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Annual Livestock Report

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Report Highlights:

Brazil's devaluation in January 1999 has had mixed impact on the livestock sector. Beef meat production is up and beef exports are booming. Pork production is up, but pork exports are stagnant. Domestic demand for most meats remains weak, while imports of all livestock products are down due to the devaluation of the "Real" currency, which reached 50 percent in the last week of July. Slower economic activity during the first semester, due in part to continued high interest rates, also slowed meat demand.

Includes PSD changes: Yes
Includes Trade Matrix: Yes
Annual Report
Brasilia [BR1], BR

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Note: Production data for the livestock sector in Brazil are estimates, developed from trade sources. Such estimates are inevitable given that the Brazilian government does not publish consistent, complete, and reliable official statistics for the sector. A key factor in interpreting Brazil's livestock statistics is the high volume of "unofficial" slaughter of cattle and swine referred to as "clandestine" slaughter by the trade. Such slaughter is primarily motivated by evasion of state and federal taxes, and is estimated to account for around 40 percent of the production of beef and pork. OAA uses total production figures, including estimates for "unofficial" slaughter.

Executive Summary

As the Brazilian economy entered the second half of 1999, most international analysts are expressing surprise at the remarkable economic recovery since the adoption of the new floating exchange regime in mid-January 1999.

The Real's rebound since January has been accompanied by some positive signs for the Brazilian economy, including:

- lower- than-expected annual inflation for 1999 (less than 8 percent, as opposed to initial estimates of 18-20 percent);
- improvement in the public accounts: a primary budget surplus which surpassed IMF targets;
- a decline in the current account deficit;
- gradual, but consistent decreases in domestic benchmark interest rates (from an annual rate of 45 percent in March 1999 to 19.5 percent during the last week of July 1999.) although interest rates for consumer purchases are still very high);
- and a smaller than feared contraction in Brazil's GDP for 1999 (around one percent, as opposed to 3 to 4 percent, previously anticipated.)

However, there remain several concerns stemming from:

- the political environment (lack of further progress by the government in social security and tax reform);
- uncertainties caused by injunctions postponing collection of taxes passed by the Congress;
- continued high rates of unemployment;
- and difficulties with trade-financing.

Although trade financing is available for major companies, it continues to be a problem for medium and small firms. This has forced the government to revise its trade surplus initially estimated at US\$10.3 billion to a more realistic goal of US\$3.7 billion.

This economic scenario has had mixed effects in the livestock sector. Beef producers are enjoying reasonable returns mostly due to booming beef exports. Beef production is expected to increase by three percent, while domestic consumption is stagnant due to the loss of consumer purchasing power and high unemployment rates in major metropolitan areas. Imports are expected to decline by 50 percent due to the devaluation of the Real, and supply and exchange rate factors impacting imports from Argentina. Pork producers are concerned with the

poor performance of their exports, reflecting the economic downturn in Hong Kong and Argentina, major pork export markets. However, pork production is estimated to increase by 5 percent due to firm demand of pork for industrial processing. Production of hides and skins will likely increase by nearly 2.5 percent, while imports of hides and skins are down due to the devaluation of the Real. Hide and skin exports are expected to increase by 5 percent. Tallow production is stagnant in 1999, but may recover in 2000 if as expected the economy recovers.

Overall, the livestock sector is optimistic concerning production and exports in the year 2000, particularly in the beef sector, which should improve on this year's good performance. Trade sources believe the economy will rebound in the second semester of 1999, as well as domestic consumption of meats, and returns to producers will improve.

Commodity Outlook, Cattle

Production Factors

The calf crops for 1998 and 1999 have been revised upwards to reflect higher yields obtained by Brazilian livestock producers. These changes are the results of improved technology, such as the crossbreeding programs used mostly in the center-west regions of the country. The use of artificial insemination (a.i.) in Brazil in 1998 increased by 20 percent for the beef breeds and reached 3.3 million doses. Of this 19 percent was imported semen of superior beef genetics. Red Angus, Limousin and Simental beef breeds accounted for nearly 30 percent of all a.i. doses (imported and domestic produced) used in Brazil during 1998. The base for crossbreeding is the Brazilian Nelore (Zebu) breed. The Brazilian Agricultural Research Company (EMBRAPA), under the Ministry of Agriculture and Food Supply (MAA) coordinates a national program to improve the productivity of the Nelore, a breed well suited to the dry season and variable pasture conditions in the center-west regions of Brazil, the most important cattle producing region in the country.

Other factors contributing to a higher calf crops are:

- the drop in the average slaughter age of animals from 42-48 months to 36-42 months;
- the availability of good pastures due to more normal weather conditions this year in the center-west regions;
- reductions in cattle death losses also contributed to increased ending inventories of cattle expected in 1999.

