

# MARKET DYNAMICS FOR CANADIAN BEEF

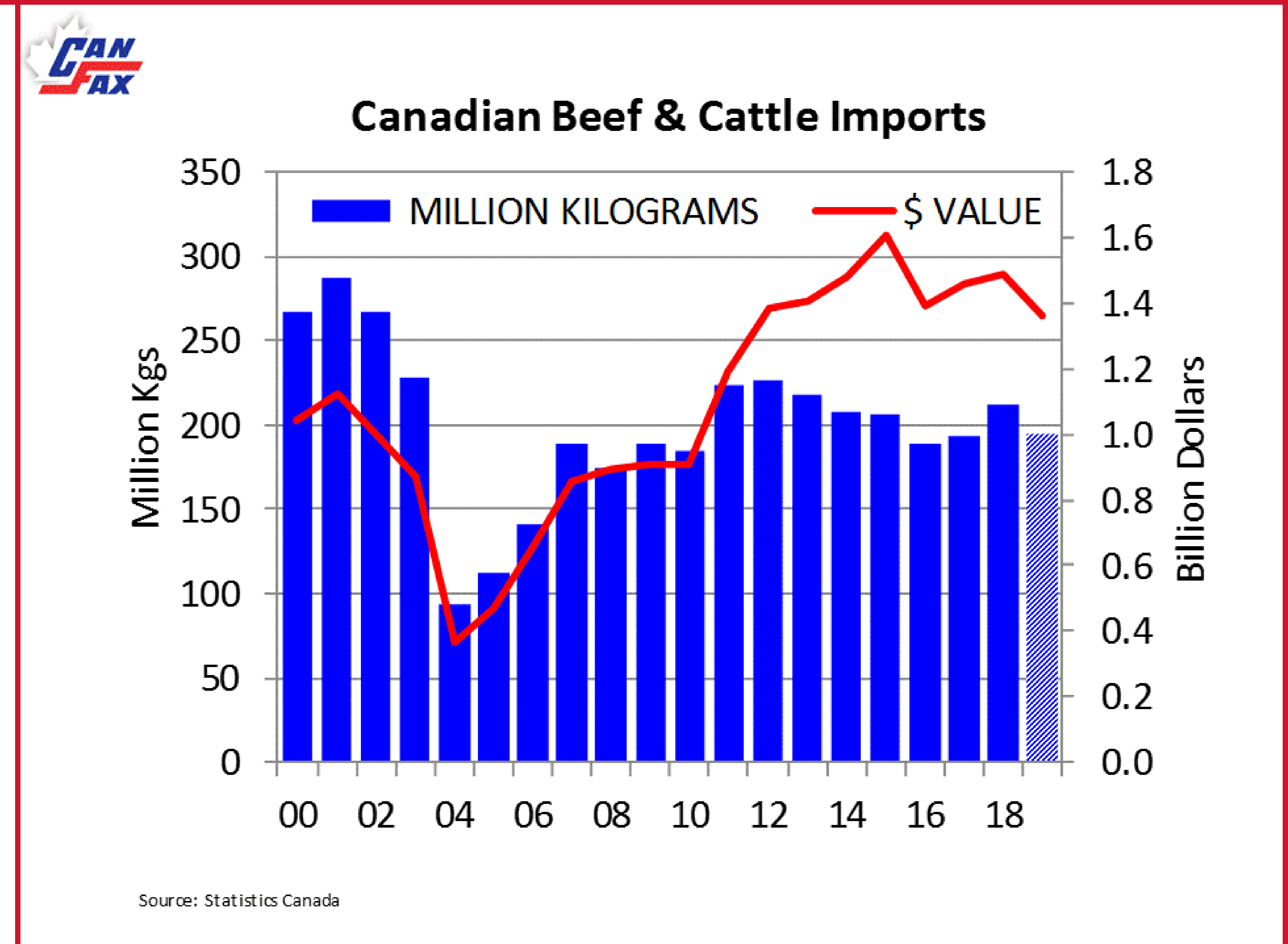
