



US Imported Beef Market

A Weekly Update

Prepared Exclusively for Meat & Livestock Australia - Sydney

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Market Highlights for the Week:

- US cattle inventory on January 1 was 0.6% lower than a year ago, with the inventory of beef cows down 0.5% and producers indicating that they intend to hold back fewer heifers (-1%) for beef cow replacement and dairy cow replacement.
- Cow-calf producers added fewer cows to the herd than they removed in 2024, resulting in a lower cow herd. Given the decline in the number of bred beef cows to start the year, US cow herd is unlikely to increase in 2025.
- Imported beef prices steady in the near term as end users face increasing uncertainty with US imposing tariffs on Canadian and Mexican beef but also risk a downturn in the economy.
- Canadian and Mexican beef and cattle imports could account for as much as 14% of the beef consumed in the US market.
- Offerings of Australian and New Zealand product have increased. Our current projections show Australian beef shipments to the US in January were over 24k MT, 20% higher than a year ago.

Imported Market Activity for the Week

Imported beef prices remained steady even as prices for U.S. lean grinding beef continued to trend higher, with the price of end cuts reaching record levels for this time of year. Offerings from Australia and New Zealand have increased, with Australian supplies being more abundant. There is a fair amount of apprehension in the market at this time, as end users remain uncertain about the economic outlook in light of U.S. trade wars with key

partners. Early estimates suggest that U.S. economic growth may take a hit, though the extent of the impact will depend on the scope and duration of the new tariffs going into effect.

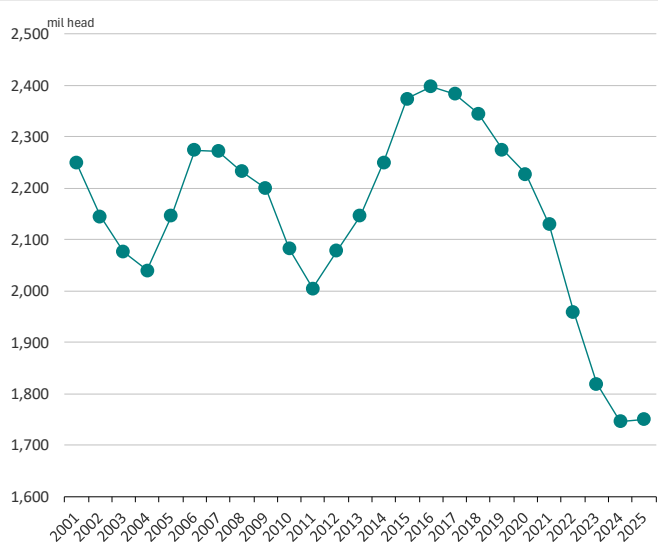
Australian/NZ supply trending higher. As for Australian slaughter, developing dry conditions appear to be pushing more cattle to market. The National Young Cattle Indicator (NYCI) has declined by 10% in the last two weeks, reflecting a sudden increase in the number of young cattle of-

Beef Cow Herd Gets Smaller. No Recovery Expected in 2025

Beef Cow Replacement: Bred Heifers at Start of Year



Beef Cow Replacement: Planned for Breeding in Current Year



ferred for sale. In New Zealand, cattle slaughter typically rises seasonally in autumn (Southern Hemisphere), but developing dry conditions—particularly in the South Island—may push cows to market earlier than normal. While we do not yet have slaughter data to verify this, the Precipitation Index (SPI) indicates an expansion of areas experiencing moderate to extreme drought.