Although cattle prices in 1998 dropped slightly in U.S. dollar terms, prices remain very attractive in Brazilian currency (Real) since the crawling devaluation of the Real in 1998 reached 7.2 percent, followed by a 50 percent nominal devaluation since January 1999.

For 2000 the outlook is for continued improvement in the technology of cattle raising in Brazil, driven by producer optimism for exports as an outlet for increased production, and by an expected recovery of the economy beginning in the second semester of 1999.

New so-called "partnerships" between groups of producers and some large Brazilian supermarkets have developed. This idea started with the French-origin hyper-market retailer Carrefour, which is introducing the concept of meat with "quality" and "guaranteed origin" from producer to consumer.

The following table provides a geographical distribution of the cattle herd in Brazil, by major regions, based on

the ending inventories expected for 1999:

Region	Cattle Herd (1,000 head)	Share (%)
North	17,298	12
Northeast	21,623	15
Southeast	33,155	23
South	24,507	17
Center-West	47,570	33

Production Problems

Two Foot-and-Mouth (FMD) outbreaks occurred in early 1999 in the southern area of the state of Mato Grosso do Sul (MS), close to the Paraguay border. MS has the largest cattle herd in Brazil (Nearly 19 million head, or 13 percent of the Brazilian cattle herd), and it is part of the Center-West circuit of the Brazilian FMD eradication program, which has the goal of eradicating FMD from Brazil by 2004. The outbreak of FMD in MS has prompted an emergency program in which more than 500 animals were slaughtered. Thousands of retained animals were isolated for serological tests for the disease. According to government officials from the federal Ministry of Agriculture and Food Supply (MAA) 's Department of Animal Health (DDA), these two outbreaks are now under control, and the origin of the outbreak was "clandestine" cattle imported from Paraguay.

On July 7, 1999 the MAA published in the Diario Oficial (Brazil's Federal Register) Normative Instruction Number 9 which establishing MS as a buffer zone, and suspending MatoGrosso do Sul's transit of cattle to and from other states for 150 days beginning August 1, 1999. Animals from the states of Rio Grande do Sul (RS) and Santa Catarina (SC) are [allowed to ship cattle into Mato Grosso do Sul](excluded from the suspension) because these two states are FMD- free with vaccination, under MAA programs, and recognized as such by the Office of International Epizooties (OIE).

For the two southernmost states RS and SC, the Brazilian government has requested the United States to survey the animal health conditions of those two states with a view to exporting fresh-chilled and frozen beef to the United States. An APHIS team is expected to arrive in Brazil in mid-August 1999 to begin the survey of the animal health conditions of those two states, which would be followed by the US's legislatively mandated rule-making and public comment period attendant to a "regionalized" disease free determination which could eventually permit such imports into the United States from Brazil.

Growth Promotants: A prohibition against the use of growth promotants in beef cattle remains in place since 1991. Government officials followed the battle on the hormone issue between the United States and the European Union, but are not tempted to emulate the U.S. practice or trade issue stance. The priority of Brazilian government officials in charge of animal health is to eradicate FMF (aftosa) by the year 2004 in order to improve Brazilian beef exports, and the E.U. is a major export destination target. Recently, along with the debate in Brazil regarding Genetically Modified plant Organisms (GMOs), such as Round-up Ready Soybeans,

consumer groups have begun pressuring government officials to prohibit imports of beef from countries that allow hormones in raising beef cattle, such as Argentina. However, Brazilian officials have stated that beef from Argentina comes with a Certificate indicating the product as hormone free.

Another Brazilian government priority is to eliminate "clandestine" slaughter of cattle. Nearly all federal approved beef slaughter plants are required to pack and label their beef production before shipping to retail markets intra- or inter- state within Brazil. The goal of this policy is to make it more difficult for "clandestine" beef to enter trade, thus discouraging such slaughter of animals, and minimizing the threat of spreading disease.

Cattle Imports

At the request of DL&P, OAA revised the cattle import numbers for Brazil. This review is based Brazil's published official import data (not including contraband cattle imports) using the average weight of the cattle imported from the MERCOSUL. The average weight used was 390 Kilograms (858 pounds), an average live weight figure for slaughter cattle, obtained from the Brazilian Meat Inspection Service (DIPOA.) This nevertheless leaves the live cattle import figures an estimate, in view of the fact that the Brazilian government reports cattle imports in metric tons, rather than head.

Cattle imports from MERCOSUL (Argentina, Uruguay, and Paraguay are Brazil's Mercosul partners.) dropped by 26 percent in 1998, and are expected to drop by 33 percent in 1999 reflecting difficulties in the Argentine cattle industry, and particularly the devaluation of the Real in early 1999, which made cattle imports more expensive for Brazilians, and thus discourages such imports. Total cattle imports for slaughter in 1998 reached 38,163 metric tons (estimated at 97,854 head), valued at US\$31million.