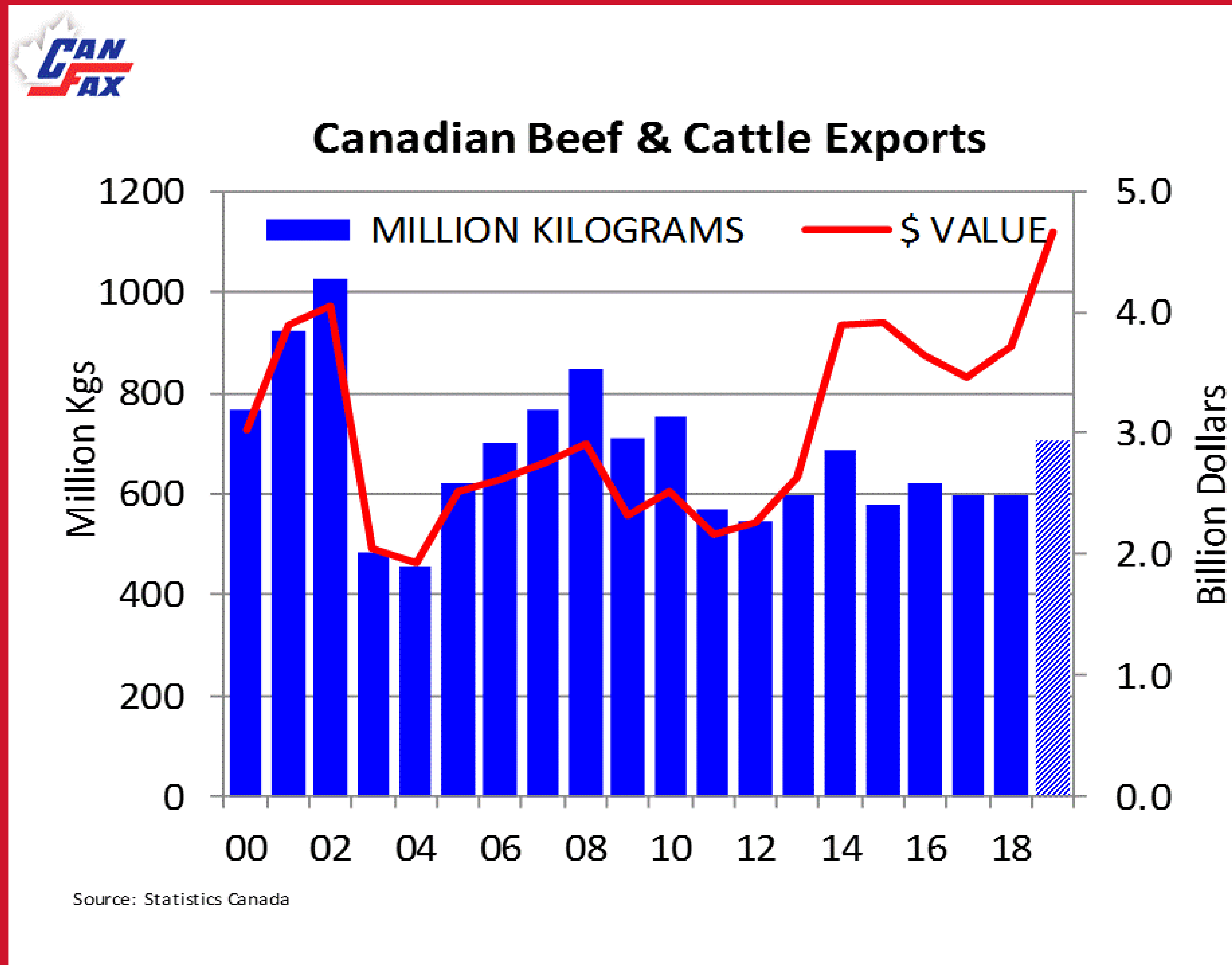
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**October 2019**



