

Beef exports expected to end 2019 with new records in volume and sales

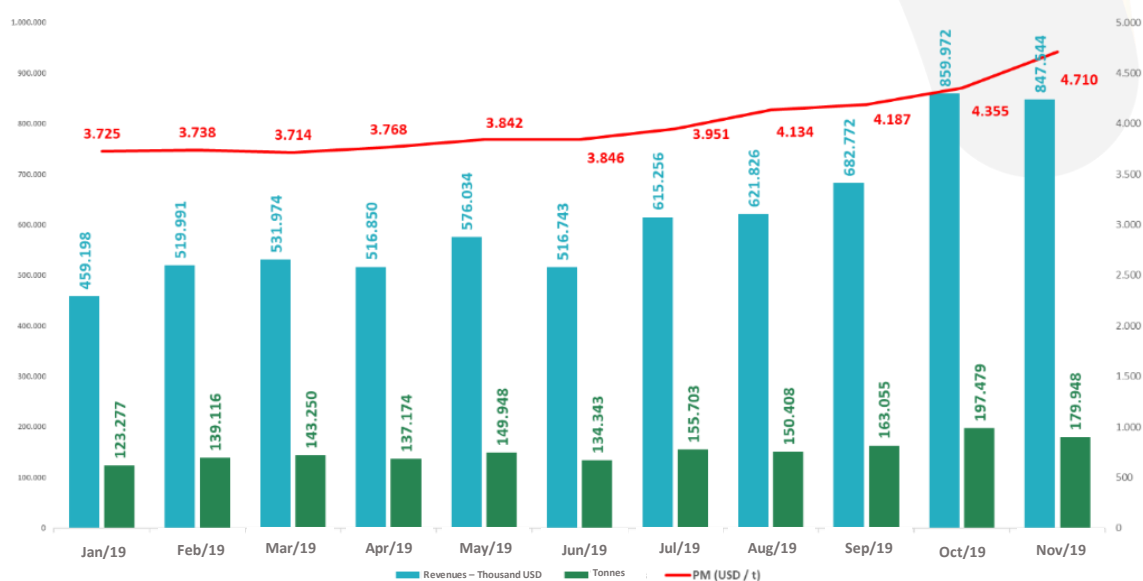
Shipments should end the year with 1.8 million tonnes, revenues should grow 13.3% and add USD 7.5 billion in 2019

Driven by Chinese demand, Brazilian beef exports are expected to end 2019 with a new volume and sales record. The estimate released by the Brazilian Beef Exporters Association (Abiec) is that shipped volumes reach 1.83 million tonnes and revenues of USD 7.5 billion. If confirmed, the figures would represent an 11.3% and 13.3% growth, respectively, exceeding projections made at the end of 2018 and consolidating the pace of growth of Brazilian sales.

For the president of Abiec, Mr. Antonio Jorge Camardelli, this year's positive result is mainly due to the expansion of consolidated markets, which demonstrates the quality and competitiveness of Brazilian beef. "The exports growth in important markets shows the quality and competitiveness of Brazilian beef, as well as the confidence of international markets in our product," he says.

From January to November 2019, sales registered a volume of 1.673 million tonnes, a 12.33% increase over the same period in 2018. In revenues, there was a 12.6% growth, with a total of USD 6.748 billion. In November, exports totaled 179,948 tonnes, 13.8% increase in volume over the same month in 2018. In revenue, the month grew 36.7% and closed with USD 847.544 million.

Brazilian beef exports month by month in 2019



Source: Ministry of Economy / Secex / Abiec

MAIN IMPORTERS

The positive results were mainly driven by the growth in Chinese demand, which in 2019 was consolidated as the main destination of Brazilian beef, accounting for 24.5% of the total exported by the country. From January to November, exports to China totaled 410,444 tonnes, 39.5% increase over the same period in 2018. In revenue, there was a 59.75% growth, with a total of USD 2.171 billion.

Brazilian beef exports between January and November 2019 - main markets

COUNTRIES + UE	FOB – (USD) JAN 2018 – NOV 2018	FOB – (USD) JAN 2019 – NOV 2019	VAR. USD	TONNES JAN 2018 – NOV 2018	TONNES JAN 2019 – NOV 2019	VAR. TONNES
CHINA	1,359,170,653	2,171,339,963	59.75%	294,230	410,444	39.50%
HONG KONG	1,325,727,817	1,013,783,946	-23.53%	361,965	316,489	-12.56%
EGYPT	485,597,882	463,859,348	-4.48%	166,170	158,561	-4.58%
CHILE	423,684,241	390,040,563	-7.94%	103,543	101,716	-1.76%
EUROPEAN UNION	668,912,313	558,760,655	-16.47%	107,986	97,630	-9.59%
UNITED ARAB EMIRATES	104,718,730	246,203,972	135.11%	26,625	67,954	155.23%
RUSSIA	15,295,873	219,717,109	1,336.45%	3,524	65,954	1,765.88%
IRAN	308,882,168	214,079,230	-30.60%	78,903	60,416	-23.43%
SAUDI ARABIA	143,465,428	128,297,604	-10.57%	38,476	38,132	-0.89%
UNITED STATES	243,944,561	289,577,780	18.71%	29,761	35,473	19.9%
TURKEY	20,761,878	93,539,786	350.54%	5,518	26,104	373.04%