While the United States has no opportunity to export slaughter cattle to Brazil, the United States has a significant market share of Brazil's imports of bovine genetics. In 1998, Brazil imported a total of US \$ 26.5 million in bovine breeding stock, semen and embryos, of which the United States accounted for 25 percent. Uruguay is the major supplier of bovine breeding stock, with a market share of 76 percent, followed by Canada with 12 percent. But the United States is the major supplier of bovine semen to Brazil with a market share near 48 percent, followed by the European Union with 34 percent, and Canada with 12 percent. The United States also is the major supplier of bovine embryos to Brazil with 34 percent, followed by Canada with 24 percent.

The following is the revised table for cattle import numbers since 1990:

Year (Jan-Dec)	Cattle Import Numbers (1,000 head) (Estimated)
1997	131,836
1996	105,920
1995	324,172
1994	268,972
1993	48,631

1992	13,013
1991	19,603
1990	766,305

Tariff Rate Table

Tariff Number	Product Description	Rate (%) *	Other Info
0102.10.10	Breeding Stock	0	
0102.90.90	Bovine for Slaughter	5	Free: Mercosul
0511.10.00	Bovine Semen	0	
0511.9910	Bovine Embryos	0	

* Assessed on the CIF value of the product.

Commodity Outlook, Beef

Production

Beef production in 1999 is expected to increase by nearly 3 percent as a result of the following factors:

- a) higher dressed carcass yields, up 1percent from 1998;
- b) good pasture conditions and a mild winter season in the center-south regions of Brazil throughout most of the first semester of 1999;
- c) reasonable prices paid to producers;
- d) reduced beef imports volumes from MERCOSUL;
- e) booming exports of Brazilian beef during the first semester of 1999, up 29 percent from the same period in 1998; and
- f) increases in all types of feedlots (full feedlot, semi-feedlot, etc) by 5 percent in 1999 from a record base obtained last year.

Consumption

Domestic consumption of beef in 1999 is expected to increase marginally, by less than one percent, due to the difficulties faced by the Brazilian domestic economy particularly since the devaluation of the currency early in the year. Trade sources believe that domestic beef consumption will like be stagnant in 1999 because of the high rate of unemployment and loss of consumer purchasing power. Competition from broilers and pork is also preventing any major hike in beef consumption. The strategy of beef packers and retailers is to increase their profit margins by targeting the upper income consumer groups with special beef cuts, mostly from young steers. Also, as mentioned earlier in this report, some leading large retailers are also implementing their own "quality

and origin control" and "partnership" programs with beef producers to attract an increasing number of consumers concerned with food quality and safety. However, consumption of "clandestine" beef will likely continue because of the large number of low income consumers.

Trade

Beef exports during the first semester of 1999 increased by 50 percent in volume reflecting the competitive advantage of Brazilian beef exporters since the devaluation of Brazil's "Real" currency in early 1999. At today's exchange rate, the devaluation of the Real reached 50 percent since January 1999. In value, Brazilian beef exports during the first semester of 1999 increased by 43 percent. In addition, Brazilian beef exporters are making major in-roads into Argentine markets abroad due to the lower availability of Argentine beef for exports, and the fact that Brazilian beef (with the weaker "Real") is now more competitive in world markets than beef from Argentina, whose currency has not been devalued..

According to trade sources, Brazil's beef exports to the European Union increased by 40 percent in the first semester of 1999, reflecting the above factors and higher demand from the European Union. Brazilian beef exporters expect to continue to increase beef exports to the European Union and other markets in the year 2000.

Beef imports from MERCOSUL partners (Argentina, Uruguay, and Paraguay) are expected to decline by half in 1999 due to the "Real's" devaluation, lower availability of Argentine beef, and stagnant domestic consumption. This trend to lower imports is expected to continue in the year 2000.

Note: A national truck drivers lock-out during the last week of July affected the supply of food and vegetables in major Brazilian metropolitan areas, and provoked financial losses estimated at US\$100 million. According to trade sources, beef exports were not affected by the strike. It is estimated that trucks account for 60 percent of the transportation of goods in Brazil.

Stocks

Brazilian packers work on a very short slaughter schedule (20 days), and thus hold stocks only to meet export contracts. There are no government-owned beef stocks.

Policy

There are no federal government programs aimed at increasing beef production. Government actions are concentrated on animal health programs, of which the FMD eradication program is a major example, although a major part of the funds spent on such efforts (estimated at US \$ 1.2 billion) are private (similar to the commodity check off programs in the United States).