U.S. Cow/Beef Supply to Remain Limited

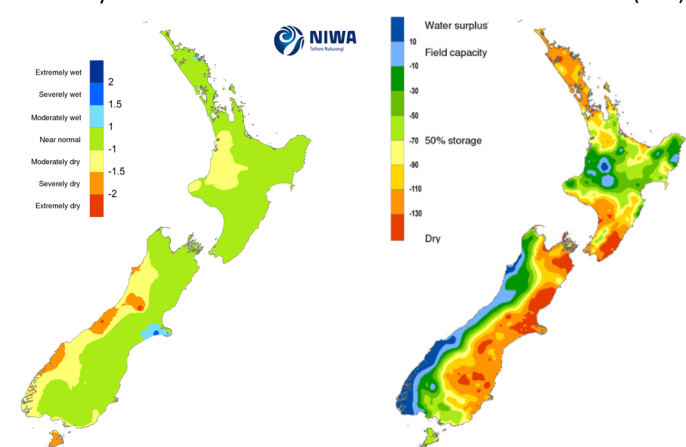
For much of 2024, we observed that U.S. producers did not appear to be expanding the cattle herd. The share of heifers coming to market remained high by historical standards, and the expected small calf crop limited overall supply. There was some hope that producers may have bred more cattle than they initially indicated at the start of 2024, potentially setting the stage for a slow rebound in cow numbers. However, that did not happen.

Herd rebuilding. The number of heifers held back for beef cow herd replacement was 0.5% lower than a year ago, and heifers held back for dairy cow herd replacement declined by 0.9% year-over-year. Notably, within the heifers retained for beef cow replacement, the number of bred cows was surprisingly 1.7% lower than a year ago. Furthermore, producers have indicated that they do not plan to make any significant changes to their breeding plans in 2025. This suggests that U.S. cow numbers—and consequently, the calf crop and cow slaughter—will remain constrained through 2026, possibly beyond.

Beef supply outlook. In 2024, U.S. beef production held steady, in part due to producers continuing to send a relatively large share of heifers to slaughter while also increasing cattle weights by a remarkable 3% year-over-year. Over the past three decades, there has not been a two-year period where carcass weights increased by more than 2%. While heavier carcass weights may help moderate supply reductions, they are unlikely to prevent them indefinitely. Additionally, with the potential for fewer cattle imports from Canada and Mexico, domestic beef supply in the U.S. is expected to contract in 2025 and 2026—especially in the lean cow meat segment.

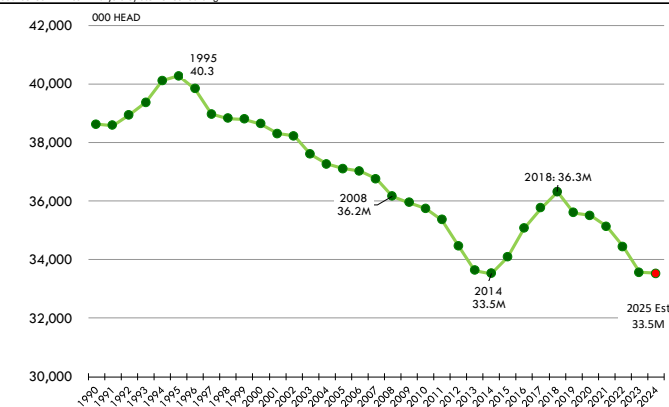
Cow meat supplies. U.S. cow inventories declined by 0.4% compared to the previous year. While cow slaughter was down by double digits, the number

NZ 30 Day SPI



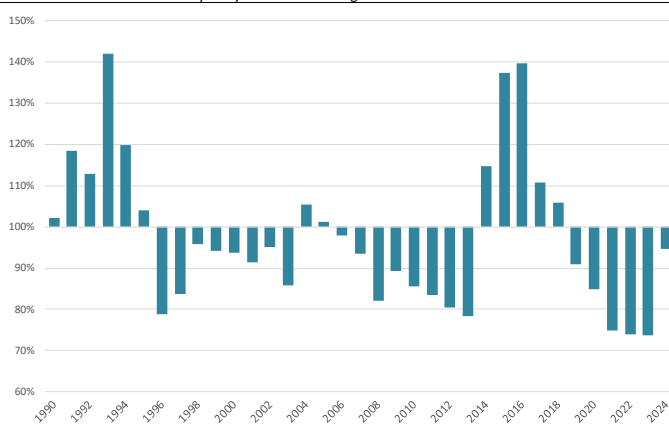
USA ANNUAL CALF CROP

Source: USDA-NASS. Analysis by Steiner Consulting



Beef Cows Added as a % of Beef Cows Removed (Slaughter)

Data source: USDA-NASS. Analysis by Steiner Consulting



of cows added to the herd was still only 95% of the cows removed. In contrast, during the herd expansion years of 2014-2016, the number of cows added to the herd was as high as 140% of the number of cows removed. Given current intentions regarding replacement cow retention, a recovery in cattle numbers does not appear imminent.