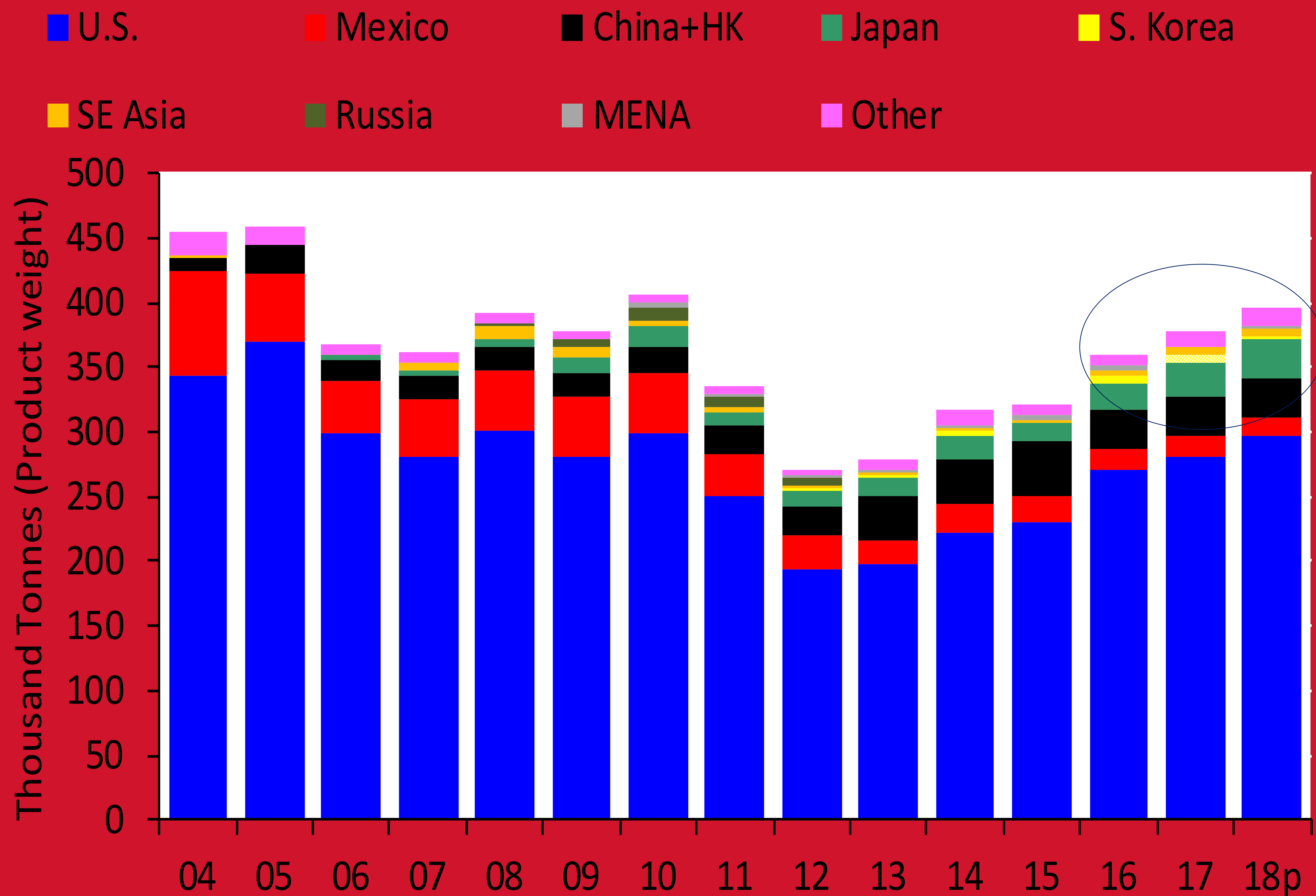
# 2019 Exports Up & Imports Down



45,000 fewer tonnes of beef in the Canadian market so far in 2019

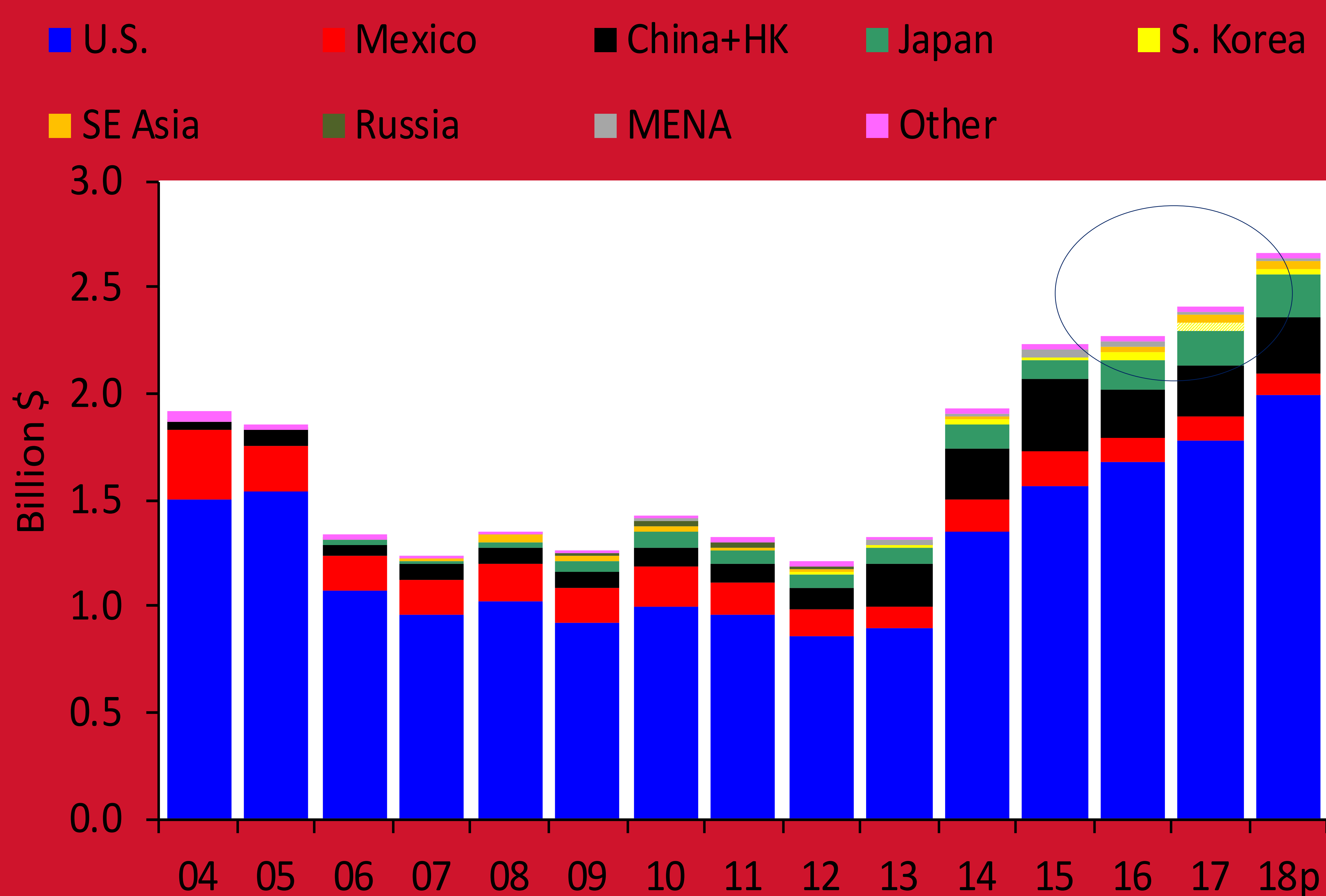
# Where is Canada Beef Going?