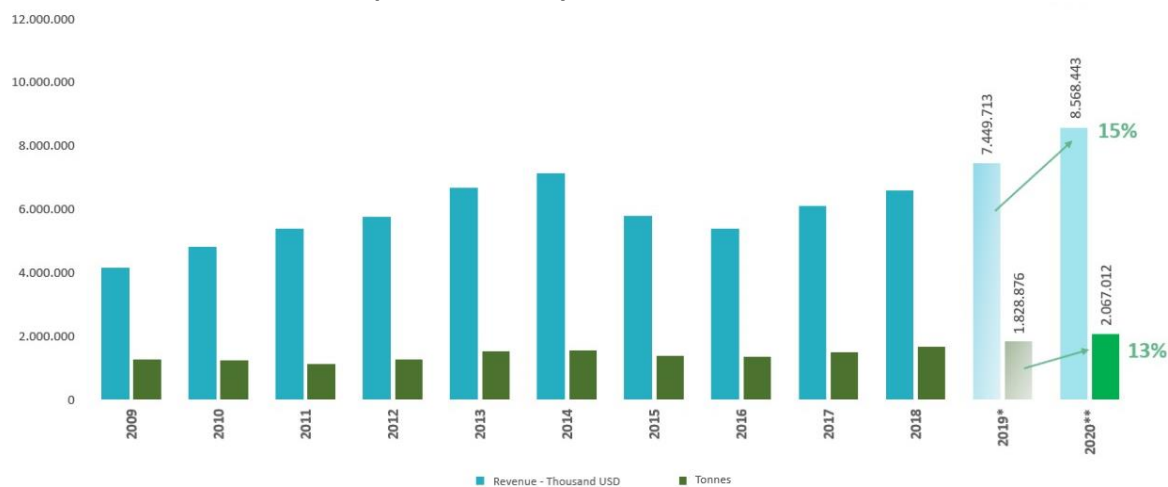
Source: Ministry of Economy / Secex / Abiec

2020 FORECAST

Com base nos resultados positivos registrados em 2019, as estimativas da entidade **é que o ritmo de crescimento se mantenha** em 2020, puxados pela possível habilitação de novas plantas para a China e abertura de novos mercados. Com isso, a expectativa é de que os volumes exportados cresçam **13%**, alcançando **2,067** milhões de toneladas. Em relação ao faturamento, a projeção é de um crescimento **15%**, com receita de US\$ **8,5** bilhões.

Based on the positive results registered in 2019, the entity estimates **that the pace of growth will continue** in 2020, driven by the possible qualification of new plants for China and opening of new markets. As a result, export volumes are expected to grow by **13%**, reaching **2.067** million tonnes. In terms of revenues, the projection is for **15%** growth, with revenues of USD **8.5** billion.

Brazilian beef exports in recent years and forecast for 2020.



Source: Ministry of Economy / Secex / Abiec - * estimate / ** forecast

SUMMARY OF BEEF EXPORTS IN 2019 (ESTIMATED)

- **REVENUE:** US\$ 7.449.713
- **TOTAL TONNES:** 1.828.876
- **EXPORTS:** 154 COUNTRIES
- **MAIN IMPORTERS:** CHINA, HONG KONG AND EGYPT

ABOUT ABIEC

Created in 1979, the Brazilian Beef Exporters Association (ABIEC) brings together 32 companies of the sector in Brazil, responsible for 92% of the meat traded for international markets. Its creation was a response to the need for a more active role in the beef export segment in Brazil, by defending the interests of the sector, increasing efforts to reduce trade barriers and promote domestic products. Currently, Brazil produces around 10 million tonnes of beef, approximately 20.8% are traded to dozens of countries around the world, following the most stringent quality standards. In the last decade, the country has registered a 135% growth in its exports.

ABOUT BRAZILIAN BEEF

Started in 2001, the Brazilian Beef project, a partnership between Apex-Brasil and ABIEC, aims to strengthen the image of Brazilian beef, improving the perception of its quality in importing countries and thus increasing the Brazilian share in the global beef market. In 18 years, nine projects have already been signed, with investments of over R\$ 60 million and export growth of more than 500%.

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