As noted earlier in this report, the FMD eradication program is moving progressively northward from the two southern-most states free of FMD (with vaccination), Rio Grande do Sul (RS), and Santa Catarina(SC). The program's goal is to achieve national FMD freedom (with vaccination) by the year 2004. Current efforts focus on the so-called "center-west region cattle circuit".

Brazilian animal health and trade officials are targeting the United States as their next market for fresh chilled / frozen beef export sales, and because of this are aggressively pursuing APHIS recognition of the two southern states (RS and SC) as FMD-free with vaccination.

The National Bank for Economic and Social Development (BNDES) is the only lender of long-term subsidized loans (favorable interest rates) for pasture improvements and breeding programs. Such loans are available only for some Brazilian livestock producers. BNDES does not provide the loan directly to the producer, but through other state and commercial private banks. These loans carry interest of around 8 percent, much lower than commercial rates in Brazil, and have grace periods prior to first required repayments of at least 3 years.

Marketing

The new Brazilian Minister of Agriculture and Food Supply (MAA) has established as one of his priorities the market promotion of several high-value agricultural and food products. Beef, along with broiler and pork meat, and tropical fruit exports are the top priorities of the new Minister, Pratini de Moraes, who was involved in national export promotion efforts (primarily the industrial sector) prior to becoming Minister in July 1999.

The meat export strategy is two-fold:

- 1) utilize MAA and other Ministries' staff resources to upgrade logistics (ports, roads, etc.), animal health conditions, and meat inspection services, and improve market access for Brazilian products by bilateral and multilateral negotiations.
- 2) become more market-aggressive in world trade shows, trade missions, etc.

However, beef exporters are lagging behind broiler exporters who already have received over US \$ 5.0 million for market promotion. In order to obtain funds from the government, such a program for Beef needs to be created, which is not expected to occur until the end of 1999. Thus far, about US \$ 500,000 have been targeted for beef market programs abroad by private companies, mostly to Asian markets.

US Trade Opportunities / Conditions:

The devaluation of the "Real" currency has further reduced the marketing perspectives for the United States to sell beef to niche markets here. In addition, more restrictive and costly inspection procedures are creating additional difficulties for small U.S. beef exporters seeking to export to Brazil. The Brazilian Meat Inspection Service (DIPOA) is implementing new procedures for registration of foreign beef (and other livestock product) plants to export to Brazil.

The new system includes:

- first, recognition by Brazilian officials of the foreign country inspection system; and,
- second, registration on a case by case basis of foreign plants.

In addition, another new regulation requires new procedures for registration and pre-approval of foreign product labels before product enters the retail market.

Tariff Rate Table

Tariff Number	Product Description	Rate (%) *	Other Info
0201.10.10 0202.10.10	Fresh or Frozen Bone-in Beef Cuts or carcasses	13	duty- Free from Mercosul
0201.30.00 0202.30.00	Fresh or Frozen Boneless Beef	15	duty- Free from Mercosul
0206.10.00	Bovine: Variety Meats	13	duty- Free from Mercosul
1602.50.00	Processed Bovine Meat	19	duty- Free from Mercosul

* Assessed on the CIF value of the product.

Commodity Outlook, Pork

Production

New data from trade sources have led to adjustments made in the PSD (Production / Supply / Demand) Table for 1998. Pork production in 1999 is now expected to increase by 5 percent instead of 10 percent previously estimated. This reflects lower pork exports than initially estimated, and lower producer prices.

Consumption

Domestic pork consumption remains firm despite the economic recession. Demand for pork for industrial use (hams, etc.) has increased or stayed firm as pork processors compete in price and quality for Brazilian consumers expenditures. The fast food and away from home meal industry is also demanding more pork products from processors. Pork utilization in Brazil is estimated 70 percent industrial/processing use, and 30 percent fresh consumption.

In addition, pork producers' promotional campaign to increase fresh pork consumption in Brazil has been quite successful, and they now have plans to expand their promotion beyond the four cities initially targeted (Sao Paulo, Rio de Janeiro, Belo Horizonte and Curitiba). As noted in earlier reports, the program is very similar to the "other white meat" campaign for pork in the United States.

Trade

Early in calendar '99, after the devaluation of the Brazilian "Real" currency, Brazilian pork exporters estimated pork exports would increase 40 percent in 1999, counting on a new competitive advantage stemming from the weaker currency. However, this goal now seems unlikely to be achieved in 1999 because Brazilian pork exports are highly concentrated in two market- - Hong Kong and Argentina.

Exports to Hong Kong are expected to increase marginally, by less than one percent, while pork exports to

Argentina are likely to drop by as much as 10 percent due to the economic recession faced by that country. In addition, Brazilian pork producers complain that Argentina officials frequently create bureaucratic hurdles to restrain pork imports from Brazil.