First Shots of Trade War in the Americas

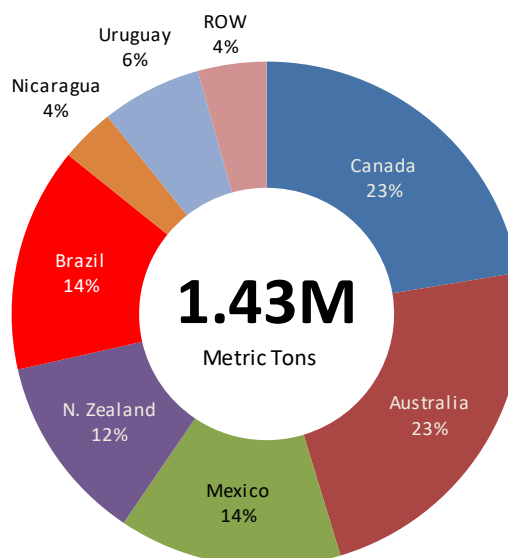
There was a sense of disbelief on Friday when the spokeswoman for President Trump confirmed that tariffs on Canadian and Mexican goods would go into effect on February 1, as previously announced. The most recent reports indicate that a 25% tariff on all Canadian and Mexican goods will go into effect on Tuesday at 12:01 AM. There had been some hope that tariffs would be averted by a last-minute agreement allowing all parties to save face, but that now appears unlikely (though still technically possible). Some media reports speculated (or hoped) that food and energy might be excluded, but this also does not appear to be the case. All agricultural products will be subject to the higher tariff, while energy will face a lower 10% tariff.

Canada and Mexico Share of Beef Supply. The North American Free Trade Agreement (NAFTA) went into effect 30 years ago, leading to a highly integrated North American market. Now, producers on both sides of the border face the prospect of sharply higher taxes. We will receive full trade data for December next week, but as of November, the U.S. had imported 321,000 metric tons (MT) of beef and veal from Canada and 203,000 MT from Mexico. These two countries accounted for over 35% of all U.S. beef and veal imports in 2024. This means that 5.6% of the beef consumed by U.S. consumers in 2024 came from Mexico and Canada, given a total domestic consumption of 28.7 billion pounds and an estimated 1.6 billion pounds of beef imported from these two countries.

Canada and Mexico Share of Cattle Supply. Additionally, the U.S. purchases around 2 million head of cattle from Mexico and Canada. Most of the cattle from Mexico (approximately 1.2 million head) are feeder cattle, while a large share of Canadian cattle arriving in the U.S. are fed cattle destined for slaughter in U.S. plants. U.S. cattle slaughter has been running at around 32 million head per year, with fed cattle slaughter accounting for about 25 million head annually. The majority of cattle from Mexico and Canada contribute to the U.S. fed beef supply, though Canada does send some cows. Overall, cattle from these two countries contribute between 6-8% to the U.S. beef supply, depending on whether total slaughter or fed slaughter specifically is considered. In other words, these tariffs have the potential to impact 12-14% of the U.S. beef market.

TOP IMPORTED BEEF SUPPLIERS IN 2024

Total Volume and Country Shares for Period Jan - Nov 2024, MT



The effect of the tariffs is bullish for beef prices overall, particularly benefiting Australian and South American beef. With 35% of U.S. beef imports suddenly becoming more expensive for U.S. buyers, the key question is: Who will pay the 25% tariff?

