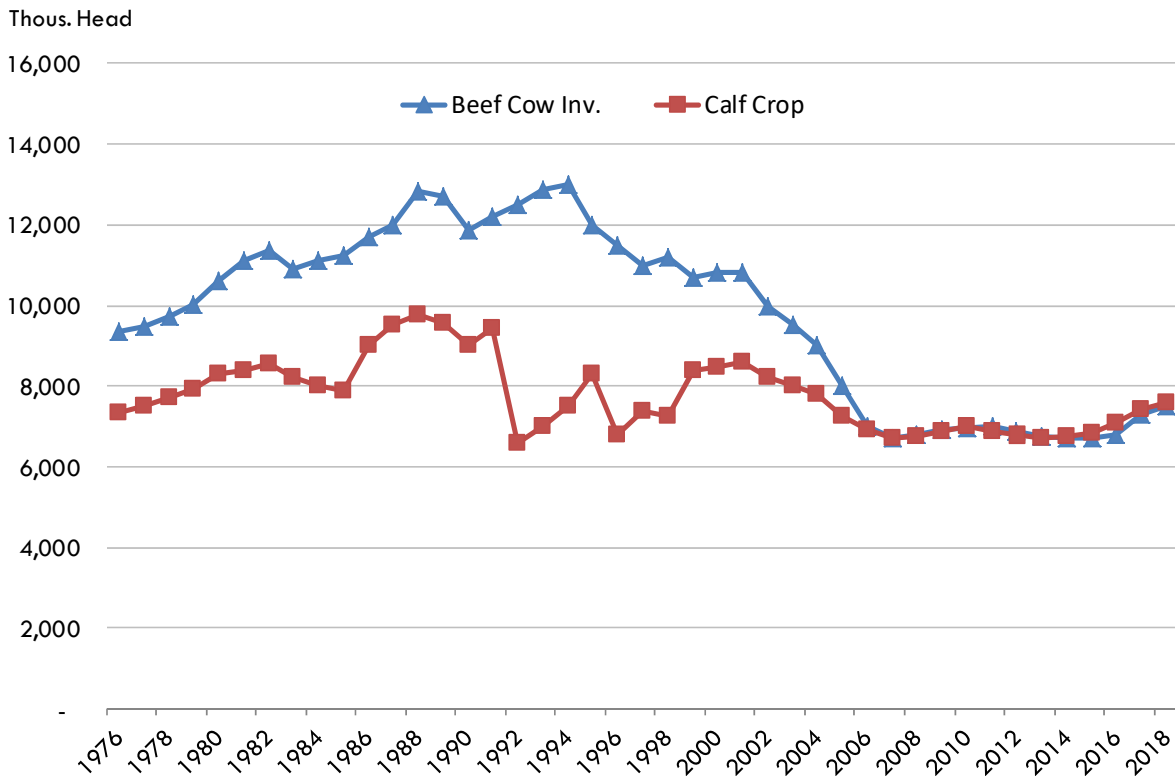
Source: USDA

Source: USDA

Total Mexican Cattle Inventory



Mexican Beef Cow Inventory and Calf Crop



Source: USDA