Another problem faced by Brazilian pork exporters is the delay in finalizing their market promotion program, similar to USDA's MAP, which was supposed to be implemented by early March of 1999, and as of this date has not been approved. The program is estimated at US\$3.8 million and has the strong support of the new Minister of Agriculture. Pork exporters have reviewed their estimates for 1999, and now estimate a marginal growth in exports of around 1 percent, and are now placing forecasts for year 2000 pork exports at a more realistic 13 percent above 1999 levels.

Tariff Rate Table

Tariff Number	Product Description	Rate (%) *	Other Info
0203.10.10 0203.20.10	Fresh or Frozen Bone-in Pork cuts or carcasses	13	duty -Free from Mercosul
0201.30.00 0202.30.00	Fresh or Frozen Boneless Pork	13	duty -Free from Mercosul
0206.30.00	Pork: Variety Meats	13	duty -Free from Mercosul
1602.40.00	Processed Pork Meat	19	duty -Free from Mercosul

* Assessed on the CIF value of the product.

Commodity Outlook, Hides and Skins

Production

Production of hides and skins is estimated to increase by two percent in 1999 reflecting higher cattle slaughter. The current outlook for the year 2000 calls for an increase of 5 percent in production in view of the continued increase in cattle slaughter, an estimated rebound of economic growth, higher demand from the shoe industry, and higher exports.

Consumption

Domestic demand for hides and skins remains stagnant in 1999 due to slower economy in the first semester of 1999, and an only marginal increase in shoe exports. However, trade sources believe that the economy will begin to recover in late 1999, and that demand shall increase both in the domestic market as well from the export sector.

Trade

Trade sources estimate exports of hides and skins in 1999 to increase by nearly 5 percent in volume, and by 25 percent in value. However, these estimates seem overly optimistic because during the first semester of 1999, export volume actually dropped by one percent, while value decreased by 20 percent. According to trade sources, the reasons for a poor hide and skin export performance during the first half on cy-1999 were:

- oversupply of raw materials in world markets;
- weak demand reflecting Asian financial crisis in the past two years;
- lower bank credit availability for exporters; and
- volatile exchange rate for the Brazilian "Real" versus the U.S. dollar.

Trade sources say traditionally export demand for hides and skins improves during the second semester, and maintain Brazil will reach the 5 percent hides and skins export increase noted above.

About 75 percent of Brazil's export volume of hides and skins is of the type "wet blue", followed by "crust"(semi-finished), and finished. Italy is the major market for Brazilian exports of hides and skins, taking 35 percent of Brazilian shipments.

Tariff Rate Table

Tariff Number	Product Description	Rate (%) *	Other Info
4101.10.10	Bovine Hides and Skins	13	duty-Free from Mercosul
4101.30.10	Bovine Hides and Skins	5	duty-Free from Mercosul
4104.22.10	Bovine Hides and Skins (Wet Blue)	11	duty-Free from Mercosul

* Assessed on the CIF value of the product.

Policy

The hides and skins sector is composed of 400 tanneries, of which 80 percent are small and medium sized firms. Total sales by the sector in 1998 are estimated at US \$ 2.4 billion, including US \$ 750 million in exports of hides and skins. Brazil has price advantages in the export of hides and skins, but faces a poor product quality image problem. There is no national policy for the sector except for some actions aimed at:

- 1) encouraging exports of high-value products;
- 2) strengthening sector's organization under one entity;
- 3) market promotion of Brazilian hides and skins with the support of the Brazilian government;
- 4) improve the quality of the raw material;
- 5) improve applications of technology in the tanning industry by importing new and modern equipments; and
- 6) integrating the entire cattle-beef-hides industries.

Commodity Outlook, Tallow

Production

There is no tallow data available from government sources. OAC's best estimate for tallow production is based on trade interviews. Tallow production in 1999 is expected to grow by less than one-half percent reflecting poor demand from the soap industry. However, as the economy grows in the year 2000, trade sources are optimistic that production can increase by an annual rate of 3 percent.

Trade

Imports are expected to drop in 1999 by 38 percent and by 50 percent in the year 2000 as a result of higher availability of domestic supplies, and small demand growth.

Tariff Rate Table

Tariff Number	Product Description	Rate (%) *	Other Info
1502.00.10	Tallow	11	duty-Free from Mercosul

* Assessed on the CIF value of the product.

