

USDA Foreign Agricultural Service (FAS) recently released the [livestock report](#) with 2021 [production, supply and distribution](#) (PSD) forecast for beef/cattle, hogs/pork, and chicken meat. Global production for the three meat categories is forecast to increase along with global exports increasing for beef/veal and chicken meat but pork will remain flat. Global meat imports are forecast to decline for 2021 due mainly to softening Chinese demand. FAS reports its statistics in metric tons (MT) based on a carcass weight equivalent (CWE).

Global beef and veal production for 2020 is forecast at 60.4 million MT, down 2.0% due to COVID-19 related disruptions, but 2021 is forecast to rebound 1.7% higher to 61.5 million MT. Production is expected to grow in most major beef producing countries while Australian production will continue to decline as efforts continue to rebuild their herd following drought. Brazilian production “is expected to grow due to improving domestic demand, continuing opportunities in China, and recovery in other export markets.” FAS is forecasting record beef exports for Brazil for the third consecutive year with 2020 and 2021 reaching 2.6 and 2.7 million MT, respectively, up 10.2% and 4.7%.

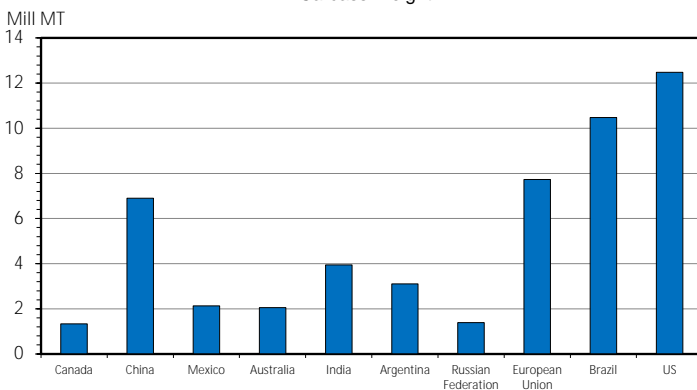
FAS is forecasting global pork production to increase 4.4% to 102.2 million MT in 2021 which follows an estimated 4.0% decline to 97.9 million MT for 2020. The rebound in 2021 is due to a recovery in output by countries affected by African Swine Fever (ASF), mainly China. Production in the EU is expected to remain stable despite the discovery of ASF in Germany in a wild

boar. Global exports are forecast flat at 10.8 million MT as slowing demand from China will offset improved economic conditions in other major importing countries.

Global chicken meat production will continue to grow with 2020 and 2021 forecast at 100.8 and 102.9 million MT, both up 1.5% and 2.1%, respectively. Exports are forecast to finish 2020 up 1.0% to nearly 12.0 million MT and 2021 will rise 2.0% to 12.2 million MT, a record. The report notes that Brazil will remain the top global exporter as “competitive advantage to supply diverse products to a wide range of markets at competitive prices will facilitate expanded shipments to the Middle East and Sub-Saharan Africa, critical for growth in the face of weaker China demand.”

FAS is expecting Chinese beef and veal imports to continue growing for 2020 and into 2021, each year up 26.3% and 3.6%, respectively, at 2.75 and 2.85 million MT. China’s chicken meat imports are forecast to decline 6.1% to 925,000 MT in 2021 following a record import forecast of 985,000 MT (up 69.8%) for 2020. The 2021 import decline will be partially offset by continued chicken production growth forecast at 15.3 million MT for 2021, up 3.0%. China’s pork imports are forecast to decrease 6.3% in 2021 to 4.5 million MT following a record forecast of 4.8 million MT (up 95.8%) in 2020. The slowing of Chinese pork imports is due to a rebound in domestic pork production forecast at 38.0 (down 10.7%) and 41.5 million MT (up 9.2%), respectively, for 2020 and 2021.

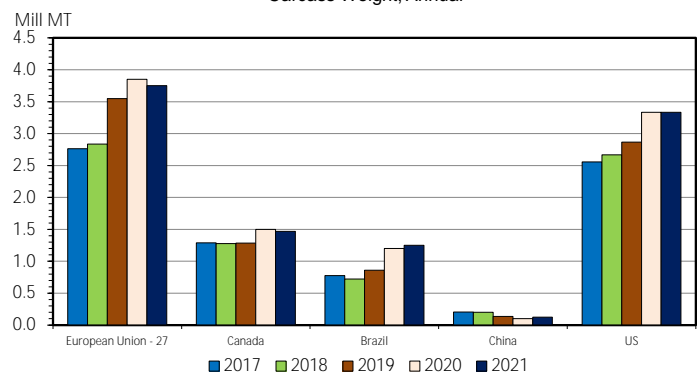
2021 FORECAST BEEF AND VEAL PRODUCTION
Carcass Weight



Data Source: USDA-FAS
Livestock Marketing Information Center

10/12/20

PORK EXPORTS
Carcass Weight, Annual



Data Source: USDA-FAS
Livestock Marketing Information Center

10/12/20

The Daily Livestock Report is made possible with support from readers like you. If you enjoy this report, find it valuable and would like to sustain it going forward, consider becoming a contributor. Just go to www.DailyLivestockReport.com to contribute by credit card or send your check to The Daily Livestock Report, P.O. Box 4872, Manchester, NH 03018

Thank you for your support!

The **Daily Livestock Report** is published by **Steiner Consulting Group, DLR Division, Inc.** To subscribe, support or unsubscribe please visit www.dailylivestockreport.com.

The Daily Livestock Report is not owned, controlled, endorsed or sold by CME Group Inc. or its affiliates and CME Group Inc. and its affiliates disclaim any and all responsibility for the information contained herein. CME Group®, CME® and the Globe logo are trademarks of Chicago Mercantile Exchange, Inc.

Disclaimer: The *Daily Livestock Report* is intended solely for information purposes and is not to be construed, under any circumstances, by implication or otherwise, as an offer to sell or a solicitation to buy or trade any commodities or securities whatsoever. Information is obtained from sources believed to be reliable, but is in no way guaranteed. No guarantee of any kind is implied or possible where projections of future conditions are attempted. Futures trading is not suitable for all investors, and involves the risk of loss. Past results are no indication of future performance. Futures are a leveraged investment, and because only a percentage of a contract’s value is required to trade, it is possible to lose more than the amount of money initially deposited for a futures position. Therefore, traders should only use funds that they can afford to lose without affecting their lifestyle. And only a portion of those funds should be devoted to any one trade because a trader cannot expect to profit on every trade.