Canadian Beef Export Volume



Source: Statistics Canada, CanFax

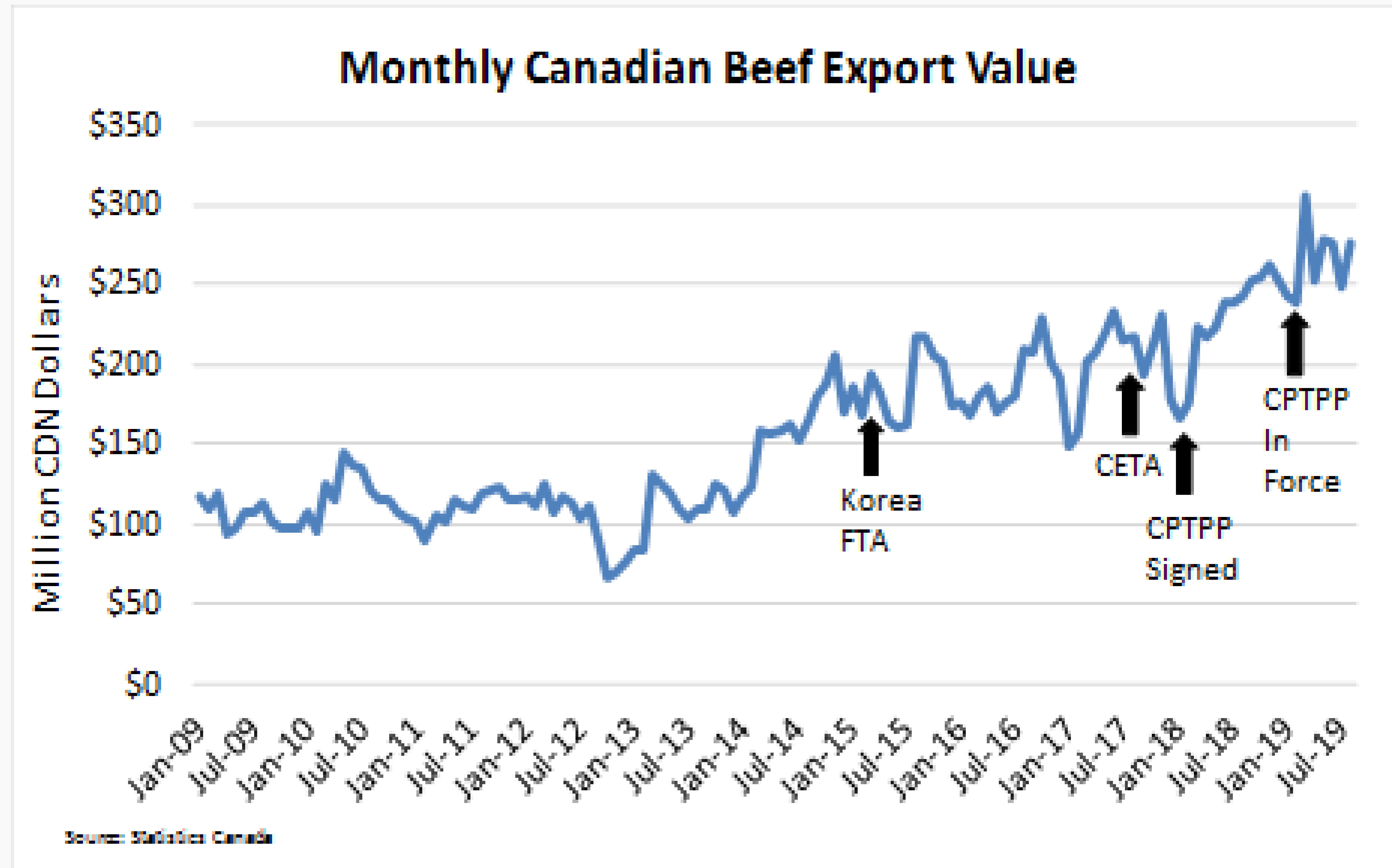
Canadian Beef Export Value



Source: Statistics Canada, CanFax



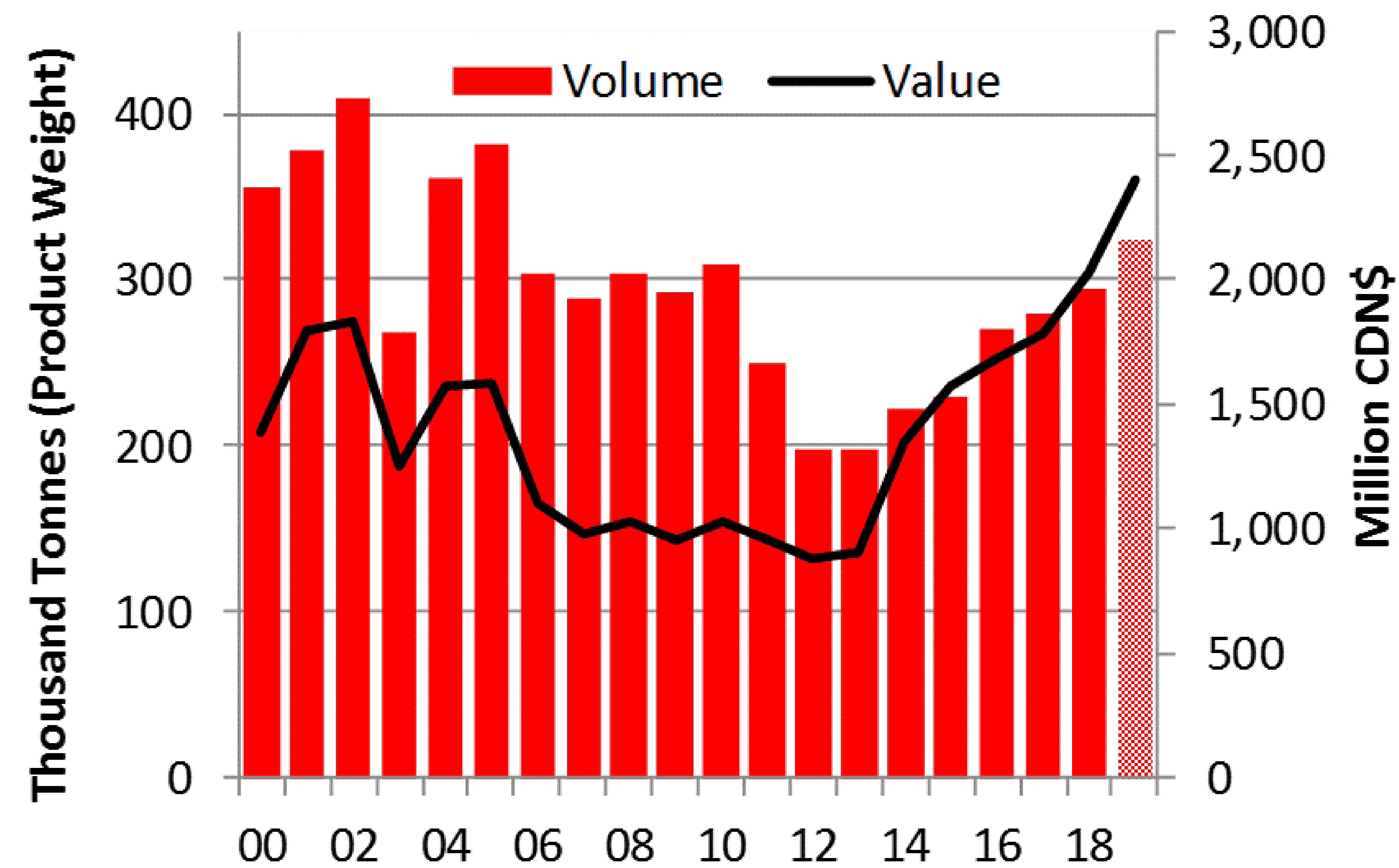
# REMOVING BARRIERS CREATES VALUE



# 76% of