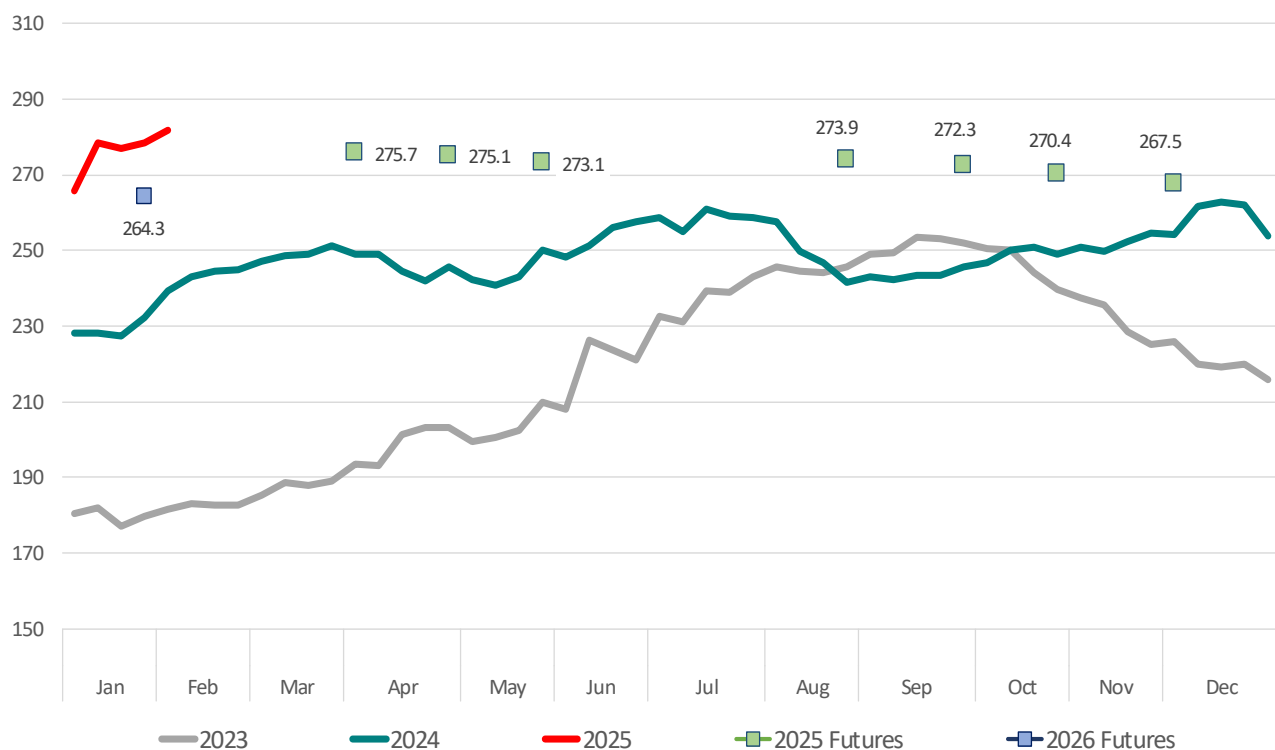
U.S. feedlots are already struggling to find enough feeder cattle. While they may not absorb the full 25% tariff, overall prices will rise until the market finds equilibrium, with costs shared across all participants. The same applies to beef buyers—some currently source fed beef from Canadian plants due to differences in transportation costs. With the tariff in place, those buyers will now be forced to reconsider domestic product. The 25% tariff will ultimately be distributed based on regional supply availability and transportation cost differences. Exchange rate fluctuations will also play a role. While it is not entirely clear who will bear the full burden of the tariff, in the end, consumers will see higher prices as the tax effects ripple through the market.