Tables

Cattle Numbers PS&D Table

PSD Table						
Country:						
Commodity:						
		1998		1999		2000
	Old	New	Old	New	Old	New
Calendar Year Begin						
Total Cattle Beg. Stks	144670	144670	142965	143893	0	144153
Dairy Cows Beg. Stocks	28900	28934	28593	28778	0	28830
Beef Cows Beg. Stocks	40460	40508	40030	40290	0	40363
Production (Calf Crop)	33700	34430	33740	35398	0	36615
Intra EC Imports	0	0	0	0	0	0
Other Imports	180	98	190	66	0	58
TOTAL Imports	180	98	190	66	0	58
TOTAL SUPPLY	178550	179198	176895	179357	0	180826
Intra EC Exports	0	0	0	0	0	0
Other Exports	0	0	0	0	0	0
TOTAL Exports	0	0	0	0	0	0
Cow Slaughter	12816	12816	12102	12160	0	12874
Calf Slaughter	1100	1100	1100	900	0	900
Other Slaughter	15889	15889	17497	17344	0	17,626
Total Slaughter	29805	29805	30699	30404	0	31400
Loss	5780	5500	5200	4800	0	4,500
Ending Inventories	142965	143893	140996	144153	0	144,926
TOTAL DISTRIBUTION	178550	179198	176895	179357	0	180826
Calendar Yr. Imp. from U.S.	0	0	0	0	0	0
Calendar Yr. Exp. to U.S.	0	0	0	0	0	0

Cattle Numbers Import matrix

Import Trade Matrix	Animal Numbers			
Country:			Units:	heads
Commodity:			Partial Begin:	Jan
			Partial End:	Jun
Exports for	1997	1998	1998	1999
	Full	Full	Partial	Partial
U.S.	0	0		0
Others				
Argentina	2467	0	0	0
Paraguay	94428	71141	36203	11820
Uruguay	34941	26713	26439	8632
Total for Others	131836	97854	62642	20452
Others not listed	0	0		
Grand Total	131836	97854	62642	20452

Beef PS&D Table

PSD Table						
Country:	Brazil			1.36	<-Conversion factor for CWE	
Commodity:	Cattle					
		1998		1999		2000
	Old	New	Old	New	Old	New
Calendar Year Begin		01/1998		01/1999		01/2000
Slaughter (Reference)	29805	29805	30699	30404	0	31400
Beginning Stocks	10	10	10	5	0	5
Production	6140	6140	6324	6324	0	6640
Intra EC Imports	0	0	0	0	0	0
Other Imports	90	80	70	40	0	30
TOTAL Imports	90	80	70	40	0	30
TOTAL SUPPLY	6240	6230	6404	6369	0	6675
Intra EC Exports	0	0	0	0	0	0
Other Exports	335	375	435	485	0	630
TOTAL Exports	335	375	435	485	0	630
Human Dom. Consumption	5895	5850	5959	5879	0	6010
Other Use, Losses	0	0	0	0	0	0
TOTAL Dom. Consumption	5895	5850	5959	5879	0	6010
Ending Stocks	10	5	10	5	0	35
TOTAL DISTRIBUTION	6240	6230	6404	6369	0	6675
Calendar Yr. Imp. from U.S.	5	5	3	3	0	2
Calendar Yr. Exp. to U.S.	58	86	80	98	0	120

Beef Export Matrix

Export Trade Matrix		Meat		
Country:			Units:	1,000MT/PWE
Commodity:			Partial Begin:	Jan
			Partial End:	Jun
Exports for	1997	1998	1998	1999
	Full	Full	Partial	Partial
U.S.	22	31	16	22
Others				
Canada	3	2	2	3
European Union	83	101	20	30
Israel	2	7	1	3
Jamaica	3	4	1	2
Japan	1	1	1	2
Puerto Rico	3	3	1	2
Middle East	19	24	10	13
Total for Others	114	142	36	55
Others not listed	4	14	15	57
Grand Total	140	187	67	134

Beef Import Matrix

Import Trade Matrix		Meat		
Country:			Units:	1000MT/PWE
Commodity:			Partial Begin:	Jan
			Partial End:	Jun
Exports for	1997	1998	1998	1999
	Full	Full	Partial	Partial
U.S.	1	1	0	0
Others				
Argentina	34	12	4	3
European Union	0	0	0	0
Paraguay	9	16	8	4
Uruguay	59	42	20	9
Total for Others	102	70	32	16
Others not listed	1	2	2	1
Grand Total	104	73	34	17

Beef Prices Matrix

Prices Table					
Country:					
Commodity:					
Year:	1998				
Prices in (currency)	US\$	per (uom)	15 kilograms		
Year	1997	1998	% Change		
Jan	23.1	24.1	4.3%		
Feb	24.1	24.1	0.0%		
Mar	24.2	23.9	-1.2%		
Apr	24.7	24.1	-2.4%		
May	24.1	22.9	-5.0%		
Jun	24.1	22.8	-5.4%		
Jul	24.9	23.6	-5.2%		
Aug	24.6	23.9	-2.8%		
Sep	24.1	24.7	2.5%		
Oct	25.2	23.9	-5.2%		
Nov	24.8	23.8	-4.0%		
Dec	25.1	23.6	-6.0%		