Canadian Beef Exports Go to NAFTA Partners



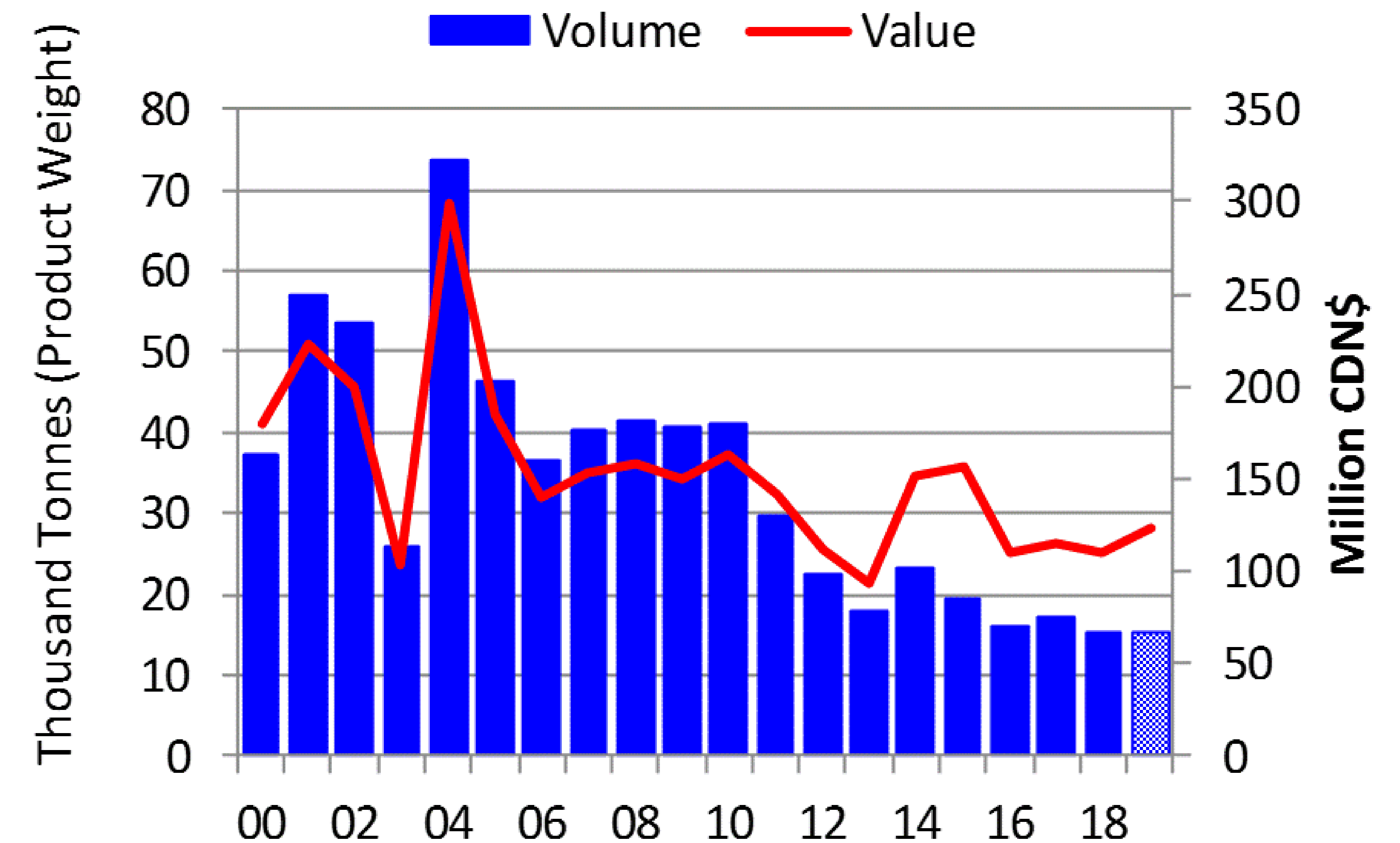
## Beef Exports to United States



Source: Statistics Canada, CFIA



## Beef Exports to Mexico



Source: Statistics Canada, CFIA



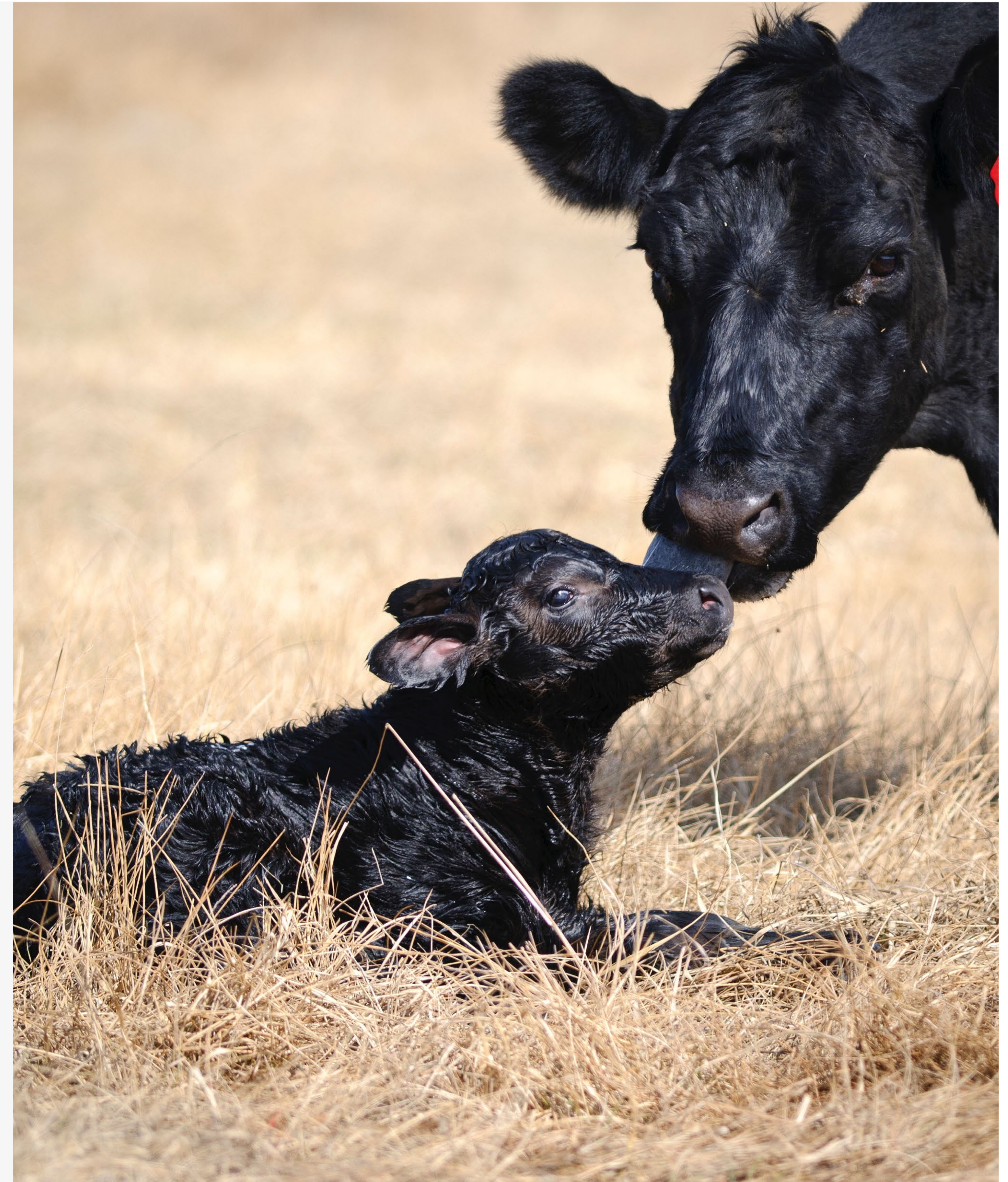
# CUSMA / AKA NAFTA 2.0

Signed Nov 30, 2018

Needs to be approved by the three legislatures

- Has been ratified by Mexico
- Canada has committed to moving in step with the US
- Canadian election yesterday
- US Administration still negotiating with Congress