CME Cattle Feeder Index and US Cattle Markets

	Current Week	Prior Week	% CHANGE VS. WK AGO	Last Year	Change from Last Year
	30-Jan-25	23-Jan-25		1-Feb-24	
CME FEEDER CATTLE INDEX	281.68	278.28	1.2%	239.17	17.8%
	31-Jan-25	24-Jan-25		2-Feb-24	
FED STEER (5-MKT AVG)	210.11	204.31	2.8%	177.42	18.4%
CUTTER COW CARCASS, NATIONAL, 90% LEAN, 350-400 LB. (carcass wt.)	235.00	233.50	0.6%	171.50	37.0%
BONER COW CARCASS, NATIONAL, 85% LEAN, 400-500 LB. (carcass wt.)	235.00	234.00	0.4%	180.00	30.6%
BREAKER COW CARCASS, NATIONAL, 75% LEAN, 500+ (carcass wt.)	233.50	238.00	-1.9%	193.00	21.0%
CUTTER COW CARCASS CUTOUT, 5-DAY MA, USDA	287.75	283.30	1.6%	229.76	25.2%

CME Feeder Cattle Index. Actual + Futures for 2025

Source: CME. Analysis by Steiner Consulting



Source: Chicago Mercantile Exchange

TABLE 2 – IMPORTED BEEF PRICES, 7:45 DAYS, CIF

					Change From Last Week			Change From Last Year
Current Week			Prior Week			Last Year		
31-Jan-25			24-Jan-25			2-Feb-24		
<u>US East Coast Australian/NZ Lean, CIF</u>								
95 CL Bull, E. Coast	320.0	321.0	318.0	320.0	1.0	260.0	262.0	59.0
90 CL Blended Cow	300.0	301.0	300.0	301.0	0.0	242.0	245.0	56.0
90 CL Shank	290.0	295.0	290.0	295.0	0.0	240.0	245.0	50.0
85 CL Fores	283.0	285.0	282.0	283.0	2.0	227.0	228.0	57.0
85 CL Chucks		UNQ		UNQ	N/A		UNQ	N/A
95 CL Bull, W. Coast		320.0	318.0	319.0	1.0	260.0	261.0	59.0
Uruguay CFH 90CL, E. Coast		UNQ		UNQ	N/A		UNQ	N/A
<u>US East Coast, Trimmings, CIF</u>								
85 CL Trimmings	282.0	283.0	281.0	282.0	1.0	225.0	226.0	57.0
80 CL Trimmings	245.0	248.0	248.0	250.0	-2.0		200.0	48.0
75 CL Trimmings	212.0	214.0	214.0	215.0	-1.0		UNQ	N/A
65 CL Trimmings		UNQ		UNQ	N/A		UNQ	N/A
<u>US East Coast Australian Cuts, CIF</u>								
Cap Off Steer Insides	370.0	375.0	370.0	375.0	0.0	330.0	335.0	40.0
Steer Insides 14/18		UNQ		UNQ	N/A		UNQ	N/A
Steer Flats	335.0	340.0	335.0	340.0	0.0	300.0	305.0	35.0
Steer Knuckles	340.0	345.0	340.0	345.0	0.0	295.0	300.0	45.0

TABLE 3 – IMPORTED BEEF PRICES, 7:45 DAYS, US WAREHOUSE

					Change From Last Week			Change From Last Year
Current Week			Prior Week			Last Year		
31-Jan-25			24-Jan-25			2-Feb-24		
<u>US East Coast Australian/NZ Lean, FOB US Port</u>								
95 CL Bull, E. Coast	330.0	332.0	328.0	330.0	2.0	270.0	273.0	59.0
90 CL Blended Cow	311.0	312.0	310.0	312.0	0.0	256.0	260.0	52.0
90 CL Shank	304.0	305.0	304.0	305.0	0.0	250.0	255.0	50.0
85 CL Fores	294.0	295.0	294.0	295.0	0.0	237.0	238.0	57.0
85 CL Chucks		UNQ		UNQ	N/A		UNQ	N/A
95 CL Bull, W. Coast	330.0	331.0	328.0	329.0	2.0	270.0	271.0	60.0
Uruguay CFH 90CL, E. Coast		UNQ		UNQ	N/A		UNQ	N/A
<u>US East Coast, Trimmings, FOB US Port</u>								
85 CL Trimmings	293.0	294.0	293.0	294.0	0.0	235.0	236.0	58.0
80 CL Trimmings	256.0	257.0	257.0	258.0	-1.0	210.0	212.0	45.0
75 CL Trimmings	223.0	224.0	224.0	225.0	-1.0		UNQ	N/A
65 CL Trimmings		UNQ		UNQ	N/A		UNQ	N/A
<u>US East Coast Australian Cuts, FOB US Port</u>								
Cap Off Steer Insides	385.0	390.0	380.0	385.0	5.0	340.0	350.0	40.0
Steer Insides 14/18		UNQ		UNQ	N/A		UNQ	N/A
Steer Flats	340.0	345.0	345.0	350.0	-5.0	315.0	320.0	25.0
Steer Knuckles	355.0	360.0	360.0	365.0	-5.0		305.0	55.0

