Global beef trade closes the 2020s with rising demand, more limited supply, and persistent volatility

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Summary

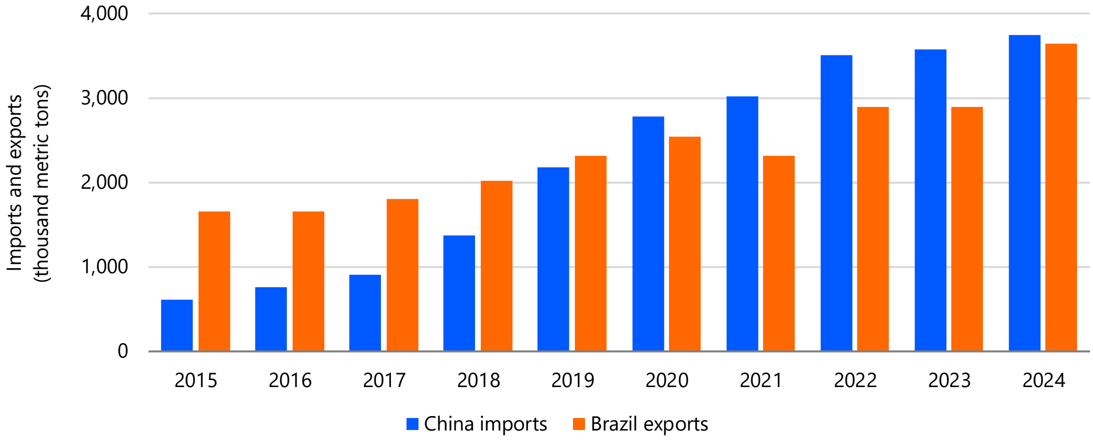
- Beef trade has continued to grow over the last five years, up 14% from 2019, reaching nearly 13m metric tons in 2024. RaboResearch believes that the global beef trade will continue to grow over the next five years, although at a slightly slower rate.
- The last five years have seen a huge amount of disruption and volatility in global beef markets, with disease outbreaks, geopolitics, and changing economic conditions on top of the more regular seasonal variations. We believe this volatility is likely to continue in the coming years.
- Supply-side impacts are expected to see reduced global beef supplies in the short term before production recovers, causing margins in the supply chain to shift from the production end to the consumption end.
- We expect growing tension between global and domestic consumers, as strong export demand drives up prices and redirects supply away from local markets.

Brazil and China cement themselves at the top of global beef trade

Over the last five years, global beef trade has continued to increase, with exports up 14% from 2019 to nearly 13m metric tons in 2024. Although volumes have increased, the 2024 map is not too dissimilar to the 2019 map, with the major trade countries continuing to dominate the picture. Brazil, Australia, India, and the US remain the largest exporters, and the largest importers are still China, the US, Japan, and South Korea. There has been strong growth in frozen beef products, the trade of which grew 20% between 2019 and 2024 to just under 7m metric tons. Chilled beef exports, on the other hand, have experienced slower growth, increasing by 11% to 2.4m metric tons.

China and Brazil have pulled away from the other countries to dominate imports and exports, respectively. China became the world's dominant importer of beef in 2019 – replacing the US and Japan at the top of the table. According to the USDA, China imported over 3.5m metric tons of beef in 2024, up from just over 2m metric tons in 2019. At the same time, and largely due to the growth in the Chinese market, Brazilian beef exports have increased dramatically – from 2.3m metric tons in 2019 to 3.6m metric tons in 2024. These volumes are double those of the second-largest exporter in 2024, Australia. Brazil now represents approximately 50% of China's beef imports and China represents about 41% of Brazil's beef exports. Other South American countries have also seen growth in exports, with Argentina and Paraguay increasing exports by 11% (85,000 metric tons) and 40% (134,000 metric tons), respectively, between 2019 and 2024.