We are OK with whatever pace occurs **IF** the original NAFTA remains in place



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# CHINA

First six months of 2019 to China triple same period in 2018

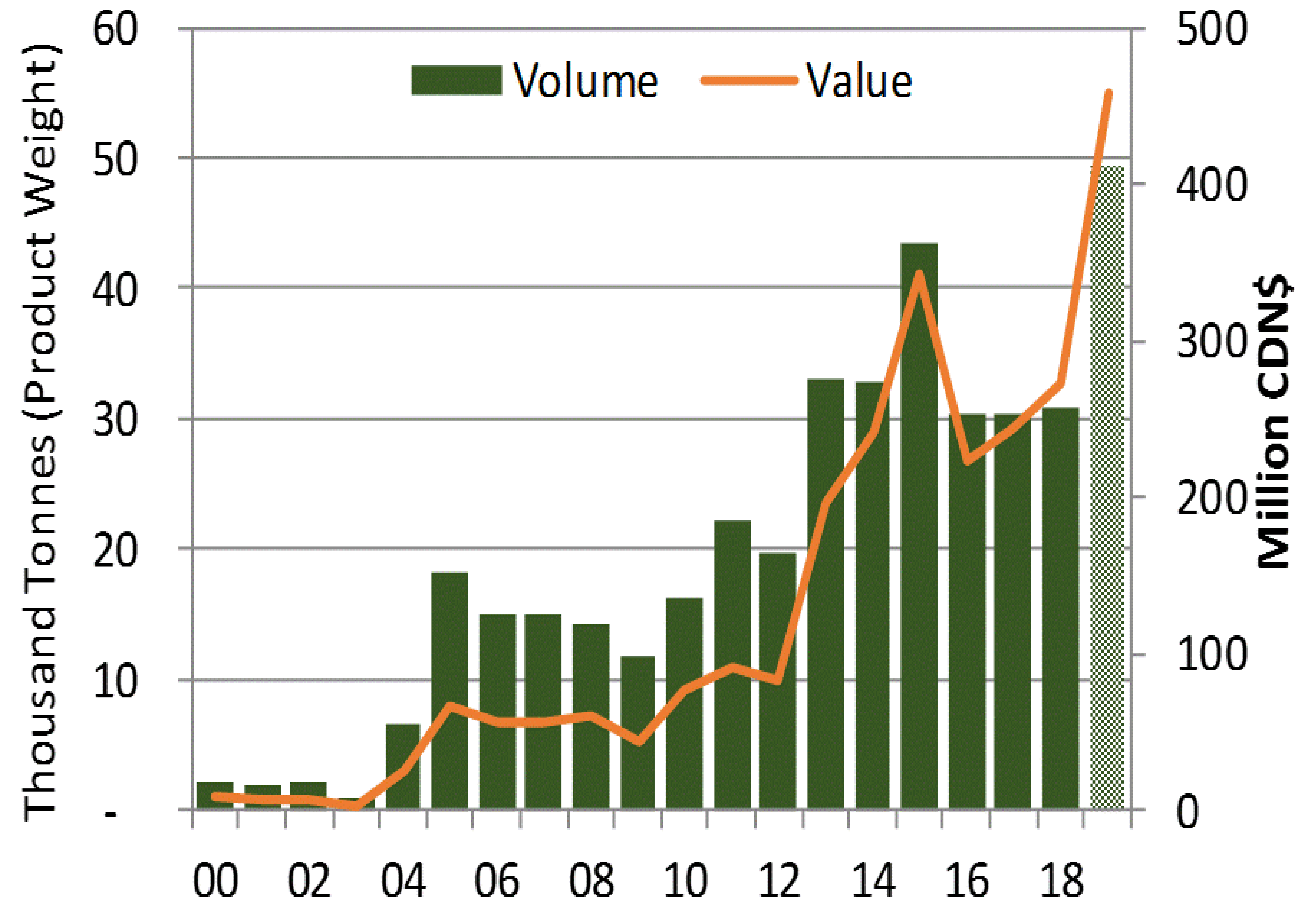
Still only 7% of Cdn beef exports

Lots of volatility / risk

China suspended Cdn beef & pork on June 24



## Beef Exports to China, Hong Kong & Macau



Source: Statistics Canada, CFIA

# JAPAN

Two CPTPP tariff cuts since last December

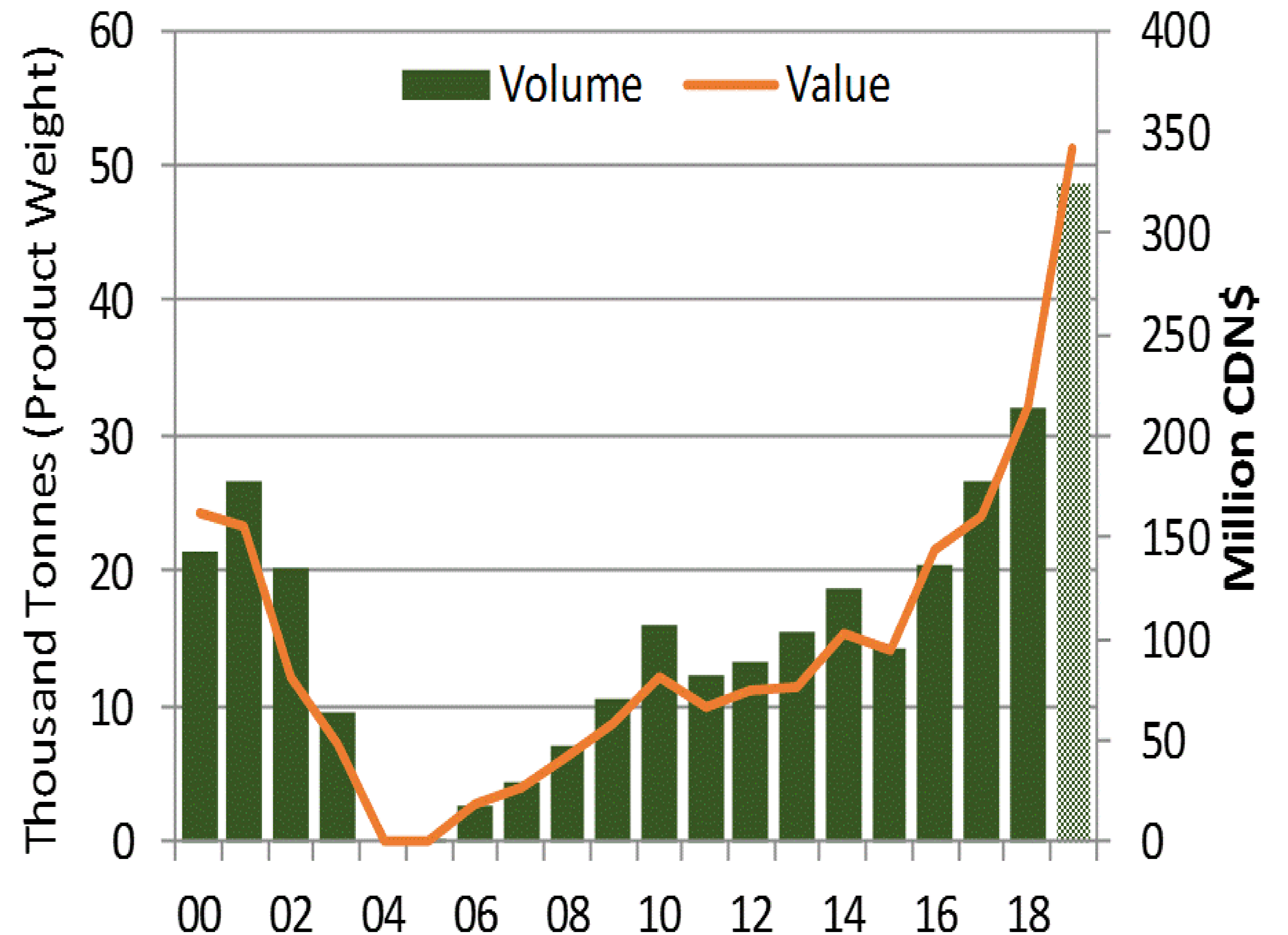
Catch up to Australia

Exemption from 50% safeguard tariff

Removal of UTM restriction



## Beef Exports to Japan



Source: Statistics Canada, CFIA



# EUROPE - CETA

CETA has been in effect since Sept 21, 2017

- 65,000 tonnes of duty-free access for Canadian beef to EU
- Unlimited duty-free access for EU beef to Canada

In 2019:

Canada has shipped: \*1,008 tonnes beef to EU (730 to the UK)  
\*1,314 tonnes pork to EU (172 to the UK)

EU has shipped: \* 4,296 tonnes beef to Canada (1,739 from UK)  
\*14,253 tonnes pork to Canada ( 222 from UK)

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