TABLE 4 – US DOMESTIC BEEF AND CATTLE PRICES

	Current Week			Prior Week			Change From Last Week	Last Year			Change from Last Year
	31-Jan-25			24-Jan-25				2-Feb-24			
	Low	High	Wt.Avg	Low	High	Wt.Avg		Low	High	Wt.Avg	
<u>Domestic Cutouts</u>											
Choice Cutout	327.68			327.92			-0.2	293.08			34.6
Select Cutout	317.07			316.29			0.8	283.47			33.6
<u>Domestic Lean Grinding Beef</u>											
90 CL Boneless	356.0	375.0	364.6	349.0	370.0	357.2	7.4	281.0	317.0	294.9	69.7
85 CL Beef Trimmings	306.5	338.5	321.3	307.0	333.5	312.5	8.8	261.0	288.0	270.0	51.3
50 CL Beef Trim	106.0	125.0	115.3	102.0	131.0	114.4	0.9	87.0	120.0	99.9	15.4
<u>Domestic Pork Trim</u>											
42 CL Pork Trim	38.0	69.5	42.5	39.4	69.5	43.4	-1.0	37.0	68.0	43.1	-0.6
72 CL Pork Trim	82.5	112.8	94.4	82.5	111.8	91.7	2.7	77.5	110.6	85.5	8.9
<u>Point of Lean Values</u>											
90 CL Domestic	405.1			396.9			8.2	327.7			77.5
50 CL Beef Trimming	230.6			228.9			1.7	199.8			30.8
42 CL Pork Trim	101.1			103.4			-2.3	102.7			-1.5
72 CL Pork Trim	131.1			127.4			3.7	118.7			12.4
<u>National Direct Fed Steer</u> <u>(5-day accum. wt. avg.</u> <u>price)</u>	210.11			204.31			5.8	177.42			32.7

TABLE 5 – FUTURES AND SLAUGHTER INFORMATION

<i>Futures Contracts</i>	<i>Current Week</i>	<i>Prior Week</i>	<i>Change From Last Week</i>		<i>Last Year</i>	<i>Change From Last Year</i>	
	31-Jan-25	24-Jan-25			2-Feb-24		
<u><i>Live Cattle Futures</i></u>							
<i>February '25</i>	204.600	204.775	↓	-0.18	180.550	↑	24.05
<i>April '25</i>	202.300	203.025	↓	-0.72	183.750	↑	18.55
<i>June '25</i>	196.700	197.375	↓	-0.67	181.775	↑	14.93
<i>August '25</i>	193.325	193.875	↓	-0.55	181.675	↑	11.65
<u><i>Feeder Cattle Futures</i></u>							
<i>March '25</i>	275.725	276.575	↓	-0.85	244.800	↑	30.93
<i>April '25</i>	275.125	275.450	↓	-0.32	250.200	↑	24.93
<i>May '25</i>	273.125	273.400	↓	-0.27	255.275	↑	17.85
<i>August '25</i>	273.900	274.925	↓	-1.02	270.075	↑	3.83
<u><i>Corn Futures</i></u>							
<i>March '25</i>	482.000	486.500	↓	-4.50	442.750	↑	39.25
<i>May '25</i>	493.000	496.500	↓	-3.50	453.500	↑	39.50
<i>July '25</i>	496.750	497.500	↓	-0.75	462.500	↑	34.25
<i>September '25</i>	460.250	464.250	↓	-4.00	468.500	↓	-8.25
<u><i>Ch Wheat Futures</i></u>							
<i>March '25</i>	559 1/2	544	↑	15.50	651 1/2	↓	-92.00
<i>May '25</i>	572 1/4	558 3/4	↑	13.50	657 3/4	↓	-85.50
<i>July '25</i>	584 1/4	570	↑	14.25	650 1/4	↓	-66.00
<i>September '25</i>	598	584	↑	14.00	656	↓	-58.00