Swine Numbers PS&D Table

PSD Table						
Country:						
Commodity:						
		1998		1999		2000
	Old	New	Old	New	Old	New
Calendar Year Begin						
TOTAL Beginning Stocks	31427	31427	30997	31427	0	29713
Sow Beginning Stocks	3143	3143	3180	3143	0	3250
Production (Pig Crop)	27970	27970	27965	27968	0	28261
Intra EC Imports	0	0		0	0	0
Other Imports	0	0	0	0	0	0
TOTAL Imports	0	0	0	0	0	0
TOTAL SUPPLY	59397	59397	58962	59395	0	57974
Intra EC Exports	0	0	0	0	0	0
Other Exports	0	0	0	0	0	
TOTAL Exports	0	0	0	0	0	0
Sow Slaughter	400	400	300	300	0	400
OTHER SLAUGHTER	20760	20760	24143	23052	0	24684
Total Slaughter	21160	21160	24443	23352	0	25084
Loss	6555	6555	6100	5900	0	5600
Ending Inventories	31427	31427	28719	29713	0	27290
TOTAL DISTRIBUTION	59142	59142	59262	58965	0	57974
Calendar Yr. Imp. from U.S.	0	0	0	0	0	0
Calendar Yr. Exp. to U.S.	0	0	0	0	0	0

Pork PS&D Table

PSD Table						
Country:	Brazil				<-Conversion factor for CWE	
Commodity:	Swine					
		1998		1999		2000
	Old	New	Old	New	Old	New
Calendar Year Begin		01/1998		01/1999		01/2000
Slaughter (Reference)	21160	21160	24443	23352	0	25084
Beginning Stocks	0	0	0	5	0	8
Production	1690	1690	1859	1775	0	1950
Intra EC Imports	0	0	0	0	0	
Other Imports	7	1	4	1	0	1
TOTAL Imports	7	1	4	1	0	1
TOTAL SUPPLY	1697	1691	1863	1781	0	1959
Intra EC Exports	0	0	0	0	0	0
Other Exports	85	74	120	75	0	85
TOTAL Exports	85	74	120	75	0	85
Human Dom. Consumption	1600	1612	1728	1698	0	1864
Other Use, Losses	0	0	0	0	0	0
TOTAL Dom. Consumption	1600	1612	1728	1698	0	1864
Ending Stocks	12	5	15	8	0	10
TOTAL DISTRIBUTION	1697	1691	1863	1781	0	1959
Calendar Yr. Imp. from U.S.	1	0	0	0	0	0
Calendar Yr. Exp. to U.S.	0	0	0	0	0	0

Pork Export Matrix

Export Trade Matrix		Meat		
Country:			Units:	Metric Tons
Commodity:			Partial Begin:	Jan
			Partial End:	Jun
Exports for	1997	1998	1998	1999
	Full	Full	Partial	Partial
U.S.	0	0	0	0
Others				
Argentina	21059	28596	14298	13583
European Union	2969	1653	598	620
Hong Kong	26833	37026	18503	18600
Russia	0	15	0	0
Uruguay	3640	3946	1230	1320
Total for Others	54501	71236	34629	34123
Others not listed	2416	2485	0	852
Grand Total	56917	73721	34629	34975

Pork Import Matrix

Import Trade Matrix		Meat		
Country:			Units:	Metric Tons
Commodity:			Partial Begin:	Jan
			Partial End:	Jun
Exports for	1997	1998	1998	1999
	Full	Full	Partial	Partial
U.S.	643	0	0	0
Others				
Canada	3810	1	1	1
European Union	0	0	0	0
Total for Others	3810	1	1	1
Others not listed	115	0	0	0
Grand Total	4568	1	1	1

Pork Price Matrix

Prices Table					
Country:					
Commodity:					
Year:	1998				
Prices in (currency)	US\$	per (uom)	15 Kilograms		
Year	1997	1998	% Change		
Jan	20.31	18.85	-7.2%		
Feb	21.48	17.28	-19.6%		
Mar	23.12	16.78	-27.4%		
Apr	25.15	16.66	-33.8%		
May	21.08	16.53	-21.6%		
Jun	19.56	16.53	-15.5%		
Jul	19.65	16.82	-14.4%		
Aug	19.81	16.66	-15.9%		
Sep	19.97	16.19	-18.9%		
Oct	19.79	15.99	-19.2%		
Nov	19.69	16.33	-17.1%		
Dec	19.24	18.38	-4.5%		