Figure 1: Growth in Chinese and Brazilian beef imports and exports, 2015-2024



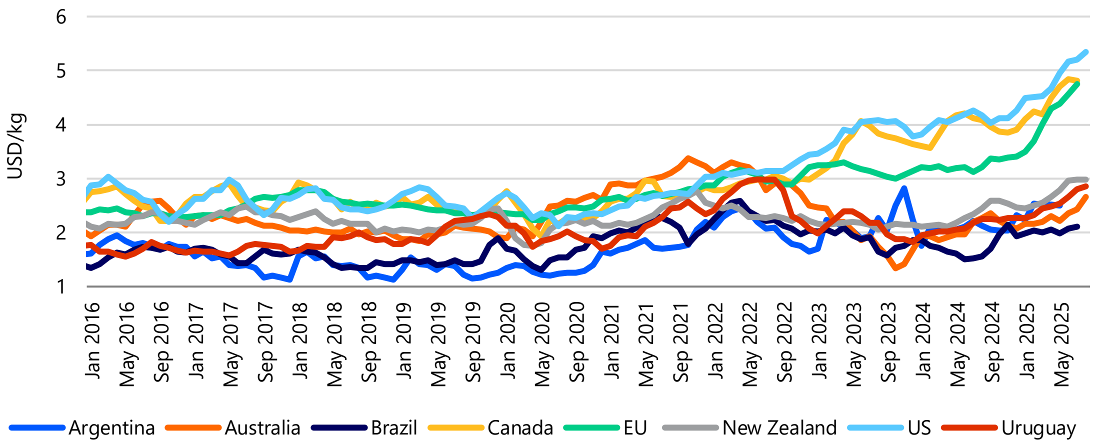
Source: USDA, RaboRearch 2025

Dramatic beef trade disruption in last five years

Disease and geopolitics have caused major disruptions to global beef trade over the last five years. The outbreak of African swine fever in China in 2019 led to a rapid growth in Chinese beef imports and created upward price pressure in global beef markets. Not long after that, the disruption of Covid-19 limited the transport of cattle, affected beef processing capacity, disrupted shipping and logistics, and caused a major shift from foodservice to retail. This highlighted the tenuous nature of supply chains and led to major strategic changes across several operations.

More recently, challenging economic conditions have affected consumer demand, and geopolitical influences are changing traditional trade patterns. In addition to seasonal variations that have driven some dramatic changes in production – such as in Australia in the early 2020s – both Australia and, more recently, the US have experienced historically low beef cow inventories and record-high cattle prices. The uncertainty and unpredictability have led to increasing volatility in global beef markets, with prices regularly reaching record highs and dropping to historic lows.

Figure 2: Volatility of global cattle prices, Jan 2016-May 2025



Source: Macrobond, AgriHQ, China MARA, MLA, USDA, RaboResearch 2025

Five years ago, the article that accompanied the 2019 World Beef Map highlighted a rising sense of uncertainty in global beef markets. The article noted that with growing beef trade inevitably comes increased exposure and new challenges. While we could not have foreseen what would unfold in the early 2020s – including Covid-19 and the subsequent global trade disruption – the insights around diversification, flexibility, strong business connections, and supply chain integration proved to be very pertinent.

Closing out the decade in global beef markets

RaboResearch believes global beef trade will continue to grow in the second half of the decade, although at a slightly slower rate. This growth will be fueled by the highly populated regions in Asia with low per capita consumption levels and increasing wealth. As shown on the beef map, the last five years have seen strong per capita consumption growth in countries such as Vietnam, China, Malaysia, and the Philippines. Without a local beef supply to support this consumption growth, a greater reliance will be placed on imported beef. South American countries are expected to supply much of the required volume growth, as improvements in genetics, improved management practices, and greater use of grain-feeding systems lead to productivity improvements. Other established exporters – such as the US, Australia, and New Zealand – are expected to see more value-driven growth, leveraging quality attributes and established supply chains.

Volatility to persist in the second half of the decade

With the introduction of tariffs and market access restrictions, we believe the geopolitical environment will remain volatile. This disruption to traditional trade flows – and the uncertainty it creates – will perpetuate ongoing market volatility. The ongoing growth in global beef trade will compound this volatility, with markets increasingly exposed to the impact of global trade movements.

Sustainability measures – particularly those regulated to achieve targets – are potentially going to become more prevalent as we approach the 2030 climate deadlines set under the Paris Agreement. Companies' or countries' ability to meet these targets may further distort global beef trade flows. A company's ability to manage this ongoing volatility will be one of the key indicators for success in coming years. Strategies that allow companies to withstand periods of low returns and capitalize on good times will be critical. A number of large animal protein companies now have operations across proteins (beef, pork, poultry, etc.) and across regions. This enables them to offset risks or performance in one market with another. This trend could potentially continue as companies look to diversify their exposure.

Potential for margins to shift down supply chains

The last five years have seen global beef production increase by 5.5%. However, we believe the beginning of the second half of the decade will see production levels drop. Driven largely by reductions in the US but also by declines in Brazil, Europe, and a small reduction in China. This lower volume of cattle and beef will support cattle and beef prices, shifting margins to the production end of the supply chain. However, we believe that the drop in production will be temporary and that cattle herds in the US and Brazil will recover as we move closer to the end of the decade. Global production levels will recover: Even if livestock numbers do not return to previous levels, improvements in productivity and increased carcass weights will support higher production volumes. A stronger focus on dairy beef operations with capital investment and improved genetics is also adding to the supply of cattle entering the beef production system. With higher production volumes, the margins will shift again, putting the balance of power back into buyers' hands.

Growing tension between global and domestic consumers

With lower global supplies of beef expected in the next couple of years, and our expectation that growth in beef consumption will be driven largely by net-importing countries, there is likely to be a growing tension between global and domestic consumers. Australia, New Zealand, and Brazil have experienced this recently, as very strong demand from US consumers has led to increased export volumes and higher prices. This has supported beef and cattle prices in those countries. In the case of Brazil, we have seen domestic consumption levels drop as beef prices rise, and volumes are directed to the higher-paying export market. This is a trend we believe will continue. The competitive global consumer potentially creates new opportunities for exports, but also introduces new complexities to supply chains, such as catering to different cuisines, cut preferences, and distribution systems.

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