<i>Slaughter Information</i>	<i>7 Days Ending</i>	<i>7 Days Ending</i>	<i>Change From Last Week</i>		<i>7 Days Ending</i>	<i>Change From Last Year</i>	
	1-Feb-25	25-Jan-25			3-Feb-24		
<u><i>Total Cattle Slaughter</i></u>	600,000	599,000	↑	1,000	632,438	↓	-32,438
	18-Jan-25	11-Jan-25			20-Jan-24		
<i>Total Cow Slaughter</i>	107,861	103,908	↑	3,953	108,971	↓	-1,110
<i>Dairy Cow Slaughter</i>	57,992	55,387	↑	2,605	51,116	↑	6,876
<i>Beef Cow Slaughter</i>	49,869	48,521	↑	1,348	57,855	↓	-7,986

TABLE 7 - US BEEF IMPORTS

(Source: USDA/AMS)

YTD Imported Fresh/Frz Beef Passed for Entry in the US

week 4	1/27/2024	1/25/2025		
Argentina	918	1,811	893	97.3%
Australia	29,714	37,705	7,991	26.9%
Brazil	20,525	17,257	(3,268)	-15.9%
Canada	26,510	21,254	(5,256)	-19.8%
Chile	-	-	-	
Costa Rica	663	1,260	597	90.0%
France	-	-	-	
Honduras	-	-	-	
Ireland	530	334	(196)	-37.0%
Japan	124	468	344	277.4%
Mexico	16,943	16,418	(525)	-3.1%
Namibia	-	-	-	
Netherlands	-	-	-	
New Zealand	18,898	15,130	(3,768)	-19.9%
Nicaragua	3,505	3,596	91	2.6%
Spain	-	-	-	
Uruguay	6,148	7,796	1,648	26.8%
<i>Not included in USDA Weekly Report</i>				
Paraguay	50	1,761	1,711	3426.2%
Total	124,477	123,030	(1,447)	-1.2%

Source: AMS - USDA

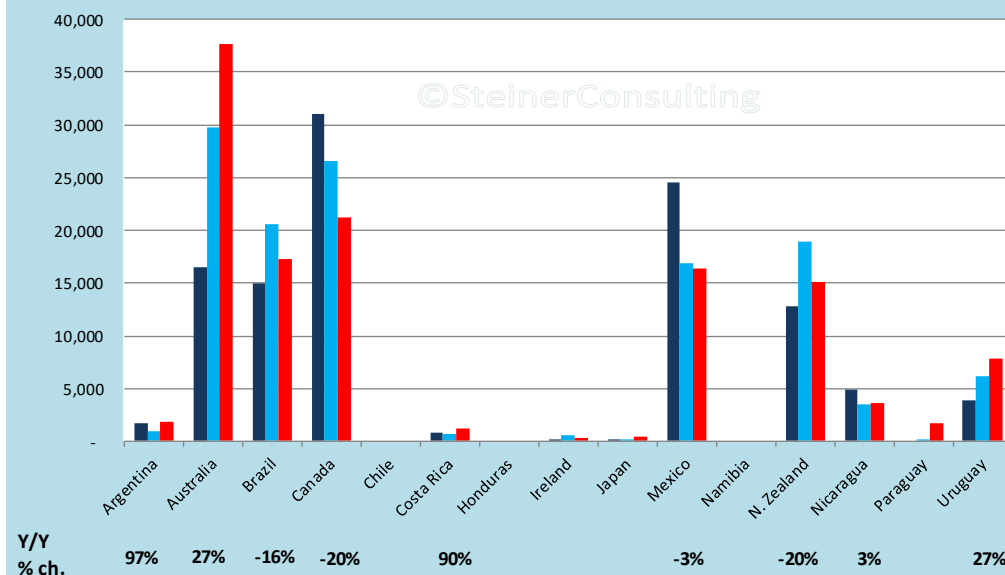
US Fresh/Frozen Beef Imports. Metric Ton. Data Source: USDA/Agricultural Marketing Service