Bovine Hides & Skins PS&D Table

PSD Table						
Country:	Brazil				<MT piece conversion	
Commodity:	Hides & Skins, Bovine					
		1998		1999		2000
	Old	New	Old	New	Old	New
Calendar Year Begin		01/1998		01/1999		01/2000
Beginning Stocks	0	0	0	0	0	0
Production In MT	614	622	627	637	0	667
Production In Pieces	0	0	0	0	0	0
Intra EC Imports	0	0	0	0	0	0
Other Imports	13	10	13	8	0	8
TOTAL Imports	13	10	13	8	0	8
TOTAL SUPPLY	627	632	640	645	0	675
Intra EC Exports	0	0	0	0	0	0
Other Exports	220	220	230	230	0	250
TOTAL Exports	220	220	230	230	0	250
Domestic Consumption	407	412	410	415	0	425
Ending Stocks	0	0	0	0	0	0
TOTAL DISTRIBUTION	627	632	640	645	0	675
Calendar Yr. Imp. from U.S.	2	1	2	1	0	1
Calendar Yr. Exp. to U.S.	0	4	1	5	0	6

Bovine Hides &Skins Export Matrix

Export Trade Matrix			
Country:		Units:	Metric tons
Commodity:			
Time period:	1998		
Exports for	1997		1998
U.S.	4117	U.S.	4380
Others		Others	
Colombia	699		475
China	797		3290
European Union	124957		158982
Hong Kong	22598		15788
Korea, Rep.	3078		786
Mexico	13040		2696
Paraguay	1563		8823
Taiwan	4474		3868
			0
Total for Others	171206		194708
Others not listed	31421		21230
Grand Total	206744		220318

Bovine Hides &Skins Import Matrix

Import Trade Matrix			
Country:		Units:	Metric Tons
Commodity:			
Time period:	1998		
Imports for	1997		1998
U.S.	1286	U.S.	770
Others		Others	
Argentina	4782		4859
Australia	1492		646
Bangladesh	233		355
European Union	590		666
Hong Kong	78		14
Paraguay	888		809
Uruguay	2418		733
Total for Others	10481		8082
Others not listed	1091		1533
Grand Total	12858		10385

Bovine Hides & Skins Price Matrix

Prices Table				
Country:				
Commodity:				
Year:	1998			
Prices in (currency)	US\$	per (uom)	Kilogram	
Year	1997	1998	% Change	
Jan	0.71	0.55	-22.5%	
Feb	0.72	0.48	-33.3%	
Mar	0.72	0.53	-26.4%	
Apr	0.72	0.56	-22.2%	
May	0.75	0.63	-16.0%	
Jun	0.74	0.56	-24.3%	
Jul	0.74	0.51	-31.1%	
Aug	0.77	0.51	-33.8%	
Sep	0.76	0.51	-32.9%	
Oct	0.76	0.53	-30.3%	
Nov	0.74	0.51	-31.1%	
Dec	0.68	0.51	-25.0%	

Tallow PS&D Table

PSD Table						
Country:	Brazil					
Commodity:	By-Products, Tallow & Grease					
		1998		1999		2000
	Old	New	Old	New	Old	New
Calendar Year Begin		01/1998		01/1999		01/2000
Beginning Stocks	0	0	0	0	0	0
Production	467	467	478	480	0	505
Intra EC Imports	0	0	0	0	0	0
Other Imports	13	29	12	18	0	9
TOTAL Imports	13	29	12	18	0	9
TOTAL SUPPLY	480	496	490	498	0	514
Intra EC Exports	0	0	0	0	0	0
Other Exports	0	0	0	0	0	0
TOTAL Exports	0	0	0	0	0	0
Domestic Consumption	480	496	490	498	0	514
Ending Stocks	0	0	0	0	0	0
TOTAL DISTRIBUTION	480	496	490	498	0	514
Calendar Yr. Imp. from U.S.	0	8	0	5	0	2
Calendar Yr. Exp. to U.S.	0	0	0	0	0	0

Tallow Import Matrix

Import Trade Matrix			
Country:		Units:	metric tons
Commodity:			
Time period:	1998		
Imports for	1997		1998
U.S.	0	U.S.	8431
Others		Others	
Argentina	2018		4881
Paraguay	1075		3225
Uruguay	12,538		12930
Total for Others	15631		21036
Others not listed	0		25
Grand Total	15631		29492

Tallow Price matrix

Prices Table					
Country:					
Commodity:					
Year:	1998				
Prices in (currency)	US\$	per (uom)	Kilogram		
Year	1997	1998	% Change		
Jan	0.38	0.49	28.9%		
Feb	0.39	0.49	25.6%		
Mar	0.42	0.56	33.3%		
Apr	0.55	0.49	-10.9%		
May	0.54	0.53	-1.9%		
Jun	0.53	0.51	-3.8%		
Jul	0.48	0.51	6.2%		
Aug	0.42	0.51	21.4%		
Sep	0.41	0.52	26.8%		
Oct	0.41	0.51	24.4%		
Nov	0.47	0.49	4.3%		
Dec	0.51	0.52	2.0%		