Imports as of January 25, 2025

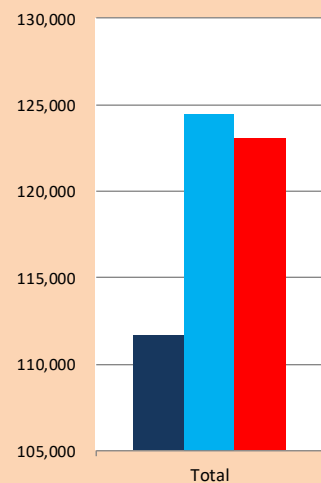
Analysis by Steiner Consulting

Individual Country Volume. MT & Y/Y % Ch.

■ 2023 ■ 2024 ■ 2025



Total

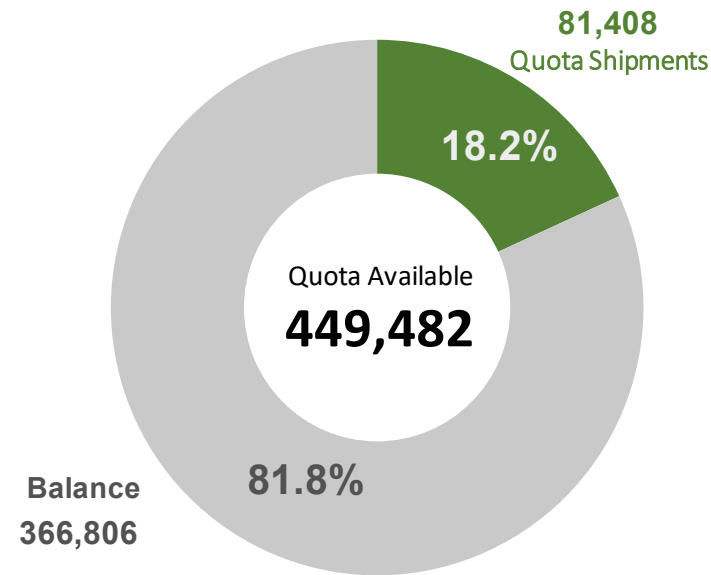


Total YTD: -1.2%

Australian Beef Quota Position

Metric Ton. Australian Department of Agriculture Statistics

30-Jan-25



Note: The US-Australia Free Trade Agreement went into effect in January 2005. The agreement phased out tariffs for Australian beef entering the US market over a 20 year period. At this point Australian beef enters the US with no tariff. However, there is a price based safeguard which US authorities may trigger once the quota allocation has been filled. This safeguard may be triggered if monthly retail index prices decline 6.5% from the previous 24 month average. For more details consult the AUSUS FTA annex at: <https://tinyurl.com/5cb3be8>

There will always be a difference in the volume of Australian beef that has been allocated against US volume quota vs. the imports reported in the previous page. Australian authorities allocate product against US quota at time of shipment. US inspectors count product when it arrives in US and is inspected. Weekly import data reported by inspectors is not official, inspectors are not paid to tabulate statistics. The ultimate source of US trade data is the monthly US Census report.

USA Quota Entries through Week Ending January 26. Metric Ton

Data source: US Customs. Analysis by Steiner Consulting

